

McCloud & Associates

18690 E Plaza Drive, Suite 109
Parker, CO 80134

**An Appraisal Report of:
101 US Highway 24S
Chaffee County
Buena Vista, CO
81211**



Prepared For:

Town of Buena Vista
C/O Michael J Hickman, CPA
210 E Main Street
Buena Vista, CO 81211

Prepared By:

Harold McCloud, MAI
Colorado Certified General Appraiser #CG1313633

Date of Valuation:

February 4th, 2015

Date of Report:

March 10th, 2015

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Specializing in Special Purpose Property and
General Property Appraisals

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March 10th, 2015

Town of Buena Vista
C/O Michael J Hickman, CPA
210 E Main Street
Buena Vista, CO 81211

RE: 101 US Highway 24S
Chaffee County
Buena Vista, CO
81211

Mr. Hickman,

At your request, we have completed an inspection and analysis of the referenced property for the purpose of developing and reporting an opinion of value for the property. The specific real property interest, real estate, type of report, and type of value are detailed within the body of the accompanying report. The accompanying report has been prepared in conformance with the requirements established by the Appraisal Institute. The appraisal is in conformance with USPAP requirements. The liability of McCloud and Associates and its employees is limited to the fee collected for the preparation of the appraisal report. There is no accountability or liability to any third party. Based on a review of market extracted data, the marketing period and exposure period for the property is developed at 12+/- months. The opinion of value contained in the attached appraisal report is based upon the following assumptions and limiting conditions:

The information furnished by others is believed to be reliable. No warranty, however, is given for its accuracy.

No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable.

The property is assumed to be free and clear of any or all liens or encumbrances and is being appraised in that manner.

It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations, laws, and license requirements unless otherwise stated in the report.

The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate valuations for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.

The value opinions, and the costs used, are as of the date of the value opinion.

All engineering is assumed to be correct.

The current improvements condition, functionality, components, depreciation, etc. are all discussed in further detail within the report. The information provided by others in addition to the onsite inspection in regards to the subject property is presumed to be true and correct.

Responsible ownership and competent property management are assumed.

It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that make it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering or environmental studies that may be required to discover them.

Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on or in the property, was not observed by the appraiser. It should be noted that asbestos shingle siding appeared to be on the eastern side of the building but is not warranted. The appraisers, however, are not qualified to detect such substances. The presence of such substances may affect the value of the property. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

It is assumed that the utilization of the land and improvements are within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.

All current mechanical components are assumed to be in operable condition unless otherwise noted.

The appraisers are not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.

This appraisal is to be used only in its entirety. Possession of the report or any copy does not carry with it the right of publication. The report may not be used for any purpose by any person or corporation other than the client or the party to whom it is addressed or copied without the written consent of the signing appraiser(s).

Town of Buena Vista

is evaluating the market value of the subject property to make an informed decision in regards to possible acquisition.

ACCEPTANCE OF, AND/OR USE OF, THIS APPRAISAL REPORT CONSTITUTES ACCEPTANCE OF THE ABOVE MENTIONED CONDITIONS.

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

The statements of fact contained in this report are true and correct.

The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions, and conclusions.

I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved

I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

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 in this assignment was not contingent upon developing or reporting predetermined results.

My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

My analysis, opinions, and conclusions I developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.

I, Harold McCloud, MAI have inspected the subject property, aided in the developed the appraisal report, and estimated the final opinion of value, signing this appraisal and certification.

Benjamin B Davidson, MAI, SRA aided also in the development of the report, inspection of the subject property, and research of the Buena Vista market. Within this report Benjamin B Davidson, MAI, SRA aided as a sub contract labor and provided significant appraisal assistance.

McCloud and Associates assumes there are no private deed restrictions affecting the property which would limit the use of the subject property in any way.

The reported analysis, opinions, and conclusions I developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

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, I Harold McCloud, MAI, and Benjamin B Davidson, MAI, SRA have completed the continuing education program of the Appraisal Institute.

I take no responsibility for any events, conditions, or circumstances affecting the market that exists subsequent to the effective date of this report.

The attached appraisal report contains the results of the investigation and opinion of value. I appreciate this opportunity to serve you in an appraisal capacity. Should you or anyone authorized to use this report have any questions, contact me at your convenience.


Harold S. McCloud, MAI
Certified General Appraiser
in Colorado #CGO1313633

Effective Date: February 4th, 2015

Date Signed: March 10th, 2015

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Executive Summary

Subject Property Identification

The subject property is identified as the land and improvements located at 101 US Highway 24S, Buena Vista, Chaffee County, Colorado, bounded and described in the deed of record under Reception Number 414340. The property is further described in the records of the Chaffee County Assessor under Schedule Number R327108466223.

History of the Subject Property

The subject property has had one sale or ownership transfer history in the three years immediately preceding the date of this assignment. The last sale was via Warranty Deed between the Grantor, Mary J Koenig, C/O Shell Oil Products to the Grantee, Chaffee County Council On The Arts, in June 2014 for \$150,000 in consideration. It appear that this sale was not a market typical economic acquisition and not sold for market value, appearing to have been sold for a public use value. Please see the attached definition section and final reconciliation for additional information in regards to public use value. To the best of the appraiser's knowledge the subject property is not currently listed for market sale but is being offered to the city of Buena Vista for an undisclosed amount. The subject property is currently not in use and as such this report is written in Fee Simple Interest.

Existing Use of Real Estate	Non-functional service station
Highest and Best Use	Raze for Re-Development
Zoning	B-2 Highway Business District
Type of Report	Appraisal Report (Narrative)
Interest Appraised	Fee Simple

Pertinent Dates

Date of Valuation	February 4th, 2015
Date of Inspection	February 4th, 2015
Date of Report	March 10th, 2015

Value Conclusions

Land Value Analysis	\$80,000
Extraction Method	\$80,000
Final Market Value Estimate	<u>\$80,000</u>

Client	Town of Buena Vista C/O Michael J Hickman, CPA 210 E Main Street Buena Vista, CO 81211
Purpose	The purpose of this appraisal is to develop an as is market value opinion of the subject property at its highest and best use located at: 101 US Highway 24S Chaffee County Buena Vista, CO 81211
Market Exposure Time	12 Months +/-
Intended Use	The intended use of this appraisal is to supply an as-is opinion of Market Value of the Fee Simple Interest of the Subject Property as of the date of valuation in order to assist the client and intended users in rendering a decision relative to possible acquisition by the client from the current ownership.
Intended User	Town of Buena Vista Colorado
Function of Appraisal	To develop an opinion of market value to aid the client in negotiations with the owner for possible purchase and transfer of the subject property.

Definitions

Market Value as Defined by FDIC 323.2 (Taken from FDIC Laws, Regulations, Related Acts)

§ 323.2 Definitions.

(a) *Appraisal* means a written statement independently and impartially prepared by a qualified appraiser setting forth an opinion as to the market value of an adequately described property as of a specific date(s), supported by the presentation and analysis of relevant market information.

(b) *Appraisal Foundation* means the Appraisal Foundation established on November 30, 1987, as a not-for-profit corporation under the laws of Illinois.

(c) *Appraisal Subcommittee* means the Appraisal Subcommittee of the Federal Financial Institutions Examination Council.

(d) *Business loan* means a loan or extension of credit to any corporation, general or limited partnership, business trust, joint venture, pool, syndicate, sole proprietorship, or other business entity.

(e) *Complex 1--to--4 family residential property appraisal* means one in which the property to be appraised, the form of ownership, or market conditions are atypical.

(f) *Federally related transaction* means any real estate-related financial transactions entered into after the effective date hereof that:

- (1) The FDIC or any regulated institution engages in or contracts for; and
- (2) Requires the services of an appraiser.

(g) *Market value* means 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.

<http://www.fdic.gov/regulations/laws/rules/2000-4300.html>

Public Use Value (Value in Use)

Public use value is defined as an extension of value in use. Value in use is defined as the value of a specific property that has to be to a specific person or specific firm as opposed to the value to the market in general. The value in use to a specific person may include a sentimental value component or could be to a public specific use through a particular group or organization. In real estate appraising specifically, it is the value of a specific property for an identified specific use or user. It may be the highest and best use but can be and is often a conditional use in relation to market value. Often times this value is not market value as defined and highlighted on the previous page.

Fee Simple

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat. The subject property is being appraised in fee simple interest.

Market Exposure Time

In accordance with the Uniform Standards and Professional Appraisal Practice statement #6. The reasonable market exposure time for the subject property is estimated. Market exposure time is stated as being:

- * The time a property remains on the market.

The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based on an analysis of past events assuming a competitive and open market. Exposure time is always presumed to occur prior to the effective date of the appraisal. The overall concept of reasonable exposure encompasses not only adequate, sufficient and reasonable time but also adequate, sufficient and reasonable effort. Exposure time is different for various types of real estate and value ranges and under various market conditions. (Appraisal standards board of the appraisal foundation, statement on appraisal standards no. 6, "reasonable exposure time in real property and personal property market value opinions")

Market value estimates imply that an adequate marketing effort and reasonable time for exposure occurred prior to the effective date of the appraisal. In the case of disposition value, the time frame allowed for marketing the property rights is somewhat limited, but the marketing effort is orderly and adequate. Therefore, the market value estimate does depend in part on the length of the estimated exposure period. This assumes that the property through common marketing channels will be offered at a price reflecting the most probable market based on the definition of market value. This also assumes that the property is aggressively marketed with adequate exposure to all willing buyers.

Available market data, as shown in the table below, which is believed to be reliable has indicated a market exposure time for the subject property of approx.:

12 Months +/-

Address	City	Property Type	Sale Date	Days on Market
414 E Main Street	Buena Vist.	Retail	Oct-14	177
Subject Previous Sale	Buena Vist.	Office	May-13	226
303 Hwy 24	Buena Vist.	Office	Apr-10	413
111 Mill Avenue	Buena Vist.	Retail	Jan-12	365

Marketing Time

The time it takes an interest in real property to sell on the market sub-sequent to the date of an appraisal. Reasonable marketing time is an estimate of the amount of time it might take to sell an interest in real property at its estimated market value during the period immediately after the effective date of the appraisal; the anticipated time required to expose the property to a pool of prospective purchasers and to allow appropriate time for negotiation, the exercise of due diligence, and the consummation of a sale at a price supportable by concurrent market conditions. Marketing time differs from exposure time, which is always presumed to precede the effective date of the appraisal.

(Advisory Opinion 7 of the Appraisal Standards Board of The Appraisal Foundation and Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions" address the determination of reasonable exposure and marketing time.)

The marketing time is developed at: 12 Months +/-

Intended Use

The intended use of this appraisal is to supply an opinion of AS IS Market Value of the Fee Simple Interest of the Subject Property as of the date of valuation in order to assist the client and intended users in rendering a decision relative to a financial transaction of which the subject property will serve as collateral.

Intended User

The client and any other party as identified, by name or type, as users of the appraisal, appraisal review, or appraisal consulting report by the appraiser on the basis of communication with the client at the time of the assignment. Please note The appraisal report may be received or read by parties beyond the release of the original report to the client. However, the client-appraiser relationship is between the client identified within the body of this report and Harold McCloud, MAI. A future reader or holder of this appraisal report is only a reader without the prior written consent of both the appraiser and the client to use this report. Any self-implied and/or potential user of this report, outside of the client, should seek and obtain professional guidance and advise in evaluating this appraisal report. The intended user is defined as the client and it's representatives.

Effective Date

The date at which the analyses, opinions, and advice in an appraisal, review, or consulting service apply. The original date the appraiser or appraisers visited the subject site was:

February 4th, 2015

All economic, statistical, and market data within this report is correlated to this date. The description of the property is based on a physical visit to the site.

Signature Date

The date the report has been completed, signed, and ready for delivery to the client. The report has been signed and ready for delivery as of:

March 10th, 2015

Qualitative Analysis

This analysis consists of relative comparative analysis, which is the study of market based relationships without the use of quantification, and ranking analysis, a variant of relative comparative analysis. This analysis is appropriate when one or more elements of comparison are known to affect market value, but data is insufficient to estimate a specific lump sum or percentage adjustment. It is not a shortcut to avoid the extraction of market derived data. This is often shown as (+), (-), (=) or inferior, superior, or equal.

Quantitative Analysis

A business or financial analysis technique that seeks to understand behavior by using complex mathematical and statistical modeling, measurement and research. By assigning a numerical value to variables, quantitative analysts try to replicate reality mathematically. Quantitative analysis can be done for a number of reasons such as measurement, performance evaluation or valuation. In broad terms, quantitative analysis is simply a way of measuring things. Examples of quantitative analysis include everything from simple financial ratios to something as complicated as discounted cash flow.

Appraisal Report

An appraisal report must summarize the appraiser's analysis and the rationale for the conclusions drawn. This is contrary to a restricted appraisal report which might not include sufficient information for the client to understand either the appraiser's analyses or rationale for the appraiser's conclusions. As noted in Standard 2-2, the essential difference between these two report formats is in the content and level of information provided. The content of an Appraisal Report must be consistent with the intended use of the appraisal and fully describe all required information as outlined in Standard 2-2(a) and 2-3.

Scope of Work

The scope of the appraisal is such that the report is intended to conform with the Uniform Standards of Appraisal Practice ("USPAP"), as adopted by the Appraisal Standards Board of the Appraisal Foundation. The appraisal is subject to the definition of Market Value, Certification of Value, Contingent and Limiting Conditions, and Special Conditions, set forth in this report.

The general scope of the work performed in the appraisal process is such that it follows the procedures as outlined below:

Prior to acceptance of the assignment, the Appraisers have made a determination that they are in compliance with the Competency Provision of USPAP. The Appraisers, however, have no expertise in the identification or assessment of environmental hazards, and the property is appraised as if none are present, while this may or may not be the case. The aspect is beyond the scope of appraisal.

I, Harold McCloud, MAI personally performed an onsite interior and exterior observation of the subject property. Benjamin B Davidson, MAI, SRA, also personally viewed the subject property on the interior and exterior, gathered supplemental data on the property as available from the Assessor office, the Client, and or the Owner, and reported pertinent data within this Appraisal. It should be noted that Benjamin B Davidson, MAI, SRA provided significant professional assistance in the development of this appraisal report.

The Appraisers have analyzed and reported a reasonable marketing period for the subject property. Exposure time has also been developed and shown.

The Appraisers have analyzed effective market trends that will affect projected income, to the extent that they affect the value of the property.

Personal property, fixtures, or intangible items are excluded from the appraisal, only the value of real estate is considered.

The subject property is being appraised in an as-is condition in fee simple interest as of the effective date outlined within this appraisal assignment.

Initially all three approaches to value were considered but after review all were not utilized or needed. As outlined within the highest and best use section of the report, the subject property has reached the end of its useful life and is ready to be razed and the site re-developed. Sales of vacant land within Buena Vista were very limited so an extraction method of improved sales was utilized to formulate the overall final opinion of value in conjunction with a limited number of vacant land sales and listings. Please see the final reconciliation.

As applicable to the property in the appraisal process, the Appraisers have collected cost data utilizing Marshall & Swift Commercial Cost Estimator publication. Market sales data has been obtained from public records such as Colorado County Assessor's offices, County Clerk, etc. The CoStar Commercial Real Estate Database was also utilized for commercial sales, rental and leasing rates, market trends, and other information. This body of data is greater than is indicated in the appraisal. This additional data is kept in the appraisers' work file with the pertinent information being supplied to allow the reader to follow the Appraisers' path to the final indicated value.

The Appraisers have directly relied on market data as available from a review of public record information sources available from the subject market area. This would include the Board of Realtors MLS service, CoStar Commercial Database, interviews with market participants, etc. This is for the purpose of determining general value parameters applicable to the subject, with adequacy for a valuation determined by the Client. All sales used have been verified either through a review of public records or parties to the information. These data sources have provided information to the appraiser considered reliable and believed to be true and correct. It should be recognized by the user of the report that detailed data is not a matter of public record and parties concerned are under no compulsion whatsoever to reveal this data; summarily, no responsibility for the accuracy of such items is assumed to the appraisers.

In economic terms, the real estate market is an imperfect and inefficient market. Each property is unique and its location fixed, there are few buyers and sellers and they are not always well informed - often making decisions based on anticipation. Moreover, while supply is relatively inflexible, demand is volatile and change is inevitable. It should be recognized by the user of this report that the value is not a fact to be found. The reasoning, judgment, and estimates that are necessary to the appraisal process result in analysis, statements, and conclusions that are statements of the Appraiser's opinion only. These opinions do not necessarily represent the only indication of value that may be obtained on the property, and value opinions of qualified appraisers with differ either using the same identical data or varied data.

Please note market value as defined within the definition section of this report is the value estimated for the subject property. No other value such as value in use or public use, distressed, liquidation, etc. are being provided within this appraisal report.

Contingent and Limiting Conditions

This appraisal report, the letter of transmittal and the certification of value, are made expressly subject to the following assumptions and limiting conditions, and any special assumptions and limiting conditions contained elsewhere which are incorporated herein by reference.

General Assumptions

Legal and Title Considerations Pertaining to the Property

This appraisal is subject to the accuracy of the legal description furnished to the appraiser. The Appraisers assume no responsibility for the legal description provided or for matters pertaining to title or legal considerations, nor do the appraisers render any opinion as to the title, which is assumed to be good and marketable, with ownership in fee simple or leased fee interest, as stated.

Unless otherwise indicated, all liens and encumbrances which may exist have been disregarded, and the property is appraised as though it were free and clear of any such impediments that might impact value.

Illustrative Material and Information Provided by Others

All engineering studies and architectural plans provided are assumed to be correct.

Plans and illustrative material in this report may show approximate dimensions and are included only to assist the reader in visualizing the property. The Appraisers have made no survey of the property.

Information, estimates, and opinions furnished to the Appraisers, and contained in the report, were obtained from sources considered reliable and are believed to be true and correct. However, no responsibility for the accuracy of such items is assumed by the Appraisers, nor is warranty given for its accuracy.

Property Utilization

Responsible ownership and competent management of the property is assumed.

It is assumed that the utilization of the land and improvements is within the boundaries or the property described in the report and that there is no encroachment or trespass, unless noted in the report.

Unless non-compliance is stated and considered, it is assumed that the property and its operations are in full compliance with all applicable Federal, State, Local Government or private entity regulations, laws, zoning requirements, covenants or other restrictions. It is further assumed that all required license, regulations, certificates of occupancy, permits, or other consents have been or can be obtained or renewed for any use on which the value estimate is based, unless non-conformity is identified, described and considered in this report.

McCloud and Associates assumes there are no private deed restrictions affecting the property which would limit the use of the subject property in any way.

Scope of the Inspection, Property Conditions

Only a visual surface inspection of the property has been made by the Appraiser. The Appraiser assumes that there are no hidden or unapparent on-site or off-site conditions of the property or subsoil which would render it more or less valuable, or affect the health or safety of the occupants.

Unless otherwise stated and considered, the existence of hazardous materials, which may or may not be present, was not observed by the Appraisers and the value estimate is predicated on the assumption that there is not asbestos, urea-formaldehyde foam insulation, nor any other potentially hazardous materials which may affect the value of the property. Also it should be noted the subject was utilized for a number of years as a gas station where fuel and petroleum products were stored onsite. The Appraisers have no expertise in identification of hazardous materials, therefore we recommend that parties concerned obtain independent investigation by qualified experts. The Appraisers assume no responsibility for such conditions, or for the engineering which might be required to discover such factors. The Client is urged to retain an expert in this field, if desired.

Nothing in this report should be deemed a certification or guaranty as to the structural and/or mechanical soundness of the building(s) and systems that relate to the functions and operations of the subject property. Rather an appraisal assumes functions, operation, and energy efficiency levels are satisfactory and consistent with the age of the property, unless otherwise noted. The Client is urged to retain experts in analysis of such systems, if desired.

Personal Property

All personal property, furnishings and equipment, except those specifically indicated, have been disregarded by the appraiser, unless otherwise noted. Only the real estate has been considered,

General Limiting Conditions

Allocation of Value

Any allocation of the total value estimated in this report between the land and improvements applies only under the stated program of utilization. Separate values allocated for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.

Possession, Confidentiality, Distribution and Use of Report

Possession of this report, or a copy thereof, does not carry with it the right of publication.

Information contained in the appraisal may be utilized by the specified Client, but the report remains the property of McCloud and Associates.

This report shall not be used by anyone but the Client specified in the report without the Appraisers' prior written approval, and then only in its entirety.

Neither-all nor any part of the contents of this report shall be used for any purposes by anyone other than the Client specified in this report, or conveyed to the public through advertising, public relations, news, sales, or other media, without the written consent and approval of the Appraisers, particularly as to the value conclusions, identity or designation of the Appraisers or reference to the firm or appraisal organization with which the Appraisers are affiliated.

All conclusions and opinions concerning the analysis which are set forth in the report were prepared by the Appraisers whose signatures appear on the appraisal report. No change of any item in the report shall be made by anyone other than the Appraisers, and the Appraisers' firm shall have no responsibility if any such unauthorized change is made.

Disclosure of the contents of the appraisal report is governed by the regulations of the professional organizations with which the Appraisers are affiliated.

Limitations of the Appraisal Services

The Appraisers are not required to give testimony or to appear-in court by reason of this appraisal with reference to the property in question, unless arrangements have previously been made therefore.

The contract for appraisal, consultation or analytical service is fulfilled and the total fee payable upon completion of the report. The Appraisers or those assisting in preparation of the report will not be asked or required to engage in post-appraisal consultation with the Client or third parties except under separated and special arrangement and at an additional fee.

