

CAPITOL & FRONT GARAGE



PRIVILEGED & CONFIDENTIAL

January 27, 2018 (revised – previously January 4, 2018)

Capital City Development Corporation
Mary Watson, Agency Legal Counsel
121 N. 9th Street, Suite 501
Boise, ID 83702

SUBJECT: Market Value Appraisal
Capitol & Front Street Parking Garage
245 S Capitol Boulevard
Boise, Ada County, Idaho 83702

Dear Ms. Watson:

Parking Property Advisors (“PPA”) d/b/a as Anglyn Property Advisors (“APA”) is pleased to submit the accompanying appraisal of the referenced property. The purpose of the appraisal is to develop an opinion of the as is market value of the leased fee interest in the property. The client for the assignment is Capital City Development Corporation (“CCDC”), and its successors and/or assigns. The intended use is for internal decision making purposes.

The Capitol & Front Street Garage is a 207-space, single-level subterranean urban parking structure built in 1997 and is a “condominium unit” within a 1.91 acre site in downtown Boise. In addition to the subject, also situated on the site are the 250 room Grove Hotel, twenty high-end residential condominium units and CenturyLink Arena. The overall site is in the heart of the Boise CBD.

This location is at one quadrant of the Grove Plaza, a plaza that is overlooked by The Grove Hotel, U. S. Bank Plaza (a 19-story high-rise office), and Boise Center (Boise’s largest convention center). The plaza also joins City Center Plaza, comprised of two mid-rise buildings containing nearly 300,000 square feet of office, classrooms, convention center and retail space. The overall location is at a prominent Boise intersection at the corner of Front Street and Capitol Boulevard.

The 207 spaces within the garage are comprised of 133 single unit spaces and 74 tandem spaces. There are seven handicapped spaces. Twenty-one spaces are exclusively reserved to Boulevard 255 Condominiums. The remainder of the garage is used by The Grove Hotel guests (self-park and valet), monthly pass and hourly workers. The garage is operated by The Car Park under a contract that includes management of other CCDC parking garages.

The parking market in Boise is extremely strong exhibiting both high occupancies and significant rate increases over the past five years. In particular, the key Boise market observations for the subject parking facility and the market are summarized as follows:

Strengths:

1. The parking market is strong with many garages experiencing significant waiting lists.
2. Per PPA's market study, median monthly parking rates have increased 50% from 2012 to 2017 and are anticipated to increase significantly in 2018.
3. The hotel market, after experiencing essentially no growth from 2007 to 2015, has seen significant recent growth. This growth is continuing with the planned 2018 addition of the Hilton Garden Inn.
4. A recent (December 2017) auction of three small surface parking lots garnered significant investor interest.

Challenges:

1. The subject garage comprises 74 unattended tandem parking spaces. While the market appears to accept tandem parking, operational issues are often associated with unattended tandem spaces.
2. The subject is largely operated for the benefit of The Grove Hotel. Reportedly the garage is often closed for the use of the hotel, reducing parking revenue.
3. The subject garage is subterranean and is located off of a one way street. Prevailing traffic patterns bring less traffic directly by the subject garage entry on Capitol Boulevard than along Front Street.

The value conclusions in the attached report are expressly subject to the general assumptions and limiting conditions described in detail in the report, that are generally applicable to all or most real property appraisal assignments. In addition, the value conclusions are expressly subject to several Extraordinary Assumptions, as defined by USPAP, that apply specifically to this assignment. These Extraordinary Assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the property, conditions external to the property such as market conditions or trends, or the integrity and reliability of data employed in our analysis. These Extraordinary Assumptions are described in detail in the Extraordinary Assumptions section of the report.

This letter of transmittal is intended to convey only the final value conclusions, and should not be detached or relied upon without the accompanying internal appraisal report, which contains a sufficient description of the appraised property and its physical and market environment, and the market data and analyses used to support the value conclusions. These value conclusions cannot be properly understood without reference to the appraisal report attached hereto. The appraisal assignment was not made on the basis of a requested minimum valuation or specific valuation requirement.



Based on the enclosed data and analysis, it is PPA's opinion that the as is market value of the Capitol and Front Parking facility as of the December 8, 2017 effective date of value, is estimated to be:

THREE MILLION EIGHT HUNDRED FIFTY THOUSAND DOLLARS

\$3,850,000

Cordially,

A handwritten signature in cursive script that reads "Ted Anglyn".

Ted Anglyn, MAI, CRE, CCIM
President, Parking Property Advisors, LLC
FL RZ 3055 expires 11/30/2018
ID TCGA-4616 expires 05/24/2018



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Summary of Salient Facts and Conclusions

Property Name	Capitol and Front Parking Facility
Address	245 S Capitol Boulevard Boise, Ada County, Idaho
Property Type	Parking Garage
Property Rights Appraised	Leased Fee
Owner of Record	CCDC
Tax ID	R0998100500

Land Area	0
Improvements	
Number of Buildings	1 (part of condominium)
Number of Stories	1
Gross Building Area	64,993 sf
Number of Parking Spaces	207 (133 single spaces and 74 tandem)
Year Built	1997
Condition	Good

Zoning Designation	C-5DDC, Central Business – Design Review, Downtown, Capitol Boulevard District
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Highest and Best Use – As if Vacant	Mixed Use
Highest and Best Use – As Improved	Continued parking garage use
Exposure Time; Marketing Period	Less than six months
Date of Report	January 27, 2018 (as revised)

Market Value Indications	
Cost Approach	N/A
Sales Comparison Approach	\$3,800,000
Income Capitalization Approach	\$3,850,000

Market Value Conclusion	\$3,850,000
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Extraordinary Assumptions and Hypothetical Conditions

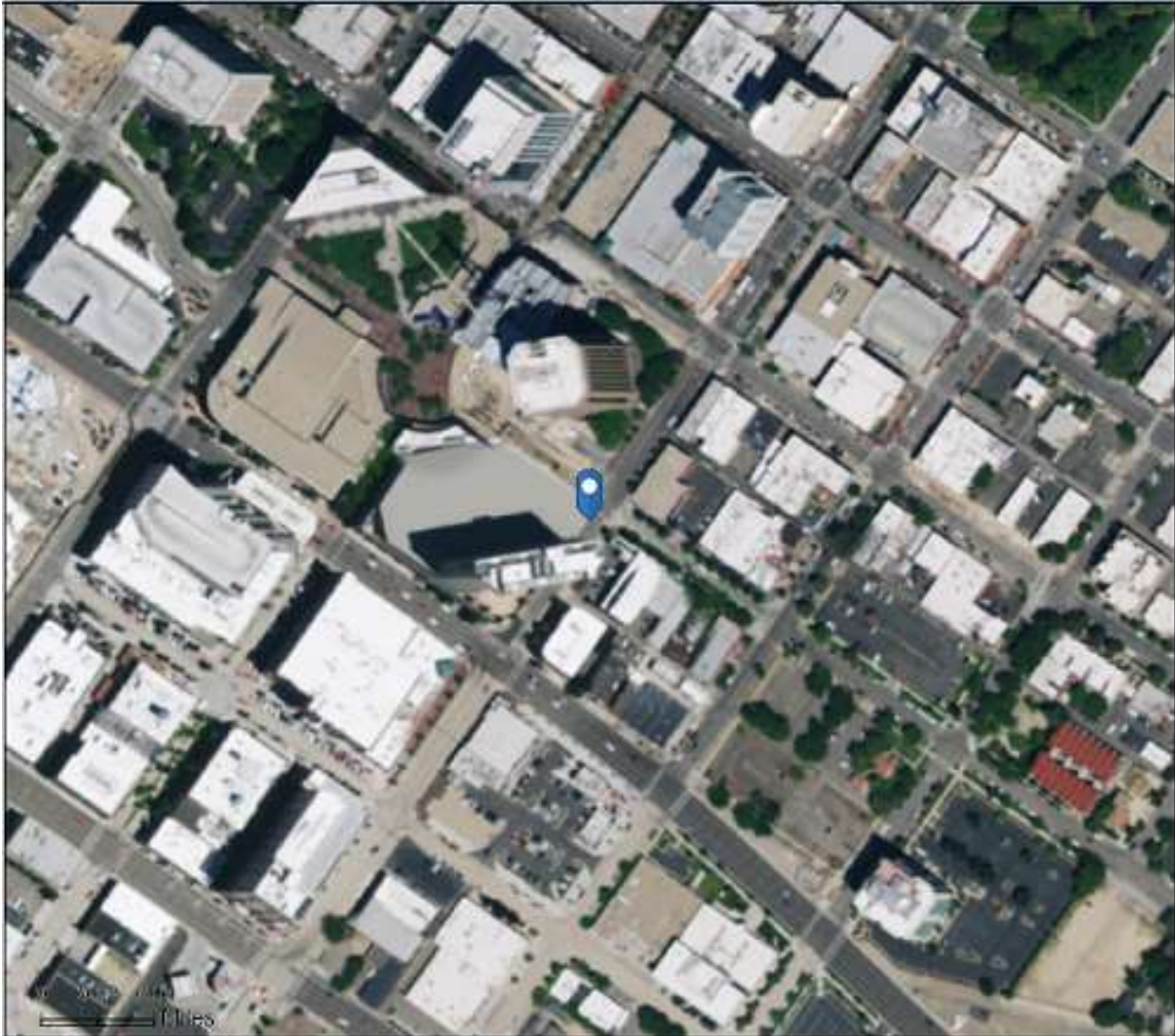
The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results. An extraordinary assumption is uncertain information accepted as fact. If the assumption is found to be false as of the effective date of the appraisal, we reserve the right to modify our value conclusions.

1. PPA is not expert in analyzing the structural integrity of the subject property. This analysis assumes that the improvements are structurally sound and that no deferred maintenance or significant capital expenditures are required at the current time. Per review of the Capital Improvement history and budget, no significant expenditures are planned. PPA reserves the right to amend the findings of this report if this information is found to be inaccurate and/or if more accurate and/or reliable information becomes available.
2. CCDC will increase parking rates on February 1, 2018 as currently planned.
3. The building and sizes were based on the previous 2015 appraisal provided to PPA.
4. The Block 22 lease is assumed to cover 21 defined parking spaces.
5. The Grove Hotel has rights to the use of both valet and self-parking stalls; however, there is no set agreement on specific parking space use.

The value conclusions are based on the following hypothetical conditions that may affect the assignment results. A hypothetical condition is a condition contrary to known fact on the effective date of the appraisal but is support for the purpose of analysis.

1. None.
-

Aerial Photograph



Subject Property Photographs



Subject entry off of Capitol Blvd



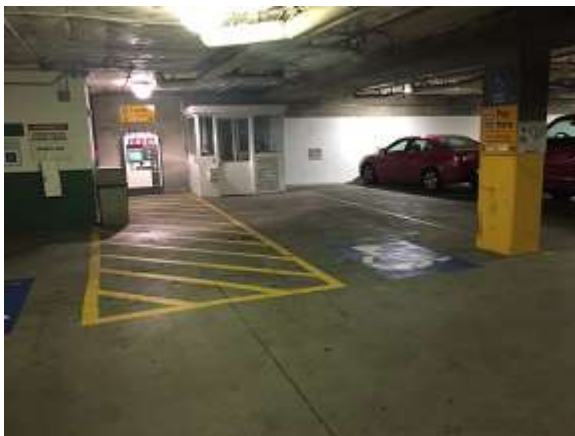
Street scene looking along
Front Street



Entry Ramp



Subject entry with rates



View toward former attendant booth near
entry



Central hotel elevator lobby view

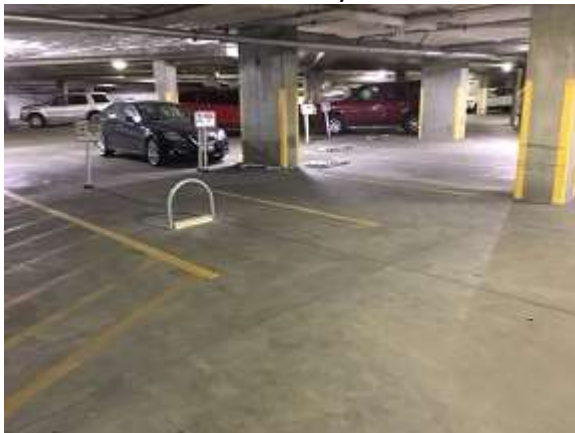
Subject Property Photographs



Elevator to CenturyLink Arena



Entry view to condominium units



Condominium parking spaces



Handicap spaces in front of hotel elevators



Interior view. Elevator lobby to left.



Typical interior view

Subject Property Photographs



Interior core parking space view



Interior view



Interior path



Interior ceiling view



Front tandem parking view



Valet tandem view

Subject Property Photographs



Rear tandem space view



Row 7 tandem not effectively used due to wall



Row 19 tandem not used due to sloping ceiling



Storage spaces at rear of valet tandem (not part of property)



Appraisal Assignment

Property Identification

The subject is an existing parking garage located beneath The Grove Hotel and CenturyLink Arena within the Boise Central Business District (“CBD”). The parking garage is a condominium unit representing a below grade parking facility. The subject includes 207 parking spaces with a reported gross building area of 64,993 sf.

Legal Description

Condominium Unit 4 as shown on the condominium plat of Block Twenty Two Condominiums. According to the official plat thereof, filed in Book 75 of Plats at pages 7829 and 7841. As Instrument No. 98015003, and as defined and described in that condominium declaration for Block Twenty Two Condominiums recorded February, 20, 1998, as Instrument No. 98015004, official records of Ada County, Idaho.

Client Identification

Capital City Development Corporation and their successors and/or assigns are the client for this PPP appraisal report.

Purpose

The purpose of this report is to develop an opinion of the market value “as is” of the leased fee interest as of the effective date of the report, December 8, 2017. The date of the report is January 4, 2018. The report is valid only as of the stated effective date.

Intended User/Intended Use

Capital City Development Corporation and their successors and/or assigns are the intended users of the report which is provided for the purpose of determining the market value “as is” for the subject property. This report is not intended for any other use or user. No party other than Capital City Development Corporation and their successors and/or assigns may use or rely on the information, opinions and conclusions contained in this report.

Ownership and Sale History

Given the condominium structure of the development within which the subject is situated, ownership provides for an undivided interest within the condominium project and does not include a specific land area.

The current owner of the subject property is Capital City Development Corporation (“CCDC”). CCDC acquired the property for \$5,379,887 from Block 22, LLC in 1998 for the cost of construction. CCDC had owned the land and entered into a disposition and development agreement (“DDA”) with Block 22 for development of The Grove Hotel, the residential condominiums, CenturyLink Arena and the subject parking garage. As part of the disposition and development agreement, CCDC agreed to buy the garage at Block 22, LLC’s construction cost. CCDC’s purchase of the garage was intended to facilitate The Grove project by providing the



parking required for the project but that otherwise would not have been financially feasible for a private developer to build.

In addition, the garage is a subterranean structure which is significantly more expensive to build than an above garage.

To the best of our knowledge the property is not listed for sale or under negotiations for sale. The property is encumbered by a lease to Block 22 for condominium parking use; this lease is discussed further in the income approach section of this appraisal.

Reporting Method

This appraisal report is intended to comply with reporting requirements set forth under Standards Rule 2-2 (c) of the Uniform Standards of Professional Appraisal Practice (USPAP) and other regulations applicable to U.S. federal financial institutions. Supporting documentation concerning the data, reasoning, and analyses is retained in our work file. The appraisers are not responsible for unauthorized use of this report.

Market Value – Definition

Market Value is defined as:

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

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

This economic definition of market value has been agreed upon by U.S. federal financial institution regulatory agencies, as cited in:

1. *Federal Reserve System, 12 CFR Parts 208 and 225, Appraisal Standards for Federally Related Transactions, Section 225.62.*
2. *Interagency Appraisal and Evaluation Guidelines; December 10, 2010, Federal Register, Volume 75 Number 237, Page 77472.*

Property Rights and Interests Appraised

PPA's valuation recognizes the property is encumbered by a lease; as such, the rights appraised are leased fee.

Scope of Work

Problem Identification

In order to define the problem to be solved, PPA identified the following assignment elements:

1. The client, intended use, and intended user(s);
2. The type(s) and definition(s) of value;
3. The effective date of PPA opinions and conclusions;
4. Identification of the subject property of the assignment and its relevant characteristics; and,
5. Assignment assumptions and limiting conditions, including any Extraordinary Assumptions.

These assignment elements were discussed in the preceding assignment description sections of the report. Some of these elements will be discussed in greater detail in the following sections of the report.

For market data, PPA interviewed parking operators and conducted market interviews with brokers of nearby properties whose tenants park at the subject deck. PPA also interviewed The Car Park Inc. and CCDC. PPA also keeps an active database of garage sales for relative comparison purposes and conducted a parking rate survey of garages in many of the nation's top parking markets.

Availability of Information

PPA was provided with the following information:

- FY2015, FY2016, FY2017 Revenue & Expense reports
- FY2018 Budget
- Operation, Maintenance, and Management Agreement between CCDC and Block 22, LLC
- Parking Operations Agreement with The Car Park Inc.
- Parking Lease Agreement among CCDC, Block 22, LLC, and Boulevard Two Fifty Five Condominium Association
- 2017 Property Tax Assessment
- Previous appraisals from October 2015
- Site plan
- Block Twenty Two – Condo Plat
- Parking space diagram
- Rate Schedule – current and proposed
- Documentation on capital improvement for equipment purchase
- Documentation on waterproofing repairs.



Extent of Property Observation

Ted Anglyn personally inspected the property from December 5 to 8, 2017.

Regional Analysis

The Capitol and Front Parking facility is located in the heart of the Boise CBD, referenced as the Boise City, ID Metropolitan Statistical Area (“MSA”). The Boise City MSA has an estimated population of 685,135 as of 2016. Per Moody’s Economy.com, the population is forecasted to increase to over 750,000 by 2020. The Boise MSA is the third largest MSA in the Pacific Northwest after Seattle and Portland.

Boise is the most populous city and capitol of Idaho and the county seat of Ada County. Boise is located on the Boise River in the southwestern part of the state.

Boise has some significant large tech employers, notably Micron Technologies and Hewlett-Packard. Micron, once the state’s largest employer with over 10,000 employees, has seen volatility in employment after the late 2000s recession. Micron is reportedly one of the two largest corporate users of The Grove Hotel.

Key economic drivers for the Boise area per the 2015 PKF hospitality report were the following:

1. The Boise Airport (BOI)
2. Boise State University
3. Employment
4. Office Statistics.

The Boise airport is the busiest in the state of Idaho. Passenger levels as of November 2017 YTD are over 3.2 million, representing a nine percent increase over the same corresponding 2016 time frame.

The 285-acre Boise State University campus houses approximately 23,886 students representing an increase of nearly 2,000 students over the past three years.

As of November 2017, per the US Bureau of Labor Statistics, the unemployment rate for the city of Boise was 2.7 percent, compared to 4.1 percent for the nation as of the same time period.

According to the Third Quarter 2017 Colliers International Idaho Market Report, the downtown Boise submarket contained approximately 6.975 million square feet of net rentable commercial office space exhibiting a vacancy rate of 9.4%. Net absorption has been slightly negative for 2017; however, over the past three years, the vacancy rate has decreased from 14.4% to 9.4%. The Boise CBD comprises roughly 33% of the overall Boise MSA office market.

Hotel Market

The Boise market for Hotel development downtown was rather stagnant from 2009 to 2015/2016. However in the past 12 to 18 months, the market has seen significant growth with the addition of several new hotels. The chart below depicts the new hotel additions along with existing hotel inventory. In 2018, the market will continue to expand with the addition of the 132-room Hilton Garden Inn.

	<u>Rooms</u>
Hotel Inventory as of 2015 PKF report	1,289
 <u>Subsequent Additions</u>	
Residence Inn	186
Inn at 500	112
Hyatt Place	<u>152</u>
	450
 <u>Proposed Hotel</u>	
Hilton Garden Inn	132


Conclusion

The Boise MSA economy has shown steady growth over the past 7 to 8 years. More recently, hotel growth has been significant. Long-term the forecast is for the Boise city MSA to experience steady growth. A key concern noted in the recent Colliers 2017 Third Quarter Idaho market overview is that some tenants in downtown are being pushed outside to suburban areas due to the increasing parking constraints. The result is that there is significant demand for existing parking facilities.

Neighborhood Analysis

The subject is located at the prime downtown intersection of Capitol and Front. Downtown Boise contains the preponderance of legal, government and financial employers in the Boise City MSA. Downtown benefits from good linkages via Interstate 184 as well as proximity to the Boise Airport, roughly three miles south.

The neighborhood is predominantly the Boise CBD, with the major influences within one mile of the subject. Details on the population, population growth, and the household income are detailed as follows:



Executive Summary

Capitol and Front
205 S Capitol Blvd, Boise, Idaho, 83702
Rings: 1, 3, 5 mile radii

Prepared by Esri
Latitude: 43.61419
Longitude: -116.20318

Population	1 mile	3 miles	5 miles
2000 Population	10,099	83,757	147,456
2010 Population	10,713	84,068	147,644
2017 Population	12,210	91,060	161,210
2022 Population	13,029	96,552	171,471
2000-2010 Annual Rate	0.59%	0.04%	0.01%
2010-2017 Annual Rate	1.82%	1.11%	1.22%
2017-2022 Annual Rate	1.31%	1.18%	1.24%
2017 Male Population	52.4%	50.3%	49.8%
2017 Female Population	47.6%	49.7%	50.2%
2017 Median Age	30.1	35.4	36.8

In the identified area, the current year population is 161,210. In 2010, the Census count in the area was 147,644. The rate of change since 2010 was 1.22% annually. The five-year projection for the population in the area is 171,471 representing a change of 1.24% annually from 2017 to 2022. Currently, the population is 49.8% male and 50.2% female.

Median Age

The median age in this area is 30.1, compared to U.S. median age of 38.2.

	1 mile	3 miles	5 miles
Median Household Income			
2017 Median Household Income	\$27,829	\$42,405	\$47,174
2022 Median Household Income	\$28,941	\$45,131	\$50,132
2017-2022 Annual Rate	0.79%	1.25%	1.22%
Average Household Income			
2017 Average Household Income	\$49,832	\$66,402	\$69,004
2022 Average Household Income	\$57,002	\$73,745	\$76,025
2017-2022 Annual Rate	2.73%	2.12%	1.96%
Per Capita Income			
2017 Per Capita Income	\$28,658	\$31,388	\$30,893
2022 Per Capita Income	\$32,547	\$34,822	\$33,976
2017-2022 Annual Rate	2.58%	2.10%	1.92%

Households by Income

Current median household income is \$47,174 in the area, compared to \$56,124 for all U.S. households. Median household income is projected to be \$50,132 in five years, compared to \$62,316 for all U.S. households

Current average household income is \$69,004 in this area, compared to \$80,675 for all U.S. households. Average household income is projected to be \$76,025 in five years, compared to \$91,585 for all U.S. households

Current per capita income is \$30,893 in the area, compared to the U.S. per capita income of \$30,820. The per capita income is projected to be \$33,976 in five years, compared to \$34,828 for all U.S. households

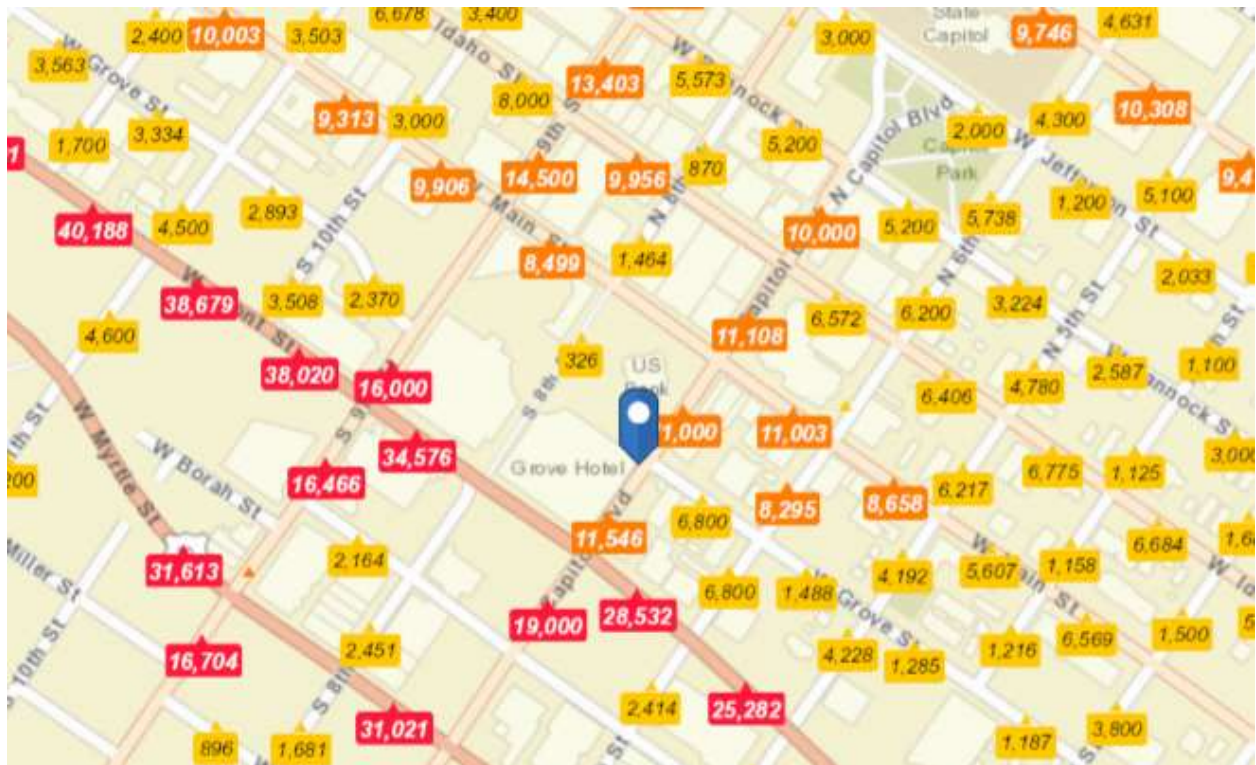
Based on this data, the Boise CBD population is growing and the median age is younger than the overall MSA, which is typical of many urban areas growing with millenials. A concern is that the

median household income is lower in the one and three mile trade area as well as the overall household income is less than the US in general.

