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IN THE SUPREME COURT OF THE STATE OF IDAHO

HAWKINS COMPANIES, LLC, an Idaho)
limited liability company; PACIFIC WEST)
COMMUNITIES, INC., an Idaho)
corporation; and FJ MANAGEMENT INC.,)
a Utah corporation,)

CASE NO. 51788-2024

Petitioners,)

**VERIFIED PETITION FOR
WRIT OF PROHIBITION AND
WRIT OF MANDATE**

vs.)

STATE OF IDAHO, acting by and through)
its DEPARTMENT OF)
ADMINISTRATION, acting as the statutory)
agent for the STATE OF IDAHO)
TRANSPORTATION DEPARTMENT; and)
the IDAHO STATE BOARD OF)
EXAMINERS,)

Defendants.)

INTRODUCTION

This Verified Petition for Writ of Prohibition and Writ of Mandate (this “Petition”) addresses an unconstitutional attempt by the Idaho Legislature to amend substantive law through appropriations bills. In particular, House Bill 726 (2024) (the “Administration Budget Bill”) and House Bill 770 (2024) (the “ITD Budget Bill”) (collectively, the “Budget Bills”) violate the unity of subject matter requirements of Article 3, Section 16 of the Idaho Constitution by purporting to

modify or amend previously enacted law in the form of Idaho Code 67-5709A (the “Surplus Statute”). Because the Budget Bills violate the constitutional test of unity of subject matter, the offending provisions of the Budget Bills should be declared void and ineffective and the requested writs should be issued.

This matter arises in connection with the Petitioners’ successful bid for the acquisition of the Idaho Transportation Department (“ITD”) campus on State Street in Boise, Idaho (the “ITD Campus”). The issue is urgent as the outcome of this Petition will likely impact the Fiscal Year 2025 budgets of both the ITD and the Idaho Department of Administration (“Dep’t of Administration”), which become effective July 1, 2024. In addition, the ITD Budget Bill includes an emergency clause giving immediate effect to Section 7, which states:

Section 7. STATE STREET PROPERTY. Notwithstanding any provision of law to the contrary, the authority of the Department of Administration to dispose of the state administrative facility and property at 3311 W State Street, Boise, Idaho 83703 **is revoked. Notwithstanding any provision of law to the contrary,** custody and control of the state administrative facility and property at 3311 W State Street, Boise, Idaho 83703 **shall be transferred back** to the Idaho Transportation Board. Of the amount appropriated in Section 1 of this act, \$32,500,000 shall be used for the purpose of rehabilitating the state administrative facility at 3311 W State Street, Boise, Idaho 83703. Funds designated under this section may be used only for the purpose identified in this section. This appropriation is contingent on custody and control of the state administrative facility and property at 3311 W State Street, Boise, Idaho 83703 returning to the Idaho Transportation Board.

(emphasis added). The Budget Bills place the Dep’t of Administration in between two competing legal requirements: either it will comply with the mandatory language of the Surplus Statute (which has not been amended or revoked) and complete the statutory sale of the ITD Campus, or the Department will comply with this “policy” language of the ITD Budget Bill and terminate the sale—“notwithstanding” the requirements of the Surplus Statute.

Petitioners, meanwhile, find themselves in the uncomfortable position of being caught between the Surplus Statute and the Idaho Legislature’s *ex post facto* attempts to veto the ITD Campus sale. Petitioners have relied on the clear language of the Surplus Statute and have expended significant sums in order to comply with the State’s deadlines and requirements. This constitutional question now stands in the way of completion of the ITD Campus sale. Given the gravity of the issues at stake and the urgent need for resolution, Petitioners are asking this Court to address these important constitutional questions.

STATEMENT OF JURISDICTION

1. The Idaho Supreme Court has “original jurisdiction to issue writs of mandamus, certiorari, prohibition, habeas corpus, and all writs necessary or proper to the complete exercise of its appellate jurisdiction.” Idaho Const., Art. V, Section 9; I.C. § 1-203. *See also* I.C. § 7-402.

2. Pursuant to the Idaho Appellate Rules, “[a]ny person may apply to the Supreme Court for the issuance of any extraordinary writ or other proceeding over which the Supreme Court has original jurisdiction.” I.A.R. 5(a). *See also Ybarra v. Legislature by Bedke*, 166 Idaho 902, 906, 466 P.3d 421, 425 (2020). The Supreme Court accepts original jurisdiction in matters where the “petition alleges sufficient facts concerning a possible constitutional violation of an urgent nature....” *Reclaim Idaho v. Denney*, 169 Idaho 406, 418, 497 P.3d 160, 172 (2021) (quoting *Sweeney v. Otter*, 119 Idaho 135, 138, 804 P.2d 308, 311 (1990)).

PARTIES

3. Petitioner Hawkins Companies, LLC is an Idaho limited liability company doing business in the state of Idaho. Petitioner Pacific West Communities, Inc. is an Idaho corporation doing business in the state of Idaho. Petitioner FJ Management Inc. is a Utah corporation registered and doing business in the state of Idaho.

4. Together, Petitioners were the high bidders in the Dep't of Administration's sale of the ITD Campus, which was processed in accordance with the Surplus Statute. The Budget Bills in question purport to terminate the Dep't of Administration's authority to proceed with such sale, despite clear language in the Surplus Statute to the contrary. Given Petitioners' status as high bidders, the constitutionality of the Budget Bills uniquely affects Petitioners and the issuance of the writs of prohibition and mandate requested herein would redress any injury to Petitioners. In the event of any question regarding Petitioners standing to bring the following claims, this matter involves a significant and distinct constitutional violation that no party otherwise would have standing to address.

5. The Legislature of Respondent State of Idaho has enacted the Budget Bills, certain sections of which violate the Idaho Constitution. Respondent Dep't of Administration is the agency of the State of Idaho responsible for administering the Surplus Statute. Respondent State Board of Examiners is responsible for the transfer of custody and control of the ITD Campus from ITD to the Dep't of Administration, in accordance with the Surplus Statute. By purporting to terminate the sale of the ITD Campus, the Budget Bills place requirements on each of the Respondents that directly contravene the Surplus Statute, which remains in effect.

GENERAL ALLEGATIONS

6. For several decades, ITD has owned and operated 44 acres of property located at 3311 West State Street, Boise, Idaho. The ITD Campus included ITD's long-time headquarters, commonly known as the Phil E. Batt Building (the "State Street Headquarters").

7. In recent years, the State of Idaho acquired and has been relocating various state agencies and offices to the former Hewlett Packard campus on W. Chinden Boulevard, also in Boise, Idaho (the "Chinden Campus").

8. The State Street Headquarters has been the subject of relocation discussions for more than ten years per Idaho Transportation Board records. This process was accelerated when, in January 3, 2022, the State Street Headquarters flooded as a result of a burst pipe, which damaged all three floors of the building and resulted in the necessary relocation all 300 people working in the building.

9. In March 2022 (shortly after the flood of the State Street Headquarters), the Idaho Legislature appropriated \$37,000,000.00 for improvements to the Chinden Campus, Building 3 with the intent of relocating ITD operations and employees. House Bill 779 (2022) contained the following language:

SECTION 9. CHINDEN CAMPUS IMPROVEMENTS. The Idaho Transportation Department's Boise headquarters will occupy space at the Chinden Campus as campus tenants. Notwithstanding any other provision of law to the contrary, the Department of Administration shall use a portion of the funding appropriated in Section 4 of this act for improvements at the Chinden Campus to prepare office space for occupancy by the Idaho Transportation Department as a replacement for the administrative building located at 3311 W. State 28 Street.

House Bill 779 (2022) Full Bill Information, *available at* <https://legislature.idaho.gov/wp-content/uploads/sessioninfo/2022/legislation/H0779.pdf> (last visited April 24, 2024).

10. Per the Surplus Resolution (defined below), in April 2022, the Idaho Transportation Board met and approved a plan to move the ITD operations to the Chinden Campus, which, upon information and belief, currently houses certain ITD operations and employees.

11. On August 5, 2022, the Idaho Transportation Board approved the surplus and sale of the ITD Campus in connection with the move of the ITD headquarters facility to the Chinden Campus, Building 3, which resolution states (in part):

“... WHEREAS, ITD has committed to relocating its Headquarters facilities to a renovated building 3 at the State of Idaho Chinden Campus...

“... WHEREAS, the Governor’s Office has expressed support for the Department’s vacating and surplusizing the State Street Campus via transmittal dated July 14, 2022, indicating that ‘upon ITD’s completion of a comprehensive facilities plan, the Governor’s Office will support ITD’s further use of all or a portion of the proceeds [of the sale of the State Street property] to replace or refurbish other ITD administrative facilities’

“NOW, THEREFORE BE IT RESOLVED that the Idaho Transportation Board hereby declares the ITD HQ campus located at 3311 State Street in Boise, along with its 44 acres and other improvements, to be surplus property for the purpose of allowing the Department of Administration to transfer the property to the Idaho State Board of Examiners in preparation of disposal of the property in accordance with law.”

A true and accurate copy of the August 5, 2022 Special Session of the Idaho Transportation Board, including Resolution #ITB22-52, is attached hereto as Exhibit A (the “Surplus Resolution”).

12. The Surplus Resolution initiated the process prescribed by the Surplus Statute for sale of surplus properties owned by the State of Idaho. The text of the Surplus Statute as found on the website of the Idaho Legislature is attached hereto as Exhibit B.

13. In accordance with the Surplus Statute and Surplus Resolution, upon information and belief ITD transferred custody of the ITD Campus to the State Board of Examiners for disposition through the Dep’t of Administration.

14. On August 17, 2022, the Dep’t of Administration notified state agencies that ITD had declared the ITD Campus surplus and invited agencies to identify a need for the ITD Campus, in accordance with the Surplus Statute. Upon information and belief, no response was provided.

15. Upon information and belief, in November 2022, the Dep’t of Administration issued a request for proposals for real estate brokerage services. In January 2023, a local broker – TOK – was awarded the contract to represent the State in connection with the statutory sale of the ITD Campus.

16. While the Dep't of Administration took steps to accomplish its duties under the Surplus Statute, the Idaho Legislature continued to fund both the move of ITD staff and operations to the Chinden Campus in order to prepare the ITD Campus for sale. In April 2023, Senate Bill 1197 appropriated \$15,000,100.00 to move the Idaho State Historical Society from the ITD Campus. See S.B. 1197 (2023) Full Bill Information, available at <https://legislature.idaho.gov/wp-content/uploads/sessioninfo/2023/legislation/S1197.pdf> (last accessed April 24, 2024). Also in April 2023, Senate Bill 1189 appropriated \$2,000,000.00 for design costs to relocate the ITD operations facility to the Chinden Campus, as well as an additional \$999,100.00 to fund lease costs for the Chinden Campus. See S.B. 1189 (2023) Full Bill Information, available at <https://legislature.idaho.gov/sessioninfo/2023/legislation/S1189/> (last accessed April 24, 2024) (see Statement of Purpose, Line Items 3 and 4 under "Transportation Services").

17. In May 2023, the Dep't of Administration opened a request for proposals for the acquisition of the ITD Campus (the "RFP").

18. The Dep't of Administration received nine proposals containing offers to purchase the surplus ITD Campus. The Dep't of Administration subsequently conducted three rounds of bids, resulting in Petitioners providing the high bid of \$51,750,000.00, which bid was, upon information and belief, more than \$13,000,000.00 above the appraised fair market value of the ITD Campus based on an appraisal commissioned by and delivered to the Dep't of Administration (the "Appraisal"). The Appraisal is dated September 30, 2022 and identified a value of \$38,620,000.00. A true and accurate copy of the Appraisal is attached as Exhibit C. A true and accurate copy of the September 25, 2023 letter awarding the RFP to Petitioners is attached as Exhibit D.

19. Petitioners and the Dep't of Administration subsequently negotiated a purchase and sale agreement for the ITD Campus (the "Purchase Agreement"). The Dep't of Administration requested additional consideration in the draft Purchase Agreement beyond what was identified in the Dep't of Administration's request for proposals and what Petitioners had offered in their winning bid, including six additional months of free rent for the ITD Campus, concluding in July 2026, which would allow ITD's remaining employees currently using the ITD Campus to continue to do so while facilities at the Chinden Campus were being designed and constructed. Petitioners agreed to these requests and offered additional concessions, including the ability for ITD to lease back the current asphalt testing facility on the ITD Campus (the "Testing Facility") for an additional three years after the closing date in the Purchase Agreement. Petitioners even went as far as to modify and phase their proposed development plans to accommodate the potential for this future temporary lease back of the Testing Facility to ITD.

20. Despite Petitioners' concessions, the negotiation was protracted. Ultimately, Petitioners and the Dep't of Administration arrived at a mutually agreeable form of Purchase Agreement that was ready for execution by all parties. Petitioners signed and delivered a copy of the Purchase Agreement to the Dep't of Administration on March 21, 2024. A true and accurate copy of the Purchase Agreement signed by Petitioners is attached as Exhibit E.

21. Upon information and belief, the Dep't of Administration has not yet signed the Purchase Agreement despite having negotiated and agreed to the terms of the Purchase Agreement. Petitioners have expended significant sums in reliance on this statutory process and in order to ready to satisfy the timing requirements identified by the State in connection with the Purchase Agreement.

22. In the meantime, certain members of the Idaho Legislature publicly declared their intention to interfere with the proposed sale of the ITD Campus. *See, e.g., “ ‘It’s a Bad Idea’: Legislation Aims to Disrupt Sale of Old ITD Campus”, available at <https://boisedev.com/news/2024/01/24/itd-campus-sale-bill/>* (last accessed April 24, 2024).

23. An attempt to repeal the Surplus Statute was put forward in the form of House Bill 409 (2024); however, House Bill 409 failed to pass the Idaho Senate—even if it had passed, it did not include retroactivity language required to affect the application of the Surplus Statute to the already approved (pursuant to the Surplus Resolution) sale of the ITD Campus. *See H.B. 409 (2024) Full Bill Information”, available at <https://legislature.idaho.gov/sessioninfo/2024/legislation/h0409/>* (last accessed April 24, 2024).

24. Those legislators desiring to interfere with the statutory sale of the ITD Campus then turned to a new tactic. Rather than amending Idaho Code directly, these legislators instead attempted to use intent language included in the *appropriations* bill funding the Dep’t of Administration: House Bill 726 (2024) or the “Administration Budget Bill,” a true and accurate copy of which is attached as Exhibit F.

25. The Administration Budget Bill includes the following language regarding the sale of the ITD Campus:

Section 4. DISPOSAL OF PROPERTY. Notwithstanding any other provision of law to the contrary, the authority of the Department of Administration to dispose of the state administrative facility and property at 3311 W State Street, Boise, Idaho, 83703 is revoked. **Notwithstanding any other provision of law to the contrary,** custody and control of the state administrative facility and property at 3311 W State Street, Boise, Idaho, 83703 shall be transferred to the Idaho Transportation Board.

(emphasis added). The Administration Budget Bill failed in the Idaho House on March 22, 2024; however, it was brought back to the House floor via motion to reconsider and was eventually

passed. It was ultimately passed by the Senate on the last day of the session, April 3, 2024. *See* Official Website of the Idaho Legislature, “House Bill 726 Full Bill Information”, *available at* <https://legislature.idaho.gov/sessioninfo/2024/legislation/H0726/> (last accessed April 22, 2024).

26. Those legislators wishing to interfere with the sale of the ITD Campus also attempted to do so in the form of intent language in another *appropriations* bill—this time in the appropriation for the Department of Transportation: House Bill 770 (2024) or the ITD Budget Bill. A true and accurate copy of the ITD Budget Bill is attached as Exhibit G.

27. The ITD Budget Bill includes the following language regarding the sale of the ITD Campus:

Section 7. STATE STREET PROPERTY. Notwithstanding any provision of law to the contrary, the authority of the Department of Administration to dispose of the state administrative facility and property at 3311 W State Street, Boise, Idaho 83703 is revoked. **Notwithstanding any provision of law to the contrary**, custody and control of the state administrative facility and property at 3311 W State Street, Boise, Idaho 83703 shall be transferred back to the Idaho Transportation Board. Of the amount appropriated in Section 1 of this act, \$32,500,000 shall be used for the purpose of rehabilitating the state administrative facility at 3311 W State Street, Boise, Idaho 83703. Funds designated under this section may be used only for the purpose identified in this section. This appropriation is contingent on custody and control of the state administrative facility and property at 3311 W State Street, Boise, Idaho 83703 returning to the Idaho Transportation Board.

(emphasis added). A version of the ITD Budget Bill incorporating this intent language was first introduced as House Bill 723 (2024) on March 19, 2024; however, it was rejected by the Senate on March 28, 2024. *See* Official Website of the Idaho Legislature, “House Bill 723 Full Bill Information,” *available at* <https://legislature.idaho.gov/sessioninfo/2024/legislation/h0723/> (last accessed April 24, 2024). A mirror version (including a mere \$100 reduction in the ITD appropriation) was sent back to the Senate floor but was found to be in violation of Senate Rules and the Lieutenant Governor concluded that the bill was not in order to be heard by the Senate. Ultimately, the ITD Budget Bill was introduced (with a new bill number and a \$200 reduction in

the ITD appropriation) and rushed through the Idaho House and Senate on the final day of the 2024 Session, April 3, 2024. *See* Official Website of the Idaho Legislature, “House Bill 770 Full Bill Information”, *available at* <https://legislature.idaho.gov/sessioninfo/2024/legislation/H0770/> (last accessed April 24, 2024).

28. Governor Little did not sign the Administration Budget Bill or the ITD Budget Bill; however, Governor Little permitted each to go into law without veto on April 10, 2024. Governor Little’s letter to the Speaker of the House included the following comments:

However, I did not sign these bills because **the intent language unwinds statutory policy language** about how the state handles surplus properties and it increases overhead for office space needs around the state. In addition, it unfairly cancels an agreed upon sales process, causing future reputational risk for the State of Idaho.

(emphasis added). *See* Letter from Governor Brad Little to Speaker Mike Moyle dated April 10, 2024, *available at* https://gov.idaho.gov/wp-content/uploads/2024/04/transmittal_h-770-726_2024.pdf (last accessed April 22, 2024), copy attached as Exhibit H.

CLAIMS FOR RELIEF

29. Petitioners hereby re-allege and incorporate the allegations set forth in Paragraphs 1 through 28 of this Petition.

30. The Surplus Statute has not been amended or repealed as of the date hereof and remains in full force and effect.

31. The Surplus Statute states, *inter alia*, that once a “state agency declares that a state administrative facility is not needed or is unsuitable for its purposes, custody and control shall be transferred to the state board of examiners, which shall immediately transfer authority for the disposition of the property to the department of administration....” After notifying other state agencies of the opportunity to use such surplus property, “[i]f no state agency or institution is

interested, the department shall obtain an appraisal and commence procedures to sell the property for the highest price possible.”

32. The language of the Surplus Statute is mandatory. Once a state agency has declared property to be surplus, the property “shall be transferred to the state board of examiners.” Thereafter, the state board of examiners “shall immediately transfer” the property to the Dep’t of Administration and, if no agency is interested, the Dep’t of Administration “shall obtain an appraisal and commence procedures to sell the property for the highest price possible.” I.C. § 67-5709A (emphasis added).

33. There is, in other words, an obligation on the part of the Dep’t of Administration to complete the sale for the highest price possible after declaration of surplus by ITD, which occurred on August 5, 2022, pursuant to the Surplus Resolution. The Surplus Statute does not provide for any exceptions once the process has begun with a declaration of surplus.

34. Upon information and belief, the Dep’t of Administration is not proceeding to conclude the sale of the ITD Campus as a result of the Budget Bills.

35. The Budget Bills are *appropriations* bills. They arise as a result of recommendations issued by the Joint Finance and Appropriations Committee of the Idaho legislature (“JFAC”). As JFAC-originated appropriations bills, neither of the Budget Bills was assigned to a standing committee of either the House or Senate and neither received an opportunity for public testimony or comment; instead, as *appropriations* bills, both went directly to the floor of the House and the Senate. *See, supra*, Paras. 24 and 26.

36. Article 3, Section 16 of the Idaho Constitution states that, “Every act shall embrace but one subject and matters properly connected therewith, which subject shall be expressed in the title; but if any subject shall be embraced in an act which shall not be expressed in the title, such

act shall be void only as to so much thereof as shall not be embraced in the title.” This requirement is sometimes referred to as “Unity of Subject Matter.”

37. Unity of Subject Matter has been interpreted by the Idaho Supreme Court as meaning that an appropriations act cannot amend a statute setting forth general law. *See, e.g., Hailey v. Huston*, 25 Idaho 165 (1913).

38. Unity of Subject Matter requirements are common in many states’ constitutions and several other states have, like Idaho, determined that appropriations bills cannot be used to amend general law. *See, e.g., Flanders v. Morris*, 88 Wash.2d 183, 558 P.2d 769 (Wa. 1977) (interpreting a nearly identical constitutional requirement and concluding: “We realize that in certain instances the legislature must place conditions and limitations on the expenditures of monies... but to the extent that such conditions or limitations have the effect of modifying or amending the general law they are unconstitutional enactments.”). *See also Strake v. Court of Appeals for First Supreme Judicial Dist. of Texas*, 704 S.W.2d 746 (Tex. 1986); *State ex rel. Hueller v. Thompson*, 289 S.W. 338, 340-341 (Mo. 1926) (interpreting a nearly identical constitutional provision and holding: “... the sole purpose [of an appropriation bill] is to set aside money for specified purposes... [I]f the practice of incorporating legislation of a general character in an appropriation bill should be allowed, then all sorts of ill conceived, questionable, if not vicious, legislation could be proposed with the threat, too, that if not assented to and passed, the appropriations would be defeated.”).

39. The Administration Budget Bill and the ITD Budget Bill each contain the following language in Sections 4 and 7, respectively: “Notwithstanding any other provision of law to the contrary, the authority of the Department of Administration to dispose of the state administrative facility and property at 3311 W State Street, Boise, Idaho, 83703 is revoked.” (emphasis added).

40. This direction violates the Surplus Statute as no general law has passed that would revoke the statutory authority of the Department of Administration pursuant to the Surplus Statute. The use of the words “notwithstanding” and “revoked” in both Budget Bills acknowledges this inconsistent authority.

41. Section 4 of Administration Budget Bill and Section 7 of ITD Budget Bill (collectively, the “Offending Provisions”) also each require that custody and control of the ITD Campus be returned to ITD, stating: “Notwithstanding any provision of law to the contrary, custody and control of the state administrative facility and property at 3311 W State Street, Boise, Idaho 83703 shall be transferred back to the Idaho Transportation board.” (emphasis added).

42. This direction also violates the Surplus Statute. Once the Surplus Resolution was issued, “custody and control” of the ITD Campus is to be transferred to the state board of examiners and then to the Dep’t of Administration. There is no process in the Surplus Statute by which custody and control of the ITD Campus may be returned to ITD. Use of the word “notwithstanding” acknowledges this inconsistent authority.

43. These requirements each constitute an explicit or implicit repeal or amendment of the Surplus Statute, as they require the Dep’t of Administration to contravene its clear obligations under the Surplus Statute pursuant to the Surplus Resolution by stopping the statutory process of sale of the ITD Campus and returning custody of the ITD Campus to ITD.

44. To the extent that the Offending Provisions attempt to repeal or amend the Surplus Statute, they violate the Idaho Constitution’s requirement of Unity of Subject Matter pursuant to long-standing Idaho authority on the matter, including *Hailey v. Huston*, 25 Idaho 165 (1913).

45. The Offending Provisions interfere (and were drafted with the *explicit intent* to interfere) with the sale of the ITD Campus and to prevent execution of the Purchase Agreement.

46. Petitioners are directly and uniquely affected given Petitioners' status as the high bidder in connection with the statutory sale of the ITD Campus, which the Offending Provisions of the Budget Bills attempt to cancel and rescind.

47. Section 7 of the ITD Budget Bill is the subject of an emergency clause and is therefore now in full force and effect and the remaining provisions of the Budget Bills will go into effect on July 1, 2024. Immediate resolution of the constitutionality of the Budget Bills is critical in order to ensure ongoing funding of ITD and the Dep't of Administration.

PRAYER FOR RELIEF

Petitioners respectfully request that this Court grant the following relief as soon as possible given the emergency clause contained in Section 7 of the ITD Budget and the July 1, 2024 effective date for the remainder of the Budget Bills:

(a) Declare that the Offending Provisions violate the Idaho Constitution's requirement of Unity of Subject Matter and that either: (i) the Offending Provisions are severed and deemed invalid,¹ or (ii) the Budget Bills are invalid in their entirety;

(b) In accordance with Idaho Appellate Rule 5(d), issue a preemptory or alternative writ of prohibition² forbidding the Dep't of Administration, the Board of Examiners, and ITD from giving effect to the Offending Provisions or, in the alternative, the Budget Bills in their entirety;

¹ In accordance with Article 3, Section 16 of the Idaho Constitution, "... such act shall be void only as to so much thereof..." as is inconsistent with the unity of subject matter requirement. Accordingly, Petitioners believe severability is anticipated by the Idaho Constitution in this case.

² Idaho Code Title 7, Chapters 3 and 4; Idaho Rule of Civil 17, made applicable to these proceedings pursuant to Idaho Appellate Rule 48.

(c) In accordance with Idaho Appellate Rule 5(d), issue a preemptory or alternative writ of mandate requiring the Dep't of Administration to conclude the sale of the ITD Campus pursuant to the Surplus Statute;

(d) Award to Petitioners their reasonable costs; and

(e) Award such other and further relief as this Court shall deem just and reasonable.

DATED this 25th day of April, 2024.

CLARK WARDLE LLP

By: /s/ T. Hethe Clark
T. Hethe Clark
Attorneys for Plaintiff

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 25th day of April 2024, I caused a true and correct copy of the above to be served upon the following individuals in the manner indicated below:

Idaho Attorney General
700 W Jefferson Street, Suite 210
Boise, ID 83720

U.S. Mail
 Hand-Delivery
 Federal Express
 Facsimile
 iCourt efile/serve:
AGLabrador@ag.idaho.gov

/s/ T. Hethe Clark
T. Hethe Clark

VERIFICATION

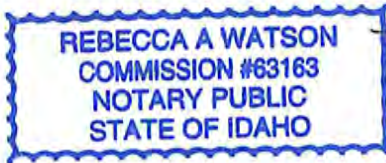
STATE OF IDAHO)
) ss.
County of Ada)


COMES NOW, Brian Huffaker, being first duly sworn under oath, and deposes and says: That he is the CEO of Hawkins Companies, LLC in the above-entitled action; that he has read the above and foregoing Verified Petition; that he knows of the contents thereof; and that the facts stated therein are true to the best of his knowledge and belief.



Brian Huffaker, CEO
Hawkins Companies, LLC

SUBSCRIBED AND SWORN to before me this 25th day of April, 2024.





Notary Public for the State of Idaho
Residing at: Bose ID
My Commission Expires: 02/27/2026

EXHIBIT A

Surplus Resolution

SPECIAL SESSION OF THE IDAHO TRANSPORTATION BOARD

August 5, 2022

Idaho Transportation Board Chairman Bill Moad called a special session of the Idaho Transportation Board at 9:36 AM on Friday, August 5, 2022. The following principals were present at the Idaho Transportation Department Chinden Campus in Boise, Idaho:

Bill Moad, Chairman
Scott Stokes, Director
Dan McElhinney, Chief Deputy/Chief Operations Officer
Tim Thomas, Lead Deputy Attorney General
Lorraine Dennis, Executive Assistant to the Board

The following participated remotely:

James R. Thompson, Member – District 1
Gary Osborn, Member – District 2
Julie DeLorenzo, Member – District 3
Jim Kempton, Member – District 4
Dwight Horsch, Vice Chair – District 5
Bob Hoff, Member – District 6

Chairman Moad called the meeting to order. All board members were present via roll call vote.

ITD Headquarters at State Street – Declare Surplus. Director Stokes reported on ITD's request to declare the Headquarters State Street building surplus. The building that was dedicated in 1961 has been the topic of relocation for the past 10-years. The January flood accelerated the process in finding a different headquarters building. In April 2022, the Board approved ITD to move the headquarters facility to the Idaho Chinden Campus, Building 3. The design process is going well as reported to the Board last month.

Director Stokes stated the Boise real estate market is favorable right now. By declaring the building surplus, the Department of Administration will start the disposal process. Staff will advance options as they become available for the other campus facilities such as the materials lab, print shop and motor pool.

Director Stokes read the proposed resolution.

Member DeLorenzo commented that a lot of effort has gone into this decision and recognized there are better and more efficient buildings for ITD to work.

Member DeLorenzo made a motion seconded by Member Kempton and passed unanimously by roll call vote, to approve the following resolution:

RES. NO. WHEREAS, the ITD campus on State Street in Boise consists of over 44 acres of
ITB22-52 property close to downtown; and

August 5, 2022

WHEREAS, the January 3, 2022 flood event has rendered the largest building on campus uninhabitable and would require extensive renovation to reoccupy; and

WHEREAS, there is currently market conditions that make timing of a sale as soon as possible more advantageous to the ITD; and

WHEREAS, ITD has committed to relocating its Headquarters facilities to a renovated building 3 at the State of Idaho Chinden Campus; and

WHEREAS, the intent language from Idaho Code Section 67-5709A was enacted in 2000 with the express legislative intent to “either replace the facility sold, refurbish other facilities occupied by the agency or used for other state-owned building purposes in the most cost-effective manner possible.” The Statement of Purpose further stated that “[a]n agency that has an administrative facility that is sold has the first option to use the funds to replace or refurbish its facility(s)”; and

WHEREAS, proceeds from the sale of the ITD State Street Campus would be essential to the Board for other major facility needs within ITD, including but not limited to, a new District 4 Headquarter facility subject to legislative appropriation; and

WHEREAS, the Governor’s Office has expressed support for the Department’s vacating and surplusizing the State Street Campus via transmittal dated July 14, 2022, indicating that “upon ITD’s completion of a comprehensive facilities plan, the Governor’s Office will support ITD’s further use of all or a portion of the proceeds [of the sale of the State Street property] to replace or refurbish other ITD administrative facilities”; and

NOW, THEREFORE BE IT RESOLVED that the Idaho Transportation Board hereby declares the ITD HQ campus located at 3311 State Street in Boise, along with its 44 acres and other improvements, to be surplus property for the purpose of allowing the Department of Administration to transfer the property to the Idaho State Board of Examiners in preparation of disposal of the property in accordance with law.

WHEREUPON, the Idaho Transportation Board’s special session adjourned at 9:46 AM.

Signed
WILLIAM H. MOAD, Chairman
Idaho Transportation Board

Read and Approved
September 22, 2022
Boise, Idaho

August 5, 2022

EXHIBIT B

Surplus Statute

4/22/24, 1:42 PM

Section 67-5709A – Idaho State Legislature



Idaho Statutes

Idaho Statutes are updated to the website July 1 following the legislative session.

TITLE 67
STATE GOVERNMENT AND STATE AFFAIRS
CHAPTER 57
DEPARTMENT OF ADMINISTRATION

67-5709A. SALE, TRANSFER OR DISPOSITION OF STATE ADMINISTRATIVE FACILITIES. The provisions of sections 58-331 through 58-335, Idaho Code, shall not apply to state administrative facilities in the custody, or control of the state of Idaho. When a state agency declares that a state administrative facility is not needed or is unsuitable for its purposes, custody and control shall be transferred to the state board of examiners, which shall immediately transfer authority for the disposition of the property to the department of administration which shall send a notice to all state agencies and institutions that the property is available for other state use. Any state agency interested in leasing or buying the property shall notify the department of administration within the time the department specifies.

If no state agency or institution is interested, the department shall obtain an appraisal and commence procedures to sell the property for the highest price possible. All proceeds from the sale or lease of administrative facilities acquired by the department of administration pursuant to this section, other than proceeds required by law to be deposited in a special fund, less the department of administration's cost of selling or leasing, shall be deposited into the permanent building fund for the purpose of holding such proceeds. Such proceeds in the permanent building fund acquired pursuant to this section may be expended pursuant to appropriation.

As used in this section, "state administrative facility" shall mean any real property and improvements, including administrative office buildings, structures and parking lots, used by any state agency to assist it in its operation as a state agency. State administrative facilities shall not include the real property or improvements owned or occupied by a state agency where such ownership, operation or occupying is a function of the agency's purpose, such as real property and improvements, other than the administrative office buildings, structures and parking lots described above, under the jurisdiction and control of the Idaho transportation department, the department of fish and game, the department of parks and recreation and the department of lands.

History:

[67-5709A, added 2000, ch. 300, sec. 1, p. 1031.]

How current is this law?

EXHIBIT C

Appraisal



Valbridge
PROPERTY ADVISORS

Appraisal Report

Idaho Department of Transportation Campus
3311 W. State Street
Boise, Ada County, Idaho 83703

Report Date: September 30, 2022



FOR:

Idaho Department of Administration
c/o Mr. Keith Reynolds, Director
502 N. 4th Street
Boise, Idaho 83702

**Valbridge Property Advisors |
Mountain States**

1459 Tyrell Lane, Suite B
Boise, ID 83706
208-336-1097 phone
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valbridge.com

Valbridge File Number:
ID02-22-0148-000



Joe Corlett, MAI, SRA
Moe Therrien, MAI
Kevin Ritter, MAI
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Dave Pascua
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September 30, 2022

Idaho Department of Administration
c/o Mr. Keith Reynolds, Director
502 N. 4th Street
Boise, Idaho 83702

RE: Appraisal Report
Idaho Department of Transportation Campus
3311 W. State Street
Boise, Ada County, Idaho 83703

Dear Mr. Reynolds,

In accordance with your request, we have performed an appraisal of the above referenced property. This appraisal report sets forth the pertinent data gathered, the techniques employed, and the reasoning leading to our value opinions. This letter of transmittal does not constitute an appraisal report and the rationale behind the value opinion(s) reported cannot be adequately understood without the accompanying appraisal report.

The subject of this appraisal is a 44.565-acre site improved with a 3-story office building and several storage, shop, and flex buildings. The property has historically been operating as the headquarters for the Idaho Department of Transportation. The gross building area is 240,615 square feet resulting in a land-to-building ratio of 8.07:1. Surplus land is present. The improvements were constructed between 1951 and 1999. Construction quality is rated fair to average overall. The improvements are in fair to average condition. It is noted, the main office building (101,331 SF) is unoccupied. On January 2, 2022, multiple HVAC pipes froze and failed in the penthouse mechanical room causing significant flooding to portions of all levels of the building. The flooding exposed the sprayed-on fireproofing material which has known asbestos present. The asbestos would need to be remediated as a part of a renovation to the building to cure the water damage. The estimated cost to renovate the building is significant. Based on the valuation presented herein, the improvements are noncontributory to value. The value is in the underlying land.

The majority of the site is zoned A-1 (Open Lands, Parks District). A small portion is zoned C-2 (General Commercial District). The site is designated as MU (Mixed-Use) in the Boise City Comprehensive Plan. The mixed-use designation is intended for a mix of retail, office, commercial, and high-density residential uses. The subject has a very good north Boise location prime for near-term redevelopment. The subject benefits from its desirable north Boise location, arterial street exposure, and proximity to the Boise River, Whitewater Park, Esther Simplot Park, and downtown Boise. During the past decade, the immediate neighborhood has been in the stage of revitalization with properties along the Boise River being redeveloped with higher-density residential uses and complimentary commercial uses. Based on the subject's location, physical characteristics, and development trend in the immediate neighborhood, highest and best use is for some form of mixed-use development.

The appraisal problem is to develop an opinion of Market Value: As Is. The client in this assignment is Idaho Department of Administration. The intended use is to document market value for asset valuation and/or potential disposition purposes. The intended users of this report include the client and any duly appointed representatives of the client, specifically authorized by the client to view or use this appraisal in accordance with the stated purpose or function. There are no other intended uses or users of this report.

The subject was appraised using generally accepted principles and theory. We developed our analyses, opinions, and conclusions and prepared this report in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Interagency Appraisal and Evaluation Guidelines; the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute; and the requirements of our client as we understand them. The report is presented in Appraisal Report format and complies with the requirements set forth under Standards Rule 2-2(a) of USPAP. It presents a narrative discussion of the pertinent data gathered, the techniques employed, and the reasoning leading to our value opinions.

The acceptance of this appraisal assignment and the completion of the appraisal report submitted herewith are subject to the General Assumptions and Limiting Conditions contained in the report. The findings and conclusions are further contingent upon the following extraordinary assumptions and/or hypothetical conditions which might have affected the assignment results:

Extraordinary Assumptions

- David Aparicio of Ideal Demolition Services, LLC provided a cost estimate for the demolition of the improvements. The cost is estimated at \$2,800,000. The cost includes consideration for the asbestos removal. The estimate is included in the Addenda section. This appraisal is subject to the extraordinary assumption that the actual cost to raze the improvements is reasonably similar to the estimated cost of \$2,800,000.

If this extraordinary assumption is later proven to be false, the value conclusion(s) reported herein could be rendered invalid, and further valuation analysis would be warranted.

Hypothetical Conditions

- None

Value Conclusions

Based on the analysis contained in the following report, our market value conclusions are summarized as follows:

Value Conclusions

Component	As Is
Value Type	Market Value
Property Rights Appraised	Fee Simple
Effective Date of Value	September 9, 2022
Value Conclusion	\$38,620,000
	\$19.89 psf

Respectfully submitted,
Valbridge Property Advisors | Mountain States



Jeff Vance, MAI
Senior Appraiser
Idaho, Certification # CGA-2828
Certificate Expires 04/18/2023



G. Joseph Corlett, MAI, SRA
Senior Managing Director
Idaho, Certification # CGA-7
Certificate Expires 03/11/2023

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Summary of Salient Facts

Property Identification

Client Identification	Idaho Department of Administration
Property Name	Idaho Transportation Department Campus
Property Address	3311 W. State Street Boise, Ada County, Idaho 83703
Tax Parcel Number(s)	R3786000159
Latitude & Longitude	(Lat: 43.6350918, Lon: -116.2328115)
Property Owner	Idaho Transportation Department General Services

Site

Zoning	A-1; Open Lands, Parks District C-2; General Commercial District
Boise Comprehensive Plan Land Use	MU; Mixed-Use
FEMA Flood Map No.	16001C0188J
Flood Zone	X, X500, and AE
Gross Land Area	44.565 acres; ±1,941,251 square feet
Usable Land Area	44.565 acres; ±1,941,251 square feet

Improvements

Improvements	Older improvements noncontributory to value
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Valuation Opinions & Dates

Highest & Best Use - As Vacant/As Though Vacant	Mixed-use
Highest & Best Use - As Improved	Raze improvements for mixed-use development
Reasonable Exposure Time	6-12 months
Reasonable Marketing Time	6-12 months
Date of Inspection	September 9, 2022
Date of Value	September 9, 2022
Date of Report	September 30, 2022

Value Indications & Conclusions

Valuation - Market Value: As If Vacant	
Cost Approach	Not developed
Income Capitalization Approach	Not developed
Sales Comparison Approach	\$42,710,000
Development Approach	\$40,630,000
Conclusion - Market Value: As If Vacant	\$42,000,000
Less: Cost to raze improvements and Idaho Power payments	<u>(\$3,380,000)</u>
Conclusion - Market Value: As Is	\$38,620,000

Aerial and Site Views

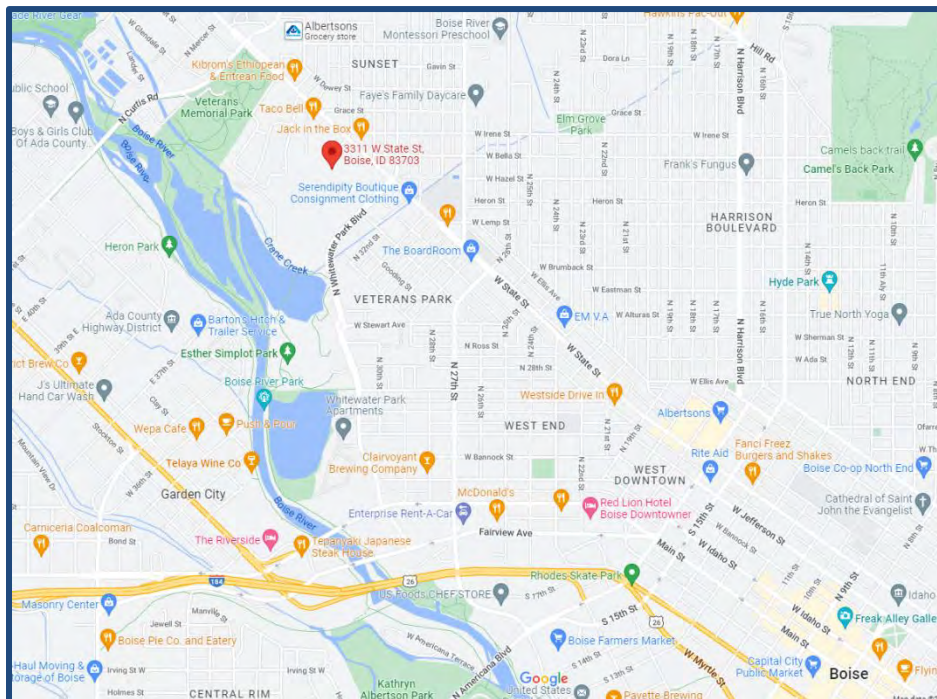
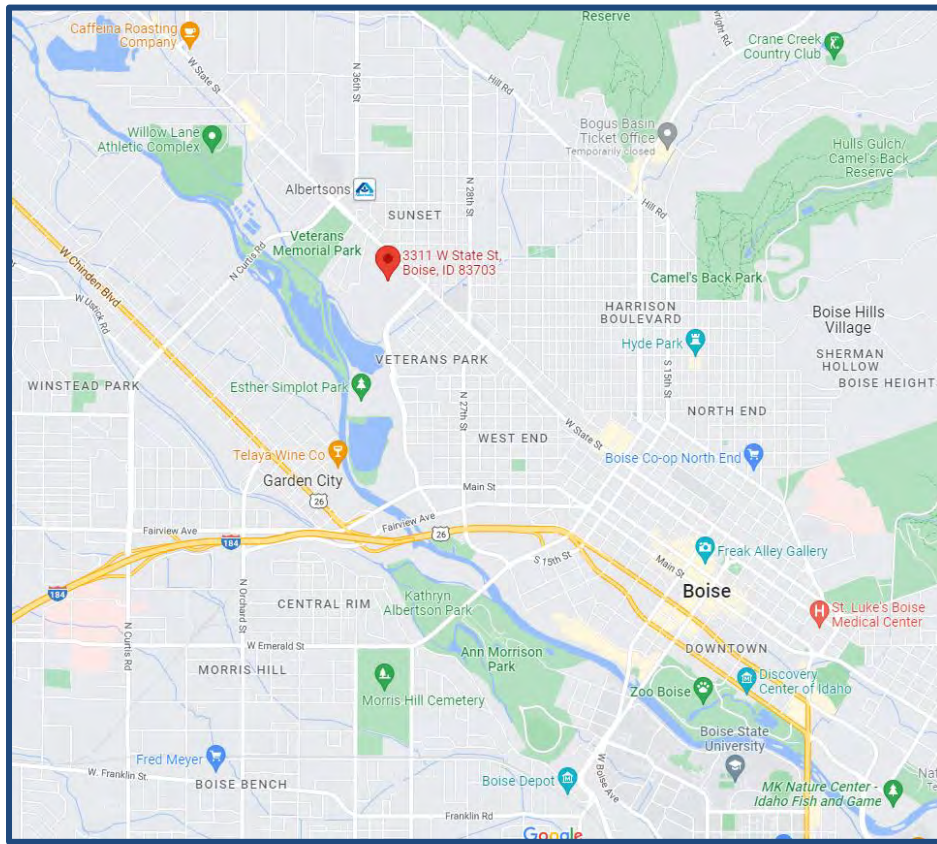
AERIAL VIEW



SITE VIEW



Location Maps



Introduction

Client and Intended Users of the Appraisal

The client in this assignment is Idaho Department of Administration. The intended users of this report include the client and any duly appointed representatives of the client, specifically authorized by the client to view or use this appraisal in accordance with the stated purpose or function. There are no other intended users.

Intended Use of the Appraisal

The intended use is to document market value for asset valuation and/or potential disposition purposes. There are no other intended uses of this report.

Real Estate Identification

The subject property is located at 3311 W. State Street, Boise, Ada County, Idaho 83703. The Ada County Assessor further identifies the subject as Assessor Parcel Number R3786000159. The property is located within the incorporated city limits of Boise.

Legal Description

The subject site is legally described as:

Parcel No. R3786000159 of Hubbell Home Addition, Eastman Tract, and Cithero Subdivision, Record of Survey No. 6945, I.T.D parcel excluding R/W, Boise, Ada County, Idaho

Use of Real Estate as of the Effective Date of Value

The subject of this appraisal is a 44.565-acre site improved with a 3-story office building and several storage, shop, and flex buildings. The property has historically been operating as the headquarters for the Idaho Department of Transportation. The gross building area is 240,615 square feet resulting in a land-to-building ratio of 8.07:1. Surplus land is present. The improvements were constructed between 1951 and 1999. Construction quality is rated fair to average overall. The improvements are in fair to average condition. It is noted, the main office building (101,331 SF) is unoccupied. On January 2, 2022, multiple HVAC pipes froze and failed in the penthouse mechanical room causing significant flooding to portions of all levels of the building. The flooding exposed the sprayed-on fireproofing material which has known asbestos present. The asbestos would need to be remediated as a part of a renovation to the building to cure the water damage. The estimated cost to renovate the building is significant. Based on the valuation presented herein, the improvements are noncontributory to value. The value is in the underlying land.

The majority of the site is zoned A-1 (Open Lands, Parks District). A small portion is zoned C-2 (General Commercial District). The site is designated as MU (Mixed-Use) in the Boise City Comprehensive Plan. The mixed-use designation is intended for a mix of retail, office, commercial, and high-density residential uses. The subject has a very good north Boise location prime for near-term redevelopment. The subject benefits from its desirable north Boise location, arterial street exposure, and proximity to the Boise River, Whitewater Park, Esther Simplot Park, and downtown Boise. During the past decade, the immediate neighborhood has been in the stage of revitalization with properties along the Boise River being redeveloped with higher-density residential uses and complimentary commercial uses. Based on the subject's location, physical characteristics, and development trend in the immediate neighborhood, highest and best use is for some form of mixed-use development.

Use of Real Estate as Reflected in this Appraisal

Same as above.

Ownership of the Property

Title to the subject property is vested in the Idaho Department of Administration.

History of the Property

The Idaho Department of Administration has owned the subject property for well over three years.

Listings/Offers/Contracts

The subject property is not listed for sale nor is it under contract for purchase. We are unaware of any recent purchase offers made on the property.

Type and Definition of Value

The appraisal problem (the term "Purpose of Appraisal" has been retired from appraisal terminology) is to develop an opinion of the market value of the subject property. "Market Value," as used in this appraisal, is defined as "the most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- *Buyer and seller are typically motivated.*
- *Both parties are well informed or well advised, each acting in what they consider their own best interests;*
- *A reasonable time is allowed for exposure in the open market;*
- *Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and*
- *The price represents the normal consideration for the property sold unaffected by special or creative financing or sale concessions granted by anyone associated with the sale."*

(Source: 12 C.F.R. Part 34.42(g); 55 Federal Register 34696, August 24, 1990, as amended at 57 Federal Register 12202, April 9, 1992; 59 Federal Register 29499, June 7, 1994. Also Interagency Appraisal and Evaluation Guidelines as referenced on Page 77472 of the Federal Register/Vol. 75, No. 237/Friday December 10, 2010/Notices)

Please refer to the Glossary in the Addenda section for additional definitions of terms used in this report.

Valuation Scenarios, Property Rights Appraised, and Effective Dates of Value

Per the scope of our assignment, we developed opinions of value for the subject property under the following scenarios of value:

Valuation Scenario	Property Rights Appraised	Effective Date of Value
Market Value: As If Vacant	Fee Simple	September 9, 2022
Market Value: As Is	Fee Simple	September 9, 2022

The date of value coincides with the date of the property inspection.

Date of Report

The date of this report is September 30, 2022, which is the same as the date of the letter of transmittal.

List of Items Requested but Not Provided

None

Assumptions and Conditions of the Appraisal

The acceptance of this appraisal assignment and the completion of the appraisal report submitted herewith are subject to the General Assumptions and Limiting Conditions contained in the report. The findings and conclusions are further contingent upon the following extraordinary assumptions and/or hypothetical conditions which might have affected the assignment results:

Extraordinary Assumptions

David Aparicio of Ideal Demolition Services, LLC provided a cost estimate for the demolition of the improvements. The cost is estimated at \$2,800,000. The cost includes consideration for the asbestos removal. The estimate is included in the Addenda section. This appraisal is subject to the extraordinary assumption that the actual cost to raze the improvements is reasonably similar to the estimated cost of \$2,800,000.

If this extraordinary assumption is later proven to be false, the value conclusion(s) reported herein could be rendered invalid, and further valuation analysis would be warranted.

Hypothetical Conditions

None

Scope of Work

The elements addressed in the Scope of Work are (1) the extent to which the subject property is identified, (2) the extent to which the subject property is inspected, (3) the type and extent of data researched, (4) the type and extent of analysis applied, (5) the type of appraisal report prepared, and (6) the inclusion or exclusion of items of non-realty in the development of the value opinion. These items are discussed as below.

Extent to Which the Property Was Identified

The three components of the property identification are summarized as follows:

- Legal Characteristics - The subject was legally identified via city, county, and public records.
- Economic Characteristics - Economic characteristics of the subject property were projected via comparison to properties with similar locational, physical, and financial characteristics.
- Physical Characteristics - The property inspection and documents provided by the client were relied upon for describing the site and improvements.

Extent to Which the Property Was Inspected

The subject was personally inspected by Jeff Vance, MAI, on September 9, 2022. This included an interior and exterior inspection of the buildings, walking the site, viewing the property from several different angles, and driving the neighborhood. Joe Corlett, MAI, SRA, performed a current exterior inspection of the subject.

Type and Extent of Data Researched

We researched and analyzed: (1) market area data, (2) property-specific market data, (3) zoning and land-use data, and (4) current data on comparable listings and transactions. We also interviewed people familiar with the subject market/property type.

Disclosure of Comparable Verification/Inspection

Idaho is a non-disclosure state. Essential information like grantor, grantee, sale price, and sale date from real estate transactions is not required to be listed in public record. Therefore, the appraiser must gather the key data details from parties involved who may have no incentive to cooperate. Often, appraisers are compelled to obtain information from secondary sources. The appraisers made reasonable attempts, within the scope of this work, to obtain all key information from seemingly reliable sources, but some data may not be completely accurate.

Valbridge Property Advisors – Mountain States maintains an extensive database containing sale, rent, capitalization rate, and expense comparables, as well as other pertinent market data. Unless otherwise noted, the comparables utilized herein were all verified personally by Jeff Vance, MAI, and/or another appraiser employed with VPA-MSA. Verification was made from various sources including purchase contracts, rent rolls, real estate brokers, property management companies, buyers, sellers, and landlords. The conformation source is noted for each comparable utilized herein. For improved properties in the local market, we have completed at minimum exterior inspections of the comparables; either in conjunction with this appraisal or as a part of previous appraisals of other properties. Interior inspections have been completed for some but not all of the local comparable properties.

Type and Extent of Analysis Applied (Valuation Methodology)

We observed surrounding land use trends, the condition of any improvements, demand for the subject property, and relevant legal limitations in concluding a highest and best use. We then valued the subject based on that highest and best use conclusion.

Appraisers develop an opinion of property value with specific appraisal procedures that reflect three distinct methods of data analysis: the cost approach, sales comparison approach, and income capitalization approach. One or more of these approaches are used in all estimations of value.

- Cost Approach - In the cost approach, the value indication reflects the sum of current depreciated replacement or reproduction cost, land value, and an appropriate entrepreneurial incentive or profit.
- Sales Comparison Approach - In the sales comparison approach, value is indicated by recent sales and/or listings of comparable properties in the market, with the appraiser analyzing the impact of material differences in both economic and physical elements between the subject and the comparables.
- Income Capitalization Approach - In the income capitalization approach, value is indicated by the capitalization of anticipated future income. There are two types of capitalization: direct capitalization and yield capitalization, more commonly known as discounted cash flow (DCF) analysis.
- Development Approach - The development approach is utilized when units within a larger development are to be sold individually. This method is not an independent method unto itself, but a hybrid containing elements of all three standard methods with emphasis on the sales comparison approach and income capitalization approach (yield capitalization). Direct and indirect costs are deducted from the estimated gross sellout price of the finished units. The resulting net sales proceeds are then discounted to a present value at a market derived yield rate over a development absorption period to conclude the estimate of market value to a single purchaser, also termed Bulk Sale Market Value.

Approaches Applied

All of these approaches to value were considered. We assessed the availability of data and applicability of each approach to value within the context of the characteristics of the subject property and the needs and requirements of the client. The income capitalization approach, presented in restricted format, was relied upon to determine value in-use (as an improved property). The sales comparison approach and development approach were developed to derive the underlying land value. Based on this assessment, it is concluded that the improvements are non-contributory to value. The cost to raze the improvements and other appropriate deductions were applied to derive Market Value: As Is. Further discussion of the extent of our analysis and the methodology of each approach is provided later in the respective valuation sections.

Appraisal Conformity and Report Type

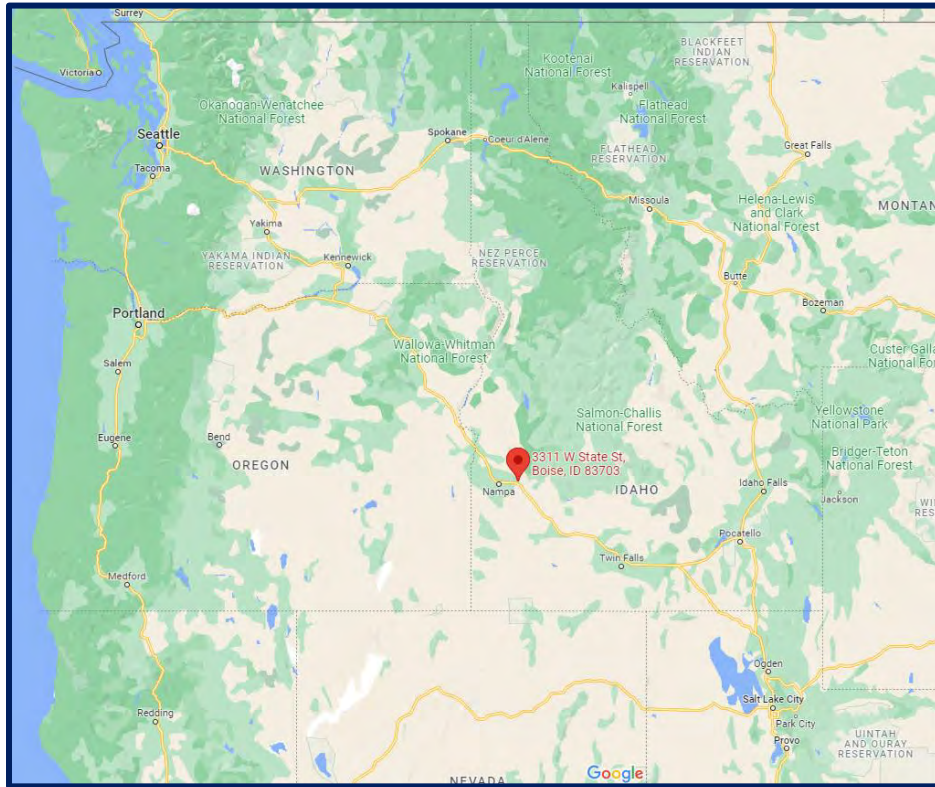
The subject was appraised using generally accepted principles and theory. We developed our analyses, opinions, and conclusions and prepared this report in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Interagency Appraisal and Evaluation Guidelines; the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute; and the requirements of our client as we understand them. The report is presented in Appraisal Report format and complies with the requirements set forth under Standards Rule 2-2(a) of USPAP. It presents a narrative discussion of the pertinent data gathered, the techniques employed, and the reasoning leading to our value opinions.

Personal Property/FF&E

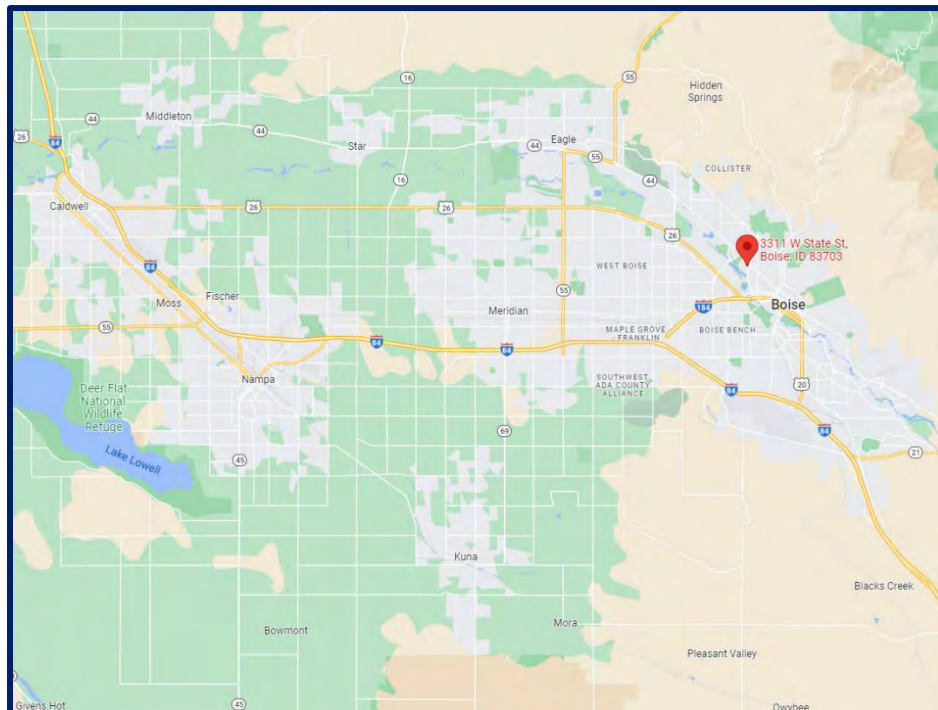
All items of non-realty are excluded from this analysis. The opinion of market value developed herein is reflective of real estate only.

Regional and Market Area Analysis

REGIONAL MAP

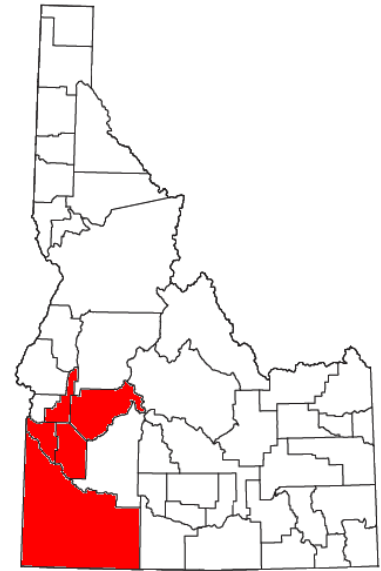


BOISE MSA MAP



Regional Overview

The subject's regional area is southwest Idaho, which is generally referred to as the Treasure Valley or the Boise-Nampa Metropolitan Statistical Area (Boise MSA). As defined by the U.S. Census Bureau, the Boise MSA consists of five counties (Ada, Boise, Canyon, Gem and Owyhee) as shown in adjacent exhibit. The Boise MSA is the state's largest metropolitan statistical area and includes Idaho's three largest cities – Boise, Meridian, and Nampa. Approximately 41% of Idaho's total population resides in the Treasure Valley with 95% of the metro area's population residing in Ada and Canyon counties.



The metro area is currently the 3rd largest in the Pacific Northwest after Seattle and Portland. The general area has been a popular relocation destination for new residents attracted to the outdoor lifestyle, low cost of living, the diversity of the economy and availability of employment.

Population

Population characteristics relative to the subject property are presented in the following table:

Population					
Area	2010	Estimated 2021	Annual % Change 2010 - 21	Projected 2026	Annual % Change 2021 - 26
United States	308,745,538	333,793,107	0.7%	333,934,112	0.0%
Idaho	1,567,582	1,891,096	1.7%	2,054,065	1.7%
Boise City, ID (MSA)	616,561	796,784	2.4%	886,256	2.2%
Ada County	392,365	517,348	2.5%	577,884	2.2%
Boise City	208,726	240,333	1.3%	261,687	1.7%

Source: ESRI (ArcGIS)

dpMarket_Area_Population

As shown, population growth has experienced an increasing trend during the past decade. Since 2010, population has been growing at an annual rate of 2.4% in the Boise MSA, 2.5% in Ada County, and 1.3% in Boise. This moderate to strong growth is project to continued moving forward.

Ada County Overview

Ada County is the state's most populated county with around 503,000 residents. Incorporated cities in Ada County include Boise, Meridian, Eagle, Garden City, Kuna, and Star. An overview of the cities follows:

Cities

Boise is the most populous city in Idaho with over 240,000 residents. It is the State Capitol and Ada County's seat of government. Located along the Boise River, Boise is the principal city in the Boise MSA, and is the largest city between Salt Lake City, Utah and Portland, Oregon. Boise is headquarters for a number of major corporations and serves as the primary government, economic, cultural, and education center for Southwest Idaho, Eastern Oregon, and Northern Nevada. Boise is continually recognized in numerous publications as one of the best places to live in the country.



Meridian is located adjacent west of Boise and is one of the state's fastest-growing cities. At over 117,000 residents, Meridian is now the 2nd largest city in the state. Because of Meridian's significant growth, the majority of residential neighborhoods in the city are relatively new. Over the past two decades, Meridian has become a center of retail and commercial development in southwest Idaho.

Eagle is located approximately 10 miles northwest of downtown Boise. The population of Eagle is 32,560 residents. Eagle has become one of the most desirable cities in the Treasure Valley because of its location near the Boise River, views of the Boise Foothills, and its upscale quality of residential and commercial developments.

Kuna is located approximately 7 miles south of Meridian. Once a small, rural farming community, Kuna is now one of the fastest growing communities in Idaho. From 2010 to 2020, the population in Kuna increased from 15,210 to 24,890, representing a 64% increase during this period. City officials expect the population to double during the next 10 to 15 years.

Garden City is located adjacent to Boise's downtown business core. Garden City is primarily developed with strip retail and service commercial uses along Chinden Boulevard and older residential subdivisions, mobile home parks, and older industrial buildings throughout the nonarterial streets. At 12,460 residents, population growth has been nominal during the past several years, because it is nearly fully built-up.

Star is located approximately 6 miles west of Eagle. Star has experienced strong growth during the past two decades and now has 11,860 residents. Because of good proximity to employment centers is nearby Boise, Meridian, and Eagle, Star has become a bedroom community to those cities with a significant number of commuters.

Canyon County Overview

Canyon County is located adjacent west of Ada County. At over 234,500 residents, Canyon County is the second most populous county in Idaho. Canyon County's economy is more agriculturally based and although it only ranks 39th (out of 44 Idaho counties in size), it produces 10% of the state's agricultural income. The county ranks 47th among 3,079 counties nationwide in agricultural production with approximately 84% of the land being used for this endeavor. As a product of the agricultural base, a number of agricultural manufacturing and processing businesses are headquartered in the county. Although Canyon County's economy has historically been agriculturally-oriented, it has become more urbanized over the past two decades as a result of strong population growth. The two largest cities in Canyon County are Nampa and Caldwell. Middleton, Greenleaf, Melba, Notus, Parma, and Wilder are smaller rural communities also located within Canyon County. An overview of the two largest cities follows:



Cities

Nampa is located approximately 25 miles west of Boise and 30 miles east of the Oregon state line. At over 106,500 residents, Nampa is the largest city in Canyon County and the 3rd largest in the state. Many residents commute to neighboring Ada County for work opportunities to benefit from lower overall housing prices and a more rural environment relative to Ada County.