Liability of the Appraisers is limited to the elected fee for preparation of the appraisal. McCloud and Associates., as well as any employee, agent or officer thereof, shall be completely indemnified against any and all losses, claims, damages liabilities, costs or expenses to which the recipient and/or third party User may become subject. There is no accountability or liability to any third party.

Opinions of value contained in this report are estimates. There is no guarantee, written or implied, the subject property will sell or lease for the indicated amounts.

Acceptance and use of information in this report in any manner or purpose is acknowledgment that the report has been read by the user and that he/she agrees with the conclusion and the data contained in this report.

The Client agrees to notify the appraiser of any error, omissions or invalid data within 15 days of receipt of the appraisal and return the report along with all copies to the Appraiser for correction prior to any use whatsoever.

Auxiliary Reports and Related Data by Others

Unless stated otherwise, no auxiliary studies or reports related to the property, such as surveys, environmental impact reports, special market studies, highest and best reports, feasibility analysis, or reports regarding modifications to the property for either compliance with the Americans with Disabilities Act, structural, or other reasons, have been furnished or reported to the Appraisers by the Client. Data presented with respect to the subject's ownership, marketing, and income history is as made available through the Client or readily accessed public sources.

The Appraisers assume that pertinent data is not being withheld by the Client, the Borrower, or related parties. Provision of such auxiliary data, or the discovery of the appraiser, is beyond the scope of the appraisal services contracted. The Appraisers reserve unlimited right to alter, amend, revise or rescind any of the statements, findings, opinions, values, estimates, or conclusions upon any discovery or provision of such data or analysis, subsequent to it becoming known to the Appraisers.

Special Assumptions

Environmental Disclaimer

The Appraiser makes the following standard statement on assumptions and limiting conditions on environmental matters. They are as follows:

Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the attention of nor did the appraiser become aware of such during the appraiser's observation.

The appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraiser, however, is not qualified to test such substances or conditions. If the presence of such substances, such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions, it may affect the value of the property, the value estimated predicated on the assumption that there is no such condition on or in the property or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such conditions, nor for any expertise or engineering knowledge required to discover them.

The subject has not been inspected by the Appraiser with respect to the existence of hazardous environmental substances. The Appraiser is not qualified to test for hazardous materials, and the Client and Investor should recognize that their existence is possible on this property. Appropriate investigation into the history of the site, and possible inspection and testing by qualified personnel, would be a prudent requirement of the Client and Investor. For the purposes of this appraisal, the property is assumed to be free of contaminants, but the Client should recognize that environmental contamination, if it exists on the property, could result in substantial depletion of the value stated.

Limitations Related to the Definition of Value

The value estimated under the specified value definition is "the most probable price which a property should bring".

As a point of clarification, the definition of value represents what a prudent, knowledgeable purchaser, under no necessity to buy would be willing to pay to purchase the property in a current sale. By this, value is representative of the price paid by the seller, not the net proceeds to the buyer. That is, the value does not consider payment of current sales commissions, title policy fees, legal fees, liens, past due taxes, or other disposition costs.

Americans With Disabilities Act Compliance

To the best of the Appraisers' knowledge, the property has not been audited with respect to the Americans with Disabilities Act of 1990 (ADA 1990), and the appraiser have made conditional assumptions with respect to the need for possible modifications to the property under the act.

Under ADA 1990, owners of many existing public and commercial properties are required to make "reasonable" modifications to their property in order to accommodate disabled persons, effective January 26, 1992. The analysis of possible building modifications required to comply with ADA 1990 goes beyond the scope of this appraisal and generally requires the services of an architect. It is recommended that the client/investor obtain an ADA audit by a qualified professional in order to examine the impacts on the subject property and the costs of modification required.

Extraordinary Assumption

This is an assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraisers opinions and conclusions (taken from Uniform Standards of Appraisal Practice)

Extraordinary assumptions presume fact as otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in the analysis.

The information utilized within this report is considered reliable by the information sources but is not warranted. This could be considered a normal assumption, but is noted within this section to make the reader aware. The information utilized in the report is information that was extracted from public sources, MLS systems, cost data, CoStar Commercial Database, etc. and is kept in the appraisers work file for clarification if needed.

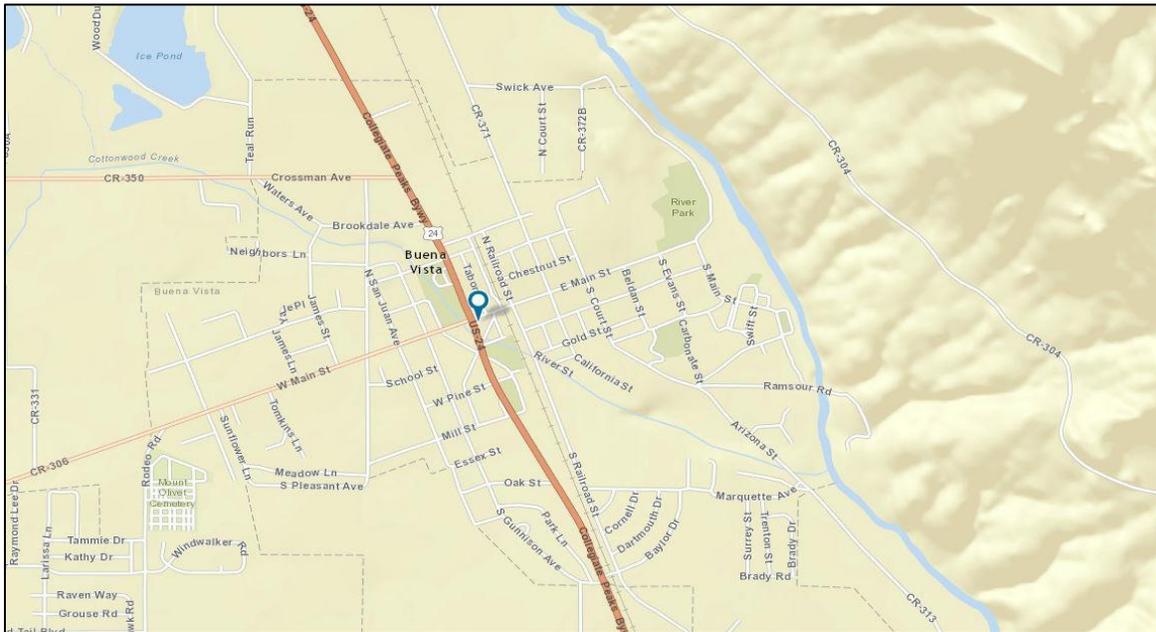
Hypothetical Condition

A hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis (taken from Uniform Standards of Appraisal Practice)

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

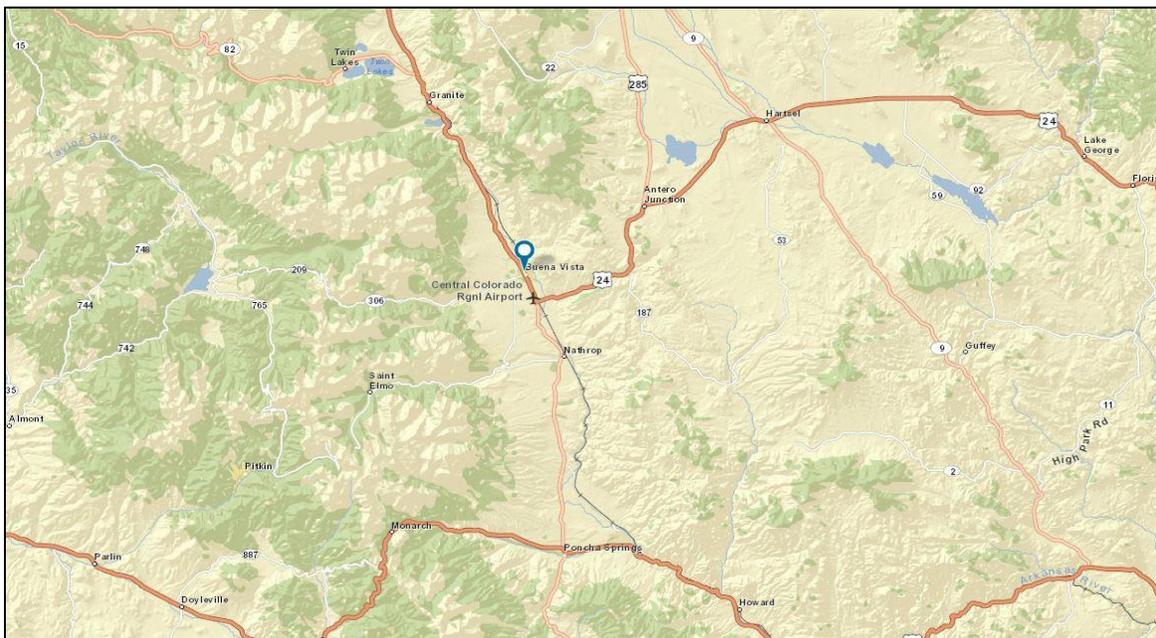
Based on the definition above, the subject property does not have any hypothetical conditions.

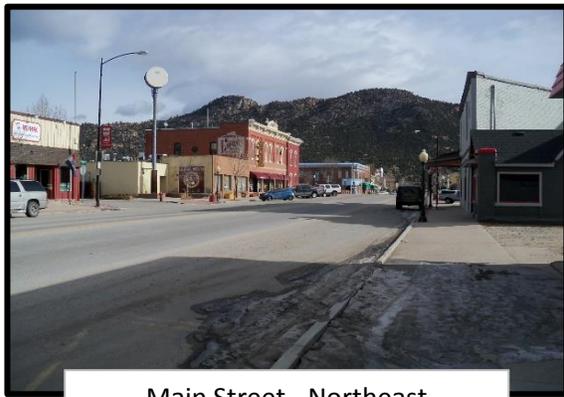
Neighborhood & Location Analysis



Location

The subject property is located at the corner of US Highway 24S and E Main Street as shown in the local map above, in Buena Vista in Central Colorado as shown in the regional map below. An aerial map is provided on the following page to show the geographic and demographic makeup of the area.





Main Street - Northeast



Main Street - Southwest



US Highway 24 - Southeast



US Highway 24 - Northwest

Location & Neighborhood Attributes of the Subject Property

The subject property is located on the corner of US Highway 24 and Main Street in Buena Vista Colorado. The subject is located in the downtown district of Buena Vista and is a part of revitalization efforts in the area. The property is surrounded by commercial property uses including additional local retail and dining establishments and is located near McPhelemy Park and Columbine Park. US Highway 24 connects to Interstate 70 to the north and goes through other small rural towns such as Leadville.

Buena Vista is located in central Colorado on the Arkansas River and surround by the Rocky Mountains. Buena Vista is located approximately 125 southwest of the Denver Metro and around 94 miles west of Colorado Springs. Buena Vista is considered a summer town as tourists swell to the area during the summer months. White water rafting and kayaking are two of the main activities that draw people to the area during these summer months. There are also hiking and mountain bike trails in the area that allow tourists to explore historic mining towns. Besides tourism operations, the largest single employer in Buena Vista is the Buena Vista Correctional Complex, a medium security state prison. Buena Vista is also home to a section of the Rocky Mountains known as the Collegiate Peaks which were named for prominent universities in America. This collection of mountains is home to more than 10 mountains that are higher than 14,000 ft. and are called "14-ers" by the locals.

A location rating analysis is shown in the chart on the following page (Table 11.2) for the subject property. This chart rates the subject property from a scale of 1 to 5 with 5 being the best in relation to location. Please see chart below.

Rating Factor	Rating (1-5)
Public Planning/Development Support	3
Reputation/Prestige	3
Access/Linkages	4
Restaurants	3
Shopping	3
Employment	3
Higher Income Housing	3
Recreational Facilities	3
Aesthetics - Natural Features	4
Infrastructure	3
Table 11.2	

The subject property, located in central Colorado, is considered typical or average when compared to similar neighborhoods in the state of Colorado. The area has a typical and acceptable selection of shopping and restaurant options but there are a limited number of known retail and dining establishments. Access and linkage to other parts of the state are considered above average as US Highway 24 helps traffic flow through the area. The Chaffee County planning commission provides adequate development and organizational support. The area, compared to other parts of the state is considered average with respect to the number of higher income housing and employment opportunities in the area are considered typical and adequate for the population. More of the economic and demographic trends of the neighborhood are discussed further in the economic analysis sections of this report.

Physical Attributes of the Subject Property

The subject property was a one-story automotive service station located on a commercially developed highway. The subject property is in below average and non-operational condition and is non-functional under its current use. The physical characteristics of the subject property are discussed in further detail within the Improvements Analysis of this report. The table provided below compares the subject qualitatively to similar retail/office strip centers in the market. The market typical or average rating is highlighted yellow with subject rankings noted with X's in each comparison category. Please refer to the table on the following page:

Standard	Inferior			Typical	Superior		
Impact on	High	Moder.	Slight	Average	Slight	Moder.	High
Design and Appeal	x						
Quality of Construction				X			
Condition of Improv.	x						
Functionality	X						
Electrical/Plumbing	X						
Parking	X						

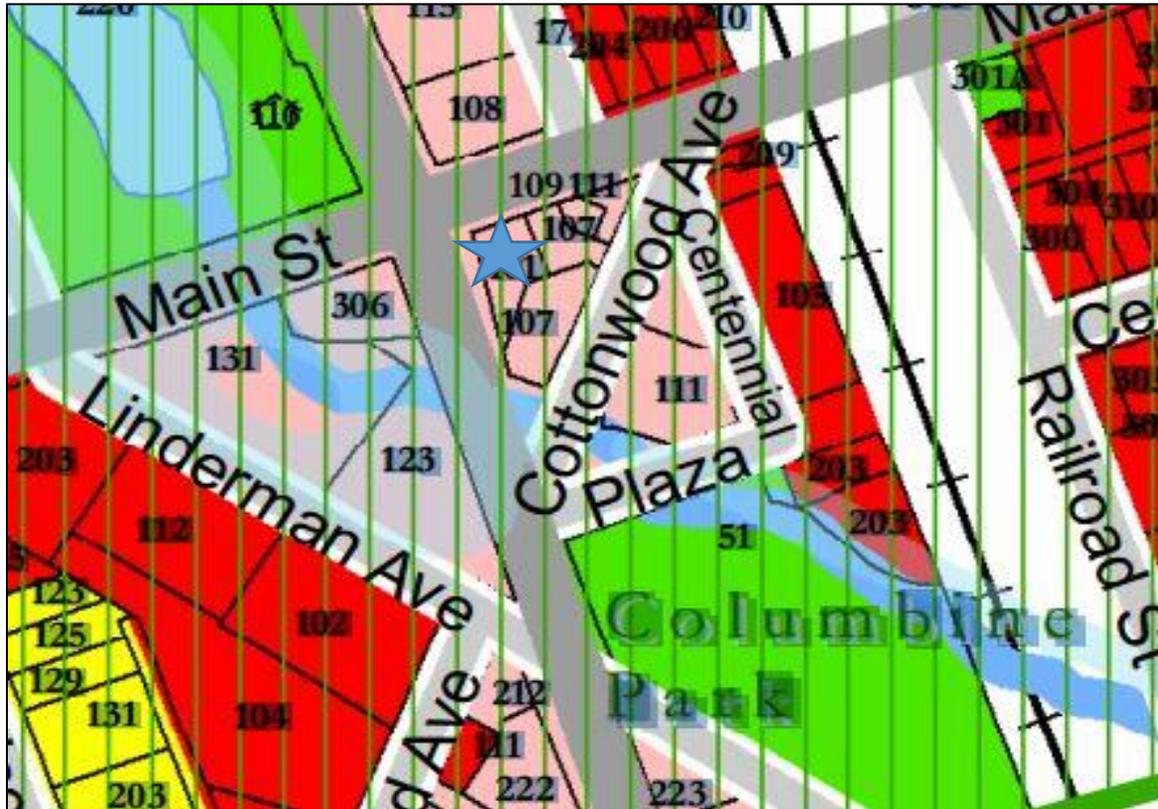
As summarized in the chart above, when compared to competing properties in the subject neighborhood, the subject property ranks as moderate to highly inferior based on market standards. The property is moderately inferior in typical appeal and design with good construction quality and is considered to be in overall below average condition. The property is non-functional under its current use. The property is assumed to have typical and adequate plumbing and electrical infrastructure. The property has limited parking and overall does not compare well to the subject property neighborhood as it appears to have reached the end of its useful life.

Legal & Zoning Attributes of the Subject Property

Zoning is the public regulation of the character and extent of real estate use through police power; accomplished by establishing districts or areas with uniform restrictions relating to improvements; structural height, area, and bulk; density of population; and other aspects of the use and development of private property.

The subject property is currently zoned:
B-2 Highway Business District

The subject property is located within the B-2 Highway Business zoning district as outlined by the City of Buena Vista Planning & Zoning Department. As defined within the city zoning ordinance this zoning district is established as a district in which the principal use of land is for retail sales and services to the motorizing public, and for other uses not requiring a centralized location, but which do require major highway frontage, comparatively large lot area and open sales yards or unenclosed storage areas. It is the intention of these regulations to encourage the orderly development and expansion of the district with such uses and in such a manner as to provide ample parking space and a minimum of traffic congestion. Based on a review of the current zoning regulations for the Buena Vista area, the subject property is considered a legal and allowable use of the site. An excerpt from the Buena Vista zoning map is provided on the following page which defines the zoning code applicable to the subject property. The subject property is marked with a blue star.

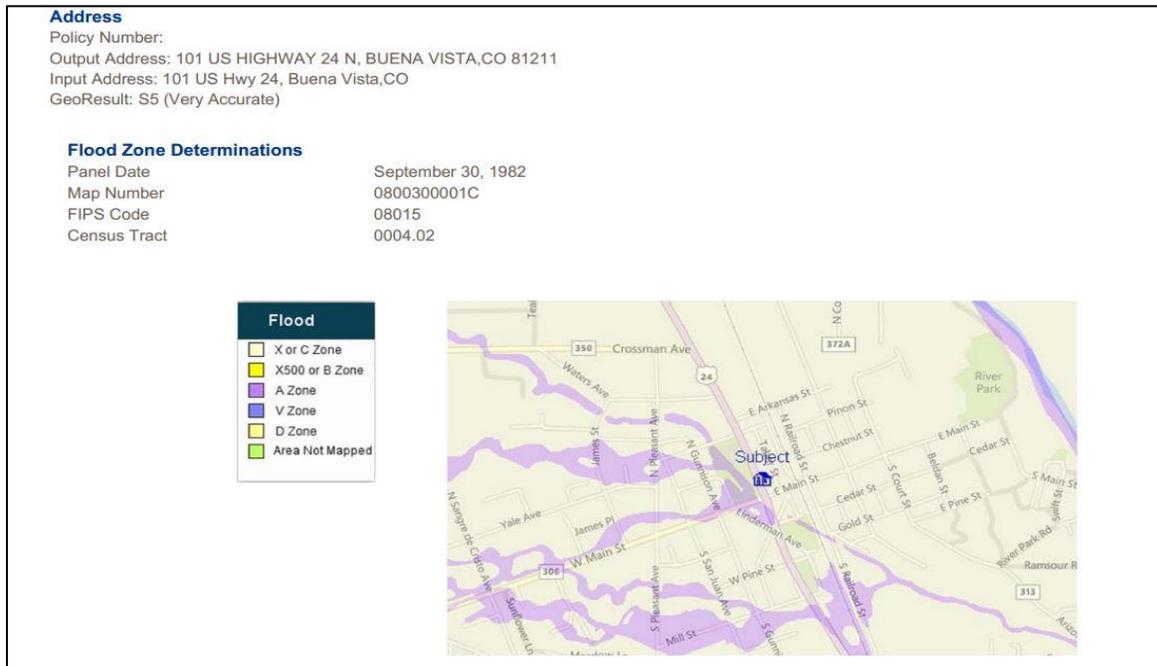


Flood Map/Location

A flood plain is the flat surface along the course of rivers, streams, and other bodies of water that are subject to overflow and flooding; also called a flood zone. Often times these flood zones are required to have flood insurance. This insurance compensates for physical property damage resulting from flooding. It is required for properties in federally designated flood areas.