Access and Linkages

Primary freeway access to the area is via Interstate 184, which runs from I-84 to downtown, and turns into the front Street/Myrtle Street one-way couplet (primary CBD roads). I-84 is also accessed via Broadway Avenue, which traverses from the eastern periphery of the CBD, south through the Boise State University campus, to the interstate.

Below is a traffic count map which indicates significant counts along N. Myrtle St. and W. Front St. An observation is that traffic patterns are somewhat less as some traffic flow along Capitol turns west from Capitol Boulevard to West Front St., in front of The Grove Hotel. While this provides traffic in front of The Grove Hotel, traffic is significantly less in front of the subject parking facility entry located off of S Capitol Boulevard. A significant reason for this traffic flow is that Capitol Boulevard is one way; in fact, traffic counts decline from 19,000 cars per day to less than 12,000 cars per day past Front Street. Of note, this traffic count is still significant compared to many of the CBD streets (see map below).



Immediate surroundings

The Gove Hotel (and the subject subterranean parking facility) anchor one quarter of the Grove Plaza. Other uses in the immediate area include U.S. Bank Plaza (high-rise office), BoDo (a

significant mixed-use retail/office development with a residential condominium component), the Wells Fargo office building, and the 80,000 sf expanded Boise Center as well as supporting plaza retail space.

Two new significant developments are impacting the immediate area. The first includes the 7.4 acre mixed-use project being developed by the Simplot Company Foundation, which includes the Simplot Company's Headquarters Building and it's nonprofit Event Center, JUMP. Secondly, Pioneer Crossing is being developed by Gardner Company. Previously known as Parcel B, Pioneer Crossing, is a proposed \$50+ million mixed use development including a new hotel, office building, parking garage with a partial office wrap (future home to the Boise Metro Chamber of Commerce), and restaurant. Currently under construction with a planned spring 2018 opening, the new Hilton Garden Inn represents a joint venture between The Gardner Company and Ball Ventures. The 132-room Hilton Garden Inn planned for the center will include conference meeting space. Pioneer Crossing will eventually include commercial office and retail space and a large parking garage. CCDC intends on purchasing 250 parking spaces of the 650 space garage as public parking upon project completion. CCDC's purchase price is \$5.4 million. Other recent developments: City Centre Plaza, Fowler Apartments, Afton Condos, The 119 Luxury Condos, the Watercooler Apartment, and more housing is planned for the downtown.

Neighborhood Conclusion

The Boise CBD is growing. Significant hotel development has occurred as discussed in the Regional Analysis as well as with the planned Pioneer Crossing addition with a new Hilton Garden Inn. The office market has somewhat slowed in the past year but overall is exhibiting less than 10% vacancy. The neighborhood outlook is positive as population growth is occurring and the CBD benefits from the state government and Boise State University.

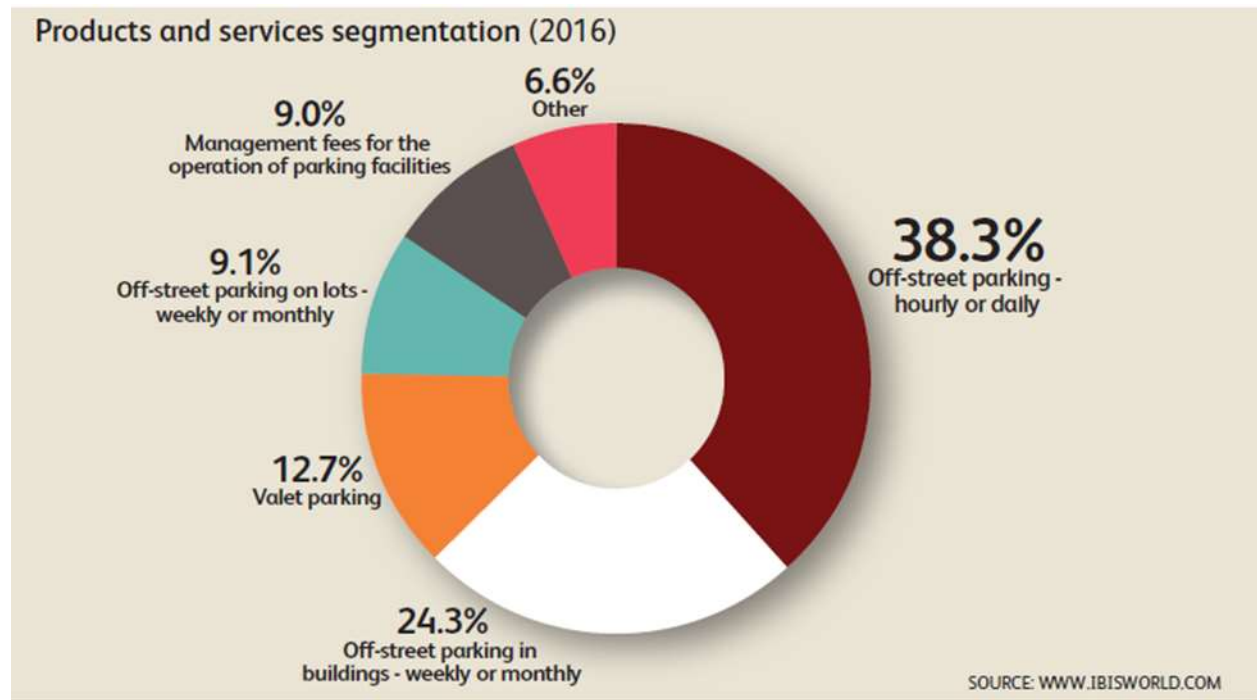
Relative to parking, the market growth is positive. The new Pioneer Crossing 650 space garage should somewhat alleviate the undersupply situation until Pioneer Crossing becomes fully developed. As discussed in the following parking market analysis, parking demand is strong and parking rates are increasing.

Parking Market Analysis

Parking Industry Overview

For most of the past six years of the economic recovery, the performance of the Parking Lots and Garages industry has been largely positive. Aside from a small blip in 2012, overall increases in parking rates over the five years to 2016 and improvements in travel figures contributed to the industry’s turnaround. Furthermore, non-consumer sectors like hospitals, universities and municipalities, increasingly used outsourced parking services, which benefited industry revenue. As a result, industry revenue has grown at an annualized rate of 4.1% over the five years to 2016 to reach \$10.3 billion. IBISWorld estimates that parking revenue will continue to increase in 2017 after a strong 2016.

Over the past five/six years, the largest providers of parking services have engaged in mergers and acquisitions. In the midst of large-scale consolidation, small non-employing operators have entered the industry at a faster rate than those that have withdrawn from it. Consequently, the average industry operator is becoming leaner, with establishments per enterprise declining over the past five years.

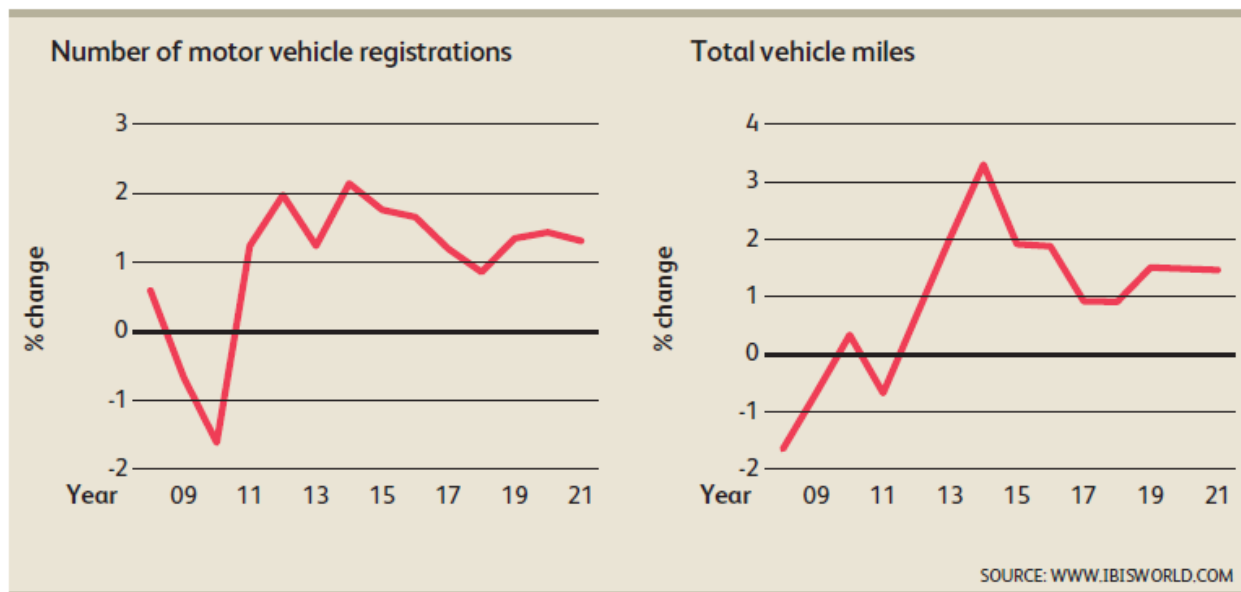


Over the next five years, industry growth is expected to slow, with revenue increasing at an annualized rate of 0.5% to \$10.6 billion. Although demographics will continue to push the number of drivers and potential industry customers higher, the rate of increase will slow later in the outlook period. This will be due to headwinds, including rising oil prices and interest rates, which will reduce disposable income and thus the ability of individuals to purchase vehicles. Moreover, the overall growth of operators will bring about the effects of saturation, as more operators compete for slow-growing revenue.

Key External Drivers

Number of motor vehicle registrations - The number of motor vehicle registrations indicates the number of vehicles on the road. As the size of the nation’s vehicle fleet increases, demand for parking rises. As a result, an increase in the number of motor vehicle registrations contributes to industry growth. The number of motor vehicle registrations is expected to increase.

Total vehicle miles - The total vehicle miles traveled records the total mileage traveled in the United States by motor vehicles. This figure gives some indication of the overall distance being covered by US drivers. As the number of miles traveled in a vehicle increases, drivers become less likely to use an alternative form of transportation, such as walking, biking or riding a motorcycle. Conversely, as the total vehicle miles decreases, the mileage per drive generally decreases, which means US drivers are staying in a small radius. This smaller area can more easily be reached by alternative transportation, which decreases demand for industry services. The total vehicle miles traveled is expected to increase.



Limited parking construction – Construction of new public parking lots has declined to almost zero. As the population increases, office demands continue to improve in many urban markets

and with the proliferation of many new urban hotel and mixed use projects with often very high density residential components, the overall demand component for parking is growing; this trend is even in spite of demographic trends where millennials are driving less.

In many markets PPA has observed that obtaining a permit to construct a new parking garage is nearly impossible from two standpoints. First, the overall costs to construct a garage in most urban markets greatly exceeds the corresponding value; this case is particularly true in Boise with the subject subterranean property. Your attention is directed to the highest and best use section of this report for a discussion of the costs to construct a garage versus the associated value. Another expense noted with new garage construction is the added costs for “skinning” and to make garages energy efficient (both drive up associated construction costs). Second, somewhat with the impetus of the 1982 Parking Market Study in Manhattan that discouraged new garage construction for clean air purposes, many municipalities discourage new garage construction; in turn, this new municipal mindset encourages new development to construct less parking and creates a mindset of maximum parking ratios for new development versus minimum parking ratios for new development. As a result, obtaining approvals for new independent garage development is nearly impossible.

Office Trends - National Employment numbers - Office work commuters comprise a large portion of daily drivers/monthly parkers. Consequently, a rise in employment increases the number of drivers who commute to work, improving demand for parking services. Overall employment numbers improved gradually throughout 2016 with the unemployment rate declining from 4.9% to 4.7% over 2016 and as of March 2017 the current unemployment rate was 4.5%, reflecting a multi-year low. For Boise, the overall market vacancy rate has decreased in the CBD from 14.4% to 9.4% over the past three years (albeit for 2017 office absorption was less).

As detailed in the September 2016 article published by PPA, “Real Estate Outlook: Risks and Reward for Parking”, published in *Parking*, office vacancy rates on a national level have been trending down for the past few years and are forecasted to be less than 13% by the end of 217. A significant trend noted is office densification where more employees per square feet are occupying office space, which trend puts greater pressure on parking needs.

Other trends impacting parking- Not all trends are positive for the parking industry. The impact of ride sharing services such as Uber and Lyft impacted transient and special event parking and to a certain extent airport parking. PPA was quoted in March 2017 that the impact of these ride sharing services is less impactful on predominantly monthly parking facilities.

Other common trends/topics of discussion are the eventual impact of Autonomous vehicles – The media are full of hype about self-driving cars. A reality is that these cars requires vast amounts of data connectivity and the impact of these type vehicles for the foreseeable future is not likely. For example, the Intel CEO was quoted recently stating that each connected car has the data needs roughly equivalent to 300 cell phones; having all cars connected would exponentially require tremendous data capacity. In fact, PPA has attended meetings where the

data consumption needs for these type cars (if all cars were connected) would require 10G service. The reality is that cell phone users in most markets struggle to get consistent 4G connectivity when driving about town.

Major Markets

Privately operated central business district - The privately operated central business district (CBD) is the largest market served by the Parking Lots and Garages industry with roughly 40.5% of industry revenue. This segment includes privately owned city parking and parking lots for offices, shopping centers and stadiums. Annual revenue per space is about \$1,260.00 for unreserved spots and \$2,160.00 for reserved parking in this market, according to the National Parking Association (latest available information). The privately operated CBD market shrunk significantly following the recession, with 40.0% of parking operators reporting a decrease in revenue in 2010 as local employers went out of business and per capita income and tourism stayed below pre-recession levels. This dynamic changed in 2012 when over 60.0% of operators in this market reported revenue growth. This market has rebounded in the six years to 2017 as the recovery continues and consumer spending increases.

Key Success Factors

Proximity to key locations

Location is critical in the parking industry because consumers park as close as possible to their destinations. Desirable parking locations include business centers, transportation hubs and entertainment venues.

Ensuring pricing policy is appropriate

Competitive pricing is important in areas where parking services are widely available. Consumers parking in order to commute or go to work are less price sensitive than those parking for leisure activities due to the necessity of employee parking.

Stable client relationships

Industry operators that compete for management contracts at public and private properties need to develop strong relationships with property owners to ensure the longevity of their operations.

Effective cost controls

Effective cost controls are critical in this industry since operators compete largely on the basis of price.

Having a loyal customer base

A parking lot's customer base is usually local and may consist of commuters, making repeat customers important to the lot's success.

Industry Data

	Revenue (\$m)	Industry Value Added (\$m)	Establishments	Enterprises	Employment	Exports	Imports	Wages (\$m)	Domestic Demand	No. of motor vehicle registrations (Mil)
2008	9,439.1	4,369.2	18,517	7,934	138,538	-	-	2,622.9	N/A	255.9
2009	8,993.3	4,301.3	18,117	8,018	134,882	-	-	2,547.6	N/A	254.2
2010	8,627.4	4,040.7	18,293	8,255	134,123	-	-	2,505.0	N/A	250.1
2011	8,674.8	4,465.6	19,302	8,910	135,483	-	-	2,609.2	N/A	253.2
2012	8,337.2	4,482.9	18,698	9,070	139,252	-	-	2,698.8	N/A	253.6
2013	8,494.6	4,483.3	18,088	9,118	136,534	-	-	2,742.0	N/A	255.9
2014	8,976.6	5,029.8	19,126	9,490	143,638	-	-	2,929.3	N/A	260.4
2015	9,635.5	4,780.7	19,524	9,719	148,934	-	-	3,007.8	N/A	264.1
2016	10,085.1	5,071.7	20,152	10,017	155,157	-	-	3,150.4	N/A	268.4
2017	9,825.7	4,951.6	20,093	10,039	153,450	-	-	3,098.4	N/A	271.5
2018	9,906.4	4,998.6	20,405	10,204	155,826	-	-	3,144.4	N/A	273.8
2019	10,055.0	5,071.8	20,697	10,383	158,326	-	-	3,198.9	N/A	277.4
2020	10,177.4	5,144.0	21,065	10,574	161,007	-	-	3,253.9	N/A	281.3
2021	10,291.1	5,196.3	21,228	10,672	162,369	-	-	3,286.9	N/A	284.9
2022	10,404.4	5,260.3	21,537	10,839	164,717	-	-	3,335.7	N/A	288.6
Sector Rank	23/56	23/56	37/56	42/56	21/56	N/A	N/A	25/56	N/A	N/A
Economy Rank	839/1919	538/1588	362/1919	475/1919	296/1919	N/A	N/A	590/1919	N/A	N/A

Capital Markets

Parking represents a highly desired asset class in an evolving \$30 billion industry. To satisfy significant investor requests (both debt and equity), broker requests and appraiser requests for overall rate support for this asset class, JNL Parking and Parking Property Advisors partnered with Situs RERC to publish an inaugural analysis of parking facility capitalization (cap) rates for second quarter 2016.

Situs RERC, JNL Parking and PPA surveyed parking owners, investors, advisors, brokers, and appraisers across four regions of the U.S. These experts provided cap rates for parking facilities, as well as insight into the factors which determine both cap rates and the value of parking assets. In addition, information regarding parking investment conditions (e.g., risks to parking facilities, the current investment environment) was gathered.

Historically, the prevailing general market assumption has been that overall cap rates for parking facilities were higher than most other real estate asset classes due to the limited availability of parking assets and the traditional lack of long-term parking leases. However, those involved in the day-to-day parking business know that investor appetite is much greater than the overall market perception. In fact, quality parking investments rarely even get exposed to the open market because most parking assets are purchased off market. This lack of market exposure, as well as very few independent (stand-alone) parking facility transactions, were the impetus for conducting an investor survey to help gather cap rates for parking facilities.

It should be noted that parking facilities include both surface parking lots as well as parking garages. However, because surface lots are more adaptive, many investors often report cap rates based on the assumption that the space will eventually be repurposed. The end result is that parking facility cap rates primarily relate to parking structures/garages.

Survey results are depicted for separate seller and buyer perceptions (see following table), no distinction was made between first-, second- or third-tier markets for this asset class. Sellers were more aggressive and optimistic than buyers. The average cap rate was calculated

Parking Facility Capitalization Rates		
	Seller	Buyer
National		
Range (%)	4.5 – 10.0	5.0 - 10.0
Average (%)	6.3	7.0
West Region		
Range (%)	4.5 – 8.5	5.0 – 9.0
Average (%)	6.4	6.9
Midwest Region		
Range (%)	5.0 – 10.0	5.5 - 10.0
Average (%)	6.7	7.2
South Region		
Range (%)	4.5 – 8.0	5.0 - 10.0
Average (%)	6.0	6.9
East Region		
Range (%)	5.0 – 8.0	5.0 – 10.0
Average (%)	6.1	6.9

nationally and for each region (i.e., East, Midwest, South, and West). Additional analyses were conducted using descriptive statistic methods (e.g., percent of totals, counts, ranges).

On a national basis, cap rates ranged from 4.5 percent to 10.0 percent, with average rates of 6.3 percent (seller response) and 7.0 (buyer response). These rates compare favorably to other asset classes. Among the four regions, the lowest rates were reflective of parking facilities in the South and the

highest rates were reflective of parking facilities in the Midwest.

The overwhelming majority of participants (78 percent) indicated that the current parking market environment is strong. Interestingly, most parking assets were purchased with significant leverage; 84 percent of parking facility acquisitions were purchased with 50 percent or more in leverage. Only 16 percent of parking facilities were purchased with a majority in cash.

Parking facilities represent a valuable asset class with overall strong investor interest. From a cap rate standpoint, parking facilities compare favorably to other asset classes. Further analysis of parking facility sales is difficult due to insufficient reliable operating data, but with few market transactions, this data has been historically difficult to obtain. By introducing this survey, we are able to provide invaluable information on parking facility cap rates.

Boise Parking Market

The Capitol and Front Garage is located in the primary parking market for Boise - the Central Business District. This parking market is dominated by the six CCDC owned parking garages, comprising over 2,500 spaces. Per the previous subject 2015 appraisal reviewed by PPA, this inventory represented over 70% of the supply of publicly available parking garage spaces.

The following parking facilities were researched for the parking market analysis:



<u>PARKING INVENTORY</u>	<u>TOTAL</u>
Capitol & Front (subject)	207
Capitol & Main	495
9th & Front	592
9th & Main	386
10th & Grove	543
Capitol & Myrtle	343
Key Bank	128
Wells Fargo	896
9th & Bannock	<u>592</u>
Total/Average	4,182

The first six garages are owned by CCDC with the last three representing private garages. Following is a summary of the parking rates. For rate review, PPA reviewed the trend in parking rates from the 2015 appraisal to the current rates as well as the proposed early 2018 rate increase:

GARAGE	CATEGORY	APPRAISAL		CURRENT		PROPOSED	
		15-Oct-15		Dec-17		2018	
Capitol & Front	First Hour			Free		Free	
	Hourly	\$2.50		\$2.50		\$3.00	
	Daily	\$12.00		\$12.00		\$15.00	
	Monthly	\$100.00		\$120.00		\$140.00	
	Monthly Reserved	\$135.00		\$155.00		\$190.00	
	Monthly Tandem	\$62.50		\$80.00		\$100.00	
	Hotel Self Park	\$5.70		\$5.70		\$8.00	
	Hotel Valet	\$2.85		\$5.70		\$8.00	
Capitol & Main	Monthly			\$135.00		\$175.00	
	Monthly Reserved			\$170.00		\$220.00	
9th & Main	Monthly			\$135.00		\$175.00	
9th & Front	Monthly			\$120.00		\$140.00	
	Monthly Reserved			\$155.00		\$190.00	
10th & Front	Monthly			\$120.00		\$140.00	
	Monthly Reserved			\$120.00		\$155.00	
Capitol & Myrtle	Monthly			\$120.00		\$140.00	
	Monthly Reserved			\$120.00		\$155.00	
5th & Broad	Monthly					\$175.00	
	Weekday/Day					\$160.00	
	Night/Weekend					\$125.00	
11th & Front	Monthly					\$100.00	
PRIVATE GARAGES							
Key Bank	Monthly			\$135.00			
Gardner CCG	Hourly			\$2.50			
	Daily			\$15.00			
	Monthly			\$135.00			
Wells Fargo	Hourly			\$2.50			
	Daily			\$15.00			
	Monthly			\$109.00			
9th & Bannock	Hourly			\$2.00			
	Daily			\$14.00			
	Monthly (Car)			\$110.00			
	Monthly (Truck)			\$135.00			

The parking market is strong with essentially full occupancy. All six of the CCDC garages have active waiting lists. The other garages are also performing well with the largest private garage (the Wells Fargo garage) reporting 100% occupancy for monthly spaces.

Based on this rate survey, the six CCDC parking facilities will establish the upper end of the market. However, likely the private pay garages will follow the CCDC’s lead in 2018 by raising parking rates later in the year.

Key Takeaways from the Parking Research/Survey:

1. The Boise Parking market is extremely strong.
2. Occupancy in the market is high and parking rates are increasing. PPA’s review of median parking rates in 2012 for Boise as compared to 2017 indicates a 50% increase in monthly unreserved rates.
3. A significant parking rate increase is scheduled for February 1, 2018. The rate increases range from 17 to 40% based on the category.