Caldwell is located approximately 8 miles west of Nampa. At over 61,000 residents, Caldwell is the 2nd largest city in Canyon County. Caldwell's economy is largely agriculturally based. Caldwell is the county seat of Canyon County.

Comments on Impact of COVID-19

The global outbreak of a "novel coronavirus" (known as COVID-19) was officially declared a pandemic by the World Health Organization (WHO) on March 11, 2020. On March 13, 2020, the State of Idaho issued an emergency declaration, which included a stay-at-home order through April 30, 2020. Pertaining to the business sector, only essential businesses were to remain open. Approximately 55% of businesses in Idaho are considered essential under the stay-at-home order. As a result, the national, regional, and local economy was adversely impacted with a significant increase in unemployment which was actively being countered by government stimulus packages with the hopes of stabilizing the economy. Prior to the pandemic, the Idaho unemployment rate was at a record low of 2.5%. As a result of the stay-at-home order, the Idaho unemployment rate began increasing in the latter part of March 2020 and peaked at 12.4% in April 2020.

In mid-2020, states around the county began to lift stay-at-home restrictions to "reopen" the economy from the shutdown. On April 23, 2020, the State of Idaho announced a 4-stage plan for opening up Idaho. Stage 4 guidelines went into effect June 13, 2020. As a result of a significant spike in COVID-19 cases, Stage 3 guidelines went back into effect for Ada County on June 24, 2020. "Modified" Stage 3 guidelines went into effect for all of Idaho on October 26, 2020, and then on November 13, 2020, "Modified" Stage 2 guidelines went into effect. As a result of a decline in cases, Idaho went back into Stage 3 guidelines on February 2, 2021, and as of May 11, 2021, Idaho is now in Stage 4. 100% of Idaho businesses are allowed to reopen under the Stage 4 guidelines. Unemployment rates began a declining trend as stay-at-home restrictions were being lifted. By November 2021, the Idaho unemployment rate was back down to pre-pandemic levels at 2.5%.

Employment – Boise MSA

Historical total employment trends for the Boise MSA are presented in the following table. Since bottoming out at around 293,000 during the great recession years of 2008 and 2009, total employment increased steadily to 383,239 as of February 2020, representing an increase of 30.8%. Due to the stay-at-home order issued on March 13, 2020, total employment declined to a low of 377,2013 in April 2020. Beginning in June 2020, total employment increased as stay-at-home restrictions were being lifted. As of May 2022, total employment in the Boise MSA was 406,016 which is well above pre-pandemic levels.



Employment distribution and average wages for the Boise MSA as reported in the Idaho Department of Labor - Workforce Trends publication is presented following:

Industry Sector	2010		2019		2020	
	Average Employment	Average Wages	Average Employment	Average Wages	Average Employment	Average Wages
Total Covered Wages	250879	\$29,200	333200	\$37,615	331,386	\$40,455
Natural Resources and Mining	5070	\$29,530	5599	\$39,018	5,575	\$41,760
Construction	13040	\$34,485	25393	\$39,163	27,085	\$41,776
Manufacturing	22113	\$41,764	28693	\$54,372	27,999	\$57,537
Trade, Transportation, and Utilities	50617	\$28,743	65311	\$36,204	66,191	\$38,690
Information	4507	\$38,622	4366	\$58,346	3,363	\$61,357
Financial Activities	12731	\$35,334	17543	\$49,959	18,347	\$53,847
Professional and Business Services	37473	\$36,459	47554	\$46,330	48,866	\$49,942
Education and Health Services	56343	\$28,525	72911	\$35,863	72,556	\$38,956
Leisure and Hospitality	23178	\$11,845	36172	\$15,439	32,107	\$16,363
Other Services	7066	\$19,365	9636	\$30,284	8,953	\$33,519
Public Administration	18658	\$36,706	19970	\$44,027	20,294	\$45,812

Source: Idaho Department of Labor

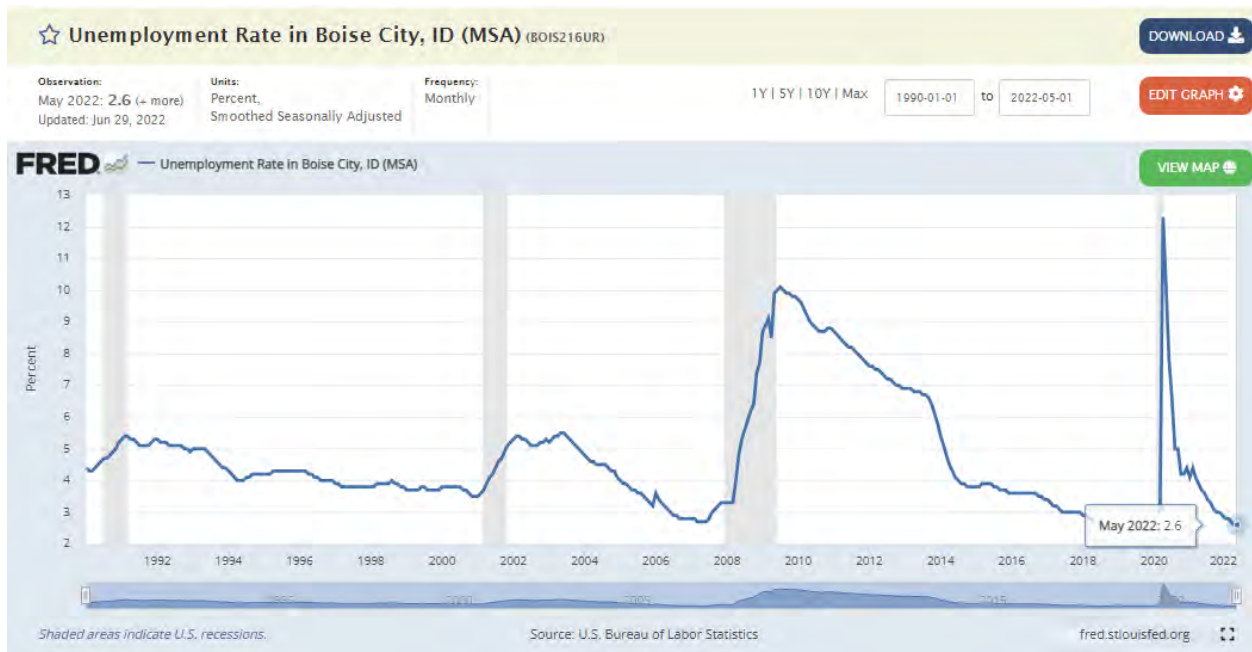
Major employers in the Boise MSA as identified by the Idaho Department of Labor are presented in the following table.

Employer	Ownership	Employee Range
St. Luke's Regional Medical Center	Private	5,000+
Micron Technology	Private	5,000+
St. Alphonsus Health System	Private	5,000+
Meridian Joint School District	Local Gov	2,500 - 4,999
Albertson's	Private	2,500 - 4,999
Boise School District	Local Gov	2,500 - 4,999
Boise State University	State Gov	2,500 - 4,999
Wal-mart	Private	2,500 - 4,999
City Of Boise	Local Gov	1,000 - 2,499
J. R. Simplot Company	Private	1,000 - 2,499

NOTE: Only employers that have given the Department permission to release employment range data are listed. Source: Idaho Department of Labor

Unemployment – Boise MSA

Historical unemployment trends for the Boise MSA are presented in the following table. From 1990 to 2008 unemployment rates in the Boise MSA were around 5%. With the onset of the great recession, unemployment rates increased significantly peaking at 10.1% in July 2009. Beginning in mid-2010, the economy began to recover, and unemployment rates exhibited a declining trend through early 2020. Unemployment rates were around 2.5% in mid-2019/early-2020. Due to the stay-at-home order issued on March 13, 2020, the unemployment rate increased significantly to 12.2%. Unemployment rates have since experienced a sharp declining trend as stay-at-home restrictions were being lifted in stages. As of May 2022, the unemployment rate in the Boise MSA was 2.6%, which is near pre-pandemic levels.



Household Income Profile

Total household income statistics are presented in the following table. Median household income is slightly lower in Boise versus greater Ada County.

Median Household Income			
Area	Estimated 2021	Projected 2026	Annual % Change 2021 - 26
United States	\$62,203	\$67,325	1.6%
Idaho	\$59,510	\$66,380	2.2%
Boise City, ID (MSA)	\$65,481	\$74,482	2.6%
Ada County	\$72,913	\$80,748	2.1%
Boise City	\$64,595	\$73,593	2.6%

Source: ESRI (ArcGIS)

dpMedian_Household_Income

Transportation

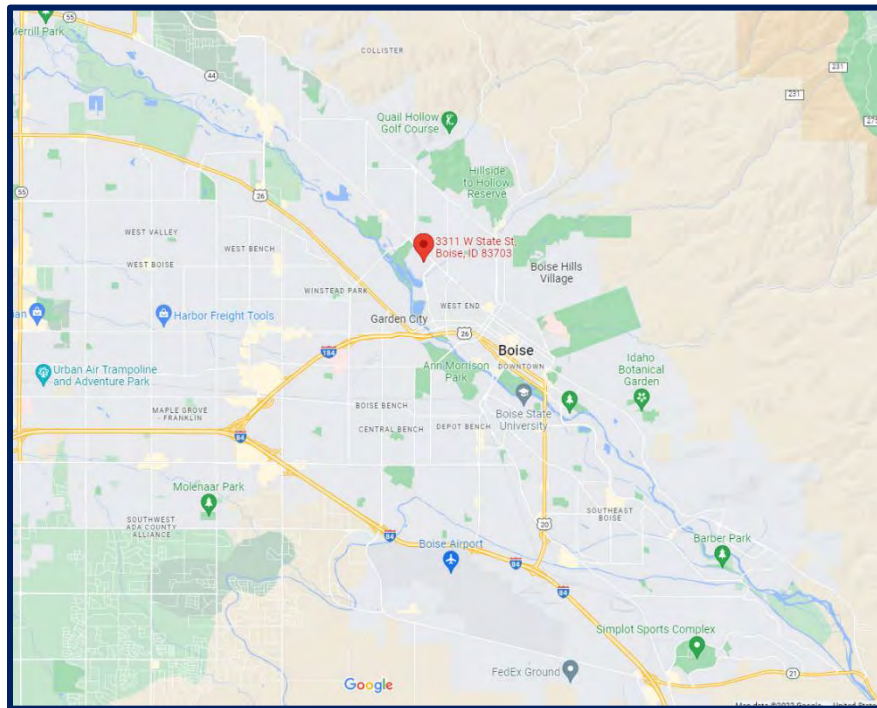
Primary ground transportation is via Interstate 84 that connects the area with Idaho Falls, Pocatello, and Salt Lake City, Utah to the southeast, and Portland, Oregon to the west. The Boise MSA is also served by several state and U.S. highways. The nearest major airport is the Boise Airport, located in southeast Boise.

Conclusions

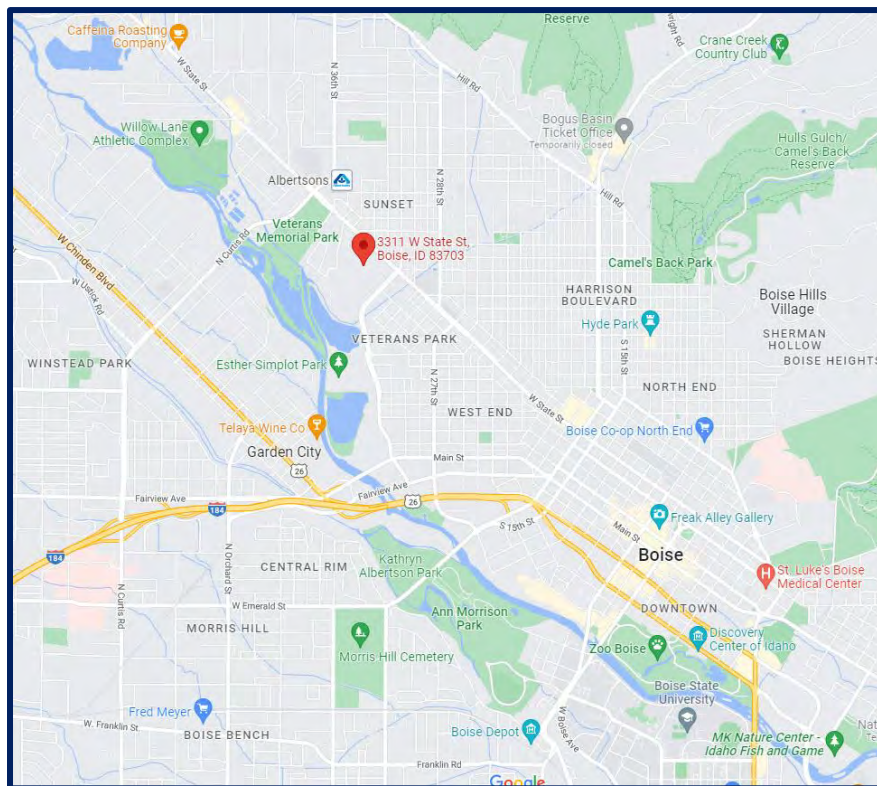
The Boise MSA serves as the governmental, economic, cultural center for Southwest Idaho, Eastern Oregon, and Northern Nevada. The Boise MSA is the 3rd largest in the Northwest, behind Seattle and Portland. The long-term economic outlook for the Boise MSA appears positive. Boise and surrounding neighboring communities are continually recognized by numerous publications as one of the best places to live in the country. Idaho was recently ranked #1 in the nation for job growth (U.S. Department of Labor), top performing economy (Bloomberg), and personal income growth (Idaho Department of Labor). Boise was named the #1 best place to live (Livability 2019). Idaho has been the fastest growing state in the nation during the past several years. Population is expected to continue an increasing trend in the foreseeable future which will likely strengthen the demand for real estate long-term.

Neighborhood Analysis

CITY MAP



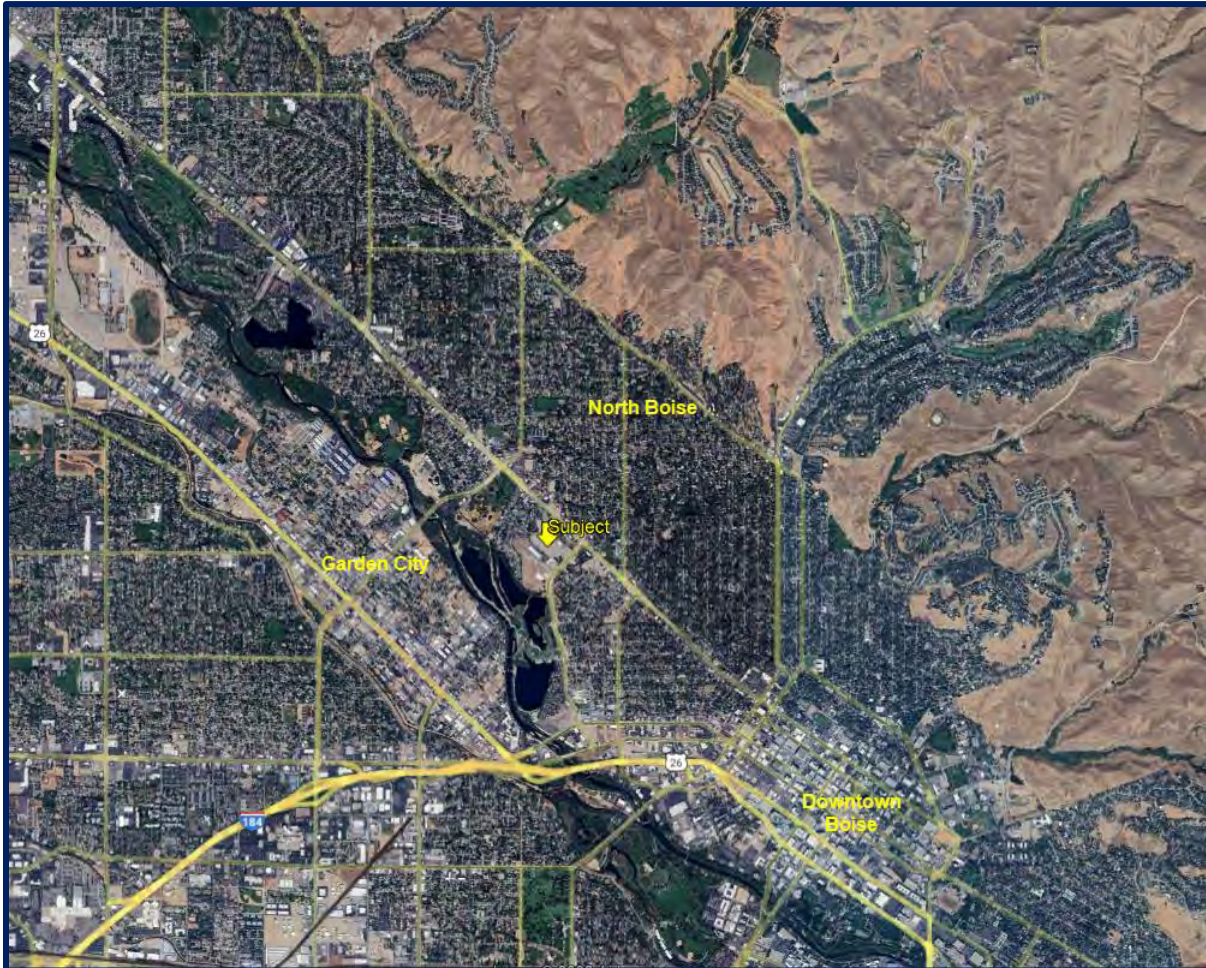
NEIGHBORHOOD MAP



Overview

The neighborhood boundaries are reasonably defined by the major commercial real estate firms within the local market. Vacancy, absorption, and supply data is tracked for each submarket within Ada and Canyon Counties.

NEIGHBORHOOD AERIAL



Neighborhood Location and Boundaries

The subject is located in the north Boise submarket. The north Boise submarket includes Garden City and generally extends from the Chinden Boulevard corridor to the south to Hill Road to the north. Garden City is located south of the Boise River. It is surrounded by the city limits of Boise to the north, east, and south, and Eagle to the west. North Boise is located north of the Boise River. The easternmost boundary is located adjacent to Downtown Boise. The westernmost boundary is N. Horseshoe Bend Road.

Demographics

The following table depicts the area demographics within a one, three, and five-mile radius from the subject.

Neighborhood Demographics			
Radius (Miles)	1 Mile	3 Mile	5 Mile
Population Summary			
2010 Population	12,554	84,222	175,710
2021 Population Estimate	13,630	95,248	198,770
2026 Population Projection	14,623	101,490	210,197
Annual % Change (2021 - 2026)	1.4%	1.3%	1.1%
Housing Unit Summary			
2010 Housing Units	6,136	41,013	82,851
% Owner Occupied	44.4%	46.7%	52.3%
% Renter Occupied	47.6%	44.9%	39.5%
2021 Housing Units	6,347	44,076	89,720
% Owner Occupied	51.9%	49.4%	54.8%
% Renter Occupied	43.3%	45.3%	40.3%
2026 Housing Units	6,842	47,590	95,942
% Owner Occupied	51.1%	49.1%	54.8%
% Renter Occupied	43.8%	45.1%	39.7%
Annual % Change (2021 - 2026)	1.5%	1.5%	1.4%
Income Summary			
2021 Median Household Income Estimate	\$64,286	\$60,920	\$65,181
2026 Median Household Income Projection	\$77,442	\$77,299	\$79,401
Annual % Change	3.8%	4.9%	4.0%
2021 Per Capita Income Estimate	\$43,112	\$40,597	\$40,426
2026 Per Capita Income Projection	\$49,024	\$47,205	\$46,903
Annual % Change	2.6%	3.1%	3.0%
<i>Source: ESRI (ArcGIS) (Lat: 43.6350918, Lon: -116.2328115)</i>			
dpNeighborhood_Demographics_Table			

Transportation Access

Interstate access is from I-184 located at the southern boundary of the neighborhood. The primary arterial street is W. State Street, which connects Boise's central business district with northwest Boise and the city of Eagle. The primary arterial street in Garden City is Chinden Boulevard. Boise's central business district adjoins the eastern boundary of the neighborhood. The nearest major airport is the Boise Airport, located approximately 8 miles south in southeast Boise.

Neighborhood Land Use

Land use in the neighborhood is comprised of approximately 65% residential, 30% commercial and 5% undeveloped land. The commercial uses are further delineated as 45% retail, 30% office, and 25% industrial. The industrial uses are predominantly in Garden City proper.

Employment Centers

Garden City is located adjacent to Boise's downtown business core and is primarily developed with strip retail along Chinden Boulevard and older residential subdivisions, mobile home parks, and older industrial buildings off Chinden Boulevard. Garden City is nearly built-up and remaining infill parcels have been slowly developing over the past two decades. The north side of the river is mostly located in the city limits of Boise. State Street is the primary arterial street running through the area and is lined with a mix of mostly retail, commercial, office, and multi-family properties with older single dwellings located in the interior.

Significant Recent Development

- The College of Western Idaho purchased a 10-acre site at the NWC of Main Street and Whitewater Park Boulevard in 2015. The college is expected to invest several million dollars in horizontal and vertical improvements to serve growing enrollment demand.
- Tailwinds Apartments located near the intersection of Veterans Memorial Parkway and Adams Street was completed in 2015. The estimated \$11 Million dollar project includes a 68,000 square foot building with 64 one, two and three bedroom units.
- Silvercloud Apartments, a 180-unit apartment complex on a 9.03-acre site, was recently completed near the intersection of State Street and Bogart Lane.
- North Point is a ±15-acre mixed-use development located near the intersection of State Street and Gary Lane. Hawkins Companies broke ground in early 2016 on a 323-unit apartment complex and approximately 32,000 square feet of retail/restaurant space. Only 3 pad sites remain undeveloped.
- The Waterfront District is a newer mixed-use development located adjacent west of the Boise River, Esther Simplot Park, and Boise Whitewater Park. The Waterfront District has been constructed over the past decade and includes a mix single-family homes, townhomes, condominiums, and some retail uses.
- The Boardwalk is a proposed mixed-use development to be located on a 7-acre site along the Boise River on 40th Street. The latest development plan includes two, 5-story apartment complexes with a total of 275 units, underground parking, and commercial space. The last phase would include a 9-story, 148-room, boutique hotel.
- During the past several years, numerous other higher-density townhome projects have been developed in the area surrounding the Waterfront District.

IMMEDIATE NEIGHBORHOOD AERIAL



Immediate Neighborhood

The immediate neighborhood is the east central portion of north Boise along the State Street corridor. W. State Street is the primary arterial connecting downtown Boise to the east (1.5 miles east of subject) and Eagle to the west (6 miles west). Development along W. State Street includes a mix of newer and older retail, commercial, office, and multifamily uses. Several shopping centers are located along W. State Street. A major retail hub surrounds the intersection of N. Glenwood Street and W. State Street (3 miles west of subject). Anchor retailers include Walmart and Albertson's along with numerous other national retailers and restaurants. Another retail hub surrounds the intersection of W. State Street and N. 17th Street (1 mile east of the subject). Several inline retail buildings and an Albertson's store are located at this intersection. The nearest interstate access is via several interchanges located approximately 1.5 to 3 miles south of the subject.

The subject is located at the SWC of W. State Street and N. Whitewater Park Boulevard, approximately 1.5 miles west of Boise's downtown core. A major point of interest in the immediate neighborhood is the newly developed Esther Simplot Park and Whitewater Park along the Boise River. The Whitewater Park includes engineered surf waves in the Boise River. The first phase was completed in 2012. The second phase is nearing completion. Esther Simplot Park is a new large-scale park with ponds and beaches located adjacent to the Boise River. The park was developed in two phases with the most recent phase completed in 2019. The Waterfront District, a new mixed-use project located across the

Boise River from Esther Simplot Park, was developed on a site previously improved with aged light-industrial buildings and mobile home parks. The Waterfront District has been constructed over the past decade and includes a mix of single-family homes, townhomes, condominiums, and retail uses. The district has flourished since the end of the great recession capitalizing on the Boise River frontage and adjacent parks. Spinoff residential development along the 36th Street corridor and some new commercial buildings have also gained momentum.

Conclusion

The subject location is rated very good. The subject benefits from its desirable north Boise location, arterial street exposure, and proximity to the Boise River, Whitewater Park, Esther Simplot Park, and downtown Boise. During the past decade, the immediate neighborhood has been in the stage of revitalization with properties along the Boise River being redeveloped with higher-density residential uses and complimentary commercial uses. Continued moderate to strong demand is forecasted for the north Boise submarket. Several new commercial projects are currently under construction or planned for development in the neighborhood, and renovation of older properties continues to be on-going.

Site Description

The characteristics of the site are summarized as follows:

Site Characteristics

Location:	3311 W. State Street, Boise, Ada County, Idaho
Gross Land Area:	44.565 acres; $\pm 1,941,251$ square feet (per Assessor records and legal description)
Usable Land Area:	44.565 acres; $\pm 1,941,251$ square feet
Usable Land %:	100%
Shape:	Irregular, but functional
Topography:	Generally level
Drainage:	Appears adequate
Grade:	At street grade
Utilities:	All typical utilities are available including public water and sewer, electricity, natural gas, and telephone service.
Off-Site Improvements:	Asphalt paved streets, concrete sidewalks and curbing, and landscaping
Interior or Corner:	Corner
Signalized Intersection:	Yes

Street Frontage / Access

Frontage Road	Primary	Secondary
Street Name:	W. State St.	N. Whitewater Park Blvd.
Street Type:	Major arterial	Secondary arterial
Number of Curb Cuts:	Two	Four
Traffic Count (Cars/Day):	30-33K VPD (2022 MPSI est.)	4-6.5K VPD (2022 MPSI est.)

Flood Zone Data

Flood Map Panel/Number:	16001C0188J
Flood Map Date:	June 19, 2020
Flood Zone:	AE, X500, and X
Description:	<p>The AE flood zone is a high-risk flood hazard area. Typical of newer developments along the Boise River, the building lots would be required to be elevated out of the floodplain and a letter of map revision (LOMR) be approved for the site which would change the flood zone designation to outside a flood hazard area.</p> <p>An "X500" flood zone is an area of 0.2% annual chance of flood; areas of 1% annual chance of flood with average depths of less than one foot or with drainage area less than one square mile; areas protected by levies from 1% annual chance of flood. Properties within an "X500" flood zone are not required to carry flood insurance.</p>

Zones B, C, and X are the areas outside the 1% annual chance floodplain, areas of 1% annual chance sheet flow flooding where average depths are less than one foot, areas of 1% annual chance stream flooding where the contributing drainage area is less than one square mile, or areas protected from the 1% annual chance flood by levees. No Base Flood Elevations or depths are shown within this zone. Insurance purchase is not required in these zones.

Source: FEMA

Site Area in Flood Zone: Approximately 8% of the site area along the south boundary is located in an AE flood zone.

Other Site Conditions

Soil Type: Subsoil and drainage appear adequate to support a multitude of improved uses.

Environmental Issues: During the property inspection, we did not observe any obvious environmental concerns. As real estate appraisers, we are not qualified to determine if any environmental hazards exist on the property, whether such hazards are obvious or not. Therefore, this appraisal assumes any environmental hazards to be nonexistent or minimal.

Easements/Encroachments: The property does not have any known atypical easements or encroachments.

Based on our own observations, no adverse easements or encroachments appear to exist. This appraisal assumes only standard utility easements and governmental restrictions exist, none of which are assumed to impact value.

Other Restrictions/Idaho Power Payments: Idaho Power Company upgraded and buried power lines to the campus in 2017. ITD is paying for the improvements in monthly payments of \$1,400 per month. The payments go through 2048 (26 more years). The present value of the remaining payments is discounted at a safe rate of 3%, resulting in a present value of \$300,000 ($\$1,400 \times 12 \text{ mo.} \times 26 \text{ yrs.} = \$436,800$, discounted monthly at an annual rate of 3% = \$300,000, rounded). The present value of the payments is a deduction to "as is" market value.

Earthquake Zone: The subject is located within Earthquake Zone 2B, considered a moderate zone with respect to seismic activity.

Adjacent Land Uses

North: Retail, service commercial, new car wash under construction across W. State Street

South: Mobile home park, ponds, Esther Simplot Park, and Boise River

East: Single-family residential, bank, retail

West: Single and multifamily residential and retail

Zoning Designation

Zoning Jurisdiction:	City of Boise
Zoning Classification:	The majority of the site is zoned A-1 (Open Lands, Parks District); a portion is zoned C-2 (General Commercial District); minimal portions are zoned R-2 (Medium Density Residential) and R-3D (Multi-Family Residential)
Zoning Definition:	<p>A-1 (Open Lands, Parks): Zone intended for larger land areas for development such as parks, schools, golf courses, agriculture and rural residential neighborhoods. This zone is also used as a holding zone until development occurs.</p> <p>C-2 (General Commercial): Zone intended for community and regional commercial and retail uses. This zone conditionally allows residential development at a density of up to 43.5 units per acre which cannot exceed a Floor Area Ratio of 1.5 and has a height limit of 45 feet.</p>
Boise Comprehensive Plan:	<p>The subject is designated as Mixed-Use in Boise’s Comprehensive Plan. The Mixed-Use designation is defined as: Located along corridors, mixed-use land provides a foundation for regional, community and neighborhood activity center development. The land use mix generally includes retail, commercial, office, restaurants, and high-density residential, and live-work units. Served by existing or future transit, wider sidewalks and bike lane networks. Floor Area Ratios are typically between .5 and 2.0.</p> <p>It is likely a zoning change to C-2 or similar zoning would be granted to allow for a mix of commercial and high-density residential uses. Permitted uses in the C-2 zoning include a wide variety of retail, restaurant, office, medical, service commercial, residential condominiums/townhomes, and multifamily uses.</p>

Site Rating

Location:	Very good
Access:	Good
Exposure:	Good
Functional Utility:	Average
Overall Site:	Good to very good

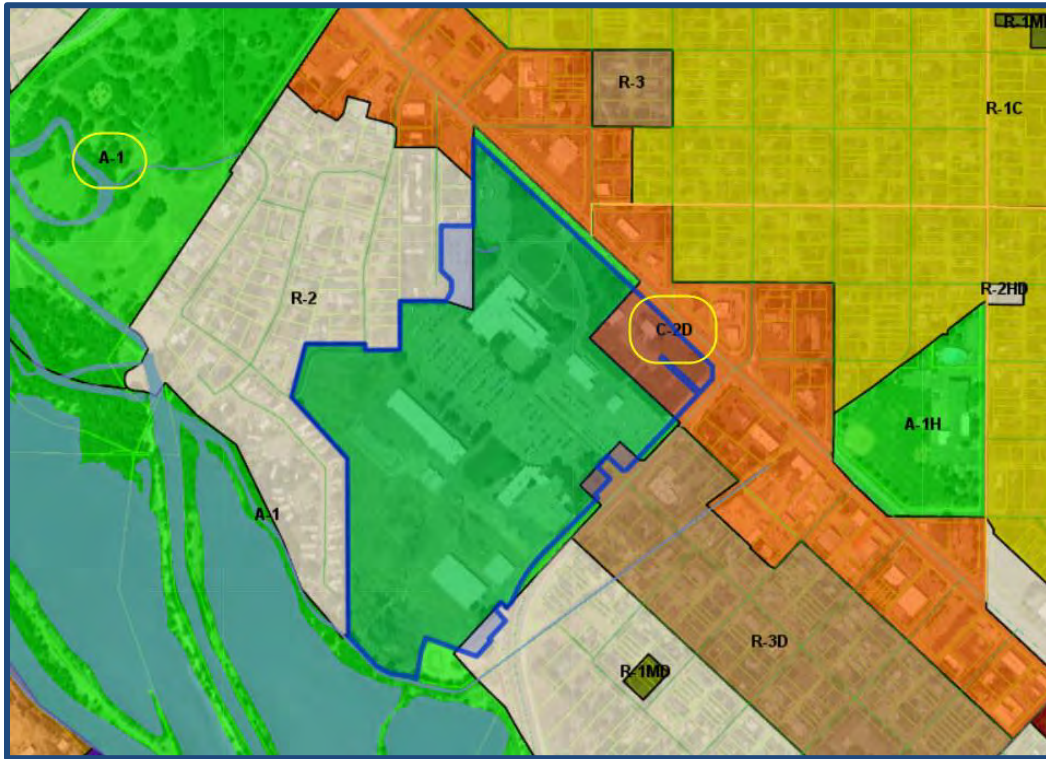
PARCEL MAP



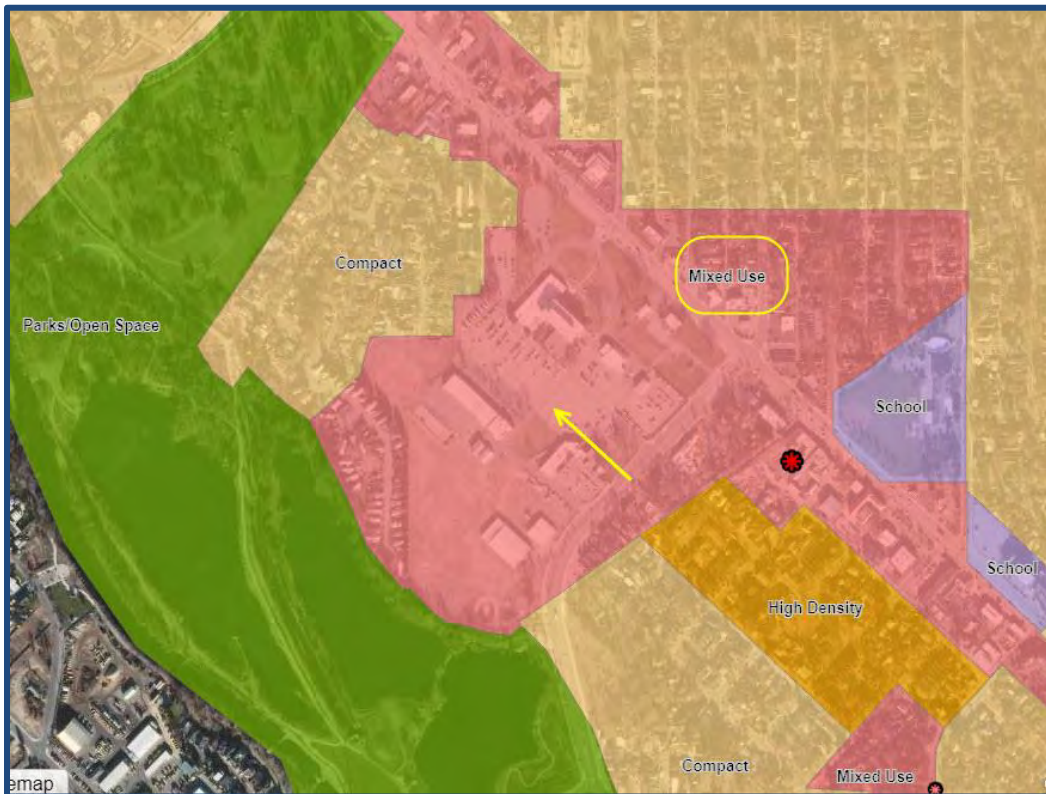
ASSESSOR AERIAL OVERLAY



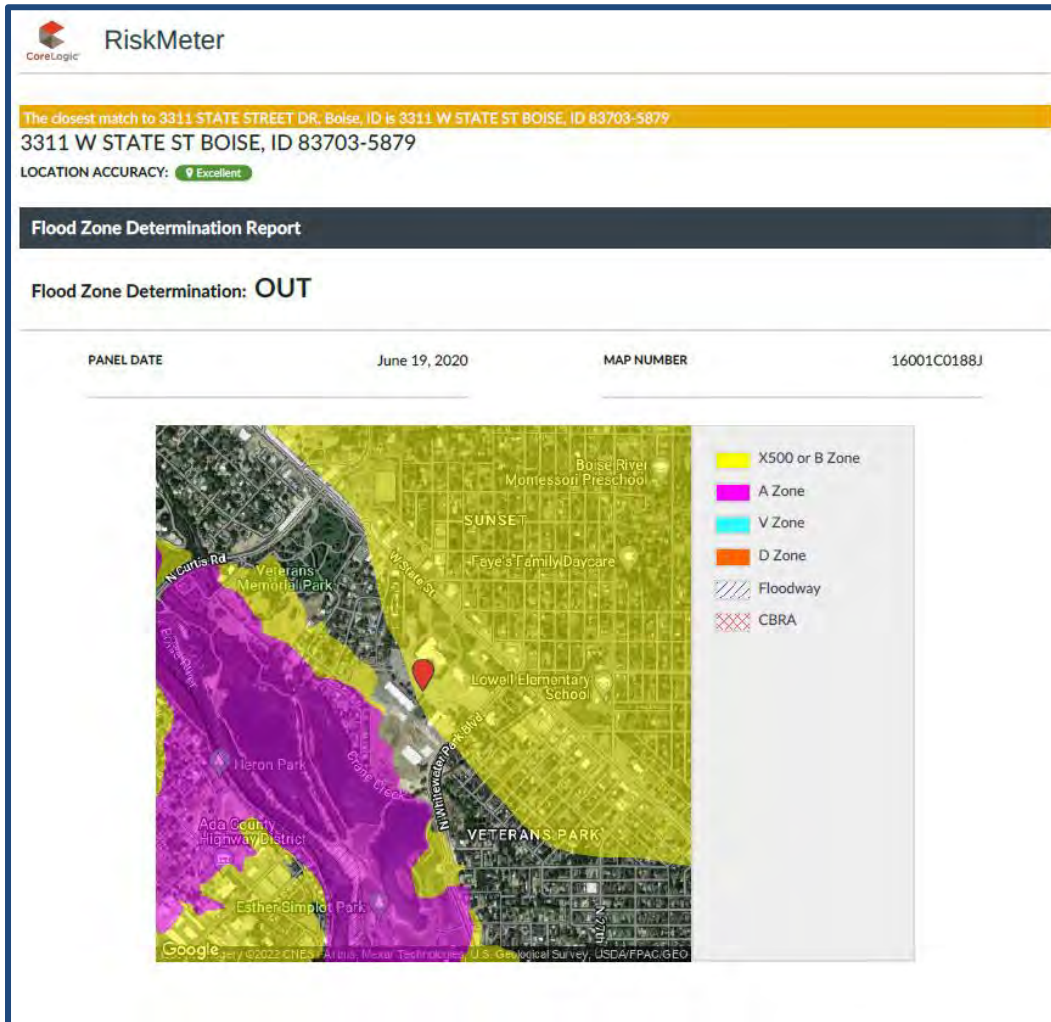
ZONING MAP



FUTURE LAND USE MAP



FLOOD MAP



FLOOD MAP – CLOSE UP



Improvements Description

A brief summary of the improvement characteristics are summarized as follows:

Improvements Overview

The subject property is improved with a 3-story office building and several storage, shop, and flex buildings. The improvements were constructed between 1951 and 1999. Construction quality is rated fair to average overall. The improvements are in fair to average condition. Approximately 45% of the site is improved with asphalt paved parking and drives and concrete curbing and sidewalks. The balance of the site is landscaped or unimproved. As presented in this report, the improvements are noncontributory to value. The value is in the underlying land. Highest and best use is to raze the existing improvements for near-term mixed-use development (refer to Highest and Best Use section). The building summary is presented in the following table.

Building Area Summary

<u>Building</u>	<u>Use</u>	<u>Construction Type</u>	<u>Year Built</u>	<u>Total Area</u>
Headquarters Office Building (1)	Professional office	Class B - Concrete, CMU	1960/1987	101,331
Operations Annex Lab/Office	Office and lab/testing	Class C - CMU	1971/1993	39,535
BSM Building Shop/Warehouse	Office/shop/warehouse	Class C - CMU	1971/1982	45,416
Mechanics Garage/Service Building	Service shop	Class C - CMU	1969/1981	8,753
Two Metal Storage Buildings	Storage	Class S - Steel fm/metal	Est. 1970's	4,800
4-Bay Storage Building	Storage	Class S - Steel fm/metal	1984	1,675
ETS Modular	Office (Portable)	Class D - Wood fm/siding	1999	3,024
Training Modula	Office (Portable)	Class D - Wood fm/siding	1999	1,826
State Historical Society Warehouse - South	Warehouse	Class C - CMU	1951/1996	24,952
State Historical Society Warehouse - North	Warehouse	Class C - CMU	1951	<u>9,303</u>
Gross Building Area (2)				240,615

Comments

- 1) Office area excludes 2,200 SF mechanical basement and 10,200 SF penthouse mechanical room
- 2) Building sizes obtained from owner records

Land-to-Building Ratio: Land-to-building ratios for similar properties generally range from 3:1 to 5:1. At 8.07:1, the subject's land-to-building ratio is higher than typical suggesting the property has additional land not needed to support the existing improvements. Considering the siting of the buildings dispersed throughout the property, the additional land is concluded to be surplus land. Based on a typical land-to-building ratio of 4:1, the land allocated to the buildings is 962,460 SF (4 x 240,615 SF GBA) with the balance of 978,791 SF concluded to be surplus land.

Improvement Land Area: 22.1 acres; ±962,460 square feet

Surplus Land Area: 22.5 acres; ±987,791 square feet

Age / Life

Year Built:	1951-1999
Condition:	Fair to average overall
Actual Age:	23-71 years
Effective Age:	Estimated at 40-45 years overall
Typical Building Life:	40-50 years; 45 years overall
Remaining Economic Life:	0-5 years

Improvements Rating

Construction Quality: Fair to average overall

Age/Condition: Fair to average overall

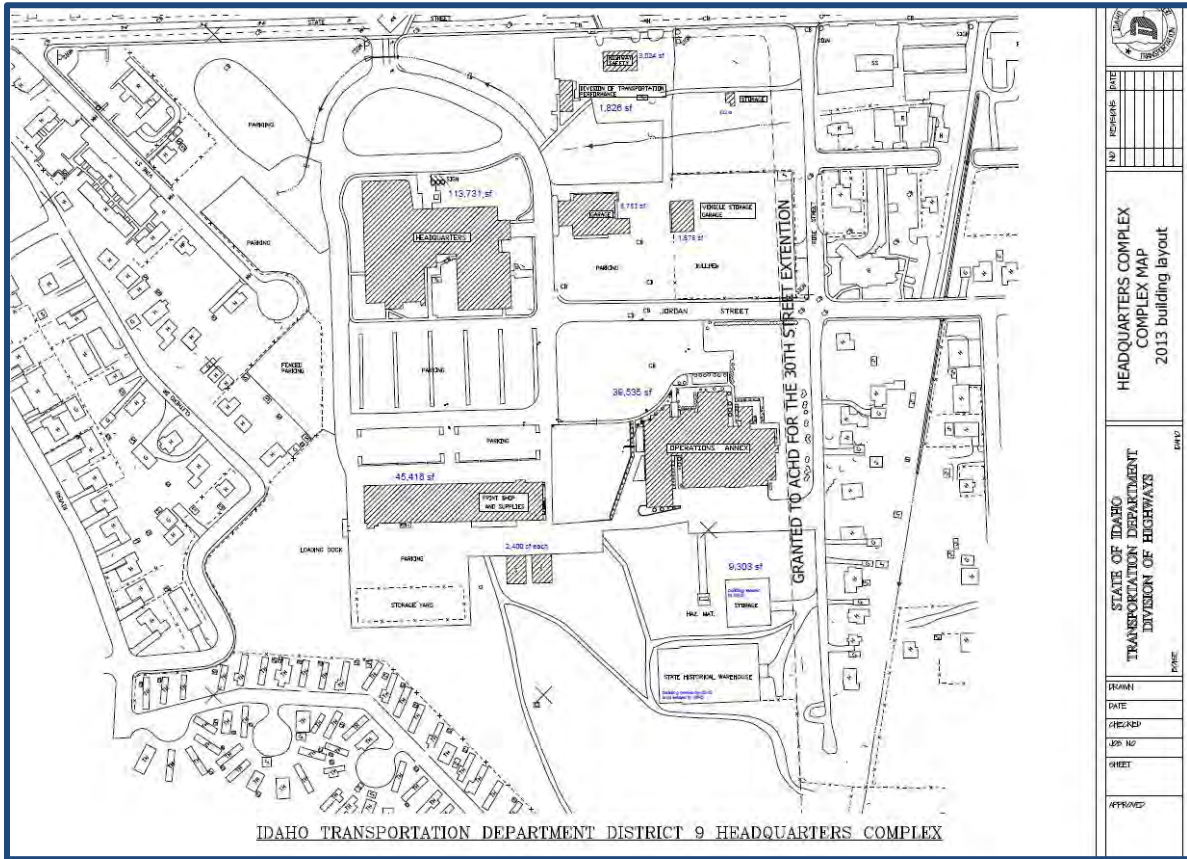
Functional Utility: Average

Deferred Maintenance: Office Building: The main office building is currently vacant. On January 2, 2022, multiple HVAC pipes froze and failed in the penthouse mechanical room causing significant flooding to portions of all levels of the building. The flooding exposed the sprayed-on fireproofing material which has known asbestos present. The asbestos would need to be remediated as a part of a renovation to the building to cure the water damage. Based on a cost estimate provided by Quicksilver Consulting, total cost of renovation/remediation is estimated at \$3,032,462. The Quicksilver Consulting cost estimate and water damage investigation report, which describes the water damage and presence of asbestos, are included in the Addenda section.

Balance of Buildings: Some deferred maintenance is present in the majority of the storage, shop, and flex buildings. The level of deferred maintenance is typical of older properties of similar age and quality.

Overall Rating: Fair to average overall

SITE PLAN



	
NO.	REVISION DATE
HEADQUARTERS COMPLEX COMPLEX MAP 2013 building layout	
STATE OF IDAHO TRANSPORTATION DEPARTMENT DIVISION OF HIGHWAYS	
DRAWN: _____ DATE: _____ CHECKED: _____ JOB NO: _____ SHEET: _____ APPROVED: _____	

Subject Photographs



Subject aerial



Property viewing south



Property viewing north



ITD Headquarters Office Building



Operations Annex Building



BSM Building



Garage/Service Building



State Historical Society Warehouse Buildings

The photographs in the Addenda section provide additional clarification of building and site characteristics.

Assessment and Tax Data

Assessment Methodology

Property is assessed by the county assessor's office at true cash value with actual physical re-appraisals on a five-year cycle; with trending during the interim.

Assessed Value and Property Taxes

The Idaho Transportation Department General Services is the owner of the property. This is a public entity exempt from taxation. Current Ada County Assessor information is presented in the following table.

Tax Schedule

Tax Year	Parcel Number	Assessor Land Size (AC)	Assessor's Value - Land	Assessor's Value - Imp.	Assessor's Total Value	Tax Expense
2022	R3786000159	44.565	\$0	\$0	\$0	\$0

Market Analysis

Introduction

In this section, market conditions which influence the subject property are analyzed. An analysis of supply and demand conditions in the subject market and submarket for office, retail, and residential development is presented. The subject is a part of the north Boise submarket.

A brief overview of the Boise MSA real estate markets is provided on the following pages. To analyze supply and demand, we have relied upon published studies by Thornton Oliver Keller Commercial Real Estate (TOK). TOK is the largest commercial real estate brokerage and property management firm in the Boise MSA. TOK tracks commercial vacancies, absorption, rental rates, and transactions on a monthly basis throughout all markets and submarkets in both Ada and Canyon County. Selected tables from the latest TOK market report applicable to the subject market are reprinted in this section.



Office Market Summary



OFFICE CONDITIONS

While the Boise MSA is experiencing record low vacancy (4.3 percent), the amount of sublease space being added to the market will have a future impact. Sublease space listed has reached over 626,000 square feet in the Boise MSA. In comparison, prior to the pandemic, there had been approximately 150,000 square feet of office sublease space available. Nevertheless, while the increase in sublease space has gradually been on the rise since the pandemic hit, the sharp increase this year is why it has become a talking point and a possible indicator of things to come. Sublease space increased by 50 percent from Q1 of this year.

With the increase in sublease space, though, came many positive indicators for the Office market. The market saw over 200,000 square feet of positive net absorption this quarter, marking nearly two years of positive growth in the Treasure Valley and a stronger second quarter than first. Class A space accounted for nearly 180,000 square feet of the net absorption so far in 2022, the most of any building class. Months of supply continues its downward trend to just over 8 months. Overall office vacancy reached the lowest it has been in over a decade at 4.3 percent. Overall lease rates are still holding at a high of \$19.50 per square foot per year, with Class A asking and actual rates continuing to climb (Full Service, annual). The rise in construction costs has pushed leased rates for first generation space even higher seeing rates in the high-\$20 to low-\$30 per square foot range.

OFFICE OUTLOOK

Rising interest rates and housing costs have caused significant slowing in the housing market and in turn caused uncertainty in other sectors. The Office market has been no exception as an increase in available sublease space is a typical response to economic downturn as tenants re-evaluate what space they need and market any excess in hopes of subsidizing their costs. While this may bring about a continued increase in sublease space, the continued positive net absorption the market has experienced indicates that other factors are still working to maintain a healthy market in the area.

The spotlight that was placed on the Boise MSA in recent years has provided opportunities for local businesses. Not only has it made this an area that new businesses are looking at to expand their national footprint it has also allowed local businesses to flourish. Twenty-two percent of tenants leasing space are new to our market and 40 percent are local startups or businesses that are looking to expand or open additional locations throughout the valley. This new demand for space has been the driving force behind the drop in vacancy and the continued rise of lease rates that has led to the competitive conditions of the Office market. Nevertheless, as companies become more cautious, smaller spaces may likely become higher in demand than larger spaces.

TAKEAWAYS:

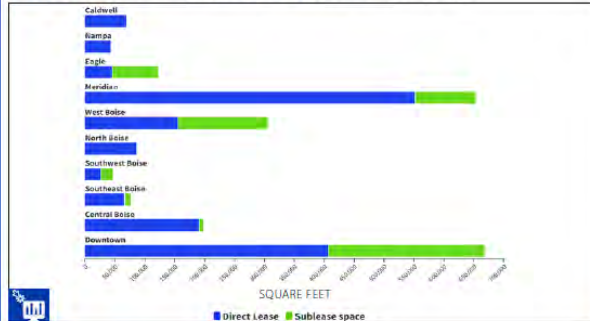
- **SUBLEASE SPACE HAS INCREASED 50% FROM Q1 RISING FROM 417,000 TO 626,000 SQUARE FEET.**
- **LOCAL START-UPS & TENANTS EXPANDING MADE UP 40% OF OFFICE LEASES.**

tokcommercial.com

TOK OFFICE MARKET STATS

SUBLEASE TRENDS

The Boise MSA currently has 626,000 SF of SUBLEASE SPACE on the market. SUBLEASE SPACE in DOWNTOWN BOISE has INCREASED 69% since Q1 2022.



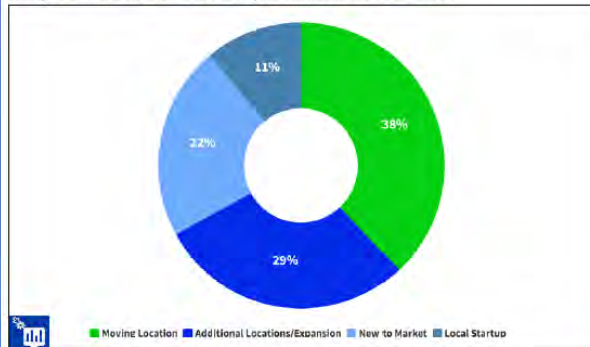
VACANCY TRENDS

TOTAL VACANCY decreased to 4.3%, a RECORD LOW. Vacancy in MULTITENANT BUILDINGS has decreased from 8.6% to 8.2%.



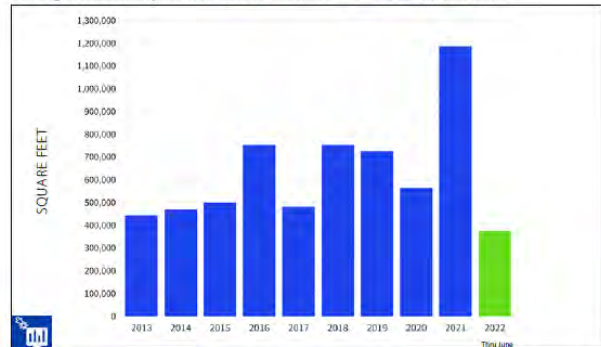
TENANT ORIGIN

221,000 SF was absorbed by tenants ADDING LOCATIONS or EXPANDING SPACE. Nearly ONE-THIRD of NEW TO MARKET space absorbed was in MERIDIAN.



NET ABSORPTION

NET ABSORPTION totaled 376,000 SF, with a quarter over quarter INCREASE OF 20%. The largest absorbed space was 54,000 SF located at 5777 MEEKER in West Boise.



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Submarket Vacancy

Since 2005, office vacancies have ranged from 4.5% to 14.7% in Boise and 5.9% and 22.1% in the north Boise submarket. At mid-year 2022, total vacancy was 4.5% in Boise and 5.9% in the north Boise submarket, both of which are historic lows.

Office Vacancy Trends

Year	Submarket		
	Ada County	Boise	North
Mid 2022	4.4%	4.5%	5.9%
2021	5.4%	5.1%	6.8%
2020	7.4%	7.2%	6.0%
2019	5.6%	6.0%	8.8%
2018	7.0%	7.7%	14.4%
2017	8.7%	9.3%	15.7%
2016	9.8%	10.8%	17.6%
2015	10.0%	10.5%	14.7%
2014	11.4%	11.3%	12.7%
2013	12.2%	11.8%	14.3%
2012	12.2%	12.4%	15.3%
2011	14.0%	13.7%	17.7%
2010	15.7%	14.7%	17.9%
2009	15.6%	14.5%	19.9%
2008	12.7%	11.1%	22.1%
2007	11.5%	10.8%	17.6%
2006	10.5%	10.1%	13.7%
2005	9.5%	9.1%	14.5%

Source: TOK Commercial Real Estate

Retail Market Summary



RETAIL CONDITIONS

Over the past three months, activity remained strong in the Retail market. Total number of transactions increased 22 percent from Q1. Smaller spaces continued to make up the majority of activity with 38 percent of transactions over the past 12 months being in the 1,000 – 2,000 square foot range. However larger deals are occurring more throughout the market considering deals over 7,000 square feet have nearly doubled over the past year. This resulted in total net absorption hitting 323,000 square feet, a 14 percent increase from June 2021. Top deals from this past quarter occurred in Nampa with Ashley Furniture Store opening an additional location (28,000 SF) at Treasure Valley Marketplace as well as DD Discounts leasing 26,200 square feet at District 208.

With more deals taking place throughout the market, overall vacancy continued to tighten hitting a record low of 5 percent at the end of Q2. In addition, unanchored vacancy has stayed below 5.5 percent throughout 2022. Even with vacancy declining, overall months of supply remains in a healthy range of 17.1 months.

Organic growth continues to drive leasing activity with nearly 50 percent of deals over the past 12 months being tenants expanding into larger spaces or opening additional locations. More tenants also entered the Boise MSA with new to market tenants making up a quarter of transactions. Many of these new businesses are restaurants including Dave's Hot Chicken, Ruszoni's Pizza, and Papa Kelsey's Subs & Salads, all of which opened their new locations in Meridian.

RETAIL OUTLOOK

Boise's strong in-migration over the past two years sparked multiple new retail projects throughout the valley that are now nearing completion. A few of these projects include Topgolf (37,000 SF), which is expected to open at the end of the year, as well as ICCU's new location at Orchard Park off Chinden & Ten Mile Road.

Average asking lease rates are currently \$19.00 per square foot (NNN, annual) while Class A rates are \$25.00 per square foot, up 9 percent over the past 12 months. Inflation has been severely impacted the cost of materials and overall construction costs, ultimately increasing lease rates for newly constructed spaces up to as high as \$35 per square foot. Rents for newly constructed space will likely remain at record high levels throughout 2022 given that construction costs are unlikely to abate in the near future.

Going into the second half of 2022, there is uncertainty stirring throughout the retail sector. Interest rates are at a 13-year high and are expected to rise further. This is causing the housing market to slow down which in turn could impact future retail growth. Interest from national tenants should remain stable, however local and regional tenants are becoming more cautious in their leasing decisions. In addition, inflation will also become a greater challenge for retailers as rising prices push more consumers to limit their spending.

TAKEAWAYS:

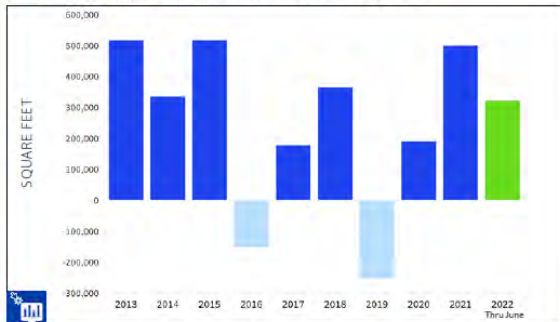
- **STRONG LEASING ACTIVITY IN Q2 PUSHED OVERALL VACANCY TO A RECORD LOW OF 5 PERCENT.**
- **INFLATION AND RISING INTEREST RATES ARE ANTICIPATED TO IMPACT FUTURE RETAIL ACTIVITY.**

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TOK RETAIL MARKET STATS

NET ABSORPTION

11 OF THE 16 SUBMARKETS are currently at POSITIVE NET ABSORPTION levels. CALDWELL BLVD had the STRONGEST ABSORPTION with 121,100 SF.



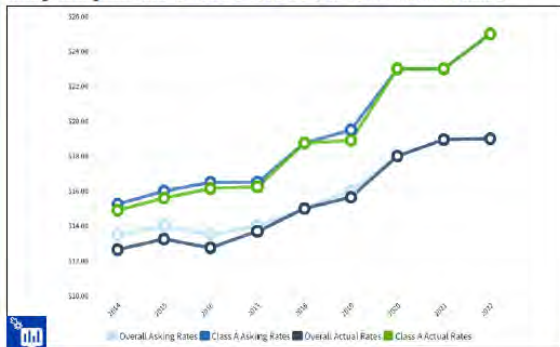
VACANCY TRENDS

OVERALL VACANCY in 13 of the 18 submarkets is BELOW 6 PERCENT. UNANCHORED VACANCY in WEST BOISE, the largest submarket, is only 4.3%.



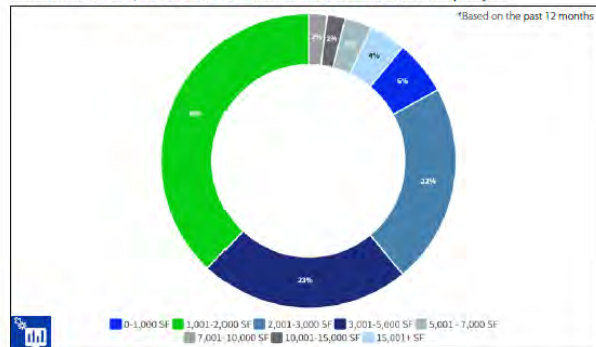
LEASE RATES

CLASS A LEASE RATES are above \$18.00/SF across all SUBMARKETS. Average asking lease rates INCREASED 19 PERCENT in NORTH MERIDIAN from Q1.



TRANSACTIONS BY SQUARE FOOTAGE

TOTAL number of transactions INCREASED 22% from Q1. Transactions OVER 7,000 SQUARE FEET have NEARLY DOUBLED over the past year.



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Submarket Vacancy

Since 2005, retail vacancies have ranged from 4.4% to 13.4% in Boise and 5.9% and 22.8% in the north Boise submarket. At mid-year 2022, total vacancy was 4.4% in Boise and 5.9% in the north Boise submarket, both of which are historic lows.

Retail Vacancy Trends

Year	Submarket		
	Ada County	Boise	North
Mid 2022	4.1%	4.4%	5.9%
2021	4.6%	4.6%	6.0%
2020	7.4%	8.5%	9.8%
2019	7.3%	8.9%	8.9%
2018	5.8%	6.0%	7.9%
2017	7.4%	7.8%	10.1%
2016	8.1%	9.0%	9.5%
2015	7.1%	7.0%	8.7%
2014	8.2%	7.3%	7.1%
2013	9.0%	7.9%	8.4%
2012	8.7%	8.6%	12.6%
2011	10.2%	10.8%	20.8%
2010	12.9%	13.4%	22.1%
2009	12.5%	13.4%	22.8%
2008	11.0%	11.7%	17.4%
2007	9.3%	7.6%	13.6%
2006	7.9%	9.4%	19.2%
2005	8.9%	9.2%	18.2%

Source: TOK Commercial Real Estate

Multifamily Market Summary

MARKET RENTS | MULTIFAMILY MARKET 2022



MARKET RENTS						
	1 bed lo	1 bed hi	2 bed lo	2 bed hi	3 bed lo	3 bed hi
BOISE <small>Excluding Downtown</small>	\$1,465	\$1,600	\$1,644	\$1,785	\$1,819	\$1,975
BOISE <small>Downtown</small>	\$1,535	\$1,715	\$2,068	\$2,411	--	--
MERIDIAN	\$1,434	\$1,580	\$1,678	\$1,870	\$2,014	\$2,150
CANYON COUNTY	\$1,375	\$1,375	\$1,559	\$1,768	\$1,910	\$2,210

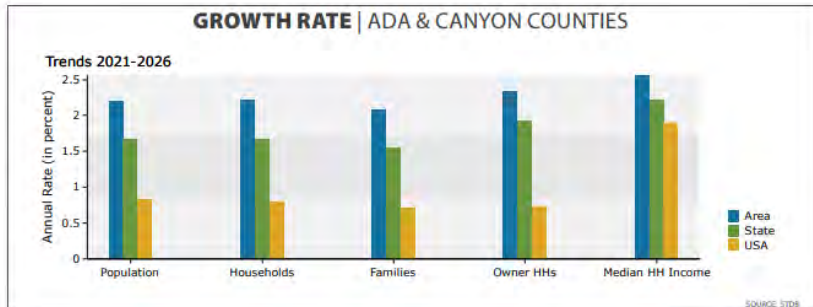
SOURCE: APARTMENTS.COM
SAMPLE SIZE OF PROPERTIES BY CITY

MARKET SNAPSHOT

Rents have increased throughout the Boise MSA. Rents in the City of Boise, excluding downtown, are up an average of 8 percent since Q1 2021. Meridian posted significant year over year increases with 12 percent higher rental prices in 2022 compared to 2021. Canyon County increased the most, rising 19 percent in the past 12 months. According to Moody's Data Analytics, vacancy in the Boise MSA is just 6.2 percent in Q4 2021.

Boise's residential market also remains strongly tilted towards sellers, with less than 1 month of inventory on the market in Ada County. The average sales price continues to reach new heights. In December 2021, the median sales price for a home in Ada County was \$546,000 with the average days on market at just 32 days.

GROWTH RATE | ADA & CANYON COUNTIES



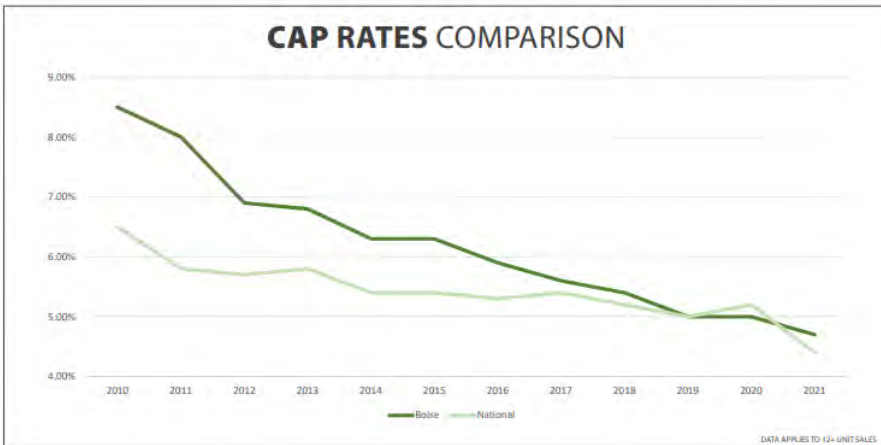
TRANSACTION VOLUME | MULTIFAMILY MARKET 2022



MULTIFAMILY SALES

The median sale price per door for Ada County in 2021 rose dramatically, up nearly \$80,000 per door on average. Canyon County also saw significant gains, up 11 percent per unit in the past 12 months. Also up for Ada County was the number of apartment sales to occur after a slight dip in 2020.