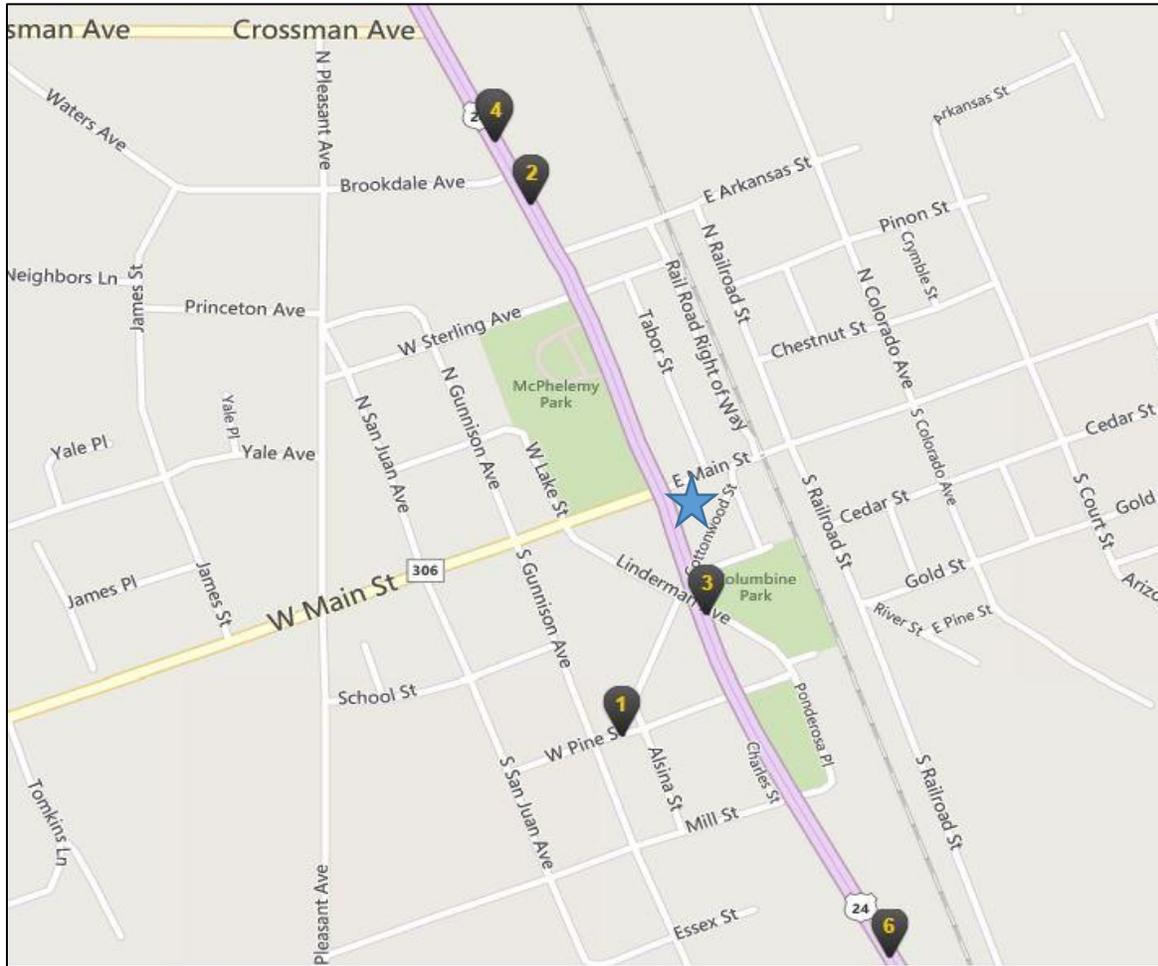
According to FEMA's flood insurance rate map, which is identified as follows:
Map # 0800300001C
Map Date 9/30/1982
Zone Moderate Risk

As shown within the FEMA map excerpt provided on the following page, the subject property is identified as an area with a moderate risk of flooding as there are flood zones to the south and to the west of the subject property. This conclusion is based on a brief review of the online FEMA map shown in the image below. The client is encouraged to obtain a flood certification performed by trained professional as the appraisers are not qualified to detect flood risk hazards.



Competing Properties

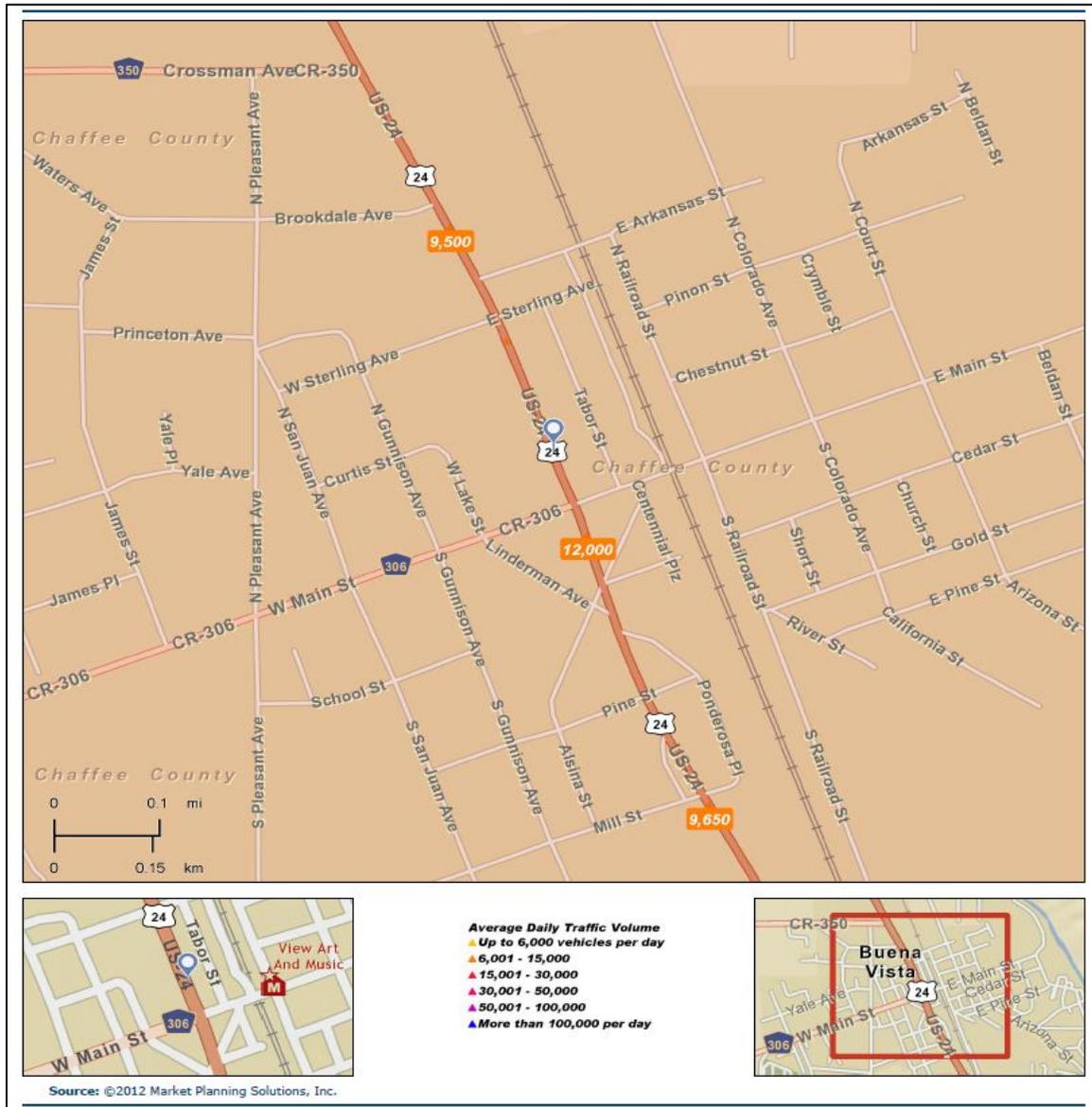
As noted previously within this section, the subject property is located along US Highway 24 which has ample traffic and is within a developed commercial area and serves as a major transportation artery into and out of the Central Colorado area. There are other fueling stations along the highway which is typical for these types of establishments and is not considered a detriment for the subject property. As such, the subject property is considered to be subject to high levels of competition, however, due to the non functional condition of the subject property these properties are out performing the subject property. The subject is located is a desirable development area with good traffic counts and high visibility and the subject property has a good location at the corner of US Highway 24 and Main Street. Overall the subject property, in its current condition, does not conform well to the neighborhood with no marketability or desirability amongst competing properties. Provided on the following page is an aerial map that shows the commercial development make up of the local neighborhood around the subject property. The subject property is marked with a blue star.



Marker Number	Name	Address
1	Shell	227 W Pine St
2	7 / 11	421 US Highway 24N
3	Alpine Oil	227 US Highway 24S
4	Conoco	543 US Highway 24N
5	Stop N Save	548 US Highway 24N
6	Phillips 66	548 US Highway 24S

Traffic Counts

The CO Transportation Cabinet, as part of his roadway maintenance and repair program, monitors and analyzes traffic counts on most major highways throughout the state of CO. Traffic counts are taken utilizing road sensors and estimate the total number of cars on an average day that passing particular point along the highway being studied. This information is considered valuable in determining a properties commercial viability depending on the intended use. A traffic count map is provided on the following page for reference.



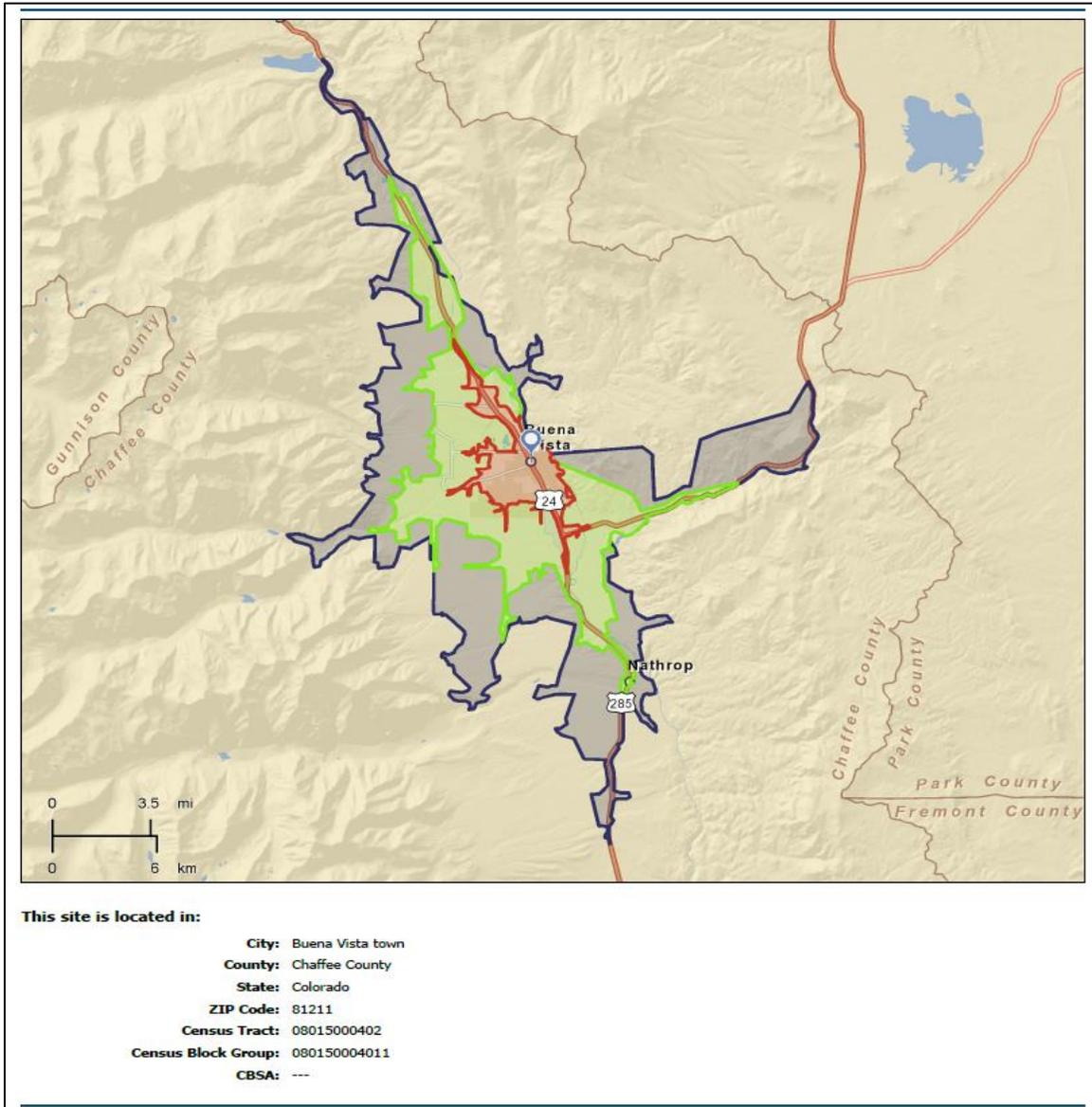
As shown in the local traffic count map provided above, the subject property is located along a heavily traveled commercial corridor. Average daily traffic counts along US Highway 24 range from 9,500 to 12,000 vehicles per day. The registering marker in front of the subject property indicates traffic counts at 12,000 per day. This is considered ample and typical traffic flow to support commercial development and use with quality visibility and access to the subject property.

Additional Neighborhood Comments

The subject property is located on the corner of US Highway 24 and Main Street in the town of Buena Vista, part of Chaffee County, in Central Colorado. The subject property, in its current condition, does not conform well to the neighborhood with no marketability or desirability as is. The development in the area considered stable with some new construction found in the general market area as of the effective date. The property is surrounded by area located within a flood plain area and has good government support through zoning of its current use. The subject improvements are considered below average and the neighborhood, when compared to the region, ranks as average. Traffic counts in area are high enough to fully support commercial use and development. Overall the subject property is non functional under its current use but is located in an area with good visibility, access, and desirability.

Economic Profile and Analysis

The following section covers all economic and demographic aspects of the subject property and its market which includes Buena Vista and Chaffee County. Data provided is compiled from the Census Bureau Data compiled during regular economic studies and the 2010 Census and reported through the Site to do Business commercial database. The map below provides a general estimate of the subject property location and all areas that can be reached during a 5, 10 and 15 minute drive time from the subject property along with a general description of the subject property's location.



Subject Property Demographic Summary

An executive summary of population, income and housing data has been provided below from the Site to Do Business Report which collects and summarizes demographic data for the market study area. Also provided are trend analysis tables and charts that show historic and potential growth in all three study areas (5, 10, and 15 Minute Drive Times). This data gives a comprehensive picture of the economic and population characteristics of the area.

Site to Do Business Executive Summary - Population & Housing

	5 minute	10 minute	15 minute
Population Summary			
2000 Total Population	4,412	5,948	6,388
2010 Total Population	4,943	6,694	7,183
2014 Total Population	5,058	6,847	7,348
2014 Group Quarters	1,191	1,304	1,309
2019 Total Population	5,226	7,092	7,618
2014-2019 Annual Rate	0.66%	0.71%	0.72%
Household Summary			
2000 Households	1,400	2,015	2,216
2000 Average Household Size	2.34	2.34	2.32
2010 Households	1,684	2,438	2,677
2010 Average Household Size	2.26	2.23	2.22
2014 Households	1,736	2,516	2,765
2014 Average Household Size	2.23	2.20	2.18
2019 Households	1,821	2,643	2,906
2019 Average Household Size	2.22	2.19	2.17
2014-2019 Annual Rate	0.96%	0.99%	1.00%
2010 Families	1,103	1,613	1,780
2010 Average Family Size	2.77	2.72	2.68
2014 Families	1,129	1,654	1,827
2014 Average Family Size	2.74	2.69	2.65
2019 Families	1,179	1,729	1,912
2019 Average Family Size	2.73	2.68	2.64
2014-2019 Annual Rate	0.87%	0.89%	0.91%
Housing Unit Summary			
2000 Housing Units	1,647	2,402	2,782
Owner Occupied Housing Units	62.9%	63.5%	61.0%
Renter Occupied Housing Units	22.1%	20.4%	18.7%
Vacant Housing Units	15.0%	16.1%	20.3%
2010 Housing Units	1,983	2,906	3,358
Owner Occupied Housing Units	62.0%	62.8%	60.5%
Renter Occupied Housing Units	22.9%	21.1%	19.2%
Vacant Housing Units	15.1%	16.1%	20.3%
2014 Housing Units	2,038	2,990	3,458
Owner Occupied Housing Units	60.2%	61.0%	58.9%
Renter Occupied Housing Units	25.0%	23.1%	21.1%
Vacant Housing Units	14.8%	15.9%	20.0%
2019 Housing Units	2,121	3,115	3,604
Owner Occupied Housing Units	61.5%	62.2%	59.9%
Renter Occupied Housing Units	24.4%	22.6%	20.7%
Vacant Housing Units	14.1%	15.2%	19.4%
Median Household Income			
2014	\$44,340	\$46,214	\$47,659
2019	\$51,042	\$52,019	\$52,849
Median Home Value			
2014	\$230,752	\$235,058	\$239,215
2019	\$237,565	\$243,929	\$248,833
Per Capita Income			
2014	\$20,974	\$22,608	\$23,432
2019	\$23,768	\$25,526	\$26,440
Median Age			
2010	40.8	43.2	44.3
2014	41.0	43.6	44.8
2019	41.5	44.1	45.4

The local population in the immediate market area (5 Mile) is estimated at 4,412 and is expected to grow around 0.66% over the next five years. Population estimates increase slightly in the 10 and 15 mile radius studies as more area is considered and growth rates are considered similar at 0.71% and 0.72%. Housing in the area is predominantly Owner Occupied which is typical for communities outside the metro area. Home values in the area are lower than the larger study areas and per capita income figures are approximately \$3,000 lower as well indicating a slower economic base with less high income housing units. Local ages are considered typical.

Site to Do Business Executive Summary - Income & Home Values

	5 minute	10 minute	15 minute
2014 Households by Income			
Household Income Base	1,736	2,516	2,765
<\$15,000	15.3%	14.3%	13.8%
\$15,000 - \$24,999	12.9%	12.4%	12.4%
\$25,000 - \$34,999	10.8%	10.7%	10.5%
\$35,000 - \$49,999	15.7%	15.7%	15.2%
\$50,000 - \$74,999	24.6%	24.9%	24.9%
\$75,000 - \$99,999	10.5%	11.2%	11.9%
\$100,000 - \$149,999	6.6%	7.1%	7.5%
\$150,000 - \$199,999	1.8%	2.0%	2.0%
\$200,000+	1.6%	1.7%	1.9%
Average Household Income	\$54,719	\$56,692	\$58,133
2019 Households by Income			
Household Income Base	1,821	2,643	2,906
<\$15,000	14.3%	13.3%	12.7%
\$15,000 - \$24,999	10.0%	9.5%	9.5%
\$25,000 - \$34,999	9.2%	9.1%	8.8%
\$35,000 - \$49,999	14.7%	14.5%	14.1%
\$50,000 - \$74,999	27.2%	27.3%	27.2%
\$75,000 - \$99,999	12.2%	12.9%	13.6%
\$100,000 - \$149,999	8.3%	8.9%	9.3%
\$150,000 - \$199,999	2.3%	2.5%	2.5%
\$200,000+	1.9%	2.1%	2.2%
Average Household Income	\$60,697	\$62,807	\$64,430
2014 Owner Occupied Housing Units by Value			
Total	1,226	1,825	2,036
<\$50,000	4.9%	5.3%	5.3%
\$50,000 - \$99,999	3.6%	3.7%	3.7%
\$100,000 - \$149,999	5.5%	5.4%	5.3%
\$150,000 - \$199,999	18.9%	19.0%	18.3%
\$200,000 - \$249,999	27.7%	23.6%	22.2%
\$250,000 - \$299,999	13.5%	13.0%	12.5%
\$300,000 - \$399,999	12.1%	13.7%	14.2%
\$400,000 - \$499,999	7.1%	8.5%	9.6%
\$500,000 - \$749,999	5.1%	5.8%	6.5%
\$750,000 - \$999,999	1.1%	1.2%	1.3%
\$1,000,000 +	0.6%	0.8%	0.9%
Average Home Value	\$265,612	\$275,616	\$284,521
2019 Owner Occupied Housing Units by Value			
Total	1,305	1,938	2,159
<\$50,000	1.5%	1.7%	1.7%
\$50,000 - \$99,999	2.1%	2.3%	2.2%
\$100,000 - \$149,999	4.8%	4.7%	4.5%
\$150,000 - \$199,999	19.3%	19.1%	18.3%
\$200,000 - \$249,999	29.6%	25.3%	23.8%
\$250,000 - \$299,999	15.3%	14.9%	14.3%
\$300,000 - \$399,999	11.3%	13.0%	13.5%
\$400,000 - \$499,999	7.9%	9.6%	10.8%
\$500,000 - \$749,999	5.3%	6.0%	6.8%
\$750,000 - \$999,999	2.2%	2.5%	2.8%
\$1,000,000 +	0.5%	1.0%	1.2%
Average Home Value	\$285,046	\$299,703	\$310,542

The table above provides a more detailed breakdown of the distribution of income in the area, detailed housing statistics with regards to home value both currently and projected out into the next five years. The average household income for the immediate area is \$54,719 which is around \$4,000 lower than the larger market study. Incomes are projected to increase to around \$60,697 over the next five years and the gap between the immediate area and the larger market study will remain the same. Average home values for the immediate area are \$265,612 which is approximately \$18,000 lower than the larger market study. Over the next five years average home values are projected to increase around \$19,000 but the gap between the immediate area and the larger market study will increase to around \$25,000. This indicates an area of growth but at a slower pace than the larger market study in both income and home values.