GARAGE	CATEGORY	CURRENT	PROPOSED	
		Dec-17	2018	% CHG
Capitol & Front	First Hour	Free	Free	
	Hourly	\$2.50	\$3.00	20%
	Daily	\$12.00	\$15.00	25%
	Monthly	\$120.00	\$140.00	17%
	Monthly Reserved	\$155.00	\$190.00	23%
	Monthly Tandem	\$80.00	\$100.00	25%
	Hotel Self Park	\$5.70	\$8.00	40%
Capitol & Main	Hotel Valet	\$5.70	\$8.00	40%
	Monthly	\$135.00	\$175.00	30%
	Monthly Reserved	\$170.00	\$220.00	29%
9th & Main	Monthly	\$135.00	\$175.00	30%
9th & Front	Monthly	\$120.00	\$140.00	17%
	Monthly Reserved	\$155.00	\$190.00	23%
10th & Front	Monthly	\$120.00	\$140.00	17%
	Monthly Reserved	\$120.00	\$155.00	29%
Capitol & Myrtle	Monthly	\$120.00	\$140.00	17%
	Monthly Reserved	\$120.00	\$155.00	29%

4. The market has several garages with tandem spaces.
5. Per PPA’s research, the Boise market is a passenger automobile market with minimal public transportation options.
6. Hotels in the CBD have a “drive-in” rate that is somewhat impacted by the close proximity of the Boise Airport.
7. Special event parking is available from CenturyLink and the recently expanded Convention Center.

Other Market Influences

The two primary commercial real estate influences that impact CBD parking are the hotel and office markets. CBD retail predominantly represents supporting retail uses and there is no



significant industrial presence. Residential development (multifamily rental and condominium) is occurring but it is not as significant with population growth anticipated of less than 800 persons in the next five years.

The hotel market is performing well but has seen significant new supply additions in the past two years. The new 132 room Hilton Garden Inn could impact market conditions.

The CBD office market has evidenced substantial improvement in occupancy the past three years, albeit 2017 was basically flat with a slight negative market absorption.

Concluding Market Comment

The Boise parking market is strong with significant parking rate increases over the past five years. Going forward in 2018, a significant parking rate increase is anticipated.

Property Analysis

Location

The subject represents a subterranean condominium unit within a condominium plat. The site of the condominium plat occupies a city block and, in addition to the subject, comprises a 17-story building with hotel containing 250 rooms, 20 residential condominium units, and CenturyLink Arena. The site is the southern quadrant of The Grove Plaza bordered by W Front Street to the west, S Capitol Boulevard to the east, and Grove Plaza to the north.

Land Description and Analysis

Land Description

Land Area	1.91 acres	83,200 sq. ft.
Primary Road Frontage	W Front Street	
Secondary Road Frontage	S Capitol Blvd	
Shape	Mostly Rectangular	
Corner	Yes	
Topography	Level	
Drainage	Appears adequate	
Environmental Hazards	None reported.	
Flood Area Panel Number	16001C0277H	
Date	02/19/2003	
Zone	X	
Description	Within 500-year floodplain	
Insurance Required?	No	

Zoning; Other Regulations

Zoning Jurisdiction	City of Boise
Zoning Designation	5-CDDC
Description	See Zoning Discussion

Utilities and Services

The site is within Ada County and the city of Boise and is provided all municipal services including police, fire and refuse garbage collection. All utilities are available to the site in adequate quality and quantity to service the highest and best use as if vacant and as improved.

Environmental Issues

An environmental assessment report was not provided for review and environmental issues are beyond our scope of expertise. No hazardous substances were observed during our inspection



of the improvements; however, PPA is not qualified to detect such substances. Unless otherwise stated, we assume no hazardous conditions exist on or near the subject property.

Adjoining Uses

- Northwest: Convention center
- Southwest: Retail, entertainment, restaurants, institutional.
- Northeast: Financial, dining, retail
- Southeast: Retail, banking, museum.

Conclusion of Land Analysis

Overall, the physical characteristics of the site and the availability of utilities are suitable for a variety of uses. PPA is not aware of any other particular restrictions on development.

Real Estate Taxes

The subject parking facility has historically been tax exempt due to the current ownership. However, for market value purposes, a property tax liability needs to be assumed. For property tax forecasting purposes, PPA interviewed the Ada County Property Appraiser's office. This process involved analyzing assessments and property taxes on three private garages in the Boise CBD. These three garages are as follows:

1. KeyBank Garage
2. Ninth & Bannock Garage
3. Boise Plaza

The KeyBank garage (R1013002921) - according to owner's representative there are 128 spaces. The 2017 property taxes are \$23,412.00 or \$183/space.

The 9th and Bannock garage (parcel R1013003031) - according to owner's representative there are 592 spaces. The 2017 property taxes are \$133,498.00 or \$226/space.

Boise Plaza garage (parcel number R1013003276) – according to owner's representative there are 896 spaces. The 2017 property taxes are \$155,054.60 or \$173/space

The subject has a slightly superior location, but the subject's tandem space count is an inferior adjustment. Based on PPA's review, an estimate of \$200 per space or \$41,400 for 207 spaces was estimated.

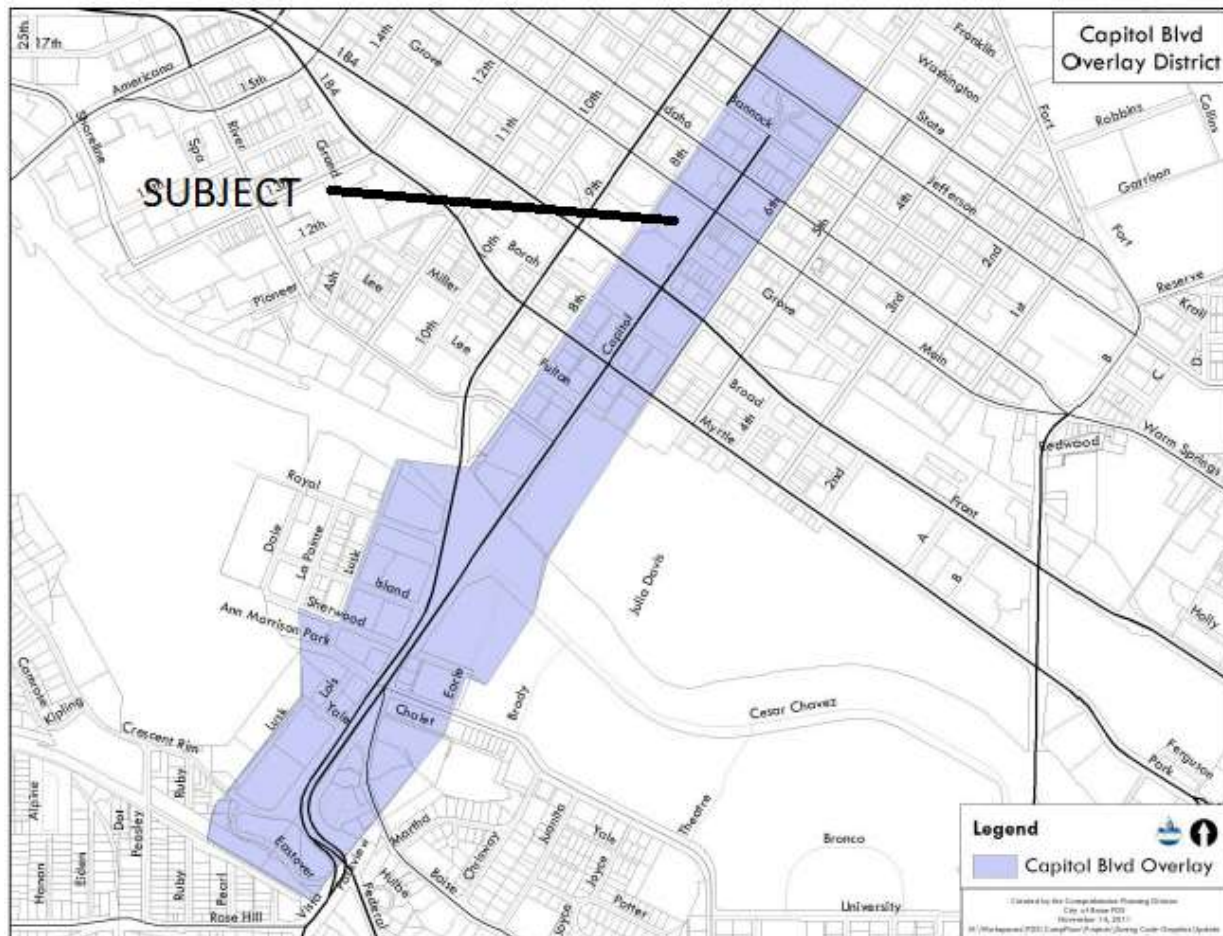
Zoning

The subject is zoned C-5DDC. The C-5 zoning is intended to address the needs of the city's central business district and to provide for activities conducive to a compact and concentrated urban downtown mixed-use center. Allowed uses include banks (excluding drive-up), churches, retail stores, pharmacy, restaurant, hotels, offices, parking structures, multiple-family dwellings, theaters, and personal services.

The subject is also in overlay districts for Capitol Boulevard and for Parking Reduction. Per the Boise zoning check, the Capitol Boulevard overlay district is described as follows:

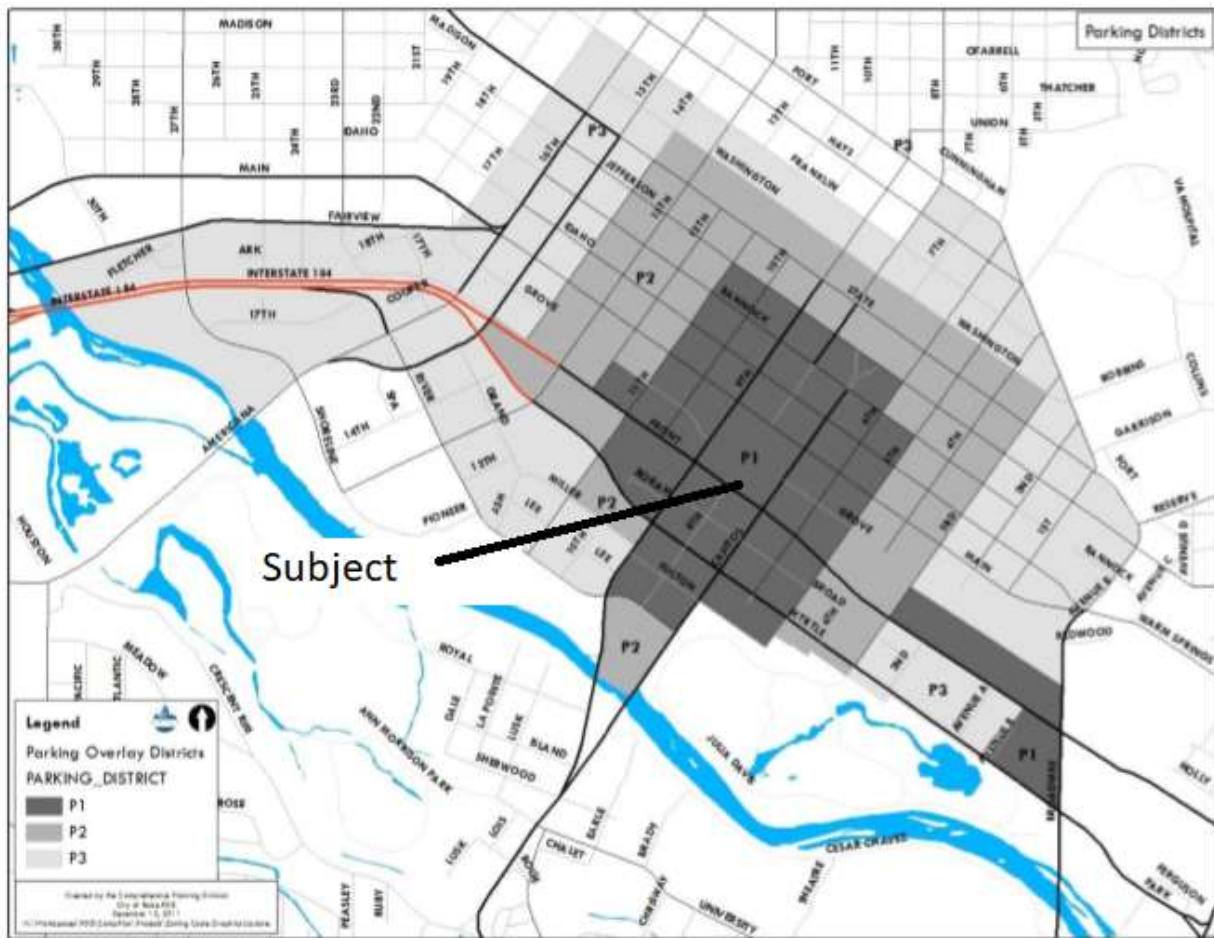
“The City recognizes the importance of Capitol Boulevard and desires to protect and enhance its special character. Capitol Boulevard is one of the principal gateway streets in the State of Idaho. It links two of the most important historic buildings in the city - the State Capitol and the Boise Depot. In between these buildings lie a variety of uses that are of importance to the community, including cultural centers and parks, Boise State University, hotels, retail establishments, and restaurants.”

The following map reflects the subject’s location relative to the Capitol Boulevard Overlay District.



The subject is also within the P-1 Parking Reduction Overlay District. The P-1 Parking District is defined as “No off-street parking is required within the P-1 district.” The following map reflects the subject’s location in the Parking Reduction Overlay District. The Table 11-07.1 reflects zero spaces required for valid land uses within the P-1 Overlay District.

Additional information can be found in the Boise Development Code available online at <https://cityclerk.cityofboise.org/media/262806/1100.pdf>. The Parking Reduction Overlay Districts are defined in section 11-05-05 and Off-Street Parking is covered in section 11-07-03 of the code.



Zoning Summary

Zoning Jurisdiction	City of Boise
Zoning Designation	C-5DDC
Description	Central Business, Downtown, Capitol Boulevard, Parking Reduction Overlay
Legally Conforming	Yes



Permitted Uses	Banks (excluding drive-up), radio/television stations, churches, retail stores, pharmacy, hotel, offices, parking structure, multiple-family dwelling, theater, tavern/lounge, restaurant, medical laboratory, club/lodge/social hall, boarding room, personal services.
Administrative approval	Child care facilities, residence for owner or caretaker.
Allowed with Conditional Use Permits	Child care with 21 or more children, nursing home, laundry, medical research facilities, parking lots, retail shopping center, outdoor recreation facilities, warehouse and self-storage.

Source: City of Boise – Planning & Development Services

PPA are not experts in the interpretation of zoning ordinances. An appropriately qualified land use attorney should be engaged if a determination of compliance is required.

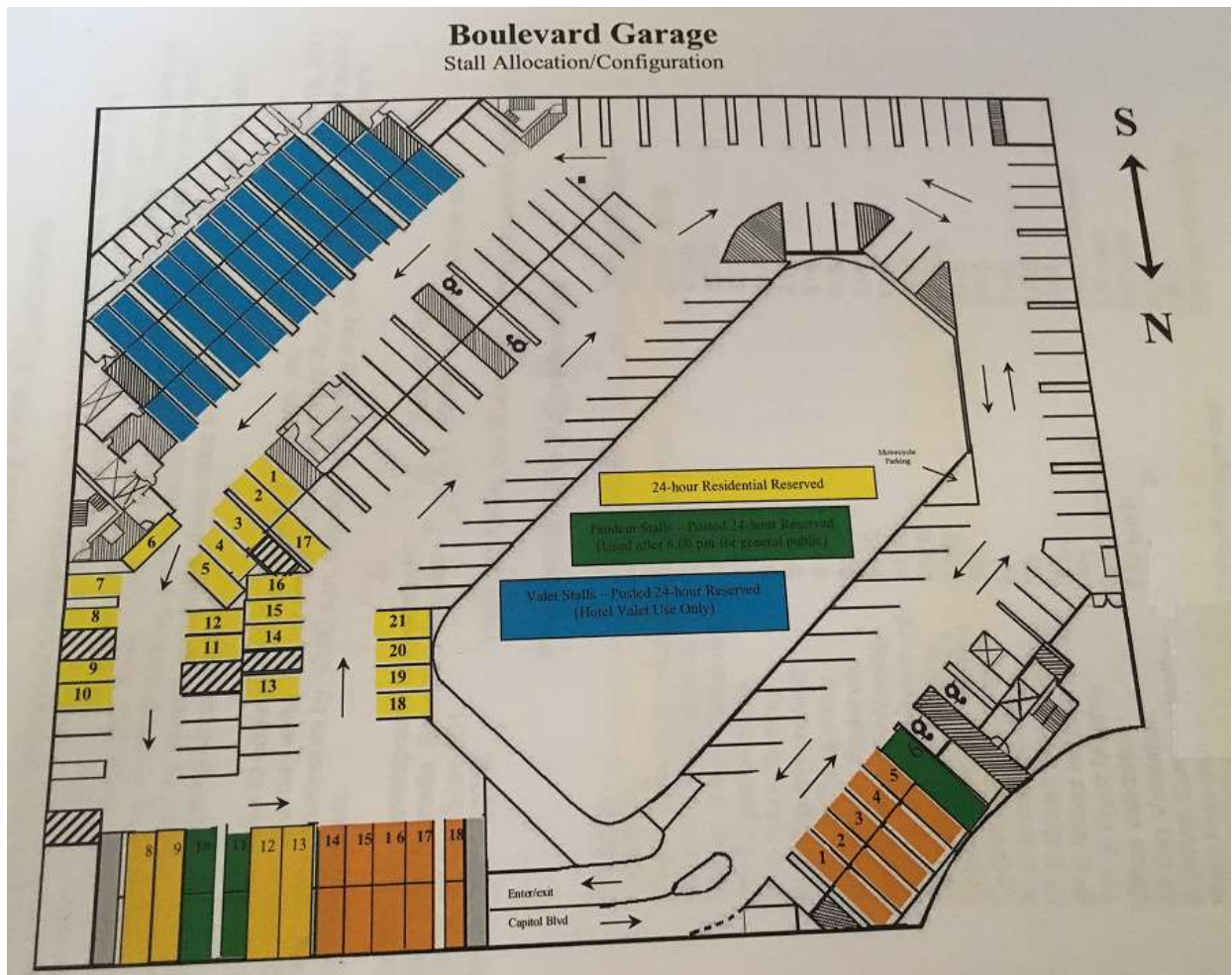
Improvement Analysis

Improvement Summary	
Number of Buildings	1
Number of Stories	1
Gross Parking Area	64,993
Number of Parking Spaces	207

The subject property is a subterranean garage that was built in 1997 and is of average quality and construction. The garage is situated below CenturyLink Arena and The Grove Hotel and situated around an earth filled core that supports the arena above. Access is provided via a single entrance/exit off Capitol Boulevard. Pedestrian access to the garage is via two elevators, one that connects to CenturyLink Arena and one that connects to The Grove Hotel, and via two stairwells. In addition, the Block 22 condominium has a separate elevator.

The garage has a gross building area of 64,993 sf with a leasable area of 60,495 sf. The interior of the garage layout is atypical. Interior spaces of garages are normally laid out parallel and perpendicular to the exterior walls. Due to the earth-filled core for the arena, the interior spaces of the subject are diagonal to the exterior walls, resulting in some inefficiency of space utilization. The garage as configured provides for 207 parking spaces with 133 single spaces and 74 tandem spaces. Seven handicap spaces are provided. There are private storage spaces along the southeast wall which are separately owned and out-of-scope of this appraisal. An easement for access to the private storage has been granted to the owners of these spaces.

Forty of the tandem parking spaces located at the south corner of the garage are used by the hotel for valet parking. The remaining 34 tandem spaces are available for monthly reserved parking. Twenty-one single spaces are reserved exclusively by the condominium association for sub-leasing to condominium owners. The remainder of the garage is comprised of single spaces available to the public for monthly, daily or hourly use except during events when the garage is closed to the public to provide capacity for self-parking hotel guests. See the following diagram for a layout of the parking garage.



Space Count

Various parking space counts have been provided over the past 10+ years. For this assignment PPA did a space count. The space count conclusion is 207, and does not include the following:

- Row 7 in the rear tandem areas was excluded due to the wall and the adjoining concrete column (see initial pictures). This reduces the count by two spaces.
- Row 19 in the rear tandem spaces was excluded as this row was not counted due to a sloping ceiling and the adjoining wall. This reduces the count by two spaces.

Other space count/parking space observations:

- The garage includes seven handicap spaces. This ratio represents 3.38% and is higher than the 2% ratio typically observed.
- Unattended tandem spaces create significant operational issues. Unattended tandem spaces require a buddy system to work. Rarely does this work without both parkers

having knowledge of each- others schedule. The reality is often parkers do not pull into the interior tandem space or these parkers pay for a tandem space (which tandem spaces are rented at a discount) and then park at a single space – particularly when a garage does not have active enforcement or an attendant.

- The valet tandem spaces have various triple stack spaces. Triple stack tandem spaces create significant operational problems for valet operators unless three attendants are working the garage. During PPAs visit, the day and evening valet operations had two employees and PPA did not observe any three car stacking use. In fact, overflow valet parking space use is often spaces in front of the hotel to try and preclude inefficiencies.
- Investors often discount tandem spaces by counting the spaces as single spaces. Per PPAs count, this practice would effectively reduce the count to 165 single spaces.

Construction Components

Class B. Reinforced concrete foundation and frame.

Ceiling Height

Ten Feet.

Exterior Walls

The exterior wall structure is reinforced concrete panels.

Electrical

The electrical system is assumed to be in good working order and adequate for the building.

Venting

An exhaust ventilation system provides for removal of vehicle exhaust fumes from the garage.

Lighting

The facility features adequate interior lighting coverage.

Sprinkler System

A sprinkler system is installed and assumed to be in working order.

Quality and Structural Condition

PPA was provided with documentation that in October 2012 two leaks had been observed in the concrete wall of the basement storage room at the west corner of the garage. An invoice was also provided as evidence that a contractor had completed the repairs.

PPA was also provided with documentation indicating that CCDC upgraded the parking ticketing system and access control systems for the subject garage in 2013.

Our conclusion is the overall quality for the facility is considered to be good for the neighborhood and age. PPA did not observe any evidence of structural fatigue and the improvements appear structurally sound for occupancy. However, PPA is not qualified to determine structural integrity and it is recommended that the client/reader retain the services of a qualified, independent engineer or contractor to determine the structural integrity of the improvements prior to making a business decision.

Functional Utility

The subject exhibits some degree of functional obsolescence. Underground garages are more costly to build and operate than above ground garages; however, below ground parking does not command a premium rate. Indeed, the subject parking rates are identical to that of above-ground garages in similar locations. Second, the diagonal layout of the garage impacts the utility of the subject, resulting in over 35% of the garage consisting of tandem spaces which produce lower revenue than single spaces.

ADA Compliance

Adequate handicap accessibility appears available. There are seven accessible parking spaces. The client/reader’s attention is directed to the specific limiting conditions regarding ADA compliance.

Furniture, Fixtures and Equipment

Any personal property items contained in the property are not considered to contribute significantly to the overall value of the real estate.

Environmental Issues

PPA has not observed, yet is not qualified to detect, the existence of any potentially hazardous materials such as lead paint, asbestos urea formaldehyde foam insulation, or other potentially hazardous construction materials on or in the improvements. The existence of such substances may have an effect on the value of the property. For the purposes of this assignment, we have specifically assumed that any hazardous materials that would cause a loss in valued do not affect the subject.

Economic Age and Life

Parking Property Advisors estimate of the subject improvements effective age and remaining economic life is depicted in the following chart:

Economic Age and Life	
Actual Age	20 years
Effective Age	20 years
MVS Expected Life	45 years
Remaining Economic Life	25 years

The overall life expectancy is based upon on-site observations and a comparative analysis of



typical life expectancies reported for similar properties as published by Marshall and Swift, Inc., in the Marshall and Swift Valuation Service cost guide. While PPA did not observe anything to suggest a different economic life, a capital improvement program could extend the life expectancy.

Conclusion

The improvements are considered to be in good overall condition and are considered to be typical for the age and location. The garage location provides convenience for patrons of CenturyLink Arena and The Grove Hotel. However, as an underground garage in a market of above-ground garages and with the atypical parking space layout around the earthen core and with a significant number of tandem spaces, the garage is at a competitive disadvantage with regard to design, layout and utility. Overall, the subject's operating results will likely lag that of the top garages in the market.

Highest and Best Use Analysis

Highest and Best Use is defined as

“The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability.”