Currently, demand remains incredibly high for multifamily product. With record high rents and occupancy, investors are increasingly looking to multifamily as a safe harbor for their dollars. The problem remains the lack of quality assets on the market for sale. However, with the recent uptick in construction, some developers may seek to sell after they stabilize their properties, offering future hope for investors.



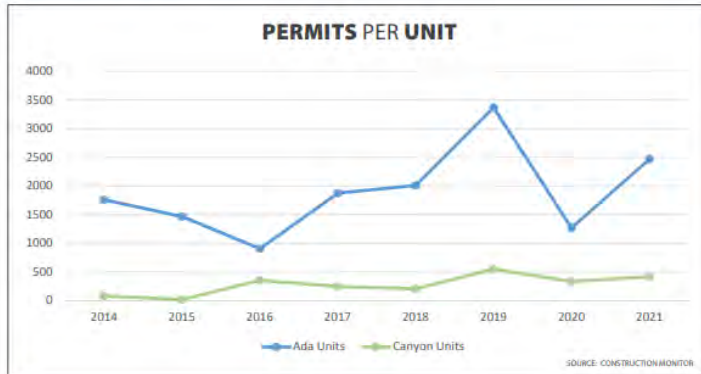
MULTIFAMILY PERFORMANCE

Multifamily cap rates have decreased steadily, both locally and nationally, since the recession. Boise MSA cap rates have dropped below 5 percent for the first time on record, averaging 4.7 percent in 2021.

Cap rates are expected to remain at or near record lows for 2022. With these rates continuing to compress and values rising sharply, the underwriting process is an even more critical component of each sale. What rents to use for proformas in an era of record high rates is an area demanding thought and planning on the part of investors. With rents rising so significantly, there becomes a time where some local tenants may be priced out of the market.

Boise's economy is expected to remain strong in the coming years. Robust in-migration and low unemployment rates are encouraging a thriving market.

UNDER CONSTRUCTION | MULTIFAMILY MARKET 2022



MULTIFAMILY CONSTRUCTION

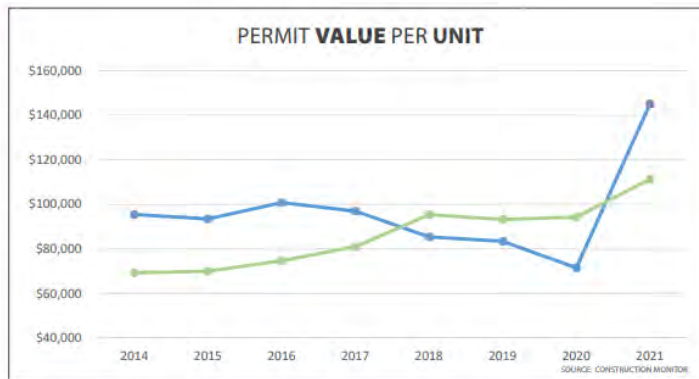
Ada County saw a dramatic increase in the number of apartment units permits pulled in 2021—nearly doubling the 2020 total, though still below the 2019 record of 3,366 units. Canyon County also saw an uptick, rising nearly 25 percent over 2020 to 417 permits pulled in 2021.

Multifamily land has seen increasing sales volume year over year. In 2019, there was nearly \$20 million sold, with a median per foot price of \$5.58. In 2020, that volume rose slightly to \$22 million, with a median price of \$10.81 per foot. Volume increased dramatically in 2021, with \$34 million sold and a median per foot price of \$12.54.

MULTIFAMILY PERMIT VALUE

Along with the increased number of permits pulled by county, the value of these permits also rose rather significantly in 2021. Permit values per unit in Ada County doubled with \$358 million pulled in 2021 for 2,468 units. In Canyon County, permit values per unit rose as well, rising to just over \$111,000 per door.

In-migration to the Boise MSA has remained strong, with Idaho remaining the fastest growing state in the country for a 5th consecutive year according to the U.S. Census Bureau. The majority of the growth continued to be in the Boise metro, which recorded an annual growth rate of 2.6 percent. This is compared to 0.4 percent nationally. With this strong population growth, many developers are seeking to accommodate by building both single family homes and apartments locally.



Investment Market Summary

INVESTMENT CONDITIONS

Investment transaction volume through the first half of 2022 is setting a record pace for the Boise MSA. There has been \$816 million trade hands, with the largest portion being multifamily product (\$548 million). There have been four apartment sales so far whose considerations were larger than \$50 million. The second largest consideration has been for industrial product, though it is in a distant second place with \$128 million sold so far this year.

Demand for office and retail remains strong, with more sales by count occurring in these product types than industrial and multifamily. However the total consideration of these deals are lower on average. For office the average price of investment sold is \$3 million and retail has averaged \$4.4 million.

Cap rates have continued to compress, declining in all sectors through June. Office investments are averaging 5.5 percent and retail is slightly lower at 5.4 percent. Multifamily aligns closely with the national average of 4.4 percent, with a local rate of 4.3 percent. Industrial has declined below 5 percent for the first time and currently averages 4.9 percent. Nationally, industrial product is seeing the lowest cap rates with 4.3 percent.

INVESTMENT OUTLOOK

As the U.S. stock market exhibits excessive amounts of volatility (notably into bear market territory), investors are fleeing riskier stock assets and placing their money in bonds. The yield on a 10-year U.S. Treasury note is up sharply from January 2022's reading of 1.51 percent and is rapidly moving toward 3.50 percent, a level not seen since 2011.

The "10-Y T-bill" is widely considered an important barometer used to gauge investors' sentiment toward alternative investments, like commercial real estate, and what they are willing to risk for an expected rate of return. CRE investors frequently compare an asset's cap rate to the return of the 10-year U.S. Treasury bill. Investments are evaluated based on their risk and the investment upside when compared to the predictably stable returns generated by the 10-year U.S. Treasury bill.

With rising interest rates, cap rates are expected to flatten initially, then see an uptick. If investors require financing to purchase property, the delta between the interest rate and the cap rate needs to be wide enough for the sale to pencil. Given the large amount of cash buyers still in the market, investment sales will continue, however those seeking financing may push back on record low cap rate pricing.

TAKEAWAYS:

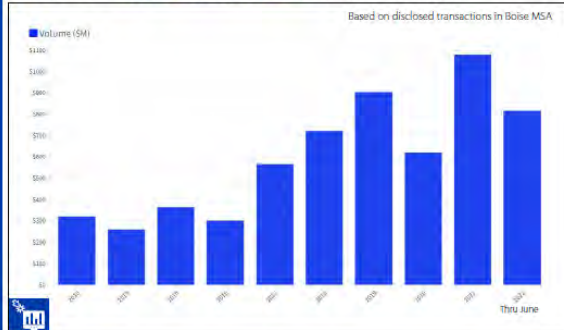
- **MULTIFAMILY PRODUCT IS DOMINATING SALES VOLUME WITH OVER HALF A BILLION SOLD.**
- **RISING INTEREST RATES WILL CAUSE CAP RATES TO INCREASE AS THE COST OF FINANCING TRENDS UPWARD.**

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TOK INVESTMENT MARKET STATS

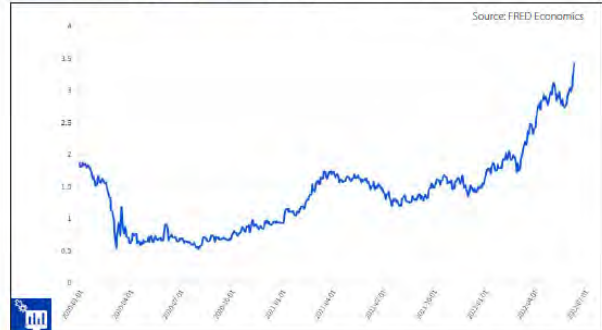
INVESTMENT SALES VOLUME

TRANSACTION VOLUME in June 2022 is already 75% of 2021's total.
There have been FOUR SALES over \$50 MILLION in consideration this year.



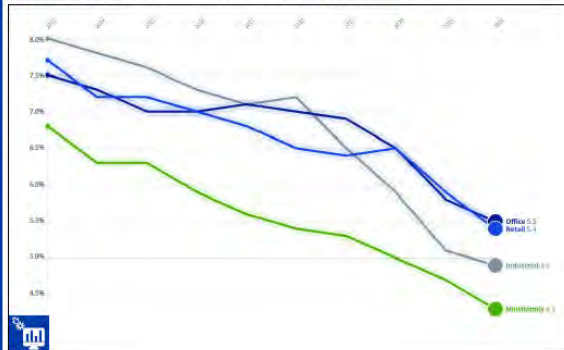
10-YEAR TREASURY RATES

US TREASURY YIELDS hit an 11-YEAR HIGH in June 2022.
THE FED raised rates by 75 BASIS POINTS, the largest hike since 1994.



BOISE MSA CAPITALIZATION RATES

CAP RATES in the Boise MSA have continued to DECLINE in 2022.
INDUSTRIAL average cap rates declined below 5% for the FIRST TIME.



SALES COMPARABLES

14 INVESTMENT TRANSACTIONS sold for over \$10 MILLION in 2022.
MULTIFAMILY investments account for 67% of SALES VOLUME in 2022.

	SIZE	SALE PRICE	CAP RATE
OFFICE Multitenant	22,000 SF	\$4,200,000	6.1%
INDUSTRIAL Single Tenant	69,000 SF	\$20,000,000	5.2%
RETAIL Multitenant	14,000 SF	\$3,500,000	6.5%
MULTIFAMILY	100 UNITS	\$37,900,000	4.2%

Land Market Summary



COMMERCIAL LAND

The commercial land market has experienced some slowing in the recent months as high construction costs, increased lending rates, and longer closing times have begun to take their effect. Transaction volume has decreased to just over half of the transactions completed through July 2021, with a total consideration of \$51 million this year through July. The number of acres sold through July reached 195 acres but showed a 59 percent decrease from just Q1 to Q2 this year, reflecting the extra time these deals are beginning to take as buyers first look to get entitlements and approvals before closing. This has contributed to extended closing times as cities short on staff need extra time to work through submittals, but also reduced the risk buyers were assuming in purchasing land and hoping entitlements would go through.

Even with land sales taking longer to close, commercial developments continue to move forward with total permits up 36 percent from this time last year. Industrial projects make up most of the activity in the valley, accounting for two-thirds of approved permits in Canyon County and nearly half of the permits in Ada County. Permit value for these projects has exceeded 2021's total, reaching \$342 million with nearly a third of that value in Canyon County as development in that area continues to grow. The median value for industrial land from the beginning of the year through the end of July increased 30 percent from the same timeframe in 2021. Office and retail saw an even bigger increase of 36 percent from 2021 with a combined median price of over \$14.00 per square foot.

RESIDENTIAL LAND

In the residential land market, Q2 2022 saw significant slowing as rising interest rates have affected prospective home buyers and rising inflation has made both buyers and builders more cautious. Builders have slowed construction of new homes as houses sit unsold for longer. According to the Intermountain MLS, in July the number of active listings was more than double those in July 2021 for Ada county, and the number of homes sold were down 34 percent and sitting on the market 62 percent longer than the previous year. Both the number of single family home permits pulled in Ada and Canyon counties, as well as the total consideration for those permits, were down over 25 percent from this time last year. While median prices are still showing a small increase, that increase has declined month over month. Builders and developers have also become more selective in the land they consider and are walking away from contracts as they reevaluate lower home pricing and slower absorption rates.

However, with the housing market tightening, multifamily development has become increasingly necessary in the valley and the year to date totals are already surpassing last year's totals in both number of units planned and number of permits granted. The value of multifamily permits pulled has reached a record \$437 million, already 8 percent higher than all of 2021. Still, with construction costs staying high, rents flattening, and terminal or exit cap rates rising, it could slow the pace of development seen so far this year.

TAKEAWAYS:

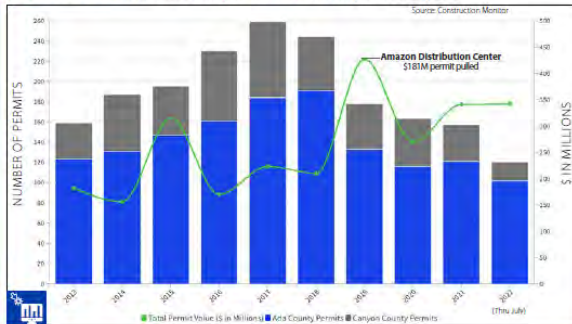
- **ALTHOUGH COMMERCIAL DEVELOPMENT HAS BEGUN TO SLOW, OVERALL NUMBER OF PERMITS ARE STILL UP 36% FROM LAST YEAR.**
- **THE NUMBER OF PLANNED MULTIFAMILY UNITS HAS ALREADY EXCEEDED LAST YEAR'S TOTAL.**

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TOK LAND MARKET STATS

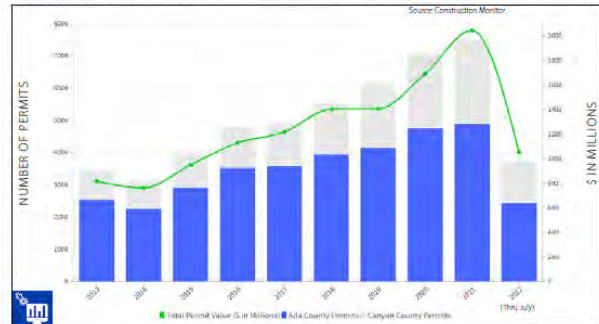
COMMERCIAL PERMITS & VALUES

PERMIT VALUE thru July has EXCEEDED last year's TOTAL.
NUMBER OF PERMITS in Ada County is 36% HIGHER compared to July 2021.



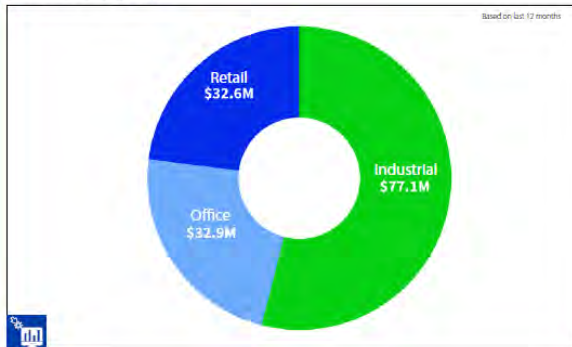
SINGLE FAMILY UNITS & PERMIT VALUES

TOTAL number of permits are DOWN 25% compared to same timeframe in 2021.
HOMES SOLD in July sat on the market 62% LONGER compared to July 2021.



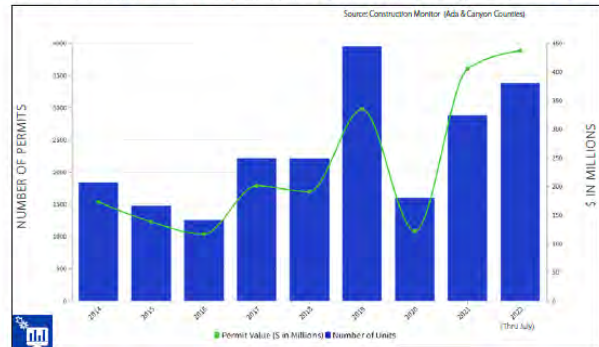
LAND SALES CONSIDERATION

INDUSTRIAL CONSIDERATION has DROPPED 15% since last quarter but still comprised 54% of commercial land SALES.



MULTIFAMILY UNITS & PERMIT VALUES

PERMIT VALUE reached a RECORD HIGH \$437 MILLION.
50% MORE MULTIFAMILY UNITS are planned in CANYON COUNTY thru July than in ALL of 2021.



Market Conditions Conclusions

Commercial - Prior to the Covid-19 pandemic, the economy was healthy, and statistics indicated strong demand across all commercial markets, characterized by historically low vacancies, positive net absorption, moderate new speculative construction, increasing lease rates, and strong market appreciation. During the onset of the pandemic, vacancies increased slightly in 2020, but have since declined back to pre-pandemic levels and remain at historic lows. Demand has continued to be strong and rental rates have continued to increase across most markets. It is noted, commercial land sale activity has slowed during the past few months. The recent uncertainty in the economy has market participants cautious and most believe commercial markets may be leveling off or stabilizing near-term. Increasing interest rates and high construction costs are also factors contributing to a possible slowdown in the commercial sector.

Residential - The local residential market boomed during the pandemic. Statistics have indicated strong demand across all residential markets, characterized by appreciating pricing and limited inventory in the single-family market, and increasing rent levels and historically low vacancies in the multifamily market. It is noted, single-family home sale prices have continued to appreciate in 2022, albeit at a lower rate versus the past several years. Furthermore, supply has increased, the number of homes sold has decreased, and days on market has increased during the past 6 months. High inflation, interest rate hikes, and recession fears are contributing to the market slowdown in the single-family residential market. Conversely, there has been no evidence to-date of a market slowdown in the multifamily market.

Highest and Best Use

The Highest and Best Use of a property is the use that is legally permissible, physically possible, and financially feasible which results in the highest value. An opinion of the highest and best use results from consideration of the criteria noted above under the market conditions or likely conditions as of the effective date of value. Determination of highest and best use results from the judgment and analytical skills of the appraiser. It represents an opinion, not a fact. In appraisal practice, the concept of highest and best use represents the premise upon which value is based.

Analysis of Highest and Best Use As Vacant/As Though Vacant

The primary determinants of the highest and best use of the property as vacant/as though vacant are the issues of (1) Legal permissibility, (2) Physical possibility, (3) Financial feasibility, and (4) Maximum productivity.

Legally Permissible

The majority of the site is zoned A-1 (Open Lands, Parks District). A small portion is zoned C-2 (General Commercial District). The site is designated as MU (Mixed-Use) in the Boise City Comprehensive Plan. The mixed-use designation is intended for a mix of retail, office, commercial, and high-density residential uses. It is likely a zoning change to C-2 or similar zoning would be granted to allow for a mix of commercial and high-density residential uses. Permitted uses in the C-2 zoning include a wide variety of retail, restaurant, office, medical, service commercial, residential condominiums/townhomes, and multifamily uses. We are not aware of any other land use regulations that would limit the use of the property. There are no known easements, encroachments, covenants or other use restrictions that would unduly limit or impede development of a probable nature.

Physically Possible

As evidenced by the physical characteristics of the property, including its size, configuration, accessibility and availability of public utilities, all of the legally permissible uses could be developed on the land. Approximately 8% of the site along the south boundary is in an AE flood zone. This area would need to be elevated out of the floodplain to be developed. The site does not have any other physical characteristics that would hinder development. The subject has a desirable location adjacent to large ponds, the Boise River, and Esther Simplot Park. It also has good exposure along W. State Street, which is a major arterial extending through north Boise. The immediate neighborhood is in the stage of revitalization with properties along the Boise River being redeveloped with higher-density residential uses and complimentary commercial uses. Considering the prevailing land use patterns in the immediate area, the subject is best suited for mixed-use development to include a mix of retail, office, and high-density residential uses.

Financially Feasible

Commercial - Statistics indicate continued strong demand across all commercial markets, characterized by historically low vacancies, positive net absorption, moderate new speculative construction, increasing lease rates, and strong market appreciation. During the onset of the pandemic, vacancies increased slightly in 2020, but have since declined back to pre-pandemic levels and remain at historic lows. Demand has continued to be strong and rental rates have continued to increase across most markets. It is noted, commercial land sale activity has slowed during the past few months. The recent uncertainty in the economy has market participants cautious and most believe

commercial markets may be leveling off or stabilizing near-term. Increasing interest rates and high construction costs are also factors contributing to a possible slowdown in the commercial sector.

Residential - The local residential market boomed during the pandemic. Statistics have indicated strong demand across all residential markets, characterized by appreciating pricing and limited inventory in the single-family market, and increasing rent levels and historically low vacancies in the multifamily market. It is noted, single-family home sale prices have continued to appreciate in 2022, albeit at a lower rate versus the past several years. Furthermore, supply has increased, the number of homes sold has decreased, and days on market has increased during the past 6 months. High inflation, interest rate hikes, and recession fears are contributing to the market slowdown in the single-family residential market. Conversely, there has been no evidence to-date of a market slowdown in the multifamily market.

Maximally Productive

Of the financially feasible uses, the maximally productive use is the use that produces the highest residual land value. Considering the aforementioned factors, the maximally productive, and therefore highest and best use, as vacant/as though vacant, is for mixed-use development as demand warrants.

Conclusion of Highest and Best Use As Vacant/As Though Vacant

The conclusion of the highest and best use, as vacant/as though vacant, is for some form of mixed-use development. A likely development scenario could include retail along W. State Street, high-density condominiums or townhomes on the south portion fronting the ponds, and multifamily on the balance with possibly some complimentary office uses.

Analysis of Highest and Best Use As Improved

In determining the highest and best use of the property as improved, the focus is on three possibilities for the property: (1) continuation of the existing use, (2) modification of the existing use, or (3) demolition and redevelopment of the land.

The subject site is improved with a 3-story office building and several storage, shop, and flex buildings. The gross building area is 240,615 square feet resulting in a land-to-building ratio of 8.07:1. Surplus land is present. The improvements were constructed between 1951 and 1999. Construction quality is rated fair to average overall. The improvements have an estimated effective age of 40-45 years and are in fair to average condition. It is noted, the main office building is currently vacant. On January 2, 2022, multiple HVAC pipes froze and failed in the penthouse mechanical room causing significant flooding to portions of all levels of the building. The flooding exposed the sprayed-on fireproofing material which has known asbestos present. The asbestos would need to be remediated as a part of a renovation to the building to cure the water damage. Based on a cost estimate provided by Quicksilver Consulting, total cost of renovation/remediation is estimated at \$3,032,462. The Quicksilver Consulting cost estimate and water damage investigation report, which describes the water damage and presence of asbestos, are included in the addenda section.

The subject has a desirable location in North Boise adjacent to large ponds, the Boise River, and Esther Simplot Park. The north portion of the property has significant arterial street exposure. During the past decade, the immediate neighborhood is in the stage of revitalization with properties along the Boise River being redeveloped with higher-density residential uses and complimentary commercial uses. The subject site is prime for redevelopment. Considering building quality/design and an effective age at or near the end of the economic lives of the improvements, as well as development trends in the immediate neighborhood, the improvements are clearly not the ideal improvement to be developed on the site.

Estimating Value In-Use

Value in-use or use value is defined as:

"The value of a property assuming a specific use, which may or may not be the property's highest and best use on the effective date of the appraisal. Value in use may or may not be equal to market value but is different conceptually." (The Dictionary of Real Estate Appraisal, 6th Edition)

To determine if the improvements have any contributory value (above land value), we employed the income capitalization approach (presented in restricted format) to value the property based on the current use. Market rent was utilized to represent stabilized income. Vacancy allowance, expenses, and capitalization rate assumptions presented in the proforma are based on market comparables of competing older properties in the local market.

Deductions To Value

Market rent for the main office building assumes the renovation/remediation has been completed. Based on the provided cost estimate, the cost to renovate the building, including an entrepreneurial incentive of 10% of cost, is deducted from the value as renovated.

Idaho Power Company upgraded and buried power lines to the campus in 2017. ITD is paying for the improvements in monthly payments of \$1,400 per month. The payments go through 2048 (26 more years). The present value of the remaining payments is discounted at a safe rate of 3%, resulting in a present value of \$300,000 ($\$1,400 \times 12 \text{ mo.} \times 26 \text{ yrs.} = \$436,800$, discounted monthly at an annual rate of 3% = \$300,000, rounded). The present value of the payments is a deduction to "as is" market value.

The Direct Capitalization Summation Table is presented following, concluding Value In-Use for the subject via the income capitalization approach.

Proforma - Value In-Use
Stabilized Annual Income

	Input Variables			240,615 rsf	
<u>Rental Income (NNN)</u>	<u>Unit</u>	<u>Rate</u>	<u>\$/Yr</u>	<u>\$/RSF</u>	<u>% of PGI</u>
Headquarters Office Building	101,331	\$11.00	\$1,114,641	\$4.63	42%
Operations Annex Lab/Office	39,535	\$9.00	\$355,815	\$1.48	13%
BSM Building Shop/Warehouse	45,416	\$6.50	\$295,204	\$1.23	11%
Mechanics Garage/Service Building	8,753	\$6.50	\$56,895	\$0.24	2%
Two metal storage buildings	4,800	\$4.50	\$21,600	\$0.09	1%
4-Bay Equipment Storage Building	1,675	\$5.50	\$9,213	\$0.04	0%
ETS Modular	3,024	\$9.00	\$27,216	\$0.11	1%
Training Modula	1,826	\$9.00	\$16,434	\$0.07	1%
State Historical Society Warehouse - South	24,952	\$5.50	\$137,236	\$0.57	5%
State Historical Society Warehouse - North	9,303	\$5.50	\$51,167	\$0.21	2%
Surplus Land	<u>978,791</u>	<u>\$0.60</u>	<u>\$587,275</u>	<u>\$2.44</u>	<u>22%</u>
Potential Gross Income (PGI)	240,615	\$11.11	\$2,672,694	\$11.11	100%
Reimbursable Expense Income	Not included (Offset)		\$0	\$0.00	0%
Frictional Vacancy Loss	% of PGI	-5.0%	<u>(\$133,635)</u>	<u>(\$0.56)</u>	<u>-5%</u>
Effective Gross Income (EGI)			\$2,539,060	\$10.55	95%
<u>Operating Expenses (NNN)</u>				<u>\$/RSF</u>	<u>% of EGI</u>
Real estate tax	Paid by tenant		\$0	\$0.00	0%
Insurance	Paid by tenant		\$0	\$0.00	0%
Utilities	Paid by tenant		\$0	\$0.00	0%
Maintenance and repairs	Paid by tenant		\$0	\$0.00	0%
Management/administration	% of EGI	-3.0%	(\$76,172)	(\$0.32)	-3%
Structural, roof & HVAC reserves	240,615	(\$0.20)	<u>(\$48,123)</u>	<u>(\$0.20)</u>	<u>-2%</u>
Total Operating Expenses			<u>(\$124,295)</u>	<u>(\$0.52)</u>	<u>-5%</u>
Net Operating Income (NOI):			\$2,414,765	\$10.04	95%
Divided By Capitalization Rate:			7.00%		
Equals Market Value:			\$34,496,640		
Less: Headquarters Office Remediation/Renovation			(\$3,032,462)		
Less: Entrepreneurial Incentive of 10% of Cost			(\$303,246)		
Less: PV of Idaho Power payments			<u>(\$300,000)</u>		
Total			\$30,860,932		

**Income Capitalization Approach Conclusion,
 Value In-Use, rounded**
\$30,860,000

Conclusion of Highest and Best Use As Improved

The prior analysis concludes our opinion of value in-use or use value at \$30,860,000. Use value does not represent market value. As presented following in this report, the value of the property “as improved” is significantly less than the combination of vacant site value plus the cost of demolition of the improvements (concluded at \$38,620,000). Therefore, demolition and redevelopment of the site is the maximally productive use. The highest and best use of the subject property, as improved, is to raze the improvements for near-term mixed-use development.

Most Probable Buyer

The most probable buyer of the subject property is a regional or national developer who would redevelop the property to its highest and best use.

Valuation - Market Value: As If Vacant

Sales Comparison Approach

Sales Comparison Approach Methodology

Land value is most often estimated using the sales comparison approach. This approach develops an indication of market value by analyzing closed sales, listings, or pending sales of properties similar to the subject, focusing on the difference between the subject and the comparables using all appropriate elements of comparison. This approach is based on the principles of supply and demand, balance, externalities, and substitution, or the premise that a buyer would pay no more for a specific property than the cost of obtaining a property with the same quality, utility, and perceived benefits of ownership. The process of developing the sales comparison approach consists of the following: (1) researching and verifying transactional data, (2) selecting relevant units of comparison, (3) analyzing and adjusting the comparable sales for differences in various elements of comparison, and (4) reconciling the adjusted sales into a value indication for the subject.

Comparable Sales Data

To obtain and verify comparable sales and listings of competing properties, we conducted a search of public records, field surveys, interviews with knowledgeable real estate professionals in the area, as well as a review of our internal database.

The subject is a 44.57-acre commercial site located in the north Boise submarket. The valuation assumes the subject is vacant and ready for development. Six properties were selected for comparison to the subject, as these were judged to be the most comparable to develop an indication of market value for the subject site. Emphasis was placed on date of sale, location, size, and zoning/highest and best use in the selections. The comparables are the most recent known sales of larger competing commercial sites in the Ada County market.

Unit of Comparison

The primary unit of comparison in the market for properties such as the subject is price per (usable) square foot.

Elements of Comparison

Elements of comparison are the characteristics or attributes of properties and transactions that cause the prices of real estate to vary. The primary elements of comparison considered in sales comparison analysis are as follows: (1) property rights conveyed, (2) financing terms, (3) conditions of sale, (4) expenditures made immediately after purchase, (5) market conditions, (6) location, and (7) physical characteristics such as size, configuration, availability of utilities, and other factors.

Sales Comparison Analysis

When necessary, adjustments were made for differences in various elements of comparison. If the element in comparison is considered superior to that of the subject, we applied a negative adjustment. Conversely, a positive adjustment to the comparable was applied if inferior.

The land adjustment analysis uses market-based data from paired-sales, construction costs for site improvements, or other market indicators. In instances where there is limited market data available, the adjustment is based on the appraiser's estimate of market reaction. The adjustment categories are discussed briefly as follows, and the adjustments are illustrated in the Land Sale Comparable Summation Table to follow.

Transaction Adjustments

Transaction adjustments include: (1) real property rights conveyed, (2) financing terms, (3) conditions of sale, and (4) expenditures made immediately after purchase. These items, which are applied prior to the market conditions and property adjustments, are discussed as follows:

Real Property Rights Conveyed

This adjustment considers real property rights relating to a property, such as a lease contract or deed restrictions.

Similar to the subject, the sales are all fee simple sales. No adjustments were warranted.

Financing Terms

The transaction price of one property may differ from that of an identical property due to different financial arrangements. Sales involving financing terms that are not at or near market terms require adjustments for cash equivalency to reflect typical market terms. A cash equivalency procedure discounts the atypical mortgage terms to provide an indication of value at cash equivalent terms.

All of the comparables were cash equivalent sales with market terms. No adjustments were warranted.

Conditions of Sale

Atypical conditions of sale may result in a price that is higher or lower than a normal transaction. Such atypical conditions of sale often occur in conjunction with sales between related parties or those in which one of the parties is atypically motivated to complete the transaction. Additionally, a downward adjustment may be applied to a listing price, which usually reflects the upper limit of value.

Comparable 1 was offered for sale via a call for offers. The seller received 11 offers with the highest offer being \$12,040,000 (\$18.43/SF). The offer was a high outlier versus the other offers and market comparables (at the time). The next 6 highest offers ranged from \$9.37/SF to \$16.07/SF. The sale price for Comparable 1 was concluded to be above market. Based on the range of the next 6 highest offers, a downward adjustment of 20% was applied.

Expenditures Made Immediately After Purchase

A knowledgeable buyer considers expenditures required upon purchase of a property, as these costs affect the price the buyer agrees to pay. Such expenditures may include costs to demolish and remove any improvements, costs to petition for a zoning change, and costs to remediate environmental

contamination. The relevant figure is not the actual cost incurred, but the cost anticipated by both the buyer and seller.

Comparables 4-6 were improved with older improvements which will be razed at the cost of the buyer upon development. Upward adjustments were applied based on the estimated cost to raze the improvements.

Market Conditions Adjustment

Market conditions change over time because of inflation, deflation, fluctuations in supply and demand, or other factors. Changing market conditions may create a need for adjustment to comparable sale transactions completed during periods of dissimilar market conditions.

Commercial land in the subject market has exhibited a very strong appreciating trend during the past several years. The comparables are closed sales primarily occurring from August 2019 through March 2022. Sale 6 is an older 2016 sale, but is a larger site located in the subject's immediate neighborhood. To account for strong appreciating land values in the subject market during this period, upward adjustments of 10% per year were applied from the dates of sale through June 1, 2022. Considering the recent residential market slowdown and the possible near-term market slowdown in the commercial sector, no market conditions adjustment was applied moving forward.

Property Adjustments

Property adjustments are usually expressed quantitatively as percentages or dollar amounts that reflect the differences in value attributable to the various characteristics of the property. In some instances, however, qualitative adjustments are used. These adjustments are based on locational and physical characteristics and are applied after the application of transaction and market conditions adjustments. Our reasoning for the property adjustments made to each sale comparable follows. The discussion will analyze each adjustment category deemed applicable to the subject property.

Location

This category considers value differences as a function of location qualities, desirability, and accessibility. This category also considers primary arterial frontage locations versus secondary arterial or second tier non-frontage locations and anchored versus non-anchored locations. Other factors include freeway access, surrounding uses, access to markets, etc.

The subject has a very good north Boise location prime for near-term redevelopment. The subject benefits from its arterial street visibility, large population base, and proximity to the Boise River, Whitewater Park, Esther Simplot Park, and downtown Boise. Comparables 1, 2, 3, and 5 are inferior to the subject for location. Comparable 1 has an inferior location in south Boise and fronts an inferior arterial. Comparable 2 has a good central Boise location back lacks arterial street exposure. Comparable 3 has good arterial street exposure but its Meridian location is inferior to north Boise. Comparable 5 has an inferior location in Garden City. It does have desirable Boise River frontage but no arterial street visibility. Upward adjustments of 20% were applied. Comparables 4 and 6 are located in the subject's immediate neighborhood and have frontage along the Boise River. They are reasonably similar to the subject for location. No adjustments were applied.

Zoning/Use

This category considers value differences associated with variances in zoning designations or uses allowed.

The subject is designated for mixed-use in Boise's Comprehensive Plan. It is likely a zoning change to C-2 or similar zoning would be granted to allow for a mix of commercial and high-density residential uses. Comparable 1 is zoned R-3/DA which is an inferior residential zoning district with lower allowable densities and less allowable uses. An upward adjustment of 20% was applied. Comparables 4 and 6 are zoned C-5DD which is a superior zoning for allowable densities, setbacks, and height restrictions. Downward adjustments of 20% were applied.

Size

This category considers value differences resulting from variances in property size. In general, smaller parcels have higher price per square foot (or per acre) sale prices versus larger parcels.

The majority of the comparables are moderately to significantly smaller than the subject. Downward adjustments ranging from -10% to -20% were applied. Note, the adjustment was tempered as there are very few larger commercial sites available for development in the subject market.

Configuration

This category considers differences in land use or value associated with property configuration. Irregular parcels typically have lower price per square foot sales prices versus rectangular parcels do to less functional utility.

The subject has an irregular but overall functional configuration. Comparable 4 is a smaller site with a narrow configuration resulting in less functional utility. An upward adjustment of 5% was applied.

Topography

This category considers differences in land use or value associated with property topography. Commercial parcels with uneven topographies typically have lower price per square foot sale prices because the cost to develop is greater versus a level parcel.

No adjustments were warranted.

Utilities

This category considers the availability of water and sewer services and other utilities to the property.

The comparables are similar to the subject for the availability of utilities. No adjustments were warranted.

Site Improvements

This adjustment category considers value differences as a result of site improvements located on a property.

No adjustments were warranted.

Non-Realty Components of Value

Non-realty components of value include tangible items, equipment, and business concerns that do not constitute real property but are included in either the sale price of the comparable property or the ownership interest in the subject property. These components should be analyzed separately from the real property. In most cases, the economic lives, associated investment risks, rate of return criteria, and collateral security for such non-realty components differ from those of the real property.

None of the comparables had non-realty components included in the sale price. No adjustments were warranted.

Other

No further adjustments were warranted.

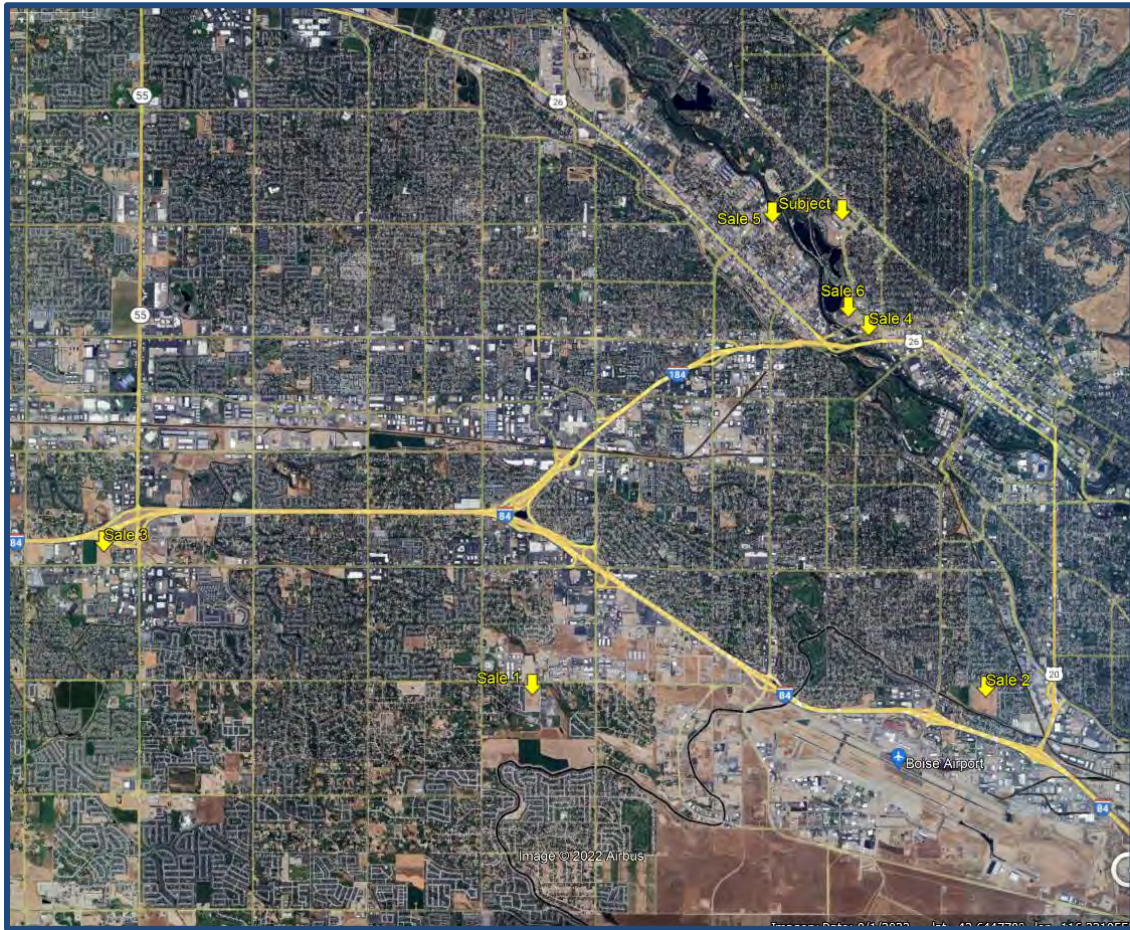
Presentation

Presented on the following pages are the Land Sale Comparable Summation Table, Sale Comparable Location Map, the discussion and analysis of the comparables, and conclusion(s) of market value for the subject.

Land Sale Comparable Summation Table

Location	Subject	1	2	3	4	5	6
Location Name Address City & State Parcel No. Location quality	Idaho Transportation Department Campus 3311 W. State Street Boise, Ada County, Idaho 83703 R3786000159 Very good	Victory Flats 8373 W. Victory Rd. Boise, Idaho S1125212400 Inferior	Visa Point 2521 W. Victory Rd. Boise, Idaho S1027212400 Inferior	Seasons at Meridian Apartments 2700 E. Overland Road Meridian, Idaho S1117438452 Inferior	2998 W. Fletcher St. Boise, Idaho 7 parcels Similar	501-507 E. 41st Street Garden City, Idaho 4 parcels Inferior	Former Bob Rice Ford Auto 3150 W. Main Street Boise, Idaho S1004336105 Similar
Property description Gross land size (Acres) Unusable or effective (sf) Usable land size (usf) Land type Zoning	44.57 1,941,251 0 1,941,251 Mixed-use Likely future C-2 n/a	15.00 653,400 0 653,400 Mixed-use R-3D/DA Vacant	43.94 1,914,026 1,838,825 1,730,151 Multifamily A-1 (Mixed-use comp plan) Vacant	15.62 680,407 0 680,407 Multifamily C-G Vacant	4.33 188,397 0 188,397 Mixed-use C-5DD Vacant and old bldg	4.07 177,289 0 177,289 Mixed-use C-2 Mostly vacant, small SFR	10.47 455,899 2,127.24 434,625 Mixed-use C-5DD Former auto dealership
Buyer's intended use Configuration Topography Utilities Site improvements	Irregular, but functional Generally level All available Assumed vacant	Rectangular Level to gently sloping All available None	Nearly rectangular Level All available None	Rectangular Level All available None	Irregular Generally level All available None	Irregular, but functional Level All available None	Former CWI campus Irregular, but functional Generally level All available To be razed
Sale description Data source Seller Buyer Marketing time Sale date Price	n/a n/a n/a 6-12 months Eff. date of appraisal (9/22) n/a	n/a Boise Independent School District Well LC Portfolio LLC Call for offers (July 2021) 3/22 \$12,040,000 Cash	JY: TOK Big Mike & Anna Simunich Enterprise EPC Boise Victory Road LLC Unk 11/21 \$33,000,000 Cash	Confidential WinCo Foods LLC MB Overland Wells LLC Unk 7/21 \$9,785,000 Cash	Matt Bullis, Broadmark Realty DY Boise River LLC LGO Ventures Urban Capital Partners LLC Unk 5/21 \$6,487,551 Cash	JV: MLS#98709803 Urban Willow LLC Vida Properties LP 5.5 months 8/19 \$3,075,000 Cash	JV: Idaho Statesman/public records Bob Rice Family Trust College of Western Idaho Several years 3/16 \$8,737,226 Cash
Financing terms Conditions of sale Non-realty components Comments	Typical arms-length None None	Motivated buyer None None	Typical arms-length None None	Typical arms-length None None	Typical arms-length None None	Typical arms-length None None	Typical arms-length None None
Financial Indicators Price/usf Adjustments Real Property Rights Conveyed Adjusted sale price Financing terms Adjusted sale price Conditions of sale Adjusted sale price Expenses After Purchase Adjusted sale price Market conditions (time) Adjusted sale price	\$18.43 0% Fee Simple \$18.43 0% Cash \$18.43 -20% None \$14.74 2% 3/22 \$14.99 20%	\$19.07 0% Fee Simple \$19.07 0% Cash \$19.07 0% None \$19.07 0% 11/21 \$20.03 20%	\$14.38 0% Fee Simple \$14.38 0% Cash \$14.38 0% None \$14.38 0% 7/21 \$15.58 20%	\$34.44 0% Fee Simple \$34.44 0% Cash \$34.44 0% None \$34.44 0% 5/21 \$38.03 0%	\$17.34 0% Fee Simple \$17.34 0% Cash \$17.34 0% None \$17.34 0% 8/19 \$22.29 20%	\$20.10 0% Fee Simple \$20.10 0% Cash \$20.10 0% None \$20.10 0% 3/16 \$33.34 0%	
Adjustment notes	No adjustment	No adjustment	No adjustment	No adjustment	No adjustment	No adjustment	No adjustment
Eff. date of appraisal (9/22)	+10%/yr to 6/22	2%	5%	8%	10%	1%	3%
Location Zoning/Use Usable land size Configuration Topography Utilities Site improvements Non-realty components Other	Very good Likely future C-2 44.57 Irregular, but functional Generally level All available Assumed vacant None No adjustment	Inferior R-3D/DA 15.00 Rectangular Level to gently sloping All available None No adjustment	A-1 (Mixed-use comp plan) Inferior 39.72 Nearly rectangular Level All available None No adjustment	Inferior C-G 15.62 Rectangular Level All available None No adjustment	Similar C-5DD 4.33 Irregular Generally level All available None No adjustment	Inferior C-2 4.07 Irregular, but functional Level All available None No adjustment	Similar C-5DD 9.98 Irregular, but functional Generally level All available To be razed None No adjustment
Net adjustment	30%	20%	10%	-35%	0%	0%	-35%
Indicated subject value (usf)	\$19,48	\$24,03	\$17,14	\$24,72	\$22,29	\$21,67	

LAND SALE COMPARABLE LOCATION MAP



Sales Comparison Approach Value Indication

From the market data available, six properties were utilized in the comparative analysis and adjustments were applied based on pertinent elements of comparison. The following table summarizes the unadjusted and adjusted comparable prices:

Land Sales Statistics

Metric	Unadjusted	Adjusted
Minimum Sale Price per Sq. Ft.	\$14.38	\$17.14
Maximum Sale Price per Sq. Ft.	\$34.44	\$24.72
Median Sale Price per Sq. Ft.	\$18.75	\$21.98
Mean Sale Price per Sq. Ft.	\$20.63	\$21.56

Prior to adjustment, the comparable prices range from \$14.38/SF to \$34.44/SF, with a median of \$18.75/SF and mean of \$20.63/SF. The price differences are primarily attributable to date of sale, location, zoning, and size. Comparable 4 represents the upper-tier of the range. It is a smaller site superior to the subject for zoning. Comparable 3 represents the lower-tier of the range. It has an inferior Meridian location. After adjustment, the comparables bracket market value for the subject in a range of \$17.14/SF to \$24.72/SF, with a median of \$21.98/SF and mean of \$21.56/SF. With nearly equal weight given to each comparable, **market value for the subject is concluded to be \$22.00/SF**, near the mid-tier of the comparable range. The calculations to value are presented in the following table, resulting in Market Value: As If Vacant for the subject via the sales comparison approach.

Market Value: As If Vacant

$$\begin{array}{rcll} & \text{Size (usf)} & \times & \text{value/sf} = \text{total value} \\ 1,941,251 & & \times & \$22.00 & \$42,707,531 \end{array}$$

Sales Comparison Approach Conclusion

Market Value: As If Vacant, rounded **\$42,710,000**

Development Approach

Development Approach Methodology – Discounted Cash Flow Analysis

The development approach is utilized when units within a larger development are to be sold individually. This method is not an independent method unto itself, but a hybrid containing elements of all three standard methods with emphasis on the sales comparison approach and income capitalization approach (yield capitalization). Direct and indirect costs are deducted from the estimated gross sellout price of the finished units. The resulting net sales proceeds are then discounted to a present value at a market derived yield rate over a development absorption period to conclude the estimate of market value to a single purchaser, also termed Bulk Sale Market Value.

This process involves various steps which are listed below.

1. Estimate gross potential income (unit sales)
2. Estimate expenses (selling and holding expenses)
3. Estimate developer profit requirement (percentage of gross sales)
4. Extract a market discount rate (required yield)
5. Project absorption (unit sell-out time)
6. Discount the future cash flows to a present value

These steps are detailed next as they relate to the subject.

Potential Gross Income – Individual Site Sales

The following assumptions were employed in the development approach analysis:

- 1) The valuation considers a sell-out scenario involving five separate transactions.
- 2) The sites could vary in size, but we assume an average size of 8.91 acres (total 44.57 acres divided by 5)
- 3) The valuation assumes an average location within the greater development. For example, the arterial frontage along W. State Street would be a higher value versus an interior site in the central portion of the development.
- 4) The valuation assumes the subject sites are vacant.
- 5) Considering the larger average size of the subject lots, we assume only minimal subdivision improvements. The values do not reflect fully improved sites.

The first step is to estimate the subject's potential gross income, (PGI) which is generated from the sales of the five individual sites. Market value for the average site was developed via a comparative analysis against recent sales of similar sites in competing areas of the subject market. This property reflects the median appeal for the subject sites in regard to location, configuration, and size.

Comparable Sales Data

To obtain and verify comparable sales and listings of competing properties, we conducted a search of public records, field surveys, interviews with knowledgeable real estate professionals in the area, as well as a review of our internal database.

Six properties were selected for comparison to the subject, as these were judged to be the most comparable to develop an indication of market value for the subject benchmark property. Emphasis was placed on date of sale, location, size, and highest and best use in the selections. The comparables are the most recent known sales of competing commercial sites in the subject's neighborhood.

Unit of Comparison

The primary unit of comparison in the market for properties such as the subject is price per (usable) square foot.

Elements of Comparison

Elements of comparison are the characteristics or attributes of properties and transactions that cause the prices of real estate to vary. The primary elements of comparison considered in sales comparison analysis are as follows: (1) property rights conveyed, (2) financing terms, (3) conditions of sale, (4) expenditures made immediately after purchase, (5) market conditions, (6) location, and (7) physical characteristics such as size, configuration, availability of utilities, and other factors.

Sales Comparison Analysis

When necessary, adjustments were made for differences in various elements of comparison. If the element in comparison is considered superior to that of the subject, we applied a negative adjustment. Conversely, a positive adjustment to the comparable was applied if inferior.

The land adjustment analysis uses market based data from paired-sales, construction costs for site improvements, or other market indicators. In instances where there is limited market data available, the adjustment is based on the appraiser's estimate of market reaction. The adjustment categories are discussed briefly as follows, and the adjustments are illustrated in the Land Sale Comparable Summation Table to follow.

Transaction Adjustments

Transaction adjustments include: (1) real property rights conveyed, (2) financing terms, (3) conditions of sale, and (4) expenditures made immediately after purchase. These items, which are applied prior to the market conditions and property adjustments, are discussed as follows:

Real Property Rights Conveyed

This adjustment considers real property rights relating to a property, such as a lease contract or deed restrictions

Similar to the subject, the sales are all fee simple sales. No adjustments were warranted.

Financing Terms

The transaction price of one property may differ from that of an identical property due to different financial arrangements. Sales involving financing terms that are not at or near market terms require adjustments for cash equivalency to reflect typical market terms. A cash equivalency procedure discounts the atypical mortgage terms to provide an indication of value at cash equivalent terms.

All of the comparables were cash equivalent sales with market terms. No adjustments were warranted.

Conditions of Sale

Atypical conditions of sale may result in a price that is higher or lower than a normal transaction. Such atypical conditions of sale often occur in conjunction with sales between related parties or those in which one of the parties is atypically motivated to complete the transaction. Additionally, a downward adjustment may be applied to a listing price, which usually reflects the upper limit of value.

All of the sales are typically motivated, arms-length sales. No adjustments were warranted.

Expenditures Made Immediately After Purchase

A knowledgeable buyer considers expenditures required upon purchase of a property, as these costs affect the price the buyer agrees to pay. Such expenditures may include costs to demolish and remove any improvements, costs to petition for a zoning change, and costs to remediate environmental contamination. The relevant figure is not the actual cost incurred, but the cost anticipated by both the buyer and seller.

The majority of the comparables were improved with older improvements which will be razed at the cost of the buyer upon development. Upward adjustments were applied based on the estimated cost to raze the improvements.

Market Conditions Adjustment

Market conditions change over time because of inflation, deflation, fluctuations in supply and demand, or other factors. Changing market conditions may create a need for adjustment to comparable sale transactions completed during periods of dissimilar market conditions.

Commercial land in the subject market has exhibited a very strong appreciating trend during the past several years. The comparables are closed sales primarily occurring from August 2019 through June 2021. Sale 6 is an older 2016 sale, but is a similar sized site located in the subject's immediate neighborhood. To account for strong appreciating land values in the subject market during this period, upward adjustments of 10% per year were applied from the dates of sale through June 1, 2022. Considering the recent residential market slowdown and the possible near-term market slowdown in the commercial sector, no market conditions adjustment was applied moving forward.

Property Adjustments

Property adjustments are usually expressed quantitatively as percentages or dollar amounts that reflect the differences in value attributable to the various characteristics of the property. In some instances, however, qualitative adjustments are used. These adjustments are based on locational and physical characteristics and are applied after the application of transaction and market conditions adjustments. Our reasoning for the property adjustments made to each sale comparable follows. The discussion will analyze each adjustment category deemed applicable to the subject property.

Location

This category considers value differences as a function of location qualities, desirability, and accessibility. This category also considers primary arterial frontage locations versus secondary arterial or second tier non-frontage locations, and anchored versus non-anchored locations. Other factors include freeway access, surrounding uses, access to markets, etc.

The valuation represents the average location within the subject overall site. Comparable 1 is located across the street from the subject, but fronts W. State Street and is superior to the average subject lot for exposure. A downward adjustment of 10% was applied. Comparables 4 and 5 are inferior for location. They front secondary arterials with inferior exposure. Upward adjustments of 20% were applied.

Zoning/Use

This category considers value differences associated with variances in zoning designations or uses allowed.

The subject is designated for mixed-use in Boise's Comprehensive Plan. It is likely a zoning change to C-2 or similar zoning would be granted to allow for a mix of commercial and high-density residential uses. Comparable 2 is zoned L-OD which is an inferior zoning district with lower allowable densities and less allowable uses. An upward adjustment of 20% was applied. Comparables 3 and 6 are zoned C-5DD which is a superior zoning for allowable densities, setbacks, and height restrictions. Downward adjustments of 20% were applied.

Size

This category considers value differences resulting from variances in property size. In general, smaller parcels have higher price per square foot (or per acre) sale prices versus larger parcels.

The majority of the comparables are moderately smaller than the subject. Downward adjustments ranging from -5% to -10% were applied. Note, the adjustment was tempered as there are very few larger commercial sites available for development in the subject market.

Configuration

This category considers differences in land use or value associated with property configuration. Irregular parcels typically have lower price per square foot sales prices versus rectangular parcels do to less functional utility.

The average subject lot is assumed to have a functional configuration. Comparables 1-4 have irregular configurations resulting in less functional utility. Upward adjustments of 5% were applied.

Topography

This category considers differences in land use or value associated with property topography. Commercial parcels with uneven topographies typically have lower price per square foot sale prices because the cost to develop is greater versus a level parcel.

The comparables have generally level topographies similar to the subject. No adjustments were warranted.

Utilities: Water and Sewer

This category considers the availability of water and sewer services to the property.

The comparables have similar utilities as the subject. No adjustments were warranted.

Site Improvements

This adjustment category considers value differences as a result of site improvements located on a property.

No adjustments were warranted.

Non-Realty Components of Value

Non-realty components of value include tangible items, equipment, and business concerns that do not constitute real property but are included in either the sale price of the comparable property or the ownership interest in the subject property. These components should be analyzed separately from the real property. In most cases, the economic lives, associated investment risks, rate of return criteria, and collateral security for such non-realty components differ from those of the real property.

No adjustments were warranted.

Other

No further adjustments were warranted.

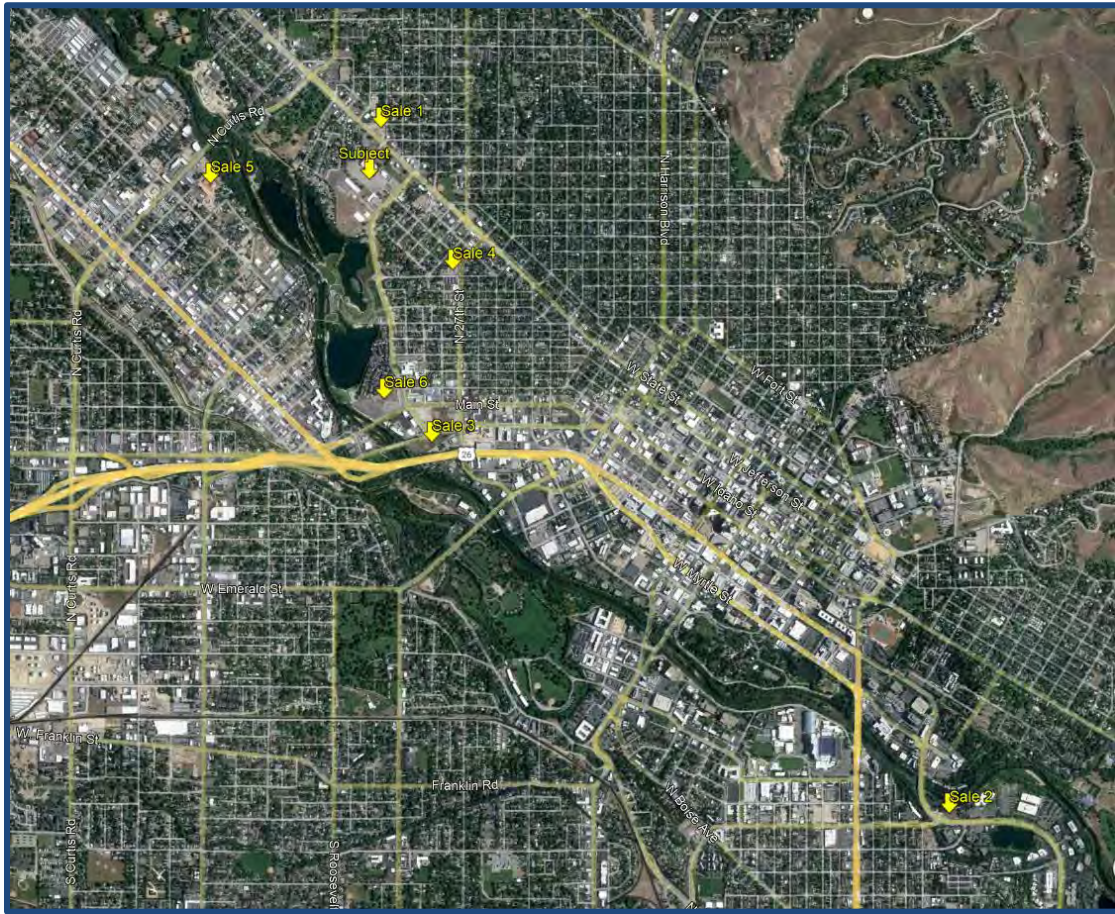
Presentation

Presented on the following pages are the Land Sale Comparable Summation Table, Sale Comparable Location Map, the discussion and analysis of the comparables, and conclusion(s) of market value for the subject.

Land Sale Comparable Summation Table

Location	Subject (average lot)	1	2	3	4	5	6
Location Name Address City & state Parcel No. Location quality	Idaho Transportation Department Campus 3311 W. State Street Boise, Ada County, Idaho 83703 R3786000159 Very good	Bluebird Car Wash 3310 W. State St. Boise, Idaho R1624003725 Superior	444 Parkcenter Blvd. Boise, Idaho R6907010020 & R6907010030 Similar	2998 W. Fletcher St. Boise, Idaho 7 parcels Similar	901 N. 27th St. Boise, Idaho R7154002160 (multiple at sale) Interior	501-507 E. 41st Street Garden City, Idaho 4 parcels Interior	Former Bob Rice Ford Auto 3150 W. Main Street Boise, Idaho S1004336105 Similar
Property description Gross land size (Acre) Unusable or effective (sf) Usable land size (usf) Land type Zoning Land use at sale Buyer's intended use Configuration Topography Utilities Site improvements	891 388,250 0 388,250 Mixed-use Likely future C-2 n/a n/a Assumed functional Generally level All available Assumed vacant	1.26 55,060 0 55,060 Commercial C-2D Old auto repair facility Car wash Triangular Generally level All available None	2.36 102,802 0 102,802 Multifamily Res. or Office L-OD Vacant Apartments Irregular Generally level All available None	4.33 188,397 0 188,397 Mixed-use C-5DD Vacant and old bldg Mixed-use 3899 appts + comm. Irregular Generally level All available Old bldg to be razed	1.76 76,666 0 76,666 Mixed-use C-1D Multiple old SFR Mixed-use project Irregular Generally level All available See comments	4.07 177,289 0 177,289 Mixed-use C-2 Mostly vacant, small SFR Apts., retail, hotel Irregular, but functional Level All available None	10.47 455,899 [21,274] 434,625 Mixed-use C-5DD Former auto dealership CWR campus Irregular, but functional Generally level All available To be razed
Sale description Data source Seller Buyer Marketing time Sale date Price Financing terms Conditions of sale Non-realty components Comments	n/a n/a n/a 6-12 months Eff. date of appraisal (9/22) n/a Cash Typical arms-length None	JV; TOK Bar M Land LLC Bluebird State LLC Unk 6/21 \$2,000,000 Cash Typical arms-length None	Moe Therrien; ICB ABC West LLC Barn, Inc. Several years 5/21 \$2,650,000 Cash Typical arms-length None	Matt Bullis; Broadmark Realty DY Boise River LLC; LGD Ventures Urban Capital Partners LLC Unk 5/21 \$6,487,551 Cash Typical arms-length None	DP; Clyde Raarnussen, Agent Urban Willow LLC Chaussee Swan LLC 11 months 12/20 \$1,772,700 Cash Typical arms-length None	JV; MLIS#98709803 Urban Willow LLC Vida Properties LP 5.5 months 8/19 \$3,075,000 Cash Typical arms-length None	JV; Idaho Statesman/public records Bob Rice Family Trust College of Western Idaho Several years 3/16 \$8,737,226 Cash Typical arms-length None
Financial indicators Price/usf		\$36.32	\$25.78	\$34.44	\$23.12	\$17.34	\$20.10
Adjustments Real Property Rights Conveyed Adjusted sale price Financing terms Adjusted sale price Conditions of sale Adjusted sale price Expenditures After Purchase Adjusted sale price Market conditions (time) Adjusted sale price	Fee Simple No adjustment Cash No adjustment Typical arms-length None	Fee Simple 0% Cash 0% Typical arms-length None	Fee Simple 0% Cash 0% Typical arms-length None	Fee Simple 0% Cash 0% Typical arms-length None	Fee Simple 0% Cash 0% Typical arms-length None	Fee Simple 0% Cash 0% Typical arms-length None	Fee Simple 0% Cash 0% Typical arms-length None
Other							
Net adjustment	-15%	15%	-20%	15%	15%	15%	-20%
Indicated subject value (usf)	\$34.97	\$32.61	\$30.42	\$30.79	\$25.64	\$26.67	

LAND SALE COMPARABLE LOCATION MAP



Sales Comparison Approach Value Indication

From the market data available, six properties were utilized in the comparative analysis and adjustments were applied based on pertinent elements of comparison. The following table summarizes the unadjusted and adjusted comparable prices:

Land Sales Statistics

Metric	Unadjusted	Adjusted
Minimum Sale Price per Sq. Ft.	\$17.34	\$25.64
Maximum Sale Price per Sq. Ft.	\$36.32	\$34.97
Median Sale Price per Sq. Ft.	\$24.45	\$30.60
Mean Sale Price per Sq. Ft.	\$26.18	\$30.18

Prior to adjustment, the comparable prices range from \$17.34/SF to \$36.32/SF, with a median of \$24.45/SF and mean of \$26.18/SF. The price differences are primarily attributable to date of sale, location, zoning, and size. Comparable 1 represents the upper-tier of the range. It has a superior location fronting a major arterial street. Comparable 5 represents the lower-tier of the range. It is a 2019 sale in an inferior location in Garden City. After adjustment, the comparables bracket market value for the subject in a range of \$25.64/SF to \$34.97/SF, with a median of \$30.60/SF and mean of \$30.18/SF. With primary weight given to Comparables 1-4, which are the most recent sales, **market value for the average subject lot, assuming vacant, is concluded to be \$32.00/SF**, above the mid-tier of the adjusted range.

Sales Comparison Approach Conclusion – Average Lot Value Assuming Vacant

The calculations to value are presented in the following table, resulting in market value for the average subject lot.

Market Value Conclusion: Average Lot Value

$$\begin{array}{rcl} & \text{Size (usf)} & \times \text{ value/sf} = \text{total value} \\ 388,250 & \times & \$32.00 & \$12,424,000 \end{array}$$

**Sales Comparison Approach Conclusion,
Average Lot Value, rounded
(Assuming vacant) \$12,420,000**

Sum of Individual Lot Values

The sum of individual lot values is simply the average lot value multiplied by 5. The calculations are as follows: \$12,420,000 x 5 = \$62,100,000.