Site to Do Business Executive Summary - Age & Sex Trends

	5 minute	10 minute	15 minute
2010 Population by Age			
Total	4,942	6,697	7,184
0 - 4	4.1%	4.1%	4.0%
5 - 9	4.5%	4.5%	4.4%
10 - 14	4.2%	4.3%	4.2%
15 - 24	11.9%	11.3%	11.0%
25 - 34	17.3%	15.5%	14.8%
35 - 44	13.4%	12.6%	12.3%
45 - 54	16.1%	16.4%	16.4%
55 - 64	13.0%	14.4%	15.0%
65 - 74	9.4%	10.6%	11.2%
75 - 84	4.8%	5.1%	5.3%
85 +	1.3%	1.3%	1.3%
18 +	84.2%	84.0%	84.1%
2014 Population by Age			
Total	5,058	6,848	7,349
0 - 4	3.9%	3.8%	3.7%
5 - 9	4.4%	4.4%	4.3%
10 - 14	4.4%	4.5%	4.4%
15 - 24	12.0%	11.2%	10.9%
25 - 34	17.1%	15.4%	14.7%
35 - 44	13.6%	12.6%	12.2%
45 - 54	13.9%	14.1%	14.2%
55 - 64	14.1%	15.5%	16.1%
65 - 74	10.3%	11.8%	12.6%
75 - 84	4.9%	5.3%	5.5%
85 +	1.4%	1.4%	1.4%
18 +	84.9%	84.8%	85.0%
2019 Population by Age			
Total	5,226	7,094	7,618
0 - 4	3.9%	3.8%	3.7%
5 - 9	4.2%	4.2%	4.1%
10 - 14	4.5%	4.6%	4.5%
15 - 24	11.7%	10.8%	10.4%
25 - 34	16.5%	14.9%	14.3%
35 - 44	13.8%	12.8%	12.4%
45 - 54	12.6%	12.7%	12.6%
55 - 64	13.8%	15.2%	15.8%
65 - 74	11.5%	13.3%	14.2%
75 - 84	5.8%	6.1%	6.3%
85 +	1.7%	1.7%	1.7%
18 +	84.6%	84.6%	84.9%
2010 Population by Sex			
Males	3,036	3,968	4,211
Females	1,907	2,726	2,972
2014 Population by Sex			
Males	3,130	4,085	4,334
Females	1,928	2,762	3,014
2019 Population by Sex			
Males	3,227	4,226	4,489
Females	1,998	2,866	3,129

This table provides a detailed breakdown of the distribution of the population by age and sex over the last four years and projects age trends over the next five years. The data on this chart shows that the population in the area has been stable over the last four years and is projected to stay stable over the next five years. There are no large fluctuations in the age brackets above that would indicate the area is under duress.

Site to Do Business Executive Summary - Household Composition, Size & Ownership

	5 minute	10 minute	15 minute
2010 Households by Type			
Total	1,684	2,438	2,678
Households with 1 Person	29.1%	28.3%	28.0%
Households with 2+ People	70.9%	71.7%	72.0%
Family Households	65.5%	66.2%	66.5%
Husband-wife Families	55.9%	57.1%	57.8%
With Related Children	17.8%	17.3%	16.8%
Other Family (No Spouse Present)	9.7%	9.0%	8.6%
Other Family with Male Householder	3.1%	3.1%	2.9%
With Related Children	2.1%	2.0%	1.9%
Other Family with Female Householder	6.5%	6.0%	5.7%
With Related Children	4.3%	3.9%	3.6%
Nonfamily Households	5.4%	5.5%	5.5%
All Households with Children	24.8%	23.6%	22.8%
Multigenerational Households	1.7%	1.6%	1.6%
Unmarried Partner Households	4.9%	4.6%	4.5%
Male-female	4.6%	4.4%	4.3%
Same-sex	0.3%	0.2%	0.3%
2010 Households by Size			
Total	1,685	2,438	2,678
1 Person Household	29.1%	28.3%	28.0%
2 Person Household	43.6%	45.2%	46.2%
3 Person Household	12.5%	12.0%	11.6%
4 Person Household	9.3%	8.9%	8.7%
5 Person Household	3.7%	3.7%	3.6%
6 Person Household	1.4%	1.4%	1.3%
7 + Person Household	0.6%	0.6%	0.6%
2010 Households by Tenure and Mortgage Status			
Total	1,684	2,438	2,677
Owner Occupied	73.0%	74.9%	75.9%
Owned with a Mortgage/Loan	44.7%	45.2%	45.4%
Owned Free and Clear	28.3%	29.6%	30.5%
Renter Occupied	27.0%	25.1%	24.1%

This table provides a detailed breakdown of household and relationship status which can influence population stability and lifestyle patterns. The table also details the market's household type demographic, household sizes and mortgage tenure & status information. The data presented on this chart indicates that the immediate area and the larger market study are very similar as the differences between the categories are within 1%-3%.

Employment Data

According to the United States Census Bureau for 2009-2013, Chaffee County had 56.9% of the population 16 years and over in the labor force. Of the 56.9% there were 52.6% that were employed and 4.3% unemployed. The remaining 43.1% of the population 16 years and over were not in the labor force. The total unemployment rate for this time period was 7.5%. The three largest industries in Chaffee County are Education (17.9%), Arts, entertainment, and recreation services (14.1%) and Retail trade (13.0%)

Demographic & Income Profile and Trend Analysis

Beginning on the following page a visually graphed trend analysis showing expected growth with regards to population, housing, and income for the three markets studied are provided. These trend analyses are provided to show the current and long-term demographic trends of the subject properties market.

Demographic & Income Profile - 5 Minute Study Area

McCloud and Associates

Demographic and Income Profile

101 US 24, Buena Vista, Colorado, 81211
 Drive Time: 5 minute radius

Latitude: 38.84242
 Longitude: -106.13289

Summary	Census 2010	2014	2019			
Population	4,943	5,058	5,226			
Households	1,684	1,736	1,821			
Families	1,103	1,129	1,179			
Average Household Size	2.26	2.23	2.22			
Owner Occupied Housing Units	1,230	1,226	1,305			
Renter Occupied Housing Units	454	510	517			
Median Age	40.8	41.0	41.5			
Trends: 2014 - 2019 Annual Rate	Area	State	National			
Population	0.66%	1.26%	0.73%			
Households	0.96%	1.35%	0.75%			
Families	0.87%	1.25%	0.66%			
Owner HHs	1.26%	1.35%	0.69%			
Median Household Income	2.86%	3.33%	2.74%			
Households by Income	2014		2019			
	Number	Percent	Number	Percent		
<\$15,000	266	15.3%	260	14.3%		
\$15,000 - \$24,999	224	12.9%	182	10.0%		
\$25,000 - \$34,999	187	10.8%	167	9.2%		
\$35,000 - \$49,999	273	15.7%	267	14.7%		
\$50,000 - \$74,999	427	24.6%	495	27.2%		
\$75,000 - \$99,999	183	10.5%	223	12.2%		
\$100,000 - \$149,999	115	6.6%	152	8.3%		
\$150,000 - \$199,999	32	1.8%	42	2.3%		
\$200,000+	27	1.6%	34	1.9%		
Median Household Income	\$44,340		\$51,042			
Average Household Income	\$54,719		\$60,697			
Per Capita Income	\$20,974		\$23,768			
Population by Age	Census 2010		2014		2019	
	Number	Percent	Number	Percent	Number	Percent
0 - 4	205	4.1%	195	3.9%	204	3.9%
5 - 9	223	4.5%	221	4.4%	220	4.2%
10 - 14	207	4.2%	225	4.4%	236	4.5%
15 - 19	249	5.0%	220	4.3%	242	4.6%
20 - 24	337	6.8%	386	7.6%	367	7.0%
25 - 34	856	17.3%	863	17.1%	864	16.5%
35 - 44	663	13.4%	688	13.6%	723	13.8%
45 - 54	795	16.1%	703	13.9%	656	12.6%
55 - 64	644	13.0%	712	14.1%	722	13.8%
65 - 74	464	9.4%	523	10.3%	603	11.5%
75 - 84	235	4.8%	250	4.9%	301	5.8%
85+	62	1.3%	72	1.4%	88	1.7%

Data Note: Income is expressed in current dollars.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2014 and 2019.

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Demographic & Income Profile - 5 Minute Study Area (Cont.)

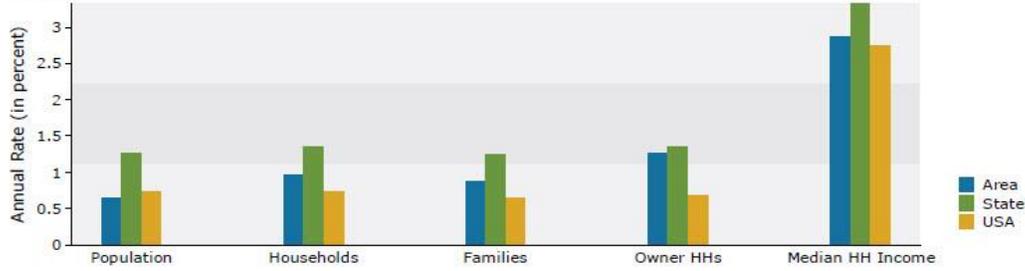
McCloud and Associates

Demographic and Income Profile

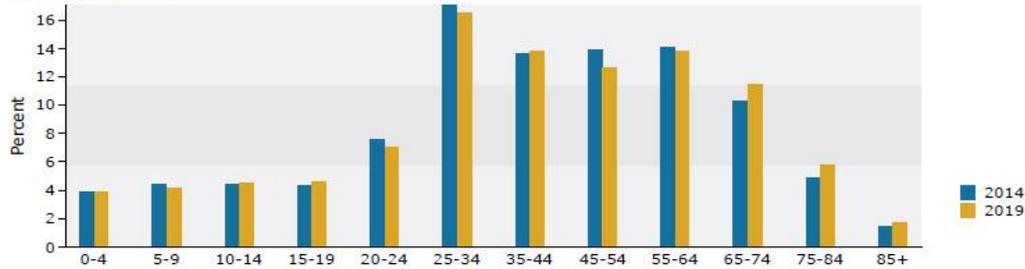
101 US 24, Buena Vista, Colorado, 81211
 Drive Time: 5 minute radius

Latitude: 38.84242
 Longitude: -106.13289

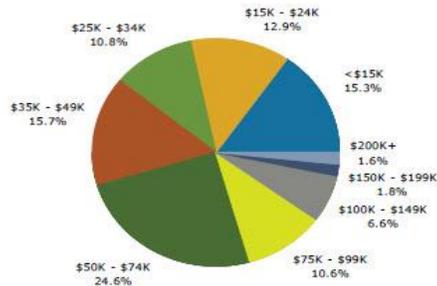
Trends 2014-2019



Population by Age



2014 Household Income



Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2014 and 2019.

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Demographic & Income Profile - 10 Minute Study Area

McCloud and Associates

Demographic and Income Profile

101 US 24, Buena Vista, Colorado, 81211
Drive Time: 10 minute radius

Latitude: 38.84242
Longitude: -106.13289

Summary	Census 2010	2014	2019			
Population	6,694	6,847	7,092			
Households	2,438	2,516	2,643			
Families	1,613	1,654	1,729			
Average Household Size	2.23	2.20	2.19			
Owner Occupied Housing Units	1,825	1,825	1,938			
Renter Occupied Housing Units	613	691	705			
Median Age	43.2	43.6	44.1			
Trends: 2014 - 2019 Annual Rate	Area	State	National			
Population	0.71%	1.26%	0.73%			
Households	0.99%	1.35%	0.75%			
Families	0.89%	1.25%	0.66%			
Owner HHs	1.21%	1.35%	0.69%			
Median Household Income	2.39%	3.33%	2.74%			
Households by Income	2014		2019			
	Number	Percent	Number	Percent		
<\$15,000	361	14.3%	351	13.3%		
\$15,000 - \$24,999	312	12.4%	252	9.5%		
\$25,000 - \$34,999	269	10.7%	240	9.1%		
\$35,000 - \$49,999	394	15.7%	384	14.5%		
\$50,000 - \$74,999	626	24.9%	721	27.3%		
\$75,000 - \$99,999	282	11.2%	341	12.9%		
\$100,000 - \$149,999	179	7.1%	234	8.9%		
\$150,000 - \$199,999	51	2.0%	66	2.5%		
\$200,000+	43	1.7%	55	2.1%		
Median Household Income	\$46,214		\$52,019			
Average Household Income	\$56,692		\$62,807			
Per Capita Income	\$22,608		\$25,526			
Population by Age	Census 2010		2014		2019	
	Number	Percent	Number	Percent	Number	Percent
0 - 4	274	4.1%	260	3.8%	272	3.8%
5 - 9	301	4.5%	299	4.4%	298	4.2%
10 - 14	286	4.3%	306	4.5%	323	4.6%
15 - 19	344	5.1%	297	4.3%	324	4.6%
20 - 24	410	6.1%	471	6.9%	440	6.2%
25 - 34	1,035	15.5%	1,053	15.4%	1,059	14.9%
35 - 44	846	12.6%	860	12.6%	905	12.8%
45 - 54	1,097	16.4%	968	14.1%	898	12.7%
55 - 64	966	14.4%	1,061	15.5%	1,078	15.2%
65 - 74	709	10.6%	811	11.8%	942	13.3%
75 - 84	340	5.1%	363	5.3%	435	6.1%
85+	86	1.3%	99	1.4%	120	1.7%

Data Note: Income is expressed in current dollars.

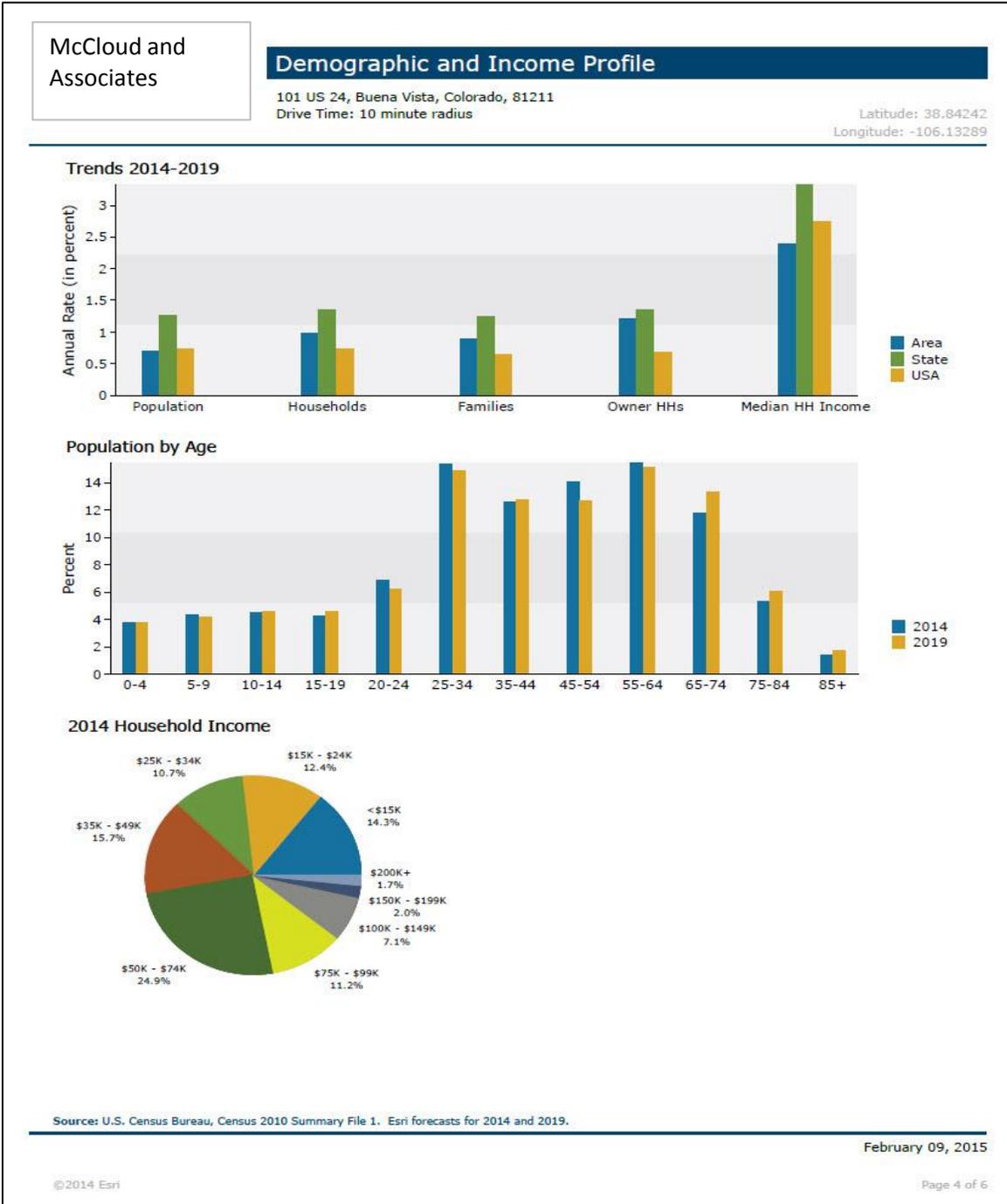
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2014 and 2019.

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Demographic & Income Profile - 10 Minute Study Area (Cont.)



Demographic & Income Profile - 15 Minute Study Area

McCloud and Associates

Demographic and Income Profile

101 US 24, Buena Vista, Colorado, 81211
Drive Time: 15 minute radius

Latitude: 38.84242
Longitude: -106.13289

Summary	Census 2010	2014	2019			
Population	7,183	7,348	7,618			
Households	2,677	2,765	2,906			
Families	1,780	1,827	1,912			
Average Household Size	2.22	2.18	2.17			
Owner Occupied Housing Units	2,031	2,036	2,159			
Renter Occupied Housing Units	646	729	747			
Median Age	44.3	44.8	45.4			
Trends: 2014 - 2019 Annual Rate	Area	State	National			
Population	0.72%	1.26%	0.73%			
Households	1.00%	1.35%	0.75%			
Families	0.91%	1.25%	0.66%			
Owner HHs	1.18%	1.35%	0.69%			
Median Household Income	2.09%	3.33%	2.74%			
Households by Income	2014		2019			
	Number	Percent	Number	Percent		
<\$15,000	381	13.8%	370	12.7%		
\$15,000 - \$24,999	342	12.4%	275	9.5%		
\$25,000 - \$34,999	289	10.5%	257	8.8%		
\$35,000 - \$49,999	420	15.2%	409	14.1%		
\$50,000 - \$74,999	688	24.9%	791	27.2%		
\$75,000 - \$99,999	329	11.9%	396	13.6%		
\$100,000 - \$149,999	207	7.5%	271	9.3%		
\$150,000 - \$199,999	56	2.0%	73	2.5%		
\$200,000+	52	1.9%	65	2.2%		
Median Household Income	\$47,659		\$52,849			
Average Household Income	\$58,133		\$64,430			
Per Capita Income	\$23,432		\$26,440			
Population by Age	Census 2010		2014		2019	
	Number	Percent	Number	Percent	Number	Percent
0 - 4	287	4.0%	273	3.7%	285	3.7%
5 - 9	319	4.4%	316	4.3%	314	4.1%
10 - 14	305	4.2%	326	4.4%	343	4.5%
15 - 19	367	5.1%	317	4.3%	345	4.5%
20 - 24	423	5.9%	484	6.6%	451	5.9%
25 - 34	1,065	14.8%	1,083	14.7%	1,088	14.3%
35 - 44	883	12.3%	893	12.2%	942	12.4%
45 - 54	1,177	16.4%	1,041	14.2%	962	12.6%
55 - 64	1,080	15.0%	1,181	16.1%	1,202	15.8%
65 - 74	806	11.2%	927	12.6%	1,078	14.2%
75 - 84	378	5.3%	402	5.5%	479	6.3%
85+	92	1.3%	106	1.4%	129	1.7%

Data Note: Income is expressed in current dollars.

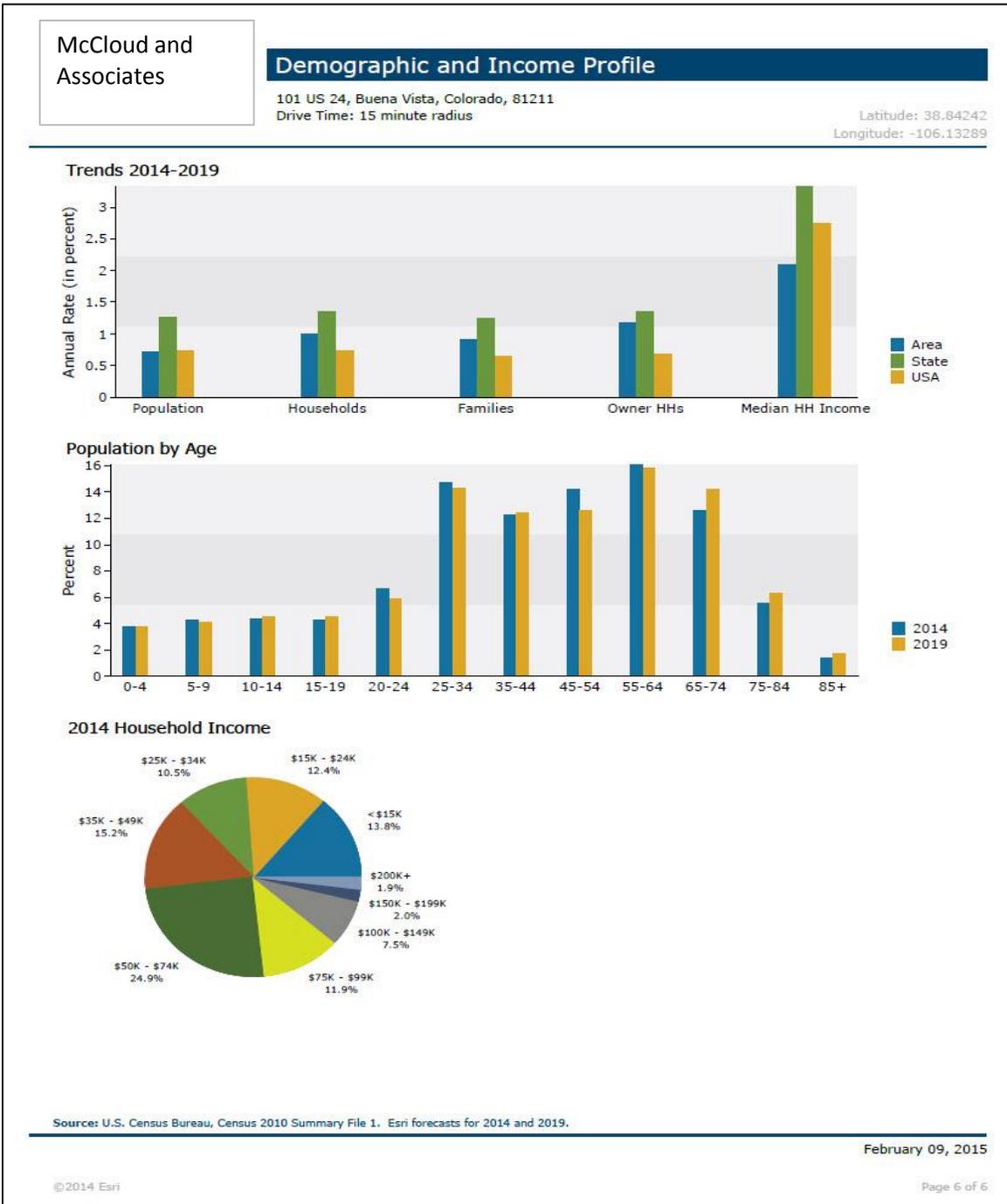
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2014 and 2019.