-- *Dictionary of Real Estate Appraisal, Fifth Edition, The Appraisal Institute (2010)*

The highest and best use analysis conclusions are summarized as follows:

Highest and Best Use – As If Vacant:

Process

Before a property can be valued, an opinion of highest and best use must be developed for the subject site, both as if vacant, and as improved or proposed. By definition, the highest and best use must be:

- a. Physically possible.
- b. Legally permissible under the zoning regulations and other restrictions that apply to the site.
- c. Financially feasible.
- d. Maximally productive, i.e., capable of producing the highest value from among the permissible, possible, and financially feasible uses.

As If Vacant

This process is complicated by the fact that the subject property represents a subterranean location underneath a hotel. As vacant, the site has limited utility. The overall ability to develop or use this property would require approval of the surface rights owner to develop this property. For this analysis, PPA has elected to not investigate this scenario further.

Financial feasibility of a new garage if the site were vacant: a subterranean garage is extremely expensive to construct and much more costly than an above grade garage. An above grade garage, net of land, would likely cost \$22,000 per space or more, particularly in light of new zoning requirements by Boise for “skinning” the building. “Skinning” is a process involving providing exterior decoration to make the parking facility blend in with other developments versus representing a stark exterior parking structure – see referenced December 2017 article in the Idaho Statesman:

(<http://www.idahostatesman.com/news/local/community/boise/article190871469.html>). In turn, subterranean garages are far more expensive to construct. Assuming a 50% higher cost to construct below grade, the overall cost would be \$33,000 per space before factoring in land value. As the resulting income approach value in this appraisal is less than \$20,000 per space, new parking construction development, as if vacant, would not be warranted. NOTE: per PPAs research on a national basis, rarely is a new parking facility feasible to construct for profit;

consequently new parking facilities are almost exclusively constructed to provide parking for an associated development versus being constructed as a stand-alone independent structure.

Highest and Best Use – “As Improved”

The subject site is developed with a subterranean parking facility. The existing improvements are used and demand for parking is extremely strong. Continuation of the existing use is concluded to be financially feasible. Based on the analysis, there does not appear to be any alternative use that could reasonably be expected to provide a higher present value than the current use. For these reasons, the continued parking garage use of the subject is concluded to be maximally productive and the highest and best use of the property as improved.

Maximally Productive

Per PPAs inspection this property as is has several operational challenges. The property has 74 unattended tandem spaces. Of these, 40 spaces are associated with the hotel valet operation. However, some of these spaces represent triple stack tandem spaces, which are difficult to effectively use for a two-person valet operation. During the PPA inspection, none of the triple stack spaces were in use. The result is that the valet operation likely avoids triple stacking cars unless all the spaces are occupied and the front overflow spaces are full.

Other observations/recommendations:

1. The rear unattended tandem spaces have two rows that are extremely difficult to use for parking – Rows 7 & 19. Row 19 is further compromised by a sloping ceiling that restricts the height for this row. The affect is that these two rows representing four parking spaces are not functional. A possible solution would be to reconfigure the adjacent tandem spaces to possibly gain a few single spaces with angle parking.
2. The front parking spaces likely could be optimized for monthly unreserved parking. This process would involve encouraging users of these spaces to use the CenturyLink elevators that connect to the Plaza. PPA observed parking customers climbing the ramp, which ramp is rather steep for two levels to the street.
3. This garage is off of S. Capitol, a one way thoroughfare. Due to less visibility on a one-way street and the steep subterranean entry, few transient parkers appear to currently use this parking facility.
4. The parking facility currently has seven (7) handicap spaces. The typical rule is 2% of the inventory for ADA use. Possibly two or three spaces could be re-striped as standard parking spaces.

Overall Highest and Best Use As-Improved Conclusion

Continued use as a parking facility for The Grove Hotel, the condominiums and monthly parkers with some transient special event use from Century Link. As depicted in the income approach the existing property does generate significant net operating income. Incorporating some of the suggested recommendations may improve operating performance.

Valuation Methodology

Appraisers usually consider three approaches to value real property: (1) the cost approach, (2) the sales comparison approach, and (3) the income approach.

The **cost approach** assumes that the informed purchaser would pay no more than the cost of producing a substitute property with the same utility. This approach is particularly applicable when the improvements being appraised are relatively new and represent the highest and best use of the land or when the property has unique or specialized improvements for which there is little or no sales data from comparable properties.

The **sales comparison approach** assumes that an informed purchaser would pay no more for a property than the cost of acquiring another existing property with the same utility. This approach is especially appropriate when an active market provides sufficient reliable data. The sales comparison approach is less reliable in an inactive market or when estimating the value of properties for which no directly comparable sales data is available. The sales comparison approach is often relied upon for owner-user properties.

The **income capitalization approach** reflects the market's perception of a relationship between a property's potential income and its market value. This approach converts the anticipated net income from ownership of a property into a value indication through capitalization. The primary methods are direct capitalization and discounted cash flow analysis, with one or both methods applied, as appropriate. This approach is widely used in appraising income-producing properties.

Reconciliation of the various indications into a conclusion of value is based on an evaluation of the quantity and quality of available data in each approach and the applicability of each approach to the property type.

The methodology employed in this assignment is summarized as follows:

Approaches to Value

<u>Approach</u>	<u>Use in Assignment</u>
Cost Approach	Not utilized
Sales Comparison Approach	Applicable
Income Capitalization Approach	Applicable

For valuation of this property, PPA employed both an income approach and a sales comparison approach. Due to the condominium nature of this parking facility, as well as the age, the cost approach was not employed.

Sales Comparison Approach

The sales comparison approach develops an indication of value by comparing the subject to sales of similar properties. The steps taken to apply this approach are:

- Identify relevant property sales;
- Research, assemble, and verify pertinent data for the most relevant sales;
- Analyze the sales for material differences in comparison to the subject;
- Reconcile the analysis of the sales into a value indication for the subject.

To apply the sales comparison approach, PPA searched for sale transactions within the following parameters:

- Property Type: Parking garages and lots
- Location: Boise and other city Central Business Districts
- Size: Preferably 100 parking spaces or larger.
- Age/Quality: Preferably average-to good-quality garages with similar-aged construction or similar effective age.
- Transaction Date: Preferably within the last three years prior to the effective appraisal date.

For this analysis, PPA analyzed the price per space as the appropriate unit of comparison because market participants typically compare sale prices and property values on this basis. The most relevant sales are summarized in the following table.

Key Metric – Per PPAs review of the comparables there are no tandem spaces included. In addition, PPA interviewed the number one parking broker in the country. Per this interview, the investment market analyzes tandem spaces as single spaces. As discussed in the Improvement Section discussion, PPA estimated 165 single spaces. This space number is used for the sales comparison approach.

Summary of Comparable Improved Sales

No.	Name/Address	Sale Date; Status	Yr. Built; # Stories	# Spaces; Rentable SF; Avg. Unit SF	Effective Sale Price	\$/Unit; \$/SF
1	Three Surface Lots 211 N 5 th St, 401 W Bannock, 417 W Jefferson. Boise (Ada County)	12/06/17 Closed	N/A N/A	58 17,711 305	\$1,637,700	\$28,236 \$92.47
	Comments: These three lots were sold in a single transaction at auction for \$1.59M plus 3% commission. The lots comprise 19, 24, and 15 parking spaces respectively for a total of 58 parking spaces in noncontiguous lots that are within 0.2 mile of each other.					
2	11 th & Front St Garage 1101 W Front St Boise (Ada County)	08/19/16 Closed	2017 4	250 N/A N/A	\$5,400,000	\$21,600 N/A
	Comments: This parking garage was purchased as a condominium unit within a proposed multiuse development to be completed in late 2017/early 2018. When completed, the buyer will own 250 parking spaces within a garage of 644 parking spaces. The acquired 250 spaces will be on the 3 rd level and the 4 th roof level of the parking structure with 104 stalls that are to be 9' by 18' and 146 stalls to be 8'6" by 18'. All spaces are full size, i.e. no compact spaces. The buyer acquired air rights and has an option to add two additional floors in the future as the garage design and construction permit construction of an additional two floors of the same size and dimensions as the original structure.					
3	5 th & Myrtle St Garage S 5 th St & W Myrtle St. Boise (Ada County)	12/21/15 Closed	2017 1	89 N/A N/A	\$2,590,000	\$29,101 N/A
	Comments: This parking garage was purchased as a condominium unit within a proposed seven-floor residential apartment complex to be completed in late 2017. When completed, the buyer will own 89 parking spaces on the first floor. An additional 100 parking spaces will be on the second floor of the structure but are not part of the acquired condominium unit. The acquired 89 spaces will be comprised of no more than 10 compact spaces. Minimum dimensions for the non-compact spaces are 8'6" by 18'.					
4	Hurt Plaza 19 SE Hurt Plaza. Atlanta, Fulton County, GA	10/28/16 Closed	1970 7	300 N/A N/A	\$9,406,174	\$31,354 N/A
	Comments: This parking garage is adjacent to the Hurt Plaza Office building. The parking garage was conveyed along with Hurt Plaza office building for total of \$33,600,000. The sale price for this garage was allocated and confirmed by the buyer's broker. The garage is used for office visitors/ employees as well as local customers within close proximity to Hurt Plaza. The parking garage derives about 60-65% of its revenue from monthly passes from Hurt Building. The remainder of the parking income is from local traffic and the broker indicated that the garage is often full. The office building is estimated to be 71% occupied.					
5	110 E. Washington Parking Garage 110 E. Washington Street Indianapolis, IN	7/23/15 Closed	2006 5	354 115,230 326	\$10,500,000	\$29,661 \$91.12
	Comments: The parking garage was conveyed as a leased fee sale with a master lease arranged with ABM Parking. The parking rates for this property are higher and this property achieves superior transient revenue. APA has valued this property multiple times in a portfolio valuation over the past 18 months.					
6	Printer's Alley Parking Garage 300 Church Street Nashville, Davidson County, TN	6/9/15 Closed	1900s 6	282 105,000 372	\$ 9,250,000	\$32,801 \$88.10
	Comments: Located in historic downtown Nashville, this parking garage was conveyed as a leased fee sale. The immediate area has high rise office towers. The property has valuable ground floor retail space and is a location that generates substantial tourist traffic. The cap rate at sale was 5.2% for this aggressively purchased desirable parking asset. The Bridgestone Arena is three blocks away which contributes to significant special event revenue.					

Analysis and Adjustment of Sales

At the low end of the range, the comparable sales indicate a value of \$21,600 per space at the 11th & Front Street Garage. At the high end of the range is the value of \$32,801 per space for the Printer's Alley Parking Garage in downtown Nashville.

The subject represents a subterranean garage that requires driving down two levels to access the parking level. All of the comparables have superior access / exposure compared to the subject as they represent above grade garages, most with parking available on the first level. Most similar to the subject from an access perspective is the 11th & Front Street Garage which will require patrons to drive from the ground (first) level to the third level to reach the public parking area that is part of the condominium parking unit.

All of the comparables are superior to the subject in that they are comprised of single parking spaces and do not use tandem spaces. For this analysis, PPA has mitigated this issue by analyzing the subject on a single space basis.

Comparable #1 - The three surface lots that sold in Boise in December of 2017 demonstrate a strong parking market in the downtown Boise area. The properties are much smaller than the subject which would generally increase the value on a per space basis. These comparables have an inferior overall location but have long-term redevelopment potential (superior economic consideration).

Comparable #2 – The 250 parking spaces that comprise this condominium parking garage are on the 3rd level and 4th (roof) level. This comparable is most similar to the subject as it relates to access in that it will require driving two levels to get to the parking area. More than half of the available parking at this comparable is on the roof level with exposure to outside elements. It is inferior to the subject in this regard. Unlike the subject which has compact spaces, none of the spaces in this comparable garage are compact spaces. As this comparable is new construction, this comparable is superior to the subject in age and condition, but inferior in location.

Comparable #3 – The 89 spaces that comprise this condominium parking garage are all on the first floor of a mixed use development with better access than the subject. It is similar to the subject in that it has parking spaces that are restricted to compact car use. This comparable is superior to the subject in its age and condition as this comparable represents new construction, but inferior in location.

Comparable #4 – This 7-floor free standing garage in downtown Atlanta, Georgia is in a larger urban market which generally increases real estate values. Access is better than that of the subject. This comparable also benefits from an associated office building which increases monthly parking revenue. However, monthly unreserved parking rates in downtown Atlanta average \$105 per month which is inferior to the subject's monthly unreserved rates.

Comparable #5 – This 354-parking space garage is located in Indianapolis. Per Parking Property Advisors' ("PPA") research, parking rates in the Indianapolis Central Business District are similar



to Boise with median rates for monthly unreserved parking of \$137.50 per month and for reserved parking of \$170 per month. This comparable has superior transient revenue.

Comparable #6 – The Printer’s Alley Garage in Nashville, Tennessee benefits from its location in a historic district with tourism traffic and from having desirable retail space. Per PPA’s research, downtown Nashville also benefit from median monthly unreserved parking rates of \$155 per month and median rates of \$202 per month for reserved parking. This comparable is an older structure than the subject; however, its location makes it superior to the subject.

Value Indication – Sales Comparison

The sales yield a range of \$21,600 - \$32,801 per space. Overall, the subject is inferior to the comparable set as a result of its subterranean structure. However, the subject parking facility on a single space basis does benefit from the higher overall revenue potential afforded by the tandem spaces. The 11th & Front Street Garage is most similar in access but superior in age and quality, however is inferior in location.

As discussed, the market would analyze the subject property as single spaces with some credit given to the tandem revenue potential. As stated, the single space is 165 spaces.

Based on the preceding analysis, the indicated value by the sales comparison approach is estimated at the lower end of the range at \$23,000 per space.

Value Indication by Sales Comparison	
Indicated Value per Space	\$23,000
Subject Spaces	<u>165</u>
Indicated Value	\$ 3,795,000
Rounded	\$3,800,000

Income Capitalization Approach

The income capitalization approach converts anticipated economic benefits of owning real property into a value estimate through capitalization. The steps taken to apply the income capitalization approach are:

- Analyze the property revenue sources.
- Consider appropriate allowances for vacancy, collection loss, and operating expenses.
- Calculate net operating income by deducting vacancy, collection loss, and operating expenses from potential income.
- Apply the most appropriate capitalization methods to convert anticipated net income to an indication of value.

The two most common capitalization methods are direct capitalization and discounted cash flow analysis. In direct capitalization, a single year’s expected income is divided by an appropriate capitalization rate to arrive at a value indication. In discounted cash flow analysis, anticipated future net income streams and a future resale value are discounted to a present value at an appropriate yield rate.

In this analysis, the direct capitalization method was employed.

Capitol and Front includes 207 parking spaces. As discussed in the Parking Market Analysis section, the proposed parking rates per space type for the subject parking facility reflect the upper end of the market range but are supportable. These rates are summarized as follows:

GARAGE	CATEGORY	CURRENT	PROPOSED
		Dec-17	2018
Capitol & Front	First Hour	Free	Free
	Hourly	\$2.50	\$3.00
	Daily	\$12.00	\$15.00
	Monthly	\$120.00	\$140.00
	Monthly Reserved	\$155.00	\$190.00
	Monthly Tandem	\$80.00	\$100.00
	Hotel Self Park	\$5.70	\$8.00
	Hotel Valet	\$5.70	\$8.00

This parking facility serves five primary users:

1. The Grove Hotel – Valet and Self-Park plus some employee parking
2. Block 22 – 21 reserved parking spaces for 20 high-end condominiums on top of The Grove Hotel
3. Monthly Parkers in the nearby area
4. Gold sponsors of the CenturyLink Arena
5. Transient Users.



Following is a summary discussion of these five users followed by historic revenues per use.

The Grove Hotel – The Grove Hotel is the predominant user of the subject parking facility. This 250-room hotel uses the garage for valet via 40 double and triple stacked tandems as well as uses various single parking spaces for self-parkers. Two key metrics are to establish (1) the demand for nightly parking as well, and (2) the use of self-parking spaces versus valet. These metrics were somewhat difficult to quantify as PPA did not interview the hotel management. However, based on observations, this hotel enjoys strong occupancy during the week and less so on weekends. Also, the hotel does provide shuttle service to the proximate Boise Airport; the result is the drive-in rate is less than a hotel further away from the airport. Another observation is that the hotel valet service effectively uses the front loading areas for parking on an as needed basis.

PPA also studied other hotels and their parking needs as compared to the associated room count. The new Boise Residence Inn was initially permitted for 176 rooms with associated parking of 103 spaces, representing a use rate of 58.5%. The nearby 112 room Hotel 43 rents 55 spaces, reflecting a use rate of 49%. PPA also interviewed a National valet parking operator that also develops hotels; based on this interview, a comparable 250 room hotel with 12,000 sf of meeting space needs at least 150 parking spaces, reflecting a use rate of 60% ($150/250 = 60\%$). Based on the market research, PPA's inspection where use rates were discussed with the parking operator and the market interview participant, PPA estimated The Grove Hotel needs 140 parking spaces reflecting a use rate of 56%.

Valet use appears to be higher on the weekends than during the week per PPA's research. This trend is not uncommon as weekend parking users are often less familiar with a garage. The Grove Hotel represents a corporate hotel with many repeat users that are more likely to self-park for cost savings. Self-park rates are \$12 per night and valet parking rates are \$18.00 per night.

Revenue forecasting for The Grove Hotel was partially based on an historic review as well as the forecast of the valet and self-parking for 140 cars on a nightly basis. Below is a recap of the historical parking revenue for the subject parking facility:



<u>Revenue</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	Budget <u>2018</u>
Monthly Parking	\$84,305	\$96,891	\$134,433	\$117,631	\$132,870
Transient Parking	\$0	\$0	\$0	\$138,724	\$157,436
Discounted Parking	\$0	\$0	\$0	-\$42,916	-\$44,203
Net Hourly Revenue	\$209,986	\$75,752	\$79,764	\$0	\$0
Over Short	\$0	\$0	\$0	-\$328	\$0
Validation Sales	\$0	\$0	\$0	\$5,726	\$6,127
Post-Pays/Violations	\$0	\$0	\$0	\$2,451	\$2,500
Hotel Overnite	\$0	\$137,624	\$126,069	\$130,326	\$130,326
Special Event	\$0	\$0	\$0	\$3,529	\$3,459
Miscellaneous Income	<u>\$11,608</u>	<u>\$10,405</u>	<u>\$13,092</u>	<u>\$0</u>	<u>\$0</u>
Total Revenue	\$305,899	\$320,672	\$353,358	\$355,143	\$388,515

To isolate the hotel parking revenue from the total revenue, the following analysis was prepared by reviewing the 2017 actuals and the 2018 budget:

Hotel Revenue	2017 Actual
Transient Parking	\$138,724
Less: Discount	-\$42,916
Hotel Overnite	<u>\$130,326</u>
	\$226,134

Hotel Revenue	2018 Budget
Transient Parking	\$157,436
Less: Discount	-\$44,203
Hotel Overnite	<u>\$130,326</u>
	\$243,559

For a further analysis, PPA estimated the hotel parking revenue as follows, tempered with the proposed 2018 rate increase:

Hotel Calculation - Alternative				
Tandem Spaces	40	\$100	\$4,000	\$48,000
Tandem Spaces	22	\$100	\$2,200	\$26,400
Single Spaces	<u>78</u>	\$190	\$14,820	<u>\$177,840</u>
	140			\$252,240

This analysis assumes that the valet continues to use the 40 existing double/triple stack spaces, and that the back/rear tandem spaces are used by hotel employees and the residual remaining

single spaces are reserved by the hotel at the contemplated reserved rate of \$190 per space (same reserved parking rate for the existing Block 22 spaces effective February 1, 2018).

For analysis purposes, PPA has estimated the hotel revenue based on the 2018 budget. This figure equates to \$243,559. Assuming an allocated 140 parking spaces, the implied monthly parking rate equates to \$145 per space ($\$243,559/140/12 = \$145.00+/-$ per space).

Boulevard 255 – Boulevard 255 leases 21 reserved spaces proximate to their private elevator. These spaces are leased on a monthly basis. These spaces are currently leased for \$155.00 per space but is proposed to be increased to \$190.00 per month as of February 2018. PPA has accepted these parking rates for these spaces. Of note, these spaces cannot be oversold as they are reserved. The indicated revenue forecast for these 21 spaces is \$47,880 (21 X \$190 X 12 = \$47,880).

Monthly Parkers – the demand for monthly parking spaces in the Boise CBD is extremely strong with all six CCDC garages having a waiting list. A key issue for the Capitol and Front garage has been defining the number of monthly parking spaces for both single spaces and the tandem spaces. For PPA’s analysis, the first step in estimating this revenue is to ascertain the number of monthly parking spaces available to rent. Following is a space count for the garage:

Parking Space Allocation	
Total Spaces	207
Condo Spaces	21
Entrance area spaces	
Front Tandem	12
Handicap	2
Vertical parking (front wall)	22
Angled parking (front)	10
Sub-Total	<u>67</u>
Hotel	<u>140</u>

The monthly parking revenue is available from the 12 front tandem spaces. The new monthly rent for these 12 spaces is \$100.00 per month effective February 2018. On an annual basis this monthly parking revenue equates to \$14,400.

The other monthly parking spaces are from the two handicap spaces near the arena entry and the 32 spaces along the front wall and the front entry. These spaces total 34 spaces. Based on a review of the CCDC parking facilities and interviews with a local operator (Car Park), PPA estimated an oversell ratio of 1.20; this ratio assumes that not all parkers show each day and a result, the spaces can be oversold. For specific support, the Capitol Terrace Garage has an oversell ratio of 1.21 and City Center Garage has an oversell ratio of 1.145. The resulting monthly parking income for the non-tandem spaces was \$68,544.



Oversell Calculation				
Handicap	2	\$140	\$280	\$3,360
Vertical parking	22	\$140	\$3,080	\$36,960
Angled parking	10	\$140	\$1,400	<u>\$16,800</u>
				\$57,120
Oversell Ratio				1.2
				\$68,544

Adding this figure to the tandem monthly parking revenue of \$14,400 (12 x \$100 X 12 = \$14,400) equates to \$82,944.

Gold Sponsors of the CenturyLink Arena - the subject parking facility has an agreement with the premium seats (Gold) for \$125 per year for 35 spaces. This figure equates to \$4,375. These spaces are used predominantly at night and weekends. Of note, per PPAs interview with Car Park, transient parking revenue from special events at CenturyLink arena is limited due to traffic patterns where special event parkers elect other parking facilities versus the subject.

Transient Revenue – As discussed in the neighborhood analysis, the prevailing traffic patterns do not bring customers by the main entry of the subject garage. This issue along with the steep subterranean entry precludes most patrons from seeking to park at the subject parking facility for short transient visits to nearby retail uses. The result is that transient revenue is overall minimal for this garage. While this type parking revenue is often desired by investors, for this garage, PPA has not estimated transient revenue other than the hotel and special parking rate for the Gold sponsors of CenturyLink.

Other Revenue for the subject parking facility – based on a review of the historical operations, PPA estimated nominal other revenue of \$9,000 for this property.

Total revenue forecasted for the subject parking facility is as follows:

Component	Annual Income
Hotel	\$243,559
Condo	\$47,880
Front Tandem	\$14,400
Monthly Single (20% oversell)	\$68,544
Special Event	\$4,375
Val. Sales/Post-Pays/Violations	<u>\$9,000</u>
Total Income	\$387,758

Vacancy and Collection Loss and Expenses:

The parking market is strong. However from an historical standpoint, the subject parking facility has been the worst performing CCDC garage. With that said, this property does have an active waiting list of over 100 names. Recognizing some turnover and nominal collection issues, PPA estimated a 2 % vacancy rate.

Historical and Budgeted Expenses

PPA estimated operating costs based on a four year review of historicals tempered with the 2018 budget. The historical expenses are summarized as follows:

Expense	2014	2015	2016	(Prior Year) 2017
Salaries	\$64,177	\$52,559	\$17,289	\$20,478
Insurance	\$3,888	\$4,560	\$4,560	\$4,560
Utilities	\$7,208	\$8,269	\$7,500	\$8,876
Signage	\$0	\$1,000	\$60	\$0
Tickets/PARCS System Support	\$0	\$0	\$0	\$9,390
Repairs & Maint	\$7,089	\$6,800	\$2,100	\$14,572
Outside Services	\$2,498	\$2,472	\$2,220	\$1,299
Security	\$0	\$0	\$0	\$14,256
General Supplies	\$0	\$2,160	\$1,200	\$7,998
Telephone	\$0	\$1,740	\$1,848	\$4,712
Other	<u>\$7,510</u>	<u>\$7,139</u>	<u>\$7,196</u>	<u>\$844</u>
Subtotal Expenses net of O/H	\$92,370	\$86,699	\$43,973	\$86,985
Allocated Overhead	<u>\$61,429</u>	<u>\$81,997</u>	<u>\$74,708</u>	<u>\$73,278</u>
Expenses with O/H net of taxes	\$153,799	\$168,696	\$118,681	\$160,263
Spaces	207	207	207	207
Per Space	\$742.99	\$814.96	\$573.34	\$774.22
Expenses net of taxes	\$153,799	\$168,696	\$118,681	\$160,263
Estimated Taxes	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Expenses with taxes	\$153,799	\$168,696	\$118,681	\$160,263
Estimated Reserves	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Expenses with taxes & reserves	\$153,799	\$168,696	\$118,681	\$160,263
Spaces	207	207	207	207
Per Space	\$742.99	\$814.96	\$573.34	\$774.22

Several comments on the historical expenses:

1. The garage in 2014 and 2015 had an attendant. Starting in 2016, the attendant was eliminated and replaced with a part-time employee.
2. Security was initiated in all of the CCDC garages with an even expense per garage.