Projected Sell-out

The subject properties are in an established neighborhood where there is limited land available for development. Considering the recent development which has occurred in the immediate neighborhood during the past several years, the five subject properties are projected to sell-out within five years, reflecting absorption of one property per year. The 5-year sell-out period inherently assumes current moderate to strong market fundamentals will remain at minimum consistent with the past few years.

Value/Pricing Changes During Sell-out

The cumulative discussion of market factors entertained previously in this appraisal suggests a conservative 3% annual price/market value increase is reasonable. The projection is subjective yet considers the subject's prime location, limited development land in the immediate neighborhood, and synergy of the overall development as it gets built-out.

Costs/Expenses During Sell-out

Subdividing Costs - Utilities and access are available along W. State Street and N. Whitewater Park Boulevard. Considering the larger average size of the subject lots, we assume only minimal subdivision improvements. The values do not reflect fully improved sites or finished pad sites. Subdividing costs are concluded to be \$1.50/SF. The cost accounts for subdividing the lots into legal parcels and minimal access or utilities extension costs.

Sell-out Expenses - Expenses associated with sell-out of the subject properties are estimated 4% of gross sales for closing, holding costs, and miscellaneous expenses and 5% of gross sales for marketing and sale commissions.

Profit Requirement

In developing the estimate of Bulk Sale Market Value for the 5 subject properties to a single purchaser, a profit allowance, also termed entrepreneurial incentive, is required. The required profit for a subdivision is higher than a typical leased investment property where the income streams are readily identified. Subdivision risk is greater considering lot sales are susceptible to changes in supply, demand, and pricing conditions within the market over the projected sell-out period. Additional risk is also attributed to the uncertainty of an extended absorption period, which would increase holding costs.

Several local developers were interviewed to determine the appropriate profit required to spur subdivision development. According to those surveyed, the required profit depends on the anticipated risk associated with a development. Most were consistent in stating the target profit going into subdivision development from land acquisition through finished lot sell-out is typically 20% to 30%.

To supplement the responses from local developers, discount rate data for subdivision development compiled by the RealityRates.com, a national developer survey, was reviewed. The discount rates reflect ground-up construction projects for subdivisions. The survey does not cite land development rates; it includes vertical construction and sell off discount rates. As compiled by RealityRates.com, 3rd Quarter 2022, average discount or yield rates for business park subdivisions (less than 100 units) range from 13.51% to 41.78% for actual rates and 12.97% to 40.11% for proforma or target rates, with an average of 28.34% to 26.67% respectively. The RealityRates.com survey is presented in the table to follow.

RealtyRates.com DEVELOPER SURVEY - 3rd Quarter 2022^a						
National - Subdivisions & PUDs						
	Actual Rates			Pro-Forma Rates		
	Min	Max	Avg	Min	Max	Avg
Site-Built Residential	13.25%	47.57%	30.56%	12.72%	45.66%	29.34%
-100 Units	13.25%	41.01%	27.26%	12.72%	39.37%	26.17%
100-500 Units	13.58%	45.11%	29.49%	13.04%	43.30%	28.87%
500+ Units	13.91%	47.16%	30.69%	13.35%	45.27%	30.63%
Mixed Use	14.24%	47.57%	31.06%	13.67%	45.66%	31.00%
Manufactured Housing	13.54%	51.78%	33.48%	13.00%	49.71%	31.51%
-100 Units	13.54%	45.03%	30.02%	13.00%	43.23%	28.26%
100-500 Units	13.88%	49.53%	32.50%	13.33%	47.55%	31.20%
500+ Units	14.22%	51.78%	33.83%	13.65%	49.71%	33.11%
Business Parks	13.51%	48.05%	31.55%	12.97%	46.13%	29.70%
-100 Acres	13.51%	41.78%	28.34%	12.97%	40.11%	26.67%
100-500 Acres	13.85%	45.96%	30.65%	13.29%	44.12%	29.43%
500+ Acres	14.18%	48.05%	31.90%	13.62%	46.13%	31.22%
Industrial Parks	13.59%	41.47%	28.22%	13.05%	39.81%	27.14%
-100 Acres	13.59%	36.06%	25.45%	13.05%	34.62%	24.00%
100-500 Acres	13.93%	39.67%	27.47%	13.37%	38.08%	26.42%
500+ Acres	14.27%	41.47%	28.57%	13.70%	39.81%	26.94%

^a2nd Quarter 2022 Data

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Profit Methodology

For subdivision lots in resale, there are two methods employed to calculate required profit. Method 1 is a simple lump sum profit deduction (line item deduction) from gross unit value/price; Method 2 is to discount the future unit sales to a present value at a target yield rate. In a development analysis, the profit methodologies can be used individually or combined.

For the subject, a combined profit analysis was employed in developing the single purchaser market value. 1) A line item for profit or entrepreneurial incentive was deducted from the gross lot value/price to account for the higher risk associated with subdivision development and 2) A discount or yield rate was selected to convert future cash flows to a present value.

Entrepreneurial Incentive

An entrepreneurial incentive of **8%** of gross sales was concluded as the line-item deduction in the discounted cash flow analysis to follow. The profit allowance is moderated considering current moderate to strong market fundamentals, the subject's prime location, and limited supply of development land in the immediate neighborhood.

Discount/Yield Rate Selection

A discount rate is applied to the projected future cash flows to convert those cash flows to a present value. The discount rate reflects the time value of money or opportunity cost of an investment with moderate risk premium. To determine an appropriate discount rate for the subject, discount rates for alternate commercial real estate investment properties were analyzed.

As compiled by Situs Real Estate Research Corporation (RERC) Survey, 2nd Quarter 2022, average discount or yield rates (which includes risk and profit) for various alternative 1st-tier western region commercial properties range from 6.7% to 9.7%, and predominantly range from 8.2% to 8.8%. The survey is presented in the following table.

Regional Investment Criteria | First-Tier¹ Investment Properties

	Office		Industrial			Retail			Apt	Student Housing	Hotel
	CBD	SUB	WHSE	R&D	FLEX	RGNL MALL	PWR CNTR	NEIGH/ COMM			
WEST INVESTMENT CRITERIA											
Pre-Tax Yield Rate (IRR) (%)											
Range	6.5 - 10.0	7.5 - 10.0	5.0 - 9.5	6.5 - 9.0	6.5 - 9.0	7.5 - 11.0	6.0 - 10.0	6.5 - 10.0	5.5 - 8.5	5.5 - 8.0	8.5 - 11.0
Average	8.6	8.8	7.6	8.2	8.2	9.5	8.4	8.4	7.0	6.7	9.7
Going-In Cap Rate (%)											
Range	5.5 - 8.0	6.0 - 9.0	4.5 - 7.5	6.0 - 8.0	5.5 - 7.5	6.0 - 9.5	6.0 - 9.0	5.5 - 9.3	4.5 - 6.0	4.0 - 6.5	6.0 - 9.0
Average	6.8	7.1	5.9	6.7	6.6	7.8	7.3	7.1	5.1	5.4	7.7
Terminal Cap Rate (%)											
Range	6.5 - 8.0	7.0 - 8.8	6.0 - 8.0	6.5 - 8.0	6.5 - 8.0	7.0 - 10.0	7.0 - 10.0	6.5 - 9.8	5.0 - 7.0	4.5 - 7.5	6.5 - 10.0
Average	7.5	7.7	6.9	7.4	7.3	8.4	8.1	7.7	6.0	6.3	8.6

Discount/Yield Rate Conclusion

We have selected a discount rate similar to a typical leased investment property having average risk. A discount rate of **8.5%** is applied in converting future cash flows to a present value. For the subject, developer profit was included as a line item at **8%** of projected gross sales to account for the additional risk premium associated with subdivision development versus typical leased investments.

Total Profit Conclusion

From the survey of developers, the target going in profit for a subdivision development from land acquisition through finished unit sell-out is typically 20% to 30%, with the national surveys siting moderately higher rates. Combining the concluded discount/yield rate of **8.5%** and the entrepreneurial incentive **8.0%** of gross sales, the projected total developer profit in this analysis is **40.5%**. The annualized internal rate of return is **12.2%**. The concluded profit is appropriate for the subject considering the relatively long-term projected sell-out period.

Summary and Conclusion – Bulk Sale Market Value: As If Vacant (Value to a single-purchaser)

The final step in the development approach is to summarize the conclusions in a discounted cash flow analysis. The discounted cash flow develops the conclusion of Bulk Sale Market Value: As If Vacant (value to a single-purchaser) for the 5 subject properties. The analysis is presented following.

Development Approach (Discounted Cash Flow Analysis)

Input variables

Sum of Individual Retail Values	\$62,100,000					
No. of units	5					
Avg. unit sale price	\$12,420,000					
Annual discount rate	8.50%					
Absorption periods (Years)	5	1	2	3	4	5
Sale price change	+3%/yr	0%	3%	3%	3%	3%

Unit Sales Income

Avg. unit sale price	\$12,420,000	\$12,792,600	\$13,176,378	\$13,571,669	\$13,978,819
No. of unit sales per period	1	1	1	1	1
Gross Potential Income	\$12,420,000	\$12,792,600	\$13,176,378	\$13,571,669	\$13,978,819

Costs/Expenses

Subdividing costs @ \$1.50/SF x average lot size	(\$582,375)	(\$582,375)	(\$582,375)	(\$582,375)	(\$582,375)
Closing fees/Holding costs/Misc. @ 4% of gross sales	(\$496,800)	(\$511,704)	(\$527,055)	(\$542,867)	(\$559,153)
Marketing/Sale commissions @ 5% of gross sales	(\$621,000)	(\$639,630)	(\$658,819)	(\$678,583)	(\$698,941)
Total expenses	(\$1,700,175)	(\$1,733,709)	(\$1,768,249)	(\$1,803,825)	(\$1,840,469)
Net Sales	\$10,719,825	\$11,058,891	\$11,408,129	\$11,767,844	\$12,138,351

Entrepreneurial Incentive

Entrepreneurial Incentive @ 8% of gross sales	(\$993,600)	(\$1,023,408)	(\$1,054,110)	(\$1,085,734)	(\$1,118,306)
Cash flow	\$9,726,225	\$10,035,483	\$10,354,019	\$10,682,111	\$11,020,045

Quarterly PV Factor	0.9216590	0.8494553	0.7829081	0.7215743	0.6650454
PV Cash Flow	\$8,964,263	\$8,524,694	\$8,106,245	\$7,707,936	\$7,328,831
Total PV of cash flow	\$40,631,969				

Bulk Sale Market Value: As If Vacant	\$40,630,000
(Rounded)	
Bulk Sale Discount	-35%
Total Developer Profit (Net Sales - Bulk Sale MV)	\$16,463,040
Total Developer Profit as a % of Bulk Sale MV	40.5%
Annualized Internal Rate of Return	12.2%

Value Conclusion - Market Value: As If Vacant

Summary of Value Indications

The indicated values from the approaches used in the valuation of the subject property are summarized in the following table:

Value Indications

Approach to Value	As If Vacant
Cost Approach	Not developed
Income Capitalization Approach	Not developed
Sales Comparison Approach	\$42,710,000
Development Approach	\$40,630,000

In order to reach a final opinion of value, we considered the reliability and relevance of each value indication based upon the quality of the data and applicability of the assumptions underlying each approach.

Sales Comparison Approach

The sales comparison approach resulted in a reliable conclusion of market value due to an adequate number of recent development land sales located in competing areas of the local market. This approach directly considers the sale prices of alternative properties which have similar utility. This approach is an applicable approach for valuing land in this market and is an approach primarily relied upon by market participants.

Development Approach

The development approach resulted in a reliable conclusion of bulk sale market value to a single-purchaser (assuming assembling smaller sites for re-sell). An adequate number of recent sales of competing commercial sites were available for comparison which provided strong support for the conclusions of market value for the individual subject properties. Absorption, entrepreneurial incentive, expenses, and discount rate conclusions were well-supported for use in the discounted cash flow analysis.

The cost approach and income capitalization approach were not developed; they are not applicable for land valuation in this market.

Reconciliation

The approaches relate fairly well to one another within a pattern characteristic of current market conditions. As such, and based on the market data available, the sales comparison approach and development approach were given nearly equal weight in the final value reconciliation.

Value Conclusion – Market Value: As If Vacant

Our conclusion of Market Value: As If Vacant for the subject is presented in the following table.

Value Conclusions

Component	As If Vacant
Value Type	Hypothetical Market Value
Property Rights Appraised	Fee Simple
Effective Date of Value	September 9, 2022
Value Conclusion	\$42,000,000
	\$21.64 psf

Value Conclusion – Market Value: As Is

Valuation - Market Value: As Is

The prior analysis resulting in Market Value: As If Vacant assumes the improvements have been razed and the site is clear of any encumbrances. To derive Market Value: As Is, the cost to raze the improvements and other appropriate deductions were considered.

Deductions To Value

David Aparicio of Ideal Demolition Services, LLC provided a cost estimate for the demolition of the improvements. The cost is estimated at \$2,800,000. The cost includes consideration for the asbestos removal. The estimate is included in the Addenda section. The estimated cost to clear the site, plus an incentive of 10% of cost, is deducted from the as if vacant value.

Idaho Power Company upgraded and buried power lines to the campus in 2017. ITD is paying for the improvements in monthly payments of \$1,400 per month. The payments go through 2048 (26 more years). The present value of the remaining payments is discounted at a safe rate of 3%, resulting in a present value of \$300,000 ($\$1,400 \times 12 \text{ mo.} \times 26 \text{ yrs.} = \$436,800$, discounted monthly at an annual rate of 3% = \$300,000, rounded). The present value of the payments is a deduction to “as is” market value.

The calculations to value are presented in the following table, resulting in Market Value: As Is for the subject.

Market Value: As Is	
As If Vacant Land Value	\$42,000,000
Less: Cost to raze improvements	(\$2,800,000)
Less: Entrepreneurial Incentive of 10% of cost	(\$280,000)
Less: PV of Idaho Power payments	<u>(\$300,000)</u>
Total	\$38,620,000
Market Value: As Is, rounded	\$38,620,000

Value Conclusion – Market Value: As Is

Our conclusion of Market Value: As Is for the subject is presented in the following table.

Value Conclusions

Component	As Is
Value Type	Market Value
Property Rights Appraised	Fee Simple
Effective Date of Value	September 9, 2022
Value Conclusion	\$38,620,000
	\$19.89 psf

Exposure and Marketing Times

Marketing time is the time frame subsequent to the effective date of appraisal necessary to affect a sale of the property at the estimate of value(s) detailed herein. The estimate of value in this appraisal assumes the subject would experience a marketing time typical of the current market. Exposure time is the length of time a property would have been offered on the market prior to consummation of sale at the estimate of market value on the effective date of the appraisal. Exposure time is a retrospective estimate based on the analysis of past events and market conditions.

Based on statistical information about days on market, escrow length, and marketing times gathered through national investor surveys, sales verification, and interviews of market participants, marketing and exposure time estimates of 6-12 months, respectively, are considered reasonable and appropriate for the subject property.

General Assumptions and Limiting Conditions

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

1. The legal description – if furnished to us – is assumed to be correct.
2. No responsibility is assumed for legal matters, questions of survey or title, soil or subsoil conditions, engineering, availability or capacity of utilities, or other similar technical matters. The appraisal does not constitute a survey of the property appraised. All existing liens and encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management unless otherwise noted.
3. Unless otherwise noted, the appraisal will value the property as though free of contamination. Valbridge Property Advisors | Mountain States will conduct no hazardous materials or contamination inspection of any kind. It is recommended that the client hire an expert if the presence of hazardous materials or contamination poses any concern.
4. Unless otherwise noted, it is assumed there are no encroachments, zoning violations or restrictions existing in the subject property.
5. The appraiser is not required to give testimony or attendance in court by reason of this appraisal, unless previous arrangements have been made.
6. Unless expressly specified in the engagement letter, the fee for this appraisal does not include the attendance or giving of testimony by Appraiser at any court, regulatory or other proceedings, or any conferences or other work in preparation for such proceeding. If any partner or employee of Valbridge Property Advisors | Mountain States is asked or required to appear and/or testify at any deposition, trial, or other proceeding about the preparation, conclusions or any other aspect of this assignment, client shall compensate Appraiser for the time spent by the partner or employee in appearing and/or testifying and in preparing to testify according to the Appraiser's then current hourly rate plus reimbursement of expenses.
7. The values for land and/or improvements, as contained in this report, are constituent parts of the total value reported and neither is (or are) to be used in making a summation appraisal of a combination of values created by another appraiser. Either is invalidated if so used.
8. The dates of value to which the opinions expressed in this report apply are set forth in this report. We assume no responsibility for economic or physical factors occurring at some point at a later date, which may affect the opinions stated herein. The forecasts, projections, or operating estimates contained herein are based on current market conditions and anticipated short-term supply and demand factors and are subject to change with future conditions. Appraiser is not responsible for determining whether the date of value requested by Client is appropriate for Client's intended use.
9. The sketches, maps, plats and exhibits in this report are included to assist the reader in visualizing the property. The appraiser has made no survey of the property and assumed no responsibility in connection with such matters.
10. The information, estimates and opinions, which were obtained from sources outside of this office, are considered reliable. However, no liability for them can be assumed by the appraiser.
11. Possession of this report, or a copy thereof, does not carry with it the right of publication. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to property value, the identity of the appraisers, professional designations, reference to any professional appraisal organization or the firm with which the appraisers are connected), shall be disseminated to the public through advertising, public relations, news, sales, or other media without prior written consent and approval.

12. No claim is intended to be expressed for matters of expertise that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers. We claim no expertise in areas such as, but not limited to, legal, survey, structural, environmental, pest control, mechanical, etc.
13. This appraisal was prepared for the sole and exclusive use of the client for the function outlined herein. Any party who is not the client or intended user identified in the appraisal or engagement letter is not entitled to rely upon the contents of the appraisal without express written consent of Valbridge Property Advisors | Mountain States and Client. The Client shall not include partners, affiliates, or relatives of the party addressed herein. The appraiser assumes no obligation, liability or accountability to any third party.
14. Distribution of this report is at the sole discretion of the client, but third-parties not listed as an intended user on the face of the appraisal or the engagement letter may not rely upon the contents of the appraisal. In no event shall client give a third-party a partial copy of the appraisal report. We will make no distribution of the report without the specific direction of the client.
15. This appraisal shall be used only for the function outlined herein, unless expressly authorized by Valbridge Property Advisors | Mountain States.
16. This appraisal shall be considered in its entirety. No part thereof shall be used separately or out of context.
17. Unless otherwise noted in the body of this report, this appraisal assumes that the subject property does not fall within the areas where mandatory flood insurance is effective. Unless otherwise noted, we have not completed nor have we contracted to have completed an investigation to identify and/or quantify the presence of non-tidal wetland conditions on the subject property. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
18. The flood maps are not site specific. We are not qualified to confirm the location of the subject property in relation to flood hazard areas based on the FEMA Flood Insurance Rate Maps or other surveying techniques. It is recommended that the client obtain a confirmation of the subject property's flood zone classification from a licensed surveyor.
19. If the appraisal is for mortgage loan purposes 1) we assume satisfactory completion of improvements if construction is not complete, 2) no consideration has been given for rent loss during rent-up unless noted in the body of this report, and 3) occupancy at levels consistent with our "Income and Expense Projection" are anticipated.
20. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.
21. Our inspection included an observation of the land and improvements thereon only. It was not possible to observe conditions beneath the soil or hidden structural components within the improvements. We inspected the buildings involved, and reported damage (if any) by termites, dry rot, wet rot, or other infestations as a matter of information, and no guarantee of the amount or degree of damage (if any) is implied. Condition of heating, cooling, ventilation, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. Should the client have concerns in these areas, it is the client's responsibility to order the appropriate inspections. The appraiser does not have the skill or expertise to make such inspections and assumes no responsibility for these items.

22. This appraisal does not guarantee compliance with building code and life safety code requirements of the local jurisdiction. It is assumed that all required licenses, consents, certificates of occupancy or other legislative or administrative authority from any local, state or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value conclusion contained in this report is based unless specifically stated to the contrary.
23. When possible, we have relied upon building measurements provided by the client, owner, or associated agents of these parties. In the absence of a detailed rent roll, reliable public records, or "as-built" plans provided to us, we have relied upon our own measurements of the subject improvements. We follow typical appraisal industry methods; however, we recognize that some factors may limit our ability to obtain accurate measurements including, but not limited to, property access on the day of inspection, basements, fenced/gated areas, grade elevations, greenery/shrubbery, uneven surfaces, multiple story structures, obtuse or acute wall angles, immobile obstructions, etc. Professional building area measurements of the quality, level of detail, or accuracy of professional measurement services are beyond the scope of this appraisal assignment.
24. We have attempted to reconcile sources of data discovered or provided during the appraisal process, including assessment department data. Ultimately, the measurements that are deemed by us to be the most accurate and/or reliable are used within this report. While the measurements and any accompanying sketches are considered to be reasonably accurate and reliable, we cannot guarantee their accuracy. Should the client desire more precise measurement, they are urged to retain the measurement services of a qualified professional (space planner, architect or building engineer) as an alternative source. If this alternative measurement source reflects or reveals substantial differences with the measurements used within the report, upon request of the client, the appraiser will submit a revised report for an additional fee.
25. In the absence of being provided with a detailed land survey, we have used assessment department data to ascertain the physical dimensions and acreage of the property. Should a survey prove this information to be inaccurate, upon request of the client, the appraiser will submit a revised report for an additional fee.
26. If only preliminary plans and specifications were available for use in the preparation of this appraisal, and a review of the final plans and specifications reveals substantial differences upon request of the client the appraiser will submit a revised report for an additional fee.
27. Unless otherwise stated in this report, the value conclusion is predicated on the assumption that the property is free of contamination, environmental impairment or hazardous materials. Unless otherwise stated, the existence of hazardous material was not observed by the appraiser and the appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required for discovery. The client is urged to retain an expert in this field, if desired.
28. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey of the property to determine if it is in conformity with the various requirements of the ADA. It is possible that a compliance survey of the property, together with an analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this could have a negative effect on the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible noncompliance with the requirements of ADA in developing an opinion of value.

29. This appraisal applies to the land and building improvements only. The value of trade fixtures, furnishings, and other equipment, or subsurface rights (minerals, gas, and oil) were not considered in this appraisal unless specifically stated to the contrary.
30. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated, unless specifically stated to the contrary.
31. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute prediction of future operating results. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance.
32. Any estimate of insurable value, if included within the scope of work and presented herein, is based upon figures developed consistent with industry practices. However, actual local and regional construction costs may vary significantly from our estimate and individual insurance policies and underwriters have varied specifications, exclusions, and non-insurable items. As such, we strongly recommend that the Client obtain estimates from professionals experienced in establishing insurance coverage. This analysis should not be relied upon to determine insurance coverage and we make no warranties regarding the accuracy of this estimate.
33. The data gathered in the course of this assignment (except data furnished by the Client) shall remain the property of the Appraiser. The appraiser will not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential information furnished to the appraiser. Notwithstanding the foregoing, the Appraiser is authorized by the client to disclose all or any portion of the appraisal and related appraisal data to appropriate representatives of the Appraisal Institute if such disclosure is required to enable the appraiser to comply with the Bylaws and Regulations of such Institute now or hereafter in effect.
34. You and Valbridge Property Advisors | Mountain States both agree that any dispute over matters in excess of \$5,000 will be submitted for resolution by arbitration. This includes fee disputes and any claim of malpractice. The arbitrator shall be mutually selected. If Valbridge Property Advisors | Mountain States and the client cannot agree on the arbitrator, the presiding head of the Local County Mediation & Arbitration panel shall select the arbitrator. Such arbitration shall be binding and final. In agreeing to arbitration, we both acknowledge that, by agreeing to binding arbitration, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury. In the event that the client, or any other party, makes a claim against Valbridge Property Advisors | Mountain States or any of its employees in connections with or in any way relating to this assignment, the maximum damages recoverable by such claimant shall be the amount actually received by Valbridge Property Advisors | Mountain States for this assignment, and under no circumstances shall any claim for consequential damages be made.
35. Valbridge Property Advisors | Mountain States shall have no obligation, liability, or accountability to any third party. Any party who is not the "client" or intended user identified on the face of the appraisal or in the engagement letter is not entitled to rely upon the contents of the appraisal without the express written consent of Valbridge Property Advisors | Mountain States. "Client" shall not include partners, affiliates, or relatives of the party named in the engagement letter. Client shall hold Valbridge Property Advisors | Mountain States and its employees harmless in the event of any lawsuit brought by any third party, lender, partner, or part-owner in any form of ownership or any other party as a result of this assignment. The client also agrees that in case of lawsuit arising from or in any way involving these appraisal services, client will hold Valbridge Property Advisors | Mountain States harmless from and against any liability, loss, cost, or expense incurred or suffered by Valbridge Property Advisors | Mountain States in such action, regardless of its outcome.

36. The Valbridge Property Advisors office responsible for the preparation of this report is independently owned and operated by Mountain States. Neither Valbridge Property Advisors, Inc., nor any of its affiliates has been engaged to provide this report. Valbridge Property Advisors, Inc. does not provide valuation services, and has taken no part in the preparation of this report.
37. If any claim is filed against any of Valbridge Property Advisors, Inc., a Florida Corporation, its affiliates, officers or employees, or the firm providing this report, in connection with, or in any way arising out of, or relating to, this report, or the engagement of the firm providing this report, then (1) under no circumstances shall such claimant be entitled to consequential, special or other damages, except only for direct compensatory damages, and (2) the maximum amount of such compensatory damages recoverable by such claimant shall be the amount actually received by the firm engaged to provide this report.
38. This report and any associated work files may be subject to evaluation by Valbridge Property Advisors, Inc., or its affiliates, for quality control purposes.
39. Acceptance and/or use of this appraisal report constitutes acceptance of the foregoing general assumptions and limiting conditions.

Certification – Jeff Vance

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 analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
9. I have made a current appraisal inspection of the property that is the subject of this report.
10. No one other than Joe Corlett, MAI, SRA, provided significant real property appraisal assistance to the person signing this certification.
11. The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. As of the date of this report, the undersigned has completed the continuing education program for Designated Members of the Appraisal Institute.



Jeff Vance, MAI
Senior Appraiser
Idaho, Certification # CGA-2828

Certification – Joe Corlett

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 analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
9. I have made a current exterior inspection of the property that is the subject of this report.
10. No one other than Jeff Vance, MAI, provided significant real property appraisal assistance to the person signing this certification.
11. The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. As of the date of this report, the undersigned has completed the continuing education program for Designated Members of the Appraisal Institute.



G. Joseph Corlett, MAI, SRA
Senior Managing Director
Idaho, Certification # CGA-7

Addenda

Engagement Letter

Additional Subject Photographs

Legal Description

Water Damage Investigation Report

Remediation Cost Estimate

Ideal Demolition Services LLC Cost Estimate

Glossary

Qualifications

- Jeff Vance, MAI – Senior Appraiser
- G. Joseph Corlett, MAI, SRA – Senior Managing Director

Information on Valbridge Property Advisors

Office Locations

Engagement Letter

Professional Services And Consulting Agreement
Department of Administration - State of Idaho

Agreement Title: Appraisal Agreement

This Agreement ("Agreement") is between the Department of Administration (the "Agency"), whose address is 650 West State Street, Boise ID 83720 and Mountain States Appraisal & Consulting, Inc dba Valbridge | Mountain States (the "Contractor"), whose address is 1459 Tyrell Lane, Suite B, Boise, ID 83706, for the services described in this Agreement. The Contractor agrees to undertake performance of this Agreement under the terms and conditions set forth herein. The Agency and the Contractor, in consideration of the mutual covenants and conditions contained herein, agree as follows:

1 AUTHORITY

Pursuant to Idaho Code, Section 67-9221, the director of the department of administration and the administrator may approve noncompetitive acquisitions. Pursuant to IDAPA 38.05.01.044.c, state agencies may acquire professional services in the open market under certain conditions. The Agency has determined that this Agreement meets those conditions.

2 TERM OF AGREEMENT

This Agreement shall commence on date of last required signature and expire on date of final appraisal submittal unless extended, in writing, by the parties or unless terminated earlier in accordance with this Agreement.

3 CONTRACTOR RESPONSIBILITIES

The Contractor shall perform services and provide deliverables as described in **Attachment A**, incorporated herein by reference. This Agreement shall have no force or effect until Attachment A is finalized, signed by the parties and attached to this Agreement. Services shall be performed at the Contractor's place of business and, as necessary, at the Agency's offices. Project status meetings, if necessary, will be held weekly or bi-monthly, upon reasonable notice and request of the Agency, at TBD to review the progress of the work.

The Contractor shall be required to assume responsibility for production and delivery of all material and services detailed in Attachment A, whether or not the Contractor is the manufacturer or producer of them. Further, the Contractor will be the sole point of contact on contractual matters, including payment of charges resulting from the use or purchase of items selected.

The Contractor warrants that its services under this Agreement shall be performed in a professional manner and shall be of a high grade, nature and quality. In event of nonconformity, and without limitation upon any other remedy, the Agency shall have no financial obligation in regard to the nonconforming goods or services. This right is not to the exclusion of any other right that the Agency has in law or equity. Without limiting the foregoing, the Contractor recognizes its obligation to work with the Agency to correct any errors discovered after delivery and installation and the start of the warranty period.

The Contractor represents and warrants that it has the necessary and requisite skill to perform the work required under this Agreement and that the personnel assigned by the Contractor to perform any such work will be qualified to perform the assigned duties.

It will be the responsibility of the Contractor to fully comply with the State of Idaho law regarding the minimum wage law for residents hired to help on projects and jobs in Idaho.

4 TAXES

The State of Idaho and the Agency are generally exempt from payment of Idaho State Sales and Use Tax for property purchased for its use under the authority of Idaho Code, Section 63-3622 as a government instrumentality. In addition, the State of Idaho and the Agency are generally exempt from payment of Federal Excise Tax under a permanent authority from the district Director of the Internal Revenue Service. Exemption certificates will be furnished upon written request by the Contractor. If the

Page 1 of 7

07-01-16

Contractor is required to pay any taxes incurred as a result of doing business with the State of Idaho, it shall be solely responsible for the payment of those taxes. If the Contractor is performing public works construction (installation of fixtures, etc.), it shall be responsible for payment of all sales and use taxes as required.

5 PAYMENT

Payment by the Agency and its obligations under this Agreement are conditioned upon and subject to the continued availability of state funds. The Agency shall pay the Contractor in amounts as detailed in Attachment B, incorporated herein by reference.

Invoicing

5.1 Payment for services rendered shall be made upon acceptance of the work/required deliverables by the Agency and submission of a signed itemized invoice to the Agency. The Agreement number and/or purchase order numbers must be shown on all invoices. Invoices must specify the dates that services were performed, the nature of the work done on each date, and the number of hours worked on each date.

5.2 Billing must be done on a monthly basis or when the services are completed, whichever is sooner. If the Agency disputes any invoiced amount, it shall notify the Contractor in writing within five (5) business days. The Agency will process payments of any amounts not in dispute, in accordance with Idaho Code 67-9218.

5.3 Invoices are to be sent directly to: Keith Reynolds, Director, Department of Administration, 650 West State Street, Boise, ID 83712. Alternative invoicing arrangements must be mutually agreed upon in writing and specified in **Attachment B**. The Contractor understands that, while the Agency will use its best efforts to secure prompt payment of invoices, as a state agency, the Agency may not make direct payment under this Agreement but must submit the invoices to the State Controller's Office for payment. Any late payments shall be governed by Idaho Code Section 67-2302.

6 OWNERSHIP

All information furnished to the Contractor for its use pursuant to this Agreement shall belong to the Agency and shall be returned to the Agency in good order upon completion of the Agreement or upon the Agency's request. All documents, reports, and any other data developed by the Contractor for the Agency in the performance of this Agreement shall become the property of the Agency. The Agency shall retain exclusive rights of ownership to all work produced by the Contractor under this Agreement.

7 RELATION OF PARTIES

The service or services to be rendered under this Agreement are those of an independent contractor. The Agency is interested only in the quality of service or services provided and the final results to be achieved; the conduct and control of the work will be solely with the Contractor. The Contractor is not an officer, employee, or agent of the Agency as those terms are used in Idaho Code § 6-902, et al, and is not entitled to any benefits provided by the Agency to employees.

8 TIME OF PERFORMANCE

Time is of the essence to this Agreement; therefore, all times for performance stated herein will be strictly followed by the parties.

9 SAVE HARMLESS

The Contractor shall exonerate, indemnify, and hold the Agency harmless from and against and assume full responsibility for payment of all federal, state and local taxes or contributions imposed or required under unemployment insurance, social security, workman's compensation, and income tax laws with respect to the Contractor or the Contractor's employees engaged in the performance of this Agreement. If requested by the Agency, the Contractor will provide either a certificate of workers' compensation insurance issued by a surety licensed to write workers' compensation insurance in the State of Idaho, as evidence that the contractor has in effect a current Idaho workers' compensation insurance policy, or an extraterritorial certificate approved by the Idaho Industrial Commission from a state that has a current

reciprocity agreement with the Industrial Commission, or proof that the Contractor is exempt from the workers' compensation requirement. Failure to provide a Certificate of Workman's Compensation Insurance upon request may result in termination of this Agreement. The Agency will not assume liability as an employer.

The Contractor shall maintain insurance of the types and in the amounts typically maintained by legal professionals of the same type as the Independent Contractor, including, but not limited to, comprehensive general liability insurance in the minimum amount of \$1,000,000 per occurrence, and professional malpractice insurance, all with insurance companies properly licensed to do business in Idaho and reasonably satisfactory to the Client.

The Contractor shall protect, indemnify, and save the Agency harmless from and against any damage, cost, or liability including reasonable attorney's fees for any or all injuries to persons, property or claims for damages arising from any acts or omissions of the Contractor, its employees, or subcontractors.

It is agreed by and between the parties hereto that in no event shall any official, officer, employee or agent of the Agency be in any way personally liable or responsible for any covenant or agreement herein contained whether expressed or implied, nor for any statement, representation or warranty made herein or in any connection with this Agreement.

10 ASSIGNMENTS

This Agreement or any interest therein shall not be transferred by the Contractor without prior written permission of the Agency.

11 DEFAULT AND TERMINATION

11.1 For Cause:

Contractor default occurs if the Contractor fails to perform any of the covenants or conditions of this Agreement or the Contractor fails to prosecute the work so as to endanger performance of this Agreement, and the Contractor does not cure such defects in performance within ten (10) business days after receipt of written notice from the Agency informing it of such defects in performance. If at the end of such cure period, the Contractor is still in default or noncompliance, then the Agency may terminate this Agreement. Upon such termination, the Agency may pursue any and all legal, equitable and other remedies available to the Agency. The Contractor shall be liable for any and all expenses that are incurred by the Agency as a result of the default, including, but not limited to, the costs of procuring substitute performance, legal fees, and losses incurred due to default.

11.2 For Convenience:

The Agency may terminate this Agreement for its convenience at any time upon 10 business days written notice to Contractor, and, upon such termination, the Agency's sole obligation shall be to pay for services satisfactorily rendered to the date of such termination. Notwithstanding any other provision in this Agreement, the Agency may terminate this Agreement immediately if the Contractor becomes insolvent or voluntarily or involuntarily bankrupt, or if a receiver or other liquidating officer is appointed for substantially all of the business of the Contractor or if the Contractor makes an assignment for the benefit of creditors.

12 ANTI-DISCRIMINATION CLAUSE

Acceptance of this Agreement binds the Contractor to Section 601, Title VI, Civil Rights Act of 1964: In that "No person in the United States shall, on the grounds of race, color, national origin, sex, or age, be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activity receiving federal financial assistance." In addition, "No otherwise qualified handicapped individual in the United States shall, solely by reason of his handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance."

13 GOVERNING LAW

This Agreement shall be governed by the laws of the State of Idaho. The venue of any action brought by any party to this Agreement shall be the Fourth District Court in and for the County of Ada.

14 NO PENALTY

It is understood and agreed by the parties that the Agency is a governmental entity and that this Agreement shall in no way bind or obligate the State of Idaho beyond the terms of any particular appropriation of funds by the state or federal legislature, as may exist from time to time.

15 NONWAIVER OF BREACH

The failure of the Contractor or the Agency to insist upon strict performance of any of the covenants and conditions of this Agreement or to exercise any option herein conferred in any one or all instances shall not be construed to be a waiver or relinquishment of any such covenant or condition but the same shall be and remain in full force and effect unless such waiver is evidenced by prior written consent of the Contractor or the Agency.

16 DUPLICATE ORIGINALS


This Agreement may be executed in duplicate originals. Each of the two agreements with an original signature of each party shall constitute one original.

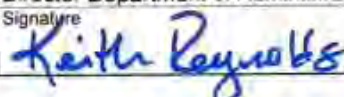
17 GENERAL PROVISIONS

17.1 Neither party shall be liable or deemed to be in default for any delay or failure in performance under this Agreement or interruption of service resulting from Acts of God, civil or military authority, acts of war, riots, or insurrections.

17.2 This Agreement, with **Attachments A and B** attached hereto, constitutes the entire Agreement between the parties with respect to the subject matter hereof and shall supersede all previous proposals, both oral and written, negotiations, representations, commitments, and all other communications between the parties. This Agreement may not be released, discharged, changed or modified except by an instrument in writing signed by a duly authorized representative of each of the parties.

Unless otherwise stated above, this Agreement is effective on the date of last signature:

Contractor's Legal Name Mountain States Appraisal & Consulting, Inc dba Valbridge Mountain States	
G. Joseph Corlett	Title President
Signature 	Date 8/22/22

Keith Reynolds Director Department of Administration	
Signature 	Date 8/31/22

Attachment A
Scope of Work and Delivery Schedule

(This will be mutually developed and agreed upon by the department and contractor)

Keith Reynolds, Director of the Department of Administration and State of Idaho is Valbridge Property Advisors | Mountain States' client in this assignment, and you along with the State of Idaho will be the sole intended users of the appraisal and report. The intended use of the appraisal is for real estate asset valuation.

The purpose of this appraisal assignment is to develop an opinion of the market value of the property. The legal property rights appraised will be the fee simple interest or leased fee interest, as appropriate. The property will be valued as of October 2022.

Valbridge Property Advisors | Mountain States will provide you with an electronic file (PDF) of the appraisal report. Upon request, we will furnish you with two bound copies.

Valbridge Property Advisors | Mountain States fee for this appraisal will be \$9,500.00. The amount of \$0.00 is due in advance, as a deposit. The deposit is applied only against the final statement due at the end of the assignment.

The State of Idaho may send the deposit by check or, if preferred, wired to the following account. Please be sure the payment includes a reference to the address of the property to be appraised.

If by Check:

Valbridge Property Advisors | Mountain States
1459 Tyrell Lane, Suite B
Boise, Idaho 83706

If by EFT:

D.L. Evans Bank
2560 E. Fairview Avenue
Meridian, Idaho 83642

Routing Number 124103582
Account Number 914019435

The estimated completion date of the appraisal is October 26, 2022. This date assumes that we will receive written authorization to proceed by August 24, 2022 (please return this letter by email), and that the relevant information needed for the appraisal will be received from our client on a timely basis.

In order to appraise this property, please provide the information listed on the next page, as applicable.

Respectfully submitted,
Valbridge Property Advisors | Mountain States



G. Joseph Corlett, MAI, SRA
Senior Managing Director
Idaho, Certification # CGA-7
Certificate Expires 03/11/23

INFORMATION NEEDED FOR THE APPRAISAL

In order to appraise this property, please provide the following information as applicable. We realize you probably do not have all these items, or they may not exist.

- current rent roll
- copies of leases
- operating expense history for the past three years
- title report
- construction plans
- please advise us whether you have or have not had an ADA-compliance inspection done
- any appraisals of the property
- list of any major capital improvements made in recent years
- information on any sale, listing, or offer on the property during the past three years (copy of relevant contracts)
- person to contact to arrange interior inspection
- information regarding the existence, if any, of contamination, soils problems or other property deficiencies.
- any other information you have that will assist us in appraising the property

Contractor's Legal Name Mountain States Appraisal & Consulting, Inc dba Valbridge Mountain States	
G. Joseph Corlett	Title President
Signature	Date

Keith Reynolds Director Department of Administration	
Signature <i>Keith Reynolds</i>	Date 8/31/22

Attachment B
Cost and Billing Procedure

Contractor to provide a narrative appraisal report in compliance with The Uniform Standards of Appraisal practice Standards Rule 2-2(a) and client appraisal requirements. Total fee is \$9,500. Any consultation outside of the scope of work will be charged at \$300/hr.

Contractor's Legal Name Mountain States Appraisal & Consulting, Inc dba Valbridge Mountain States	
G. Joseph Corlett	Title President
Signature	Date

Keith Reynolds Director Department of Administration	
Signature <i>Keith Reynolds</i>	Date 8/31/22

Additional Subject Photographs



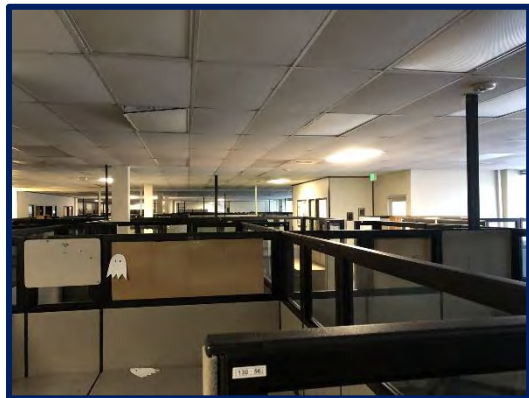
Headquarters Office Building front



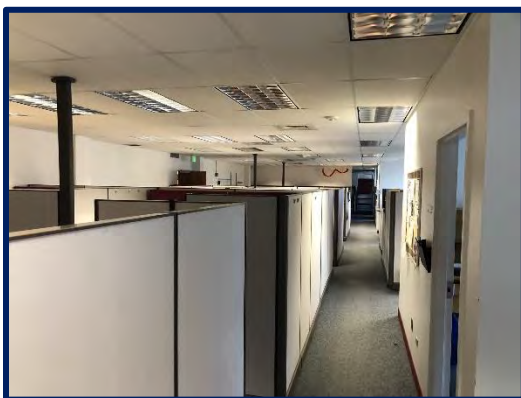
Headquarters Office Building rear



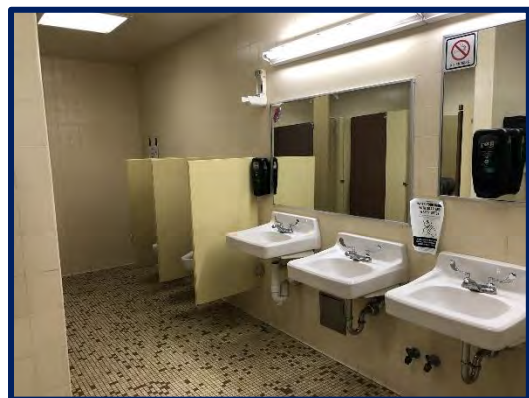
Headquarters Office Building main lobby



Headquarters Office Building typical open office



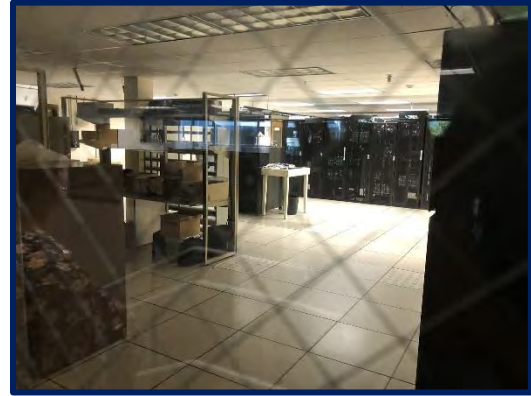
Headquarters Office Building typical open office



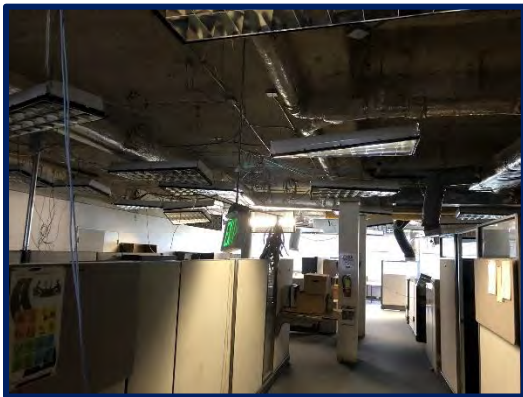
Headquarters Office Building typical restroom



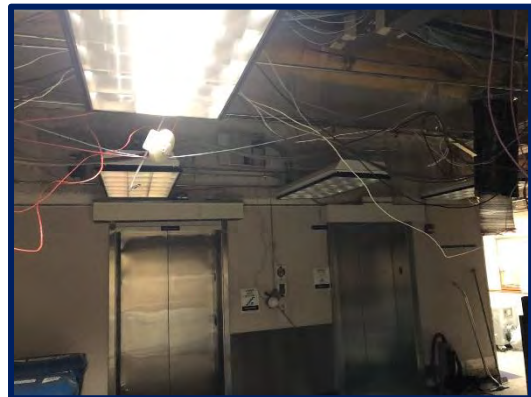
Headquarters Office Building typical office finishes



Headquarters Office Building server room



Headquarters Office Building flood damage



Headquarters Office Building flood damage



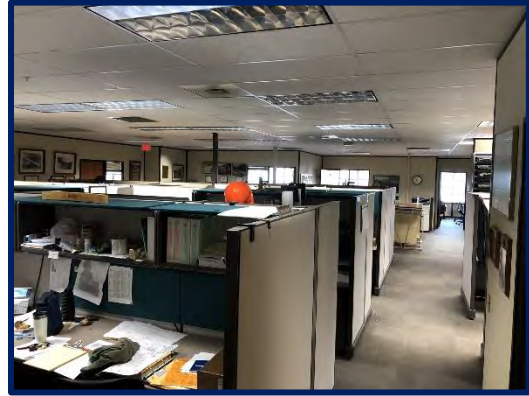
Operations Annex Building front



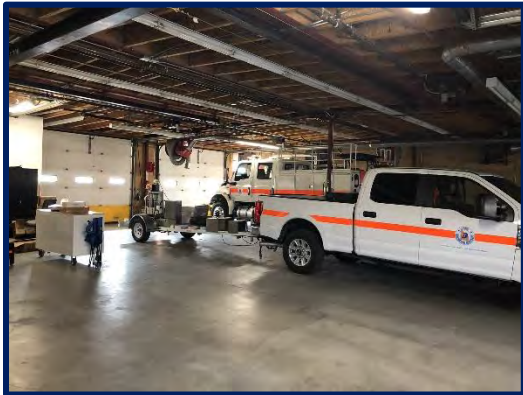
Operations Annex Building rear



Operations Annex Building lobby



Operations Annex Building typical open office



Operations Annex Building shop



Operations Annex Building typical restroom



Operations Annex Building lab wing



Operations Annex Building typical lab room



BSM Building



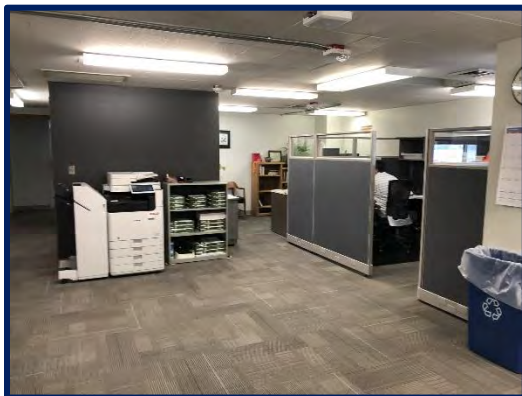
BSM Building



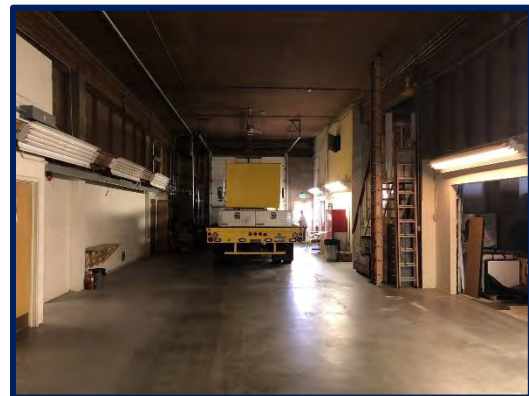
BSM Building print shop



BSM Building warehouse



BSM Building office



BSM Building shop



Garage/Service Building



Garage/Service Building



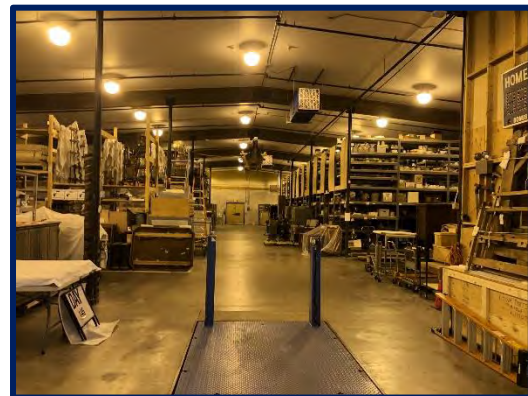
Garage/Service Building shop



Garage/Service Building office



State Historical Society Warehouse – South
Building



State Historical Society Warehouse – South
Building



State Historical Society Warehouse – North Building



State Historical Society Warehouse – North Building



4-Bay Storage Building



Two storage buildings



Modular Building - Training



Modular Building - ETS



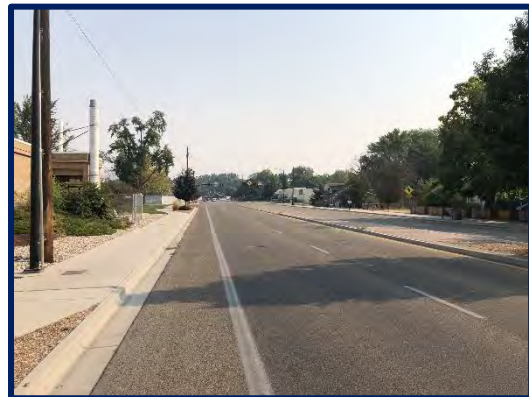
W. State St., viewing east, subject on right



W. State St., viewing west, subject on left



N. Whitewater Park Blvd., viewing south, subject on right



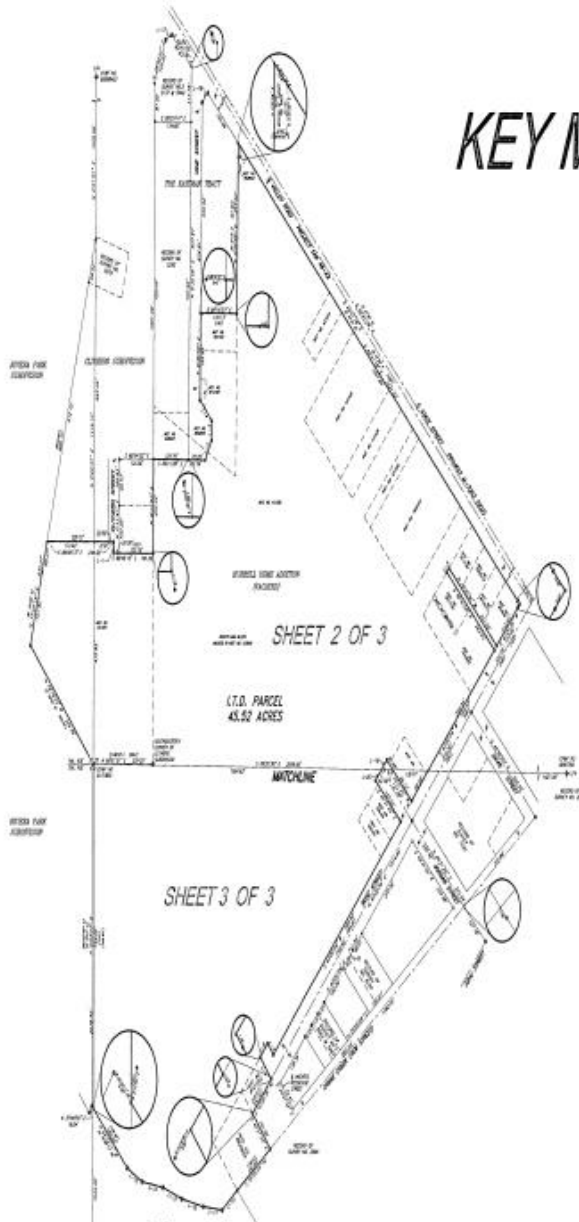
N. Whitewater Park Blvd., viewing north, subject on left

Legal Description

A SURVEY FOR THE IDAHO TRANSPORTATION DEPARTMENT
LOCATED IN SECTION 4, TOWNSHIP 3 NORTH, RANGE 2 EAST
AND SECTIONS 32 AND 33, TOWNSHIP 4 NORTH, RANGE 2 EAST,
BOISE MERIDIAN, ADA COUNTY, IDAHO

RECORD OF SURVEY NO. 4945

KEY MAP



SURVEY INDEX NO. 421-12-2-2-0-0000
SURVEY INDEX NO. 421-13-3-0-0-0000
SURVEY INDEX NO. 321-4-4-0-0-0000

LEGEND

- FOUND 5/8" IRON PIN
- SET 5/8" IRON PIN WITH PLS 5082 PLASTIC CAP
- FOUND 1/2" IRON PIN
- (100.00) RECORD DATA
- ✦ FOUND BRASS CAP MONUMENT
- FOUND I.D. ROW MONUMENT
- ▲ FOUND PIPE
- CALCULATED POINT - NOTHING SET

RECORDERS CERTIFICATE

STATE OF IDAHO |
COUNTY OF ADA |
FILED FOR RECORD AT THE REQUEST OF GLENN K. BENNETT
AT _____ MINUTES PAST _____ O'CLOCK _____ M. THIS
DAY OF _____ 2005.
J. DAVID WARRICK, ADA COUNTY RECORDER
BY _____ DEPUTY
INSTRUMENT NO. _____

CERTIFICATE OF SURVEYOR

I, GLENN K. BENNETT DO HEREBY CERTIFY THAT I AM A REGISTERED PROFESSIONAL LAND SURVEYOR IN THE STATE OF IDAHO AND THAT THIS SKETCH WAS PREPARED FROM AN ACTUAL SURVEY MADE ON THE GROUND UNDER MY DIRECT SUPERVISION AND IS AN ACCURATE REPRESENTATION OF SAID SURVEY. I FURTHER CERTIFY THAT I HAVE COMPLIED WITH TITLE 55, CHAPTER 16, IDAHO CODE.

GLENN K. BENNETT
IDAHO NO. 5082

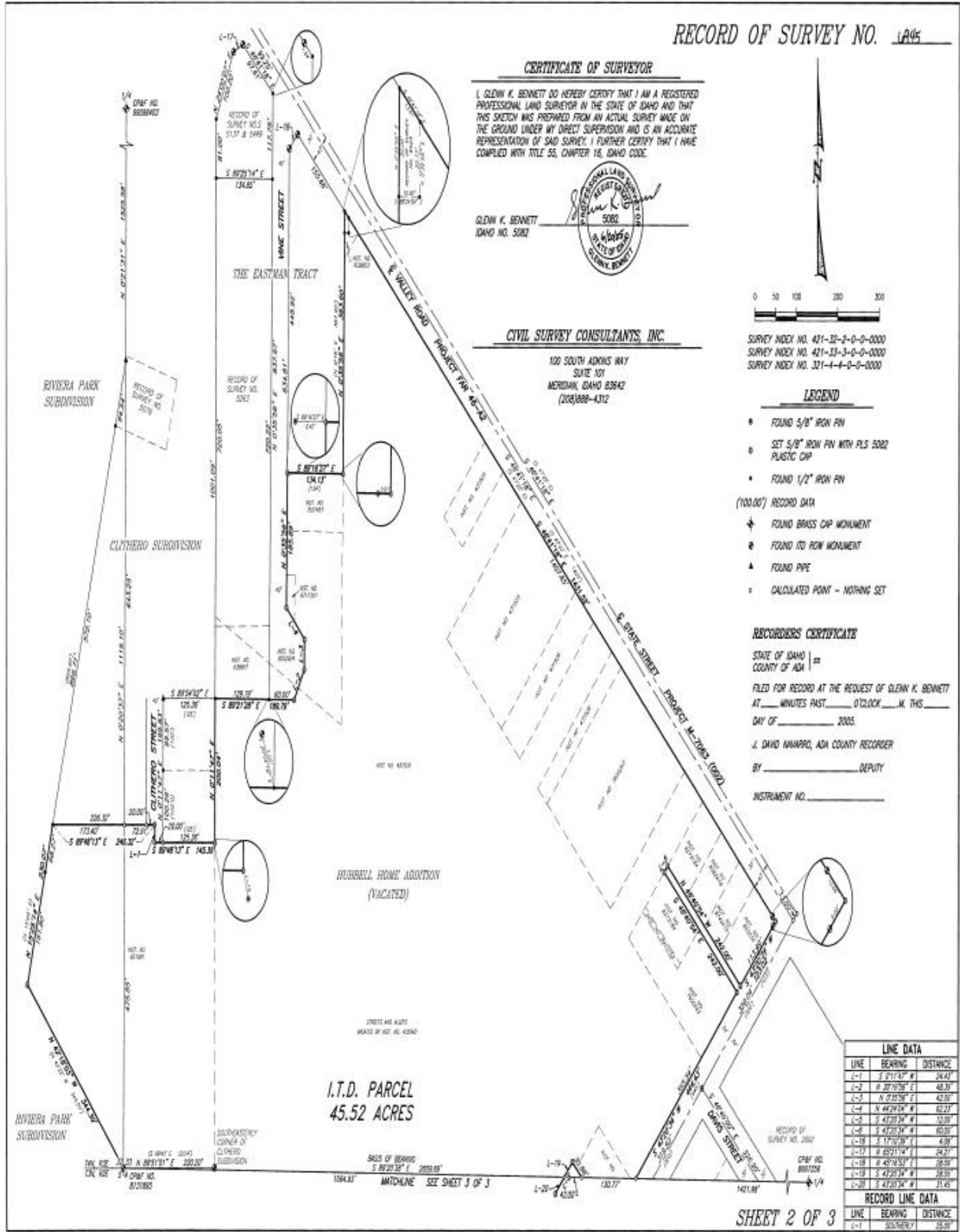
CIVIL SURVEY CONSULTANTS, INC.

100 SOUTH ADAMS HWY
SUITE 101
MERIDIAN, IDAHO 83642
(208)888-4312

SHEET 1 OF 3

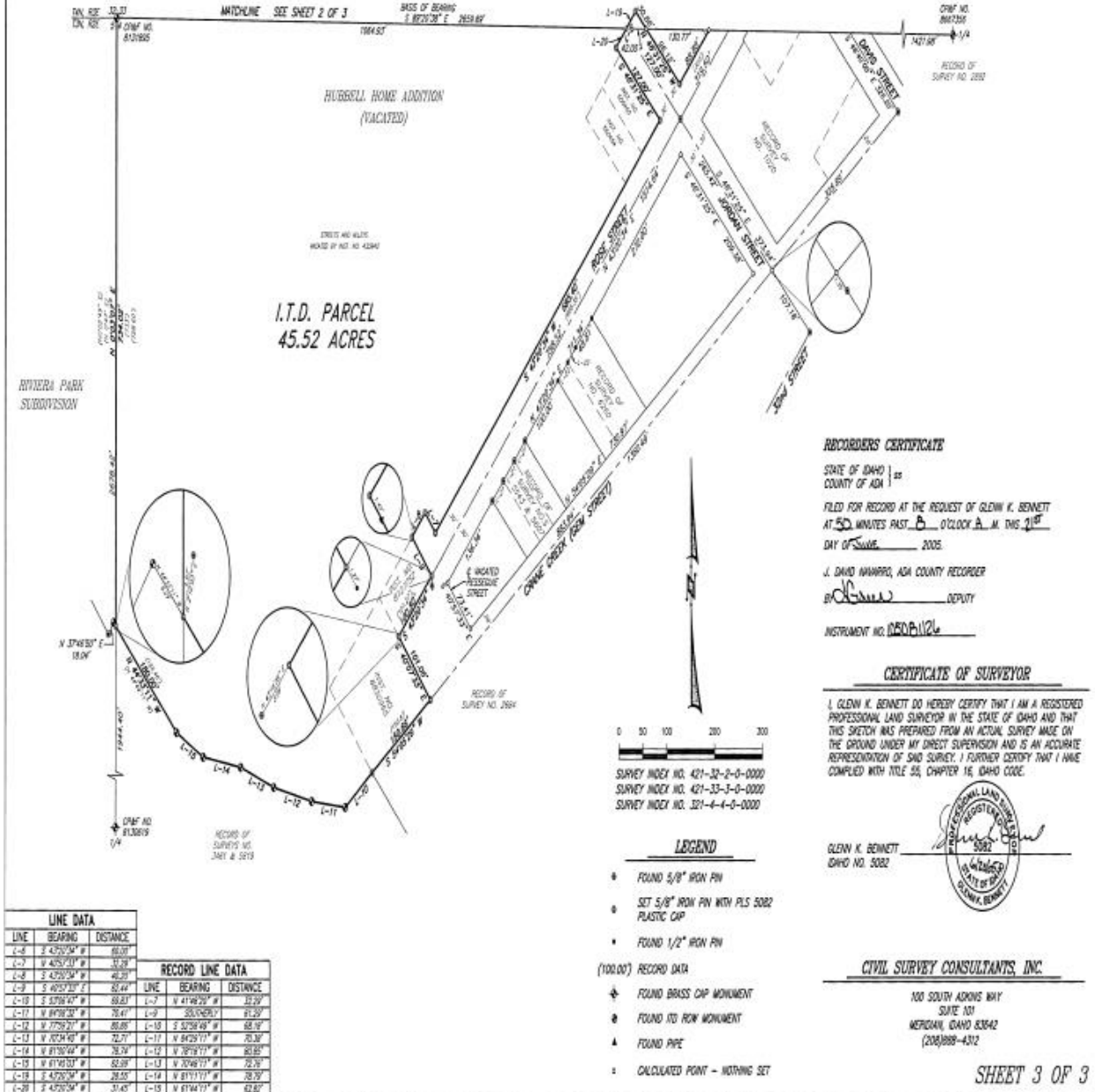
LINE DATA		
LINE	BEARING	DISTANCE
L-01	S 27°41' W	26.41
L-02	S 89°12' W	48.52
L-03	S 8° 0' 0" W	20.00
L-04	S 44°00' W	82.51
L-05	S 42°00' W	73.50
L-06	S 4°00' W	80.00
L-07	S 45°00' W	52.25
L-08	S 42°00' W	42.50
L-09	S 45°00' W	24.41
L-10	S 75°00' W	102.11
L-11	S 48°00' W	20.41
L-12	S 75°00' W	55.00
L-13	S 25°00' W	70.11
L-14	S 81°00' W	30.14
L-15	S 81°00' W	60.00
L-16	S 81°00' W	21.14
L-17	S 81°00' W	21.14
L-18	S 81°00' W	21.14
L-19	S 81°00' W	21.14
L-20	S 81°00' W	21.14
L-21	S 81°00' W	21.14
L-22	S 81°00' W	21.14
L-23	S 81°00' W	21.14
L-24	S 81°00' W	21.14
L-25	S 81°00' W	21.14
L-26	S 81°00' W	21.14
L-27	S 81°00' W	21.14
L-28	S 81°00' W	21.14
L-29	S 81°00' W	21.14
L-30	S 81°00' W	21.14
L-31	S 81°00' W	21.14
L-32	S 81°00' W	21.14
L-33	S 81°00' W	21.14
L-34	S 81°00' W	21.14
L-35	S 81°00' W	21.14
L-36	S 81°00' W	21.14
L-37	S 81°00' W	21.14
L-38	S 81°00' W	21.14
L-39	S 81°00' W	21.14
L-40	S 81°00' W	21.14
L-41	S 81°00' W	21.14
L-42	S 81°00' W	21.14
L-43	S 81°00' W	21.14
L-44	S 81°00' W	21.14
L-45	S 81°00' W	21.14
L-46	S 81°00' W	21.14
L-47	S 81°00' W	21.14
L-48	S 81°00' W	21.14
L-49	S 81°00' W	21.14
L-50	S 81°00' W	21.14

RECORD LINE DATA		
LINE	BEARING	DISTANCE
L-01	S 27°41' W	26.41
L-02	S 89°12' W	48.52
L-03	S 8° 0' 0" W	20.00
L-04	S 44°00' W	82.51
L-05	S 42°00' W	73.50
L-06	S 4°00' W	80.00
L-07	S 45°00' W	52.25
L-08	S 42°00' W	42.50
L-09	S 45°00' W	24.41
L-10	S 75°00' W	102.11
L-11	S 48°00' W	20.41
L-12	S 75°00' W	55.00
L-13	S 25°00' W	70.11
L-14	S 81°00' W	30.14
L-15	S 81°00' W	60.00
L-16	S 81°00' W	21.14
L-17	S 81°00' W	21.14
L-18	S 81°00' W	21.14
L-19	S 81°00' W	21.14
L-20	S 81°00' W	21.14
L-21	S 81°00' W	21.14
L-22	S 81°00' W	21.14
L-23	S 81°00' W	21.14
L-24	S 81°00' W	21.14
L-25	S 81°00' W	21.14
L-26	S 81°00' W	21.14
L-27	S 81°00' W	21.14
L-28	S 81°00' W	21.14
L-29	S 81°00' W	21.14
L-30	S 81°00' W	21.14
L-31	S 81°00' W	21.14
L-32	S 81°00' W	21.14
L-33	S 81°00' W	21.14
L-34	S 81°00' W	21.14
L-35	S 81°00' W	21.14
L-36	S 81°00' W	21.14
L-37	S 81°00' W	21.14
L-38	S 81°00' W	21.14
L-39	S 81°00' W	21.14
L-40	S 81°00' W	21.14
L-41	S 81°00' W	21.14
L-42	S 81°00' W	21.14
L-43	S 81°00' W	21.14
L-44	S 81°00' W	21.14
L-45	S 81°00' W	21.14
L-46	S 81°00' W	21.14
L-47	S 81°00' W	21.14
L-48	S 81°00' W	21.14
L-49	S 81°00' W	21.14
L-50	S 81°00' W	21.14



A SURVEY FOR THE IDAHO TRANSPORTATION DEPARTMENT
LOCATED IN SECTION 4, TOWNSHIP 3 NORTH, RANGE 2 EAST
AND SECTIONS 32 AND 33, TOWNSHIP 4 NORTH, RANGE 2 EAST,
BOISE MERIDIAN, ADA COUNTY, IDAHO

RECORD OF SURVEY NO. 12945



Ada County Highway District
Project No. 505029
30th Street – Fairview Avenue to State Street

• Parcel 43 •
Right-of-Way Requirement Description No. 1

A parcel located in the SW ¼ of Section 33, Township 4 North, Range 2 East, Boise Meridian, and being a part of partially vacated *HUBBELL HOME ADDITION* as shown in Book 5 of Plats at Page 210 in the office of the Recorder, Ada County, Idaho, more particularly described as follows:

Commencing at a brass cap monument marking the southwesterly corner of said SW ¼ from which a brass cap monument marking the southeasterly corner of said SW ¼ bears S 89°20'38" E a distance of 2659.68 feet;

Thence S 89°20'38" E along the southerly boundary of said SW ¼ a distance of 1469.62 feet to a point;

Thence leaving said southerly boundary N 0°39'22" E a distance of 286.10 feet to the POINT OF BEGINNING;

Thence N 43°20'34" E a distance of 73.55 feet to a point;

Thence N 1°59'56" E a distance of 53.06 feet to a point;

Thence N 46°38'54" W a distance of 192.62 feet to a point;

Thence N 39°32'23" W a distance of 77.88 feet to a point on the southwesterly right-of-way of State Street;

Thence S 46°38'54" E along said right-of-way a distance of 328.44 feet to a point on the northwesterly right-of-way of Rose Street;

Thence along said northwesterly right-of-way S 43°20'34" W a distance of 123.01 feet to a point;

Thence leaving said northwesterly right-of-way N 46°40'34" W a distance of 23.50 feet to the POINT OF BEGINNING.