February 09, 2015

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Demographic & Income Profile - 15 Minute Study Area (Cont.)



Site Analysis

The following section is intended to provide a general descriptive and visual overview of the subject site including access & visibility, topography, utility availability, easements, soil conditions, site layout & size, and site improvements including parking. Information was gathered from public records, government officials and the client.

Access and Visibility

The subject property is considered to have reasonable and acceptable access along both US Highway 24S and E Main Street. Visibility is also considered acceptable.

Topography

Topography is defined as the relief features or surface configurations of an area including elevations, hills, valleys, etc. The topography of the subject property is considered level at the Highway and level throughout. There are no apparent or site altering geographic or topographic features that hinder or prohibit the current or future use of the site or its marketability.

Utilities

Utility can be defined as a service (as light, power, or water) provided by a public utility. This would include but not be limited to natural gas, telephone, cable, etc.

Please note that the main utilities such as sewer, water, natural gas and electric are all presumed available to the subject property and would not hinder the marketability of the subject. It is the appraisers' understanding that all utility connections have been made and that all public utilities have been extended onto the property and are in full working order. There are no visual signs of utility failure or problems.

Easements

An easement is the interest in real property that conveys use, but not ownership, of a portion of an owner's property. Access or right of way easements may be acquired by private parties or public utilities. Governments dedicate conservation, open space, and preservation easements.

No detrimental easements that would substantially deter development are known to exist. Others, such as utility easements, allow for development for the site and are considered beneficial to the tract. Utility easements are typical and acceptable.

Soil Conditions

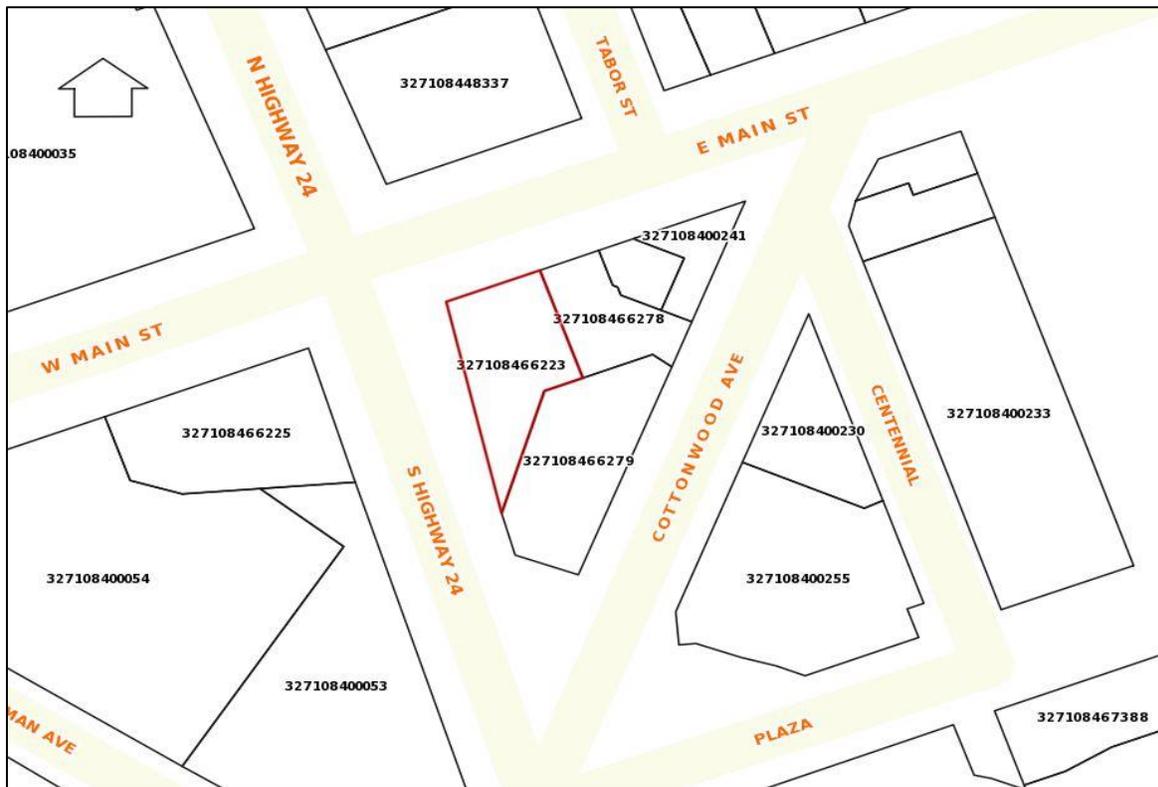
Soil conditions are assumed to be adequate. The site appears to be well drained. No engineering or soil testing has been performed to the knowledge of the appraisers, and no further conclusion as to the condition of the foundation or soil condition is made. There is no reason to suspect that hazardous materials are on the property. Note: The appraisers are not experts in environmental matters. It is assumed that the site is clean from an environmental standpoint. The user of the report is instructed to seek the advice of an expert if further questions arise pertaining to environmental issues.

Site Boundaries and Description

The subject site sits at the corner of US Highway 24S and West Main Street and includes approximately 5,843 square feet of lot space or 0.1341 acres. The subject property is bounded and described in the deed referenced by Document # 414340 in the office of the Chaffee County Clerk and Recorder. The legal description of the site reads as follows:

*PT LAKEHOUSE SUB BUENA VISTA HAVING 143 FT FRONTAGE ON HWY
AND 64 FT
FRONTAGE ON MAIN ST REC 414340*

Provided below is a parcel map taken from the Chaffee County Assessor which shows the approximate site boundaries. Also provided is a site aerial with approximate boundaries marked. Neither map is provided to scale and no survey or site measurement was performed by the appraiser.





Site Improvements

The subject property is improved with a poured concrete paved parking site improvement which is described in full below. The site is also improved with a 31x33 covered awning attached to the front of the current subject improvement.

Parking

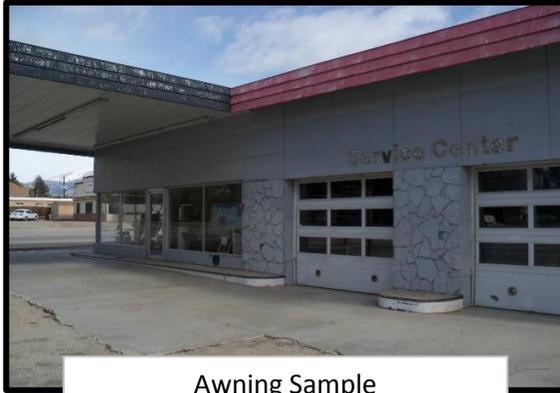
Parking areas are defined as the area of a facility, e.g., a shopping area, an industrial plant, a supermarket, designated for the parking of customer, tenant, and employee automobiles.

As shown in the photo provided on the following page, the subject site has concrete poured paved parking and driveways along the front of the current subject improvements. The site, including all parking spaces, driveways and ingress/egress points, is improved with +/-2,700 square feet of poured concrete paving, according to aerial measurements, which is considered to be in below market average condition but can be considered functional.



Covered Awning

As shown in the photos provided below the site is improved with a 31x33 covered awning attached to the current subject improvement. This awning covered the gas pumps that used to occupy the space under the awning. The awning provided shelter from the elements and provided lighting to patrons of the gas station when it was operational. The awning appears to be in average condition in its current state.



Awning Sample



Awning Sample

Realist Report

101 US Highway 24 N, Buena Vista, CO 81211, Chaffee County



N/A	1,647	5,843	\$150,000
Beds	Bldg Sq Ft	Lot Sq Ft	Sale Price
N/A	1948	SVC STA	06/02/2014
Baths	Yr Built	Type	Sale Date

Owner Information

Owner Name:	Chaffee County Council On Thearts	Mailing Zip:	81211
Mailing Address:	Po Box 1154	Mailing ZIP 4:	1154
Mailing City & State:	Buena Vista, CO	Mailing Carrier Route:	B020

Location Information

Property Zip:	81211	Neighborhood Code:	2200-2200
Property Carrier Route:	R003	Township:	14S
Elementary School:	Avery/Parsons	Range:	78W
Middle School:	Mcginnis	Section:	8
High School:	Buena Vista	Quarter:	SE
Subdivision:	Pt Lakehouse Sub	Block:	66
Census Tract:	4.02		

Tax Information

PIN:	R327108466223	% Improved:	27%
Alternate PIN:	327108466223	Tax District:	03
Schedule Number:	R327108466223		
Legal Description:	PT LAKEHOUSE SUB BUENA VISTA HAVING 143 FT FRONTAGE ON HWY AND64 FT FRONTAGE ON MAIN ST REC 414340		

Assessment & Tax

Assessment Year	2014	2013	2012
Market Value - Land	\$110,499	\$110,499	\$182,708
Market Value - Improved	\$41,633	\$41,633	\$64,843
Market Value - Total	\$152,132	\$152,132	\$247,551
Assessed Value - Land	\$32,040	\$32,040	\$52,990
Assessed Value - Improved	\$12,070	\$12,070	\$18,800
Assessed Value - Total	\$44,110	\$44,110	\$71,790
YOY Assessed Change (%)	0%	-38.56%	
YOY Assessed Change (\$)	\$0	-\$27,680	

Tax Year	Total Tax	Change (\$)	Change (%)
2012	\$3,988		
2013	\$2,553	-\$1,435	-35.98%
2014	\$2,579	\$26	1.04%

Characteristics

Lot Acres:	0.1341	Bldg Sq Ft - Total:	1,647
Lot Sq Ft:	5,843	Bldg Sq Ft - Finished:	1,647
Land Use - County:	Commercial	# Buildings:	1
Land Use - CoreLogic:	Service Station	Stories:	1
Building Type:	Service Station	Heat Type:	Furnace
Year Built:	1948	Quality:	Average

Courtesy of Benjamin Davidson, REcolorado

The data within this report is compiled by CoreLogic from public and private sources. If desired, the accuracy of the data contained herein can be independently verified by the recipient of this report with the applicable county or municipality.

Property Detail

Generated on 02/12/2015
Page 1 of 2

Features

Feature Type	Size/Qty
Add On-C Canopy Steel Good Z	1,088
Add On-C Concrete Slab Low Z	1,200

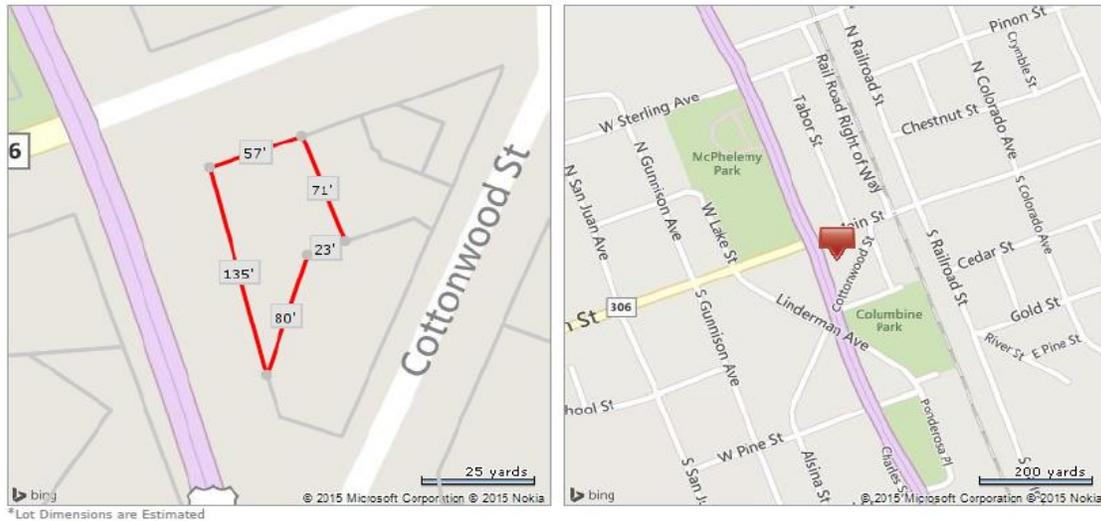
Last Market Sale & Sales History

Sale Date:	06/02/2014	Deed Type:	Warranty Deed
Sale Price:	\$150,000	Owner Name:	Chaffee County Council On Thearts
Price per SqFt - Finished:	\$91.07	Seller:	Koenig Mary J
Document Number:	414340		
Sale Date	06/02/2014		
Sale Price	\$150,000		
Buyer	Chaffee County Council Of Arts		
Seller	Koenig Mary J		
Document Number	414340		
Document Type	Warranty Deed		

Mortgage History

Mortgage Date	06/03/2014
Mortgage Amount	\$130,000
Borrower	Chaffee County Council Of Arts
Mortgage Purpose	Construction
Mortgage Int Rate	5.25
Mortgage Term	1
Mortgage Term	Years

Property Map



Courtesy of Benjamin Davidson, REcolorado

The data within this report is compiled by CoreLogic from public and private sources. If desired, the accuracy of the data contained herein can be independently verified by the recipient of this report with the applicable county or municipality.

Property Detail

Generated on: 02/12/2015
Page 2 of 2

Real Estate Tax Analysis

In Colorado, taxable property is first appraised by the County Assessor to determine its statutory "actual value" as of January 1 of the tax year. In addition, pursuant to State law, the County is allowed to value new construction which occurs between January 1 and July 1 of the tax year. This amount is then multiplied by the appropriate assessment percentage to determine each property's assessed value. The mill levy of each taxing entity is then multiplied by this assessed value to determine the amount of property tax levied upon such property by such taxing entity.

Non-residential property is valued using sales comparison, cost and income approaches. Residential property is valued using only the sales comparison approach, and agricultural land is valued by considering its earning capacity for agricultural use, capitalized at a statutory rate. Land with development potential can be classified as agricultural if it is actually utilized for agricultural production.

The statutory "actual value" is based on an analysis of sales and other information for the period one and one-half years immediately prior to the July 1 preceding the beginning of the two-year reassessment cycle. The following table sets forth the timing of these periods for property tax levy years 2011 through 2016:

Tax Year	Tax Payment Due In	Value Calculated as	Based on Market Data Period
2011	2012	July 1, 2010	01/1/2009 to 06/30/2010
2012	2013	July 1, 2010	01/1/2009 to 06/30/2010
2013	2014	July 1, 2012	01/01/2011 to 06/01/2012
2014	2015	July 1, 2012	01/01/2011 to 06/01/2012
2015	2016	July 1, 2014	01/01/2013 to 06/30/2014
2016	2017	July 1, 2014	01/01/2013 to 06/30/2014

Thus, for the subject, the 2014 taxes payable in 2015 are calculated using the county assessor's estimate of "actual value" of the property as it existed on January 1, 2012 based on sales and other data during the 18 months from 2011 through mid-2012

The County Assessor may also consider market sales from more than one and one-half years immediately prior to July 1 if there were insufficient sales during the stated market period to accurately determine the level of value. Oil and gas leaseholds and lands, producing mines and other lands producing nonmetallic minerals are valued based on production levels rather than by the base year method.

Non-residential properties are assessed at 29% of their "actual value." Residential properties, including income producing apartment properties, are assessed at a rate that is adjusted each year to maintain total residential valuation at the same ratio of statewide total property valuation as in the previous year. Per the State of Colorado Constitution, this residential assessment ratio cannot increase from year to year without specific voter approval. The statewide residential assessment ratio has remained 7.96% for several years.

Taxes are due on January 1 in the year of collection; however, they may be paid in either one installment by April 30, or in two equal installments by February 28 and June 15 without interest or penalty. The current assessments for the subject property according to the Chaffee County Assessor is \$44,100. Per the Chaffee County Treasurer's report show on the following page, the subject property has not paid the 2014 property taxes as of February 13, 2015. A total of \$2579.16 is shown below and currently due.

Type	CAMA Account Number		Tax Identification					
RL	R327108466223		03-327108466223					
Owner ID	CHAF00177	CHAFFEE COUNTY COUNCIL ON THE ARTS						
Taxpayer ID	CHAF00177	CHAFFEE COUNTY COUNCIL ON THE ARTS						
101 S HWY 24			81211					
Subdivision	SE Buena Vista		Block	66		Lot(s)		
Acres	0.130000	Legal	PT LAKEHOUSE SUB BUENA VISTA HAVING 143 FT FRONTAGE ON HWY AND 64 FT FRONTAGE ON MAIN ST REC					
		414340						
Year	Statement #	Line #	Warrant #	1st Half Due	2nd Half Due	Total Due*	1st Half Paid	2nd Half Paid
2014	3061	1		1289.58	1289.58	2,579.16	No	No
* - Does not include interest, penalties and fees.								
For delinquent tax pay off amount contact Chaffee County Treasurer 104 Crestone Avenue, P.O. Box 249, Salida, Colorado 81201 (719)539-6808.								

Subject Improvement Analysis

The subject property is improved with a one story automotive service center improvement that includes approximately 1,392 square feet according to on site measurements. There are two drive in bays that take up approximately 648 square feet and the remainder of the property is finished retail space, rough finished office space and two exterior restrooms. The subject property also includes a 1,023 square foot covered awning that covers where the fuel pumps used to be. The property is typically finished, in below market average and non functional condition and was built in approximately 1948. As of the effective date the subject property is unoccupied. The subject property was observed, both inside and out, as of the effective date of this report. Below is a summary of the construction attributes, mechanical systems, quality and condition, and depreciation estimates of the subject property.

Construction

The construction attributes of the subject property are based on a physical observation of the subject property combined with extensive knowledge of construction techniques as the appraisers were not provided with technical drawings or construction plans pertaining to the subject improvements. The subject property's basic construction components are outlined below:

Exterior Description

<i>Foundation</i>	Reinforced concrete slab.
<i>Exterior Walls</i>	Concrete Block Construction
<i>Roof System</i>	The roof system was not observed and is assumed to be a flat roof with a membrane coating that is acceptable for the subject property.
<i>Doors & Windows</i>	Exterior door at the front is commercial grade aluminum with glass inserts. Exterior doors for the restrooms on the north side of the subject property are typical commercial metal doors. There are two 9x11 garage doors along the front of the property. Large pane glass windows along the store front with additional windows in the rear and on the south side of the property.
<i>Building Height</i>	1 story, standard ceiling heights in the store section and 12 foot ceiling heights in the garage portion.
<i>Lighting</i>	Exterior lighting is provided by a street lamp at the corner of Hwy 24 and Main Street. Additional lighting can be provided by the fluorescent fixtures under the attached canopy.
<i>Landscaping</i>	No landscaping present which is typical for the subject property and location.

A selection of exterior photos are provided on the following page to assist the reader in understanding the building style and components in place with regards to the subject property. A full catalog of subject photographs can be found in Exhibit B of this report.



Subject Facing Northeast



Subject Front



Subject Facing South

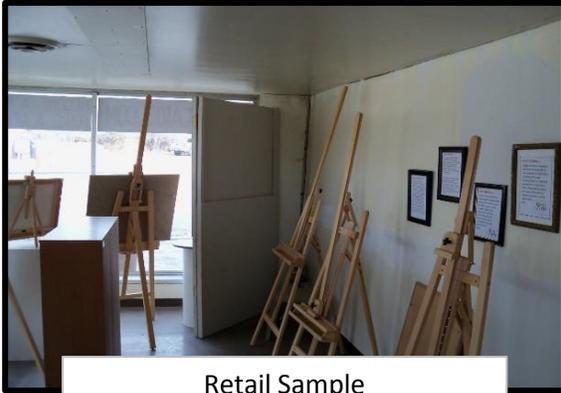


Subject Rear

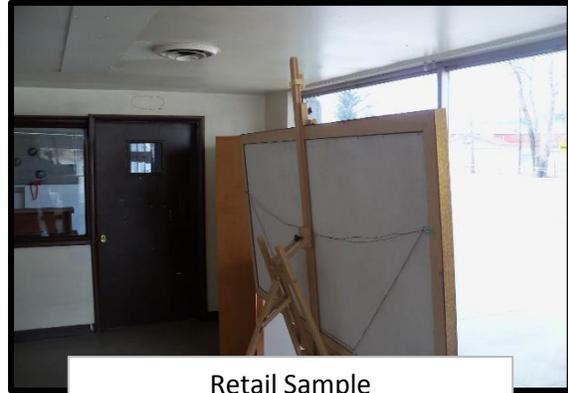
Interior Description

<i>Walls</i>	Finished drywall with standard commercial baseboard in retail and office portions. Garage area has painted concrete block walls.
<i>Flooring</i>	Commercial Vinyl Tile in retail portion. Exposed concrete floors in garage and office area.
<i>Ceiling System</i>	Finished Drywall
<i>Doors</i>	Standard commercial grade. Typical.
<i>Lighting</i>	Lighting has been removed except for a halogen fixture in the office portion of the building. Site appears to have had fluorescent fixtures in the past.
<i>Restrooms</i>	Standard commercial grade restrooms. Adequate and typical.