3. Utility costs for this garage are extremely low for two reasons: (1) the garage is not heated, and (2) Boise and Idaho enjoy relatively low utility rates compared to other areas of the country.
4. An allocated overhead is included for all of the CCDC garages based on a formula.
5. The property is tax exempt and does not set aside monies for reserves.

For expense forecasting, PPA made several changes:

1. The property on a market basis would incur property taxes. PPA estimated this expense based on a discussion with the ADA County property appraiser's office. This expense was estimated at \$200 per space – see initial property tax discussion.
2. PPA did not reflect any allocated CCDC expenses, but did reflect a \$2,500 per month management/overhead expense for overseeing garage operations.
3. Repairs and maintenance expenses were based on a three year average. The 2018 budget figure is much less. PPA relied more on historicals (tempered with an estimate for annual reserves for replacements).
4. Reserves were estimated at \$45 per space based on past experience with similar aged facilities. This garage does have lights used 24/7 and replacements are frequent with ballasts.

Following is a reconstructed historical expense breakdown with the 2018 budget and the PPA forecasted operating expense:

				(Prior Year)	Budget	
<u>Expense</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>PPA</u>
Salaries	\$64,177	\$52,559	\$17,289	\$20,478	\$17,979	\$20,500
Insurance	\$3,888	\$4,560	\$4,560	\$4,560	\$4,927	\$5,175
Utilities	\$7,208	\$8,269	\$7,500	\$8,876	\$7,500	\$8,400
Signage	\$0	\$1,000	\$60	\$0	\$0	\$500
Tickets/PARCS System Support	\$0	\$0	\$0	\$9,390	\$11,667	\$0
Repairs & Maint	\$7,089	\$6,800	\$2,100	\$14,572	\$2,100	\$8,000
Outside Services	\$2,498	\$2,472	\$2,220	\$1,299	\$2,220	\$2,000
Security	\$0	\$0	\$0	\$14,256	\$14,690	\$15,000
General Supplies	\$0	\$2,160	\$1,200	\$7,998	\$2,856	\$4,000
Telephone	\$0	\$1,740	\$1,848	\$4,712	\$4,410	\$4,600
Other	<u>\$7,510</u>	<u>\$7,139</u>	<u>\$7,196</u>	<u>\$844</u>	<u>0</u>	<u>\$0</u>
Subtotal Expenses net of O/H	\$92,370	\$86,699	\$43,973	\$86,985	\$68,349	\$68,175
Allocated Overhead	<u>\$61,429</u>	<u>\$81,997</u>	<u>\$74,708</u>	<u>\$73,278</u>	<u>\$62,953</u>	<u>\$30,000</u>
Expenses with O/H net of taxes	\$153,799	\$168,696	\$118,681	\$160,263	\$131,302	\$98,175
Spaces	207	207	207	207	207	207
Per Space	\$742.99	\$814.96	\$573.34	\$774.22	\$634.31	\$474.28
Expenses net of taxes	\$153,799	\$168,696	\$118,681	\$160,263	\$131,302	\$98,175
Estimated Taxes	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$41,400</u>
Expenses with taxes	\$153,799	\$168,696	\$118,681	\$160,263	\$131,302	\$139,575
Estimated Reserves	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$9,315</u>
Expenses with taxes & reserves	\$153,799	\$168,696	\$118,681	\$160,263	\$131,302	\$148,890
Spaces	207	207	207	207	207	207
Per Space	\$742.99	\$814.96	\$573.34	\$774.22	\$634.31	\$719.28

Overall operating expenses were forecasted at \$148,890. This expense is somewhat less than 2017 but higher than the budget and 2015. Of note, the allocated overhead expenses going forward as a private operated garage would be less.

Net Operating Income Forecast

Deducting the vacancy and operating expenses from the revenue forecast provides the indicated net operating income. This calculation looks as follows:



	SPACES	RATE	TOTAL
Revenue from all sources	207		\$387,758
Less Vacancy & Collection Loss		2%	<u>-\$7,755</u>
Effective Gross Income			\$380,003
Less: Operating Expenses - see expense recap			
Total Operating Expenses	<i>per space</i>	\$719.28	<u>\$148,890</u>
Net Operating Income			\$231,113

Capitalization Rate Selection

A capitalization rate is used to convert net income into an indication of value. Selection of an appropriate capitalization rate considers future income pattern of the property and investment risk associated with ownership. PPA reviewed the following data in selecting a capitalization rate for the subject.

Analysis of Comparables

PPA recently valued a portfolio of parking properties which included six parking garages. The capitalization rates for these range from a low of 5.50% to a high of 6.50%. The median and the mean for the dataset was 6.00% and 6.00% respectively.

National Investor Survey

Data pertaining to investment-grade parking properties from the recent national survey (first of its kind) compiled by Parking Property Advisors, JNL Parking, and Situs RERC is summarized below. This is reflective of the second quarter of 2016 and the contributors surveyed parking owners, investors, advisors, brokers, and appraisers across four regions of the United States. The survey does not differentiate between first-, second- or third-tier markets within each region. The survey noted that 78% of participants indicated that the current parking market environment was strong while 20% were indifferent and just 2% having the opinion that they strongly disagreed that the current market was strong. As shown in the following table, parking capitalization rates on a national basis ranged from 4.5% to 10.0% with the West buyers and sellers indicating a slightly tighter range of 4.5% to 9.0%. Given the subject's characteristics and location, we would expect the appropriate rate to be towards the lower end of the range for the West Region.

Based on a review of this survey, PPA estimates the appropriate parking cap rate for this property is 6.00% (due to strong parking demand tempered with the impact of the unattended tandem spaces).



Applying the estimated 6.00% overall rate to the indicated net operating income resulted in an indicated value of \$3,850,000 (see following table).

	SPACES	RATE	TOTAL
Revenue from all sources	207		\$387,758
Less Vacancy & Collection Loss		2%	<u>-\$7,755</u>
Effective Gross Income			\$380,003
Less: Operating Expenses - see expense recap			
Total Operating Expenses	<i>per space</i>	\$719.28	<u>\$148,890</u>
Net Operating Income			\$231,113
<i>Capitalization Rate</i>			<i>6.00%</i>
Capitalized Value			<u>\$3,851,881</u>
<i>Rounded</i>			\$3,850,000
	<i>per space</i>		\$18,599

Reconciliation and Conclusion of Value

The values indicated by these analyses are as follows:

Summary of Value Indications	
	Market Value As Is – Leased Fee
Cost Approach	Not utilized
Sales Comparison Approach	\$3,800,000
Income Capitalization Approach	\$3,850,000
Reconciled	\$3,850,000

Cost Approach

The cost approach is most reliable for newer properties that have no significant amount of accrued depreciation. Due to the age of the subject improvements, estimates of depreciation are subjective, thereby reducing the reliability of this approach. Further, the cost approach is not typically used by market participants purchasing parking facilities, except for new or nearly new properties. For these reasons, the cost approach is considered inapplicable and was excluded from this analysis.

Sales Comparison Approach

The sales comparison approach is most reliable in an active market when an adequate quantity and quality of comparable sales data are available. In addition, it is typically the most relevant method for owner-user properties, because it directly considers the prices of alternative properties with similar utility for which potential buyers would be competing. Significant adjustments are required for many of the sales because of differences in the various elements of comparison – condominium nature of the subject, subterranean structure, vast geographic distance, and other factors. For analysis purposes, a single approach, valuing the property based upon the price per stall, and the necessary adjustment process proved inconclusive on more than one occasion. This method does not consider the income characteristics of the subject property and these properties are purchased primarily on their income generating capabilities. For this reason, this approach was primarily used as a test of reasonableness for the income capitalization approach.

Income Capitalization Approach

The income capitalization approach is usually given greatest weight when evaluating investment properties. The value indication from the income capitalization approach is supported by market data regarding income, expenses and required rates of return. An investor is the most likely purchaser of the appraised property, and a typical investor would place greatest reliance on the income capitalization approach. For these reasons, the income capitalization approach is given greatest weight in the final conclusion of an opinion of value.

Value Conclusions

Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value As Is	Leased Fee	12/08/2017	\$3,850,000

Fixtures necessary for the continued operation of the property include automatic pay machines, signage, and gate arms. The contribution of these fixtures is included in the value opinion.

Exposure Time

Exposure time is the length of time the subject property would have been exposed for sale in the market had it sold on the effective valuation date at the concluded market value. Based on the concluded market values stated previously, the probable exposure time is 3 - 6 months. There currently is extremely strong investor demand for parking facilities. In fact, most of these type properties rarely are exposed to the market but rather are purchased with buyers actively pursuing these assets.

Marketing Period

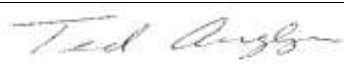
Marketing time is an estimate of the amount of time it might take to sell a property at the concluded market value immediately following the effective date of value. The subject's marketing period is estimated to be 3 - 6 months.

CERTIFICATION

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

- The facts and data contained in this report are true and correct.
- The analyses, opinions, and conclusions in this report are limited only by the assumptions and limiting conditions stated in this report, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- 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.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement of this assignment was not contingent upon developing or reporting predetermined results.
- My compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in this report, or from its use.
- My analyses, opinions, and conclusions were developed in conformity with the Uniform Standards of Professional Appraisal Practice and the requirements of the Code of Professional Ethics.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined assignment results or assignment results that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result or the occurrence of a subsequent event directly related to the intended use of this restricted use appraisal.
- I **have** made a personal inspection of the subject property.
- No one provided significant appraisal assistance to the person signing this certification. Ted Anglyn **has not** provided valuation services on the subject property in the past three (3) years.
- As of the date of this report, Ted Anglyn has completed the continuing education requirements of the State of Georgia and the State of Florida which governs his Appraiser Certification.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, Ted Anglyn has completed the continuing education program of the Appraisal Institute.



Signature Block	
	Ted Anglyn FL RZ 3055 expires 11/30/2018 ID TCGA-4616 expires 05/24/2018

Assumptions and Limiting Conditions

This appraisal and any other work product related to this engagement are limited by the following standard assumptions, except as otherwise noted in the report:

1. The title is marketable and free and clear of all liens, encumbrances, encroachments, easements and restrictions. The property is under responsible ownership and competent management and is available for its highest and best use.
2. There are no existing judgments or pending or threatened litigation that could affect the value of the property.
3. There are no hidden or undisclosed conditions of the land or of the improvements that would render the property more or less valuable. Furthermore, there is no asbestos in the property.
4. The property is in compliance with all applicable building, environmental, zoning, and other federal, state and local laws, regulations and codes.
5. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.

This appraisal and any other work product related to this engagement are subject to the following limiting conditions, except as otherwise noted in the report:

1. An appraisal is inherently subjective and represents our opinion as to the value of the property appraised.
2. The conclusions stated in our appraisal apply only as of the effective date of the appraisal, and no representation is made as to the effect of subsequent events.
3. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.
4. No environmental impact studies were either requested or made in conjunction with this appraisal, and we reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the appraisal assumes that such statement will be favorable and will be approved by the appropriate regulatory bodies.
5. Unless otherwise agreed to in writing, PPA is not required to give testimony, respond to any subpoena or attend any court, governmental or other hearing with reference to the property without compensation relative to such additional employment.
6. PPA does not have a survey of the property and assume no responsibility in connection with such matters. Any sketch or survey of the property included in this report is for illustrative purposes only and should not be considered to be scaled accurately for size. The appraisal covers the property as described in this report, and the areas and dimensions set forth are assumed to be correct.
7. No opinion is expressed as to the value of subsurface oil, gas or mineral rights, if any, and PPA assumed that the property is not subject to surface entry for the exploration or removal of such materials, unless otherwise noted in our appraisal.

8. We accept no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal descriptions and other legal matters such as legal title, geologic considerations such as soils and seismic stability; and civil, mechanical, electrical, structural and other engineering and environmental matters. Such considerations may also include determinations of compliance with zoning and other federal, state, and local laws, regulations and codes.
9. The distribution of the total valuation in the report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used. The appraisal report shall be considered only in its entirety. No part of the appraisal report shall be utilized separately or out of context.
10. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the persons signing the report.
11. Information, estimates and opinions contained in the report and obtained from third-party sources are assumed to be reliable and have not been independently verified.
12. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute predictions of future operating results.
13. If the property is subject to one or more leases, any estimate of residual value contained in the appraisal may be particularly affected by significant changes in the condition of the economy, of the real estate industry, or of the appraised property at the time these leases expire or otherwise terminate.
14. Unless otherwise stated in the report, no consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property; only the real property has been considered.
15. The current purchasing power of the dollar is the basis for the values stated in the appraisal; PPA has assumed that no extreme fluctuations in economic cycles will occur.
16. The values found herein are subject to these and to any other assumptions or conditions set forth in the body of this report but which may have been omitted from this list of Assumptions and Limiting Conditions.
17. The analyses contained in the report necessarily incorporate numerous estimates and assumptions regarding property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates, and the variations may be material.

18. The Americans with Disabilities Act (ADA) became effective January 26, 1992. PPA has not made a specific survey or analysis of the property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. PPA claims no expertise in ADA issues, and render no opinion regarding compliance of the subject with ADA regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the nonconforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.
19. The appraisal report is prepared for the exclusive benefit of the Client, its subsidiaries and/or affiliates. The report may not be used or relied upon by any other party. All parties who use or rely upon any information in the report without our written consent do so at their own risk.
20. No studies have been provided to us indicating the presence or absence of hazardous materials on the subject property or in the improvements, and our valuation is predicated upon the assumption that the subject property is free and clear of any environment hazards including, without limitation, hazardous wastes, toxic substances and mold. No representations or warranties are made regarding the environmental condition of the subject property. PPA shall not be responsible for any such environmental conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because we are not experts in the field of environmental conditions, the appraisal report cannot be considered as an environmental assessment of the subject property.
21. PPA may have reviewed available flood maps and may have noted in the appraisal report whether the subject property is located in an identified Special Flood Hazard Area. PPA is not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are nonexistent or minimal.
22. PPA is not a building or environmental inspector. PPA does not guarantee that the subject property is free of defects or environmental problems. Mold may be present in the subject property and a professional inspection is recommended.
23. The appraisal report and value conclusions for an appraisal assume the satisfactory completion of construction, repairs or alterations in a workmanlike manner.
24. It is expressly acknowledged that in any action which may be brought against PPA arising out of, relating to, or in any way pertaining to this engagement, the appraisal reports, and/or any other related work product, PPA shall not be responsible or liable for any incidental or consequential damages or losses, unless the appraisal was fraudulent or prepared with intentional misconduct. It is further acknowledged that the collective liability of PPA in any such action shall not exceed the fees paid for the preparation of the appraisal report unless the appraisal was fraudulent or prepared with intentional misconduct. Finally, it is acknowledged that the fees charged herein are in reliance upon the foregoing limitations of liability.

25. PPA is an independently owned and operated company, and has prepared the appraisal for the specific intended use stated elsewhere in the report. The use of the appraisal report by anyone other than the Client is prohibited except as otherwise provided. Accordingly, the appraisal report is addressed to and shall be solely for the Client's use and benefit unless PPA provides prior written consent. PPA expressly reserves the unrestricted right to withhold our consent to your disclosure of the appraisal report or any other work product related to the engagement (or any part thereof including, without limitation, conclusions of value and our identity), to any third parties. Stated again for clarification, unless PPA's prior written consent is obtained, no third party may rely on the appraisal report (even if their reliance was foreseeable).
26. The conclusions of this report are estimates based on known current trends and reasonably foreseeable future occurrences. These estimates are based partly on property information, data obtained in public records, interviews, existing trends, buyer-seller decision criteria in the current market, and research conducted by third parties, and such data are not always completely reliable. PPA is not responsible for these and other future occurrences that could not have reasonably been foreseen on the effective date of this assignment. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance. While PPA is aware of the opinion that our findings are reasonable based on current market conditions, we do not represent that these estimates will actually be achieved, as they are subject to considerable risk and uncertainty. Moreover, we assume competent and effective management and marketing for the duration of the projected holding period of this property.
27. All prospective value opinions presented in this report are estimates and forecasts which are prospective in nature and are subject to considerable risk and uncertainty. In addition to the contingencies noted in the preceding paragraph, several events may occur that could substantially alter the outcome of our estimates such as, but not limited to changes in the economy, interest rates, and capitalization rates, behavior of consumers, investors and lenders, fire and other physical destruction, changes in title or conveyances of easements and deed restrictions, etc. It is assumed that conditions reasonably foreseeable at the present time are consistent or similar with the future.
28. The appraisal is also subject to the following:

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results. An extraordinary assumption is uncertain information accepted as fact. If the assumption is found to be false as of the effective date of the appraisal, we reserve the right to modify our value conclusions.

1. PPA is not expert in analyzing the structural integrity of the subject property. This analysis assumes that the improvements are structurally sound and that no deferred maintenance



or significant capital expenditures are required at the current time. Per review of the Capital Improvement history and budget, no significant expenditures are planned. PPA reserves the right to amend the findings of this report if this information is found to be inaccurate and/or if more accurate and/or reliable information becomes available.

2. CCDC will increase parking rates on February 1, 2018 as currently planned.
3. The building and land sizes were based on the 2015 appraisal provided to PPA.
4. The Block 22 lease is assumed to cover 21 defined parking spaces.
5. The Grove Hotel has rights to the use of both valet and self-parking stalls; however, there is no set agreement on specific parking space use.

The value conclusions are based on the following hypothetical conditions that may affect the assignment results. A hypothetical condition is a condition contrary to known fact on the effective date of the appraisal but is support for the purpose of analysis.

1. None.
-



ADDENDA

- | | |
|-------------------------------------|-----------|
| 1. Property Tax Record | Exhibit A |
| 2. Parking Lease Agreement | Exhibit B |
| 3. Financial Operational Statements | Exhibit C |
| 4. Engagement Letter | Exhibit D |
| 5. Appraiser Credentials | Exhibit E |



EXHIBIT A

PROPERTY TAX RECORD



TAX ASSESSOR'S PROPERTY RECORD



Robert H. McQuade
Ada County Assessor
 190 E Front Street Suite 107
 Boise, ID 83702-7300
 adacountyassessor.org

2017
ASSESSMENT NOTICE

THIS IS NOT A BILL
DO NOT PAY.

..... PARCEL DESCRIPTION:
 UNIT 4 (PARKING GARAGE UNIT)
 BLOCK TWENTY TWO CONDOS
 (57252 SF)
 BRA #2
 #99027389

For any questions, please notify the Assessor's Office immediately
 Assessor's Telephone Number: (208) 287-7225
 cchurch@adaweb.net
 Parcel Address: 245 S CAPITOL BLVD
 BOISE ID 83702

CAPITAL CITY DEVELOPMENT CORP
 CONTROLLER THE GROVE HOTEL
 245 S CAPITOL BLVD
 BOISE ID 83702

Appeals of your property value must be filed in writing, on a form provided by the County, by:
 June 26, 2017

Tax Code Area: 01-6

Parcel Number: R0998100500

Urban Renewal

ASSESSED VALUE OF YOUR PROPERTY			
CURRENT DESCRIPTION	LOTS/ACRES	LAST YEAR'S VALUE	CURRENT YEAR'S VALUE
COMMERCIAL CONDOMINIUM		0	0
COMMERCIAL CONDOMINIUM UR INCR		0	0
TOTAL ASSESSED VALUE:		0	0
LESS HOMEOWNERS EXEMPTION:		0	0
NET TAXABLE PROPERTY VALUE:		0	0

These values may not include personal property values. Taxes are based on the values shown on this Notice and on the Budgets of the taxing districts.

HISTORICAL ASSESSED VALUES & TAXES
 Property Roll
 Black = Total Assessed Value
 Gray = Taxes
 Current Year Tax not yet available

TAXING DISTRICT INFORMATION		
TAXING DISTRICTS	PHONE NUMBER	DATE OF PUBLIC BUDGET HEARING
ADA COUNTY	(208) 287-7000	7-17-2017
EMERGENCY MEDICAL	(208) 287-2962	7-17-2017
ADA COUNTY HIGHWAY DIST	(208) 387-6123	8-23-2017
SCHOOL DISTRICT NO. 1	(208) 854-4029	6-12-2017
BOISE CITY	(208) 384-3732	7-18-2017
MOSQUITO ABATEMENT	(208) 577-4646	7-17-2017
COLLEGE OF WESTERN IDAHO	(208) 562-3299	7-18-2017

Tax dollars generated by the Increment Value are distributed to the BOISE CENTRAL DISTRICT
 Urban Renewal & School Districts

THIS IS NOT A BILL. DO NOT PAY.

See the back of this Notice for details

Assessments reflect MARKET VALUE as of 1/1/17; for Homeowner and Property Tax Reduction questions call (208) 287-7200.

000000 0026006



EXHIBIT B

PARKING LEASE AGREEMENT

Boulevard Two Fifty Five Condominiums Association, Inc.

PARKING LEASE AGREEMENT

This Parking Lease Agreement (hereinafter "Parking Lease") relating to a portion of the Boulevard Parking Garage, a public parking facility, is entered into this 23 day of March, 1998, by and between the URBAN RENEWAL AGENCY OF THE CITY OF BOISE, also known as and doing business under the style of the CAPITAL CITY DEVELOPMENT CORPORATION, a public body corporate and politic of the state of Idaho (hereinafter the "Agency"), BLOCK 22, LLC, an Idaho limited liability company (hereinafter the "Developer") and BOULEVARD TWO FIFTY FIVE CONDOMINIUMS ASSOCIATION, INC. (hereinafter the "Association").

Section 1. Recitals.

A. The Agency and Developer previously entered into a Disposition and Development Agreement dated May 9, 1994, a First Implementation Agreement dated October 21, 1994, a Second Implementation Agreement dated February 13, 1995, a Third Implementation Agreement dated January 3, 1996, the Limited Guaranty Agreement dated January 3, 1996, an Air and Ground rights Easement dated November 18, 1996, a Fourth Implementation Agreement dated March 10, 1997, and a Fifth Implementation Agreement dated August 11, 1997, collectively referred to as the "DDA," providing for the redevelopment of Block 22, BCOT for hotel, retail, a multi-event facility, including health club and sports bar, residential condominiums and related uses. The DDA included agreements and conditions under which the Agency agreed to sell and Developer agreed to purchase and develop certain real property included within the boundaries of the Boise Central District

Project II (R-5) (hereinafter the "Site"). The DDA set forth the framework within which the parties agreed to cooperate to achieve their mutually consistent goals of the development on the Site of a major new hotel and multi-event facility, a health club, sports bar, restaurant, retail uses, and residential units (the "Hotel and Event Center Project") supported by a necessary public infrastructure including a public parking facility within the plans and framework designs adopted by the Agency.

B. Under Section 7003 of the DDA (at page 20) of Attachment No. 3 to the DDA, the Agency and Developer on August 11, 1997, entered into an Agreement Relating to Operation, Maintenance and Management of the Boulevard Parking Facility (the "Boulevard Parking Garage") and provided for the operation, maintenance and management of the Boulevard Parking Garage (the "Parking Agreement"). In the DDA and the Parking Agreement, the Agency agreed that one space per residential condominium unit not to exceed ten percent (10%) of the normal parking spaces within the Boulevard Parking Garage, would be allocated and maintained for the exclusive use of the owners of the residential condominiums ("Residential Condominium Owners") and that such spaces shall be leased to the residential condominium association established for the residential units. The Agency also has agreed to grant to the Association for use by the Residential Condominium Owners certain non-exclusive easements providing access over the Block 22 Boulevard Parking Garage and to certain private storage facilities located adjacent thereto and leased by the Developer to the owners of the residential condominiums (the "Storage Units"). Association is the residential condominium association established for the residential units.

C. The Agency has adopted a Parking Management Plan, amended and restated July 1997, which addresses certain parking policies of the Agency as it applies to the Boulevard Parking Garage and other facilities owned by the Agency.