This parcel contains 6,155 square feet (0.141 acres) and is subject to any easements existing or in use.

Prepared by: Glenn K. Bennett, PLS
Civil Survey Consultants, Incorporated
November 30, 2011



Ada County Highway District
Project No. 505029
30th Street – Fairview Avenue to State Street

• Parcel 43 •
Right-of-Way Requirement Description No. 2

A parcel located in the SW ¼ of Section 33, Township 4 North, Range 2 East, and the NW ¼ of Section 4, Township 3 North, Range 2 East, Boise Meridian, and being a part of partially vacated *HUBBELL HOME ADDITION* as shown in Book 5 of Plats at Page 210 in the office of the Recorder, Ada County, Idaho, more particularly described as follows:

Commencing at a brass cap monument marking the southwesterly corner of said SW ¼ from which a brass cap monument marking the southeasterly corner of said SW ¼ bears S 89°20'38" E a distance of 2659.68 feet;

Thence S 89°20'38" E along the southerly boundary of said SW ¼ a distance of 1147.68 feet to a point;

Thence leaving said southerly boundary S 0°39'22" W a distance of 37.76 feet to the POINT OF BEGINNING;

Thence S 46°31'25" E a distance of 40.57 feet to a point on the northwesterly right-of-way of Rose Street;

Thence N 43°20'34" E along said northwesterly right-of-way a distance of 444.43 feet to a point;

Thence leaving said northwesterly right-of-way N 46°40'34" W a distance of 23.50 feet to a point;

Thence S 43°20'34" W a distance of 154.67 feet to a point;

Thence S 44°19'45" W a distance of 269.66 feet to a point;

Thence a distance of 24.76 feet along the arc of a 23.00 foot radius curve right, said curve having a central angle of 61°40'42" and a long chord bearing S 75°10'06" W a distance of 23.58 feet to the POINT OF BEGINNING.

This parcel contains 11,234 square feet (0.258 acres) and is subject to any easements existing or in use.

Prepared by: Glenn K. Bennett, PLS
Civil Survey Consultants, Incorporated
Revised: March 7, 2013



Ada County Highway District
Project No. 505029
30th Street – Fairview Avenue to State Street

• Parcel 43 •
Right-of-Way Requirement Description No. 3

A parcel located in the NW ¼ of Section 4, Township 3 North, Range 2 East, Boise Meridian, and being a part of partially vacated *HUBBELL HOME ADDITION* as shown in Book 5 of Plats at Page 210 in the office of the Recorder, Ada County, Idaho, more particularly described as follows:

Commencing at a brass cap monument marking the northwesterly corner of said NW ¼ from which a brass cap monument marking the northeasterly corner of said NW ¼ bears S 89°20'38" E a distance of 2659.68 feet;

Thence S 89°20'38" E along the northerly boundary of said NW ¼ a distance of 1100.08 feet to a point;

Thence leaving said northerly boundary S 0°39'22" W a distance of 75.45 feet to the POINT OF BEGINNING;

Thence S 43°21'16" W a distance of 91.02 feet to a point;

Thence S 44°45'48" E a distance of 17.00 feet to a point;

Thence S 45°14'12" W a distance of 321.49 feet to a point;

Thence a distance of 244.08 feet along the arc of a 569.50 foot radius curve left, said curve having a central angle of 24°33'22" and a long chord bearing S 32°57'31" W a distance of 242.22 feet to a point on the northwesterly right-of-way of Rose Street;

Thence N 43°20'34" E along said northwesterly right-of-way a distance of 651.02 feet to a point;

Thence leaving said northwesterly right-of-way N 46°31'25" W a distance of 50.01 feet to the POINT OF BEGINNING.

This parcel contains 24,203 square feet (0.556 acres) and is subject to any easements existing or in use.

Prepared by: Glenn K. Bennett, PLS
Civil Survey Consultants, Incorporated
November 30, 2011



Ada County Highway District
Project No. 505029
30th Street – Fairview Avenue to State Street

• Parcel 43 •
Right-of-Way Requirement Description No. 4
Pond Site

An easement for stormwater detention pond purposes located in the NW ¼ of Section 4, Township 3 North, Range 2 East, Boise Meridian, and being a part of partially vacated *HUBBELL HOME ADDITION* as shown in Book 5 of Plats at Page 210 in Ada County, Idaho, more particularly described as follows:

Commencing at a brass cap monument marking the southwesterly corner of said NW ¼ from which a brass cap monument marking the northwesterly corner of said NW ¼ bears N 0°03'07" E a distance of 2672.44 feet;

Thence N 0°03'07" E along the westerly boundary of said NW ¼ a distance of 1856.70 feet to a point;

Thence leaving said westerly boundary S 89°56'53" E a distance of 655.19 feet to the POINT OF BEGINNING;

Thence S 54°05'29" W a distance of 150.66 feet to a point;

Thence S 53°06'47" W a distance of 69.83 feet to a point;

Thence N 84°10'54" W a distance of 70.38 feet to a point;

Thence N 77°59'54" W a distance of 80.78 feet to a point;

Thence N 70°35'19" W a distance of 41.30 feet to a point;

Thence N 10°04'44" E a distance of 118.74 feet to a point;

Thence N 20°24'51" E a distance of 59.56 feet to a point;

Thence S 69°35'09" E a distance of 223.96 feet to a point;

Thence N 42°54'18" E a distance of 85.58 feet to a point;

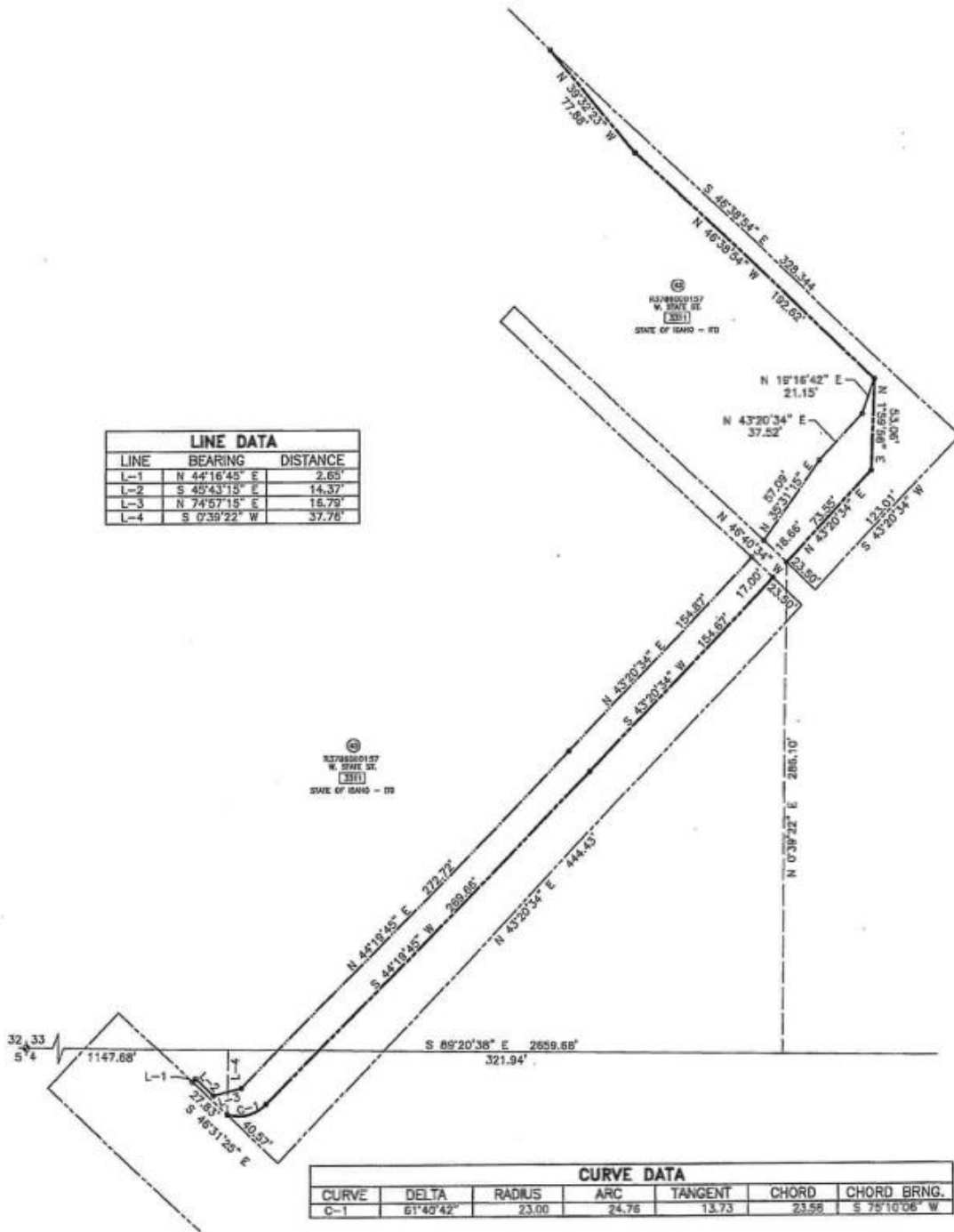
Thence S 40°57'33" E a distance of 85.64 feet to the POINT OF BEGINNING.

This parcel contains 46,058 square feet (1.057 acres) and is subject to any easements existing or in use.

Parcel 43 Requirement 4
Page 2

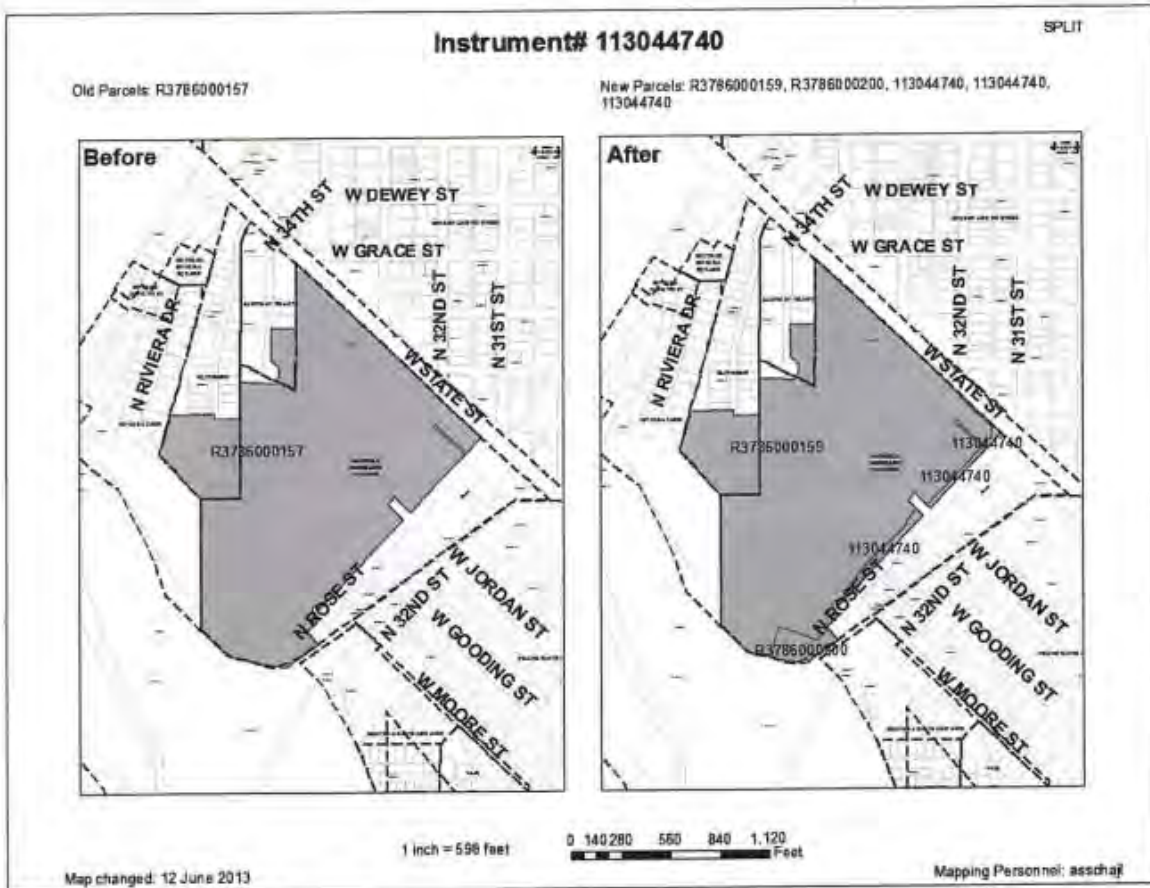
Prepared by: Glenn K. Bennett, PLS
Civil Survey Consultants, Incorporated
November 30, 2011





LINE DATA		
LINE	BEARING	DISTANCE
L-1	N 44°18'45" E	2.65'
L-2	S 45°43'15" E	14.37'
L-3	N 74°57'15" E	15.79'
L-4	S 0°39'22" W	37.76'

CURVE DATA						
CURVE	DELTA	RADIUS	ARC	TANGENT	CHORD	CHORD BRNG.
C-1	61°49'42"	23.00'	24.76'	13.73'	23.56'	S 79°10'06" W



Water Damage Investigation Report

Eco-Dynamics Testing & Investigations

 2519 South Canyon Street
 Nampa, Idaho 83686

 Eric Brinza: Ericbrinza@gmail.com (763)-913-4437
 John Mears: Johnmears09@gmail.com (208)-982-5484

Project Information	
Client:	The L&R Group
Project Name:	ITD Water Damage Investigation as per request by DPW
Project Location:	Idaho Department of Transportation Headquarters 3311 West State Street, Boise, Idaho 83703
Eco-Dynamics Project Manager:	Eric Brinza
Inspection Date:	January 3, 2022
Report Date:	January 4, 2022

The L&R Group (client) retained Eco-Dynamics LLC. to perform an asbestos air monitoring event following a water-loss event at the Idaho Department of Transportation building located at 3311 West State Street in Boise, Idaho. In addition to the air monitoring event, collection of bulk samples was requested to determine if fallen debris potentially contained fireproofing material, identified in a previous report as ACM. Certified Asbestos Inspector, Eric Brinza, performed the on-site inspection on January 3, 2022. The report summarizes our inspection observations, findings, and laboratory results.

Project Summary	
Air Sample Locations:	<ul style="list-style-type: none"> 1st floor – Server Room 1st floor – Training & Development III 2nd floor – Wendy T's Office 2nd floor – Central cubical offices, between public transit and contractor services. 3rd floor – Hallway outside elevators 3rd floor – Room 300 cubical offices, near the break area sink.
<p>Upon arrival at the ITD HQ building at 1:30pm, evacuation of non-essential personnel had nearly concluded, only a few employees remained to collect their personal belongings. Significant water damage was sustained within multiple rooms, offices, and hallways with fallen debris present throughout large portions of the 1st - 3rd floors. All observed locations where ceiling tiles had fallen, exposed spray-on fireproofing material was visible above, coating the surface of the concrete ceilings, walls, and overspray was visible on other miscellaneous building materials (i.e., pipes, wires, ductwork, etc.).</p> <p>Eco-Dynamics strategically placed 2 pumps for the collection of air samples on the 1st, 2nd, and 3rd floors of the building in locations visually impacted by water damage as well as exposed fireproofing material. One sample was collected within the Server Room of the building which did not visually appear to have been impacted at the time of inspection but was specifically requested per the incident commander. The air samples collected 1200 Liters of air over 86 minutes, with the first sample starting at roughly 3pm, and the 6th sample starting at 4pm. The samples were delivered to The L&R Group laboratory for PCM analysis NIOSH Method 7400. The results of the laboratory analysis displayed fiber counts lower than the EPA-established clearance level of 0.01 fibers/cm² in all sampled locations.</p> <p>Eco-Dynamics collected various bulk samples of fallen debris and suspect materials found on the surface of in-place water impacted ceiling tiles. These samples were delivered to The L&R Group laboratory, and the results of the analysis identified ACM within multiple samples collected on Dec. 3rd. ACM was identified within the material collected from above the ceiling tiles, and asbestos fibers were identified within the settled dust taken from the surface of an in-tact ceiling tile.</p> <p>It is Eco-Dynamics belief that while the majority of the fallen debris is likely to be composed of water impacted ceiling tiles, asbestos containing fireproofing material and ACM contaminated dust are likely to be present within the debris. Eco-Dynamics recommends that abatement professionals treat the fallen debris as ACM, and that all applicable industry standards and guidelines be followed when handling and disposing of the hazardous material.</p>	

2519 South Canyon Street
 Nampa, Idaho 83686

Eco-Dynamics

Testing & Investigations

 Eric Brinza: Ericbrinza@gmail.com (763)-913-4437
 John Mears: Johnmears09@gmail.com (208)-982-5484

Project Information	
Client Provided / Background Information:	<p>The information provided below was obtained on-site through facility workers and a representative of DPW, and Eco-Dynamics has not verified any information regarding causation of the water-loss event.</p> <ul style="list-style-type: none"> On Sunday morning (January 2nd, 2022), a facilities employee for ITD had entered the building and observed the fallout of a major water-loss event. No evidence of a water-loss event had been mentioned/observed by any ITD employee prior to departure from the building on Saturday evening. The water-loss event was sourced back to multiple pipe failures relating to the building's HVAC system on the 4th floor, referred to as the "penthouse". An employee at the ITD facility stated that the water-loss had occurred over an approximate 8 to 9 hours, starting at an estimated time of around midnight between Saturday January 1st and Sunday January 2nd. The client stated that a remediation company had arrived on site early Monday morning (January 3rd, 2022) and began to collect and bag fallen debris. <ul style="list-style-type: none"> The client stated that the initial responding remediation company is no longer working on the project as of roughly ~12pm the same day. Another remediation company, Abatement Pro, had arrived on site at roughly ~1pm to perform an initial walk-through inspection. An asbestos survey had been performed on the building in early 2021, in which asbestos containing sprayed-on fireproofing material had been identified, raising concerns about potential asbestos fiber contamination within the building. The building was currently under evacuation, with a few ITD employees present collecting belongings prior to large scale clean-up efforts being performed.
Project Scope:	<ul style="list-style-type: none"> Collection of 2 PCM samples for analysis (NIOSH Method 7400) on the 1st, 2nd, and 3rd floor within the building to determine background fiber counts directly after the water-loss incident. Collection of bulk samples for analysis of suspect building material debris to identify ACM within areas impacted by the water-loss event. Analysis of the bulk samples by EPA 600/R-93/116 to determine the presence of asbestos.

Asbestos Containing Materials Summary					
Total # of Sample(s) Collected	16	Total Homogeneous Area(s) Identified	N/A	Total Samples Identified as ACM	7
ACM Sample Number	ACM Sample Description	ACM Sample Location		*Sq. Ft./LF	
JL-02	Fallen debris	2 nd Floor, near the elevator		N/A	
JL-04	Fallen debris	3 rd floor, Room 300, collected from on top of the sink towel dispenser		N/A	
B003	Fallen debris	1 st floor break room, collected from above in-place drop-down ceiling tiles		N/A	
B004	Fallen debris	1 st floor Training & Development III room collected from above in-place drop-down ceiling tiles		N/A	
B005	Tape-lift of settled dust	1 st floor Training & Development III room collected from above in-place drop-down ceiling tiles		N/A	
B010	Fallen debris composite sample	2 nd floor hallway, taken from debris found around the elevator		N/A	
B011	Fallen debris composite sample	2 nd floor office area (Labeled Wendy T's office), taken from debris found on the flooring near a desk		N/A	

*Please note that the quantities are an estimate. Therefore, exact quantities should be confirmed by the contractor prior to abatement activities these materials must always be removed using special abatement methods by a certified asbestos contractor prior to any renovation or demolition activity. Please refer to the attached asbestos analysis results.

Eco-Dynamics
Testing & Investigations

2518 South Canyon Street
Nampa, Idaho 83686

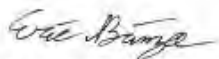
Eric Brinza: Ericbrinza@gmail.com (763)-913-4437
John Mears: Johnmears09@gmail.com (208)-982-5484

Investigation Notes from Project Scope Area(s)	
Observations:	<p>Eco-Dynamics observed the following at the time of inspection:</p> <ul style="list-style-type: none"> • Upon arrival, the majority of the building had been evacuated, with a few ITD employees collecting personal belongings prior to the building's full closure. • Major water damage was sustained within multiple rooms, offices, and hallways with fallen debris present throughout large portions of the 1st - 3rd floors of the building. • Fallen debris was observed on the surface of office furnishings (desks, chairs, computers, keyboards, etc.) in areas that sustained heavy impact. • Various boxes containing paper documents and personal belongings were observed to be saturated/waterlogged at the time of inspection. • In all observed locations where drop-down ceiling tiles had fallen, exposed spray-on fireproofing material was visible above, coating the surface of the concrete ceilings, walls, and overspray was visible on other miscellaneous building materials (i.e. pipes, wires, ductwork, etc.). • The spray-on fireproofing material appeared discolored to dark brown (wet) in many sections where the drop-down ceiling tiles were no longer present. • In sections where the spray-on fireproofing sustained water damage but had already dried, the fireproofing appeared discolored to a light brown/yellow appearance. • Cracking of the spray-on fireproofing material was observed in various locations where moisture was apparent on the material. • Sections of the spray-on fireproofing material appeared to be missing from surface(s) where it had been originally applied, exposing the underlying metal support wires. • Spray-on fireproofing was not observed within the basement of the building; however, water was observed actively dripping from the ceiling within the basement at the time of inspection. • A section of roughly ~50ft² of water-damaged plaster ceiling material had fallen, with debris present throughout the main stairwell between the 2nd and 3rd floor. • The debris observed throughout the building appeared to primarily consist of water-damaged drop-down ceiling tiles and plaster material, but visible quantities of the spray-on fireproofing material was observed within the debris in various locations. • Eco-Dynamics observed fallen spray-on fireproofing material settled on the surface of in-tact drop-down ceiling tiles within the 1st floor Training & Development III room and break room. <ul style="list-style-type: none"> ○ Due to the scattered locations where suspect fireproofing material was visible while viewing the ceiling cavity from above the drop-down ceiling tiles, it is the opinion of Eco-Dynamics that this material is likely present on the surface of the fallen ceiling tiles in many locations throughout the building where the spray-on fireproofing has been applied.

General Recommendations
<p>For materials that should be presumed as ACM in locations that were not sampled, Eco-Dynamics recommends additional sampling and analysis of these materials prior to disturbance.</p> <p>Eco-Dynamics recommends that a certified asbestos worker and/or licensed asbestos contractor experienced in abatement solutions perform the cleanup, removal, and disposal of any ACM, and ACM contaminated debris prior to demolition, renovation, repair, or restoration of the building.</p>

Eco-Dynamics appreciates the opportunity to work with you on this project and looks forward to a continued relationship as your environmental consultant. Please feel free to contact us at any time with any questions, comments, or concerns.

Sincerely, Eco-Dynamics Testing & Investigations LLC



Eric Brinza, Certified Asbestos Inspector.

Eco-Dynamics Testing & Investigations

3510 South Canyon Street
Nampa, Idaho 83886Eric Brinza: Ericbrinza@gmail.com (763)-913-4497
John Mears: Johnmears09@gmail.com (208)-982-5484

Asbestos Regulations

The EPA regulates the abatement and disposal of asbestos-containing materials from any public or private building involving demolition, renovation, repair, construction, and maintenance activities. The EPA certifies and licenses asbestos-removal contractors, inspects asbestos-abatement projects, and enforces laws regarding the proper removal and disposal of asbestos-containing materials. In addition, the agency provides homeowners education about the dangers of exposure to asbestos and how to deal with asbestos in the home. For additional Asbestos Laws and Regulations please reference the EPA's website <https://www.epa.gov/asbestos/asbestos-laws-and-regulations>.

EPA 40 CFR 763 – Describes response actions, operations and maintenance, training and periodic surveillance, management plans, recordkeeping, warning labels, as well as compliance and enforcement.

EPA 40 CFR 61.145 – Provides standards for demolition, renovation and thorough inspection requirements.

EPA 40 CFR 61, Subpart M NESHAP – Covers National Emission Standards for Hazardous Air Pollutants.

OSHA is responsible for establishing standards to protect the health and safety of workers who may be exposed to asbestos. OSHA sets out several provisions' employers must follow to comply with the asbestos standard such as exposure limits and guidelines for exposure monitoring, medical surveillance, record keeping, regulated areas, and communication of hazards. For additional resources and information please reference OSHA's website at <https://www.osha.gov/SLTC/asbestos/>.

- For regulations pertinent to worker protection - OSHA Asbestos Construction Standard 29 CFR 1926.1101, or the Asbestos Worker Protection Rule at 40 CFR 763.120, whichever is applicable.
- OSHA 29 CFR 1926.1101 – Construction Standard applies to building demolition and renovation operations and other activities where asbestos is removed or encapsulated. It also covers building maintenance and emergency cleanup of asbestos.
- OSHA 29 CFR 1910.1001 – General Industry Standard covers maintenance work and routine housekeeping activities.
- OSHA 29 CFR 1910.134 – Provides Respiratory Protection Standards.
- OSHA 3151-12R and 1910-1001(H) – Personal protection equipment selection and reference.

Additional regulations may apply:

- Client and contractor should read and understand the details in 1926.1101(k)(1) and section k in general.
- Client and contractor must understand their responsibilities to perform due diligence prior to the commencement of work or disturbance, i.e., to identify and communicate the presence (or assumed presence), location and quantity of ACM.
- General Industry Standard (29 CFR 1910.1001) (j)(3) - Duties of employers and building and facility owners.
- 1910.1001(j)(3)(i) - Building and facility owners shall determine the presence, location, and quantity of ACM and/or PACM at the work site. Employers and building and facility owners shall exercise due diligence in complying with these requirements to inform employers and employees about the presence and location of ACM and PACM.
- 1910.1001(j)(3)(ii) - Building and facility owners shall maintain records of all information required to be provided pursuant to this section and/or otherwise known to the building owner concerning the presence, location and quantity of ACM and PACM in the building/facility. Such records shall be kept for the duration of ownership and shall be transferred to successive owners.
- 1910.1001(j)(3)(iii) - Building and facility owners shall inform employers of employees, and employers shall inform employees who will perform housekeeping activities in areas which contain ACM and/or PACM of the presence and location of ACM and/or PACM in such areas which may be contacted during such activities.

Eco-Dynamics
Testing & Investigations

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Nampa, Idaho 83686

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John Mears: Johnmears09@gmail.com (208)-982-5484

Laboratory Analysis Results



680 South Progress Avenue, Suite 2A
Meridian, Idaho 83642
208-813-6160
www.TheLandRGroup.com

Attention: Eco-Dynamic Testing & Investigations

2522 N Arthur St
Boise ID 83703

Received Date: 01/04/2022

Analysis Date: 01/04/2022

Project: ITD Building HQ Boise ID, 83703

Phone: 763-913-4437

LIMS ID: 22010402

L&R Client ID: 1091

L&R Project ID: 220013T

Analyst: Richard Vincent

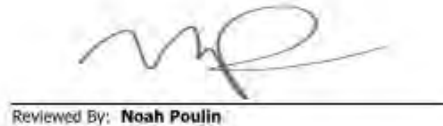
Analysis of Airborne Asbestos and Other Fibers by Phase Contrast Microscopy (NIOSH 7400)

Sample	Description/Location	Volume (L)	Fibers	Fields	Fibers/mm2	f/cc	f/cc TWA
S01 22010402.01	First Floor Server Room	1200	1.5	100	1.911	<0.001	NA
Comment :							
S02 22010402.02	First Floor Training and Development III	1200	0	100	0.000	<0.000	
Comment :							
S03 22010402.03	Second Floor Wendy T's Office	1200	2.5	100	3.185	<0.001	
Comment :							
S04 22010402.04	Second Floor Central Public Transit	1200	4.5	100	5.732	<0.002	
Comment :							
S05 22010402.05	Third Floor Outside Elevators	1200	1.5	100	1.911	<0.001	
Comment :							
S06 22010402.06	Third Floor Room 300 Near Sink	1200	1	100	1.274	<0.000	
Comment :							

No discernable blank was submitted with this group of samples.



Analyst: **Richard Vincent**



Reviewed By: **Noah Poulin**

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Report Print Date: 01/04/2022

220013T PCM001 ITD Building HQ Boise ID 83703

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Page 1 of 1


 680 South Progress Avenue, Suite 2A
 Meridian, Idaho 83642
 208-813-6160
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Attention: Eco-Dynamic Testing & Investigations
 2522 N Arthur St
 Boise ID 83703

Received Date: 01/04/2022
Analysis Date: 01/04/2022

Project: ITD Building HQ Boise ID 83703 **Phone:** 763-913-4437

LIMS ID: 22010403
L&R Client ID: 1091
L&R Project ID: 220013T
Analyst: Noah Poulin

Analysis of Bulk Materials using Polarized Light Microscopy (EPA Method 600/R-93/116)

Sample	Description	Appearance	Non-Asbestos		Asbestos % Type
			% Fibrous	% Non-Fibrous	
IL-01 22010403.01	2nd Floor Near Elevator	Joint Compound, Fibrous, Soft, Homogenous / Tan	5% Cellulose	95% Other	None Detected
Comment :					
IL-02 22010403.02	2nd Floor ITD HQ	Fireproofing, Fibrous, Firm, Non-Homogenous / Brown/Gray/White		97% Other	3% Chrysotile
Comment :					
IL-03 22010403.03	3rd Floor ITD HQ	Joint Compound, Fibrous, Soft, Homogenous / Tan	5% Cellulose	95% Other	None Detected
Comment :					
IL-04 22010403.04	3rd Floor Room 300 above Sink	Fireproofing, Fibrous, Firm, Non-Homogenous / Brown/Gray/White		97% Other	3% Chrysotile
Comment :					
IL-05 22010403.05	3rd Floor ITD HQ	Ceiling Tile, Firm, Soft, Homogenous / Gray/White	30% Cellulose 10% Synthetic Fiber	60% Other	None Detected
Comment :					
B001 22010403.06	1st Break Room Composite Debris	Ceiling Tile, Firm, Soft, Homogenous / Gray/White	30% Cellulose 10% Synthetic Fiber	60% Other	None Detected
Comment :					
B002 22010403.07	1st Break Room Composite Debris	Ceiling Tile, Firm, Soft, Homogenous / Gray/White	30% Cellulose 10% Synthetic Fiber	60% Other	None Detected
Comment :					
B003 22010403.08	1st Break Room Debris Above Drop Down	Fireproofing, Fibrous, Firm, Non-Homogenous / Brown/Gray/White		97% Other	3% Chrysotile
Comment :					
B003 22010403.08	1st Break Room Debris Above Drop Down	Ceiling Tile, Firm, Soft, Homogenous / Gray/White	30% Cellulose 10% Synthetic Fiber	60% Other	None Detected
Comment :					
B004 22010403.09	1st Training and Development 3 Debris above Drop Down	Fireproofing, Fibrous, Firm, Non-Homogenous / Brown/Gray/White		97% Other	3% Chrysotile
Comment :					



 Analyst : **Noah Poulin**


 Reviewed By: **Richard Vincent**

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Report Print Date: 01/04/2022

220013T PLM001 ITD Building HQ Boise ID 83703

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 Meridian, Idaho 83642
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Attention: Eco-Dynamic Testing & Investigations
 2522 N Arthur St
 Boise ID 83703

Received Date: 01/04/2022
Analysis Date: 01/04/2022

Project: ITD Building HQ Boise ID 83703 **Phone:** 763-913-4437

LIMS ID: 22010403
L&R Client ID: 1091
L&R Project ID: 220013T
Analyst: Noah Poulin

Analysis of Bulk Materials using Polarized Light Microscopy (EPA Method 600/R-93/116)

Sample	Description	Appearance	Non-Asbestos		Asbestos % Type
			% Fibrous	% Non-Fibrous	
B005 22010403.10	1st Training and Development Center 3 Tape Lift above Drop Down	Tape Lift /		0% Other	None Detected
Comment : Asbestos present on tape					
B006 22010403.11	1st Training and Development Center 3 Composite of X3 Drop Down Tiles in Debris	Ceiling Tile, Fibrous, Soft, Non-Homogenous / Brown/Gray/White	40% Cellulose 10% Synthetic Fiber 10% Fiberglass	40% Other	None Detected
Comment :					
B007 22010403.12	Stairwell Debris in Stairwell	Plaster w/ Skim Coat, Firm, Cementitious, Layered / Tan/White	5% Cellulose	95% Other	None Detected
Comment :					
B008 22010403.13	2nd Room 215 Fallen JC/Thinset	Joint Compound, Fibrous, Soft, Homogenous / Tan	5% Cellulose	95% Other	None Detected
Comment :					
B009 22010403.14	2nd Debris on Flooring (Room 215)	Ceiling Tile, Fibrous, Soft, Homogenous / Brown/Tan/White	40% Cellulose 10% Synthetic Fiber 5% Fiberglass	45% Other	None Detected
Comment :					
B009 22010403.14	2nd Debris on Flooring (Room 215)	Drywall/texture, Fibrous, Soft, Homogenous / Brown/Tan/White	20% Cellulose	80% Other	None Detected
Comment :					
B010 22010403.15	2nd Hall Outside Elevator Composite Debris	Fireproofing, Fibrous, Firm, Non-Homogenous / Brown/Gray/White		97% Other	3% Chrysotile
Comment :					
B011 22010403.16	2nd Wendy T's Office Fallen Fireproofing Debris	Fireproofing, Fibrous, Firm, Non-Homogenous / Brown/Gray/White		97% Other	3% Chrysotile
Comment :					



 Analyst - **Noah Poulin**


 Reviewed By: **Richard Vincent**

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Report Print Date: 01/04/2022

220013T PLM001 ITD Building HQ Boise ID 83703

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Eco-Dynamics
Testing & Investigations

2518 South Canyon Street
Nampa, Idaho 83686

Eric Brinza: Ericbrinza@gmail.com (763)-913-4437
John Mears: Johnmears09@gmail.com (208)-982-5484

Photographic Log

<p>Eco-Dynamics Testing & Investigations</p>	<p>Photographic Log Idaho Department of Transportation Headquarters 3311 West State Street, Boise, Idaho 83703 Date: January 3, 2022</p>	<p>2519 South Canyon Street Nampa, Idaho 83686 Eric Brinza Ericbrinza@gmail.com (763)-913-4437 John Mears Johnmears09@gmail.com (208)-982-5484</p>
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<p>Eco-Dynamics Testing & Investigations</p>	<p>Photographic Log Idaho Department of Transportation Headquarters 3311 West State Street, Boise, Idaho 83703 Date: January 3, 2022</p>	<p>2519 South Canyon Street Nampa, Idaho 83686 Eric Brinza Ericbrinza@gmail.com (763)-913-4437 John Mears Johnmears09@gmail.com (208)-982-5484</p>
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<p>3) Fallen plaster material laying on wires within a ceiling cavity.</p>	<p>4) Saturated spray-on fireproofing material with visible cracks within the ceiling cavity in a Training & Development office.</p>

<p>Eco-Dynamics Testing & Investigations</p>	<p>Photographic Log Idaho Department of Transportation Headquarters 3311 West State Street, Boise, Idaho 83703 Date: January 3, 2022</p>	<p>2519 South Canyon Street Nampa, Idaho 83686 Eric Brinza Ericbrinza@gmail.com (763)-913-4437 John Mears Johnmears09@gmail.com (208)-982-5484</p>
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<p>5) Water-damaged plaster material on the ceiling within the main stairwell.</p>	<p>6) Water impacted drop-down ceiling tiles above cubicle office area with visible water-staining on mobile divider walling.</p>

<p>Eco-Dynamics Testing & Investigations</p>	<p>Photographic Log Idaho Department of Transportation Headquarters 3311 West State Street, Boise, Idaho 83703 Date: January 3, 2022</p>	<p>2519 South Canyon Street Nampa, Idaho 83686 Eric Brinza Ericbrinza@gmail.com (763)-913-4437 John Mears Johnmears09@gmail.com (208)-982-5484</p>
--	--	---

	
<p>7) Saturated spray-on fireproofing within ceiling cavity. Exposed metal wiring visible where fireproofing material was no longer present.</p>	<p>8) Saturated spray-on fireproofing on building material with a piece visibly missing from a section of the exposed plumbing line within a ceiling cavity.</p>

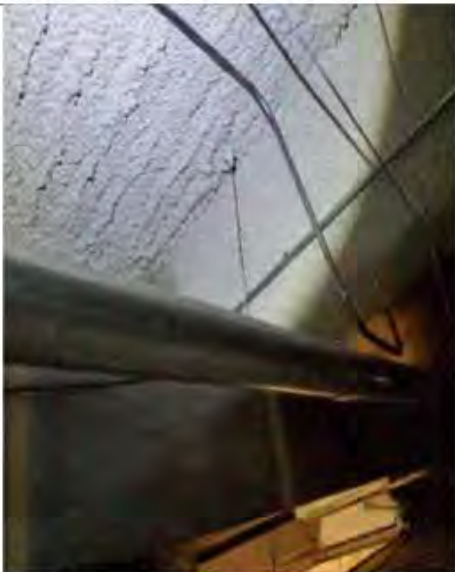
<p>Eco-Dynamics Testing & Investigations</p>	<p align="center">Photographic Log Idaho Department of Transportation Headquarters 3311 West State Street, Boise, Idaho 83703 Date: January 3, 2022</p>	<p align="right">2519 South Canyon Street Nampa, Idaho 83686</p> <p>Eric Brinza Ericbrinza@gmail.com (763)-913-4437 John Mears Johnmears99@gmail.com (208)-982-5484</p>
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9) Impacted office area with visible debris.



10) Bags of collected debris on the 3rd floor near the elevators.



11) View of spray-on fireproofing material within ceiling cavity above the 1st floor break room.



12) Spray-on fireproofing material scattered across the surface of drop-down ceiling tiles.

Remediation Cost Estimate



CLIENT: State of Idaho
CLIENT CONTACT: William Villwock
CASE: Water Intrusion
CASE NUMBER:
LOCATION: ITD Headquarter Building
ADDRESS: 3311 W State Street
 Boise, Idaho 83703
DATE: Thursday, April 14, 2022

**ESTIMATE
REVISION 02**

BASE ESTIMATE:	UNITS:	\$/UNIT:	SUBTOTAL:
DIV 01: RENTAL:			\$ 36,401.93

DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	TOTAL PRICE
Scissor Lift - 10' to 13' - Electric (United Rental)	Months	4	\$ 498.00	\$ 1,992.00
Articulating Boom Lift - 45 ft - Gas (United Rental)	Daily	3	\$ 595.00	\$ 1,785.00
Warehouse Forklift - 5,000 lbs - Gas (United Rental)	Months	5	\$ 1,790.00	\$ 8,950.00
Scaffolding - 3rd Stairwell (Tates Rents)	Weekly	2	\$ 489.00	\$ 978.00
Gas - Propane	Gallons	245	\$ 3.50	\$ 857.50
Dumpster - Delivery Charge (Republic Services)	Months	8	\$ 40.80	\$ 326.40
Dumpster - Rental (Republic Services)	Months	8	\$ 660.00	\$ 5,280.00
Dumpster - Haul Off Charge (Republic Services)	Months	8	\$ 163.39	\$ 1,307.12
Dumpster - Dumpage Fees (Republic Services) - Estimated	Per Ton	84	\$ 29.00	\$ 2,436.00
Temporary Toilets & Sinks (PortaPros) (2 Units)	Months	8	\$ 376.00	\$ 3,008.00
Temporary Fence - Rental (Boise River Fence)	Months	8	\$ 647.00	\$ 5,176.00
Southwire (6) Plug Spider Box 50 amps (OSHA) (total of 3)	Purchase	3	\$ 451.97	\$ 1,355.91
Materials Deliveries	Per Items	15	\$ 155.00	\$ 2,325.00
Rental Deliveries & Pickups	Per Items	5	\$ 125.00	\$ 625.00

DIV 01: GENERAL REQUIREMENTS:				\$ 288,474.00
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DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	TOTAL PRICE
Job Site Office	Months	9	\$ 650.00	\$ 5,850.00
Superintendent - Full Time	Months	9	\$ 12,500.00	\$ 112,500.00
Preconstruction - Full Time (no drawings, developing SOW)	Months	2	\$ 10,000.00	\$ 20,000.00
Project Manager - Half Time	Months	9	\$ 6,000.00	\$ 54,000.00
Storage Container - 20' Shipping Container	Months	9	\$ 375.00	\$ 3,375.00
Storage Container - 20' Shipping Container - Deliv/Pickup	Lump Sum	2	\$ 142.00	\$ 284.00
Small Tool Allowance	Months	9	\$ 250.00	\$ 2,250.00
Mobilization	Lump Sum	1	\$ 2,500.00	\$ 2,500.00
Record Drawings	Lump Sum	1	\$ 500.00	\$ 500.00
Final Clean (First Class Cleaning)	Square Foot	26900	\$ 0.35	\$ 9,415.00
Atlas - Hygienist - Mobilization	Allowance	1	\$ 5,000.00	\$ 5,000.00
Atlas - Hygienist - 1st Floor - Full-time Monitoring	Daily	16	\$ 800.00	\$ 12,800.00
Atlas - Hygienist - 2nd Floor - Full-time Monitoring	Daily	16	\$ 800.00	\$ 12,800.00
Atlas - Hygienist - 3rd Floor - Full-time Monitoring	Daily	34	\$ 800.00	\$ 27,200.00
Atlas - Hygienist - Clearance	Allowance	1	\$ 5,000.00	\$ 5,000.00
Atlas - Hygienist - Spot Treatment	Allowance	1	\$ 5,000.00	\$ 5,000.00
L&B - Laboratory	Allowance	1	\$ 10,000.00	\$ 10,000.00
		0	\$ -	\$ -

DIV 06: ROUGH FRAMING:				\$ 6,482.36
-------------------------------	--	--	--	-------------

DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	TOTAL PRICE
Metal Framing Top/Bottom Track (3 5/8 25 Gauge)(840 lf)	Jarvis Enterprises	840	\$ 1.48	\$ 1,243.20
Metal Framing Studs 12" (3 5/8 25 Gauge)(140 ea)	Jarvis Enterprises	140	\$ 18.14	\$ 2,539.60
Metal Framing A Point Screws (4 boxes of 100)	Jarvis Enterprises	4	\$ 8.77	\$ 35.08
		0	\$ -	\$ -
Metal Framing for (n) Drywall Partitions (Manpower)(3,840sf)	Jarvis Enterprises	40	\$ 51.24	\$ 2,049.60
Metal Framing to patch RATED Walls (Manpower)(250 sf)	Jarvis Enterprises	12	\$ 51.24	\$ 614.88
		0	\$ -	\$ -

DIV 06: FINISH CARPENTRY:				\$ 3,838.77
----------------------------------	--	--	--	-------------

BY: Patrick Gansch, Quicksilver
 DATE: 03/06/22
 REVISION: 04/10/22 04/14/22

82 S State Ave., Ste 104, Meridian, ID 83642
 RCE-49271
 (a) (208)895-9036 (t) (650)743-9295



Miscellaneous Parts (Lump Sum)	KM3	1	1	\$ 200.00	\$ 200.00	
		0	0	\$ -	\$ -	
Remove Built-In Cabinet - 212 Conference (Manpower)	KM3	14	14	\$ 54.31	\$ 760.34	
Re-Install Built-In Cabinet - 212 Conference (Manpower)	KM3	16	16	\$ 54.31	\$ 868.96	
Touch Up on Built-In Cabinet - 212 Conference (Manpower)	KM3	16	16	\$ 54.31	\$ 868.96	
Remove Built-In Cabinet - 300 Financial (Manpower)	KM3	8	8	\$ 54.31	\$ 434.48	
Re-Install Built-In Cabinet - 300 Financial (Manpower)	KM3	8	8	\$ 54.31	\$ 434.48	
Remove 9' Ceiling Mounted projection screen (Manpower)	KM3	2	2	\$ 54.31	\$ 108.62	
Reinstall 9' Ceiling Mounted projection screen (Manpower)	KM3	3	3	\$ 54.31	\$ 162.93	
		0	0	\$ -	\$ -	
DIV 08: FIRE PROTECTION:						\$ 6,011.78
Fire Block Sealant CP 25WB+ (per 10.1 fl.oz. tube)	The Home Depot	36	36	\$ 1.25	\$ 45.00	
Rockwool AFB at floor-to-floor (2" thick x 24"x48" sheet)	Insulation4US	2	2	\$ 897.63	\$ 1,795.26	
		0	0	\$ -	\$ -	
Patch penetrations (Manpower)	Quicksilver Builders	48	48	\$ 47.62	\$ 2,285.76	
Install Rockwool at North & South exterior wall (Manpower)	Quicksilver Builders	48	48	\$ 47.62	\$ 2,285.76	
		0	0	\$ -	\$ -	
DIV 08: SPRAY ON FIREPROOFING:						\$ 42,036.20
Pan Decking Spraying (5,200 sf) (modifier of 1.2)	Spray On Solutions	6240	6240	\$ 1.60	\$ 9,984.00	
16x36WF Spraying (2,700 sf)	Spray On Solutions	2700	2700	\$ 1.96	\$ 5,292.00	
21x82WF Spraying (3,920 sf)	Spray On Solutions	1920	1920	\$ 1.96	\$ 3,763.20	
Patching Materials (per [5] gallon)	Spray On Solutions	10	10	\$ 176.00	\$ 1,760.00	
		0	0	\$ -	\$ -	
(2) person crews (Manpower)	Spray On Solutions	12	12	\$ 1,000.00	\$ 12,000.00	
Patching ACM Fireproofing (Manpower)	Spray On Solutions	48	48	\$ 63.50	\$ 3,048.00	
Federal: Boise: Ada County: Per Diem: Meal: Per Day	Spray On Solutions	30	30	\$ 74.00	\$ 2,220.00	
Federal: Boise: Ada County: Per Diem: Hotel: Per Day	Spray On Solutions	27	27	\$ 147.00	\$ 3,959.00	
		0	0	\$ -	\$ -	
DIV 08: DOOR FRAMES HARDWARE:						\$ 12,596.13
(n) 3'x7' KD Drywall Frame & Wood Slab	DL Door & Hardware	13	13	\$ 602.00	\$ 7,826.00	
(n) Door Hardware	DL Door & Hardware	13	13	\$ 127.00	\$ 1,651.00	
		0	0	\$ -	\$ -	
Remove Door & Frames - 3rd Floor - 5 doors (Manpower)	Quicksilver Builders	10	10	\$ 49.51	\$ 495.10	
Remove Door & Frames - 2nd Floor - 3 doors (Manpower)	Quicksilver Builders	4	4	\$ 49.51	\$ 198.04	
Remove Door & Frames - 1st Floor - 5 door (Manpower)	Quicksilver Builders	10	10	\$ 49.51	\$ 495.10	
Install Door & Frames - 3rd Floor - 3 doors (Manpower)	Quicksilver Builders	15	15	\$ 49.51	\$ 742.65	
Install Door & Frames - 2nd Floor - 3 doors (Manpower)	Quicksilver Builders	9	9	\$ 49.51	\$ 445.59	
Install Door & Frames - 1st Floor - 5 door (Manpower)	Quicksilver Builders	15	15	\$ 49.51	\$ 742.65	
		0	0	\$ -	\$ -	
DIV 08: GLAZED CURTAIN WALL:						\$ 974.00
Advanced Clear Silicone 10.1 oz (per tube)	The Home Depot	10	10	\$ 8.78	\$ 87.80	
		0	0	\$ -	\$ -	
Remove Plywood Infill (Manpower)	Quicksilver Builders	4	4	\$ 44.31	\$ 177.24	
Install Original Glazing (Manpower)	Quicksilver Builders	16	16	\$ 44.31	\$ 708.96	
		0	0	\$ -	\$ -	
DIV 09: DRYWALL:						\$ 25,479.44
5/8"x4x8 Type 'X' Drywall - Wall	Lowe's	120	120	\$ 17.68	\$ 2,121.60	
5/8"x4x8 Type 'X' Drywall - Fire Rating on Rated Partitions	Lowe's	120	120	\$ 17.68	\$ 2,121.60	
5/8"x4x8 Type 'X' Drywall - Where Atlas ask for removal	Lowe's	10	10	\$ 17.68	\$ 176.80	
Drywall Tape (1.2x625"x250' Solid Tape - Roll	Lowe's	8	8	\$ 2.56	\$ 20.48	

 BY: Patrick Gansch, Quicksilver
 DATE: 03/06/22
 REVISION: 04/10/22 04/14/22

 82 S Blaine Ave, Ste 104, Meridian, ID 83642
 RDE-49471
 (a) (208)885-9036 (t) (800)743-9295

2 of 7



Drywall mud - Joint Compound 4.5 Gal	Lawes	24	24	\$ 18.20	\$ 436.80
Drywall mud - Lightweight All Purpose 3.5 Gall	Lawes	30	30	\$ 18.32	\$ 549.60
Drywall corner bead - G-lay x 10'	Lawes	50	50	\$ 3.58	\$ 179.00
Drywall screws - #6 - 1-5/8" course (25-lbs)	Lawes	6	6	\$ 49.98	\$ 299.88
		0	0	\$ -	\$ -
Drywall install - Wall (Manpower)	Quicksilver Builders	150	150	\$ 51.24	\$ 7,686.00
Drywall tape (Manpower)	Quicksilver Builders	48	48	\$ 51.24	\$ 2,459.52
Drywall mud (Manpower)	Quicksilver Builders	96	96	\$ 51.24	\$ 4,919.04
Repair Drywall Holes in PYROBAR wall (Manpower)	Quicksilver Builders	46	46	\$ 51.24	\$ 2,357.04
Repair Fire Rating in Rated Partitions (Manpower)	Quicksilver Builders	24	24	\$ 51.24	\$ 1,229.76
Replace Drywall removed by Atlas request (Manpower)	Quicksilver Builders	8	8	\$ 51.24	\$ 409.92
Tape & Mud drywall removed by Atlas request (Manpower)	Quicksilver Builders	10	10	\$ 51.24	\$ 512.40
		0	0	\$ -	\$ -
DIV 09: PLASTER:					\$ 1,261.76
Galvanized Expanded Metal w/ Diamond Holes (27"x8' Sheet)	The Home Depot	8	8	\$ 12.97	\$ 103.76
Perlite Cement Plaster - Base	The Home Depot	4	4	\$ 43.00	\$ 172.00
Finish Coat	The Home Depot	5	5	\$ 27.00	\$ 135.00
		0	0	\$ -	\$ -
Lath Install (Manpower)	Quicksilver Builders	4	4	\$ 42.55	\$ 170.20
Base Coat Install (Manpower)	Quicksilver Builders	8	8	\$ 42.55	\$ 340.40
Finish Coat Install (Manpower)	Quicksilver Builders	8	8	\$ 42.55	\$ 340.40
		0	0	\$ -	\$ -
DIV 09: CEILING:					\$ 68,341.48
1st Flr DMV Shop (n) White Wall Angles - USG M7 (per LF)	L&W Supply	310	310	\$ 7.50	\$ 2,325.00
1st Flr DMV Shop (n) White Main Tees (per 12' section)	L&W Supply	104	104	\$ 8.28	\$ 861.12
1st Flr DMV Shop (n) White Cross Tees (per 2' section)	L&W Supply	298	298	\$ 1.28	\$ 381.44
1st Flr DMV Shop (n) White 2x4 plain (per tile)	L&W Supply	298	298	\$ 7.41	\$ 2,208.18
1st Flr DMV Shop (n) Perimeter Clips (per clip)	L&W Supply	108	108	\$ 0.80	\$ 86.40
1st Flr DMV Shop (n) Hanger & Perimeter Wires (per wire)	L&W Supply	239	239	\$ 0.55	\$ 131.45
1st Flr DMV Shop (n) Ramsset 22 Cal single shot (per shot)	L&W Supply	239	239	\$ 0.10	\$ 23.90
1st Flr 115 Conf (n) White Wall Angles - USG M7 (per LF)	L&W Supply	93	93	\$ 7.50	\$ 697.50
1st Flr 115 Conf (n) White Main Tees (per 12' section)	L&W Supply	16	16	\$ 8.28	\$ 132.48
1st Flr 115 Conf (n) White Cross Tees (per 2' section)	L&W Supply	38	38	\$ 1.28	\$ 48.64
1st Flr 115 Conf (n) White Radar 2x4 SLT edge (per tile)	L&W Supply	55	55	\$ 11.68	\$ 642.40
1st Flr 115 Conf (n) Perimeter Clips (per clip)	L&W Supply	30	30	\$ 0.80	\$ 24.00
1st Flr 115 Conf (n) Hanger & Perimeter Wires (per wire)	L&W Supply	47	47	\$ 0.55	\$ 25.85
1st Flr 115 Conf (n) Ramsset 22 Cal single shot (per shot)	L&W Supply	47	47	\$ 0.10	\$ 4.70
1st Floor DMV Lobby (n) Wht Radar 2x2 SLT edge (per tile)	L&W Supply	156	156	\$ 4.54	\$ 708.24
1st Floor Break Room (n) Wht Radar 2x2 SLT edge (per tile)	L&W Supply	113	113	\$ 4.54	\$ 513.02
1st Flr Vending Room (n) Wht Radar 2x2 SLT edge (per tile)	L&W Supply	62	62	\$ 4.54	\$ 281.48
1st Flr Vestibule (n) Wht Radar 2x2 SLT edge (per tile)	L&W Supply	15	15	\$ 4.54	\$ 68.10
1st Flr HR Dev (n) White Radar 2x4 SLT edge (per tile)	L&W Supply	50	50	\$ 13.68	\$ 684.00
2nd Flr E Lobby (n) Bronze Wall Angles - USG M7 (per LF)	L&W Supply	129	129	\$ 22.68	\$ 2,925.72
2nd Flr E Lobby (n) Bronze Main Tees (per 12' section)	L&W Supply	27	27	\$ 28.20	\$ 761.40
2nd Flr E Lobby (n) Bronze Cross Tees (per 2' section)	L&W Supply	131	131	\$ 3.78	\$ 495.18
2nd Flr E Lobby (n) White Radar 2x4 SLT edge (per tile)	L&W Supply	130	130	\$ 13.68	\$ 1,778.40
2nd Flr E Lobby (n) Perimeter Clips (per clip)	L&W Supply	64	64	\$ 0.80	\$ 51.20
2nd Flr E Lobby (n) Hanger & Perimeter Wires (per wire)	L&W Supply	89	89	\$ 0.55	\$ 48.95
2nd Flr E Lobby (n) Ramsset 22 Cal single shot (per shot)	L&W Supply	89	89	\$ 0.10	\$ 8.90
2nd Flr Roadway (n) Wht Wall Angles (per LF)	L&W Supply	280	280	\$ 7.50	\$ 2,100.00
2nd Flr Roadway (n) Wht Main Tees (per 12' section)	L&W Supply	147	147	\$ 8.28	\$ 1,217.16
2nd Flr Roadway (n) Wht Cross Tees (per 2' section)	L&W Supply	347	347	\$ 1.28	\$ 444.16
2nd Flr Roadway (n) Wht Radar 2x4 SLT edge (per tile)	L&W Supply	341	341	\$ 11.68	\$ 3,982.88
2nd Flr Roadway (n) Perimeter Clips (per clip)	L&W Supply	123	123	\$ 0.80	\$ 98.40
2nd Flr Roadway (n) Hanger & Perimeter Wires (per wire)	L&W Supply	200	200	\$ 0.55	\$ 110.00
2nd Flr Roadway (n) Ramsset 22 Cal single shot (per shot)	L&W Supply	200	200	\$ 0.10	\$ 20.00
2nd Flr Duran Office (n) Wht Radar 2x4 SLT edge (per tile)	L&W Supply	7	7	\$ 13.68	\$ 95.76
2nd Flr Crider Office (n) Wht Radar 2x4 SLT edge (per tile)	L&W Supply	7	7	\$ 13.68	\$ 95.76
2nd Flr Terlizzi Office (n) Wht Radar 2x4 SLT edge (per tile)	L&W Supply	7	7	\$ 13.68	\$ 95.76

 BY: Patrick Garsch, Quicksilver
 DATE: 03/06/22
 REVISION: 04/01/22 04/14/22

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2nd Flr South Ext Wall (n) Wht Radar 2x4 SLT edge (per tile)	L&W Supply	45	45	\$ 13.68	\$ 525.60
2nd Flr Along Shaft Wall (n) Wht Radar 2x4 SLT edge (per tile)	L&W Supply	14	14	\$ 13.68	\$ 163.52
3rd Flr E Lobby (n) Black Wall Angles - USG M7 (per LF)	L&W Supply	129	129	\$ 22.68	\$ 3,925.72
3rd Flr E Lobby (n) Black Main Tees (per 12' section)	L&W Supply	27	27	\$ 78.20	\$ 761.40
3rd Flr E Lobby (n) Black Cross Tees (per 2' section)	L&W Supply	131	131	\$ 3.78	\$ 495.18
3rd Flr E Lobby (n) White Radar 2x4 SLT edge (per tile)	L&W Supply	130	130	\$ 13.68	\$ 1,518.40
3rd Flr E Lobby (n) Perimeter Clips (per clip)	L&W Supply	64	64	\$ 0.80	\$ 51.20
3rd Flr E Lobby (n) Hanger & Perimeter Wires (per wire)	L&W Supply	89	89	\$ 0.55	\$ 88.95
3rd Flr E Lobby (n) Ramset 22 Cal single shot (per shot)	L&W Supply	89	89	\$ 0.10	\$ 8.90
3rd Flr 300 Fin (n) Wht Wall Angles (per LF)	L&W Supply	253	253	\$ 7.50	\$ 1,897.50
3rd Flr 300 Fin (n) Wht Main Tees (per 12' section)	L&W Supply	118	118	\$ 8.28	\$ 977.04
3rd Flr 300 Fin (n) Wht Cross Tees (per 2' section)	L&W Supply	340	340	\$ 1.28	\$ 435.20
3rd Flr 300 Fin (n) Wht Radar 2x4 SLT edge (per tile)	L&W Supply	289	289	\$ 13.68	\$ 3,375.52
3rd Flr 300 Fin (n) Perimeter Clips (per clip)	L&W Supply	96	96	\$ 0.80	\$ 76.80
3rd Flr 300 Fin (n) Hanger & Perimeter Wires (/ wire)	L&W Supply	256	256	\$ 0.55	\$ 140.80
3rd Flr 300 Fin (n) Ramset 22 Cal single shot (/ shot)	L&W Supply	256	256	\$ 0.10	\$ 25.60
3rd Flr EED (n) Wht Radar 2x4 SLT edge (per tile)	L&W Supply	40	40	\$ 13.68	\$ 467.20
3rd Flr Collins Office (n) Wht Radar 2x4 SLT edge (per tile)	L&W Supply	14	14	\$ 13.68	\$ 163.52
3rd Flr 311 Fin (n) Wht Radar 2x4 SLT edge (per tile)	L&W Supply	20	20	\$ 13.68	\$ 233.60
3rd Flr 313 Highway (n) Wht Radar 2x4 SLT edge (per tile)	L&W Supply	45	45	\$ 13.68	\$ 525.60
3rd Flr Kanowski Office (n) Wht Radar 2x4 SLT edge (per tile)	L&W Supply	15	15	\$ 13.68	\$ 175.20
3rd Flr Gill Snyder Office (n) Wht Radar 2x4 SLT edge (per tile)	L&W Supply	22	22	\$ 13.68	\$ 256.96
		0	0	\$ -	\$ -
1st Flr DMV Shop (Manpower)					
	QuickSilver Builders	96	96	\$ 54.31	\$ 5,213.76
1st Flr 115 Conference Room (Manpower)					
	QuickSilver Builders	56	56	\$ 54.31	\$ 3,041.36
1st Flr DMV Lobby (Manpower)					
	QuickSilver Builders	16	16	\$ 54.31	\$ 868.96
1st Flr Break Room (Manpower)					
	QuickSilver Builders	6	6	\$ 54.31	\$ 325.86
1st Flr Vending Room (Manpower)					
	QuickSilver Builders	2	2.0	\$ 54.31	\$ 108.62
1st Flr Conference to Break Room Vestibule (Manpower)					
	QuickSilver Builders	1	1.0	\$ 54.31	\$ 54.31
1st Flr HR Development Rooms (Manpower)					
	QuickSilver Builders	16	16	\$ 54.31	\$ 868.96
2nd Flr Elevator Lobby (Manpower)					
	QuickSilver Builders	54	54	\$ 54.31	\$ 2,932.74
2nd Flr Roadway Room (Manpower)					
	QuickSilver Builders	112	112	\$ 54.31	\$ 6,082.72
2nd Flr Duran Office (Manpower)					
	QuickSilver Builders	0.8	0.8	\$ 54.31	\$ 43.45
2nd Flr Crider Office (Manpower)					
	QuickSilver Builders	1	1	\$ 54.31	\$ 54.31
2nd Flr Terlizza Office (Manpower)					
	QuickSilver Builders	1	1	\$ 54.31	\$ 54.31
2nd Flr South Ext Wall (Manpower)					
	QuickSilver Builders	4	4	\$ 54.31	\$ 217.24
2nd Flr Along Shaft Wall (Manpower)					
	QuickSilver Builders	2	2	\$ 54.31	\$ 108.62
3rd Flr Elevator Lobby (Manpower)					
	QuickSilver Builders	54	54	\$ 54.31	\$ 2,932.74
3rd Flr 300 Financial Room (Manpower)					
	QuickSilver Builders	104	104	\$ 54.31	\$ 5,648.24
3rd Flr EED Room (Manpower)					
	QuickSilver Builders	4	4	\$ 54.31	\$ 217.24
3rd Flr Collins Office Room (Manpower)					
	QuickSilver Builders	1	1	\$ 54.31	\$ 54.31
3rd Flr 311 Financial Room (Manpower)					
	QuickSilver Builders	2	2	\$ 54.31	\$ 108.62
3rd Flr 313 Highway Room (Manpower)					
	QuickSilver Builders	3	3	\$ 54.31	\$ 162.93
3rd Flr Kanowski Office (Manpower)					
	QuickSilver Builders	2	2	\$ 54.31	\$ 108.62
3rd Flr Gill & Snyder Offices (Manpower)					
	QuickSilver Builders	2	2	\$ 54.31	\$ 108.62
		0	0	\$ -	\$ -