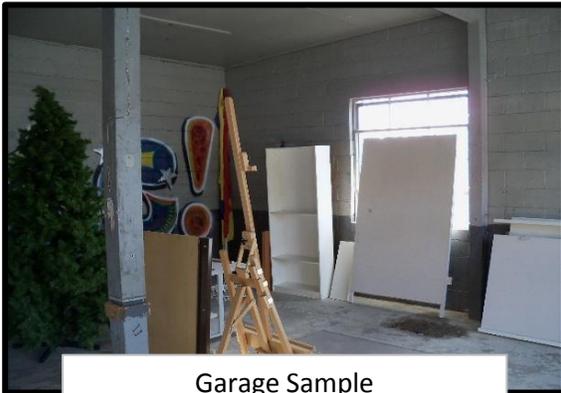
A selection of interior photographs is provided on the following page. A full catalog of photographs can be found in Exhibit B of this report.



Retail Sample



Retail Sample



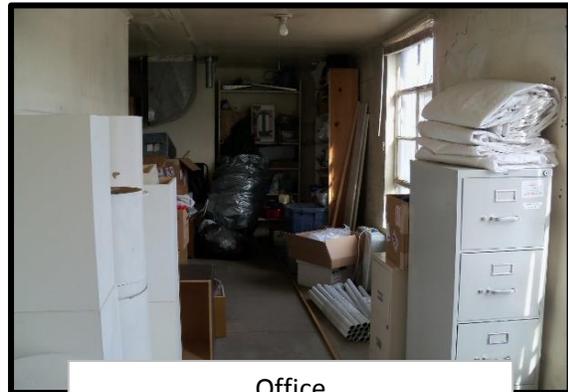
Garage Sample



Garage Sample



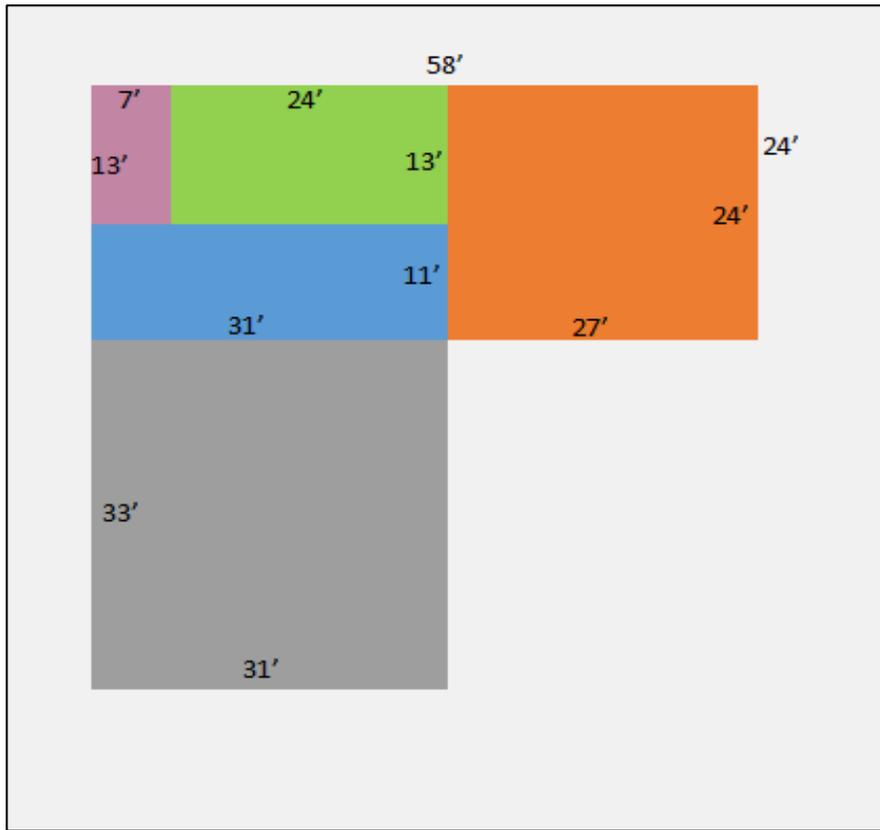
Electric Panel



Office

Building Footprint Diagram and Sizes

Below is a building sketch based on on-site measurements by the appraiser. Sketch is not to scale and is provided for reference. All measurements provided on the sketch are considered true and accurate.



	Covered Awning
	2 Bay Shop w 12 ft. ceiling heights
	Store
	Office
	Restrooms

Mechanical and Infrastructure

Heating & Cooling

The building is heated via natural gas heaters typical for the construction type and age.

Electrical System

The electrical system appears to be in need of repair but to what extent is unknown as of the effective date. To properly understand the condition of the electrical an electrical inspection would need to be obtained.

Plumbing System

Plumbing systems and fixtures within the subject are assumed to be sufficient for the function of the property and completed according to building and technical codes applicable to the development.

Furniture, Fixtures and Equipment (FF&E)

For the purpose of this report any and all furniture, fixtures and equipment are disregarded by the appraiser. The client is seeking a market value opinion of the real estate asset only and therefor no consideration is given to store fixtures, product inventory, equipment or furniture with regards to the valuation of the subject property.

Building Construction Quality and Condition

The subject property, based on the on-site observation and knowledge of the construction attributes typical for these types of property, is considered Low-Cost to Average Class C Automotive Service Center Construction. In considering both the interior and exterior of the subject property, the improvements are in below market average condition with heavy depreciation including non functional electricity, non existent oil/sand pits and dated exterior finish. According to public records the subject property was built in 1948 and has an actual age of 67 years.

Depreciation Estimates

As noted in the construction and condition section above, the subject property is considered to be in below market average condition with heavy depreciation and the property has an actual age of 67 years. Considering all physical factors relating to the subject property improvements the effective age estimate of the subject property is 40 years. Based on the Marshall & Swift publication, low cost to average finish automotive service center Class C structures have an estimated economic life of 40+/- years. Based on these estimates, the subject property has a remaining economic life of approximately 0 years. A summary of the subject property's depreciation estimates are provided within the following table:

Summary of Subject Depreciation	
Subject Actual Age	67 Years
Condition	Below Average
Est. Life Expectancy	40 Years
Effective Age Estimate	40 Effective
Remaining Eco. Life	0
Depreciation Estimate	100%

Highest and Best Use

Highest and best use is defined in The Appraisal of Real Estate, Twelfth Edition, Appraisal Institute, as follows:

- The reasonably probable and legal use of vacant land or an improved property that is physically possible, legally permissible, appropriately supported, financially feasible, and that results in the highest value.

Some of the more germane comments from this publication regarding highest and best use are noted in the following bullet points:

- . . .there may be little if any question of possible change in the property’s use at the date of valuation because the market is significantly built-up and properties are being sold on the basis of their continued use.
- . . . as long as the value of a property as improved is greater than the value of the land as though vacant, the highest and best use is the use of the property as improved.
- . . . it does not matter whether legal permissibility or physical possibility is addressed first, provided both are considered prior to the test of financial feasibility.
- . . .the four criteria are interactive and may be considered in concert.

After careful consideration of the data, the following conclusions are drawn with regards to the subject property when considered As Vacant:

Legally Permissible Uses

Only legally permissible uses of the subject site can be considered as potential uses for the site. Therefore, the first test of the Highest & Best Use analysis is to determine the legally permissible uses. The subject site is located, as noted, within the B-2 Highway Business District. Under the current zoning requirements, a commercially intensive use is permitted. The zone is designed to allow for a wide range of uses suitable for locations along Highway 24. No other legal restrictions are known to apply to the subject site.

Physically Possible Uses

Physical constraints include site area, shape, and adjacent uses. The site has all public utilities available. Noted easements are typical, and soil conditions are assumed to be adequate. The site size, at 0.134 acres provides typical and adequate development space for a small form commercial application. Typically this small site would cater better to in and out traffic of retail property vs long term parking of office space. The site has market typical and acceptable access from Main Street and Highway 24 as it resides on the southeastern corner of this intersection. The subject site has a history of physically supporting intensive use commercial development and would be expected to continue to support a similar use as vacant.

Financially Feasible Uses

Uses of the subject site that are both legally and physically prohibited have been eliminated. The remaining uses will be analyzed to determine what uses produce the best financial benefit to the subject site. The subject site is located prominently at the intersection of E Main Street and Highway 24 with market typical access and high visibility from both roadways in both directions. The subject has high traffic count access along Highway 24 and the property is surrounded on all sides by similar commercial development and land use. The subject site has an extended history of financially supporting a commercial use as a service station. Under these conclusions and considering the legal and physical aspects of the site, the subject site, when considered as vacant, would financially support development to an intensive commercial use as allowable by current zoning restrictions.

Maximally Productive Uses

The maximally productive use of the subject site, that will produce the highest value, becomes the Highest & Best use of the site. Taking into account the legally permissible and physically possible tests outlined above, and given the analysis financially, development of the vacant site to a retail commercial property is the maximally productive use of the site and considered to be the highest and best use as vacant.

After careful consideration of the data, the following conclusions are drawn with regards to the subject property when considered As Improved:

Legally Permissible Uses

Only legally permissible uses of the subject site can be considered as potential uses for the site. Therefore, the first test of the Highest & Best Use analysis is to determine the legally permissible uses. The subject site is located, as noted, within the B-2 Highway Business District. Under the current zoning requirements, a commercially intensive use is permitted. The zone is designed to allow for a wide range of uses suitable for locations along Highway 24. No other legal restrictions are known to apply to the subject site. Based on the above noted zone and length of use as a service station, the subject property in its improved condition is a legally permissible use.

Physically Possible Uses

Physical constraints include site area, shape, and adjacent uses. The subject property has all public utilities available. Noted easements are typical, and soil conditions are assumed to be adequate. The site is currently improved with a 1392 square foot single story service station that has functioned well historically. As noted within the improvement section the subject's current improvements have reached the end of their useful life and are considered to be 100% depreciated. Typically with the current improvements supported physically by the site, a continuation of its current use is the subject property's highest & best use. But, physically possible is not the only consideration and when a subject property's improvements are considered fully depreciated, a continuation of use is not typically feasible. Please see the financially feasible conclusion below.

Financially Feasible Uses

Uses of the subject site that are both legally and physically prohibited have been eliminated. The remaining uses will be analyzed to determine what uses produce the best financial benefit to the subject site. The subject site is located on a busy roadway, at an intersection, with extremely high traffic counts. The site has good visibility from the road with acceptable access. As noted within the improvement section the subject property is considered to be fully depreciated and at the end of its useful life. The subject no longer conforms well to the neighborhood and would not be considered to have good marketability amongst similar competing properties. The subject property has been vacant for an extended period of time and not utilized as a service station for a number of years. It has also been noted that the underground storage tanks have been removed. In order to bring the subject back to functional and working order considerably large amounts of money would need to be invested in underground storage tanks, new pumps, update of the building components, etc. Even if this was to occur, the subject would still be considered to be heavily depreciated in functional issues as it no longer meets the market standard and is considered to be out of date for modern day use. Considering these financial aspects the use of the subject property as improved would limit the available financial return and a continuation of use would not be financially feasible.

Renovation to alternate uses were also considered for uses such as retail shops due to location along Hwy 24 or for professional office space due to the location proximity to the downtown and main street areas of Buena Vista. It is estimated that any renovation applied would require a minimum cost of \$60,000 to complete. This is possibly a conservative estimate as entrepreneurial incentive is not factored in. When viewing the available competition within the market, this renovation to an alternate use is not financially feasible as the overall value, less cost of renovation, would be less than the estimated site value.

Maximally Productive Uses

The maximally productive use of the subject site, that will produce the highest value, becomes the Highest & Best use of the site. Taking into account the legally permissible and physically possible tests outlined above, and given the analysis financially, a continuation of the current use is not the maximally productive use of the site. The highest and best use is to raze the current improvements and to allow for re-development of the site, bringing back the subject to its highest and best use as vacant.

Conclusions

It has been estimated that the highest and best use of the subject property as vacant is for commercial development. It should be noted that the overall Buena Vista market is considered stable with supply and demand in balance. With this overall stable conclusion the highest and best use of the subject property is to hold for future development of which typically an owner user would develop.

It has been estimated that the highest and best use of the subject property as improved is for the improvements to be razed and allow for development of the highest and best use as vacant. Again, It should be noted that the overall Buena Vista market is considered stable with supply and demand in balance. With the overall stable rating noted it is not expected that the re-development would be immediate and the highest and best use is to utilize the subject property in an interim use with its current improvements. Once demand requires the subject property to be redeveloped the end user would more than likely be an owner-user.

Land Value Analysis

The subject property includes approximately 0.134 acres which translates to a site size of 5,843 square feet of land as described and detailed within the Site Analysis included within this report. This land value analysis will use a comparative sale analysis to estimate the subject land value when considered as vacant and put to its own highest & best use. Sales and listings of available vacant land are very limited and are shown below, rated, and discussed. Following the available vacant land sales and listings, an extraction method is utilized and applied to improved property sales from Buena Vista.

Land Sale Summary

Parcel Description	Sale Date	Sale Price	Lot Size (Sq.)	\$ / Sq. Ft.	Rating To Subject
12953 US Hwy 24	Listing (DOM 119)	\$325,000	82,794	\$3.93	Inferior due to Economies of Scale
642 Cedar Street	Listing (DOM 954)	\$224,500	14,061	\$15.97	Overall Similar with adjustment downward considered for DOM

Each of the land listings summarized above are taken from the local market area around the general neighborhood of the subject property, which would be the town of Buena Vista. The subject property, when considered as vacant, has a highest and best use of commercial and is being compared to similar land tracts that may have similar, superior or inferior uses. Each of the comparable sales has been qualitatively compared to the subject property to produce an applicable range of lot values applicable to the subject property site. Although only two listings are available, they are noted in detailed below, followed by a location map and comparable write ups.

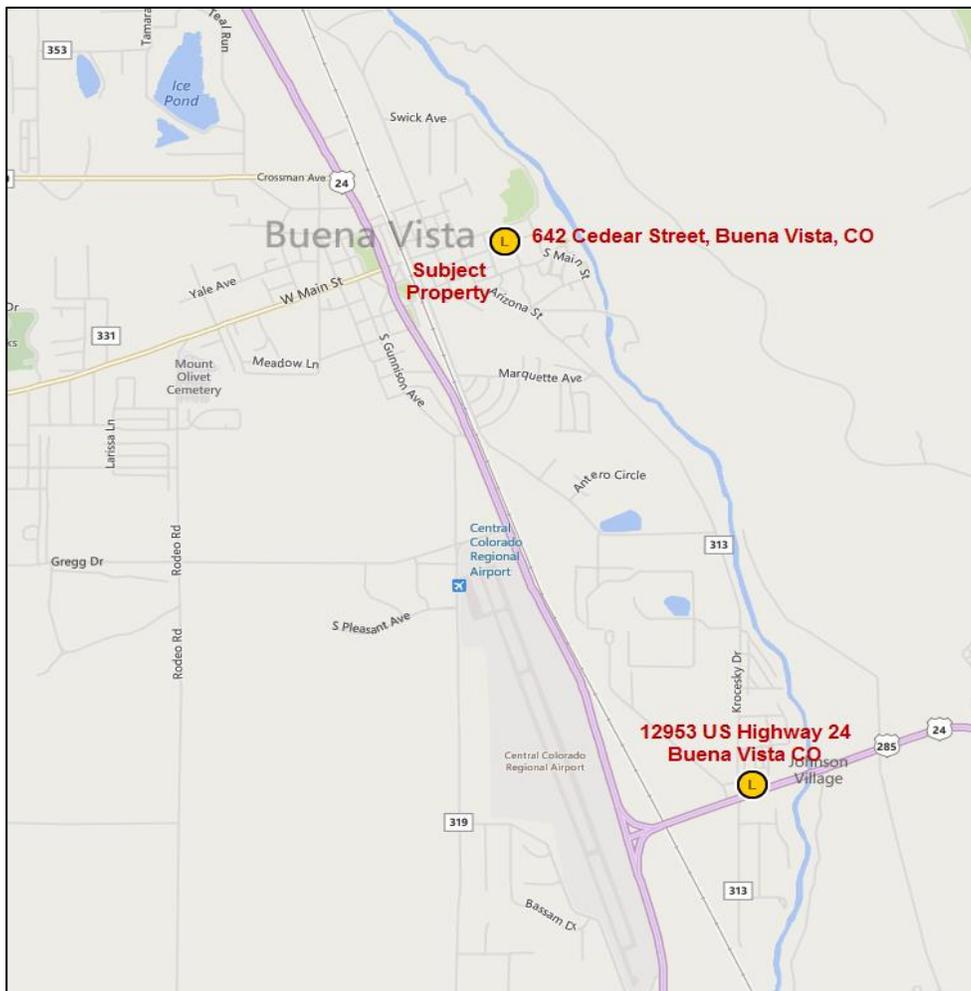
The parcel located at 12953 US Hwy 24 is considered to be overall inferior to the subject property for a number of reason. The parcel is considered to be larger and in this area the economy of scale would indicate a higher price per acre to be paid for the subject property site. Also, even though this comparable is located on Hwy 24 it does not have the exposure that the subject property does, which further strengthens the inferior rating to the subject property. Based on this rating it is concluded that the final value estimate for the subject site would be greater than \$3.93 per sf.

The parcel located at 642 Cedar Street is approximately 4 blocks northeast of the subject south of E Main Street. This comparable has a very similar location, can be considered slightly inferior in economies of scale, but receives an overall similar rating with the exception of the total days on the market. This property is currently listed for \$15.97 per sf, which appears to be high as the DOM is almost 3 years. In order for this property to sale it is apparent a reduction in list price would need to be considered. It a 15% reduction is applied, then the list price would be \$13.50 (rounded) per sf. With a similar rating then applied to the subject property after a list price adjustment, it is concluded the final value estimate of the subject property would be at or near \$13.50 per sf.

The overall range of values indicated by the market sale data was between \$3.93 and \$13.50 per square foot. Both land comparables were reviewed for location and size considerations and based on those considerations, were ranked qualitatively compared to the subject property. The subject property is located on the corner of E Main Street and Highway 24 with heavy exposure and traffic counts. With the qualitative ratings applied above, a value estimate towards the upper end of the range is expected. For the purpose of analyzing comparable tracts, a final value estimate applied to the subject site is \$13.50 per square foot.