D. The Parking Management Plan defines the Agency's policy for reserved residential parking spaces and governs the operations of the residential parking spaces within the Boulevard Parking Garage.

NOW, THEREFORE, this Parking Lease is entered into on the terms and conditions stated below.

Section 2. Lease.

2.1 Lease to Association. Agency leases to Association and Association leases from Agency the parking spaces identified on Exhibit "A," together with non-exclusive easements for ingress and egress over and across the Block 22 Boulevard Parking Garage for access to its elevators and its stairways and the Storage Units, (collectively the "Residential Condominium Parking Spaces").

2.2 Sublease. Association shall sublease the Residential Condominium Parking Spaces to the Residential Condominium Owners (the "Sublessees"). Any sublease shall be subject to the terms and conditions of this Parking Lease. Within ten (10) days of the execution of a sublease with any Sublessee, Association shall notify Agency or the Agency's designated parking operator, of the name, address and telephone number of any Sublessee and the make, model and license plate number of that Sublessee's motor vehicle. Each Sublessee in turn can sell or assign his/her interest in a sublease only to a Residential Condominium Owner or a tenant of a Residential Condominium Owner. Any sale or

assignment to a person who is not a Residential Condominium Owner or a tenant of a Residential Condominium Owner shall be null and void and of no force and effect. Within ten (10) days of any sale or assignment by a Sublessee or other changes in the occupancy of a Residential Condominium, the Sublessee shall provide written notice to the Association and the Agency, or the Agency's designated operator, of the name, address and telephone number of the purchaser, assignee or occupant and the make, model and license plate number of the purchaser's, assignee's or occupant's motor vehicle.

Section 3. Term. This Parking Lease shall have an initial term of twenty (20) years commencing on the date of initial occupancy of the Boulevard Two Fifty Five Condominiums. This Parking Lease shall continue and may be extended at the Association's sole option for successive ten (10) year terms so long as both the Boulevard Two Fifty Five Condominiums and the Boulevard Parking Garage are in existence. Such extension shall be deemed to be exercised automatically and without further action by Association. The Association shall notify the Agency in writing of its intention not to renew this Parking Lease at least ninety (90) days prior to the expiration of the initial terms or any successive term.

Section 4. Parking Fees.

4.1 Fees. Fees for the Residential Condominium Parking Spaces shall be established by the Agency from time to time as governed by the Agency's Parking Management Plan as amended from time to time. At no time shall the Residential Condominium Parking Fees be lower than the standard monthly rate charged for monthly parking in the Boulevard Parking Garage or the Ninth Street Garage.

4.2 Sublease Fees. The Association may charge each Sublessee a higher fee so as to permit the Association to recover its sublease administration costs; provided, however, that such fee shall not exceed the rate charged to the Association by the Agency by more than 2.5%.

4.3 Billing. The Association shall be billed monthly by Agency, or Agency's operator, for all parking fees and other charges due under this Parking Lease. Association shall promptly pay such billings even though it may not have received all payments due from Sublessees. Association acknowledges and agrees that it will be responsible for making all payments due under this Parking Lease and for collecting all payments due from Sublessees.

Section 5. Use of the Residential Condominium Parking Spaces.

5.1 Permitted Use. The Residential Condominium Parking Spaces shall be used for parking of motor vehicles and for no other purpose without the consent of Agency, which consent shall not be withheld unreasonably.

5.2 Restrictions on Use. In connection with the use of the Residential Condominium Parking Spaces, Association and each Sublessee shall:

(1) Conform to all applicable laws and regulations as promulgated by the Agency, or Agency's operator, or any public authority affecting the Residential Condominium Parking Spaces.

(2) Refrain from any activity that would make it impossible to insure the Residential Condominium Parking Spaces against casualty, would increase the insurance rate, or would prevent Agency from taking advantage of any ruling of the Idaho

Insurance Rating Bureau, or its successor, allowing Agency to obtain reduced premium rates for long-term fire insurance policies, unless Association, or, as appropriate, the Sublessee(s), pays the additional cost of the insurance.

(3) Refrain from any use that would be reasonably offensive to other users of the Parking Facility or that would tend to create a nuisance or damage the reputation of the Residential Condominium Parking Spaces.

(4) Refrain from making any marks on or attaching any sign, insignia, antenna, aerial, or other device to any portion of the Residential Condominium Parking Spaces without the written consent of the Agency.

(5) Association and each Sublessee shall not cause or permit any Hazardous Substance to be spilled, leaked, disposed of, or otherwise released on the Residential Condominium Parking Spaces. The term Hazardous Substance shall mean any hazardous, toxic, infectious or radioactive substance, waste, and material as defined or listed by a federal, state, or local statute, regulation, or ordinance or any judicial or other governmental order and shall include, without limitation, petroleum oil and its fractions.

5.3 Nondiscrimination. Association covenants and agrees by and for itself that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, ancestry, disability, age or national origin in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Residential Condominium Parking Spaces, or any part thereof, nor shall Association itself, or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or

occupancy of tenants, lessees, subtenants, sublessees or vendees of the Residential Condominium Parking Spaces or any part thereof.

Section 6. Operation, Management and Maintenance.

6.1 Operation, Management and Maintenance. The Agency will prudently fixture, manage, operate and maintain the Boulevard Parking Garage at its sole expense in a manner consistent with the terms of the Parking Agreement and consistent with a high-quality, secure and clean first class parking structure appropriate for use in conjunction with a four star hotel and multi-event center, except as to any improvements to the Residential Condominium Parking Spaces made by Developer and Association (as allowed by Section 7.1 of this Parking Lease) which shall be maintained and repaired by Association at its sole expense. The Agency shall at its own expense, keep, maintain and repair the Boulevard Parking Garage in that condition throughout the term of this Parking Lease.

6.2 Agency's Interference with Association. In performing any repairs, replacements, alternations, or other work performed on or around the Residential Condominium Parking Spaces, Agency shall not cause unreasonable interference with use of the Residential Condominium Parking Spaces by Association and Sublessees. Association shall have a right to an abatement of any parking fee for any inconvenience or disturbance resulting from Agency's activities performed in conformance with the requirement of this provision if Agency is unable to provide the Association and Sublessees alternative parking comparable to the Residential Condominium Parking Spaces which is reasonably convenient to the Hotel and Event Center Project.

6.3 Public Nature of the Boulevard Parking Garage. Association acknowledges that the Boulevard Parking Garage is a public parking facility and available to the public during the times established by the Agency's Parking Management Plan. The parking use of the Boulevard Parking Garage includes monthly parkers, short term hourly, short term daily, and overnight event use (all of those terms as defined in the Agency's Public Parking Management Plan). As such, during intense use by the Hotel and Event Center Project and other uses allowed by the Agency's Parking Management Plan, Residential Condominium Owners may experience periodic inconvenience in entering and exiting the Boulevard Parking Garage.

Section 7. Alterations.

7.1 Alterations Prohibited. Association and Sublessees shall make no improvements or alterations on the premises of any kind without first obtaining Agency's written consent. All alterations shall be made in a good and workmanlike manner, and in compliance with applicable laws and building codes.

Section 8. Insurance.

8.1 Definitions. For purposes of Section 8 and 10 herein, any undefined terms shall be as defined in Agency's Resolution Nos. 601 and 696.

8.2 Insurance Required. The Agency shall at all times maintain or cause to be maintained such insurance on the Boulevard Parking Garage against risks, accidents or casualties, including business interruption insurance coverage, which is reasonably required and obtainable, in the opinion of the Insurance Consultant, at least to the extent that insurance is usually carried by municipal corporations operating like properties.

8.3 Additional Insurance. The Agency shall also maintain any additional or other insurance which it shall deem necessary or advisable to protect its interests and those of the Registered Owners of the Series 1990 Bonds and Series 1995A Bonds.

8.4 Form of Policies. Any such insurance shall be in the form of policies or contracts for insurance with insurers of good standing, with the Agency and the Trustee named as loss payees. Notwithstanding anything in this Section 8 to the contrary, the Agency may self-insure the Boulevard Parking Garage, if, in the opinion of the Insurance Consultant, self-insurance will be an adequate substitute for third-party policies, considering both the risks of loss to the Boulevard Parking Garage, the costs of self-insurance and other forms of insurance, the experience of other municipal corporations operating like properties, and any other factors the Insurance Consultant considers relevant.

8.5 Annual Certificate. The Agency shall file with Trustee annually, within one hundred twenty (120) days after the close of each Fiscal Year, a certificate setting forth a description in reasonable detail of the insurance then in effect with respect to the Boulevard Parking Garage and that the Agency has complied in all respects with the requirements of this subsection.

8.6 Certificate of Loss. Within sixty (60) days after any portion of the Boulevard Parking Garage has been damaged or destroyed, the Agency shall file with the Trustee a certificate of an Authorized Officer of the Agency setting forth a description of the nature and extent of such damage and the amount of insurance proceeds covering such loss or damage and specifying the Agency's reasonable and necessary costs of reconstruction or replacement thereof.

8.7 Insurance Consultant. The Agency shall retain an Insurance Consultant who shall review the Agency insurance coverage or program of self-insurance no less frequently than once every three (3) Fiscal Years and shall make reasonable recommendations to the Agency in regard thereto. A copy of such recommendation shall also be sent to the Trustee. The Agency hereby covenants to use its best efforts to comply with the reasonable recommendations of the Insurance Consultant.

Section 9. Taxes.

9.1 Property Taxes. Association shall pay as due all taxes on its personal property located on the Residential Condominium Parking Spaces. Agency shall pay as due, if applicable, all real property taxes and special assessments levied against the Residential Condominium Parking Spaces. As used herein, real property taxes includes any fee or charge relating to the ownership, use, or rental of the Residential Condominium Parking Spaces, other than taxes on the net income of Agency or Association.

9.2 Special Assessments. If an assessment for a public improvement is made against the Residential Condominium Parking Spaces, Agency may elect to cause such assessment to be paid in installments, in which case all of the installments payable with respect to the lease term shall be treated the same as general real property taxes for purposes of Section 9.1.

Section 10. Damage Destruction.

10.1 Application of Insurance Proceeds. If any useful portion of the Boulevard Parking Garage shall be damaged or destroyed, the Agency shall, as expeditiously as possible, continuously and diligently prosecute or cause to be prosecuted the reconstruction

or replacement thereof. Parking fees shall be abated during the repair of any damage to the extent the Boulevard Parking Garage is untenable. The proceeds of any insurance, or monies in a program of self-insurance, paid on account of such damage or destruction, other than business interruption loss insurance, shall be delivered to and held by the Trustee in a special account and made available for, and to the extent necessary be applied to, the cost of such reconstruction or replacement. The Trustee shall make payments from such accounts for the cost of such reconstruction or replacement only upon being furnished requisitions signed by an Authorized Officer of the Agency stating in respect of each such payment to be made, (a) the particular account from which such payment is to be made, (b) the name and address of the particular person, firm or corporation to whom payment is due, (c) the amount to be paid, (d) the particular item of the cost of reconstruction or replacement to be paid, and (e) that the cost or obligation in the stated amount is a proper charge against such account, is a proper item of the cost of reconstruction or replacement and has not been paid. Pending such application, such proceeds may be invested by the Trustee in Investment Securities which mature not later than such times as shall be necessary to provide monies when needed to pay such costs of reconstruction or replacement. The interest, as well as the gain, if any, on such investments shall remain a part of any such special account to be applied as provided in this Section 10.1. The proceeds of any insurance, or program of self-insurance, not set aside within twelve (12) months after receipt thereof by the Agency to repairing or replacing damaged or destroyed property, or in respect of which notice in writing of intention to apply the same to the work of repairing or replacing the property damaged or destroyed shall not have been given to the Trustee by the Agency within such twelve (12) months, or which the

Agency shall at any time notify the Trustee are not to be so applied, shall be deposited in the Debt Service Account as directed by an Authorized Officer of the Agency. If the Agency shall determine not to rebuild, replace, restore or repair facilities which are subject to and necessary for the operation of the Boulevard Parking Garage, the Agency shall first determine that the proceeds of any insurance, or program of self-insurance, plus any other legally available funds, are sufficient to redeem the principal of and interest on the Series 1995A Bonds then Outstanding, and shall redeem the Outstanding Series 1995A Bonds on the first interest payment date following such determination, as provided in Section 3.5(c)(2) of the Bond Resolution.

10.2 Shortfall of Funds. If the proceeds of insurance, or program of self-insurance, authorized by Section 10.1 to be applied to the reconstruction or replacement of any portion of the System are insufficient for such purpose, the deficiency may be supplied out of monies in the Repair and Replacement Funds; provided, however, that monies in the Repair and Replacement Fund shall not be applied to the redemption of Bonds.

Section 11. Liability and Indemnity.

11.1 Liens.

(1) Except with respect to activities for which Agency is responsible, Association shall pay as due all claims for work done on and for services rendered or material furnished to the Residential Condominium Parking Spaces, and shall keep the Residential Condominium Parking Spaces free from any liens. If Association fails to pay any such claims or to discharge any lien, Agency may do so and collect the cost as additional Parking Fees. Any amount so added shall bear interest at the rate of 12 percent

(12%) per annum from the date expended by Agency and shall be payable on demand. Such action by Agency shall not constitute a waiver of any right or remedy which Agency may have on account of Association's default.

(2) Association may withhold payment of any claim in connection with a good-faith dispute over the obligation to pay, as long as Agency's property interests are not jeopardized. If a lien is filed as a result of nonpayment, Association shall, within 10 days after knowledge of the filing, secure the discharge of the lien or deposit with Agency cash or sufficient corporate surety bond or other surety satisfactory to Agency in an amount sufficient to discharge the lien plus any costs, attorney fees, and other charges that could accrue as a result of a foreclosure or sale under the lien.

11.2 Indemnification. Association and Sublessees shall indemnify and defend Agency from any claim, loss, or liability arising out of or related to any negligent activity of Association and Sublessees on the Residential Condominium Parking Spaces or any condition of the Residential Condominium Parking Spaces in the possession or under the control of Association and Sublessees. Agency shall have no liability to Association and Sublessees for any injury, loss, or damage caused by third parties, or by any condition of the Residential Condominium Parking Spaces except to the extent caused by Agency's negligence or breach of duty under this Parking Lease.

11.3 Liability Insurance. Before taking possession of the Residential Condominium Parking Spaces, Association shall procure and thereafter during the term of this Parking Lease shall continue to carry the following insurance at Association's cost: comprehensive general liability insurance in a responsible company authorized to do business

in the state of Idaho with limits of not less than \$500,000-\$1,000,000 for injury to one person, \$500,000-\$3,000,000 for injury to two or more persons in one occurrence, and \$500,000-\$1,000,000 for damage to property. Such insurance shall cover all risks arising directly or indirectly out of Association's and Sublessees' activities on or any condition of the Residential Condominium Parking Spaces whether or not related to an occurrence caused or contributed to by Agency's negligence. Such insurance shall protect Association and Sublessees against the claims of Agency on account of the obligations assumed by Association under Section 11.2, and shall name Agency as an additional insured. Certificates evidencing such insurance and bearing endorsements requiring ten (10) days' written notice to Agency prior to any change or cancellation shall be furnished to Agency prior to Association's occupancy of the Residential Condominium Parking Spaces.

Section 12. Quiet Enjoyment.

12.1 Warranty. Agency warrants that it is the owner of the Residential Condominium Parking Spaces and has the right to lease them. Agency will defend Association's and Sublessees' right to quiet enjoyment of the Residential Condominium Parking Spaces from the lawful claims of all persons during the lease term.

Section 13. Assignment and Subletting. Except as provided in Section 2.2, no part of the Residential Condominium Parking Spaces may be assigned, mortgaged, or subleased, nor may a right of use of any portion of the Residential Condominium Parking Spaces be conferred on any third person by any other means, without the prior written consent of Agency. This provision shall apply to all transfers by operation of law. No consent in one instance shall prevent the provision from applying to a subsequent instance.

Section 14. Default. The following shall be events of default:

14.1 Default in Rent. Failure of Association to pay any parking fee or other charge within 10 days after written notice that it is due.

14.2 Default in Other Covenants. Failure of Association or Sublessees to comply with any term or condition or fulfill any obligation of this Parking Lease (other than the payment of rent or other charges) within 20 days after written notice by Agency specifying the name of the default with reasonable particularity. If the default is of such a nature that it cannot be completely remedied within the 20-day period, this provision shall be complied with if Association begins correction of the default within the 20-day period and thereafter proceeds with reasonable diligence and in good faith to effect the remedy as soon as practicable.

Section 15. Remedies on Default.

15.1 Termination. In the event of a default not cured within the time periods stated in Section 14 of this Parking Lease, this Parking Lease may be terminated at the option of Agency by written notice to Association. Whether or not this Parking Lease is terminated by the election of Agency or others, Agency shall be entitled to recover damages from Association for the default, and Agency may reenter, take possession of the Residential Condominium Parking Spaces, and remove any persons or property by legal action or by self-help with the use of reasonable force and without liability for damages and without having accepted a surrender.

15.2 Agency's Right to Cure Defaults. If Association fails to perform any obligation under this Parking Lease, Agency shall have the option to do so after twenty (20)

days' written notice to Association. All of Agency's expenditures to correct the default shall be reimbursed by Association on demand with interest at the rate of 12 percent (12%) per annum from the date of expenditure by Agency. Such action by Agency shall not waive any other remedies available to Agency because of the default.

15.3 Remedies Cumulative. The foregoing remedies shall be in addition to and shall not exclude any other remedy available to Agency under applicable law.

Section 16. Surrender at Expiration.

16.1 Condition of Residential Condominium Parking Spaces. Upon expiration of the lease term or earlier termination on account of default, Association shall surrender the Residential Condominium Parking Spaces in first-class condition and broom clean. Alterations constructed by Association with permission from Agency shall not be removed or restored to the original condition unless the terms of permission for the alteration so require.

16.2 Fixtures. All fixtures placed upon the Residential Condominium Parking Spaces during the term shall, at Agency's option, become the property of Agency. If Agency so elects, Association shall remove any or all fixtures that would otherwise remain the property of Agency, and shall repair any physical damage resulting from the removal. If Association fails to remove such fixtures, Agency may do so and charge the cost to Association with interest at the legal rate from the date of expenditure.

Section 17. Miscellaneous.

17.1 Nonwaiver. Waiver by either party of strict performance of any provision of this Parking Lease shall not be a waiver of or prejudice the party's right to require strict performance of the same provision in the future or of any other provision.

17.2 Attorney Fees. If suit or action is instituted in connection with any controversy arising out of this Parking Lease, the prevailing party shall be entitled to recover in addition to costs such sum as the court may adjudge reasonable as attorney fees at trial, on petition for review, and on appeal.

17.3 Notices. Any notice required or permitted under this Parking Lease shall be given when actually delivered or 48 hours after deposited in United States mail as certified mail addressed to the address first given in this Parking Lease or to such other address as may be specified from time to time by either of the parties in writing.

17.4 Succession. Subject to the above-stated limitation on transfer of Association's interest, this Parking Lease shall be binding on and inure to the benefit of the parties and their respective successors and assigns.

17.5 Entry for Inspection. Agency shall have the right to enter upon the Residential Condominium Parking Spaces at any time to determine Association's compliance with this Parking Lease, to make necessary repairs to the Residential Condominium Parking Spaces.

17.6 Interest on Rent and Other Charges. Any rent or other payment required of Association by this Parking Lease shall, if not paid within 10 days after it is due, bear interest at the rate of 12 percent (12%) per annum from the due date until paid. In

addition, if Association fails to make any rent or other payment required by this Parking Lease to be paid to Agency within five days after it is due, Agency may elect to impose a late charge of five cents per dollar of the overdue payment to reimburse Agency for the costs of collecting the overdue payment. Association shall pay the late charge upon demand by Agency. Agency may levy and collect a late charge in addition to all other remedies available for association's default, and collection of a late charge shall not waive the breach caused by the late payment.

17.7 Compliance with Other Agreements. This Parking Lease shall at all times comply with those certain covenants contained in that certain Agency Resolution No. 601 providing for the Issuance and Sale of Parking Revenue and Revenue Allocation (Tax Increment) Bonds, Series 1990, dated May 24, 1990, that certain Certificate of the Agency dated November 14, 1991, Agency Resolution No. 696 providing for the issuance and sale of Parking Revenue and Revenue Allocation (Tax Increment) Bonds, Series 1995 dated November 27, 1995, that certain certificate of the Agency dated December 28, 1995, and any Opinion of Bond Counsel interpreting such covenants, including, but not limited to, that certain bond counsel opinion dated December 6, 1996.

17.8 Time of Essence. Time is of the essence of the performance of each of Association's obligations under this Parking Lease.

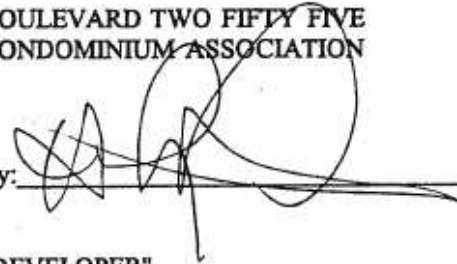
THE URBAN RENEWAL AGENCY OF THE
CITY OF BOISE

By: Mary J. Tate
Mary Tate, Chairman

By: 
Kimberley Kelley, Secretary

"ASSOCIATION"

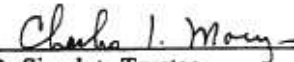
BOULEVARD TWO FIFTY FIVE
CONDOMINIUM ASSOCIATION

By: 

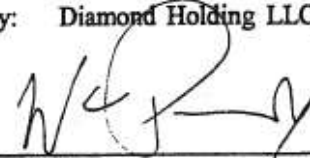
"DEVELOPER"

BLOCK 22, LLC


By: S-Sixteen Limited Partnership Member
By: J. R. Simplot, Self-Declaration of
Revocable Trust, General Partner
By Charles E. Morey
Authorized Agent


J. R. Simplot, Trustee
By: Charles E. Morey,
Authorized Agent

By: Diamond Holding LLC, Member


W. Cord Pereira, Manager

By: WC/WLDC Idaho, L.L.C., Member


Jerry Jenkins, Manager

STATE OF IDAHO)
 : ss.
County of ADA)

On this 23rd day of March, 1998, before me, Erin Rogan a Notary Public in and for said state, personally appeared MARY TATE and KIMBERLEY KELLEY, the Chairman and Secretary, respectively, of The Urban Renewal Agency of the City of Boise, a public body, corporate and politic, known or identified to me to be the persons whose names are subscribed to the within and foregoing instrument, and acknowledged to me that they subscribed the within and foregoing instrument, and acknowledged to me that they have the authority to execute and executed the same for the purposes therein contained on behalf of The Urban Renewal Agency of the City of Boise.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Erin Rogan
Notary Public for Idaho
Residence: Boise, ID
Commission Expires: 1/31/00

STATE OF IDAHO)
 : ss.
County of ADA)

On this 4th day of February, 1998, before me, Sharon K. House a Notary Public in and for said state, personally appeared H. Larry Leasure, the Developer of Boulevard Two Fifty Five Condominium Association, known or identified to me to be the person whose name is subscribed to the within and foregoing instrument, and acknowledged to me that he/she has the authority to execute and executed the same for the purposes therein contained on behalf of Boulevard Two Fifty Five Condominium Association.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Sharon K. House
Notary Public for Idaho
Residence: Meridian
Commission Expires: 5/31/03



STATE OF IDAHO)
 : ss.
County of ADA)

On this 4th day of February, 1998, before me, Sharon K. House a Notary Public in and for said state, personally appeared CHARLES E. MOREY, authorized agent for J. R. Simplot, Trustee of the J. R. Simplot Self-Declaration of Revocable Trust which is the General Partner of S-Sixteen Limited Partnership which is a Member of Block 22 LLC, the Developer herein, known or identified to me to be the person that executed the within and foregoing instrument and acknowledged to me that he has the authority to execute and executed the same on behalf of the J. R. Simplot, Self-Declaration of Revocable Trust, S-Sixteen Limited Partnership, and Block 22, LLC.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Sharon K. House
Notary Public for Idaho.
Residence: Mendocino
Commission Expires: 5/31/03



EXHIBIT A

Legal Description

_____ parking spaces as mutually agreed upon by Agency, Developer and Association located in Condominium Unit ____ as shown on the Block 22, LLC Plat as recorded in Book ____ of Plats at pages _____, records of Ada County, Idaho.