DIV 09: FLOORCOVERING: **\$ 217,752.00**

1st Floor Materials (Lump Sum)	Dillabaugh's	1	1	\$ 48,017.00	\$ 48,017.00
2nd Floor Materials (Lump Sum)	Dillabaugh's	1	1	\$ 55,784.00	\$ 55,784.00
3rd Floor Materials (Lump Sum)	Dillabaugh's	1	1	\$ 59,373.00	\$ 59,373.00
Additional Floor Prep - Allowance (Lump Sum)	Dillabaugh's	1	1	\$ 1,250.00	\$ 1,250.00
Patch original wrapped base - 116 Break Room	Dillabaugh's	1	1	\$ 157.00	\$ 157.00
		0	0	\$ -	\$ -
1st Floor Installation (Lump Sum)(Manpower)					
	Dillabaugh's	1	1	\$ 14,101.00	\$ 14,101.00
2nd Floor Installation (Lump Sum)(Manpower)					
	Dillabaugh's	1	1	\$ 18,574.00	\$ 18,574.00
3rd Floor Installation (Lump Sum)(Manpower)					
	Dillabaugh's	1	1	\$ 16,739.00	\$ 16,739.00
Additional Floor Prep - Allowance (Lump Sum)(Manpower)	Dillabaugh's	1	1	\$ 3,500.00	\$ 3,500.00
Patch original wrapped base - 116 Break Room (Lump Sum)	Dillabaugh's	1	1	\$ 257.00	\$ 257.00
		0	0	\$ -	\$ -

DIV 09: PAINTING: **\$ 27,675.30**

 BY: Patrick Gansch, QuickSilver
 DATE: 03/06/22
 REVISION: 04/10/22 04:14:29

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Caulking (575 lf)	Lawes	25	25	\$ 8.60	\$ 215.00
Primer - New Drywall - Kilz (51 Gal Prime (3,840 sf)	Sherwin Williams	8	8	\$ 86.00	\$ 688.00
Finish coats - Interior (51 Gal (51,480 sf)	Sherwin Williams	52	52	\$ 101.00	\$ 5,252.00
Metal Paint - (3) Gallons	Sherwin Williams	3	3	\$ 72.40	\$ 217.20
					\$ -
Caulking (Manpower)	Jarvis Enterprises	72	72	\$ 46.82	\$ 3,371.04
Priming (Manpower)	Jarvis Enterprises	48	48	\$ 46.82	\$ 2,247.36
Two Finish Coats (Manpower)	Jarvis Enterprises	347	247	\$ 46.82	\$ 11,564.54
Patch, Repair, and Paint MH Cover'g - 2nd & 3rd Hr (Manpower)	Jarvis Enterprises	16	16	\$ 46.82	\$ 749.12
Misc Touch Up (Manpower)	Jarvis Enterprises	72	72	\$ 46.82	\$ 3,371.04
		0	0	\$ -	\$ -
DIV 10: CUBICLES & MOVERS:					\$ 881,230.00
4.5 CU Boxes for pieces and parts (per box)	Merchant Movers	80	80	\$ 7.90	\$ 632.00
Speed packs for larger items (per pack)	Merchant Movers	50	50	\$ 40.00	\$ 2,000.00
Package of labels (per package)	Merchant Movers	4	4	\$ 29.50	\$ 118.00
Shrink Wrap (per roll)	Merchant Movers	10	10	\$ 45.00	\$ 450.00
Carpet mat (per mat)	Merchant Movers	10	10	\$ 45.00	\$ 450.00
New Cubicles (per Cubicles)	Workspace Concepts	140	140	\$ 4,997.00	\$ 699,580.00
		0	0	\$ -	\$ -
Breakdown & Assembling (per Cubicle) (Manpower)	Workspace Concepts	140	140	\$ 1,200.00	\$ 168,000.00
Move out and in (per Cubicle) (Manpower)	Merchant Movers	2	2	\$ 55,000.00	\$ 110,000.00
		0	0	\$ -	\$ -
DIV 13: HAZARDOUS MATERIAL REMEDIATION:					\$ 213,892.00
1st Floor Remediation (Lump Sum)	Abatement Pro	1	1	\$ 17,726.00	\$ 17,726.00
2nd Floor Remediation (Lump Sum)	Abatement Pro	1	1	\$ 23,634.00	\$ 23,634.00
3rd Floor Remediation (Lump Sum)	Abatement Pro	1	1	\$ 29,542.00	\$ 29,542.00
		0	0	\$ -	\$ -
1st Floor Remediation (Lump Sum) (Manpower)	Abatement Pro	1	1	\$ 31,917.00	\$ 31,917.00
1st Floor Remediation Assist ((1) Man Day)	Abatement Pro	64	64	\$ 45.00	\$ 2,880.00
1st Floor Remediation Assist - Supervision ((1) Man Day)	Abatement Pro	40	40	\$ 65.00	\$ 2,600.00
2nd Floor Remediation (Lump Sum) (Manpower)	Abatement Pro	1	1	\$ 42,890.00	\$ 42,890.00
2nd Floor Remediation Assist ((1) Man Day)	Abatement Pro	64	64	\$ 45.00	\$ 2,880.00
2nd Floor Remediation Assist - Supervision ((1) Man Day)	Abatement Pro	40	40	\$ 65.00	\$ 2,600.00
3rd Floor Remediation (Lump Sum) (Manpower)	Abatement Pro	1	1	\$ 53,863.00	\$ 53,863.00
3rd Floor Remediation Assist ((1) Man Day)	Abatement Pro	40	40	\$ 45.00	\$ 1,800.00
3rd Floor Remediation Assist - Supervision ((1) Man Day)	Abatement Pro	24	24	\$ 65.00	\$ 1,560.00
		0	0	\$ -	\$ -
DIV 14: ELEVATORS:					\$ 25,507.00
Main Elevator Repair- Parts (Lump Sum)	Schindler Elevator	1	1	\$ 10,600.00	\$ 10,600.00
		0	0	\$ -	\$ -
Main Elevator Repair (Manpower) (Lump Sum)	Schindler Elevator	1	1	\$ 14,907.00	\$ 14,907.00
		0	0	\$ -	\$ -
DIV 15: MECHANICAL:					\$ 75,156.38
Repair Coils (Lump Sum)	YMC Mechanical	1	1	\$ 28,129.00	\$ 28,129.00
Replace Ductwork (Lump Sum)	YMC Mechanical	1	1	\$ 15,454.00	\$ 15,454.00
Permit for Replacing Ductwork (Lump Sum)	YMC Mechanical	1	1	\$ 2,413.38	\$ 2,413.38
		0	0	\$ -	\$ -
Coil Removal & Installation (Manpower)	YMC Mechanical	1	1	\$ 15,454.00	\$ 15,454.00
Install Fall/renheat System (Manpower)	YMC Mechanical	1	1	\$ 13,706.00	\$ 13,706.00
				\$ -	\$ -
DIV 15: PLUMBING:					\$ 4,791.84

 BY: Patrick Gansch, Controller
 DATE: 03/06/22
 REVISION: 04/10/22 04/14/22

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Safe off & Reconnect plumbing in Containment - 1st Floor	Inselman Plumbing	1	1	\$ 75.00	\$ 75.00
Safe off & Reconnect plumbing in Containment - 2nd Floor	Inselman Plumbing	1	1	\$ 75.00	\$ 75.00
Safe off & Reconnect plumbing in Containment - 3rd Floor	Inselman Plumbing	1	1	\$ 75.00	\$ 75.00
Provide water service to Containment - 1st Floor	Inselman Plumbing	1	1	\$ 225.00	\$ 225.00
Provide water service to Containment - 2nd Floor	Inselman Plumbing	1	1	\$ 150.00	\$ 150.00
Provide water service to Containment - 3rd Floor	Inselman Plumbing	1	1	\$ 150.00	\$ 150.00
		0	0	\$ -	\$ -
Safe off & Reconnect plumbing in Containment - 1st Floor	Inselman Plumbing	8	8	\$ 61.24	\$ 489.92
Safe off & Reconnect plumbing in Containment - 2nd Floor	Inselman Plumbing	8	8	\$ 61.24	\$ 489.92
Safe off & Reconnect plumbing in Containment - 3rd Floor	Inselman Plumbing	8	8	\$ 61.24	\$ 489.92
Provide water service to Containment - 1st Floor	Inselman Plumbing	12	12	\$ 61.24	\$ 734.88
Provide water service to Containment - 2nd Floor	Inselman Plumbing	8	8	\$ 61.24	\$ 489.92
Provide water service to Containment - 3rd Floor	Inselman Plumbing	8	8	\$ 61.24	\$ 489.92
Demobilize water service to Containment - 1st Floor	Inselman Plumbing	6	6	\$ 61.24	\$ 367.44
Demobilize water service to Containment - 2nd Floor	Inselman Plumbing	4	4	\$ 61.24	\$ 244.96
Demobilize water service to Containment - 3rd Floor	Inselman Plumbing	4	4	\$ 61.24	\$ 244.96
		0	0	\$ -	\$ -

DIV 16: ELECTRICAL:
\$ 97,888.96

New 2x4 Electrical Fixtures (28 total)	HS Electric	28	28	\$ 62.47	\$ 1,749.16
New 2x4 Parabolic Light Fixtures (143 total)	HS Electric	143	143	\$ 120.00	\$ 17,160.00
New 3/4" EMT 30' (540 lf)	HS Electric	54	54	\$ 11.77	\$ 635.58
New 45 Junction Boxes (55 total)	HS Electric	40	40	\$ 2.95	\$ 118.00
New Misc. Connectors and Hardware (1 lot)	HS Electric	100	100	\$ 2.15	\$ 215.00
New Ceiling Wires - 12 ga 6' (50 per pack) (700 total)	HS Electric	15	15	\$ 24.82	\$ 372.30
(n) Ramsert 22 Cal single shot (n) Ceiling Wire 1/2 shot	HS Electric	700	700	\$ 0.10	\$ 70.00
New 12 gauge wire (4000 lf) (8-500 ft rolls)	HS Electric	8	8	\$ 94.00	\$ 752.00
New Fixture Whips 5' long (150 total)	HS Electric	171	171	\$ 13.92	\$ 2,380.32
Temporary Break Panel - each floor (Lump Sum)	HS Electric	3	3	\$ 625.00	\$ 1,875.00
Reassemble Ceiling Mounted Projector - 115 Conf (Lump/Sum)	HS Electric	1	1	\$ 50.00	\$ 50.00
		0	0	\$ -	\$ -
Safe off electrical systems in Demolition area (10,000 sq)	HS Electric	20	20	\$ 81.20	\$ 1,624.00
Remove existing light fixtures and whips (Hazmat)(150 ea)	HS Electric	150	150	\$ 81.20	\$ 12,180.00
Remove electrical conduits, boxes & wire (Hazmat)(500lf)	HS Electric	275	275	\$ 81.20	\$ 22,530.00
Relocate/Protect existing Fire Alarm devices (Hazmat)(25ea)	HS Electric	15	15	\$ 81.20	\$ 1,218.00
Install wires for conduit & fixtures (2nd flr Hazmat)(350ea)	HS Electric	100	100	\$ 81.20	\$ 8,120.00
Install wires for conduit & fixtures (3rd flr)(350)	HS Electric	50	50	\$ 81.20	\$ 4,060.00
Install new EMT and Wire (540ea)	HS Electric	85	85	\$ 81.20	\$ 6,902.00
Install Junction Boxes and misc. hardware (55ea)	HS Electric	20	20	\$ 81.20	\$ 1,624.00
Install New light fixtures and whips (150ea)	HS Electric	80	80	\$ 81.20	\$ 6,496.00
Replace Fire Alarm devices (25ea)	HS Electric	15	15	\$ 81.20	\$ 1,218.00
Re-install Ceiling Mounted Projector - 115 Conf. Room	HS Electric	3	3	\$ 81.20	\$ 243.60
Test and Energize systems (Lump Sum)	HS Electric	20	20	\$ 81.20	\$ 1,624.00
Temporary Power Connection (Hourly)	HS Electric	32	32	\$ 81.20	\$ 2,598.40
Temporary Power Disconnection (Hourly)	HS Electric	24	24	\$ 81.20	\$ 1,948.80
Will pull Data cables (i.e. purple, blue) out of containment	HS Electric	24	24	\$ 81.20	\$ 1,948.80
Disconnect Power/Data Cubicle Drops (Salvage) - 2nd Floor	HS Electric	8	8	\$ 81.20	\$ 649.60
Disconnect Power/Data Cubicle Drops (Salvage) - 3rd Floor	HS Electric	8	8	\$ 81.20	\$ 649.60
Reconnect Power/Data Cubicle Drops (Salvage) - 2nd Floor	HS Electric	4	4	\$ 81.20	\$ 324.80
Reconnect Power/Data Cubicle Drops (Salvage) - 3rd Floor	HS Electric	4	4	\$ 81.20	\$ 324.80
Disconnect Square Wall Mounted Switches (Salvage) - 3rd Floor	HS Electric	3	3	\$ 81.20	\$ 243.60
Reconnect Square Wall Mounted Switches (Salvage) - 3rd Floor	HS Electric	3	3	\$ 81.20	\$ 243.60
		0	0	\$ -	\$ -

SUBTOTAL
\$ 2,135,791.33
\$ 2,135,791.33
10% Profit
\$ 213,579.13
10% Overhead
\$ 213,579.13
REPLACEMENT SUBTOTAL:
\$ 2,562,949.59

 BY: Patrick Gansch, Quicksystem
 DATE: 03/06/22
 REVISION: 01/10/22 04:14:22

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Architectural/Eng Fees (9.7%):	\$ 248,606.11
State of Idaho Permit Fee:	\$ 11,335.60
Plan Review Fees:	\$ 4,534.24
Escalation (Contingence) 8%:	\$ 205,035.97
GRAND TOTAL	\$ 3,032,461.51

NOTE:

- 1.) Excludes any Governmental Agency review, comments, and fees.
- 2.) Excludes any architectural and engineering fees.
- 3.) The bids from subcontractors and vendors are only good for [30] days.
- 4.) Profit and Overhead are per standard insurance reimbursable; however, the market rate is higher.
- 5.) State of Idaho IT personnel will remove all computers, wifi system, and related systems.
- 6.) State of Idaho IT personnel will reinstall data into containment areas. Original lines will wrapped up out of area.
- 7.) Please refer to Appendix for scope of work, clarifications, assumptions, product data, drawings, and sketches.
- 8.) Revision Number 01 [Dated 04/10/2022] includes costs for Industrial Hygienist.
- 9.) The Industrial Hygienist costs are assigned to Division 01 - General Requirement. The Owner normally pays this.
- 10.) In Division 10 - Cubicles, included costs to replace the (140) water damaged cubicles.
- 11.) See EXHIBIT 1 - Overall Schedule for timeline for this project.
- 12.) See EXHIBIT 2 - Cubicles related documents.
- 13.) The State of Idaho Building Department fees are from: <https://dbs.idaho.gov/building-fees-calculator/>
- 14A.) The Revised 2022 Escalation is 11.1% on non-residential & 5.7% on public works.
- 14B.) This number keeps increasing upward every month.
- 14C.) Based on EXHIBIT 1 - Overall Schedule, bidding phase will not happen for one year (March 2023).
- 14D.) It is commonly believed that escalation will continue. So, I put escalation at 8.0%.
- 15.) Blue color highlights changes in Revision 02.



BY: Patrick Gansch, Quicksilver
DATE: 03/06/22
REVISION: 04/10/22 04/14/22

82 S Baltic Ave., Stu 104, Meridian, ID 83642
RCE-49271
(o) (208)895-9038 (c) (650)743-9295

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Ideal Demolition Services LLC Cost Estimate

IDEAL DEMOLITION SERVICES, LLC.
2473 W. Success Way, Emmett, ID 83617
Phone (208) 365-1514 – Fax (208) 365-4915
Public Works License PWC-C-16275-A-4, State of Idaho License RCE-593
Demolition Proposal/Contract

TO: Jeff Vance
Valbridge Property Advisors

Project: 3311 W State Street
Boise, ID

Proposal Number 199

Ideal Demolition Services, LLC proposes to furnish all labor, material and equipment to perform the following work in a good workmanship, and substantial manner.

SCOPE OF WORK

- Item 1: Demolish and removal of all structures including foundations, basement, sidewalks, concrete curbs, and asphalt trough out site. All trees to remain.

METHODS AND PROCEDURES

- 1. Perform work in compliance with all City, State and Federal Regulations.

PRICE:

Item 1: Two Million Eight Hundred Thousand.....\$2,800,000.00

PAYMENT TERMS

- 1. Payment: Due pursuant to Section 9 of this Agreement.

OWNER TO PROVIDE

- 1. Any required approvals or permits relating to asbestos Abatement and/or hazardous materials removal.
- 2. Final inspections and clearance results for asbestos and other hazardous materials.

CONDITIONS

- No work to be performed until all utilities have been disconnected and removed by owner (if required).
- All resulting debris will be disposed of at a class 3 landfill or transported to a recycle facility.
- Materials requiring disposal as hazardous will be handled as a changed condition and a change order shall be issued.
- Ideal Demolition Services, LLC retains all salvage rights.
- All work will be performed with non-union labor.
- Proposal is good for sixty (60) days.
- Price is based on Ideal Demolition Services LLC, hauling of Materials generated from this site to landfill.

INSURANCE

Insurance provided on this project is \$1,000,000.00 General Liability, 2,000,000.00 Aggregate, \$1,000,000.00 Automobile Liability and Statutory Workers Compensation. If additional insurance is required, Owner shall pay for the premium for additional coverage's.

EXCLUSIONS

The following items are excluded from our proposal unless specifically included in the scope of work. Excluded items must be provided by others, if required, to ensure the timely completion of our work.

- ✦ Bonds, Demolition Permits, pedestrian protection, shoring, lagging, underpinning and bracing, dewatering, site security, traffic control, hazardous materials (Abatement), unforeseen conditions, salvage for others, engineering, staking, layout, testing, patching paving, utility disconnect, abandonment, relocation, protection, laden soil, trenching for pipe, removal of contaminated soil, removal of pilings and caissons, support of existing columns, soil testing, hazardous material testing, lot line determination, real property record searches and ownership verification.

IDEAL DEMOLITION SERVICES, LLC

OWNER/CONTRACTOR/CUSTOMER

By:

David Aparicio
President

Date: _____

Print Name and Title _____

Date: _____

THIS DEMOLITION PROPOSAL IS SUBJECT TO THE TERMS AND CONDITIONS ATTACHED HERETO

TERMS AND CONDITIONS OF DEMOLITION PROPOSAL

1. **WRITTEN AGREEMENT TO ADDITIONAL TERMS.** The specifications, terms and conditions ("the Agreement") may not be unilaterally varied by Customer's purchase order or any other document generated by Customer. Any additional or different terms proposed by Customer are hereby rejected and shall be of no force and effect unless expressly agreed to in writing by a member of **Ideal Demolition Services, LLC (IDS).**

2. **SUPPLIES AND MATERIALS.** IDS shall have the sole right to choose the suppliers from whom it purchases supplies and materials to be used in the performance of the work provided for under this Agreement.

3. **CANCELLATION OF ORDERS.** Orders cannot be canceled except upon terms that will compensate IDS for any and all loss, including, without limitation, the cost of any specially ordered materials and an amount for normal overhead and profit.

4. **WAIVER OF CLAIMS.** All claims for alleged defects, damages, or shortages in the finished work furnished by IDS shall be deemed irrevocably waived unless Customer makes such claim in writing within thirty (30) days of substantial completion of the work by IDS.

5. **EXCLUSION AND LIMITATION OF WARRANTIES.** IDS WARRANTS, THAT THE TO BE FURNISHED WORK WILL BE AS DESCRIBED IN THIS AGREEMENT, BUT IDS MAKES NO OTHER EXPRESS WARRANTY WITH RESPECT TO THE FINISHED WORK. IDS DOES NOT WARRANT THAT THE FINISHED WORK IS OF MERCHANTABILITY QUALITY OR THAT IT CAN BE USED FOR ANY PARTICULAR PURPOSE. NO EXPRESS WARRANTIES ARE PROVIDED.

6. **LIMITATION OF LIABILITY.** IDS SHALL NOT BE LIABLE FOR ANY INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, LOST PROFITS, SUSTAINED OR INCURRED BY CUSTOMER IN CONNECTION WITH THE WORK AND MATERIALS FURNISHED UNDER THIS AGREEMENT. IDS' LIABILITY FOR BREACH OF THIS AGREEMENT, AND CUSTOMER'S REMEDY THEREFORE, SHALL BE LIMITED TO THE CONTRACT PRICE OF THE WORK TO BE FURNISHED, AS SET FORTH ON THE REVERSE THEREOF, OR THE COMPLETION OF THE WORK UNDER THIS AGREEMENT, AT THE OPTION OF IDS.

7. **FORCE MAJEURE.** IDS shall have no liability for delays in the performance, or non-performance, of this Agreement occasioned by causes beyond the control of IDS, including, without limitation, acts of God, war, strikes, lockouts, fires, inability to obtain materials or shipping space, equipment breakdown, delays of carriers or suppliers and governmental acts and regulations.

8. **ALTERATIONS.** Any work Customer requests IDS to perform that differs from or is in addition to the original specifications set forth on the reverse hereof is a change. Such changes, different or additional work shall be billed to and paid by Customer. A verbal request for a change, upon which IDS acts, shall be deemed to be a valid change order. For some changes, a written change order may be required.

9. **PAYMENT TERMS.** Customer shall pay IDS in full upon job completion if the time to complete the work does not exceed fifteen (15) calendar days unless a progress payment schedule is set forth in the Agreement. Otherwise, payment shall be made in accordance with the Agreement's payment schedule, or if there is no such schedule and the work exceeds fifteen (15) calendar days, from time to time in accordance with the value of the work performed and the materials provided and actually delivered to Customer's job site. IDS shall submit invoices to Customer pursuant to the foregoing terms. Invoices are due upon presentation. Accounts which are not paid within thirty (30) days from invoice date shall bear interest at the rate of 1 ½ percent and/or the maximum rate allowed by the law, and shall be charged a \$100.00/month collection charge. Further a lien may be placed against your real property and collection methods commenced.

10. **SCHEDULING AND PRICE.** If preferential scheduling is required to meet Customer's requirements, IDS shall have the right to adjust the prices to reflect such scheduling.

Ideal Demolition Services, LLC PROPOSAL/CONTRACT

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11. **ASBESTOS.** Unless specifically provided for on the reverse of this Agreement, IDS' scope of work shall not include the identification, detection, abatements, encapsulation or removal of asbestos or other hazardous substances. If IDS encounters any such products or materials in the course of performing its work, or if such hazardous materials are encountered by any firm performing work at the job site and IDS determines that such materials present a hazard to its employees or the environment, IDS shall have the right to discontinue its work and remove its employees from the job site until such products or materials, and any hazards connected therewith, are located and abated, encapsulated or removed, or it is determined that no hazard exists (as the case may require), and IDS shall receive an extension of time to complete its work hereunder and compensation for delays encountered as a result of such situation and correction.

12. **HAZARDOUS MATERIALS.** Customer hereby agrees to indemnify, defend and hold harmless IDS from and against any and all damages, losses, obligations, liabilities, fines, penalties, claims (whether well-founded or not), actions or causes of action for whatever kind of nature, which may be made, asserted, maintained, enforced, secured against or sustained or suffered by IDS, in whole or in part by reason of, or arising out of, operating to, the presence, whether discovered or not, known or not known, of any hazardous materials located on the property where the project is located and further, to defend, indemnify and hold IDS harmless from and against, any and all claims, lawsuits, losses, liabilities, damages, fines, penalties and expenses (including, without limitation, clean-up costs and reasonable attorney's fees arising by reason of any of the aforesaid or any action against IDS under this indemnity) arising directly or indirectly from, in whole or part, out of or by reason of any breach of any provision of this paragraph, any environmental or regulatory violations, or any Hazardous Discharge or Environmental Complaint related to the Premises or any items located thereon, whether or not initiated or occurring prior to or after the work performed by IDS and whether or not Customer has any claim for reimbursement or indemnity for any third party, except as to such items caused solely by the act or negligence of IDS while it uses or is working on the project. Customer's obligation under this paragraph is without any exclusion or limitation whatsoever. Hazardous materials shall include all materials, waste, chemicals or compounds which are defined as hazardous by any federal or state statute or governmental entity.

13. **INDEMNIFICATION.** Customer shall indemnify, defend and hold IDS and its members, employees, agents and representatives (the "Indemnified Parties") harmless from any and all loss, cost, expense and damages on account of any and all manner of claims, demands, actions and proceedings that may be instituted against any Indemnified Party on any and all grounds, regardless of responsibility for negligence and which might arise in connection with the agreed work. Customer agrees to defend promptly and continue the defense of any such claim, demand, action or proceeding that may be brought against any Indemnified Party at the Customer's sole expense, provided that such Indemnified Party shall promptly notify Customer with respect thereto, and provided further that such Indemnified Party shall give to Customer reasonable time in which to undertake and continue the defense thereof.

14. **TAXES.** Appropriate state and local taxes will be added to all applicable invoices. If any job or portion thereof believed to be exempt from sales tax is determined subsequently to be taxable, Customer shall hold IDS harmless from the tax liability assessed and pay the tax due.

15. **BANKRUPTCY.** If either party makes an assignment for the benefit of creditors, admits in writing its inability to pay its debts as they become due, files a voluntary, or has filed against in an involuntary, petition for bankruptcy or reorganization, is adjudicated a bankrupt or insolvent, or applies for or consents to the appointment of a receiver for it or its property, the other party may terminate this Agreement by written notice. Such termination shall not relieve either party from any obligation accrued hereunder up to the date of receipt of notice of termination.

16. **ATTORNEY'S FEES.** In any action at law or in equity to enforce any of the provisions or rights under this Agreement, the unsuccessful party to such action or proceeding, as determined in a final judgment, or by court of law in a final judgment or decree, shall pay the successful party all costs, expenses and reasonable attorney's fees incurred therein by such party (including, without limitation such costs, expenses and fees on any appeal), and if such successful party shall recover judgment in any such action or proceeding, such costs, expenses and attorney's fees shall be included as part of such judgment.

17. **INTEGRATION.** This Agreement constitutes the entire agreement between the parties pertaining to the subject matter contained in it and supersedes all prior agreements, representations and understandings of the parties. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by the party sought to be bound, and/or no waiver of any of the provisions of this Agreement shall be deemed, or shall constitute a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by an officer of IDS, if IDS is the party making the waiver, or by Customer, if Customer is the party making the waiver.

18. **GOVERNING LAW.** The laws of the State of Idaho shall govern the validity of this Agreement, the construction of its terms and the interpretation of the rights and duties of the parties.

 D.A. Initial
Ideal Demolition Services, LLC

Ideal Demolition Services, LLC PROPOSAL/CONTRACT

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Initial
Owner/Contractor/Customer

Attachment A:

D.A. _____ Initial
Ideal Demolition Services, LLC

Initial
Owner/Contractor/Customer

Ideal Demolition Services, LLC PROPOSAL/CONTRACT

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Glossary

Definitions are taken from The Dictionary of Real Estate Appraisal, 7th Edition (Dictionary), the Uniform Standards of Professional Appraisal Practice (USPAP), and Building Owners and Managers Association International (BOMA).

Absolute Net Lease

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

Amortization

The process of retiring a debt or recovering a capital investment, typically through scheduled, systematic repayment of the principal; a program of periodic contributions to a sinking fund or debt retirement fund. (Dictionary)

As Is Market Value

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date. (Interagency Appraisal and Evaluation Guidelines) Note that the use of the “as is” phrase is specific to appraisal regulations pursuant to FIRREA applying to appraisals prepared for regulated lenders in the United States. The concept of an “as is” value is not included in the Standards of Valuation Practice of the Appraisal Institute, Uniform Standards of Professional Appraisal Practice, or International Valuation Standards. (Dictionary)

Base Rent

The minimum rent stipulated in a lease. (Dictionary)

Base Year

The year on which escalation clauses in a lease are based. (Dictionary)

Building Common Area

In office buildings, the areas of the building that provide services to building tenants but that are not included in the office area or store area of any specific tenant. These areas may include, but shall not be limited to, main and auxiliary lobbies, atrium spaces at the level of the finished floor, concierge areas or security desks, conference rooms, lounges or vending areas, food service facilities, health or fitness centers, daycare facilities, locker or shower facilities, mail rooms, fire control rooms, fully enclosed courtyards outside the exterior walls, and building core and service areas such as fully enclosed mechanical or equipment rooms. Specifically excluded from building common area are floor common areas, parking space, portions of loading docks outside the building line, and major vertical penetrations. (BOMA)

Building Rentable Area

The sum of all floor rentable areas. Floor rentable area is the result of subtracting from the gross measured area of a floor the major vertical penetrations on that same floor. It is generally fixed for the life of the building and is rarely affected by changes in corridor size or configuration. (BOMA)

Bulk Value

The value of multiple units, subdivided plots, or properties in a portfolio as though sold together in a single transaction. (Dictionary)

Certificate of Occupancy (COO)

A formal written acknowledgment by an appropriate unit of local government that a new construction or renovation project is at the stage where it meets applicable health and safety codes and is ready for commercial or residential occupancy. (Dictionary)

Common Area Maintenance (CAM)

The expense of operating and maintaining common areas; may or may not include management charges and usually does not include capital expenditures on tenant improvements or other improvements to the property. (Dictionary)

The amount of money charged to tenants for their shares of maintaining a [shopping] center’s common area. The charge that a tenant pays for shared services and facilities such as electricity, security, and maintenance of parking lots. Items charged to common area maintenance may include cleaning services, parking lot sweeping and maintenance, snow removal, security, [amenities,] and upkeep. (ICSC – International Council of Shopping Centers, 4th Ed.)

Condominium

An attached, detached, or stacked unit within or attached to a structure with common areas that are held as tenants in common (an undivided interest) with other owners in the project. The units can be residential, commercial, industrial, or parking spaces or boat docks. These units are commonly defined by state laws in their locations. Because units can be stacked on top of other units, these units can be defined both vertically and horizontally. (Dictionary)

Conservation Easement

An interest in real estate restricting future land use to preservation, conservation, wildlife habitat, or some combination of those uses. A conservation easement may

permit farming, timber harvesting, or other uses of a rural nature as well as some types of conservation-oriented development to continue, subject to the easement. (Dictionary)

Contributory Value

A type of value that reflects the amount a property or component of a property contributes to the value of another asset or to the property as a whole.

The change in the value of a property as a whole, whether positive or negative, resulting from the addition or deletion of a property component. Also called deprival value in some countries. (Dictionary)

Debt Coverage Ratio (DCR)

The ratio of net operating income to annual debt service ($DCR = NOI \div I_m$), which measures the relative ability of a property to meet its debt service out of net operating income; also called *debt service coverage ratio (DSCR)*. A larger *DCR* typically indicates a greater ability for a property to withstand a reduction of income, providing an improved safety margin for a lender. (Dictionary)

Deed Restriction

A provision written into a deed that limits the use of land. Deed restrictions usually remain in effect when title passes to subsequent owners. (Dictionary)

Depreciation

In appraisal, a loss in property value from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the value of the improvement on the same date.

In accounting, an allocation of the original cost of an asset, amortizing the cost over the asset's life; calculated using a variety of standard techniques. (Dictionary)

Disposition Value

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

1. Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market.
2. The property is subjected to market conditions prevailing as of the date of valuation;
3. Both the buyer and seller are acting prudently and knowledgeably;
4. The seller is under compulsion to sell;
5. The buyer is typically motivated;
6. Both parties are acting in what they consider to be their best interests;

7. An adequate marketing effort will be made during the exposure time;
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto; and
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

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

Double Net (Net Net) Lease

An alternative term for a type of net lease. In some markets, a net net lease is defined as a lease in which the tenant is responsible to pay both property taxes and premiums for insuring the building(s). (Valbridge)

(The market definition of a double net lease varies depending on the market)

Easement

The right to use another's land for a stated purpose. (Dictionary)

EIFS

Exterior Insulation Finishing System. This is a type of exterior wall cladding system. Sometimes referred to as dry-vit.

Effective Date

1. The date on which the appraisal opinion applies. (SVP)
2. The date to which an appraiser's analyses, opinions, and conclusions apply; also referred to as date of value. (USPAP, 2020-2021 ed.)
3. The date that a lease goes into effect. (Dictionary)

Effective Gross Income (EGI)

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

Effective Rent

Total base rent, or minimum rent stipulated in a lease, over the specified lease term minus rent concessions; the rent that is effectively paid by a tenant net of financial concessions provided by a landlord. (TIs). (Dictionary)

EPDM

Ethylene Propylene Diene Monomer Rubber. A type of synthetic rubber typically used for roof coverings.

Escalation Clause

A clause in an agreement that provides for the adjustment of a price or rent based on some event or

index. e.g., a provision to increase rent if operating expenses increase; also called *escalator clause*, *expense recovery clause* or *stop clause*. (Dictionary)

Estoppel Certificate

A signed statement by a party (such as a tenant or a mortgagee) certifying, for another's benefit, that certain facts are correct, such as that a lease exists, that there are no defaults, and that rent is paid to a certain date. (Black's) In real estate, a buyer of rental property typically requests estoppel certificates from existing tenants. Sometimes referred to as an *estoppel letter*. (Dictionary)

Excess Land

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

Excess Rent

The amount by which contract rent exceeds market rent at the time of the appraisal; created by a lease favorable to the landlord (lessor) and may reflect unusual management, unknowledgeable or unusually motivated parties, a lease execution in an earlier, stronger rental market, or an agreement of the parties. (Dictionary)

Expense Stop

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

Exposure Time

1. The time a property remains on the market.
2. An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. (USPAP, 2020-2021 ed.)

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 an analysis. (USPAP)

Fee Simple Estate

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the

governmental powers of taxation, eminent domain, police power, and escheat. (Dictionary)

Floor Common Area

In an office building, the areas on a floor such as washrooms, janitorial closets, electrical rooms, telephone rooms, mechanical rooms, elevator lobbies, and public corridors which are available primarily for the use of tenants on that floor. In essence, floor common area represents all of the area on the floor that is common to that respective floor with the exception of those areas that penetrate through the floor, such as the elevator shaft and stairwell. The significant point to be made is that floor common area is not part of the tenant's usable area. (BOMA)

Full Service (Gross) Lease

A lease in which the landlord receives stipulated rent and is obligated to pay all of the property's operating and fixed expenses; also called a *full service lease*. (Dictionary)

Furniture, Fixtures, and Equipment (FF&E)

Business trade fixtures and personal property, exclusive of inventory. (Dictionary)

Going-Concern Value

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

Gross Building Area (GBA)

1. Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved.
2. Gross leasable area plus all common areas.
3. For residential space, the total area of all floor levels measured from the exterior of the walls and including the superstructure and substructure basement; typically does not include garage space. (Dictionary)

Gross Measured Area

The total area of a building enclosed by the dominant portion (the portion of the inside finished surface of the permanent outer building wall which is 50 percent or more of the vertical floor-to-ceiling dimension, at the given point being measured as one moves horizontally along the wall), excluding parking areas and loading docks (or portions of same) outside the building line. It is generally not used for leasing purposes and is calculated on a floor by floor basis. (BOMA)

Gross Up Method

A method of calculating variable operating expenses in income-producing properties when less than 100% occupancy is assumed. Expenses reimbursed based on the amount of occupied space, rather than on the total building area, are described as “grossed up.” (Dictionary)

Gross Sellout Value (Sum of the Retail Values)

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

Ground Lease

A lease that grants the right to use and occupy land. Improvements made by the ground lessee typically revert to the ground lessor at the end of the lease term. (Dictionary)

Ground Rent

The rent paid for the right to use and occupy land according to the terms of a ground lease; the portion of the total rent allocated to the underlying land. (Dictionary)

HVAC

Heating, ventilation, air conditioning (HVAC) system. A unit that regulates the temperature and distribution of heat and fresh air throughout a building. (Dictionary)

Highest and Best Use

1. The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.
2. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset’s existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (IVS)
3. [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform

Appraisal Standards for Federal Land Acquisitions) (Dictionary)

Hypothetical Condition

1. A condition that is presumed to be true when it is known to be false. (SVP)
2. 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 data used in an analysis. (USPAP)

Insurable Value (Replacement Cost for Insurance Purposes)

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

Investment Value

1. The value of a property to a particular investor or class of investors based on the investor’s specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market. (Dictionary)
2. The value of an asset to the owner or a prospective owner given individual investment or operational objectives (may also be known as worth). (IVS)

Just Compensation

In condemnation, the amount of loss for which a property owner is compensated when his or her property is taken. Just compensation should put the owner in as good a position pecuniarily as he or she would have been if the property had not been taken. (Dictionary)

Leased Fee Interest

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

Leasehold Interest (Leasehold Estate)

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

See also Positive Leasehold and Negative Leasehold.

Lessee (Tenant)

One who has the right to occupancy and use of the property of another for a period of time according to a lease agreement. (Dictionary)

Lessor (Landlord)

One who conveys the rights of occupancy and use to others under a lease agreement. (Dictionary)

Liquidation Value

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

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

Loan to Value Ratio (LTV)

The ratio between a mortgage loan and the value of the property pledged as security, usually expressed as a percentage. (Dictionary)

Major Vertical Penetrations

Stairs, elevator shafts, flues, pipe shafts, vertical ducts, and the like, and their enclosing walls. Atria, lightwells and similar penetrations above the finished floor are included in this definition. Not included, however, are vertical penetrations built for the private use of a tenant occupying office areas on more than one floor. Structural columns, openings for vertical electric cable or telephone distribution, and openings for plumbing lines are not considered to be major vertical penetrations. (BOMA)

Market Rent

The most probable rent that a property should bring in a competitive and open market under all the conditions requisite to a fair lease transaction, the lessee and the lessor each acting prudently and knowledgeably, and

assuming the rent is not affected by undue stimulus. Implicit in this definition is the execution of a lease as of a specified date under conditions whereby:

1. Lessee and lessor are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their best interests;
3. Payment is made in terms of cash or in terms of financial arrangements comparable thereto; and
4. The rent reflects specified terms and conditions, such as permitted uses, use restrictions, expense obligations, duration, concessions, rental adjustments and revaluations, renewal and purchase options, and tenant improvements (TIs). (Appraisal Institute)

Market Value

The following definition of market value is used by agencies that regulate federally insured financial institutions in the United States: The most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. (Dictionary; 12 C.F.R. Part 34.42(g); 55 Federal Register 34696, August 24, 1990, as amended at 57 Federal Register 12202, April 9, 1992; 59 Federal Register 29499, June 7, 1994)

Marketing Time

An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Appraisal Standards Board of the Appraisal Foundation)

Master Lease

1. A lease in which a part or the entire property is leased to a single entity (the master lessee) in return for a stipulated rent. The master lessee then subleases the property to multiple tenants.
2. The first lease in a sandwich lease. (Dictionary)

Modified Gross Lease

A lease in which the landlord receives stipulated rent and is obligated to pay some, but not all, of the property's operating and fixed expenses. Since assignment of expenses varies among modified gross leases, expense responsibility must always be specified. In some markets, a modified gross lease may be called a *double net lease*, *net net lease*, *partial net lease*, or *semi-gross lease*. (Dictionary)

Negative Leasehold

A lease situation in which the market rent is less than the contract rent. (Dictionary)

Operating Expense Ratio

The ratio of total operating expenses to effective gross income (*TOE/EGI*); the complement of the net income ratio, i.e., $OER = 1 - NIR$ (Dictionary)

Option

A legal contract, typically purchased for a stated consideration, that permits but does not require the holder of the option (known as the *optionee*) to buy, sell, or lease real estate for a stipulated period of time in accordance with specified terms; a unilateral right to exercise a privilege. (Dictionary)

Partial Interest

Divided or undivided rights in real estate that represent less than the whole, i.e., a fractional interest such as a tenancy in common or easement. (Dictionary)

Pass Through

A tenant's portion of operating expenses that may be composed of common area maintenance (CAM), real property taxes, property insurance, and any other expenses determined in the lease agreement to be paid by the tenant. (Dictionary)

Percentage Lease

A lease in which the rent or some portion of the rent represents a specified percentage of the volume of business, productivity, or use achieved by the tenant. (Dictionary)

Positive Leasehold

A lease situation in which the market rent is greater than the contract rent. (Dictionary)

Potential Gross Income (PGI)

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

Prospective Opinion of Value

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

Replacement Cost

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

Reproduction Cost

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

Retrospective Value Opinion

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

Sandwich Leasehold Estate

The interest held by the sandwich leaseholder when the property is subleased to another party; a type of leasehold estate. (Dictionary)

Sublease

An agreement in which the lessee in a prior lease conveys the right of use and occupancy of a property to another, the sublessee, for a specific period of time, which may or may not be coterminous with the underlying lease term. (Dictionary)

Subordination

A contractual arrangement in which a party with a claim to certain assets agrees to make that claim junior, or subordinate, to the claims of another party. (Dictionary)

Surplus Land

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

TPO

Thermoplastic polyolefin, a resilient synthetic roof covering.

Triple Net (Net Net Net) Lease

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

(The market definition of a triple net lease varies; in some cases tenants pay for items such as roof repairs, parking lot repairs, and other similar items.)

Usable Area

The measured area of an office area, store area, or building common area on a floor. The total of all the usable areas for a floor shall equal floor usable area of that same floor. (BOMA)

Value-in-Use

1. The amount determined by discounting the future cash flows (including the ultimate proceeds of disposal) expected to be derived from the use of an asset at an appropriate rate that allows for the risk of the activities concerned. (FASB Accounting Standards Codification, Master Glossary)
2. Formerly used in valuation practice as a synonym for *contributory value* or *use value*. (Dictionary)

VTAB (Value of the Total Assets of a Business)

The total amount that the real property, tangible personal property, and intangible property assets of a business would sell for in an asset-based transaction. (Dictionary)

Qualifications of Jeff R. Vance, MAI
Senior Appraiser
Valbridge Property Advisors | Mountain States



Independent Valuations for a Variable World

State Certifications

State of Idaho, CGA-2828

Education

Bachelor of Science
Business Marketing
University of Idaho

Contact Details

208-336-1097 (p)
208-345-1175 (f)

Valbridge Property Advisors |
Mountain States
1459 Tyrell Lane, Suite B
Boise, Idaho 83706

www.valbridge.com
jvance@valbridge.com

Membership/Affiliations:

Member: Appraisal Institute - MAI Designation

Appraisal Institute & Related Courses:

Year - Course

2006 to Present- USPAP; including updates every 2 years
2006- Appraisal Principles
2007- Real Estate Financing, Statistics, & Valuation Modeling
2007- General Appraiser Income Approach Part 1
2008- General Market Analysis & Highest and Best Use
2008- General Sales Comparison Approach
2008- General Site Valuation & Cost Approach
2008- General Report Writing & Case Studies
2009- General Appraiser Income Approach Part 2
2009- 2014- Business Practices & Ethics
2010- Foreclosure, Short Sale, Auction Price Seminar
2010- Subdivision Valuation
2011- Advanced Concepts & Case Studies
2012- Advanced Income Capitalization
2013- General Demonstration Report – Capstone Program
2016- Uniform Appraisal Standards for Federal Land Acquisitions
2017- Disclosures and Disclaimers
2018 – Appraisal of Medical Office Buildings
2018 to Present – Ongoing Continuing Education

Experience:

Senior Appraiser, MAI

Valbridge Property Advisors | Mountain States Appraisal & Consulting
Inc. (2013-Present)

Appraiser, CGA

Mountain States Appraisal & Consulting Inc. (2010-2013)

Associate Appraiser, RT

Haxton & Company (2008-2010)

Mountain States Appraisal & Consulting Inc. (2007-2008)

Appraisal/valuation and consulting assignments include: apartments; condominiums; retail; restaurants; shopping centers; professional and medical office; industrial; religious and special purpose properties including schools, churches, and daycares; residential and commercial subdivisions; and vacant industrial, commercial, and residential land. Assignments have been concentrated in southwest Idaho.



Qualifications of G. Joseph Corlett, MAI, SRA
Senior Managing Director
Valbridge Property Advisors | Mountain States



Independent Valuations for a Variable World

State Certifications

State of Idaho CGA-7
State of Oregon C-000294

Education

Bachelor of Science
In Business with a Degree
In Finance
University of Idaho

Contact Details

208-336-1097 (p)
208-345-1175 (f)
Valbridge Property Advisors
| Mountain States.
www.valbridge.com
jcorlett@valbridge.com

Membership/Affiliations:

Member: Appraisal Institute–(Life Member) MAI & SRA Designations
Past President: Appraisal Institute – Southern Idaho Chapter
Past Director/ Regional Vice Chair: - Appraisal Institute
Past Chair Ethics Administration Division: Appraisal Institute
Past Member National Government Relations Committee- AI
Past President: Idaho Aviation Hall of Fame
Vice President Idaho Aviation Association
Realtor: National Association of Realtors
Idaho Real Estate Broker DB 1660
Commercial Pilot/ ASEMEL/Instruments
Board Member: Idaho Aviation Foundation
BOMA

Appraisal Institute & Related Courses:

Basic Income Capitalization
General Applications
General Market Analysis & Highest and Best Use
Business Practices & Ethics
Advanced Income Capitalization
Advanced Sales Comparison & Cost Approaches
The Appraiser as an Expert Witness: Preparation and Testimony
Fundamentals of Separating Real Property, Personal Property, and Intangible Business Assets and 2022-23 USPAP

Experience:

Senior Managing Director

Valbridge Property Advisors | Mountain States Appraisal (1974-Present)

Appraiser

Corlett Associates, Pifari & Associates, Western National Corporation (1974-1976)

Appraisal/valuation and consulting including: apartments; retail, shopping centers, office; industrial, religious. Special purpose properties including schools, churches, cemeteries, hotels/motels, residential subdivisions, vacant industrial, commercial and residential land. Special use properties including conservation easements, car washes, factories, wilderness properties, golf courses, eminent domain acquisitions, litigation support, ranches, transmitter sites, and other unique property types.

Division of Occupational and Professional Licenses
Department of Self Governing Agencies
The person named has met the requirements for licensure and is entitled under the laws and rules of the State of Idaho to operate as a(n)

CERTIFIED GENERAL APPRAISER

G JOSEPH CORLETT
1459 TYRELL LN STE B
BOISE ID 83706

Russell S. Barron
Russell S. Barron
Division Admin

CGA-7
Number

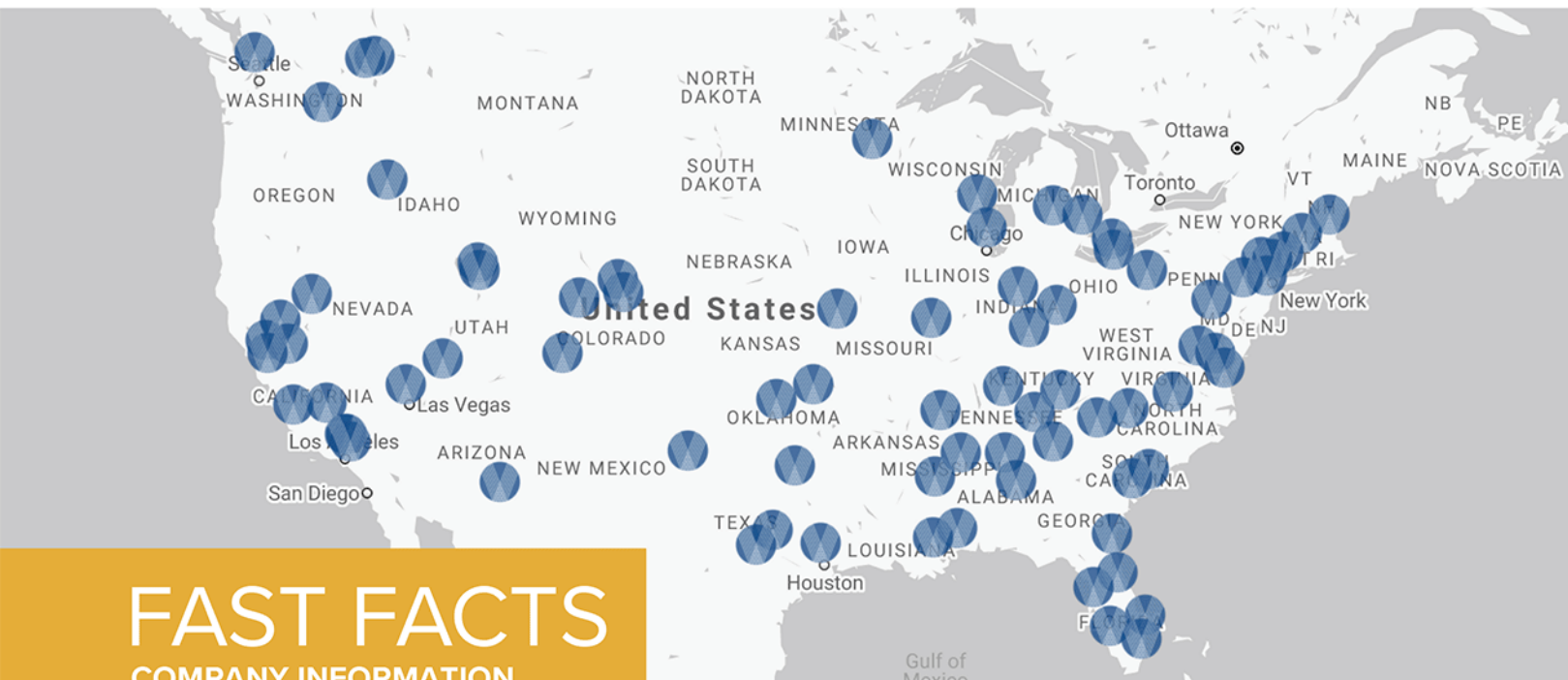
03/11/2023
Expires





Valbridge

PROPERTY ADVISORS



FAST FACTS

COMPANY INFORMATION

- Valbridge is the largest independent commercial property valuation and advisory service firm in North America.
 - Total number of MAI-designated appraisers (200+ on staff)
 - Total number of office locations (80+ across the U.S.)
 - Total number of staff (675+ strong)
- Valbridge covers the entire U.S. from coast to coast.
- Valbridge specializes in appraising all types of real property.
- Valbridge provides independent valuation services. We are NOT owned by a brokerage firm or investment company.
- Every Valbridge office is overseen by a senior managing director who holds the MAI designation of the Appraisal Institute.
- Valbridge is owned by local offices.
- Valbridge welcomes single-property assignments as well as portfolio, multi-market, and other bulk-property engagements.

Valbridge Property Advisors, Inc.

2240 Venetian Court
Naples, FL 34109
Phone: 888.981.2029



valbridge.com



Valbridge

PROPERTY ADVISORS

INDEPENDENT VALUATIONS
FOR A VARIABLE WORLD

ALABAMA

26241 Equity Dr., Ste. 101
Daphne, AL 36526
(251) 929-9090

3100 Lorna Rd., Ste. 201
Birmingham, AL 35216
(205) 440-2998

4732 Woodmere Blvd.
Montgomery, AL 36106
(334) 277-5077

ARIZONA

6061 E. Grant Rd.
Tucson, AZ 85712
(520) 321-0000

CALIFORNIA

4915 Calloway Dr., Ste. 101
Bakersfield, CA 93312
(661) 587-1010

1306 Higuera St.
San Luis Obispo, CA 93401
(805) 544-2472

3160 Crow Canyon Pl.
San Ramon, CA 94583
(925) 327-1660

825 Colorado Blvd., Ste. 243
Los Angeles, CA 90041
(626) 486-9327

17822 17th St., Ste. 211
Tustin, CA 92780
(714) 449-0852

775 Sunrise Ave., Ste. 260
Roseville, CA 95661
(916) 361-2509

55 South Market St., Ste. 1210
San Jose, CA 95113
(408) 279-1520

COLORADO

23272 Two Rivers Rd., Ste. 101
Basalt, CO 81621
(970) 340-1016

5345 Arapahoe Ave., Ste. 7
Boulder, CO 80303
(303) 867-1935

COLORADO (CONT'D)

7445 E. Peakview Ave.
Centennial, CO 80111
(303) 867-1933

1099 Main Avenue, Ste. 311
Durango, CO 81301
(970) 340-1016

CONNECTICUT

17 Covewood Dr.
Norwalk, CT 06853
(860) 246-4606

15 Concord St.
Glastonbury, CT 06033
(860) 246-4606

FLORIDA

10950 San Jose Blvd.
Jacksonville, FL 32223
(904) 608-2948

301 Almeria Ave., Ste. 350
Coral Gables, FL 33134
(305) 639-8029

734 Rugby St.
Orlando, FL 32804
(407) 493-6426

2711 Poinsettia Ave.
West Palm Beach, FL 33407
(561) 833-5331

2240 Venetian Ct.
Naples, FL 34109
(239) 514-4646

2601 West Horatio St. Unit 6
Tampa, FL 33609
(321) 228-6488

GEORGIA

2675 Paces Ferry Rd., Ste. 425
Atlanta, GA 30339
(404) 354-2331

IDAHO

1459 Tyrell Ln., Ste. B
Boise, ID 83706
(208) 336-1097

IDAHO (CONT'D)

1875 N. Lakewood Dr., Ste. 100
Coeur d'Alene, ID 83814
(208) 292-2965

ILLINOIS

566 W. Lake St., Ste. 240
Chicago, IL 60661
(312) 429-0132

INDIANA

6801 Lake Plaza Dr., Ste. C-301
Indianapolis, IN 46220
(317) 687-2747

KANSAS

10990 Quivira Rd., Ste. 100
Overland Park, KS 66210
(913) 451-1451

KENTUCKY

1890 Star Shoot Pkwy.
Lexington, KY 40509
(502) 585-3651

9401 Williamsburg Plaza, Ste. 204
Louisville, KY 40222
(502) 585-3651

LOUISIANA

2030 Dickory Ave., Ste. 200
Elmwood, LA 70123
(504) 541-5100

MARYLAND

11100 Dovedale Ct.
Marriottsville, MD 21104
(443) 333-5525

MASSACHUSETTS

260 Bear Hill Rd., Ste. 106
Waltham, MA 02451
(781) 790-5645

MICHIGAN

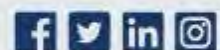
1420 Washington Blvd.
Detroit, MI 48226
(313) 986-3313

2127 University Park Dr.
Okemos, MI 48864
(517) 336-0001

CORPORATE OFFICE

2240 Venetian Court, Naples, FL 34109
Phone: (239) 325-8234 | Fax: (239) 325-8356

Each Valbridge office is independently owned and operated.



valbridge.com

Summer 2022

MINNESOTA

255 E. Kellogg Blvd., Ste. 102A
St. Paul, MN 55101
(651) 370-1475

MISSISSIPPI

1010 Ford St.
Gulfport, MS 39507
(228) 604-1900

224 Avalon Cir.
Brandon, MS 39047
(601) 853-0736

501 Highway 12 W., Ste. 150-M
Starkville, MS 39759
(662) 617-2350

MISSOURI

1118 Hampton Ave., Ste. 208
St. Louis, MO 63139
(314) 255-1323

NEVADA

3034 S. Durango Dr., #100
Las Vegas, NV 89117
(702) 242-9369

6490 S. McCarran Blvd., #51
Reno, NV 89509
(775) 204-4100

NEW JERSEY

2740 Route 10 West, Ste. 204
Morris Plains, NJ 07950
(973) 970-9333

3500 Route 9 South, Ste. 202
Howell, NJ 07731
(732) 807-3113

NEW YORK

325 West 38th St. Ste. 702
New York, NY 10018
(212) 268-1113

NORTH CAROLINA

5950 Fairview Rd., Ste. 405
Charlotte, NC 28210
(704) 376-5400

412 E. Chatham St.
Cary, NC 27511
(919) 859-2666

OHIO

1655 W. Market St., Ste. 130
Akron, OH 44313
(330) 899-9900

OHIO (CONT'D)

8291 Beechmont Ave., Ste. B
Cincinnati, OH 45255
(513) 785-0820

1422 Euclid Ave., Ste. 1160
Cleveland, OH 44115
(216) 367-9690

OKLAHOMA

6666 S. Sheridan Rd., Ste. 104
Tulsa, OK 74133
(918) 712-9992

5909 NW Expy., Ste. 104
Oklahoma City, OK 73132
(405) 603-1553

PENNSYLVANIA

150 S. Warner Rd., Ste. 440
King of Prussia, PA 19406
(215) 545-1900

4701 Baptist Rd., Ste. 304
Pittsburgh, PA 15227
(412) 881-6080

SOUTH CAROLINA

1250 Fairmont Ave.
Mt. Pleasant, SC 29464
(843) 884-1266

11 Cleveland Ct.
Greenville, SC 29607
(864) 233-6277

920 Bay St., Ste. 26
Beaufort, SC 29902
(843) 884-1266

TENNESSEE

3500 Ringgold Rd., Ste. 3
Chattanooga, TN 37412
(423) 206-2677

213 Fox Rd.
Knoxville, TN 37922
(865) 522-2424

756 Ridge Lake Blvd., Ste. 225
Memphis, TN 38120
(901) 753-6977

5205 Maryland Way, Ste. 300
Brentwood, TN 37027
(615) 369-0670

TEXAS

901 Mopac Expy. S., Bldg. 1, Ste. 300
Austin, TX 78746
(737) 242-8585

TEXAS (CONT'D)

10210 North Central Expy., Ste. 115
Dallas, TX 75231
(214) 446-1611

974 Campbell Rd., Ste. 204
Houston, TX 77024
(713) 467-5858

2731 81st St.
Lubbock, TX 79423
(806) 744-1188

9901 IH-10 West, Ste. 1035
San Antonio, TX 78230
(210) 227-6229

UTAH

527 E. Pioneer Rd., Ste. 240
Draper, Utah 84020
(801) 262-3388

20 North Main
St. George, UT 84770
(435) 773-6300

321 N. County Blvd., Ste. D
American Fork, UT 84003
(801) 492-0000

VIRGINIA

656 Independence Pkwy., Ste. 220
Chesapeake, VA 23320
(757) 410-1222

4914 Fitzhugh Ave., Ste. 100
Richmond, VA 23230
(757) 345-0010

5107 Center St., Ste. 2B
Williamsburg, VA 23188
(757) 345-0010

WASHINGTON

8378 W. Grandridge Blvd., Ste. 110-D
Kennewick, WA 99336
(509) 221-1540

25923 Washington Blvd., NE., Ste. 300
Kingston, WA 98346
(360) 649-7300

324 N. Mullan Rd.
Spokane Valley, WA 99206
(509) 747-0999

WISCONSIN

12660 W. North Ave.
Brookfield, WI 53005
(262) 782-7990

EXHIBIT D

RFP Award Letter



State of Idaho – State Leasing Program
Department of Administration, Division of Public Works

"We serve Idaho by promoting responsible government through expert customer support."

BRAD LITTLE
Governor

STEVE BAILEY
Director

PAT DONALDSON
Administrator

September 25, 2023

Hawkins Companies, The Pacific Companies, and FJ Management
855 W Broad Street, Suite 300
Boise, ID 83702

RE: State of Idaho Surplus Property, 3311 West State Street, Boise, Idaho 83703

Dear Mr. Stephens, Mr. Roope, and Mr. Maggelet:

The Idaho Department of Administration, the Idaho Transportation Department and TOK Commercial are pleased to inform you that your option #2 bid of \$51,750,000 was selected by the State as the winning proposal for the purchase of the property at 3311 West State Street, Boise, Idaho 83703 per the Call for Offer for the surplus property that was due July 14, 2023.

Therefore, we will send you a draft purchase and sale agreement for your review. We look forward to working through the purchase and sale agreement with you in the near future.

Please note that the delivery of this letter and a draft purchase and sale agreement does not constitute a formal offer to sell the property. The sale of the property is subject to a fully executed purchase and sale agreement.

Best regards,

A handwritten signature in blue ink, appearing to read "Richard Brien".

Richard Brien
Statewide Leasing Manager
State Leasing Program
(208) 332-1929

EXHIBIT E

Purchase Agreement

COMMERCIAL REAL ESTATE PURCHASE AND SALE AGREEMENT

This Commercial Real Estate Purchase and Sale Agreement (the "Agreement") is made effective as of _____, 2024 ("Effective Date"), and is made by and between the STATE OF IDAHO, DEPARTMENT OF ADMINISTRATION, as the statutory agent for the STATE OF IDAHO, TRANSPORTATION DEPARTMENT (aka IDAHO DEPARTMENT OF TRANSPORTATION), whose mailing address is P.O. Box 7129, Boise, Idaho 83709-1129 (collectively, "Seller"), and HAWKINS COMPANIES LLC, an Idaho limited liability company, 855 W Broad Street, Suite 300, Boise Idaho 83702 ("Hawkins"); PACIFIC WEST COMMUNITIES, INC., an Idaho corporation, whose mailing address is 430 E State Street, Suite 100, Eagle, Idaho 83616 ("PWC"); and, FJ MANAGEMENT INC., a Utah corporation, whose mailing address is 185 S State Street, #1200, Salt Lake City, Utah 84111 ("FJM") (hereinafter Hawkins, PWC and FJM may collectively referred to as "Buyer"), for the purchase and sale of that certain commercial real property located in Ada County, Idaho, with a common street address of 3311 W State St., Boise, ID 83703 (the "Property"), which is more particularly described as:

[See Exhibit A, attached hereto and incorporated herein by reference].