Land Value Summary Through Listings Only

Subject Site (SF)	5,843
Estimate Value (per SF)	\$13.50
Total Site Value Estimate	\$78,881
Rounded Value Estimate	\$80,000.00



Active Listing Land Comparable #1	
	<p>Comp ID: 9215192</p> <p>129532 US Highway 24 Buena Vista, CO 81211</p> <p>Sold Date: Active Listing Sale Price: \$325,000</p> <p>Property Description: Land of 1.90 Acres is for sale at \$325,000.</p>
Buyer & Seller Information	
<p>Recorded Buyer: Active Listing</p>	<p>Recorded Seller: RE/MAX Mountain Vista Properties 108 East Main Street Buena Vista, CO 81211</p>
Transaction Details	
<p>Sale Date: N/A</p> <p>Sale Price: \$325,000</p> <p>Asking Price: \$325,000</p> <p>Tax Assessment: \$48,290</p> <p>Occupancy at Sale: N/A</p> <p>Actual Cap Rate: Unknown</p> <p>Document Number: 407221</p> <p>Sale Conditions: Vacant lot for sale on the open makret.</p> <p>Legal Description: LOT 1 COGGINS LOT LINE ELMINATION PLAT 381965 MIS461 REC NO 372256 & 386862 & 386863 & 407221</p> <p>Property Sale History: Vacant lot for sale on the open market for \$325,000.</p>	<p>Sale Type: N/A</p> <p>Building Type: Vacant Land</p> <p>Building Sub-Type: Vacant Land</p> <p>Gross Building Area (SF): N/A</p> <p>Total Land Area (Acres): 1.90 acres</p> <p>Year Built / Age: N/A</p> <p>Parcel Number: R327122300069</p>
Land Data	
<p>DMA: Denver, CO-NE-WY-NV</p> <p>Neighborhood: Buena Vista</p> <p>Size (Acres): 1.90</p> <p>Size (Sq. Ft.): 82,764.00</p> <p>Site Zoning: Commercial</p> <p>Land Details: The site is considered a large vacant lot ready for development located in Johnson Village, north of Buena Vista on Highway 24 and includes 1.90 acres.</p>	<p>Topography: Level</p> <p>Utilities: Adequate/Typical</p> <p>Shape: Rectangular</p> <p>Improvements: N/A</p> <p>Landscaping: Typical</p>

Active Listing Land Comparable #1 (Continued)	
<i>Property Productivity & Indicators</i>	
Sale Price/GBA: N/A	Floor Area Ratio: N/A
List Price/SF: \$3.93	Efficiency Ratio: N/A
Annual Income: N/A	Expenses: N/A
<i>Researcher Remarks</i>	
<p>This 82,764 square foot vacant land property is located at 129532 US Highway 24 in Buena Vista, CO 81211 and is for sale for \$325,000, or \$3.93 per SF. This building located in Chaffee County. This property has been on the market for 115 days with an original asking price of \$325,000. CoStar was able to touch base with the listing broker who confirmed this vacant lot is for sale and for the price indicated. All information regarding the sale of this property was verified by the listing broker as well as through public record information.</p>	
<i>Appraiser Remarks</i>	
<p>The sale was confirmed by the appraiser through the public records of the Chaffee County Assessor. The site value was estimated at \$3.93 per square foot.</p>	
<i>Location Remarks</i>	
<p>The property is located in Johnson Village on the north side of Buena Vista on Highway 24 and 285 in Chaffee, CO in central Colorado.</p>	

Active Listing Land Comparable #2	
	<p>Comp ID: 8800197</p> <p>642 Cedar Street Buena Vista, CO 81211</p> <p>Date of Sale: Active Listing Sale Price: \$224,500</p> <p>Property Description: Land of 0.32 Acres is for sale at \$224,500</p>
Buyer & Seller Information	
<p>Recorded Buyer: Active Listing</p>	<p>Recorded Seller: Century 21 Summit Realty 602 Highway 24 Buena Vista, CO 81211</p>
Transaction Details	
<p>Sale Date: N/A</p> <p>Sale Price: \$224,500</p> <p>Asking Price: \$224,500</p> <p>Tax Assessment: \$25,050</p> <p>Occupancy at Sale: N/A</p> <p>Actual Cap Rate: Unknown</p> <p>Document Number: 341617</p> <p>Sale Conditions: Vacant land for sale on the open market.</p> <p>Legal Description: LOT 3 NOE MINOR SUB BUENA VISTA PLAT 341405 REC 341617 TREASURER</p> <p>Property Sale History: Vacant land for sale on the open market for \$224,500.</p>	<p>Sale Type: N/A</p> <p>Building Type: N/A</p> <p>Building Sub-Type: N/A</p> <p>Gross Building Area (SF): N/A</p> <p>Total Land Area (Acres): 0.320</p> <p>Year Built / Age: N/A</p> <p>Parcel Number: R327109300112</p>
Land Data	
<p>DMA: Denver, CO-NE-WY-NV</p> <p>Neighborhood: Buena Vista</p> <p>Size (Acres): 0.32</p> <p>Size (Sq. Ft.): 13,939.20</p> <p>Site Zoning: B-1: General Business</p> <p>Land Details: The site is a vacant lot on the corner of Cedar Street and Evans Street in the Old Town Overlay of Buena Vista including 0.32 acres.</p>	<p>Topography: Level</p> <p>Utilities: Adequate/Typical</p> <p>Shape: Rectangular</p> <p>Improvements: N/A</p> <p>Landscaping: Typical</p>

Active Listing Land Comparable #2 (Continued)	
<i>Improvement Data</i>	
Building Type: N/A	Const. Class: N/A
Tenancy Type: N/A	Roof Type: N/A
GBA: N/A	Foundation: N/A
Site Size: 14,061	Electrical: N/A
Year Built: N/A	HVAC: N/A
Age: N/A	Stories: N/A
Condition: N/A	Ceiling Height: N/A
Building Details: No improvements on site.	
<i>Property Productivity & Indicators</i>	
Sale Price/GBA: N/A	Floor Area Ratio: N/A
Sale Price/Size: \$15.97	Efficiency Ratio: N/A
Annual Income: N/A	Expenses: N/A
<i>Researcher Remarks</i>	
<p>This 14,061 square foot vacant lot property located at 642 Cedar Street in Buena Vista, CO 81211 is for sale for \$224,500, or \$15.97 per SF. This property is located in Chaffee County. This property has been on the market for 950 Days with an original asking price of \$224,500. CoStar was able to touch base with the listing broker who confirmed this vacant lot is for sale and for the price indicated. All information regarding the this property was verified by the listing broker as well as through public record information.</p>	
<i>Location Remarks</i>	
<p>The property is located within the downtown district of Buena Vista in Chaffee County in Central Colorado.</p>	

Extraction Method

There are two different methods that can be utilized when estimating land values in rural areas or completed developments where vacant land is no longer available. These would be allocation and extraction. Allocation is the method of appraising land in which the appraiser collects information about the site values of comparable sales and establishes a ratio between the site value and the total value. The ratio is then applied to the subject property. This method assumes a neighborhood has a similar land value ratio.

The extraction method of estimating land value is very similar to the allocation approach. It attempts to determine the value of the land by separating the land value from the value of the improvements. In the extraction approach, the appraiser uses the sale of an improved property as a basis for the analysis. The appraiser determines the cost to construct the improvements and then subtracts any applicable depreciation. Also, any site improvements are also removed. The sale price in excess of this result would then represent the market value of the land.

Due to the subject's highest and best use to raze the improvements, the allocation method is not an applicable technique. For the purpose of the report, a number of improved sales from the Buena Vista market were obtained. These improved sales are shown below with the land value extracted from the total sale price. Due to these available sales and the subject property being valued as vacant land, the extraction method is the most applicable method of the two and utilized.

Extracted Land Values of Improved Sales			
Property Address	414 E Main Street	421 E Main Street	303 Hwy 24N
Use	Retail (Restaurant)	Retail (Restaurant)	Office
Date of Sale	Oct-14	Dec-14	Apr-10
Sale Price (A)	\$ 400,000	\$ 325,000	\$ 250,000
Replacement Cost new	\$ 479,700	\$ 276,840	\$ 206,052
Less Depreciation of Improvements	\$ 239,850	\$ 110,736	\$ 103,026
Depreciated Value of Improvements (B)	\$ 239,850	\$ 166,104	\$ 103,026
Site Value including Site Improvements	\$ 160,150	\$ 158,896	\$ 146,974
Less: Contributory Value of Site Improvements	\$ 10,000	\$ 10,000	\$ 10,000
Concluded Site Value	\$ 150,150	\$ 148,896	\$ 136,974
Transactional Adjustments	REO (+) 20%	Arms Length/No Adj	Market Cond/ +9%
Adjusted Site Value	\$ 180,180	\$ 148,896	\$ 149,302
Site Size (Square Footage)	12,632	12,632	11,326
Concluded Site Value per SF	\$ 14.26	\$ 11.79	\$ 13.18
Rating to Subject	Similar	Similar	Similar

The development of this method requires that the replacement cost new of each comparable improvements is developed. This is completed through understanding the construction components and utilizing the Marshall and Swift Commercial Cost Estimator. Often times properties can fall between classes and have a new cost range. The new cost for each comparable was developed and noted in detail below. The new cost estimate also takes into consideration entrepreneurial incentive.

Once the new cost is developed a depreciation estimate is then applied based on the effective age rating of each comparable. This effective age is developed based on review of available comparable data as well as available interior photographs provided through listing data. For example, a 50% depreciation is applied to the first comparable located at 414 E Main Street. This is based on a 25 year effective age estimated and 50 year total economic life.

Once the depreciation estimate is determined it is taken from the new cost estimate to develop a contributory value of the existing site improvement. The existing site improvement estimate is then taken from the actual sale price of the comparable property which in turn provides a contributory value of the site and site improvements.

Once the contributory value of the site and site improvements is developed, the estimated as-is contributory value of the site improvements is then subtracted out. These improvements would be curbs, gutters, water taps, etc. It should be noted that tap fees in the area typically have a cost estimate of \$6000. This is based on speaking with the Buena Vista Municipalities Office representative Ms. Patty Perez.

The remaining dollar figure is the estimated site value of the comparable sale. Any transactional adjustments that warrant adjustment have then been applied to the estimated site value, leaving an estimated adjusted site value. This estimated value is then broken down in to price per sf of the site. Below is detail cost and depreciation estimates assigned to the three improved comparable sales above.

414 E Main Street

The new cost estimate was utilized at \$90 per sf. Depreciation was estimated at 50% based on a 25 year effective age and 50 year total economic life. Also, this comparable appears to have been a bank owned property and was increased for conditions of sale by 20%. This 20% estimate can vary between appraisers but research indicates that a 20% adjustment is supported.

To confirm this estimate, market published data on Liquidation Discount Rates was researched from national and regional companies and investors. RealtyTrac.com is the nations largest service and sales center for REO and Liquidation properties. From this service the website generates data that on the trends and tendencies regarding bank owned real estate sold across the country. The data shows that typical buyers expect REO properties to sell between 19% and 41% below regular market value.

421 E Main Street

The new cost estimate was utilized at \$90 per sf. Depreciation was estimated at 40% based on a 20 year effective age and 50 year total economic life.

303 Hwy 24N

The new cost estimate was utilized at \$77 per sf. Depreciation was estimated at 50% based on a 25 year effective age and 50 year total economic life. This property sold in 2010. a 2% annual appreciation rate was applied to this sale from 2010 to the effective date.

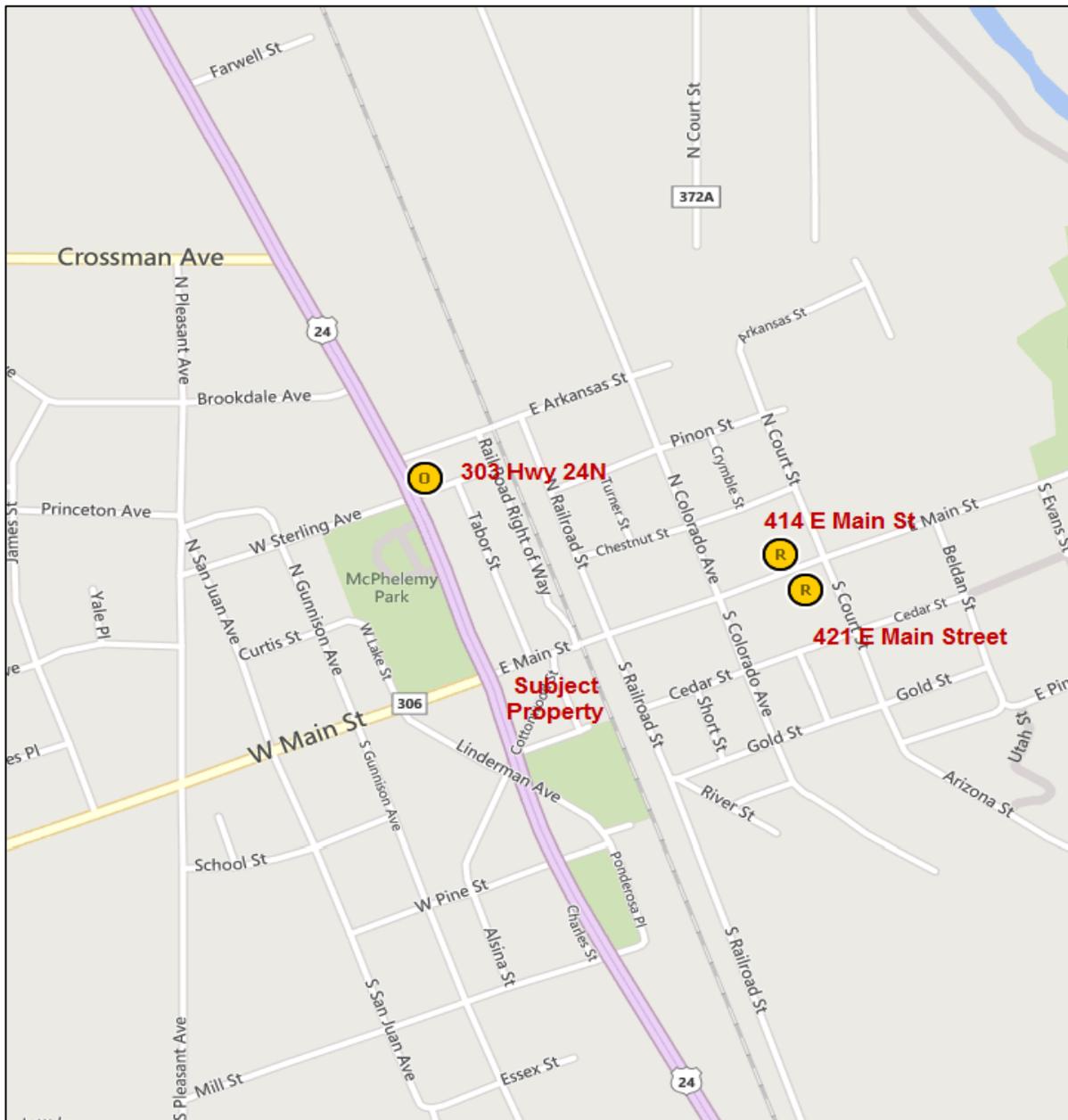
The range of value of the three comparable extracted sites is \$11.79 to \$14.26 per acre. The mean of the three sales is noted at \$13.08. For the purpose of the report, the extraction method has a land value estimate for the subject property of \$13.50 per sf, which is a bracketed estimate. Please see land summary on the following page.

Land Value Summary Through Extraction Method

Subject Site (SF)	5,843
Estimate Value (per SF)	\$13.50
Total Site Value Estimate	\$78,881
Rounded Value Estimate	\$80,000.00

On the following page is a location map showing the relation of the subject to each of the improved comparable sales. Following the location map are the verification sheets developed in relation to each of the comparable properties utilized for extraction.

Location Map



Sold Comparable # 1	
	<p>Comp ID: 3165208</p> <p>414 E Main Street Buena Vista, CO 81211</p> <p>Sale Date: October 31, 2014 Sale Price: \$400,000</p> <p>Property Description: 5,330 square foot retail restaurant building built in 1955.</p>
Buyer & Seller Information	
<p>Recorded Buyer: EML, LLC PO Box 1386 Buena Vista, CO 81211</p>	<p>Recorded Seller: Colorado East Bank & Trust PO Box 1620 Buena Vista, CO 81211</p>
Transaction Details	
<p>Sale Date: 10/31/2014</p> <p>Sale Price: \$400,000</p> <p>Asking Price: \$524,000</p> <p>Tax Assessment: \$87,090</p> <p>Occupancy at Sale: 100.00%</p> <p>Actual Cap Rate: Unknown</p> <p>Document Number: 000000416933</p> <p>Sale Conditions: Arm's length, owner/user sale on the open market.</p> <p>Legal Description: LOTS 7 8 9 10 BLK 3 BUENA VISTA REC 416933</p> <p>Property Sale History: Sold to EML, LLC in October of 2014 for \$400,000.</p>	<p>Sale Type: Owner/User</p> <p>Building Type: Retail</p> <p>Building Sub-Type: Restaurant</p> <p>Gross Building Area (SF): 5,330</p> <p>Total Land Area (Acres): 0.290</p> <p>Year Built / Age: 1955 / 59 Years</p> <p>Parcel Number: R327108403295</p>
Land Data	
<p>DMA: Denver, CO-NE-WY-NV</p> <p>Neighborhood: BV Inside (2100)</p> <p>Size (Acres): 0.29</p> <p>Size (Sq. Ft.): 12,632.40</p> <p>Site Zoning: B-1: General Business</p> <p>Land Details: The site is considered a retail development parcel located in downtown Buena Vista including 0.29 acres.</p>	<p>Topography: Level</p> <p>Utilities: Adequate/Typical</p> <p>Shape: Rectangular</p> <p>Improvements: Grading/Parking</p> <p>Landscaping: Typical</p>

Improvement Data	
Building Type: Retail	Const. Class: Class C Retail Store
Tenancy Type: Single	Roof Type: Flat/Membrane
GBA: 5,330	Foundation: Concrete Slab
	Electrical: Adequate
Year Built: 1955	HVAC: Forced Air / Electric
Age: 59 Years	Stories: 2
Condition: Good	Ceiling Height: Adequate/Typical
Building Details: Character and charm throughout this established and recognized business location which includes outdoor courtyard, commercial kitchen, two dining areas, residential living space, gallery, art studio and ample parking. Dynamic Main Street property in historic downtown Buena Vista offers diversified and mixed use opportunities.	
Property Productivity & Indicators	
Sale Price/GBA: \$75.05	Floor Area Ratio: 42.1931%
Annual Income: Owner Occupied	Expenses: \$0.95/sf
Researcher Remarks	
On October 31, 2014, this 5,330 square foot property located at 414 E Main Street in Buena Vista, CO 81211 sold in an owner/user sale for \$400,000, or \$75.05 per SF. This building located in Chaffee County. This property was on market for 177 days with an original asking price of \$524,000. The information was verified through public records. The deed was viewed associated with these sales. There did not appear to be a broker associated with this sale.	
Location Remarks	
The property is located within the downtown district of Buena Vista in Chaffee County.	

Sold Comparable # 2	
	<p>Comp ID: 3217712</p> <p>421 East Main Street Buena Vista, CO 81211</p> <p>Sale Date: December 30, 2014 Sale Price: \$325,000</p> <p>Property Description: 3,076 square foot retail restarant building built in 1964.</p>
Buyer & Seller Information	
<p>Recorded Buyer: Kenneth Cook 29940 County Road 371 Buena Vista, CO 81211</p>	<p>Recorded Seller: MJC Props LLC</p>
Transaction Details	
<p>Sale Date: 12/30/2014</p> <p>Sale Price: \$325,000</p> <p>Asking Price: \$325,000</p> <p>Tax Assessment: \$91,620</p> <p>Occupancy at Sale: 100.00%</p> <p>Actual Cap Rate: Unknown</p> <p>Document Number: 000000417854</p> <p>Sale Conditions: Arm's length, sale on the open makret.</p> <p>Legal Description: LOTS 11 THRU 14 BLK 4 BUENA VISTA REC 417854</p> <p>Property Sale History: Sold to Kenneth Cook in January of 2014 for \$325,000.</p>	<p>Sale Type: Arms Length</p> <p>Building Type: Retail</p> <p>Building Sub-Type: Restaurant</p> <p>Gross Building Area (SF): 3,076</p> <p>Total Land Area (Acres): 0.290</p> <p>Year Built / Age: 1964 / 50 Years</p> <p>Parcel Number: R327108404222</p>
Land Data	
<p>DMA: Denver, CO-NE-WY-NV</p> <p>Neighborhood: Buena Vista</p> <p>Size (Acres): 0.29</p> <p>Size (Sq. Ft.): 12,632.40</p> <p>Site Zoning: B-1: General Business</p> <p>Land Details: The site is considered a retail restaurant development parcel located in downtown Bunea Vista including 0.29 acres.</p>	<p>Topography: Level</p> <p>Utilities: Adequate/Typical</p> <p>Shape: Rectangular</p> <p>Improvements: Grading/Parking</p> <p>Landscaping: Typical</p>

Improvement Data	
Building Type: Retail Restaurant	Const. Class: Class D Retail Store
Tenancy Type: Single	Roof Type: Gable
GBA: 3,076	Foundation: Concrete Slab
	Electrical: Adequate
Year Built: 1964	HVAC: Electric
Age: 50 Years	Stories: 1
Condition: Good	Ceiling Height: Adequate/Typical
Building Details: Downtown diner with residential and office space. Abundance of parking. Office space has separate entrance and fenced yard. One story metal/wood building, handicap modified. Prime Main Street location in historic Downtown Buena Vista. Premium Building Site.	
Property Productivity & Indicators	
Sale Price/GBA: \$105.66	Floor Area Ratio: 24.3501%
Annual Income: Unknown	Expenses: \$1.72/sf
Researcher Remarks	
On December 30, 2014, this 3,076 square foot property located at 421 East Main Street in Buena Vista, CO 81211 sold in for \$325,000, or \$105.66 per SF. This building located in Chaffee County. It is unknown how long this property was on market. The original asking price was \$325,000.	
Appraiser Remarks	
The subject property information was confirmed through public record as well as viewing the CoStar sales verification sheet associated with the sale. No listing or seller broker was involved in the transaction.	
Location Remarks	
The property is located within the downtown district of Buena Vista in Chaffee County in Central Colorado.	