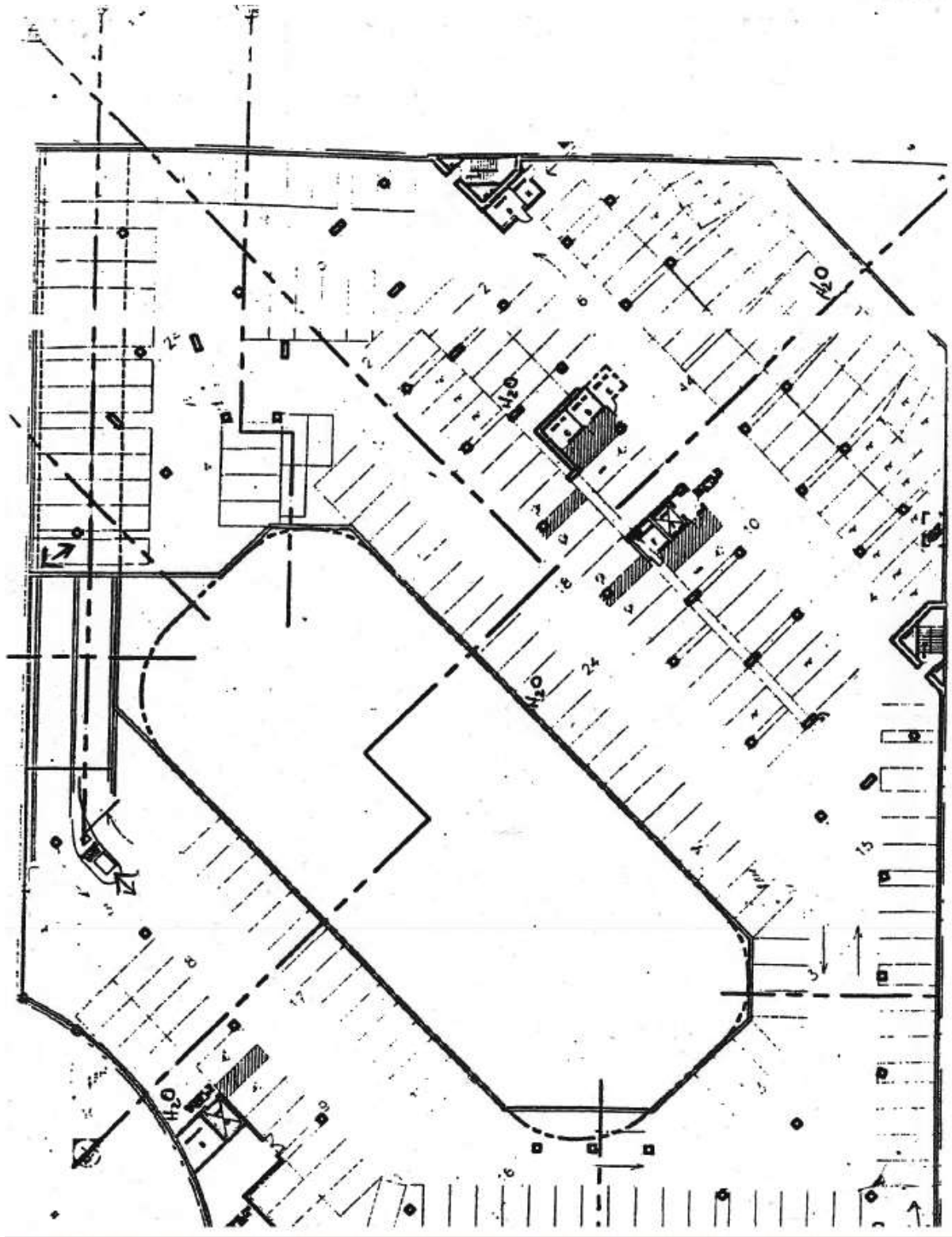




EXHIBIT C

FINANCIAL OPERATIONAL STATEMENTS

2015 – 2017

2018 Budget



FY 2015 Statement

Parking Revenue/Expenses FY15 YTD

Garage # Name # Spaces Allocation %	6900 Myrtle 343 13%	6913 Cap Terrace 495 19%	6917 City Centre 568 22%	6925 Blvd 216 8%	6941 Eastman 384 15%	6968 Grove 543 21%	Total 2549 100%	Budget	Remaining Budget favorable/ (Unfavorable)	% Remaining
Revenue:										
Hourly Revenue	471,383	1,651,352	1,349,669	134,714	898,277	146,493	4,651,887	4,507,315	144,572	3%
1st Hour Free/Theater Parking	(241,391)	(704,973)	(577,575)	(58,963)	(387,991)	(48,527)	(2,019,418)	(1,910,641)	(108,577)	6%
Net Hourly Revenue	229,992	946,380	772,094	75,752	510,286	97,966	2,632,469	2,596,474	35,995	1%
Monthly Revenue	188,902	346,175	273,974	96,891	379,826	578,943	1,864,710	1,855,148	9,562	1%
Hotel Revenue	170,031	-	-	137,624	-	-	307,655	292,965	14,690	5%
Other Revenue (1)	20,289	26,488	119,829	10,405	72,254	36,560	285,825	267,987	17,838	7%
Total Revenue	609,214	1,319,043	1,165,896	320,671	962,365	713,469	5,090,659	5,012,573	78,086	2%
Expenses:										
Salaries/Vacation/Taxes	65,697	139,491	108,476	42,680	81,629	12,961	450,935	501,511	50,576	10%
Employee Insurance	-	-	-	-	-	-	-	-	-	-
Insurance	7,236	10,452	11,988	4,560	8,364	11,460	54,060	53,078	(982)	-
Utilities/Water/Electricity	19,387	25,870	50,502	8,072	25,034	24,953	153,818	144,771	(9,047)	-6%
Signage	-	-	1,824	-	138	-	1,962	6,364	4,402	-
Repairs - Garage/Equipment	1,308	20,033	8,214	2,065	6,612	3,319	41,552	44,675	3,123	7%
Repairs - Mtc/Elevator	8,931	27,024	26,410	2,206	21,883	8,331	94,785	91,228	(3,557)	-4%
Forms & Printing	2,447	4,954	3,442	1,013	10,934	1,511	24,301	20,201	(4,100)	-20%
General Supplies	3,075	7,177	5,083	1,510	6,938	2,855	26,638	21,721	(4,917)	-23%
Telephone/Cell Phones	2,282	3,804	3,472	1,789	1,843	2,275	15,465	16,649	1,184	7%
All Other Expenses	13,402	18,663	16,572	6,081	18,949	19,038	92,705	97,136	4,430	5%
FY2014 Accrual	(268)	(2,573)	(3,268)	(343)	(4,855)	(1,446)	(12,753)			
Location Expense	123,766	257,470	235,984	69,976	182,322	86,705	943,469	997,333	53,864	5%
Overhead Allocation FY2014 Accrual	109,595	158,162	181,489	69,016	126,532	173,501	818,296	798,503	(19,793)	-2%
Total Overhead Allocation							797,541			
Total Expense	233,361	415,632	417,472	138,992	308,854	260,206	1,741,010	1,795,836	34,072	2%
Net Income	375,853	903,411	748,424	181,679	653,511	453,263	3,349,649	3,216,737	132,912	4%

*FY14 Accrual - at 9/30/14 we accrued a total of \$33,508 (12,753 + 20,755) parking operator expenses, which were incorrectly included in Oct 2014 financials by the Parking Operator.



FY 2016 Statement

Parking Revenue/Expenses FY16 YTD

Garage # Name # Spaces Allocation %	6900 Myrtle 343 13%	6913 Cap Terrace 495 19%	6917 City Centre 568 22%	6925 Blvd 216 8%	6941 Eastman 384 15%	6968 Grove 543 21%	Total 2549 100%	Budget	Remaining Budget (Favorable)	% Remaining (favorable)
Revenue:										
Hourly Revenue	506,602	1,787,075	1,393,702	136,299	1,017,006	221,539	5,062,223	4,966,778	(95,445)	-2%
1st Hour Free/Theater Parking	(255,285)	(773,321)	(582,602)	(56,535)	(454,871)	(77,235)	(2,199,848)	(2,179,410)	20,438	-1%
Net Hourly Revenue	251,317	1,013,754	811,101	79,764	562,135	144,304	2,862,375	2,787,368	(75,007)	-3%
Monthly Revenue	194,844	443,988	397,422	134,433	506,730	760,185	2,437,601	2,456,692	19,091	1%
Hotel Revenue	179,820	-	-	126,069	-	-	305,889	299,000	(6,889)	-2%
Water Cooler Lot	-	-	-	-	-	-	1,123	-	1,123	-
Other Revenue (1)	15,473	20,319	123,715	13,092	34,898	62,813	270,310	272,158	1,848	1%
Total Revenue	641,455	1,478,060	1,332,237	353,358	1,103,763	967,301	5,877,297	5,815,217	(62,080)	-1%
Expenses:										
Salaries/Vacation/Taxes	30,709	72,238	73,658	18,880	26,611	21,810	243,907	244,423	516	0%
Employee Insurance	-	-	-	-	-	-	-	-	-	-
Insurance	7,300	10,516	12,052	4,635	7,738	11,535	53,776	58,083	4,307	-
Utilities/Water/Electricity	17,863	19,049	42,904	7,124	25,534	24,163	136,637	142,634	5,996	4%
Signage	92	-	-	-	-	-	92	1,974	1,882	-
Repairs & Maint	3,967	17,222	19,669	3,371	10,471	2,408	57,108	59,708	2,600	4%
Outside Services/Elevator	9,068	28,019	25,018	2,951	22,092	8,414	95,562	106,652	11,091	10%
Forms & Printing	-	-	-	-	-	-	-	10,154	10,154	100%
General Supplies	4,305	7,034	6,602	2,533	7,333	4,521	32,327	42,722	10,395	24%
Telephone/Cell Phones	4,479	4,619	4,750	4,020	4,442	4,505	26,814	33,414	6,600	20%
All Other Expenses	16,368	24,222	25,688	6,474	22,206	22,277	117,236	64,812	(52,423)	-81%
*Adjustments/Accruals	-	-	-	-	-	-	41,584	-	41,584	-
Location Expense	94,150	182,919	210,341	49,988	126,428	99,632	805,043	764,576	(40,467)	-5%
Overhead Allocation	109,855	158,537	181,922	69,179	126,835	173,917	820,246	843,397	23,152	3%
Total Expense	204,006	341,456	392,263	119,167	253,263	273,549	1,625,288	1,607,973	(17,315)	-1%
Net Income	437,449	1,136,604	939,974	234,191	850,500	693,752	4,252,009	4,207,244	(44,765)	-1%

*FY16 Accrual - We accrued a total of \$60,849.92 of Expenses related to FY2016

*We reclassified (removed) a total of \$12,493.27 in expenses to Garage Improvements related to LED light upgrades



FY 2017 Statement

Parking Revenue/Expense Budget report FY2017 YTD

Name	Eastman	Cap Terr.	City Centre	Grove	Bldv	Myrtle	Total				
# Spaces	384	495	568	543	216	343	2549				
Allocation %	15%	19%	22%	21%	8%	13%	100%				
Actuals								FY17A			
	Eastman	Cap Terr.	City Centre	Grove	Bldv	Myrtle	Total	Consolidated*	Budget	Variance (Favorable)	%
Revenue											
Monthly parking	521,670.57	471,392.27	513,123.81	782,839.76	113,450.22	351,539.53	2,754,016.15	2,754,016.15	2,791,032.59	37,016.44	1.3%
Transient parking	1,086,677.56	1,922,266.63	1,452,449.31	301,054.04	137,675.53	506,885.60	5,407,008.67	5,407,008.67	5,264,303.87	(142,704.80)	-2.7%
Discounted parking	(431,248.50)	(703,359.00)	(575,029.00)	(82,140.00)	(42,132.50)	(238,318.00)	(2,072,227.00)	(2,072,227.00)	(2,046,216.50)	26,010.50	-1.3%
Hotel overnight	-	-	-	-	136,557.75	181,908.80	318,466.55	318,466.55	341,999.17	23,532.62	6.9%
Other	22,475.95	24,278.22	86,637.67	61,746.56	10,379.83	22,298.14	227,816.37	227,816.37	253,063.53	25,247.16	10.0%
TOTAL REVENUE	1,199,575.57	1,714,578.12	1,477,181.78	1,063,500.35	355,930.84	824,314.07	6,635,080.74	6,635,080.74	6,604,182.66	(30,898.08)	-0.5%
Total payroll	31,852.15	53,517.50	57,331.08	15,638.33	18,261.63	26,497.25	203,097.94	203,097.94	199,827.08	3,270.86	1.6%
1 Liability insurance	8,364.00	10,452.00	11,988.00	11,460.00	4,560.00	7,236.00	54,060.00	54,060.00	54,060.00	-	0.0%
2 Material and supplies	4,915.54	4,741.02	2,587.25	1,469.78	1,389.67	5,258.71	20,361.97	73,093.24	60,218.69	12,874.55	21.4%
2 Signage	728.00	534.55	917.55	775.00	605.00	920.00	4,480.10	-	-	-	-
2 Tickets	8,041.87	8,041.86	8,041.86	8,041.87	8,041.85	8,041.86	48,251.17	-	-	-	-
3 Repairs and maintenance	12,381.32	18,297.96	11,645.83	9,333.84	6,598.85	14,688.44	72,946.24	262,915.02	246,243.97	16,671.05	6.8%
3 Rubbish/Sweeping	1,196.04	-	-	-	-	-	1,196.04	-	-	-	-
3 Outside services/Elevator	39,828.31	59,752.31	50,580.37	13,592.93	6,673.27	18,345.55	188,772.74	-	-	-	-
4 Utilities	28,265.04	19,668.42	38,857.80	24,420.84	8,484.90	18,861.57	138,558.57	138,558.57	141,973.43	(3,414.86)	-2.4%
5 Telephone	5,084.19	5,145.46	5,630.66	5,098.83	5,215.65	5,098.83	31,273.62	33,391.62	29,873.76	3,517.86	11.8%
5 OmniPark	352.92	353.07	353.07	352.80	353.07	353.07	2,118.00	-	-	-	-
7 Forms and printing	37.91	37.90	37.90	37.91	37.90	37.90	227.42	1,692.65	263.49	1,429.16	542.4%
7 Employee relations	581.28	411.67	257.79	-	-	-	1,250.74	-	-	-	-
7 Office supplies	35.76	35.76	35.76	35.69	35.76	35.76	214.49	-	-	-	-
8 Miscellaneous	-	-	-	-	-	-	-	-	539.00	(539.00)	-100.0%
0 Snow removal	20,844.39	20,844.41	20,844.41	24,083.36	664.22	17,605.41	104,886.20	104,886.20	104,886.20	-	0.0%
1 Security services	14,551.96	14,551.98	14,551.98	14,552.00	14,371.96	14,551.98	87,131.86	87,131.86	85,538.77	1,593.09	1.9%
3 Personnel selection	-	-	-	-	-	-	-	-	1,101.13	(1,101.13)	-100.0%
4 Auto expense	-	-	-	-	-	-	-	-	153.70	(153.70)	-100.0%
5 Uniforms	327.27	327.28	327.28	327.28	327.28	327.28	1,963.67	1,963.67	-	1,963.67	-
6 S&B service agreement	4,861.10	4,861.10	4,861.10	4,861.15	4,861.10	4,861.10	29,166.65	29,166.65	56,337.93	(27,171.28)	-48.2%
7 Common Lot	136,437.28	169,886.41	195,413.39	186,610.98	73,940.20	117,952.23	880,240.49	880,240.49	871,349.71	8,890.78	1.0%
TOTAL EXPENSES	318,686.33	391,460.66	424,263.08	320,692.59	154,422.31	260,672.94	1,870,197.91	1,870,197.91	1,852,366.86	17,831.05	1.0%
NET INCOME	880,889.25	1,323,117.46	1,052,918.71	742,807.76	201,508.52	563,641.14	4,764,882.83	4,764,882.83	4,751,815.80	(13,067.03)	-0.3%

* Consolidated column is used to compare same categories of expenses to the budgets. During budget development this year, multiple accounts are not consolidated to a cleaner financials.



FY 2018 Budget

FISCAL YEAR 2018
BUDGET
CAPITOL FRONT (BOULEVARD)

Capitol & Front - BUDGET		Last Modified:	11/9/2017											TOTAL FY 18	PRIOR YEAR 2017	Variance	%
Year 3	GL Number	Oct. 17	Nov. 17	Dec. 17	Jan. 18	Feb. 18	Mar. 18	Apr. 18	May 18	Jun. 18	Jul. 18	Aug. 18	Sept. 18				
INCOME																	
Monthly Parking	91310	\$ 9,312.00	\$ 9,312.00	\$ 9,312.00	\$ 11,659.40	\$ 11,659.40	\$ 11,659.40	\$ 11,659.40	\$ 11,659.40	\$ 11,659.40	\$ 11,659.40	\$ 11,659.40	\$ 11,659.40	\$ 132,870.80	\$ 117,830.84	\$ 16,238.96	11%
Transient Parking	91320	\$ 13,404.21	\$ 15,043.90	\$ 12,364.97	\$ 14,116.79	\$ 14,747.06	\$ 17,867.47	\$ 12,900.09	\$ 12,848.88	\$ 11,282.51	\$ 10,618.42	\$ 14,349.21	\$ 7,892.07	\$ 167,436.68	\$ 138,724.07	\$ 18,711.62	12%
Discounted Parking		\$ (3,870.23)	\$ (4,380.08)	\$ (3,826.45)	\$ (3,960.35)	\$ (3,955.20)	\$ (4,573.20)	\$ (3,998.98)	\$ (3,329.48)	\$ (2,963.83)	\$ (3,019.96)	\$ (4,080.86)	\$ (2,344.37)	\$ (44,202.87)	\$ (42,816.50)	\$ (1,287.47)	3%
Over Short	91350	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (328.32)	\$ 328.32	0%
Validation Sales	91330	\$ 311.43	\$ 611.05	\$ 413.36	\$ 580.76	\$ 597.43	\$ 765.96	\$ 393.76	\$ 385.54	\$ 493.17	\$ 524.82	\$ 524.82	\$ 524.82	\$ 8,128.94	\$ 6,728.11	\$ 400.83	7%
Post-Pays/Violations		\$ 481.86	\$ 485.35	\$ 271.98	\$ 54.12	\$ 95.19	\$ 122.76	\$ 195.91	\$ 110.53	\$ (49.46)	\$ 243.88	\$ 243.88	\$ 243.88	\$ 2,488.88	\$ 2,460.87	\$ 48.02	2%
Hotel Overnight	91380	\$ 11,143.50	\$ 10,969.65	\$ 8,772.30	\$ 8,094.00	\$ 12,001.35	\$ 13,343.70	\$ 10,334.10	\$ 13,685.70	\$ 11,981.40	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 130,326.70	\$ 130,326.70	\$ -	0%
Special Event	91400	\$ 1,246.53	\$ 315.74	\$ 258.69	\$ 40.01	\$ 194.44	\$ 181.15	\$ 179.52	\$ 344.04	\$ 375.30	\$ 58.80	\$ 213.15	\$ 51.45	\$ 3,468.80	\$ 3,628.38	\$ (70.58)	-2%
TOTAL REVENUE		\$ 32,028.32	\$ 32,367.82	\$ 27,688.85	\$ 30,684.73	\$ 35,338.87	\$ 38,387.23	\$ 31,888.51	\$ 35,704.81	\$ 32,778.48	\$ 30,086.38	\$ 32,908.81	\$ 28,127.25	\$ 388,614.68	\$ 365,142.97	\$ 33,371.68	9%
EXPENSES																	
Payroll	92610	\$ 1,174.04	\$ 1,174.04	\$ 1,761.05	\$ 1,174.04	\$ 1,174.04	\$ 1,174.04	\$ 1,174.04	\$ 1,174.04	\$ 1,174.04	\$ 1,174.04	\$ 1,174.04	\$ 1,174.04	\$ 16,282.60	\$ 17,897.10	\$ (2,834.80)	-17%
Payroll Taxes	92450	\$ 131.49	\$ 131.49	\$ 197.24	\$ 131.49	\$ 131.49	\$ 131.49	\$ 131.49	\$ 131.49	\$ 131.49	\$ 131.49	\$ 131.49	\$ 131.49	\$ 1,708.40	\$ 1,848.91	\$ 80.48	4%
Workers Comp	92480	\$ 77.49	\$ 77.49	\$ 116.23	\$ 77.49	\$ 77.49	\$ 77.49	\$ 77.49	\$ 77.49	\$ 77.49	\$ 77.49	\$ 77.49	\$ 77.49	\$ 1,007.32	\$ 831.88	\$ 76.43	7%
Health & Welfare (Common Lot)	92580	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Total Payroll		\$ 1,383.02	\$ 1,383.02	\$ 2,074.53	\$ 1,383.02	\$ 1,383.02	\$ 1,383.02	\$ 1,383.02	\$ 1,383.02	\$ 1,383.02	\$ 1,383.02	\$ 1,383.02	\$ 1,383.02	\$ 17,978.22	\$ 20,477.90	\$ (2,488.88)	-14%
Liability Insurance	94420	\$ 410.58	\$ 410.58	\$ 410.58	\$ 410.58	\$ 410.58	\$ 410.58	\$ 410.58	\$ 410.58	\$ 410.58	\$ 410.58	\$ 410.58	\$ 410.58	\$ 4,827.00	\$ 4,680.00	\$ 387.00	7%
Material & Supplies	94600	\$ 155.00	\$ 155.00	\$ 155.00	\$ 487.00	\$ 155.00	\$ 155.00	\$ 155.00	\$ 487.00	\$ 155.00	\$ 155.00	\$ 155.00	\$ 487.00	\$ 2,868.00	\$ 7,988.27	\$ (6,142.27)	-180%
Repairs & Maintenance	96420	\$ 175.00	\$ 175.00	\$ 175.00	\$ 175.00	\$ 175.00	\$ 175.00	\$ 175.00	\$ 175.00	\$ 175.00	\$ 175.00	\$ 175.00	\$ 175.00	\$ 2,100.00	\$ 14,672.01	\$ (12,472.01)	-594%
Utilities	96810	\$ 625.00	\$ 625.00	\$ 625.00	\$ 625.00	\$ 625.00	\$ 625.00	\$ 625.00	\$ 625.00	\$ 625.00	\$ 625.00	\$ 625.00	\$ 625.00	\$ 7,600.00	\$ 8,876.84	\$ (1,376.84)	-18%
Communications	97010	\$ 367.51	\$ 367.51	\$ 367.51	\$ 367.51	\$ 367.51	\$ 367.51	\$ 367.51	\$ 367.51	\$ 367.51	\$ 367.51	\$ 367.51	\$ 367.51	\$ 4,410.12	\$ 4,711.63	\$ (301.41)	-7%
Professional Services	97450	\$ 185.00	\$ 185.00	\$ 185.00	\$ 185.00	\$ 185.00	\$ 185.00	\$ 185.00	\$ 185.00	\$ 185.00	\$ 185.00	\$ 185.00	\$ 185.00	\$ 2,220.00	\$ 1,288.68	\$ 821.44	42%
Office Expenses	97840	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43.83	\$ (43.83)	0%
Miscellaneous	98450	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 110.00	\$ (110.00)	0%
Management Fee	98530	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Snow Removal	98520	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 884.22	\$ (884.22)	0%
Security Services	98740	\$ 1,224.16	\$ 1,224.16	\$ 1,224.16	\$ 1,224.16	\$ 1,224.16	\$ 1,224.16	\$ 1,224.16	\$ 1,224.16	\$ 1,224.16	\$ 1,224.16	\$ 1,224.16	\$ 1,224.16	\$ 14,888.88	\$ 14,268.44	\$ 433.42	3%
Call Center Costs		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Recruiting Expenses	93810	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Auto Expense	96220	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Uniforms & Laundry	97210	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26.82	\$ (26.82)	0%
PARCS System Support		\$ 972.22	\$ 972.22	\$ 972.22	\$ 972.22	\$ 972.22	\$ 972.22	\$ 972.22	\$ 972.22	\$ 972.22	\$ 972.22	\$ 972.22	\$ 972.22	\$ 11,888.84	\$ 9,388.86	\$ 2,278.99	20%
Common Lot Allocations	98450	\$ 6,889.21	\$ 4,958.07	\$ 6,210.64	\$ 4,958.07	\$ 4,958.07	\$ 4,822.89	\$ 4,822.89	\$ 4,822.89	\$ 5,041.31	\$ 4,822.89	\$ 4,822.89	\$ 4,822.89	\$ 82,862.72	\$ 73,278.16	\$ (9,326.44)	-16%
Total Expense		\$ 12,388.88	\$ 10,465.68	\$ 12,389.83	\$ 10,787.68	\$ 10,465.68	\$ 10,320.38	\$ 10,320.38	\$ 10,862.38	\$ 12,230.30	\$ 10,320.38	\$ 10,320.38	\$ 10,862.38	\$ 131,301.68	\$ 160,282.23	\$ (28,980.87)	-22%
Facility Profit(Loss)		\$ 19,642.83	\$ 21,802.08	\$ 15,187.21	\$ 19,797.17	\$ 24,884.11	\$ 28,046.86	\$ 21,343.44	\$ 25,062.23	\$ 20,648.19	\$ 19,784.99	\$ 22,688.23	\$ 17,474.88	\$ 267,212.89	\$ 184,880.73	\$ 82,332.28	24%



EXHIBIT D
ENGAGEMENT LETTER



ANGLYN PROPERTY ADVISORS, LLC

**PROFESSIONAL SERVICES AGREEMENT
CAPITOL & FRONT GARAGE APPRAISAL**

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is made by and between Capital City Development Corporation, an independent public body, corporate and politic, organized and existing under the laws of the state of Idaho and known as the urban renewal agency of Boise City ("CCDC"), and Anglyn Property Advisors, LLC ("CONSULTANT"), individually referred to as "Party" and collectively as the "Parties," who agree as follows:

PURPOSE AND INTENT:

CCDC requires nonexclusive services to prepare a valuation report for the CCDC owned Capitol & Front Garage.