The parties acknowledge and agree that Seller has provided an ATLA Survey of the Property ("ATLA Survey") to Buyer. The parties also acknowledge and agree that the ALTA Survey includes a portion of land in the legal description of the Property known as the North Clithero Street right-of-way that will be surveyed by Buyer ("Buyer's Survey", as defined below), and excepted from the legal description of the Property as set forth in the ALTA Survey. Within ten (10) business days after the parties agree upon the legal description of the right-of-way of North Clithero Street in Buyer's Survey, the parties shall amend this Agreement to correct the legal description of the Property by excepting the right-of-way of North Clithero Street from the legal description in Exhibit A.

The Property includes all real property, fixtures and improvements located on the Property on the Closing Date.

1. Purchase Price; Payment. The purchase price for the Property is the amount of the successful bid for the Property ("Purchase Price") in the amount of Fifty-One Million Seven Hundred Fifty Thousand and No/100 Dollars (\$51,750,000.00), which amount shall be paid in full in cash or in other readily available funds at close of escrow ("Closing"), and which shall be paid as follows:

1.1 Initial Earnest Money. Buyer shall deposit with Closing Agent, defined in Section 3 the amount of One Million and No/100 Dollars (\$1,000,000.00), via wire transfer, as initial earnest money (the "Initial Earnest Money") upon the execution of this Agreement, which amount shall be applied to the Purchase Price at Closing. The full amount of the Initial Earnest Money shall be nonrefundable unless expressly provided otherwise herein.

1.2 Additional Earnest Money. No later than 5:00p.m. Mountain Time on the date that is 180 days from the Effective Date (the "Due Diligence Period"), Buyer shall deposit with Closing Agent the amount of Four Million One Hundred Seventy-Five Thousand and No/100 Dollars (\$4,175,000.00) as additional earnest money (the "Additional Earnest Money") which amount shall be applied to the Purchase Price at Closing. The Additional Earnest Money shall be nonrefundable unless expressly provided otherwise herein. The Initial Earnest Money and the Additional Earnest Money are collectively referred to herein as the "Earnest Money".

1.3 Extension of Closing Fee. In accordance with Section 2.1.e.(1) below, if the conditions are satisfied to allow Buyer to request an extension of Closing (originally scheduled to occur on or before three hundred sixty (360) days from the Effective Date (the "Original Closing Date"), Buyer may obtain an extension of the Original Closing Date of one hundred eighty (180) days for a total of five hundred forty (540) days from the Effective Date (the "Extended Closing Date") by providing notice in writing of its exercise of said extension. To exercise the extension, Buyer must also deposit with Closing Agent an "Extension Fee" in the amount of Two Million Five Hundred Eighty-Seven Thousand Five Hundred and No/100 Dollars (\$2,587,500.00) no later than the Original Closing Date, which amount shall be applied to the Purchase Price at Closing; and, which amount shall be nonrefundable and released to Seller upon payment, unless expressly provided otherwise herein. The Original Closing Date or the Extended Closing Date, as applicable, is hereafter referred to as the "Closing Date".

COMMERCIAL REAL ESTATE PURCHASE AND SALE AGREEMENT

_____/_____/_____
buyer initial(s) *BH*_____/_____/_____
buyer initial(s) *n*_____/_____/_____
buyer initial(s) seller initial(s)

COMMERCIAL REAL ESTATE PURCHASE AND SALE AGREEMENT

This Commercial Real Estate Purchase and Sale Agreement (the "Agreement") is made effective as of _____, 2024 ("Effective Date"), and is made by and between the STATE OF IDAHO, DEPARTMENT OF ADMINISTRATION, as the statutory agent for the STATE OF IDAHO, TRANSPORTATION DEPARTMENT (aka IDAHO DEPARTMENT OF TRANSPORTATION), whose mailing address is P.O. Box 7129, Boise, Idaho 83709-1129 (collectively, "Seller"), and HAWKINS COMPANIES LLC, an Idaho limited liability company, 855 W Broad Street, Suite 300, Boise Idaho 83702 ("Hawkins"); PACIFIC WEST COMMUNITIES, INC., an Idaho corporation, whose mailing address is 430 E State Street, Suite 100, Eagle, Idaho 83616 ("PWC"); and, FJ MANAGEMENT INC., a Utah corporation, whose mailing address is 185 S State Street, #1200, Salt Lake City, Utah 84111 ("FJM") (hereinafter Hawkins, PWC and FJM may collectively referred to as "Buyer"), for the purchase and sale of that certain commercial real property located in Ada County, Idaho, with a common street address of 3311 W State St., Boise, ID 83703 (the "Property"), which is more particularly described as:

[See Exhibit A, attached hereto and incorporated herein by reference].

The parties acknowledge and agree that Seller has provided an ATLA Survey of the Property ("ATLA Survey") to Buyer. The parties also acknowledge and agree that the ALTA Survey includes a portion of land in the legal description of the Property known as the North Clithero Street right-of-way that will be surveyed by Buyer ("Buyer's Survey", as defined below), and excepted from the legal description of the Property as set forth in the ALTA Survey. Within ten (10) business days after the parties agree upon the legal description of the right-of-way of North Clithero Street in Buyer's Survey, the parties shall amend this Agreement to correct the legal description of the Property by excepting the right-of-way of North Clithero Street from the legal description in Exhibit A.

The Property includes all real property, fixtures and improvements located on the Property on the Closing Date.

1. Purchase Price; Payment. The purchase price for the Property is the amount of the successful bid for the Property ("Purchase Price") in the amount of Fifty-One Million Seven Hundred Fifty Thousand and No/100 Dollars (\$51,750,000.00), which amount shall be paid in full in cash or in other readily available funds at close of escrow ("Closing"), and which shall be paid as follows:

1.1 Initial Earnest Money. Buyer shall deposit with Closing Agent, defined in Section 3 the amount of One Million and No/100 Dollars (\$1,000,000.00), via wire transfer, as initial earnest money (the "Initial Earnest Money") upon the execution of this Agreement, which amount shall be applied to the Purchase Price at Closing. The full amount of the Initial Earnest Money shall be nonrefundable unless expressly provided otherwise herein.

1.2 Additional Earnest Money. No later than 5:00p.m. Mountain Time on the date that is 180 days from the Effective Date (the "Due Diligence Period"), Buyer shall deposit with Closing Agent the amount of Four Million One Hundred Seventy-Five Thousand and No/100 Dollars (\$4,175,000.00) as additional earnest money (the "Additional Earnest Money") which amount shall be applied to the Purchase Price at Closing. The Additional Earnest Money shall be nonrefundable unless expressly provided otherwise herein. The Initial Earnest Money and the Additional Earnest Money are collectively referred to herein as the "Earnest Money".

1.3 Extension of Closing Fee. In accordance with Section 2.1.e.(1) below, if the conditions are satisfied to allow Buyer to request an extension of Closing (originally scheduled to occur on or before three hundred sixty (360) days from the Effective Date (the "Original Closing Date"), Buyer may obtain an extension of the Original Closing Date of one hundred eighty (180) days for a total of five hundred forty (540) days from the Effective Date (the "Extended Closing Date") by providing notice in writing of its exercise of said extension. To exercise the extension, Buyer must also deposit with Closing Agent an "Extension Fee" in the amount of Two Million Five Hundred Eighty-Seven Thousand Five Hundred and No/100 Dollars (\$2,587,500.00) no later than the Original Closing Date, which amount shall be applied to the Purchase Price at Closing; and, which amount shall be nonrefundable and released to Seller upon payment, unless expressly provided otherwise herein. The Original Closing Date or the Extended Closing Date, as applicable, is hereafter referred to as the "Closing Date".

COMMERCIAL REAL ESTATE PURCHASE AND SALE AGREEMENT

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buyer initial(s) buyer initial(s) buyer initial(s) seller initial(s)

2. Contingencies.

2.1 Buyer's Obligation to Close. Buyer's obligation to complete the purchase shall be subject to and conditioned upon the following:


a. Title Commitment and ALTA Survey. Buyer has been provided a title commitment (the "Initial Title Commitment") and ALTA Survey of the Property prior to the execution of this Agreement. Within thirty (30) days from the Effective Date (the "Title Objection Period"), Buyer shall disclose any objection to the Initial Title Commitment and ALTA Survey ("Buyer's Objections"). If Buyer submits any Buyer's Objections, Seller shall have an opportunity to cure any such objection within sixty (60) days of receipt of the same ("Seller's Title Cure Period"). Failure to object to the Initial Title Commitment or ALTA Survey within the Title Objection Period shall result in a waiver of any objections and acceptance of the Initial Title Commitment and ALTA Survey. If Seller is unable or unwilling to cure any such objections prior to the expiration of Seller's Title Cure Period, or if Seller provides written notice to Buyer at any time prior to the expiration of Seller's Title Cure Period that Seller is unable or unwilling to cure any such objections, then Buyer may terminate this Agreement in writing to Seller within ten (10) days of the expiration of Seller's Title Cure Period or Seller's notice regarding its inability or unwillingness to cure, whichever first occurs; in which event Buyer shall receive a refund of all Earnest Money paid to date, including specifically the Initial Earnest Money, this Agreement shall be terminated, and the parties shall have no further rights or obligations unless expressly provided otherwise in this Agreement. In the event any updates to the Initial Title Commitment (the "Updated Title Commitment") reflect any new exception created by an instrument executed by Seller (including easements, consensual liens and deeds) which materially affect title to, or the value of, the Property that was not contained in the Initial Title Commitment or any previous Updated Title Commitment, Buyer shall have ten (10) business days from the earlier of the receipt of written notice from Seller of the execution of any such instrument creating the new exception or the Updated Title Commitment to disclose any objections to any such new exception ("Buyer's Updated Objections"). Seller shall have an opportunity to cure any such objection prior to the Closing Date. In the event Seller is unable or unwilling to cure any such objections in the time frame set forth herein, Buyer shall have the same remedies as set forth above.

(1). Buyer's Survey. Within sixty (60) days from the Effective Date, Buyer shall prepare, or cause to be prepared, Buyer's Survey, which will be a survey of that portion of the Property described in the ALTA Survey known or referred to as the right-of-way of North Clithero Street (as agreed to by the parties), signed and stamped by an Idaho-licensed surveyor. Buyer's Survey shall identify and legally describe the right-of-way of North Clithero Street that will be excepted from the legal description of the Property identified in the ALTA Survey. Exhibit A will be amended to more particularly describe the Property as described by the ALTA Survey, less and excepting therefrom the right-of-way of North Clithero Street from Buyer's Survey (the "Legal Description"). Buyer's Survey shall be provided to Seller and Closing Agent. Within thirty (30) days of the receipt of Buyer's Survey, Seller shall review and advise Buyer whether any corrections or clarifications are needed; and, Buyer shall cause any such corrections or clarifications to Buyer's Survey to be made within thirty (30) days of Seller's notice regarding corrections or clarifications. Upon mutual agreement of Buyer's Survey, the parties shall execute an amendment to this Agreement to replace Exhibit A with the agreed-upon Legal Description of the Property. If the parties cannot agree on the Legal Description within one hundred thirty (130) days from the Effective Date, then the right-of-way to North Clithero Street shall be included in the legal description of the Property; or, within said one hundred thirty (130) days, Buyer may terminate this Agreement in writing to Seller, in which event, the Earnest Money paid to date shall be paid to Seller, this Agreement shall be terminated, and the parties shall have no further rights or obligations unless expressly provided otherwise in this Agreement.

b. Flood Zones. Buyer shall have a period of ninety (90) days from the Effective Date to raise any objection to closing due to the existence of flood zones affecting the Property and terminate this Agreement. If Buyer elects to terminate this Agreement within said period, then all Earnest Money paid to date shall be paid to Seller. Failure to object to the existence and condition of any flood zone within said ninety (90) days shall result in a waiver of any objection and acceptance of the existence of the flood zones.

c. Environmental Condition. Buyer shall have one hundred twenty (120) days from the Effective Date to conduct any tests, studies or research with regard to the environmental conditions of the Property (the "Environmental Test Period"). Buyer may object to any environmental conditions of the Property during the Environmental Test Period, and Buyer shall have the right to terminate this Agreement if Seller is unable or unwilling to cure as set forth in this sub-paragraph. If Buyer submits any objections to the environmental condition during the Environmental Test Period, Seller shall have an opportunity to cure any such objection within thirty (30)

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buyer initial(s) buyer initial(s) /_____
buyer initial(s) seller initial(s)

days of receipt of the same ("**Seller's Environmental Cure Period**"). If Seller is unable or unwilling to cure any such objections prior to the expiration of Seller's Environmental Cure Period, or if Seller provides written notice to Buyer at any time prior to the expiration of Seller's Environmental Cure Period that Seller is unable or unwilling to cure any such objections, then Buyer may terminate this Agreement in writing to Seller within ten (10) days of the expiration of Seller's Environmental Cure Period or Seller's notice regarding its inability or unwillingness to cure, whichever first occurs; in which event all Earnest Money paid to date shall be paid to Seller, this Agreement shall be terminated, and the parties shall have no further rights or obligations unless expressly provided otherwise in this Agreement. Failure to object to any environmental conditions within the Environmental Cure Period shall result in a waiver of any objection and acceptance of the environmental condition of the Property.

d. **Soils/Geotech.** Buyer shall have one hundred eighty (180) days from the Effective Date to conduct any tests, studies or research with regard to the soils on the Property and its acceptability for Buyer's geotechnical engineering purposes (the "**Soils/Geotech Test Period**"). If Buyer submits any objections to the condition of the soil for its geotechnical engineering purposes within the Soils/Geotech Test Period, then Buyer may terminate this Agreement in writing to Seller within said Soils/Geotech Test Period. If Buyer elects to terminate this Agreement within said period, then all all Earnest Money paid to date shall be paid to Seller, this Agreement shall be terminated, and the parties shall have no further rights or obligations unless expressly provided otherwise in this Agreement. If Buyer does not terminate this Agreement within the Soils/Geotech Test Period, then any such objection by Buyer shall be deemed waived and the condition of the soil shall be deemed to be acceptable to Buyer.


e. **Entitlements.** Provided Buyer diligently works with the City of Boise (the "**City**") and any other government agency deemed necessary or appropriate to Buyer, Buyer shall have three hundred thirty (330) days from the Effective Date (the "**Entitlements Period**") to obtain entitlements acceptable to Buyer, in its sole and absolute discretion (the "**Entitlements**"). Within thirty (30) days of the Effective Date, Buyer shall provide Seller with an outline of the Entitlements deemed necessary to Buyer for Buyer's purposes as well as a timeline showing reasonable dates, expectations and deadlines Buyer must meet in order to demonstrate acceptable due diligence efforts and reasonable expectations to timely acquire any such necessary Entitlements, which outline with dates and deadlines set forth in "**Buyer's Entitlements Due Diligence Schedule**", as set forth in **Exhibit B**, attached hereto and incorporated herein by reference. If Buyer fails to demonstrate reasonable due diligence efforts to obtain any such entitlements in accordance with the actions and timelines set forth in Exhibit B, then Buyer shall be deemed to waive any such objections to entitlements and shall close this Agreement as set forth herein.

(1). **Extension of Closing.** If Buyer has diligently pursued the Entitlements in accordance with Buyer's Entitlements Due Diligence Schedule, any failure to obtain the Entitlements by the expiration of the Entitlements Period shall be deemed to be beyond Buyer's reasonable diligent efforts and control, and Buyer shall have the option to extend the Closing Date in accordance with Section 1.3, above. In such event, the Entitlements Period shall also be extended by an additional one hundred eighty (180) days, to a total of five hundred ten (510) days (the "**Extended Entitlements Period**").

f. **License.** Seller shall grant to Buyer, until the expiration of the Entitlements Period or Extended Entitlements Period, as applicable, a license to Buyer and Buyer's agents to enter onto the Property for all purposes reasonably related to making a full and adequate determination of the suitability of the Property for Buyer's intended use, and Buyer and Buyer's agents shall have the right, during reasonable hours, to inspect the Property, and to undertake, at Buyer's expense, such tests and surveys and other activities as it shall deem in connection therewith, including, without limitation the right to conduct tests relating to Sections 2.1 b. through 2.1 d. above. The foregoing shall hereinafter sometimes be collectively referred to as the "**Inspection**." The Inspection to be conducted by Buyer shall not disturb the quiet enjoyment of Seller or be without prior notice to Seller. The License timeline does not alter or amend the Due Diligence Period or any of the timelines set forth in other Sections of this Agreement, including, Sections 2.1b, c and d.

Buyer agrees to indemnify and hold Seller harmless from any and all costs and expenses incurred or sustained by Seller as a result of the acts of Buyer, or Buyer's agents or independent contractors pursuant to the right granted by this provision; provided, Buyer's liability and indemnity shall not extend to any condition currently existing or discovered by Buyer except to the extent that such condition is exacerbated as a result of any action of Buyer or Buyer's agents or contractors. Buyer's obligation to indemnify shall survive Closing.

COMMERCIAL REAL ESTATE PURCHASE AND SALE AGREEMENT

buyer initial(s) buyer initial(s)  buyer initial(s) _____
seller initial(s)

2.2 Seller's Obligation to Close. Seller's obligation to complete the purchase shall be subject to and conditioned upon the following:

a. Court Order. Seller shall not be obligated to close if, on the Closing Date, there shall be a preliminary injunction, permanent injunction, or decree of any nature by any court with jurisdiction that is in effect that restrains or prohibits the consummation of the transactions contemplated hereunder. If Seller is unable to close on the Closing Date because of any such injunction, permanent injunction, or decree, then this Agreement may be terminated in writing by Seller, in which event, all Earnest Money and the Extension Fee paid to date shall be refunded to Buyer, and the parties shall not have any further rights or obligations unless expressly provided otherwise in this Agreement. Any termination pursuant to this Section will not be considered a default by either party.

b. Additional Seller Conditions. Seller's obligation to complete the sale shall in addition be subject to and conditioned upon the following:

(1) The truth and accuracy in all material respects at Closing of Buyer's representations and warranties contained in Sections 7 and 8 of this Agreement.

(2) Seller's discovery of any condition or matter that is materially inconsistent with any of the representations, covenants, or warranties of Buyer contained in this Agreement.

3. Closing. The transaction contemplated herein shall be closed in the office of First American Title Company, 2150 S. Bonito Way, Suite 100, Meridian, ID 83642 (the "Closing Agent"), on or before the Closing Date, as may be extended per this Agreement; unless otherwise agreed to in writing by the parties. At Closing, Buyer and Seller shall deposit in escrow with Closing Agent all instruments, documents and monies necessary to complete the sale in accordance with this Agreement. As used herein, "close of escrow" or "Closing" means the date on which all appropriate documents are recorded and proceeds of sale are available for, and disbursed to Seller; and all appropriate documents are recorded and delivered as provided herein or in said documents.

3.1 Prorations; Closing Costs. Seller, as an agency of the State of Idaho, is statutorily exempt from paying taxes and assessments on the Property. The State cannot be taxed by any County, City or other local governmental or other quasi-governmental entities, such as a water or sewer district related to a prior lessee or owner's use. The County or other governmental or quasi-governmental entities may show past due taxes and/or assessments relating to a prior lessee or owner's use of the Property and are typically the obligation of the prior owner or lessee. Such taxes and assessments and utilities, and the entities capable of assessing such taxes and assessments are generally identified in the title commitment. If there are past due taxes and/or assessments or unpaid utilities incurred by a prior owner or lessee of the Property, then the Property is and shall be sold subject to such taxes, assessments and utilities. Buyer shall pay the Closing Agent's closing and escrow fees. Utilities and assessments not excluded above shall be prorated between Buyer and Seller by the Closing Agent as of 12:01 a.m. on the Closing Date. Buyer agrees that if any utilities or assessments cannot be calculated accurately on the Closing Date, then the same shall be calculated within one hundred eighty (180) days after Closing and either party owing the other party a sum of money based on such subsequent proration(s) shall promptly pay said sum to the other party. Buyer shall also pay all other closing costs, including, but not limited to: 1) recording fees for the cost of recording the State Deed (defined below); 2) the cost for title insurance, at Buyer's option; 3) lender fees, if any, together with any associated recording fees, if any; and, 4) any other costs, fees or expenses which may reasonably be required in order for the transaction to close. All parties shall be responsible to pay their own attorney fees, if applicable.

3.2 Possession. Following Closing and continuing through July 1, 2026 (or as otherwise set forth in the Lease Agreement, defined below), Seller shall have the right to possession of the Property pursuant to a lease agreement to be executed by Buyer (as Lessor) and Seller (as Lessee) at Closing in the form of **Exhibit C**, attached hereto and incorporated herein by reference (the "Lease Agreement"). The Lease Agreement shall provide that Lessee's right of possession of the entirety of the Property from the Closing Date through July 1, 2026, shall be rent-free; and, that Seller's obligation to maintain and repair the Property shall be only as necessary for Seller's use of the Property through such dates, unless sooner vacated by Seller.

4. Conveyance of Title. Upon Closing, Seller shall execute and deliver to Buyer a State Deed conveying title to the Property in substantially the form of **Exhibit D**, attached hereto and incorporated herein by reference (the "State Deed").

COMMERCIAL REAL ESTATE PURCHASE AND SALE AGREEMENT

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buyer initial(s) buyer initial(s) buyer initial(s) seller initial(s)

5. **Risk of Loss; Insurance.** Risk of loss of or damage to the Property shall be borne by Seller from the Effective Date until the Closing Date. In the event of material loss of, or damage to, the Property, Seller shall not be obligated to restore the Property nor pay damages to Buyer by reason of such loss or damage, and Buyer shall nonetheless be obligated to purchase the Property on the Closing Date for the Purchase Price upon the terms and conditions agreed herein. Buyer's purposes and intentions for the purchase of the Property is independent of the improvements and fixtures currently located upon or constituting any portion of the Property.

6. **Seller's Representations and Warranties.** There are no representations or warranties of any kind except that, at the time of signature, any person signing on behalf of Seller shall have full power and authority to execute this Agreement. Buyer is acquiring the Property "AS IS", subject to all existing easements or claims of easements, rights of way, protective covenants, zoning ordinances and applicable building codes, laws and regulations, encroachments, overlaps, boundary line disputes, and all other matters, whether or not of record. Seller does not guarantee the accuracy of the acreage, if any, identified in the description of the Property. Seller makes no representation or warranty of any kind that the Property is fit for any particular use or purpose.

7. **Buyer's Authority.** Buyer represents and warrants to Seller that as of the Effective Date and at the Closing Date, Buyer, and any person signing on behalf of Buyer, have full power and authority to execute this Agreement and to perform Buyer's obligations hereunder, and if Buyer is a corporation or other legal entity, all necessary authority or appropriate corporate action to authorize this transaction has been taken.

8. **Buyer's Acknowledgement.** Buyer acknowledges that Buyer was and is responsible for making a thorough inspection of the Property at its own expense, as well as thoroughly researching any information available about the Property and its surroundings prior to Closing. Buyer acknowledges that Buyer or its designee is afforded the right to have an inspection(s) of the physical condition of the Property at Buyer's expense. This Agreement provides contingencies and timelines for Buyer to conduct any tests, studies and research Buyer feels is necessary or desirable. Upon Closing, and in accordance with the terms of this Agreement, Buyer represents it has satisfied itself as to the condition of the Property. Buyer is purchasing the Property on an "AS IS" basis without any warranties, express or implied, from Seller. Seller will not make any repair or improvement to the Property. Buyer further acknowledges that Buyer is not relying upon any statement or representation by Seller or by any broker(s) or any other representatives or contractors of Seller which are not expressly set forth in this Agreement.

BUYER ACKNOWLEDGES AND AGREES THAT BUYER HAS BEEN INFORMED AND UNDERSTANDS THAT SELLER MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO ANY ASPECT, IMPROVEMENT, FIXTURE OR CONDITION OF THE PROPERTY OR THE INCLUSIONS, INCLUDING, WITHOUT LIMITATION, THE EXISTENCE OF HAZARDOUS WASTE OR MATERIALS THEREON, OR THE SUITABILITY OF THE PROPERTY FOR BUYER'S INTENDED USE, TO BUYER BEYOND THOSE EXPRESSLY PROVIDED IN THIS AGREEMENT.

Buyer acknowledges that Seller has made no representation of any material fact concerning the Property beyond those expressly provided in this Agreement, that Buyer has had, and will have under the terms of this Agreement, an adequate opportunity to inspect and investigate the Property; and, that Buyer has made, and will make, a thorough independent examination and inspection of the Property to Buyer's satisfaction, and is relying solely upon its own examination and inspection thereof. Buyer acknowledges that Seller has made no representation or warranty as to whether there exist any lead-based paint, mold and/or other micro-organisms that may exist upon the Property. Buyer further acknowledges that Seller (including Seller's employees, agents, brokers, and contractors), has made no representation or warranty as to whether the boundary lines of the Property are accurate, nor any representation as to acreage or the number of square feet or frontage of the Property. Buyer acknowledges that any reference to square footage or acreage of the Property is intended to be an approximation only. Buyer has had an adequate opportunity to examine and inspect the boundaries of the Property and will make its own determination as to square footage, and/or frontage, and whether the location of improvements and boundaries are accurate, and Buyer is purchasing the Property in reliance upon its own determination thereof and regardless of whether or not said location of improvements and boundaries are accurate. Seller makes no warranty or representation with respect to the legal description as may be used herein. Buyer acknowledges further that Seller is not responsible, nor liable, to obtain or provide a survey of the Property to Buyer. Accordingly, Buyer is purchasing the Property "AS IS, WHERE IS".

9. **Default; Attorneys' Fees.** Time is of the essence of this Agreement. If Seller defaults hereunder, Buyer shall be entitled to receive a refund of any Earnest Money and the Extension Fee paid pursuant to this

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buyer initial(s) buyer initial(s) buyer initial(s) seller initial(s)

5. Risk of Loss; Insurance. Risk of loss of or damage to the Property shall be borne by Seller from the Effective Date until the Closing Date. In the event of material loss of, or damage to, the Property, Seller shall not be obligated to restore the Property nor pay damages to Buyer by reason of such loss or damage, and Buyer shall nonetheless be obligated to purchase the Property on the Closing Date for the Purchase Price upon the terms and conditions agreed herein. Buyer's purposes and intentions for the purchase of the Property is independent of the improvements and fixtures currently located upon or constituting any portion of the Property.

6. Seller's Representations and Warranties. There are no representations or warranties of any kind except that, at the time of signature, any person signing on behalf of Seller shall have full power and authority to execute this Agreement. Buyer is acquiring the Property "AS IS", subject to all existing easements or claims of easements, rights of way, protective covenants, zoning ordinances and applicable building codes, laws and regulations, encroachments, overlaps, boundary line disputes, and all other matters, whether or not of record. Seller does not guarantee the accuracy of the acreage, if any, identified in the description of the Property. Seller makes no representation or warranty of any kind that the Property is fit for any particular use or purpose.

7. Buyer's Authority. Buyer represents and warrants to Seller that as of the Effective Date and at the Closing Date, Buyer, and any person signing on behalf of Buyer, have full power and authority to execute this Agreement and to perform Buyer's obligations hereunder, and if Buyer is a corporation or other legal entity, all necessary authority or appropriate corporate action to authorize this transaction has been taken.

8. Buyer's Acknowledgement. Buyer acknowledges that Buyer was and is responsible for making a thorough inspection of the Property at its own expense, as well as thoroughly researching any information available about the Property and its surroundings prior to Closing. Buyer acknowledges that Buyer or its designee is afforded the right to have an inspection(s) of the physical condition of the Property at Buyer's expense. This Agreement provides contingencies and timelines for Buyer to conduct any tests, studies and research Buyer feels is necessary or desirable. Upon Closing, and in accordance with the terms of this Agreement, Buyer represents it has satisfied itself as to the condition of the Property. Buyer is purchasing the Property on an "AS IS" basis without any warranties, express or implied, from Seller. Seller will not make any repair or improvement to the Property. Buyer further acknowledges that Buyer is not relying upon any statement or representation by Seller or by any broker(s) or any other representatives or contractors of Seller which are not expressly set forth in this Agreement.

BUYER ACKNOWLEDGES AND AGREES THAT BUYER HAS BEEN INFORMED AND UNDERSTANDS THAT SELLER MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO ANY ASPECT, IMPROVEMENT, FIXTURE OR CONDITION OF THE PROPERTY OR THE INCLUSIONS, INCLUDING, WITHOUT LIMITATION, THE EXISTENCE OF HAZARDOUS WASTE OR MATERIALS THEREON, OR THE SUITABILITY OF THE PROPERTY FOR BUYER'S INTENDED USE, TO BUYER BEYOND THOSE EXPRESSLY PROVIDED IN THIS AGREEMENT.

Buyer acknowledges that Seller has made no representation of any material fact concerning the Property beyond those expressly provided in this Agreement, that Buyer has had, and will have under the terms of this Agreement, an adequate opportunity to inspect and investigate the Property; and, that Buyer has made, and will make, a thorough independent examination and inspection of the Property to Buyer's satisfaction, and is relying solely upon its own examination and inspection thereof. Buyer acknowledges that Seller has made no representation or warranty as to whether there exist any lead-based paint, mold and/or other micro-organisms that may exist upon the Property. Buyer further acknowledges that Seller (including Seller's employees, agents, brokers, and contractors), has made no representation or warranty as to whether the boundary lines of the Property are accurate, nor any representation as to acreage or the number of square feet or frontage of the Property. Buyer acknowledges that any reference to square footage or acreage of the Property is intended to be an approximation only. Buyer has had an adequate opportunity to examine and inspect the boundaries of the Property and will make its own determination as to square footage, and/or frontage, and whether the location of improvements and boundaries are accurate, and Buyer is purchasing the Property in reliance upon its own determination thereof and regardless of whether or not said location of improvements and boundaries are accurate. Seller makes no warranty or representation with respect to the legal description as may be used herein. Buyer acknowledges further that Seller is not responsible, nor liable, to obtain or provide a survey of the Property to Buyer. Accordingly, Buyer is purchasing the Property "AS IS, WHERE IS".

9. Default; Attorneys' Fees. Time is of the essence of this Agreement. If Seller defaults hereunder, Buyer shall be entitled to receive a refund of any Earnest Money and the Extension Fee paid pursuant to this

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buyer initial(s) buyer initial(s) CM
buyer initial(s) seller initial(s)

Agreement, and Seller shall have no further obligation to Buyer hereunder. All other remedies and damages are expressly waived by Buyer. If Buyer defaults, then all Earnest Money and the Extension Fee paid by Buyer shall be forfeited to Seller as liquidated damages, and upon the forfeiture thereof to Seller, Buyer shall have no further obligation or liability hereunder unless expressly provided otherwise in this Agreement. SELLER AND BUYER AGREE THAT IT WOULD BE IMPRACTICAL OR EXTREMELY DIFFICULT TO FIX THE ACTUAL DAMAGES TO SELLER IN THE EVENT OF BUYER'S DEFAULT UNDER THIS AGREEMENT, AND THE PARTIES HEREBY AGREE THAT A REASONABLE ESTIMATE OF SUCH DAMAGES IS THE AMOUNT OF THE EARNEST MONEY AND EXTENSION FEE; PROVIDED HOWEVER, THAT IF SELLER BELIEVES THAT ACTUAL DAMAGES INCURRED OR SUFFERED BY SELLER DUE TO ANY OBLIGATION OF BUYER TO INDEMNIFY SELLER, THEN SELLER MAY PURSUE A CLAIM FOR DAMAGES CAUSED BY BUYER'S DEFAULT IN EXCESS OF THE AMOUNT AVAILABLE FOR FORFEITURE, IN WHICH EVENT THE AMOUNT OF FUNDS SUBJECT TO FORFEITURE MAY BE RETAINED IN ESCROW OR BE DISBURSED TO, AND HELD BY, SELLER PENDING THE OUTCOME OF ANY CLAIM OR LITIGATION; AND PROVIDED FURTHER, THAT SELLER MAY IN ITS SOLE AND ABSOLUTE DISCRETION DISCONTINUE ANY SUCH CLAIM OR LITIGATION AND DETERMINE THE EARNEST MONEY FORFEITED, IN WHICH CASE, BUYER SHALL HAVE NO FURTHER OBLIGATION OR LIABILITY HEREUNDER. In any suit, action or appeal to enforce this Agreement or any term or provision hereof, or to interpret this Agreement, the prevailing party shall be entitled to recover its costs incurred therein (and on appeal), including reasonable attorneys' fees.

10. Notices. Any notice under this Agreement shall be in writing and be delivered in person or by public or private courier service (including U.S. Postal Service Express Mail) or certified mail or by email or facsimile. Any notice given by certified mail shall be sent with return receipt requested. Any notice given by email or facsimile shall be verified by telephone. All notices shall be addressed to the parties at the addresses set forth in this Agreement, or at such other addresses as the parties may from time to time direct in writing. Any notice shall be deemed to have been given on the earlier of: (a) actual delivery or refusal, (b) three (3) days after mailing by certified mail, or (c) the day facsimile delivery is verified. Notice to the parties shall be given to the parties addressed as follows:

To SELLER: **STATE OF IDAHO, DEPARTMENT OF ADMINISTRATION**

Contact: Steven Bailey
Street Address: State of Idaho, Department of Administration
650 W State St,
Boise, ID 83702
Phone: (208) 332-1812
Fax: (208) 327-7320
Email: Directors Office@adm.idaho.gov

To BUYER: **HAWKINS COMPANIES LLC**

Contact: Brian Huffaker
Street Address: 855 W. Broad Street, Suite 300
Boise, ID 83702
Phone: (208) 376-8522
Fax:
Email: bhuffaker@hcollc.com

PACIFIC WEST COMMUNITIES, INC.

Contact: Caleb Roope
Street Address: 430 E. State Street, Suite
100 Eagle, ID 83616
Phone: (208) 461-0022
Fax:
Email: calebr@tpchousing.com

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buyer initial(s) buyer initial(s) buyer initial(s) seller initial(s)

Agreement, and Seller shall have no further obligation to Buyer hereunder. All other remedies and damages are expressly waived by Buyer. If Buyer defaults, then all Earnest Money and the Extension Fee paid by Buyer shall be forfeited to Seller as liquidated damages, and upon the forfeiture thereof to Seller, Buyer shall have no further obligation or liability hereunder unless expressly provided otherwise in this Agreement. SELLER AND BUYER AGREE THAT IT WOULD BE IMPRACTICAL OR EXTREMELY DIFFICULT TO FIX THE ACTUAL DAMAGES TO SELLER IN THE EVENT OF BUYER'S DEFAULT UNDER THIS AGREEMENT, AND THE PARTIES HEREBY AGREE THAT A REASONABLE ESTIMATE OF SUCH DAMAGES IS THE AMOUNT OF THE EARNEST MONEY AND EXTENSION FEE; PROVIDED HOWEVER, THAT IF SELLER BELIEVES THAT ACTUAL DAMAGES INCURRED OR SUFFERED BY SELLER DUE TO ANY OBLIGATION OF BUYER TO INDEMNIFY SELLER, THEN SELLER MAY PURSUE A CLAIM FOR DAMAGES CAUSED BY BUYER'S DEFAULT IN EXCESS OF THE AMOUNT AVAILABLE FOR FORFEITURE, IN WHICH EVENT THE AMOUNT OF FUNDS SUBJECT TO FORFEITURE MAY BE RETAINED IN ESCROW OR BE DISBURSED TO, AND HELD BY, SELLER PENDING THE OUTCOME OF ANY CLAIM OR LITIGATION; AND PROVIDED FURTHER, THAT SELLER MAY IN ITS SOLE AND ABSOLUTE DISCRETION DISCONTINUE ANY SUCH CLAIM OR LITIGATION AND DETERMINE THE EARNEST MONEY FORFEITED, IN WHICH CASE, BUYER SHALL HAVE NO FURTHER OBLIGATION OR LIABILITY HEREUNDER. In any suit, action or appeal to enforce this Agreement or any term or provision hereof, or to interpret this Agreement, the prevailing party shall be entitled to recover its costs incurred therein (and on appeal), including reasonable attorneys' fees.

10. Notices. Any notice under this Agreement shall be in writing and be delivered in person or by public or private courier service (including U.S. Postal Service Express Mail) or certified mail or by email or facsimile. Any notice given by certified mail shall be sent with return receipt requested. Any notice given by email or facsimile shall be verified by telephone. All notices shall be addressed to the parties at the addresses set forth in this Agreement, or at such other addresses as the parties may from time to time direct in writing. Any notice shall be deemed to have been given on the earlier of: (a) actual delivery or refusal, (b) three (3) days after mailing by certified mail, or (c) the day facsimile delivery is verified. Notice to the parties shall be given to the parties addressed as follows:

To SELLER: **STATE OF IDAHO, DEPARTMENT OF ADMINISTRATION**

Contact: Steven Bailey
Street Address: State of Idaho, Department of Administration
650 W State St,
Boise, ID 83702
Phone: (208) 332-1812
Fax: (208) 327-7320
Email: Directors Office@adm.idaho.gov

To BUYER: **HAWKINS COMPANIES LLC**

Contact: Brian Huffaker
Street Address: 855 W. Broad Street, Suite 300
Boise, ID 83702
Phone: (208) 376-8522
Fax:
Email: bhuffaker@hcollc.com

PACIFIC WEST COMMUNITIES, INC.

Contact: Caleb Roope
Street Address: 430 E. State Street, Suite
100 Eagle, ID 83616
Phone: (208) 461-0022
Fax:
Email: calebr@tpchousing.com

COMMERCIAL REAL ESTATE PURCHASE AND SALE AGREEMENT _____
buyer initial(s) buyer initial(s) buyer initial(s) seller initial(s)

FJ MANAGEMENT INC.

Contact: Crystal Maggelet
Street Address: 185 State St., Suite 1300
Salt Lake City, UT 84111

Phone: (801) 624-1000
Fax:
Email: _____

11. Counterparts. This Agreement may be executed in any number of counterparts for the convenience of the parties, all of which, when taken together and after execution by all parties hereto, shall constitute one and the same Agreement.

12. General. This is the entire Agreement of Buyer and Seller with respect to the matters covered hereby and supersedes all prior agreements between them, written or oral. In the event any term or condition set forth herein is inconsistent with any term or condition set forth in any other document or agreement related to this Agreement, the terms and conditions of this Agreement shall control. This Agreement may be modified only in writing, signed by Buyer and Seller. Any waivers hereunder must be in writing. No waiver of any right or remedy in the event of default hereunder shall constitute a waiver of such right or remedy in the event of any subsequent default. This Agreement shall be governed by the laws of the State of Idaho. This Agreement is for the benefit only of the parties hereto and shall inure to the benefit of, and bind, the heirs, personal representatives, successors and assigns of the parties hereto; there are no intended third-party beneficiaries. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision hereof.

13. Public Records. This Agreement and all other documents pertaining to the purchase and sale of the Property is subject to disclosure under the Idaho Public Records Act, Idaho Code §§ 74-101 through 74-126.

14. Assignment. Buyer shall not assign its rights hereunder to any person or entity without the express prior written consent of Seller. Seller does not anticipate consenting to any assignment of this Agreement or Buyer's rights hereunder. Any assignment of this Agreement must be approved by the State Board of Examiners before it becomes effective in accordance with Idaho Code § 67-1027. However, if Buyer fully satisfies all of its obligations under this Agreement prior to or at Closing, and Buyer identifies an entity created by or composed of the parties constituting Buyer and, provided such entity is not otherwise ineligible to contract with the State of Idaho or receive the Property, then Seller will agree to convey the Property directly to such entity identified by Buyer.

15. Joint and Several Liability. If Buyer consists of more than one person or entity, then each person or entity constituting Buyer shall be jointly and severally liable for each and every obligation of Buyer herein.

16. Time of Performance on Weekend or Holiday. Wherever under the terms and provisions of this Agreement the time for performance falls upon a Saturday, Sunday, or legal holiday recognized by Section 73-108, Idaho Code, such time for performance shall be extended to the next business day.

16. Additional Provisions. Any additional provisions are set forth in the Addendum to this Agreement, if any, which Addendum may be attached hereto, if any, and, if attached, shall be made a part hereof.

17. Exhibits. The Addendum, if any, attached hereto, together with each and every Exhibit, if any, attached hereto, are incorporated herein as if fully set forth.

18. Agency Representation. Buyer and Seller understand and agree that the brokers and agents representing the parties in this transaction is as set forth in Representation Disclosure in the form of **Exhibit E**, attached hereto and incorporated herein by reference, to be executed by the parties upon execution of this Agreement.

[End of text – Signatures follow on next page]

FJ MANAGEMENT INC.

Contact: Crystal Maggelet
Street Address: 185 State St., Suite 1300
Salt Lake City, UT 84111

Phone: (801) 624-1000
Fax:
Email: _____

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[End of text – Signatures follow on next page]

Executed effective the date first set forth above.

SELLER: STATE OF IDAHO, DEPARTMENT OF ADMINISTRATION
Pursuant to Idaho Code § 67-5709A, agent for:
STATE OF IDAHO, DEPARTMENT OF TRANSPORTATION

Date: _____
STEVEN BAILEY, Director

Seller's Address: Physical Address: 3311 W State St., Boise, ID 83703
Mailing Address: P.O. Box 7129, Boise, Idaho 83709-1129
Contact: Scott Stokes
Telephone: 208-334-8027

STATE OF IDAHO)
COUNTY OF ADA)

On this ___ day of _____, 2024, before me, a Notary Public in and for said State, personally appeared STEVEN BAILEY, known or identified to me to be the Director of the State of Idaho, Department of Administration, who executed the said instrument and acknowledged to me that said agency executed the same.

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

(seal)

Notary Public
Residing at: _____
My Commission Expires: _____

BUYER:

HAWKINS COMPANIES LLC,
an Idaho limited liability company

By: GRH MANAGEMENT LLC,
an Idaho limited liability company
Its: Manager

Date: _____

BRIAN HUFFAKER, Manager

STATE OF IDAHO)
)ss.
COUNTY OF ADA)

On this ___ day of _____, 2024, before me, a Notary Public in and for said State, personally appeared **BRIAN HUFFAKER** (signer), known to me to be the person who executed the within instrument as Manager of **GRH MANAGEMENT LLC**, an Idaho limited liability company (constituent entity), as the Manager of **HAWKINS COMPANIES LLC**, an Idaho limited liability company (maker), the limited liability company that executed the within instrument or the person who executed the instrument on behalf of **HAWKINS COMPANIES LLC**, and acknowledged to me that **HAWKINS COMPANIES LLC** executed the same.

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

(seal)

Notary Public
Residing at: _____
My Commission Expires: _____

BUYER:

HAWKINS COMPANIES LLC,
an Idaho limited liability company

By: **GRH MANAGEMENT LLC,**
an Idaho limited liability company
Its: Manager

Date: _____

BRIAN HUFFAKER, Manager

STATE OF IDAHO)
)ss.
COUNTY OF ADA)

On this ____ day of _____, 2024, before me, a Notary Public in and for said State, personally appeared **BRIAN HUFFAKER** (signer), known to me to be the person who executed the within instrument as Manager of **GRH MANAGEMENT LLC**, an Idaho limited liability company (constituent entity), as the Manager of **HAWKINS COMPANIES LLC**, an Idaho limited liability company (maker), the limited liability company that executed the within instrument or the person who executed the instrument on behalf of **HAWKINS COMPANIES LLC**, and acknowledged to me that **HAWKINS COMPANIES LLC** executed the same.

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

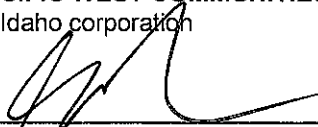
(seal)

Notary Public
Residing at: _____
My Commission Expires: _____

BUYER:

PACIFIC WEST COMMUNITIES, INC.,
an Idaho corporation

Date: 3/18/2024



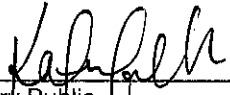
CALEB ROOPE
President and CEO

STATE OF Idaho)
County of Ada) ss.

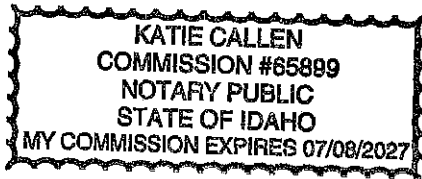
On this 18 day of March, 2024, before me a notary public in and for said state, personally appeared CALEB ROOPE, known or identified to me to be the President and CEO of PACIFIC WEST COMMUNITIES, INC., an Idaho corporation, the corporation that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that said corporation executed the same.

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

(seal)



Notary Public
Residing at: Boise, Id
My Commission Expires: 7/8/27



COMMERCIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
buyer initial(s) buyer initial(s) buyer initial(s) seller initial(s)

BUYER:

PACIFIC WEST COMMUNITIES, INC.,
an Idaho corporation

Date: _____

CALEB ROOPE
President and CEO

STATE OF _____ }
County of _____ } ss.

On this ___ day of _____, 2024, before me a notary public in and for said state, personally appeared **CALEB ROOPE**, known or identified to me to be the President and CEO of **PACIFIC WEST COMMUNITIES, INC.**, an Idaho corporation, the corporation that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that said corporation executed the same.

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

(seal)

Notary Public
Residing at: _____
My Commission Expires: _____

BUYER:

FJ MANAGEMENT INC.,
a Utah corporation

Date: 3/20/2024

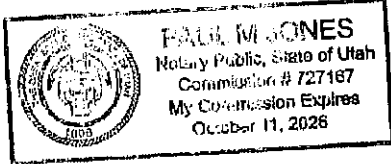
Crystal Maggelet
CRYSTAL MAGGELET
CEO

STATE OF Utah)
County of Salt Lake)ss.

On this 20 day of March, 2024, before me a notary public in and for said state, personally appeared **CRYSTAL MAGGELET**, known or identified to me to be the CEO of **FJ MANAGEMENT INC.**, a Utah corporation, the corporation that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

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

(seal)



[Signature]
Notary Public
Residing at: Cottonwood Heights, UT
My Commission Expires: 10/11/2026

LIST OF EXHIBITS

- Exhibit A: Legal Description of Property**
- Exhibit B: Buyer's Entitlements Due Diligence Schedule**
- Exhibit C: Form of Lease Agreement**
- Exhibit D: Form of State Deed**
- Exhibit E: Representation Disclosure**

_____ / _____ / _____ / _____
buyer initial(s) buyer initial(s) buyer initial(s) seller initial(s)

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- Exhibit B: Buyer's Entitlements Due Diligence Schedule**
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- Exhibit E: Representation Disclosure**

EXHIBIT A

LEGAL DESCRIPTION

*Subject to written amendment in accordance with Section 2.1.a.(1)



First American

Commitment for Title Insurance
Idaho - 2021 v. 01.00 (07-01-2021)

EXHIBIT A

The Land referred to herein below is situated in the County of Ada, State of Idaho, and is described as follows:

A parcel of land, being situated in the NW¼ of Section 4, Township 3 North, Range 2 East; the SE¼ of Section 32, and the SW¼ of Section 33, Township 4 North, Range 2 East, Boise Meridian, and being part of the HUBBELL HOME ADDITION (Vacated); CLITHERO SUBDIVISION and THE EASTMAN TRACT as shown on the plats on file in the office of the Recorder, ADA COUNTY, Idaho, more particularly as follows:

Commencing at the brass cap monument marking the southeasterly corner of said SE¼ of Section 32;

thence N 42°18'03" W along the southwesterly boundary of said CLITHERO SUBDIVISION a distance of 344.30 feet (of record as N 42°22' W a distance of 345.50 feet) to a 5/8 inch diameter iron pin;

thence leaving said southwesterly boundary N 15°25'14" E along the northwesterly boundary of said CLITHERO SUBDIVISION a distance of 230.07 feet to a ½ inch diameter iron pin;

thence leaving said northwesterly boundary S 89°48'13" E a distance of 246.32 feet to a 5/8 inch diameter iron pin on the centerline of Clithero Street;

thence S 0°11'47" W along said centerline a distance of 24.43 feet (of record as southerly a distance of 25 feet) to a 5/8 inch diameter iron pin;

thence leaving said centerline S 89°48'13" E a distance of 145.36 feet to a 5/8 inch diameter iron pin on the easterly boundary of said CLITHERO SUBDIVISION;

thence N 0°11'47" E along said easterly boundary a distance of 200.04 feet to a ½ inch diameter iron pin;

thence leaving said easterly boundary S 89°21'28" E a distance of 189.79 feet to a 5/8 inch diameter iron pin;

thence N 30°19'56" E a distance of 48.39 feet to a 5/8 inch diameter iron pin;

thence N 0°35'56" E a distance of 42.00 feet to a 5/8 inch diameter iron pin;

thence N 44°24'04" W a distance of 62.23 feet to a 5/8 inch diameter iron pin on the easterly right-of-way of Vine Street;

thence N 0°35'56" E a distance of 185.89 feet to a 5/8 inch diameter iron pin;

thence S 89°16'37" E a distance of 134.13 feet (of record as 134 feet) to a 5/8 inch diameter iron pin on

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COMMERCIAL REAL ESTATE PURCHASE AND SALE AGREEMENT _____ / _____ / _____ / _____
buyer initial(s) buyer initial(s) buyer initial(s) seller initial(s)



the easterly boundary of said THE EASTMAN TRACT;

thence N 0°35'56" E along last said easterly boundary a distance of 363.60 feet (of record as N 0°16' E a distance of 361.90 feet) to a 1/2 diameter iron pin on the southwesterly right-of-way of State Street;

thence S 46°41'18" E along said southwesterly right-of-way a distance of 1431.52 feet (of record as S 47°20' E a distance of 1429 feet) to a 5/8 inch diameter iron pin on the northwesterly right-of-way of Rose Street;

thence leaving said southwesterly right-of-way S 43°20'34" W along said northwesterly right-of-way a distance of 123.02 feet (of record as 123 feet) to a 5/8 inch diameter iron pin on the northeasterly right-of-way of the alley in Block 4 of said HUBBELL HOME ADDITION (Vacated);

thence leaving last said northwesterly right-of-way N 46°40'54" W along last said northeasterly right-of-way a distance of 242.00 feet to a 5/8 inch diameter iron pin;

thence leaving last said northeasterly right-of-way S 43°20'34" W a distance of 12.00 feet to a 5/8 inch diameter iron pin on the southwesterly right-of-way of the alley in said Block 4;

thence S 46°40'54" E along last southwesterly right-of-way a distance of 242.00 feet to a 5/8 inch diameter iron pin on the northwesterly right-of-way of said Rose Street;

thence S 43°20'34" W along last said northwesterly right-of-way a distance of 444.43 feet (of record as 445 feet) to a 5/8 inch diameter iron pin on the northeasterly right-of-way of Jordan Street (formerly known as Sherman Street) as shown on said plat of HUBBELL HOME ADDITION (Vacated);

thence leaving last said northwesterly right-of-way N 46°31'25" W along last said northeasterly right-of-way a distance of 127.00 feet to a 5/8 inch diameter iron pin;

thence leaving last said northeasterly right-of-way S 43°20'34" W a distance of 60.00 feet to a 5/8 inch diameter iron pin on the southwesterly boundary of said Jordan Street;

thence S 46°31'25" E along last said southwesterly boundary a distance of 127.00 feet to a 5/8 inch diameter iron pin on the northwesterly right-of-way of said Rose Street;

thence leaving last said southwesterly right-of-way S 43°20'34" W along last said northwesterly right-of-way a distance of 685.40 feet (of record as 685.35 feet) to a 5/8 inch diameter iron pin on the northeasterly right-of-way of Resseguie Street as shown on said plat of HUBBELL HOME ADDITION (Vacated);

thence leaving last said northwesterly right-of-way N 40°57'33" W along last said northeasterly right-of-way a distance of 32.29 feet to a 5/8 inch diameter iron pin;

thence leaving last said northeasterly right-of-way S 43°20'34" W a distance of 40.20 feet to a 5/8 inch diameter iron pin on the southwesterly right-of-way of said Resseguie Street;

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thence S 40°57'33" E along last said southwesterly right-of-way a distance of 62.44 feet (of record as SOUTHERLY a distance of 61.29 feet) to a 5/8 inch diameter iron pin on the centerline of said Rose Street;

thence leaving last said southwesterly right-of-way S 43°20'34" W along last said centerline a distance of 100.50 feet (of record as 101.27 feet) to a 5/8 inch diameter iron pin;

thence leaving last said centerline S 40°57'33" E a distance of 101.06 feet to a 5/8 inch diameter iron pin on the southeasterly boundary of said HUBBELL HOME ADDITION (Vacated);

thence S 54°05'29" W along last said southeasterly boundary a distance of 150.66 feet (of record as 150.6 feet) to a 5/8 inch diameter iron pin;

thence continuing along last said southeasterly boundary S 53°06'47" W a distance of 69.83 feet (of record as S 52°58'49" W a distance of 68.18 feet) to a brass cap monument;

thence leaving last said southeasterly boundary N 84°08'32" W a distance of 70.41 feet (of record as N 84°29'11" W a distance of 70.38 feet) to a brass cap monument;

thence N 77°59'21" W a distance of 80.86 feet (of record as N 78°18'11" W a distance of 80.85 feet) to a brass cap monument;

thence N 70°34'40" W a distance of 72.71 feet (of record as N 70°48'11" W a distance of 72.76 feet) to a brass cap monument;

thence N 81°00'44" W a distance of 78.74 feet (of record as N 81°11'11" W a distance of 78.79 feet) to a brass cap monument;

thence N 61°45'03" W a distance of 62.99 feet (of record as N 61°44'11" W a distance of 62.82 feet) to a brass cap monument;

thence N 44°33'11" W a distance of 180.00 feet (of record as N 44°49'11" W a distance of 186.46 feet) to a 5/8 inch diameter iron pin on the westerly boundary of said NW¼ of Section 4;

thence N 0°03'07" E a distance of 734.02 feet (of record as N 0°47' E a distance of 733 feet and N 0°02'49" E a distance of 728.60 feet) to the POINT OF BEGINNING.

EXCEPTING THEREFROM that portion conveyed to Ada County Highway District by Warranty Deed recorded April 25, 2013 as Instrument No. 113044740, Records of Ada County, Idaho.

APN: R3786000159

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Form 50123416 (5-18-22)



thence S 40°57'33" E along last said southwesterly right-of-way a distance of 62.44 feet (of record as SOUTHERLY a distance of 61.29 feet) to a 5/8 inch diameter iron pin on the centerline of said Rose Street;

thence leaving last said southwesterly right-of-way S 43°20'34" W along last said centerline a distance of 100.50 feet (of record as 101.27 feet) to a 5/8 inch diameter iron pin;

thence leaving last said centerline S 40°57'33" E a distance of 101.06 feet to a 5/8 inch diameter iron pin on the southeasterly boundary of said HUBBELL HOME ADDITION (Vacated);

thence S 54°05'29" W along last said southeasterly boundary a distance of 150.66 feet (of record as 150.6 feet) to a 5/8 inch diameter iron pin;

thence continuing along last said southeasterly boundary S 53°06'47" W a distance of 69.83 feet (of record as S 52°58'49" W a distance of 68.18 feet) to a brass cap monument;

thence leaving last said southeasterly boundary N 84°08'32" W a distance of 70.41 feet (of record as N 84°29'11" W a distance of 70.38 feet) to a brass cap monument;

thence N 77°59'21" W a distance of 80.86 feet (of record as N 78°18'11" W a distance of 80.85 feet) to a brass cap monument;

thence N 70°34'40" W a distance of 72.71 feet (of record as N 70°48'11" W a distance of 72.76 feet) to a brass cap monument;

thence N 81°00'44" W a distance of 78.74 feet (of record as N 81°11'11" W a distance of 78.79 feet) to a brass cap monument;

thence N 61°45'03" W a distance of 62.99 feet (of record as N 61°44'11" W a distance of 62.82 feet) to a brass cap monument;

thence N 44°33'11" W a distance of 180.00 feet (of record as N 44°49'11" W a distance of 186.46 feet) to a 5/8 inch diameter iron pin on the westerly boundary of said N7W4 of Section 4;

thence N 0°03'07" E a distance of 734.02 feet (of record as N 0°47' E a distance of 733 feet and N 0°02'49" E a distance of 728.60 feet) to the POINT OF BEGINNING.

EXCEPTING THEREFROM that portion conveyed to Ada County Highway District by Warranty Deed recorded April 25, 2013 as Instrument No. 113044740, Records of Ada County, Idaho.

APN: R3786000159

This page is only a part of a 2021 ALTA Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; and Schedule B, Part II—Exceptions; and a counter-signature by the Company or its Issuing agent that may be in electronic form.

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Form 501Z3416 (5-18-22)

COMMERCIAL REAL ESTATE PURCHASE AND SALE AGREEMENT

_____/_____/_____/_____
buyer initial(s) buyer initial(s) buyer initial(s) seller initial(s)

EXHIBIT B

BUYER'S ENTITLEMENTS DUE DILIGENCE SCHEDULE

1. Initial neighborhood outreach and discussion with neighborhood association board members – No later than 120 days following the Effective Date.
2. Initial pre-application meeting with City Staff – No later than 120 days following the Effective Date.
3. Hold a First Neighborhood Meeting in accordance with current Boise City Code – No later than 180 days following the Effective Date.
4. Submit application for rezone and Planned Unit Development/P&Z Hearing – No later than 180 days following the Effective Date.

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EXHIBIT C
FORM OF LEASE AGREEMENT

EXHIBIT C
FORM OF LEASE AGREEMENT

COMMERCIAL REAL ESTATE PURCHASE AND SALE AGREEMENT

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4887-0336-3474, v. 5.1

 / / / /
buyer initial(s) buyer initial(s) buyer initial(s) seller initial(s)

(PROPOSED) LEASE AGREEMENT

THIS LEASE AGREEMENT (“**Lease Agreement**”) is made effective as of _____, (the “**Effective Date**”), by and between _____, whose mailing address is _____ (“**Lessor**”) and the **STATE OF IDAHO, TRANSPORTATION DEPARTMENT** (aka **IDAHO TRANSPORTATION DEPARTMENT**), whose mailing address is P.O. Box 7129, Boise, Idaho 83709-1129 (“**Lessee**”), for the leasing of that real property described below and referred to as the “**Premises**”. Lessor and Lessee may be referred to collectively as the “**Parties**”. The Parties specifically agree and acknowledge that the approval signature of the Leasing Manager, Division of Public Works, Department of Administration, is a required signature to this Lease Agreement.

WITNESSETH

WHEREAS, the Parties desire to enter into a Lease Agreement; and

WHEREAS, Lessee is legally authorized to enter into this agreement by power granted by Title 67, Chapter 57 of Idaho Code, with the approval of the Department of Administration.

NOW, THEREFORE, in consideration of the mutual covenants, agreements, and conditions contained in this Lease Agreement, the Parties agree as follows:

1. LEASE OF PREMISES. Lessor does hereby demise and lease to the Lessee that certain real property situated in the City of Boise, County of Ada, State of Idaho, known and described as set forth in Exhibit A and as shown on Exhibits B and C attached hereto:

Certain portions of the property commonly known as the Idaho Transportation Department State Street Headquarters, located at 3311 State Street, Boise Idaho as depicted on Exhibit B. The buildings included in this Lease Agreement and located within the Premises are:

- 1: B2, Warehouse/Print Shop/BMS building, including 75 parking spaces in front of the building, and 28 designated parking spaces to the rear of the building.
- 2: B9A, Warehouse #1, including the loading ramp and the three adjacent parking spaces.
- 3: B9B, Warehouse #2, including the loading ramp and the 9 adjacent parking spaces.
- 4: B3, Central Lab/East Annex, including 95 parking spaces in front of the building and 12 parking spaces to the rear of the building.
- 5: B4, Garage, including 34 parking spaces adjacent and to the south of the garage.
- 6: B6, Bull Pen Equipment building, and all parking spaces within the fenced in Bull Pen.
- 7: B7 and B8, the two Idaho Historical Society buildings located to the south of the Central Lab/East Annex, located at 867 and 877 N. Whitewater Park Boulevard, including adjacent parking spaces.

Each structure located within the Premises may be referred to herein singularly as a “**Building**”, or in the plural as “**Buildings**”. This lease of the Premises includes the right, together with other Lessees of the Buildings and their employees and business invitees, to use the common public areas of the Buildings for their intended use and subject to the other provisions of this Lease Agreement but includes no other rights not specifically set forth herein.

Ingress and egress for vehicle traffic shall not be impeded by Lessor to the Premises.

2. **TERM.** The term of this Lease Agreement (the “**Base Term**”) begins upon closing of the sale of the real property to Lessor and ends at midnight on July 1, 2026, unless voluntarily vacated sooner by the Lessee.

A. Lease Option for Testing Facility. No later than ninety (90) days before the conclusion of the Base Term, Lessee shall have the option by providing written notice (the “**Extension Notice**”) to extend the Base Term for an additional two (2) years (concluding July 1, 2028) (the “**Extended Term**”) with regard to that portion of the Premises identified above as “B3, Central Lab/East Annex, including 95 parking spaces in front of the building and 12 spaces to the rear of the building” (the “**Testing Facility**”).

The Extended Term shall be contingent upon execution of an amendment to this Lease providing for the rent to be paid by Lessee during the Extended Term, which shall be “**Fair Market Rent**,” determined as follows: Fair Market Rent shall mean the arm’s length fair market annual rent on a square footage basis for space comparable to the Testing Facility and other comparable buildings (in terms of size, quality, utility, location, age, existing improvements, services provided, length of term, commissions, and other relevant factors) within the Treasure Valley market. Lessor and Lessee shall discuss and identify Fair Market Rent within thirty (30) days of the Extension Notice (the “**Rent Determination Period**”). If Lessor and Lessee fail to reach agreement within the Rent Determination Period, Fair Market Rent shall be determined by “**Baseball Arbitration**,” which shall include the following procedures: (i) during the Rent Determination Period, either Lessor or Lessee may elect to send notice (the “**Arbitration Notice**”) to the other party electing to have Fair Market Rent determined by Baseball Arbitration; (ii) within five (5) business days of the Arbitration Notice, Lessor and Lessee shall each select an arbitrator (“**Lessor’s Arbitrator**” and “**Lessee’s Arbitrator**”, respectively), who shall each be qualified and impartial and licensed in the State of Idaho as an MAI appraiser with at least ten (10) years of experience in appraising the type of matters associated with Fair Market Rent; (iii) within ten (10) business days of appointment, Landlord’s Arbitrator and Tenant’s Arbitrator shall name a third arbitrator, similarly qualified; (iv) within ten (10) business days of the appointment of the third arbitrator, Lessor and Lessee shall each deliver to such third arbitrator their respective determination of Fair Market Rent (“**Lessor’s Final Offer**” and “**Lessee’s Final Offer**”, respectively) and the third arbitrator shall make a determination of Fair Market Rent based on such information as of the commencement of the Extended Term and thereafter select either Lessor’s Final Offer or Lessee’s Final Offer, but no other, whichever is closest to the third arbitrator’s determination (the “**Final Determination**”). The costs and fees incurred by the third arbitrator associated with the Final Determination shall be split equally among Lessor and Lessee. If Lessee determines the Final Determination is unacceptable, Lessee shall not be obligated to proceed with the Extended Term and this Lease Agreement shall terminate as of the conclusion of the Base Term. If Lessee determines the Final Determination is acceptable, Lessor and Lessee shall enter into an amendment to this Lease Agreement confirming the Fair Market Rent no later than thirty (30) days prior to the conclusion of the Base Term. All other terms and provisions of this Lease Agreement not inconsistent with the requirement to pay Fair Market Rent shall continue to apply during the Extended Term.

B. Additional Extended Term. No later than ninety (90) days before the conclusion of the

Extended Term, Lessee shall have the option by providing written notice (the “**Additional Extension Notice**”) to extend the Extended Term for an additional one (1) year (concluding July 1, 2029) (the “**Additional Extended Term**”) with regard to the Testing Facility only. The terms and conditions for proceeding with the Additional Extended Term shall mirror those set forth in Section 2.A, above.

C. Definition of Term. The Base Term, Extended Term, or Additional Extended Term, as applicable, shall hereafter be referred to herein as the “**Term**”.