Sold Comparable # 3	
	<p>Comp ID: 1967278</p> <p>303 Highway 24 N Buena Vista, CO 81211</p> <p>Sale Date: April 22, 2010 Sale Price: \$250,000</p> <p>Property Description: 2,676 square foot Class B Office Building built in 1942, Renovated in September 2010.</p>
Buyer & Seller Information	
<p>Recorded Buyer: Lawanna L & Robert M Best 152 James St Buena Vista, CO 81211</p>	<p>Recorded Seller: Michael M Knox Living Trust 303 Highway 24 N Buena Vista, CO 81211 Broker: Collegiate Peaks Realty</p>
Transaction Details	
<p>Sale Date: 4/22/2010</p> <p>Sale Price: \$250,000</p> <p>Asking Price: \$259,000</p> <p>Tax Assessment: \$81,590</p> <p>Occupancy at Sale: 100.00%</p> <p>Actual Cap Rate: Unknown</p> <p>Document Number: 387446</p> <p>Sale Conditions: Arm's length, owner/user sale on the open market.</p> <p>Legal Description: PT LOTS 1 & 2 BLK 47 BUENA VISTA REC 387446</p> <p>Property Sale History: Sold to Lawanna L & Robert M Best in April of 2010 for \$250,000.</p>	<p>Sale Type: Owner/User</p> <p>Building Type: Office</p> <p>Building Sub-Type: N/A</p> <p>Gross Building Area (SF): 2,676</p> <p>Total Land Area (Acres): 0.260</p> <p>Year Built / Age: 1942 / 68 Years</p> <p>Parcel Number: R327108447161</p>
Land Data	
<p>DMA: Denver, CO-NE-WY-NV</p> <p>Neighborhood: Buena Vista</p> <p>Size (Acres): 0.26</p> <p>Size (Sq. Ft.): 11,325.60</p> <p>Site Zoning: B-2: Highway Business</p> <p>Land Details: The site is considered a converted office development parcel located in the Old Town overlay of Buena Vista including 0.26 acres.</p>	<p>Topography: Level</p> <p>Utilities: Adequate/Typical</p> <p>Shape: Rectangular</p> <p>Improvements: Grading/Parking</p> <p>Landscaping: Typical</p>

Improvement Data	
Building Type: Office	Const. Class: Class B Office
Tenancy Type: Single	Roof Type: Hip/Gable
GBA: 2,676	Foundation: Concrete Slab
Year Built: 1942	Electrical: Adequate
Age: 68 Years	HVAC: Forced Air
Condition: Good	Stories: 1
Building Details: Former bed and breakfast that was converted to an office building in September 2010. Class B office construction with typical and adequate amenities	Ceiling Height: Adequate/Typical
Property Productivity & Indicators	
Sale Price/GBA: \$93.42	Floor Area Ratio: 23.6279%
Annual Income: Unknown	Expenses: \$1.76/sf
Researcher Remarks	
<p>Per the transaction notes reviewed as part of this file, The Michael M Knox Living Trust, Geoffrey P Knox, and Stephen M Knox sold 303 Hwy 24 N in Buena Vista to Lawanna & Robert Best on 4/22/2010. The seller confirmed the sale price, sale date, buyer and seller, and brokers involved. He said the building was converted into an office building at the time of sale. The tenant is Premier Home Care. They took occupancy in the building at the time of sale. There were no unusual sales conditions that affected the sale price. He stated the property was on the market for a couple years and under contract for about 90 days. He sold the property because he wanted to cash in his asset.</p> <p>The listing broker, Bill Lockett of Collegiate Peaks Realty, indicated he was the transaction broker for the sale and represented both the buyer and seller. The new owners converted the inn into an office building. There were no unusual sales conditions that affected the price. Also, The buyer confirmed the sale price, sale date, buyer and seller, and brokers involved. It took 2 weeks to convert the bed and breakfast into an office building. They were moved in by the end of May. There were no unusual sales conditions that affected the price. The property was under contract for 30 days. There was seller financing. They put down \$50,000 and the loan is for \$200,000.</p>	
Appraiser Remarks	
<p>Please note the subject property information was confirmed through review of transactional data through CoStar records as well as review of County Public Records.</p>	
Location Remarks	
<p>The property is located within the Old Town overlay in the downtown district of Buena Vista in Chaffe County in central Colorado.</p>	

Final Reconciliation and Final Value

The purpose of this assignment is to develop and report an opinion of value for the subject property located at:

101 US Highway 24S
 Chaffee County
 Buena Vista, CO
 81211

The specific real property interest, real estate, and type of value have been detailed within the body of this report. The values developed by the approaches are summarized as follows:

Concluded Values	
Land Value Comparison	\$80,000.00
Extraction Method	\$80,000.00
Final Value Estimate	\$80,000.00

As noted throughout the report Buena Vista is a relatively small mountain town that is considered to be in a rural area of the Rocky Mountains. When reviewing economic indicators the subject town and immediate area appears to be stable with no heavy surplus of inventory or high demand. This stability is based primarily on viewing historic population numbers and forecasting population numbers.

With supply and demand being in line and the town overall considered to be stable, sales of vacant land tracts were not available for comparison. For this reason, within the land value analysis section, two current listings from the general market area of vacant land were researched and analyzed. These sales were added to show competition within the subject market area of vacant land tracts and provided a value estimate of \$13.50 per sf translating to a rounded value of \$80,000 for the subject site.

Following the land value analysis section was the site value extraction of improved closed comparable sales from the immediate area. This method is explained in greater detail within its designated section but is utilized as it formulates a reliable and credible site estimate in rural towns, areas, etc. and places with limited number of vacant land sales. This method is considered reliable and credible and provided a value estimate of \$13.50 per sf, translating to a final value estimate for the subject site of \$80,000.

As noted within the highest and best use section, the subject's improvements have reached the end of their useful life and are considered to suffer functionally due to the previous use, vacancy, and overall design and appeal. With this information noted, the overall highest and best use was to raze the current improvements and allow a vacant site for redevelopment. As a test of reasonableness, the 3 improved comparables from the immediate areas had sale prices of \$75.05, \$93.42, and \$105.66 per sf. The subject's improvement measures 1392 sf. Without adjustment, the sale price per sf of each comparable applied to the subject would provide values of \$104,469, \$130,040, and \$147,078. All of these buildings were functional as of the date of sale and had superior interior finishes. It is estimated that a cost to cure the functional obsolescence and lower the overall depreciation rating of the subject would cost between \$60,000 to \$70,000. When deducted from the applied square footage values above, the adjusted ranges would be in line with the final value estimate of the site value at \$80,000.

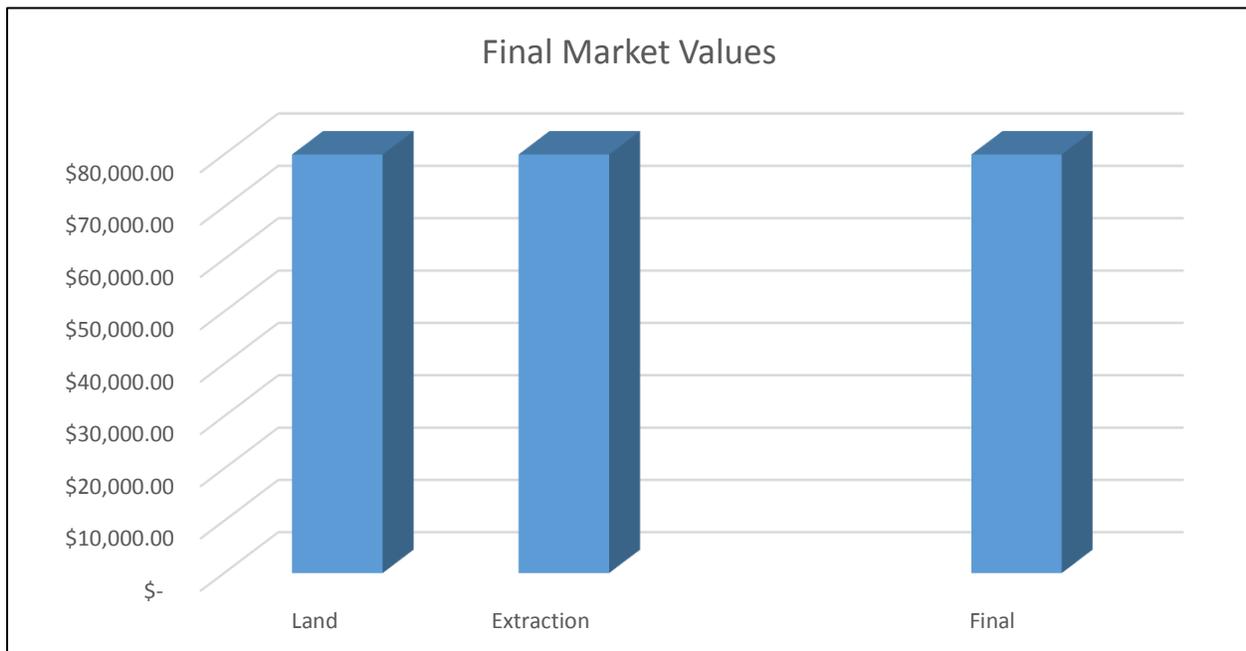
Demolition cost typically are associated with the final value estimate and in this instance are considered but not adjusted for. The water municipality of Buena Vista was contacted and they indicated the subject site currently has water and a commercial tap. The fees for this tap have already been paid. The demolition cost is offset by the tap fee associated with the site and no additional reduction is noted.

Therefore, the subject property's final market value estimate based on the indicated highest and best use as of the effective date of the report is \$80,000.

As part of the appraisal process it is recognized within the history section the subject sold in June of 2014 for \$150,000 to the Chaffee County Council of the Arts. When reviewing the market as a whole, developing a highest and best use based on the present condition of the subject property, and reviewing economic indicators such as supply and demand throughout Buena Vista, it is concluded the previous sale was not market value but a value in use or value in public use to the Chaffee County Arts Council. Public Use (Value in Use) is defined and shown within the definitions section of this appraisal report. Within this appraisal report market value is estimated and shown to be \$80,000. Value in Use or Value in Public Use is not estimated.

Harold S. McCloud
Harold S. McCloud, MAI
Certified General Appraiser
in Colorado #CGO1313633

Effective Date: February 4th, 2015
Date Signed: March 10th, 2015



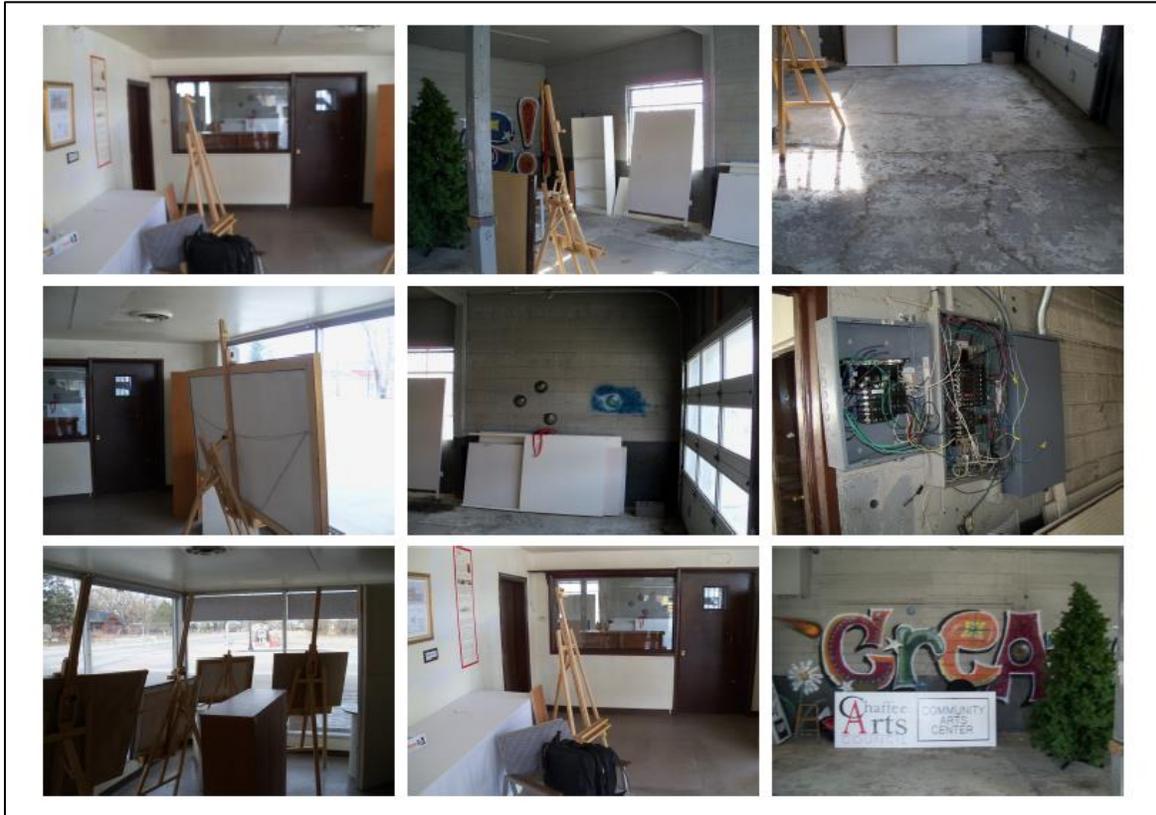
Exhibits

Subject Photographs

Harold McCloud, MAI Credentials

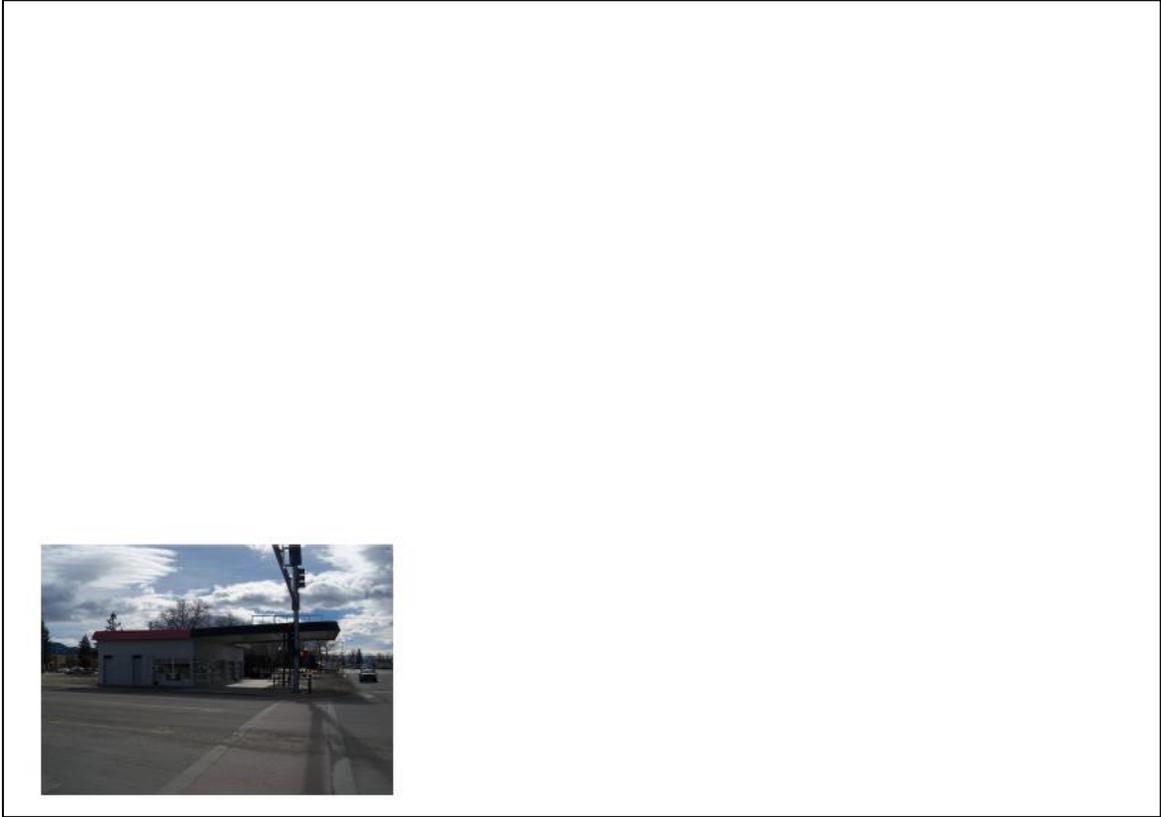
Subject Photographs











Appraiser Credentials

Qualifications of the Appraiser

NAME: Harold S. McCloud

EDUCATION: Bachelor of Arts, Metropolitan State College May, 1991, Major: History:
Minor: Real Estate - Various Classes & Continuing Education Seminars

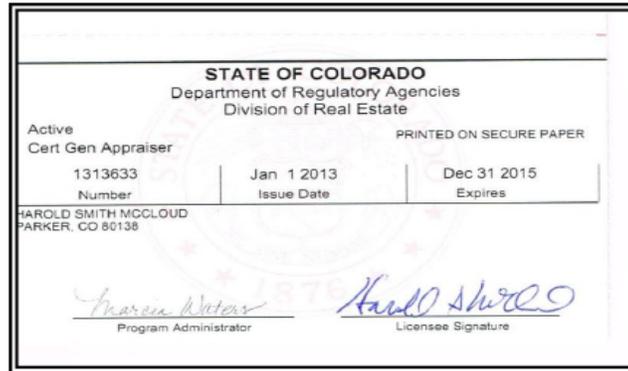
APPRAISAL ASSOCIATIONS: **MAI** (Member, Appraisal Institute),
Certificate No. 9758, December 1992
Colorado Chapter President 2006
Region 2 - Regional Representative-Variou Years
Colorado Chapter Director1993-2002
Approved Appraiser - Colorado Department of Transportation

MEMBER OF: President, Parker Properties I (Closed), Canterbury I & II
Metropolitan Districts, 1990-Present
President-Canterberry Crossing (1,700 homes) 1993-2000
Council-member-Town of Parker 1994-1996
Member: DRCOG, CML & E-470 Authority 1994-1996
Member: National Golf Foundation - 1996-Present

STAFF INSTRUCTOR: Construction Lending School current, Arapahoe Community
College and Emily Griffith Opportunity School - 1993-1999
Marshall & Swift – Marshall Valuation Service

APPASIAL INSTITUTE INSTRUCTOR:
Course-Appraisal Principles
Course-Appraisal Procedures
Course-Sales Comparison Approach
Course-Site Valuation & Cost Approach
Course-Income Capitalization Approach Part I
Course-Income Capitalization Approach Part II
Course-Real Estate Finance, Statistics & Valuation Modeling
Course-Market Analysis & Highest and Best Use
Course-Advanced Market Analysis & Highest and Best Use
Course-Advanced Income Capitalization Approach
Course-Advanced Concepts & Case Studies
Course-Two Day Curriculum
Various one-day seminars
• Business Practices and Ethics
• Subdivision Valuation
• Marketability Studies: 6 Step Process Basic Applications
• Valuation & Tenant Risk Studies

LICENSES: Certified General Appraiser in Colorado - #CGO1313633
 Colorado Real Estate Broker - #ER01100755
 Class B Contractors License (inactive)
 Certified – Master Scuba Diver



BUSINESS AFFILIATIONS: McCloud & Associates
 18690 East Plaza Drive, Suite #109
 Parker, Colorado 80134
Telephone: 720-747-4710
Fax: 303-805-9910
E-Mail: hdmcccloud@comcast.net

APPRAISAL EXPERIENCE:

Land: Commercial pads, residential, multi-family, industrial and commercial parcels, residential & commercial subdivisions from 100 to 3,600 acres

Adams County: Land area 100 acres to 640+ acres (**Subdivisions:** Amber Creek, Northend Station, Big Dry Creek, Buffalo Run, Buckley Ranch, Fallbrook Farms and Tumberry)

Arapahoe County: Land area 100 acres to 800+ acres (**Subdivisions:** Antelope Hills, Estancia and Southshore)

Broomfield County: Land area 30 acres to 2,000+ acres (**Subdivisions:** Wildgrass, Hyland Village and Vista Ridge)

Douglas County: Land area 100 acres to 3,600+ acres (**Subdivisions:** Hunting Hills, Stroh Ranch, Canterbury Crossing, Pine Bluffs, Idyllwilde, Dawson Ridge, Hidden Valley, Plum Creek, Bell Mountain Ranch, Perry Park, Sageport, Puma Ridge and Castle Pines)

Jefferson County: Land area 100 acres to 1,500+ acres

Elbert County: Land area ¼ Section to 2,500+ acres (**Subdivisions:** Blue Sky Ranch and Spring Valley Ranch)

Weld County: Land area 50 to 320+ acres (**Subdivisions:** Bartley, Mesa Ridge & Ridgeland III)

Apartments: Low, Medium & High-rise buildings, projects & condominiums from 6 to 800 units

Industrial: Single & Multi-tenant buildings from 1,000 to 1,300,000 square feet

Office: Low, Medium & High-rise buildings & projects, condominiums from 2,000 to 500,000 square feet Class C to AA

Retail: Single & Multi-tenant buildings, Stand-alone, Small Strip Center to Super Regional Mall

Special Purpose:

Aggregate production, airplane hangars/terminals, bowling alleys, casinos, car washes, conference centers, congregate care facilities, day-care facilities, gentlemen's clubs, golf courses & driving ranges, hotels, ice arenas, mobile home parks, marina's, motels, mini-marts, quick-lubes, recreational properties, restaurants, theaters veterinary clinic/hospitals and water storage facilities. Furniture, Fixtures & Equipment and Business component valued and presented separately

Construction Experience:

I have been licensed as a general contractor since 1977, and have extensive bid estimation experience. I have processed the reproduction cost for more than 700 properties using the quantity survey method per the Construction Specifications Institute (CSI). I last functioned as a general contractor by constructing my own 3,028 square foot office building in Parker that received its certificate of occupancy in November 2004. I am a Marshall & Swift instructor and have past the Marshall Cost Estimation Course.

Interests: Fee simple, leasehold and leased fee interests. Condominium and partial ownership interests and right-of-way & facade easements. Historic designations, historic districts and national landmarks

Major Assignments:

Douglas County - Eminent Domain - various projects
National Park Service – Grand Canyon National Park
Yellowstone National Park
Grand Teton National Park
Mesa Verde National Park
Lake Mead National Recreation Area
Glen Canyon National Recreation Area

CAREER

HISTORY: Owner, McCloud & Associates and Unique Properties Valuation and Consulting. Principal Appraiser with MacTaggart and Mosier from 1990 to 1995; Associate Appraiser with Joseph Farber & Company, Inc. from 1986 to 1990. Two years with John Ratkovich, Century 21 as a commercial real estate salesman. From 1969 to 1984, Held various positions in construction from journeyman to management

E & O INSURANCE Zurich American Insurance Company - #EOC 9827639 01

EXPERT WITNESS TESTIMONY

- Adams County District Court
- Arapahoe County District Court
- Boulder County District Court
- Denver District Court
- Douglas County District Court
- Elbert County District Court
- Gilpin County District Court
- Jefferson County District Court
- Summit County District Court
- Weld County District Court
- Anoka County District Court, Minnesota
- Cook County, Illinois
- Santa Fe, New Mexico
- Numerous tax appeals at County & State level
- US Tax Court