1. SCOPE OF SERVICES; SCHEDULE. CONSULTANT shall provide the services outlined in CONSULTANT's Proposal, dated November 2, 2017, attached hereto as Exhibit A ("Scope of Services" or "Scope"). CONSULTANT will work closely with CCDC's identified representatives in modifying or adjusting the Scope of Services as needed by CCDC. CCDC shall provide documents required for the Scope of Work on a timely basis.

CONSULTANT shall complete all services and deliver all specified work product described in the Scope of Services by December 29, 2017, unless an extension is granted in writing by CCDC. If there is a conflict between the terms and provisions in the Agreement and in the Scope of Services, the terms and provisions of this Agreement have priority and shall govern over any conflicting terms or provisions in the Scope of Services.

2. NOTICE TO PROCEED. Services to be performed under this Agreement shall commence upon CONSULTANT's receipt of a fully-executed copy of this Agreement. CCDC will deliver the fully-executed Agreement in electronic format to CONSULTANT at tanglyn@parkingproperty.net.

3. AMOUNT AND METHOD OF PAYMENT.

- (a) Amount and Method of Payment. CCDC agrees to pay CONSULTANT a lump sum amount of FIVE THOUSAND EIGHT HUNDRED DOLLARS (\$5,800.00) for the Scope of Services performed under this Agreement.
- (b) Upon completion of the Scope of Services, CONSULTANT shall submit an invoice in a format acceptable to CCDC, and shall include the PO# 180023 on the invoice. The invoice is due and payable by CCDC within thirty (30) days of receipt, provided the Scope of Services has been completed in a manner satisfactory to CCDC.

4. **RIGHT OF CONTROL.** CCDC agrees that it will have no right to control or direct the details, manner, or means by which CONSULTANT accomplishes the results of the services performed hereunder. CONSULTANT has no obligation to work any particular hours or days or any particular number of hours or days. CONSULTANT agrees, however, that its other contracts and services shall not interfere with the performance of the services outlined by this Agreement. CCDC agrees to coordinate project schedules, respective commencements, and deadlines with CONSULTANT as needed.

5. **INDEPENDENT CONSULTANT RELATIONSHIP.** CONSULTANT is an independent CONSULTANT and is not an employee, servant, agent, partner, or joint venturer of CCDC. CCDC shall determine the services and work products to be done by CONSULTANT, but CONSULTANT shall determine the legal means by which it accomplishes the services and work projects specified by CCDC. This Agreement shall not be construed to create any employer-employee relationship between CCDC and CONSULTANT.

6. **DISCRIMINATION PROHIBITED.** In performing the services required herein, CONSULTANT shall not discriminate against any person on the basis of race, color, religion, sex, sexual orientation, gender identity, national origin or ancestry, age or handicap. Violation of this section shall constitute a material breach of this Agreement and be deemed grounds for cancellation, termination or suspension of the Agreement by CCDC, in whole or in part, and may result in ineligibility to perform additional services for CCDC.

7. **LICENSES AND LAW.** CONSULTANT represents that it possesses the requisite skill, knowledge, and experience necessary, as well as all licenses required to perform the services under this Agreement. CONSULTANT further agrees to comply with all applicable laws, ordinances, and codes of Federal, State and local governments in the performance of the services hereunder.

8. **ACCESS TO RECORDS AND AUDITS.** CONSULTANT shall maintain complete and accurate records with respect to costs incurred and manpower expended under this Agreement. All such records shall be maintained according to generally accepted accounting principles, shall be clearly identified, and shall be readily accessible. Such records shall be available for review by CCDC representatives for three (3) years after final payment. Copies shall be made available upon request.

9. **FEDERAL, STATE, AND LOCAL PAYROLL TAXES.** Neither federal, state or local income taxes, nor payroll taxes of any kind shall be withheld and paid by CCDC on behalf of CONSULTANT or the employees of CONSULTANT. CONSULTANT shall not be treated as an employee with respect to the services performed hereunder for federal or state tax purposes.

10. **FRINGE BENEFITS.** Because CONSULTANT is engaged in its own independently established business, CONSULTANT is not eligible for, and shall not participate in, any employee pension, health, or other fringe benefit plans of CCDC.

11. **EQUIPMENT, TOOLS, MATERIALS OR SUPPLIES.** CONSULTANT shall supply, at CONSULTANT's sole expense, all equipment, tools, materials and/or supplies to accomplish the services and work product included in the Scope of Services

12. PROPRIETARY RIGHTS. With the exception of computer models created by CONSULTANT, all other data, materials, reports, maps, graphics, tables, memoranda, video footage, and other documents or products developed under this Agreement whether finished or not shall become the property of CCDC, shall be forwarded to CCDC at its request, and may be used by CCDC as it sees fit. CCDC agrees that if it uses products prepared by CONSULTANT for purposes other than those intended in this Agreement, it does so at its sole risk and it agrees to hold CONSULTANT harmless therefore.

13. CONFIDENTIALITY.

- (a) CONSULTANT agrees to maintain confidentiality of all work products produced under this Agreement, including both interim and draft materials, reports, maps, graphics, tables, memoranda and other documents, unless and until CCDC signifies its written approval that a work product may be published as final work product. CCDC reserves the right to distribute a final work product as it sees fit, provided that CONSULTANT may use copies of any final work product in the marketing of its firm. CONSULTANT may use interim and draft work products in the marketing of its firm only upon written authorization from CCDC.
- (b) CONSULTANT agrees that any property owner names and addresses received from CCDC shall only be used on behalf of CCDC and shall not be used to create, distribute, or sell mailing lists as provided in Idaho State Code § 74-120. CONSULTANT further agrees to maintain confidentiality of property owner names and addresses received for any purpose and shall not use property owner names and addresses in any work product produced for CCDC except as authorized by CCDC.

14. SUBCONSULTANTS. CONSULTANT may propose to CCDC the use of subconsultants ("SUBCONSULTANTS") for performance of a particular aspect of the Scope of Services. CCDC shall have the right to approve the use of SUBCONSULTANTS and the amount and method of SUBCONSULTANTS' compensation prior to commencement of any services by SUBCONSULTANTS, and such approval shall be in writing. CCDC shall also determine whether the selection of SUBCONSULTANTS should be made through any required selection process or through a selection process CCDC deems in its best interest. CCDC shall have the right to approve any change in the use of SUBCONSULTANTS. Such changes in SUBCONSULTANTS shall be approved by CCDC in writing and shall not affect the amount of payment stated in the Agreement unless specifically authorized by CCDC in writing. CCDC shall have no liability to SUBCONSULTANTS and CONSULTANT shall be responsible for services performed or work product produced by the SUBCONSULTANTS and payment to SUBCONSULTANTS.

15. COORDINATION WITH OTHER CONSULTANTS. CONSULTANT recognizes that CCDC has or may enter into agreements with other consultants. Upon request, CONSULTANT agrees to coordinate with and work in conjunction with other Consultants when the need arises.

16. STANDARD OF CARE. CONSULTANT shall perform its services consistent with the professional skill and care ordinarily provided by parking facility valuation consultants practicing in the same or similar locality under the same or similar circumstances. The



CONSULTANT shall perform its services as expeditiously as is consistent with such professional skill and care and the orderly progress of any services or work products performed under this Agreement.

CONSULTANT shall be entitled to rely on the accuracy and completeness of any information furnished by CCDC, except in such circumstances that CONSULTANT should, in the exercise of reasonable care, consistent with the professional skill and care ordinarily provided by consultants practicing under the same or similar circumstances, know the information to be incorrect, unreliable, or incomplete. CONSULTANT shall provide prompt notice to CCDC if CONSULTANT becomes aware of any errors, omissions, or inconsistencies in such information.

17. INDEMNIFICATION. CONSULTANT agrees to indemnify, defend and hold harmless CCDC, and its officers, agents and employees, from and against all claims, losses, actions, or judgments for damages or injury to persons or property to the extent caused by the CONSULTANT's negligence or intentionally wrongful acts during the performance of this Agreement by CONSULTANT or CONSULTANT's agents, employees, or representatives. In case any action or proceeding is brought against CCDC or its officers, agents or employees by reason of or arising out of connection with CONSULTANT's negligence or intentionally wrongful acts during the performance of this Agreement, CONSULTANT, upon written notice from CCDC, shall at CONSULTANT's expense, resist or defend such action or proceeding.

18. INSURANCE. Prior to commencing to provide services under this Agreement, CONSULTANT shall obtain at its sole cost and expense and thereafter maintain for the term of this Agreement, at least the minimum insurance coverages set forth below:

- (a) Worker's compensation as required by applicable law or regulation. If worker's compensation insurance is not required under the circumstances, CONSULTANT shall provide proof to CCDC that such coverage is not required.
- (b) CONSULTANT agrees to obtain and keep in force during the term of this Agreement a professional liability insurance policy with minimum coverage of \$1,000,000 per claim and a minimum aggregate policy limit of \$1,000,000.
- (c) Employer's liability insurance in the minimum amount required by applicable law or regulation.
- (d) CONSULTANT shall provide to CCDC proof of insurance coverage as set forth above before commencing its performance as herein provided, and shall require insurer to notify CCDC ten (10) days prior to cancellation of said policy or policies.

19. TERMINATION OF AGREEMENT.

- (a) **FOR CAUSE.** If, through any cause, the CONSULTANT shall fail to fulfill its obligations in compliance with the schedule under this Agreement, or if the CONSULTANT shall violate any of the covenants, agreements, or

stipulations of this Agreement, CCDC shall thereupon have the right to terminate this Agreement by giving written notice to the CONSULTANT and specifying the effective date thereof at least fifteen (15) days before the effective date of such termination. If this Agreement is terminated for cause, CONSULTANT shall be paid an amount for the actual services performed in accordance with this Agreement through the cancellation date. CONSULTANT shall provide CCDC all work products generated prior to date of termination. All work products generated, whether complete or not, are the property of CCDC, as set forth in Section 12 of this Agreement.

- (b) **TERMINATION FOR CONVENIENCE OF CCDC.** CCDC may terminate this Agreement at any time, for any reason, by giving at least a fifteen (15) day notice in writing to the CONSULTANT. If this Agreement is terminated by CCDC as provided herein, CONSULTANT shall be paid an amount for the actual services performed in accordance with this Agreement through the cancellation date. Consultant shall also provide CCDC all work products of consulting generated to date of termination.

20. DISPUTES. In the event that a dispute arises between CCDC and the CONSULTANT regarding application or interpretation of any provision of this Agreement, the aggrieved Party shall promptly notify the other Party to this Agreement of the dispute within ten (10) days after such dispute arises. If the Parties shall have failed to resolve the dispute within thirty (30) days after delivery of such notice, the Parties may first endeavor to settle the dispute in an amicable manner by mediation. If the Parties elect to mediate their dispute, the Parties will select a mediator by mutual agreement and agree to each pay half of the mediator's costs and fees. The mediation will take place in Boise, Idaho unless otherwise agreed by the Parties in writing. Should the Parties be unable to resolve the dispute to their mutual satisfaction within thirty (30) days after such completion of mediation, each Party shall have the right to pursue any rights or remedies it may have at law or in equity. If the Parties do not mutually agree to mediate the dispute, either Party may pursue any rights or remedies it may have at law.

21. ATTORNEY FEES. Should any litigation or arbitration be commenced between the Parties hereto concerning this Agreement, the prevailing Party shall be entitled, in addition to any other relief as may be granted, to costs and reasonable attorneys' fees as determined by arbitrator or court of competent jurisdiction. This provision shall be deemed to be a separate contract between the Parties and shall survive any default, termination, or forfeiture of this Agreement.

22. NONWAIVER. Failure of either Party to exercise any of the rights under this Agreement, or breach thereof, shall not be deemed to be a waiver of such right or a waiver of any subsequent breach.

23. NOTICES. Any and all notices required to be given by either of the Parties hereto, unless otherwise stated in this Agreement shall be in writing and be deemed communicated when delivered in person, by courier, or mailed in the United States mail, certified, return receipt requested, addresses as follows:



To CCDC:

John Brunelle, Executive Director
Capital City Development Corporation
121 N. 9th Street, Suite 501
Boise, Idaho 83702
#208-384-4264
jbrunelle@ccdco Boise.com

To CONSULTANT:

Ted Anglyn, President
Anglyn Property Advisors, LLC
4915 Rattlesnake Hammock Road, Box #107
Naples, FL 34113
#770-289-4500
tanglyn@parkingproperty.net

Telephone numbers and E-mail addresses are for convenience and not to be used for notices required to be in writing. Informal notices and communication may be delivered in person or by telephone, U.S. Mail, courier or E-mail. Either Party may, by written notice, change the address, telephone number and/or E-mail address listed above.

24. GENERAL ADMINISTRATION AND MANAGEMENT. The Executive Director of CCDC, or his/her designee, shall be CCDC's representative and shall oversee and approve all services to be performed, coordinate all communications, review and approve all invoices, and carry out any and all tasks as may be required of CCDC under this Agreement.

25. TERM OF AGREEMENT. This Agreement shall begin on the date when both Parties have signed the Agreement (last date signed) and shall expire on DECEMBER 29, 2017. The expiration date may be extended due to necessity or unforeseen circumstances if approved by CCDC in writing. The Parties acknowledge and understand that nothing in this Agreement precludes CONSULTANT from responding to any Requests for Qualifications or Proposals for any additional services or work products contemplated by CCDC.

26. ENTIRE AGREEMENT. This Agreement, along with any and all Exhibits, attached hereto and incorporated herein by reference, contains the entire Agreement of the Parties and supersedes any and all other agreements or understandings, oral or written, whether previous to the execution hereof or contemporaneous herewith. This Agreement covers services or work products CONSULTANT has not completed, but does not cover services or work products that have been completed and CCDC has paid CONSULTANT'S fee.

27. AMENDMENTS. This Agreement may be amended only in writing, upon mutual agreement of both CCDC and CONSULTANT.

28. ASSIGNMENT. It is expressly agreed and understood by the Parties hereto that CONSULTANT shall not have the right to assign, transfer, hypothecate or sell any of its rights under this Agreement except upon the prior express written consent of CCDC.

29. COUNTERPARTS. This Agreement may be executed in any number of counterparts. Such counterparts shall be deemed to be original instruments. Counterparts together shall constitute one (1) agreement.



30. **GOVERNING LAW.** Any dispute under this Agreement, or related to this Agreement, shall be decided in accordance with the laws of the state of Idaho.

31. **SEVERABILITY.** If any part of this Agreement is held unenforceable, the remaining portions of the Agreement will nevertheless remain in full force and effect.

32. **SUCCESSORS IN INTEREST.** The provisions of this Agreement shall be binding upon and shall inure to the benefit of the Parties hereby, and their respective successors and assigns.

33. **THIRD PARTY BENEFICIARIES.** CCDC and CONSULTANT are the only Parties to this Agreement. The Parties do not intend that any non-party or third party will have any rights whatsoever under this Agreement.

End of Agreement – Signatures Appear on the Following Page.




IN WITNESS WHEREOF, CCDC and CONSULTANT have executed this Agreement with an effective date as of the date last written below.

CAPITAL CITY DEVELOPMENT CORP.



John Brunelle, Executive Director
Date: 11.27.17

CONSULTANT
ANGLYN PROPERTY ADVISORS, LLC,



Ted Anglyn, President
Date: 11/22/2017

EXHIBITS

- A. CONSULTANT'S Proposal dated November 2, 2017

Budget Info / For Office Use	
Fund/District	401
Account	5501
PO #	180023
Contract Term	December 29, 2017



EXHIBIT A

November 2, 2017

Shellan Rodriguez
Capital City Development Corporation
121 N. 9th Street, Suite 501
Boise, ID 83702
O: 208-319-1225

Anglyn Property Advisors, LLC

4915 Rattlesnake Hammock Rd.
Box #107
Naples, FL 34113

C 770 289 4500

Ted Anglyn
President
tanglyn@parkingproperty.net

RE: Proposal

For: Market Value Estimate for the Capitol & Front Street
Parking Garage

Dear Ms. Rodriguez:

We are pleased to submit this proposal and our Terms and Conditions for the requested Professional Services.

PROPOSAL SPECIFICATIONS	
Client:	Capital City Development Corporation ("CCDC")
Purpose:	Provide Market Value Estimate on the Capitol & Front Street Parking Garage.
Scope of Work:	Prepare a Valuation Report for Market Value purposes. Included with the standard Anglyn Property Advisors report will be a detailed Parking Market study including an overview of the Industry and the Capital Markets review on Parking investments.
Retainer:	\$0.00
Fees:	\$5,800.00 for appraisal report and research. Travel fees are included.
Report Copies:	Electronic
Start Date:	The project will start upon receipt of your signed agreement.



November 2, 2017
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Delivery Date: Assuming signed engagement by November 17th, 2017, planned on-site work will commence the week of December 3rd, 2017 with report delivery by December 29th, 2017 or three weeks from delivery of requested appraisal report items (see below data request) whichever is later.

Requested Items:

- Three year operating history
- 2018 operating budget (if available)
- Capital improvement budget (if available)
- Details on any capital improvements in the past three years
- Copy of most recent property tax bill if not tax exempt
- Copy of operator lease
- Copy of any other leases impacting the property
- Details on prevailing monthly and transient rates
- Summary of monthly parkers (terms and rates)
- Copy of parking space layout
- Contact person for property inspection
- Details on any environmental issues
- Details on any listings/offers for purchase in past three years
- Copy of previous appraisals
- Site plan of the property
- Legal description of the property

The attached Terms and Conditions are deemed a part of this agreement as though set forth in full herein. We appreciate this opportunity to be of service to you on this assignment. If you have additional questions, please contact us.



November 2, 2017
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Anglyn Property Advisors, LLC

A handwritten signature in cursive script that reads "Ted Anglyn".

Ted Anglyn
President

Cell: 770 289 4500
E-mail: tanglyn@parkingproperty.net

AGREED AND ACCEPTED

By:

Signature

Date

Printed Name

Title



TERMS AND CONDITIONS

1. These Terms and Conditions, between Anglyn Property Advisors, LLC and the Client for whom the referenced professional services will be performed, shall be deemed a part of such Agreement as though set forth in full therein. The Agreement shall be governed by the laws of the state of Georgia.
2. Client is defined as the party signing the Agreement and shall be responsible for payment of the fees stipulated in the Agreement. Payment of the professional services fee is not contingent upon any predetermined value or on an action or event resulting from the analyses, opinions, conclusions, or use of the services provided.
3. Payment is due and payable within thirty (30) days of your receipt of our monthly invoice.
4. Any additional consulting work beyond the scope of this engagement letter will be billed on an hourly basis.
5. It is understood that the Client has the right to cancel this assignment at any time. In such event, the Client is obligated only for the hours worked and expenses incurred.
6. In the event Client fails to make payments when due and payable, then from the date due and payable until paid the amount due and payable shall bear interest at the maximum rate permitted in the state in which the office of service provider executing the Agreement is located. If Anglyn Property Advisors, LLC is required to institute legal action against Client relating to the Agreement, Anglyn Property Advisors, LLC shall be entitled to recover reasonable attorney's fees and costs from Client.



EXHIBIT E
APPRAISER CREDENTIALS



William Ted Anglyn, MAI, CRE, CCIM
Parking Property Advisors LLC
Phone: 770-289-4500
tanglyn@parkingproperty.net
www.parkingproperty.net
www.anglynproperty.com

Career Summary:

Commercial real estate and finance professional with a background in acquisitions, valuation, loan origination, structured finance, portfolio review, property management and leasing. Serve as a frequent speaker/instructor on commercial real estate issues and am a current instructor for the FFIEC.

Experience:

Parking Property/Anglyn Property Advisors, Marietta, GA

President (April 2007-Present)

- Parking Rent Studies.
- Appraisal Valuation Consultant for Parking Facilities and Complex Assets.
- Underwriting and Loan Impairment Consulting for various Financial Institutions in Florida, Georgia, Puerto Rico and the Virgin Islands. Prepared various underwriting for A/B Notes.
- Litigation support.
- Capital Advisory Services in Latin America.

Forge Capital, Tampa, FL

Director of Acquisitions (2007 to 2009)

- Acquire and finance neighborhood shopping centers in a five state territory for a \$275 Million Community Reinvestment Act Fund. Fund was a joint partnership with DeBartolo Development.
- Purchased and financed five retail centers in Florida, Georgia and South Carolina. Annually reviewed over \$2 Billion in retail investment opportunities.

New York Life Investment Management, LLC, Atlanta, GA

Second Vice President (January 2005 to 2007)

- Originate, negotiate, structure and underwrite commercial real estate mortgages. Transactions included single-tenant transactions, hotels, apartments, and office and retail investments.
- Involved in over \$200 million in loan production and reviewed over a \$1 billion annually in complex commercial loan investments. Structured a \$62 million "B" note loan participation on North Point Mall in Atlanta. Other significant transactions included a \$50 million portfolio of Publix anchored shopping centers and a portfolio of industrial properties.

Second Vice President/Regional Appraiser (July 1990 to December 2004)

- Reviewed debt and equity investment opportunities in the 10 state Southeast Region. On an annual basis reviewed and consulted on over \$3 billion in proposed investments.
- Responsible for overseeing a \$1.6 billion mortgage loan portfolio.
- Consulted on equity and company owned assets. Actively involved in the acquisition of a 21 net lease retail portfolio for the Company as part of a 1031 exchange.
- Successfully appealed taxes on behalf of the Company on numerous assets.
- Assisted in origination and placement of over \$2 billion in loans.



- Featured “Client” representative for Realm (“ARGUS”).

Federal Home Loan Bank/Office of Thrift Supervision, Atlanta, GA

District Appraiser (January 1988 to June 1990)

- Reviewed complex appraisals during the S&L Crisis.
- Prepared net realizable and fair value estimates for establishing association loss reserves.

Pardue, Heid, Church, Smith & Waller Inc., Orlando, FL

Senior Staff Appraiser (1984 to 1988)

- Top non-partner revenue generator for bringing in new business.
- Firm represented the largest appraisal firm in the southeast with over 100 employees.

Sherrill Realty Company, Pensacola, FL

Associate Appraiser/Building Manager (1982 to 1984)

- Managed four office buildings and a neighborhood retail center.
- Negotiated leases for the Pensacola Historical Preservation Board.

Publications:

- Five commercial real estate seminar books for the Appraisal Institute:
“Analyzing Operating Expenses”,
“Analyzing Commercial Lease Clauses”,
“Analyzing Distressed Real Estate”, and
“Forecasting Revenue”,
“Appraising Distressed Commercial Real Estate – Here We Go Again”.
- Numerous articles on complex real estate accounting/valuation issues in various professional trade journals.
- Published five articles on Parking Valuation/Trends.

Professional Accomplishments:

- 1997 Chair of Young Advisory Council – Appraisal Institute
- 1999 Chapter President, Atlanta Area Appraisal Institute

2000 National Board of Directors – Appraisal Institute

- 1997-2007 – Treasurer, Region IX Appraisal Institute
- 2000-Current – The Appraisal Institute names an annual leadership award in my name – “The Anglyn Award”
- 2004 – Lifetime Achievement Award, Atlanta Area Appraisal Institute Chapter
- 2009 – Appraisal Institute President’s Award

Professional Affiliations:

- MAI - Member of the Appraisal Institute
- CRE – Counselors of Real Estate
- CCIM – Commercial Investment Real Estate Institute
- State Certified General Real Property Appraiser, Florida, Georgia and Puerto Rico
- National Parking Association; Parking Consultant Council



Education:

Auburn University, Auburn, Alabama

- Bachelor of Science in Finance (1982).
- Graduated in top 10% of class.

All required courses to obtain MAI and CCIM designations.