D. Testing Facility Equipment and Fixtures; Remediation. Notwithstanding anything to the contrary contained in this Lease Agreement, Lessee shall have the opportunity to remove any and all equipment and facilities, including fixtures, located within the Testing Facility. In accordance with such right, Lessee shall provide for environmental remediation in connection with its use of the Testing Facility during the Term for any material exacerbation of existing contamination, or any new contamination not otherwise existing or discoverable during Lessor’s Due Diligence period, which remediation shall be conducted in accordance with the requirements of applicable federal, state, or local laws or ordinances and shall be completed prior to the conclusion of the Term.

3. **PAYMENT**. The Lease Agreement is provided at no cost to the Lessee except as set forth in Section 2, above, related to the Extended and Additional Extended Terms. Payment of rent for the Extended Term and Additional Extended Term shall be made in monthly payments by Lessee.

4. **NO WASTE; REPAIRS**. Lessee will not commit waste on the Premises, nor will it disfigure or deface any part of the buildings, grounds, or any other part of the Premises, including fixtures. Any repairs, maintenance, or operation on the Premises shall be done in accordance with Section 5, below, and shall be in a workmanlike manner and must comply with all applicable codes, ordinances, rules and regulations.

5. **SERVICES AND PARKING**. Lessee will provide, perform, and pay for all services, maintenance and parking associated with its use of the Premises, including, without limitation:

A. Utilities: – Paid for by Lessee directly to utility providers.

B. Facility Repair and Maintenance:

- 1) Building structure and related equipment (interior and exterior);
- 2) Heating system and related equipment;
- 3) Cooling and air handling system and related equipment;
- 4) Electrical system and related equipment;
- 5) Sewer and plumbing systems and related equipment;
- 6) Exterior lighting, including landscaped areas, parking area and walkway;
- 7) Cleaning ground and parking area of debris will be performed as needed;
- 8) Trash removal from property will be accomplished done as needed;
- 9) Furnishing of all washroom materials, including paper products, soap, cleaning supplies and equipment;
- 10) Lamp and light fixture repair and maintenance;
- 11) Outside ground maintenance (other than landscaping maintenance) shall be provided on an “as needed” basis. Snow removal shall include removal of snow from parking lots and walkways. Removal shall be performed weekdays prior to 8:00 a.m. and on an “as needed”

basis throughout the day. Priority shall first be given to keeping ADA accessible spaces clear and to ingress, egress, and fire lanes, secondly to customer and employee parking areas, and lastly to overflow parking areas. An area shall be designated for snow storage. Areas subject to ice accumulation shall be treated with de-icing agents as necessary;

- 12) Lawn and shrubbery care weekly during season. Lessor shall provide access, during the summer irrigation season, to the water well located near the Main Office Building for the purpose of allowing the Lessee to irrigate the grass areas in front and of and to the east and west side of the Main Office Building.

C. Parking. Lighted and paved automotive parking spaces will be maintained by Lessee with adequate ingress and egress available. ADA accessible spaces will be provided equal to the requirements of the Americans with Disabilities Act (ADA), with all such requirements applicable to the Premises to be satisfied by Lessee at Lessee's sole cost. Lessor will allow Lessee to park vehicles overnight and on weekends as needed for Lessee operations.

6. LESSOR RESPONSIBILITY. Lessor is responsible for payment of all federal, state, county, city or other public authority taxes and assessments charged against the Premises and payment of the insurance identified in Section 17 of this Lease Agreement.

7. INDEMNIFICATION. Lessor hereby agrees to defend, indemnify and save Lessee harmless from and against any and all liability, loss, damage, cost, and expense, including court costs and attorneys' fees of whatever nature or type, whether or not litigation is commenced, that the Lessee may incur, by reason of any act or omission of the Lessor, its employees or agents or any breach or default of the Lessor in the performance of its obligations under this Lease Agreement. The foregoing indemnity shall not apply to any injury, damage or other claim resulting solely from the act or omission of the Lessee, its employees, nor shall it apply to any injury, damage, or other claim resulting from the condition of the Premises, including any structures located thereon. Nothing contained herein shall be deemed a waiver of Lessee's sovereign immunity, which is hereby expressly retained. Nothing in this provision or this Lease Agreement shall extend the tort responsibility or liability of the Lessee beyond that required by the Idaho Tort Claims Act, Idaho Code section 6-901 *et seq.*

8. USE OF PREMISES. Lessee shall use the Premises for the following purposes: to conduct the business of the State of Idaho. Such uses include, but are not limited to: the storage and repair of motor vehicles, operation of a material lab for the purpose of supporting highway construction projects, business offices for state employed personnel, operation of a printing facility in connection with supporting highway construction and operation, storage of equipment, and other related uses. It is understood by the Parties that the Idaho Historical Society shall use buildings B7 and B8 during the Base Term of this Lease.

9. PREMISES DAMAGE. If, during the Term of this Lease Agreement, the Premises, or any portion thereof, shall be destroyed or damaged by fire, water, wind or any other cause not the fault of Lessee so as to render the Premises unfit for occupancy by Lessee, this Lease Agreement may be automatically terminated at Lessee's discretion as to that portion, if less than all, of the Premises destroyed or damaged. If terminated, Lessee shall immediately surrender that portion of the Premises to Lessor.

10. ALTERATIONS. Except as otherwise agreed, subsequent to the Effective Date and during the Term of this Lease Agreement and any extension, neither Lessor nor Lessee shall make any alterations, additions or improvements to the Premises without the prior written consent of the other. Any and all alterations and improvements made by Lessee shall be made at Lessee's sole expense and, subject to the

exception for Trade Fixtures provided below, shall, upon termination of this Lease Agreement, and without disturbance or injury, become the property of the Lessor, and shall remain in and be surrendered with the Premises. Any such alterations, whether performed by Lessor or Lessee, must be made in a workmanlike manner and must comply with all applicable codes, ordinances, rules and regulations. Notwithstanding any other provision of this Lease Agreement, Trade Fixtures, as defined in this Lease Agreement, installed by Lessee shall, at the option of the Lessee, not become the property of the Lessor and, upon the termination of this Lease Agreement, the Lessee may remove such Trade Fixtures. For purposes of this Lease Agreement, a “Trade Fixture” is defined as personal property used by the Lessee in the conduct of its business and includes items such as, but not limited to, shelves and reception counters.

11. DEFAULT. In the event that either party shall default in the performance of any material term, covenant, or condition of this Lease Agreement, the party not in default may at its option terminate this Lease Agreement as its sole remedy. The party alleging default must provide written notice of said default, specifying the alleged default, and the receiving party shall have thirty (30) days to cure or shall immediately provide written documentation that it is proceeding to cure the default in an expedited manner (e.g., working overtime, express delivery, etc.). The foregoing shall not apply in the event of a holdover or failure to relinquish the Premises by Lessee at the conclusion of the Term, in which event Lessee shall be responsible for payment of then-“Fair Market Rent” for the time during which the Premises continues to be occupied and Lessor shall be entitled to seek judicial relief to regain possession of the Premises.

12. OFFICIALS, AGENTS AND EMPLOYEES OF LESSEE NOT PERSONALLY LIABLE. It is agreed by and between the Parties that in no event shall any official, officer, employee or agent of the State of Idaho be in any way personally liable or responsible for any covenant or agreement contained in this Lease Agreement, express or implied, nor for any statement, representation or warranty made in or in any way connected with this Lease Agreement or the Premises. In particular, and without limitation of the foregoing, no full-time or part-time agent or employee of the State of Idaho shall have any personal liability or responsibility under this Lease Agreement, and the sole responsibility and liability for the performance of this Lease Agreement and all of the provisions and covenants contained in this Lease Agreement shall rest in and be vested with the State of Idaho.

13. SUFFICIENT APPROPRIATION BY LEGISLATURE REQUIRED. It is understood and agreed that the Lessee is a governmental entity, and this Lease Agreement shall in no way or manner be construed so as to bind or obligate the State of Idaho beyond the term of any particular appropriation of funds by the State legislature as may exist from time to time. The Lessee reserves the right to terminate this Lease Agreement in whole or in part if, in its judgment, the legislature of the State of Idaho fails, neglects or refuses to appropriate sufficient funds as may be required for Lessee to continue such lease payments, or requires any return or “give-back” of funds required for the Lessee to continue payments, or if the Executive Branch mandates any cuts or holdbacks in spending. All affected future rights and liabilities of the Parties shall thereupon cease within ten (10) days after the notice to the Lessor. It is understood and agreed that the lease payments provided for in this Lease Agreement shall be paid from State legislative appropriations.

14. RIGHT TO TERMINATE LEASE AGREEMENT. Lessee may terminate this Lease Agreement with respect to the entirety of the Premises or any portion of the Premises at any time for any reason during any Term, provided that Lessor is notified in writing thirty (30) days prior to the date such termination is to be effective. Such action on the part of the Lessee will relieve the Lessee and the State of Idaho of liability under this Lease Agreement for periods after the specified date of termination or the actual date of surrender of the Premises, if later.

15. RELATION OF PARTIES. The Parties agree and acknowledge that neither shall be considered the employer, agent, representative, partner, or contractor of the other by reason of this Lease Agreement.

16. NOTICES. Notices, requests, demands, and other communications hereunder shall be in writing and shall be given by (i) established express delivery service which maintains delivery records, (ii) hand delivery, (iii) electronic mail, or (iv) certified or registered mail, postage prepaid, return receipt requested, to the Parties at the addresses set forth below, or at such other address as the Parties may designate by written notice in the above manner.

Any notice required to be sent by the Lessee shall be sent to the Lessor's last known address at:

(Need an address and phone number for notices to Lessor)

Any notice required to be sent by the Lessor shall be sent to the address of the Premises and to the Lessee's last known address at:

Idaho Transportation Department
Attn: David Tolman
Building 8
11331 W. Chinden Blvd.
Boise, ID 83714

A copy of any such notice shall also be sent to:

The Department of Administration
State Leasing Program
Attn: Statewide Leasing Manager
Post Office Box 83720, Boise, Idaho 83720-0072

In the event of a change of address by either Lessor or Lessee, the Parties agree to notify each other in writing within ten (10) days of the date of any such change.

17. INSURANCE. The Lessor shall maintain an insurance policy (or policies) for the purpose of insuring any property and liability risks regarding the Premises. The Lessor shall provide the Lessee with a certificate of insurance or a copy of its insurance policy on or before the Term this Lease Agreement commences and shall provide annual confirmation of coverage prior to the renewal date of the policy (or policies). Should any of Lessor's policy (or policies) be cancelled before its expiration date, the Lessor shall immediately notify the Lessee and provide evidence of a replacement policy.

The policy (or policies) shall identify the Lessee as an additional loss payee and shall furthermore require the issuing insurer to notify the Lessee of any policy cancellation.

The Lessor acknowledges that the State of Idaho and its departments and agencies are self-funded for their public liability exposures. The State of Idaho has created The Retained Risk Fund, administered by the Office of Insurance Management (Idaho Code Section 67-5776), as the method to finance its risk loss. Trade Fixtures are subject to coverage in accordance with state law. Evidence of financial responsibility

of Lessee will be provided to Lessor upon request and will consist of a Certificate of Financial Responsibility.

18. ASSIGNMENTS. Neither party shall assign its interest in this Lease Agreement without the prior written consent of the non-assigning party, which consent shall not be unreasonably withheld, conditioned, or delayed. If an assignment by Lessor is approved, the assignment is not effective unless it is also approved by the State Board of Examiners in accordance with Idaho Code § 67-1027. An assignment shall not in any way act as a release of any claim by Lessee as against the original Lessor nor shall it act as a waiver of any default under this Lease Agreement existing at the time of such sale or conveyance and assignment to the extent that any such default continues and remains uncured after such sale and assignment. The provisions of the Lease Agreement will continue in full force and effect upon such assignment by Lessee.

19. NON-WAIVER. The failure of the Lessor or Lessee to insist upon strict performance of any of the covenants and agreements of this Lease Agreement or to exercise any option contained in this Lease Agreement shall not be construed as a waiver or relinquishment of any such covenant or agreement, but the same shall be and will remain in full force and effect unless such waiver is evidenced by the prior written consent of authorized representatives of the Lessor and Lessee.

20. MODIFICATION. This Lease Agreement may be modified only by mutually executed written amendment, signed by authorized representatives of Lessor and Lessee. **Anything else contained herein notwithstanding, modifications to this Lease Agreement shall be of no force and effect until approved in writing by the Department of Administration, Division of Public Works, State Leasing Program.**

21. NON-SMOKING BUILDINGS. All State-owned or State-leased buildings, facilities or area occupied by State employees shall be designated as “non-smoking” except for custodial care and full-time residential facilities. The policy governing custodial care and full-time residential facilities may be determined by the directors of such facilities.

22. UTILITY INFORMATION. State agencies are encouraged to implement strategies to reduce greenhouse gases. Lessor agrees to provide Lessee with ongoing permission to access the utility information of the Buildings to determine the amount of electricity consumed within the Premises. If Lessee is not able to access this information directly from the utility companies, Lessor agrees to furnish said information to Lessee on a calendar year basis if requested.

23. MATERIAL REPRESENTATIONS. The Parties agree and acknowledge that the representations and acknowledgments made in this Lease Agreement are material and the Parties have relied upon them in entering this Lease Agreement. Without limiting the foregoing, Lessee acknowledges and agrees that the Premises and the leasehold interest created herein is provided in its as-is, where-is condition, with no representations or warranties of any kind, including, without limitation, warranties of habitability or fitness for any particular purpose.

24. SEVERABILITY. If any term or provision of this Lease Agreement is held by the courts to be illegal or in conflict with any existing law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the Parties shall be continued and enforced as if the invalid term or provision were not contained in this Lease Agreement.

25. LESSOR'S RIGHT TO LEASE. Lessor warrants that it is lawfully possessed of the Premises and has good, right and lawful authority to enter into this Lease Agreement and that Lessor shall put Lessee into actual possession of the Premises at the commencement of the Term of this Lease Agreement and shall ensure to Lessee the sole, peaceable, and uninterrupted use and occupancy of the Premises during the full Term of this Lease Agreement and any extension.

26. MORTGAGES BY LESSOR. Lessee recognizes that Lessor may encumber the Premises by a mortgage(s) or other instrument securing Lessor's obligations to a lender. In such event, the following provisions apply as to the holder of any such mortgage or security instrument and to any person or entity acquiring an interest in the Premises through such mortgage or security interest:

- A. In the event of a foreclosure or acquisition by the holder of such mortgage or security instrument (or by a third party at a foreclosure sale), this Lease Agreement shall continue in full force and effect and the holder or other acquiring party shall be entitled to the benefits of the Lessee's performance under this Lease Agreement and shall have such remedies as are available to the Lessor under this Lease Agreement with respect to any default by the Lessee then existing or thereafter occurring.
- B. Upon written notification to Lessee of a completed foreclosure or other acquisition by the holder or third-party purchaser at a foreclosure sale, Lessee will attorn to the acquiring party and shall thereafter perform.
- C. In the event of a foreclosure or acquisition by the holder of such mortgage or other security instrument (or by a third party purchaser at a foreclosure sale), claims by Lessee against the Lessor arising prior to acquisition by the holder or third party purchaser shall not apply to such holder or third party purchaser; provided, however, that this shall not act as a waiver of any rights of Lessee by reason of default under this Lease Agreement existing at the time of such foreclosure sale or other acquisition or thereafter arising, to the extent that such default is not cured under the provisions of this Lease Agreement.

27. COUNTERPARTS/ELECTRONIC SIGNATURES. This Lease Agreement may be executed in exact counterparts and when so executed by the Parties shall be effective in accordance with the terms hereof. This Lease Agreement may be executed and delivered by electronic means and thereupon the Lease Agreement shall be treated in each case and in all manner and respects and for all purposes as an original and shall be considered to have the same binding legal effect as if it were an original manually signed counterpart thereof delivered in person.

28. COMPLETE STATEMENT OF TERMS. No other understanding, whether oral or written, whether made prior to or contemporaneously with this Lease Agreement, shall be deemed to enlarge, limit or otherwise affect the operation of this Lease Agreement.

29. STATUTORY PARAMETERS. Pursuant to Idaho Code §§ 67-2346 and 67-2359, the Lessor certifies: (1) it is not currently engaged in, and will not for the duration of the Lease Agreement engage in, a boycott of goods or services from Israel or territories under its control; (2) it is not currently owned or operated by the government of China and will not for the duration of the Lease Agreement be owned or operated by the government of China; and (3) it will not assign or seek to assign the Lease Agreement or License to a person who operates in violation of either statute.

[Signature Page Follows]

LESSEE: Error! Reference source not found.

Name: _____

Its: _____

STATE OF IDAHO)
) ss.
County of Ada)

This instrument was signed or acknowledged before me by _____.

DATED: _____, 2024.

Print Name: _____

Notary Public in and for the State of Idaho

APPROVED BY:

Richard Brien, State Leasing Manager
State Leasing Program, Division of Public Works,
Department of Administration

Date

EXHIBIT "A" TO THE LEASE AGREEMENT

LEGAL DESCRIPTION

*Subject to written amendment in accordance with Section 2.1.a.(1) of the PSA.



First American

Commitment for Title Insurance
Idaho - 2021 v. 01.00 (07-01-2021)

EXHIBIT A

The Land referred to herein below is situated in the County of Ada, State of Idaho, and is described as follows:

A parcel of land, being situated in the NW¼ of Section 4, Township 3 North, Range 2 East; the SE¼ of Section 32, and the SW¼ of Section 33, Township 4 North, Range 2 East, Boise Meridian, and being part of the HUBBELL HOME ADDITION (Vacated); CLITHERO SUBDIVISION and THE EASTMAN TRACT as shown on the plats on file in the office of the Recorder, ADA COUNTY, Idaho, more particularly as follows:

Commencing at the brass cap monument marking the southeasterly corner of said SE¼ of Section 32;

thence N 42°18'03" W along the southwesterly boundary of said CLITHERO SUBDIVISION a distance of 344.30 feet (of record as N 42°22' W a distance of 345.50 feet) to a 5/8 inch diameter iron pin;

thence leaving said southwesterly boundary N 15°25'14" E along the northwesterly boundary of said CLITHERO SUBDIVISION a distance of 230.07 feet to a ½ inch diameter iron pin;

thence leaving said northwesterly boundary S 89°48'13" E a distance of 246.32 feet to a 5/8 inch diameter iron pin on the centerline of Clithero Street;

thence S 0°11'47" W along said centerline a distance of 24.43 feet (of record as southerly a distance of 25 feet) to a 5/8 inch diameter iron pin;

thence leaving said centerline S 89°48'13" E a distance of 145.36 feet to a 5/8 inch diameter iron pin on the easterly boundary of said CLITHERO SUBDIVISION;

thence N 0°11'47" E along said easterly boundary a distance of 200.04 feet to a ½ inch diameter iron pin;

thence leaving said easterly boundary S 89°21'28" E a distance of 189.79 feet to a 5/8 inch diameter iron pin;

thence N 30°19'56" E a distance of 48.39 feet to a 5/8 inch diameter iron pin;

thence N 0°35'56" E a distance of 42.00 feet to a 5/8 inch diameter iron pin;

thence N 44°24'04" W a distance of 62.23 feet to a 5/8 inch diameter iron pin on the easterly right-of-way of Vine Street;

thence N 0°35'56" E a distance of 185.89 feet to a 5/8 inch diameter iron pin;

thence S 89°16'37" E a distance of 134.13 feet (of record as 134 feet) to a 5/8 inch diameter iron pin on

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the easterly boundary of said THE EASTMAN TRACT;

thence N 0°35'56" E along last said easterly boundary a distance of 363.60 feet (of record as N 0°16' E a distance of 361.90 feet) to a 1/2 diameter iron pin on the southwesterly right-of-way of State Street;

thence S 46°41'18" E along said southwesterly right-of-way a distance of 1431.52 feet (of record as S 47°20' E a distance of 1429 feet) to a 5/8 inch diameter iron pin on the northwesterly right-of-way of Rose Street;

thence leaving said southwesterly right-of-way S 43°20'34" W along said northwesterly right-of-way a distance of 123.02 feet (of record as 123 feet) to a 5/8 inch diameter iron pin on the northeasterly right-of-way of the alley in Block 4 of said HUBBELL HOME ADDITION (Vacated);

thence leaving last said northwesterly right-of-way N 46°40'54" W along last said northeasterly right-of-way a distance of 242.00 feet to a 5/8 inch diameter iron pin;

thence leaving last said northeasterly right-of-way S 43°20'34" W a distance of 12.00 feet to a 5/8 inch diameter iron pin on the southwesterly right-of-way of the alley in said Block 4;

thence S 46°40'54" E along last southwesterly right-of-way a distance of 242.00 feet to a 5/8 inch diameter iron pin on the northwesterly right-of-way of said Rose Street;

thence S 43°20'34" W along last said northwesterly right-of-way a distance of 444.43 feet (of record as 445 feet) to a 5/8 inch diameter iron pin on the northeasterly right-of-way of Jordan Street (formerly known as Sherman Street) as shown on said plat of HUBBELL HOME ADDITION (Vacated);

thence leaving last said northwesterly right-of-way N 46°31'25" W along last said northeasterly right-of-way a distance of 127.00 feet to a 5/8 inch diameter iron pin;

thence leaving last said northeasterly right-of-way S 43°20'34" W a distance of 60.00 feet to a 5/8 inch diameter iron pin on the southwesterly boundary of said Jordan Street;

thence S 46°31'25" E along last said southwesterly boundary a distance of 127.00 feet to a 5/8 inch diameter iron pin on the northwesterly right-of-way of said Rose Street;

thence leaving last said southwesterly right-of-way S 43°20'34" W along last said northwesterly right-of-way a distance of 685.40 feet (of record as 685.35 feet) to a 5/8 inch diameter iron pin on the northeasterly right-of-way of Resseguie Street as shown on said plat of HUBBELL HOME ADDITION (Vacated);

thence leaving last said northwesterly right-of-way N 40°57'33" W along last said northeasterly right-of-way a distance of 32.29 feet to a 5/8 inch diameter iron pin;

thence leaving last said northeasterly right-of-way S 43°20'34" W a distance of 40.20 feet to a 5/8 inch diameter iron pin on the southwesterly right-of-way of said Resseguie Street;

This page is only a part of a 2021 ALTA Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Motion; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; and Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

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Form 50123416 (5-18-22)

Page 10 of 16



thence S 40°57'33" E along last said southwesterly right-of-way a distance of 62.44 feet (of record as SOUTHERLY a distance of 61.29 feet) to a 5/8 inch diameter iron pin on the centerline of said Rose Street;

thence leaving last said southwesterly right-of-way S 43°20'34" W along last said centerline a distance of 100.50 feet (of record as 101.27 feet) to a 5/8 inch diameter iron pin;

thence leaving last said centerline S 40°57'33" E a distance of 101.06 feet to a 5/8 inch diameter iron pin on the southeasterly boundary of said HUBBELL HOME ADDITION (Vacated);

thence S 54°05'29" W along last said southeasterly boundary a distance of 150.66 feet (of record as 150.6 feet) to a 5/8 inch diameter iron pin;

thence continuing along last said southeasterly boundary S 53°06'47" W a distance of 69.83 feet (of record as S 52°58'49" W a distance of 68.18 feet) to a brass cap monument;

thence leaving last said southeasterly boundary N 84°08'32" W a distance of 70.41 feet (of record as N 84°29'11" W a distance of 70.38 feet) to a brass cap monument;

thence N 77°59'21" W a distance of 80.86 feet (of record as N 78°18'11" W a distance of 80.85 feet) to a brass cap monument;

thence N 70°34'40" W a distance of 72.71 feet (of record as N 70°48'11" W a distance of 72.76 feet) to a brass cap monument;

thence N 81°00'44" W a distance of 78.74 feet (of record as N 81°11'11" W a distance of 78.79 feet) to a brass cap monument;

thence N 61°45'03" W a distance of 62.99 feet (of record as N 61°44'11" W a distance of 62.82 feet) to a brass cap monument;

thence N 44°33'11" W a distance of 180.00 feet (of record as N 44°49'11" W a distance of 186.46 feet) to a 5/8 inch diameter iron pin on the westerly boundary of said NW¼ of Section 4;

thence N 0°03'07" E a distance of 734.02 feet (of record as N 0°47' E a distance of 733 feet and N 0°02'49" E a distance of 728.60 feet) to the POINT OF BEGINNING.

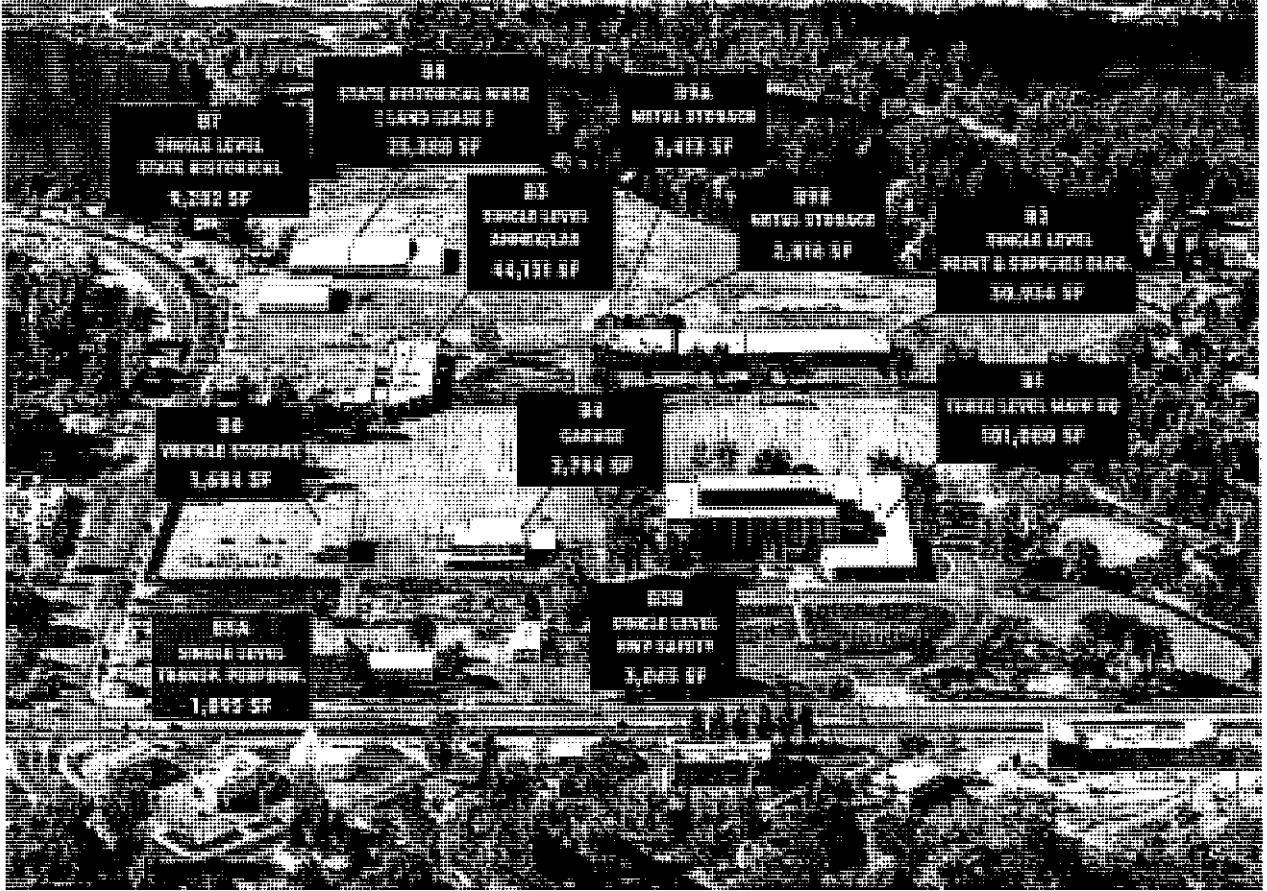
EXCEPTING THEREFROM that portion conveyed to Ada County Highway District by Warranty Deed recorded April 25, 2013 as Instrument No. 113044740, Records of Ada County, Idaho.

APN: R3786000159

This page is only a part of a 2021 ALTA Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; and Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

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Form 50123416 (5-18-22)

EXHIBIT B" TO THE LEASE AGREEMENT
THE PREMISES



AGENCY CHECKLIST

CHECKLIST: You should make sure you receive the following items from your Lessor. Provide DPW a copy of the Lessor's Information Sheet, the Certificate of Occupancy (if applicable) and the Inspection/Acceptance of Premises (if applicable).
<input checked="" type="checkbox"/> W-9 (Required prior to processing invoices)
<input checked="" type="checkbox"/> Rent invoices (typically required for all rent payments)
<input checked="" type="checkbox"/> Copy of Lessor's insurance policy (The lease requires Lessor provide a copy of the policy before the Lease starts. The agency should make sure these policies and all subsequent renewals are in effect. The <u>minimum</u> amount of insurance information you should monitor is noted below.)
<input checked="" type="checkbox"/> Copy of Lessor's Information Sheet. Please provide a copy to DPW.
<input checked="" type="checkbox"/> Copy of Certificate of Occupancy (if occupying this particular space for the first time). Please provide a copy to DPW.
<input checked="" type="checkbox"/> Copy of Inspection/Acceptance of Premises (if occupying this particular space for the first time). Please use the attached or an equivalent, signed by both agency & Lessor. Please provide a copy to DPW.
NOTICES
<ul style="list-style-type: none"> • If you have any questions about the rental amount, please contact DPW. • A copy of any legal notice should also be sent to: Division of Public Works, PO Box 83720, Boise, ID 83720-0072, Phone (208)332-1929, Fax (208)334-4031
ADDITIONAL INFORMATION: Our state web site may provide you with additional information. It can be found at http://leasing.idaho.gov/

INSURANCE CHECKLIST - LESSOR COVERAGE FOR LEASED FACILITIES									IF PREPAY RENT, MUST VERIFY
CITY OF LEASED FACILITY	ADDRESS OF LEASED FACILITY	LEASE BEGIN	LEASE END	LESSOR NAME	LESSOR MAILING ADDRESS	DATE REQUEST SENT TO LESSOR	DATE RECEIVED	INSUR EXP DATE	Lessor Carries Business Income Coverage (Loss of Rents)



State of Idaho – State Leasing Program

Department of Administration, Division of Public Works

"We serve Idaho by promoting responsible government through expert customer support."

**BRAD
LITTLE**
Governor

STEVE BAILEY
Director

PAT DONALDSON
Administrator

Routing Slip

Date:	March 15, 2024
Re:	Idaho Division of Public Works
Error! Reference source not found., Error! Reference source not found.	

TO:	_____ Street Address City, ST ZIP
FROM:	Division of Public Works Richard Brien, State Leasing Manager 208-332-1929
CC:	Idaho Transportation Department Attn: David Tolman Building 8 11331 W. Chinden Blvb. Boise, ID 83714

Please remember when signing three (3) **originals** are needed. The State Leasing Program has been working to obtain a State approved electronic signature platform, but until one is implemented, the official lease documents still require the notary at time of signature and original wet signature documents for the files.

<p>Step 1 LESSOR ACTION</p> <p><input checked="" type="checkbox"/> Please have all copies of the Lease Agreement signed and notarized.</p> <p><input type="checkbox"/> Please attach <input type="checkbox"/> floor plan <input type="checkbox"/> Lessee improvement specifications to Lease as Exhibit A</p> <p><input checked="" type="checkbox"/> Send this Routing slip and <u>ALL</u> 3 copies to David Tolman, ITD. A mailing label has been provided for your convenience.</p>
<p>Step 2 AGENCY ACTION</p> <p><input checked="" type="checkbox"/> Please have the Lease Amendment signed and notarized.</p> <p><input checked="" type="checkbox"/> Return ALL copies to Division of Public Works, Attn: State Leasing Manager, PO Box 83720, Boise, ID 83720-0072</p> <p><input type="checkbox"/> If you are relocating, please provide your current Lessor with ample notice!</p>
<p>Step 3 DPW ACTION</p> <p><input checked="" type="checkbox"/> Return one copy to Lessor with Lessor Information Sheet</p> <p><input checked="" type="checkbox"/> Return one copy to Agency.</p> <p><input checked="" type="checkbox"/> Follow up on Lease Information Sheet</p> <p><input checked="" type="checkbox"/> PBFAC Letter</p> <p><input checked="" type="checkbox"/> Lease Purchase Analysis Ration</p> <p><input checked="" type="checkbox"/> Lease List/Database</p> <p><input checked="" type="checkbox"/> Inspection Acceptance of Premises (ATTACHED)</p>

After execution of the Lease Agreement by all Parties, the Lessor, Lessee & State Leasing Program will each have an executed copy of the Lease Agreement.

EXHIBIT D

STATE OF IDAHO DEED

THIS STATE DEED ("Deed") is made this ____ day of _____, 2023, by and between the STATE OF IDAHO, DEPARTMENT OF ADMINISTRATION, as the statutory agent for the STATE OF IDAHO, TRANSPORTATION DEPARTMENT (aka IDAHO DEPARTMENT OF TRANSPORTATION), whose mailing address is P.O. Box 7129, Boise, Idaho 83709-1129 (hereinafter collectively referred to as "Grantor"), and _____, whose mailing address is _____ (hereinafter referred to as "Grantee").

WITNESSETH: That Grantor, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby convey, release and quitclaim unto Grantee all of Grantor's right, title and interest in and to the following described real property (the "Property") situated in Ada County, State of Idaho, to-wit:

[See Exhibit "A", attached hereto].

SUBJECT TO all matters, whether or not of record.

TOGETHER WITH the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining.

RESERVING THEREFROM:

1. A right of way for ditches constructed by authority of the United States as identified in Idaho Code § 58-604.
2. All mineral rights.

THE PROPERTY IS CONVEYED "AS IS", with no representation or warranty of any kind as to the fitness of the Property for any particular purpose.

TO HAVE AND TO HOLD, all and singular, the Property unto the said Grantee and its successors and assigns forever.

[remainder of page intentional left blank]

EXHIBIT D

STATE OF IDAHO DEED

THIS STATE DEED ("Deed") is made this ____ day of _____, 2023, by and between the STATE OF IDAHO, DEPARTMENT OF ADMINISTRATION, as the statutory agent for the STATE OF IDAHO, TRANSPORTATION DEPARTMENT (aka IDAHO DEPARTMENT OF TRANSPORTATION), whose mailing address is P.O. Box 7129, Boise, Idaho 83709-1129 (hereinafter collectively referred to as "Grantor"), and _____, whose mailing address is _____ (hereinafter referred to as "Grantee").

WITNESSETH: That Grantor, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby convey, release and quitclaim unto Grantee all of Grantor's right, title and interest in and to the following described real property (the "Property") situated in Ada County, State of Idaho, to-wit:

[See Exhibit "A", attached hereto].

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[remainder of page intentionall left blank]

Agency Disclosure Brochure

A Consumer Guide to Understanding Agency Relationships in Real Estate Transactions



Duties owed to Idaho consumers by a real estate brokerage and its licensees are defined in the "Idaho Real Estate Brokerage Representation Act." Idaho Code 54-2082 through 54-2097.

This informational brochure is published by the Idaho Division of Occupational and Professional Licenses – Real Estate Commission.



Effective July 1, 2021

"Agency" is a term used in Idaho law that describes the relationships between a licensee and some parties to a real estate transaction.

Right Now You Are a Customer

Idaho law says a real estate brokerage and its licensees owe the following "Customer" duties to all consumers in real estate transactions:

- Perform necessary and customary acts to assist you in the purchase or sale of real estate;
- Perform these acts with honesty, good faith, reasonable skill and care;
- Properly account for money or property you place in the care and responsibility of the brokerage; and
- Disclose "adverse material facts" which the licensee knows or reasonably should have known. These are facts that would significantly affect the desirability or value of the property to a reasonable person, or facts establishing a reasonable belief that one of the parties cannot, or does not intend to, complete obligations under the contract.

If you are a Customer, a real estate licensee is not required to promote your best interests or keep your bargaining information confidential. If you use the services of a licensee and brokerage without a written Representation (Agency) Agreement, you will remain a Customer throughout the transaction.

A Compensation Agreement is a written contract that requires you to pay a fee for a specific service provided by a brokerage, and it is not the same as a Representation Agreement. If you sign a Compensation Agreement, you are still a Customer, but the brokerage and its licensees owe one additional duty:

- Be available to receive and present written offers and counter-offers to you or from you.

You May Become a Client

If you want a licensee and brokerage to promote your best interests in a transaction, you can become a "Client" by signing a Buyer or Seller Representation (Agency) Agreement. A brokerage and its licensees will owe you the following Client duties, which are greater than the duties owed to a Customer:

- Perform the terms of the written agreement;
- Exercise reasonable skill and care;
- Promote your best interests in good faith, honesty, and fair dealing;
- Maintain the confidentiality of your information, including bargaining information, even after the representation has ended;
- Properly account for money or property you place in the care and responsibility of the brokerage;
- Find a property for you or a buyer for your property, and assist you in negotiating an acceptable price and other terms and conditions for the transaction;
- Disclose all "adverse material facts" which the licensee knows or reasonably should have known, as defined above; and
- Be available to receive and present written offers and counter-offers to you or from you.

The above Customer or Client duties are required by law, and a licensee cannot agree with you to modify or eliminate any of them.

If you have any questions about the information in this brochure, contact:
Idaho Division of Occupational and Professional Licenses – Real Estate Commission
(208) 334-3285
rec.idaho.gov

COMMERCIAL REAL ESTATE PURCHASE AND SALE AGREEMENT

_____/_____
buyer initial(s)

*BH*_____/_____
buyer initial(s)

*a*_____/_____
buyer initial(s)

_____/_____
seller initial(s)

Agency Representation (Single Agency)

Under "Agency Representation" (sometimes referred to as "Single Agency"), you are a Client and the licensee is your

Agent who represents you, and only you, in your real estate transaction. The entire brokerage is obligated to promote your best interests. No licensee in the brokerage is allowed to represent the other party to the transaction.

If you are a seller, your Agent will seek a buyer to purchase your property at a price and under terms and conditions acceptable to you, and assist with your negotiations. If you request it in writing, your Agent will seek reasonable proof of a prospective purchaser's financial ability to complete your transaction.

If you are a buyer, your Agent will seek a property for you to purchase at an acceptable price and terms, and assist with your negotiations. Your Agent will also advise you to consult with appropriate professionals, such as inspectors, attorneys, and tax advisors. If disclosed to all parties in writing, a brokerage may also represent other buyers who wish to make offers on the same property you are interested in purchasing.

Limited Dual Agency

"Limited Dual Agency" means the brokerage and its licensees represent both the buyer and the seller as Clients in the same transaction. The brokerage must have both the buyer's and seller's consent to represent both parties under Limited Dual Agency. You might choose Limited Dual Agency because you want to purchase a property listed by the same brokerage, or because the same brokerage knows of a buyer for your property. There are two kinds of Limited Dual Agency:

Without Assigned Agents The brokerage and its licensees are Agents for both Clients equally and cannot advocate on behalf of one client over the other. None of the licensees at the brokerage can disclose confidential client information about either Client. The brokerage must otherwise promote the non-conflicting interests of both Clients, perform the terms of the Buyer and Seller Representation Agreements with skill and care, and other duties required by law.

With Assigned Agents The Designated Broker may assign individual licensees within the brokerage ("Assigned Agents") to act solely on behalf of each Client. An assigned Agent has a duty to promote the Client's best interests, even if your interests conflict with the interests of the other Client, including negotiating a price. An Assigned Agent must maintain the Client's confidential information. The Designated Broker is always a Limited Dual Agent for both Clients and ensures the Assigned Agents fulfill their duties to their respective clients.

What to Look For in Any Written Agreement with a Brokerage

A Buyer or Seller Representation Agreement or Compensation Agreement should answer these questions:

- When will this agreement expire?
- Can I cancel this agreement, and if so, how?
- Under an Agency Representation Agreement am I willing to allow the brokerage to represent both the other party and me in a real estate transaction?
- What happens to this agreement when a transaction is completed?
- How will the brokerage get paid?
- Can I work with other brokerages during the time of my agreement?
- What happens if I buy or sell on my own?

Real Estate Licensees Are Not Inspectors

Unless you and a licensee agree in writing, a brokerage and its licensees are not required to conduct an independent inspection of a property or verify the accuracy or completeness of any statements or representations made regarding a property. To learn about the condition of a property, you should obtain the advice of an appropriate professional, such as a home inspector, engineer or surveyor.

Audio/Video Surveillance

Use caution when discussing anything while viewing a property; audio or video surveillance equipment could be in use on listed properties.

If you sign a Representation Agreement or Compensation Agreement with a licensee, the contract is actually between you and the licensee's **brokerage**. The Designated Broker is the only person authorized to modify or cancel a brokerage contract.

The licensee who gave you this brochure is licensed with:

Name of Brokerage: TOK Boise LLC dba TOK Commercial Phone: (208) 378-4600

RECEIPT ACKNOWLEDGED

Rev 07/01/21

By signing below, you acknowledge only that a licensee gave you a copy of this Agency Disclosure Brochure. This document is not a contract, and signing it does not obligate you to anything.

Signature _____ Date _____

Signature _____ Date _____

Agency Representation (Single Agency)

Under "Agency Representation" (sometimes referred to as "Single Agency"), you are a Client and the licensee is your

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With Assigned Agents The Designated Broker may assign individual licensees within the brokerage ("Assigned Agents") to act solely on behalf of each Client. An assigned Agent has a duty to promote the Client's best interests, even if your interests conflict with the interests of the other Client, including negotiating a price. An Assigned Agent must maintain the Client's confidential information. The Designated Broker is always a Limited Dual Agent for both Clients and ensures the Assigned Agents fulfill their duties to their respective clients.

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- How will the brokerage get paid?
- What happens if I buy or sell on my own?
- Under an Agency Representation Agreement am I willing to allow the brokerage to represent both the other party and me in a real estate transaction?

Real Estate Licensees Are Not Inspectors

Unless you and a licensee agree in writing, a brokerage and its licensees are not required to conduct an independent inspection of a property or verify the accuracy or completeness of any statements or representations made regarding a property. To learn about the condition of a property, you should obtain the advice of an appropriate professional, such as a home inspector, engineer or surveyor.

Audio/Video Surveillance

Use caution when discussing anything while viewing a property; audio or video surveillance equipment could be in use on listed properties.

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The licensee who gave you this brochure is licensed with:

Name of Brokerage: TOK Boise LLC dba TOK Commercial Phone: (208) 378-4600

RECEIPT ACKNOWLEDGED

Rev 07/01/01

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Signature _____ Date _____
Signature _____ Date _____

EXHIBIT F

House Bill 726 (2024)

LEGISLATURE OF THE STATE OF IDAHO
Sixty-seventh Legislature Second Regular Session - 2024

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 726

BY APPROPRIATIONS COMMITTEE

1 AN ACT
2 RELATING TO THE APPROPRIATION TO THE DEPARTMENT OF ADMINISTRATION; APPRO-
3 PRIATING ADDITIONAL MONEYS TO THE DEPARTMENT OF ADMINISTRATION FOR
4 FISCAL YEAR 2025; REDUCING THE APPROPRIATION TO THE DEPARTMENT OF AD-
5 MINISTRATION FOR FISCAL YEAR 2025; INCREASING THE NUMBER OF AUTHORIZED
6 FULL-TIME EQUIVALENT POSITIONS; PROVIDING FOR THE DISPOSAL OF CER-
7 TAIN PROPERTY; APPROPRIATING AND TRANSFERRING MONEYS FROM THE EMPLOYEE
8 GROUP INSURANCE FUND TO THE ARPA STATE FISCAL RECOVERY FUND; DIRECTING
9 REIMBURSEMENT OF COVID-19 MEDICAL COSTS; PROVIDING FOR PLAN STRUCTURE
10 OF THE GROUP HEALTH INSURANCE PLAN; AND DECLARING AN EMERGENCY AND PRO-
11 VIDING AN EFFECTIVE DATE.

12 Be It Enacted by the Legislature of the State of Idaho:

13 SECTION 1. In addition to any other appropriation provided by law,
14 there is hereby appropriated to the Department of Administration the follow-
15 ing amounts to be expended according to the designated programs and expense
16 classes from the listed funds for the period July 1, 2024, through June 30,
17 2025:

	FOR	FOR	FOR	
	PERSONNEL	OPERATING	CAPITAL	
	COSTS	EXPENDITURES	OUTLAY	TOTAL
21 I. MANAGEMENT SERVICES:				
22 FROM:				
23 General				
24 Fund	\$3,600			\$3,600
25 Permanent Building				
26 Fund	2,100			2,100
27 Administration and Accounting Services				
28 Fund	8,000			8,000
29 Federal Surplus Property Revolving				
30 Fund	400			400
31 Employee Group Insurance				
32 Fund	1,300			1,300
33 Retained Risk				
34 Fund	600			600

	FOR	FOR	FOR	
	PERSONNEL	OPERATING	CAPITAL	
	COSTS	EXPENDITURES	OUTLAY	TOTAL
1				
2				
3				
4	Industrial Special Indemnity			
5	Fund	<u>400</u>		<u>400</u>
6	TOTAL	\$16,400		\$16,400
7	II. PUBLIC WORKS:			
8	FROM:			
9	Permanent Building			
10	Fund	\$307,600	\$22,500	\$330,100
11	Administration and Accounting Services			
12	Fund	<u>49,500</u>	<u>67,000</u>	<u>\$512,200</u>
13	TOTAL	\$357,100	\$89,500	\$958,800
14	III. PURCHASING:			
15	FROM:			
16	Administration and Accounting Services			
17	Fund	\$271,300	\$22,500	\$293,800
18	Federal Surplus Property Revolving			
19	Fund	<u>3,400</u>	<u>0</u>	<u>3,400</u>
20	TOTAL	\$274,700	\$22,500	\$297,200
21	IV. INSURANCE MANAGEMENT:			
22	FROM:			
23	Employee Group Insurance			
24	Fund	\$138,000	\$95,000	\$233,000
25	Retained Risk			
26	Fund	12,500		12,500
27	Industrial Special Indemnity			
28	Fund	<u>2,400</u>	<u>0</u>	<u>2,400</u>
29	TOTAL	\$152,900	\$95,000	\$247,900
30	V. DOCUMENT SERVICES:			
31	FROM:			
32	General			
33	Fund	\$11,700		\$11,700
34	Administration and Accounting Services			
35	Fund	5,900		5,900

1		FOR	FOR	FOR	
2		PERSONNEL	OPERATING	CAPITAL	
3		COSTS	EXPENDITURES	OUTLAY	TOTAL
4	ARPA State Fiscal Recovery				
5	Fund	0		\$1,054,200	1,054,200
6	TOTAL	\$17,600		\$1,054,200	\$1,071,800
7	GRAND TOTAL	\$818,700	\$207,000	\$1,566,400	\$2,592,100

8 SECTION 2. Notwithstanding any other provision of law to the contrary,
 9 the appropriation made to the Department of Administration in the Division
 10 of Public Works is hereby reduced by \$240,000 for operating expenditures
 11 from the Administration and Accounting Services Fund for the period July 1,
 12 2024, through June 30, 2025.

13 SECTION 3. FTP AUTHORIZATION. In addition to any other authorization
 14 provided by law, the full-time equivalent position authorization provided
 15 to the Department of Administration is hereby increased by eight (8.00) for
 16 the period July 1, 2024, through June 30, 2025.

17 SECTION 4. DISPOSAL OF PROPERTY. Notwithstanding any other provision
 18 of law to the contrary, the authority of the Department of Administration
 19 to dispose of the state administrative facility and property at 3311 W State
 20 Street, Boise, Idaho, 83703 is revoked. Notwithstanding any other provi-
 21 sion of law to the contrary, custody and control of the state administrative
 22 facility and property at 3311 W State Street, Boise, Idaho, 83703 shall be
 23 transferred to the Idaho Transportation Board.

24 SECTION 5. CASH TRANSFER. There is hereby appropriated and the Office
 25 of the State Controller shall transfer \$21,054,200 from the Employee Group
 26 Insurance Fund to the ARPA State Fiscal Recovery Fund on July 1, 2024, or as
 27 soon thereafter as practicable.

28 SECTION 6. REIMBURSEMENT OF COVID-19 MEDICAL COSTS. Of any remaining
 29 balance in the Employee Group Insurance Fund previously transferred from the
 30 State Fiscal Recovery Fund as of no later than June 30, 2025, there is hereby
 31 obligated and the Department of Administration in the Insurance Management
 32 Program for fiscal year 2025 shall expend up to \$2,000,000 for the purpose
 33 of reimbursing the GemPlan for medical expenses incurred due to COVID-19 and
 34 up to \$414,000 for the purpose of reimbursing III-A for medical expenses in-
 35 curred due to COVID-19.

36 SECTION 7. PLAN STRUCTURE. The Office of Group Insurance shall maintain
 37 the current health insurance plan structure and benefit package for state
 38 employees. Adherence with the plan structure shall not preclude the Office
 39 of Group Insurance from implementing positive plan changes as identified.

1 SECTION 8. An emergency existing therefor, which emergency is hereby
2 declared to exist, this act shall be in full force and effect on and after
3 July 1, 2024.

EXHIBIT G

House Bill 770 (2024)

LEGISLATURE OF THE STATE OF IDAHO
Sixty-seventh Legislature Second Regular Session - 2024

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 770

BY APPROPRIATIONS COMMITTEE

AN ACT

1 RELATING TO FUNDING OF THE IDAHO TRANSPORTATION DEPARTMENT; APPROPRIATING
2 ADDITIONAL MONEYS TO THE IDAHO TRANSPORTATION DEPARTMENT FOR FISCAL
3 YEAR 2025; REDUCING MONEYS TO THE IDAHO TRANSPORTATION DEPARTMENT FOR
4 FISCAL YEAR 2025; AUTHORIZING ADDITIONAL FULL-TIME EQUIVALENT POSI-
5 TIONS; PROVIDING REAPPROPRIATION AUTHORITY FOR THE CAPITAL FACILITIES
6 PROGRAM; PROVIDING REAPPROPRIATION AUTHORITY FOR AIRPORT DEVELOPMENT
7 GRANTS; PROVIDING REAPPROPRIATION AUTHORITY FOR THE CONTRACT CON-
8 STRUCTION AND RIGHT-OF-WAY ACQUISITION DIVISION; REVOKING AUTHORITY
9 FOR THE SALE OF CERTAIN PROPERTY AND PROVIDING FOR ITS REHABILITATION;
10 PROVIDING FOR THE REHABILITATION OF THE DISTRICT 4 SHOSHONE HEADQUAR-
11 TERS; APPROPRIATING AND TRANSFERRING MONEYS FROM THE GENERAL FUND TO
12 THE STRATEGIC INITIATIVES PROGRAM (DEDICATED) FUND; APPROPRIATING AND
13 TRANSFERRING MONEYS FROM THE GENERAL FUND TO THE STRATEGIC INITIATIVES
14 PROGRAM (LOCAL) FUND; APPROPRIATING AND TRANSFERRING MONEYS FROM THE
15 GENERAL FUND TO THE LOCAL HIGHWAY DISTRIBUTION FUND; PROVIDING DIREC-
16 TION ON THE LOCAL HIGHWAY DISTRIBUTION FUND; PROVIDING FOR AMERICAN
17 RESCUE PLAN STATE AND LOCAL FISCAL RECOVERY FUND PROJECTS; PROVIDING
18 FOR ALLOCATION OF FUNDS FOR SPECIFIC PROJECTS; PROVIDING FOR ACCOUNT-
19 ABILITY REPORTS; AND DECLARING AN EMERGENCY AND PROVIDING EFFECTIVE
20 DATES.
21

22 Be It Enacted by the Legislature of the State of Idaho:

23 SECTION 1. In addition to any other appropriation provided by law,
24 there is hereby appropriated to the Idaho Transportation Department the
25 following amounts to be expended according to the designated programs and
26 expense classes from the listed funds for the period July 1, 2024, through
27 June 30, 2025:

	FOR	FOR	FOR	FOR	
	PERSONNEL	OPERATING	CAPITAL	TRUSTEE AND	
	COSTS	EXPENDITURES	OUTLAY	BENEFIT	TOTAL
				PAYMENTS	
28					
29					
30					
31					
32	I. TRANSPORTATION SERVICES:				
33	A. ADMINISTRATION:				
34	FROM:				
35	State Highway (Dedicated)				
36	Fund	\$224,300	\$618,500	\$1,396,200	\$2,339,000
37	State Highway (Federal)				
38	Fund	<u>7,400</u>	<u>0</u>	<u>0</u>	<u>7,400</u>
39	TOTAL	\$231,700	\$618,500	\$1,396,200	\$2,346,400

	FOR PERSONNEL COSTS	FOR OPERATING EXPENDITURES	FOR CAPITAL OUTLAY	FOR TRUSTEE AND BENEFIT PAYMENTS	TOTAL
1					
2					
3					
4					
5	B. CAPITAL FACILITIES:				
6	FROM:				
7	State Highway (Dedicated)				
8	Fund	\$32,500,000	\$15,500,000		\$48,000,000
9	C. AERONAUTICS:				
10	FROM:				
11	State Aeronautics (Dedicated)				
12	Fund	\$112,500	\$892,700	\$1,737,800	\$2,743,000
13	State Aeronautics (Billing)				
14	Fund	1,900			1,900
15	State Highway (Dedicated)				
16	Fund		21,000		21,000
17	State Aeronautics (Federal)				
18	Fund	<u>1,700</u>	<u>0</u>	<u>0</u>	<u>1,700</u>
19	TOTAL	\$116,100	\$892,700	\$1,738,800	\$2,767,600
20	DIVISION				
21	TOTAL	\$447,800	\$94,011,200	\$18,655,000	\$53,114,000
22	II. MOTOR VEHICLES:				
23	FROM:				
24	State Highway (Dedicated)				
25	Fund	\$201,600	\$52,300	\$1,463,700	\$1,717,600
26	III. HIGHWAY OPERATIONS:				
27	FROM:				
28	State Highway (Dedicated)				
29	Fund	\$5,527,700	\$1,024,700	\$53,058,000	\$5,000
30	State Highway (Local)				
31	Fund	3,800			3,800
32	State Highway (Federal)				
33	Fund	194,500	745,000		939,500
34	Federal COVID-19 Relief				
35	Fund	<u>0</u>	<u>0</u>	<u>5,000,000</u>	<u>5,000,000</u>
36	TOTAL	\$5,726,000	\$1,769,700	\$53,058,000	\$5,005,000

	FOR	FOR	FOR	FOR	TOTAL	
	PERSONNEL	OPERATING	CAPITAL	TRUSTEE AND		
	COSTS	EXPENDITURES	OUTLAY	BENEFIT		
				PAYMENTS		
5	IV. CONTRACT CONSTRUCTION & RIGHT-OF-WAY ACQUISITION:					
6	FROM:					
7	State Highway (Local)					
8	Fund		1,200,300		1,200,300	
9	Transportation Expansion and Congestion Mitigation					
10	Fund		26,918,600		26,918,600	
11	Strategic Initiatives Program					
12	Fund		181,680,000		181,680,000	
13	Strategic Initiatives Program - Local					
14	Fund			200,000,000	200,000,000	
15	State Highway (Federal)					
16	Fund		<u>62,589,100</u>	<u>0</u>	<u>62,589,100</u>	
17	TOTAL		\$272,388,000	\$200,000,000	\$472,388,000	
18	GRAND TOTAL	\$6,275,400	\$35,833,200	\$245,564,700	\$205,005,000	\$592,778,300

19 SECTION 2. Notwithstanding any other provision of law to the contrary,
20 the appropriation made to the Idaho Transportation Department for the Admin-
21 istration Program is hereby reduced by \$48,000 for operating expenditures
22 from the State Highway (Federal) Fund for the period July 1, 2024, through
23 June 30, 2025.

24 SECTION 3. FTP AUTHORIZATION. In addition to any other authorization
25 provided by law, the full-time equivalent position authorization provided
26 to the Idaho Transportation Department is hereby increased by fifty-three
27 (53.00) for the period July 1, 2024, through June 30, 2025.

28 SECTION 4. REAPPROPRIATION AUTHORITY FOR THE CAPITAL FACILITIES PRO-
29 GRAM. There is hereby reappropriated to the Idaho Transportation Department
30 any unexpended and unencumbered balances appropriated to the Idaho Trans-
31 portation Department from the State Aeronautics (Dedicated) Fund and the
32 State Highway (Dedicated) Fund in the Capital Facilities Program for fiscal
33 year 2024, to be used for nonrecurring expenditures in the Capital Facili-
34 ties Program for the period July 1, 2024, through June 30, 2025. The Office
35 of the State Controller shall confirm the reappropriation amount, by fund,
36 expense class, and program, with the Legislative Services Office prior to
37 processing the reappropriation authorized herein.

38 SECTION 5. REAPPROPRIATION AUTHORITY FOR AIRPORT DEVELOPMENT GRANTS.
39 There is hereby reappropriated to the Idaho Transportation Department any

1 unexpended and unencumbered balances appropriated or reappropriated to the
2 Idaho Transportation Department from the State Aeronautics (Dedicated) Fund
3 as trustee and benefit payments for airport development grants for fiscal
4 year 2024, to be used for nonrecurring expenditures for airport development
5 grants for the period July 1, 2024, through June 30, 2025. The Office of the
6 State Controller shall confirm the reappropriation amount, by fund, expense
7 class, and program, with the Legislative Services Office prior to processing
8 the reappropriation authorized herein.

9 SECTION 6. REAPPROPRIATION AUTHORITY FOR THE CONTRACT CONSTRUCTION AND
10 RIGHT-OF-WAY ACQUISITION DIVISION. There is hereby reappropriated to the
11 Idaho Transportation Department any unexpended and unencumbered balances
12 appropriated or reappropriated to the Idaho Transportation Department from
13 the State Highway Fund, the Strategic Initiatives Program Fund, and the
14 Transportation Expansion and Congestion Mitigation Fund for the Contract
15 Construction and Right-of-Way Acquisition Division for fiscal year 2024, in
16 a total amount not to exceed \$250,000,000 from the State Highway Fund, the
17 Strategic Initiatives Program Fund, and/or the Transportation Expansion and
18 Congestion Mitigation Fund, to be used for nonrecurring expenditures for the
19 Contract Construction and Right-of-Way Acquisition Division for the period
20 July 1, 2024, through June 30, 2025. The Office of the State Controller shall
21 confirm the reappropriation amount, by fund, expense class, and program,
22 with the Legislative Services Office prior to processing the reappropriation
23 authorized herein.

24 SECTION 7. STATE STREET PROPERTY. Notwithstanding any provision of
25 law to the contrary, the authority of the Department of Administration to
26 dispose of the state administrative facility and property at 3311 W State
27 Street, Boise, Idaho 83703 is revoked. Notwithstanding any provision of law
28 to the contrary, custody and control of the state administrative facility
29 and property at 3311 W State Street, Boise, Idaho 83703 shall be transferred
30 back to the Idaho Transportation Board. Of the amount appropriated in Section
31 1 of this act, \$32,500,000 shall be used for the purpose of rehabilitating
32 the state administrative facility at 3311 W State Street, Boise, Idaho
33 83703. Funds designated under this section may be used only for the purpose
34 identified in this section. This appropriation is contingent on custody and
35 control of the state administrative facility and property at 3311 W State
36 Street, Boise, Idaho 83703 returning to the Idaho Transportation Board.

37 SECTION 8. DISTRICT 4 SHOSHONE HEADQUARTERS. Of the \$15,500,000 ap-
38 propriated for deferred maintenance in Section 1 of this act, a minimum of
39 \$1,000,000 shall be used for the rehabilitation of the Shoshone District 4
40 headquarters. The Idaho Department of Transportation shall report progress
41 by December 1, 2024, through a report to the Legislative Services Office
42 Budget and Policy Analysis Division.

43 SECTION 9. CASH TRANSFER. There is hereby appropriated, and the Office
44 of the State Controller shall transfer \$181,680,000 from the General Fund to
45 the Strategic Initiatives Program (Dedicated) Fund as soon as practicable
46 for the period July 1, 2024, through June 30, 2025.

1 SECTION 10. CASH TRANSFER. There is hereby appropriated, and the Office
2 of the State Controller shall transfer \$200,000,000 from the General Fund
3 to the Strategic Initiatives Program (Local) Fund as soon as practicable for
4 the period July 1, 2024, through June 30, 2025.

5 SECTION 11. CASH TRANSFER. There is hereby appropriated, and the Office
6 of the State Controller shall transfer \$121,120,000 from the General Fund
7 to the Local Highway Distribution Fund as soon as practicable for the period
8 July 1, 2024, through June 30, 2025.

9 SECTION 12. LOCAL HIGHWAY DISTRIBUTION FUND. The amount appropriated
10 in Section 11 of this act shall be distributed in full with the first distri-
11 bution from the Highway Distribution Account.

12 SECTION 13. AMERICAN RESCUE PLAN STATE AND LOCAL FISCAL RECOVERY FUND
13 PROJECTS. The Legislature declares as obligated up to thirty percent of the
14 American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Fund (SLFRF)
15 for eligible surface transportation projects and cost overruns on eligible
16 projects. No later than December 31, 2024, the Division of Financial Man-
17 agement and the State Controller shall identify any balances that will be un-
18 spent by December 31, 2026, and shall transfer up to \$10,000,000 to the Lo-
19 cal Highway Technical Assistance Council (LHTAC) to be used for pedestrian
20 safety projects. Projects shall be identified by LHTAC and expensed consis-
21 tent with United States Treasury regulations. LHTAC shall provide a report
22 on the use of these funds to the Joint Finance-Appropriations Committee and
23 the Legislative Services Office Budget and Policy Analysis Division no later
24 than January 24, 2025. The Division of Financial Management shall identify
25 any remaining ARPA SLFRF balances beyond this \$10,000,000 that will be un-
26 spent by December 31, 2026, and request appropriation for eligible surface
27 transportation projects during the 2025 legislative session.

28 SECTION 14. ALLOCATION OF FUNDS FOR SPECIFIC PROJECTS. Notwithstanding
29 any law to the contrary, and of the moneys appropriated in Section 11 of this
30 act, and of the moneys distributed pursuant to section 40-709, Idaho Code,
31 to any single countywide highway district formed pursuant to chapter 14, ti-
32 tle 40, Idaho Code, at least \$7,000,000 shall be used to complete the design
33 and construction of the Ustick Road widening project west of state highway 16
34 from Owyhee Storm Avenue to Can-Ada Road.

35 SECTION 15. ACCOUNTABILITY REPORTS. Funds specifically identified in
36 statute or in an appropriation act as intended for a certain purpose may be
37 used only for that purpose. All funds provided in this act shall be subject
38 to accountability reports and management reviews in accordance with Section
39 67-702, Idaho Code.

40 SECTION 16. An emergency existing therefor, which emergency is hereby
41 declared to exist, Section 7 of this act shall be in full force and effect on
42 and after its passage and approval, and Sections 1 through 6 and 8 through 15
43 of this act shall be in full force and effect on and after July 1, 2024.

EXHIBIT H

Governor's April 10, 2024 Letter



BRAD LITTLE
GOVERNOR

April 10, 2024

The Honorable Mike Moyle
Speaker of the House
Idaho House of Representatives
Hand Delivered

Dear Mr. Speaker,

I hereby advise you that I have transmitted to the Office of the Secretary of State, without my signature, the following House bills, to wit:

HOUSE BILL 770
HOUSE BILL 726

within the time prescribed by law, the same having arrived in the Office of the Governor at the hour of 12:15 p.m. on April 4, 2024.

We are the fastest growing state in the nation. We must keep up with the demands for expanded transportation systems in order for our continued economic prosperity and the safety of our citizens. I am pleased the Legislature has been such a strong partner in championing investments in transportation infrastructure without raising taxes and fees. Idaho has been recognized for the significant improvements we have made to our transportation system over the past few years.

However, I did not sign these bills because the intent language unwinds statutory policy language about how the state handles surplus properties and it increases overhead for office space needs around the state. In addition, it unfairly cancels an agreed upon sales process, causing future reputational risk for the State of Idaho.

Sincerely,

A handwritten signature in blue ink, appearing to read "Brad Little".

Brad Little
Governor of Idaho