

SH&H

VALUATION AND CONSULTING



APPRAISAL REPORT

STREET VACATION

7TH STREET NW BETWEEN 2ND AVENUE NW AND WEST MAIN
PUYALLUP, WASHINGTON 98371

SH&H FILE 16507-25



September 18, 2025

Brian Devereux
Director of Facilities Planning
Puyallup School District
302 2nd Street SE
Puyallup, WA 98372

Re: Appraisal Report Relevant to Street Vacation
7th Street NW between 2nd Avenue NW and West Main
Adjacent to Puyallup High School
Puyallup, Washington 98371
SH&H File 16507-25

Dear Mr. Devereux:

At your request, we are providing you with an appraisal report relevant to the above referenced property. The report is prepared with the intent to be in accordance with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, which includes the Uniform Standards of Professional Appraisal Practice (USPAP) as adopted by The Appraisal Foundation.

The subject property consists of a portion of a public right-of-way (7th Street NW and West Main) that is a backward “L” shape and extends between 2nd Avenue NW and West Main. Per information provided by the client, the site contains an area of 23,806 square feet.

The purpose of this appraisal is to prepare and submit a supported opinion of the market value of the proposed street vacation as described herein. The market value is based on the fee simple interest in the subject property, as described herein, as of the date of the physical inspection, September 11, 2025.

Based on the preceding analysis, it is the opinion of the appraisers that the market value of the 23,806-square-foot street to be vacated, as described herein, as of the date of inspection, September 11, 2025, is:

THREE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS

\$375,000

In completing this assignment, sufficient background information and supporting facts have been analyzed to arrive at a value conclusion. The appraisal report that follows summarizes the assignment, describes the area and the subject property, and explains the valuation techniques and reasoning leading to the final opinions of market value. As in the case of any appraisal, the reader's attention is directed to the underlying Assumptions and Limiting Conditions which are included in the accompanying report.

Respectfully submitted,



Matt Minarck, MAI
State of Washington Certification 1101115



Stephanie Wilson, Associate
State of Washington Certification 1102570

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SUBJECT PHOTOGRAPHS



EASTERLY VIEW OF SUBJECT PROPERTY (WEST MAIN)



WESTERLY VIEW OF SUBJECT PROPERTY (WEST MAIN)



NORTHERLY VIEW OF SUBJECT PROPERTY (7TH STREET NW)



SOUTHERLY VIEW OF SUBJECT PROPERTY (7TH STREET NW)

FACTUAL DESCRIPTION

This appraisal report is intended to comply with the reporting requirements set forth under the Uniform Standards of Professional Appraisal Practice. The depth of discussion contained in this report is specific to the needs of the client named below and for the intended use stated within this report.

APPRAISERS Matt Minarck, MAI
Stephanie Wilson, Associate
SH&H Valuation and Consulting
3609 Market Place West, Suite 201
University Place, WA 98466

CLIENT Brian Devereux
Director of Facilities Planning
Puyallup School District
302 2nd Street SE
Puyallup, WA 98372

PROPERTY IDENTIFICATION

Street Vacation
7th Street NW between 2nd Avenue NW and West Main
Adjacent to Puyallup High School
Puyallup, Washington 98371

LEGAL DESCRIPTION

As the subject is not a legally segregated area, there is no legal description relevant to the subject at this time.

PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to estimate the market value of the fee simple interest in the proposed street vacation (subject property) as of the date of inspection, September 11, 2025.

INTENDED USE AND USER OF THE APPRAISAL

This appraisal report is intended to be used by the client as a basis for making real estate decisions relevant to the subject property, regarding a potential street vacation by the City of Puyallup.

Intended Use is defined as: *“The use(s) of an appraiser’s reported appraisal or appraisal review assignment results, as identified by the appraiser based on communication with the client at the time of the assignment.”*¹

Intended User is defined as: *“The client and any other party as identified, by name or type, as users of the appraisal or appraisal review report by the appraiser, based on communication with the client at the time of the assignment.”*²

A Client is defined as: *“The party or parties (i.e., individual, group, or entity) who engage an appraiser by employment or contract in a specific assignment, whether directly or through an agent.”*

³

The appraisers have identified only the entity/entities stated herein as the intended user of this appraisal. Receipt of a copy of the appraisal by other parties does not mean that the party is an intended user of the appraisal. Such parties are advised to obtain an appraisal from an appraiser of their own choosing if they require an appraisal for their own use.

EFFECTIVE VALUATION DATES

Date of Appraisal / Inspection:

September 11, 2025

Date of Report:

September 18, 2025

PROPERTY RIGHTS APPRAISED

The interest appraised is based upon the fee simple ownership. The fee simple estate is defined as *“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.”*⁴

¹ *Uniform Standards of Professional Appraisal Practice, 2024 Edition*, Appraisal Standards Board, The Appraisal Foundation, Washington D.C., p. 5.

² *Ibid*, p. 5.

³ *Ibid*, p. 4.

⁴ *The Dictionary of Real Estate Appraisal, 7th Edition*, Appraisal Institute, Chicago, 2022, p. 73

MARKETING/EXPOSURE TIME

The indicated exposure time (i.e., the length of time the subject property would have been exposed for sale in the market had it sold at the market value concluded in this analysis as of the date of this valuation) would have been twelve months or less. The estimated marketing time (i.e., the amount of time it would probably take to sell the subject property if exposed in the market beginning on the date of this valuation) is also estimated to be twelve months or less. These conclusions are based on sales of similar type properties in the market.

MOST PROBABLE BUYER

The most probable purchaser of the subject property is an adjacent property owner.

SALES HISTORY

The subject property is part of a public right-of-way that is under the ownership of the City of Puyallup. This section of the road is currently closed under a one-year pilot program in coordination with the Puyallup School District. It is our understanding that the Puyallup School District is considering petitioning the City of Puyallup to vacate the portion of the right-of-way as described herein.

This appraisal is to be used to provide an opinion as to the value of the subject property. We are not aware of any transactions related to the subject property over the past five years and the property is not listed for sale.

MARKET VALUE

Market Value is defined as *“The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably and for self-interest, and assuming that neither is under undue duress.”*⁵

DEFINITION OF AS IS MARKET VALUE

The “As Is” Market Value is defined as *“The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.”*⁶

⁵ *The Appraisal of Real Estate*, Appraisal Institute, 15th Edition, Page 48

⁶ *The Dictionary of Real Estate Appraisal*, 7th Edition, Appraisal Institute, Chicago, 2022, p. 25.

PERSONAL PROPERTY

The value conclusion for this appraisal is relevant to the real property only and does not include any trade fixtures, machinery, equipment or any element considered to be personal property.

SCOPE OF THE APPRAISAL

The scope of this assignment included determining the Highest and Best Use of the adjacent properties and the researching of sales and listings of similar properties in the subject area. This appraisal assignment involved an inspection of the subject property on September 11, 2025, accompanied by Brian Devereux, Director of Facilities Planning with Puyallup School District (253-841-8772). Descriptive information relating to the subject property was obtained from the physical inspection of the property, from the client, and from researching county records and GIS mapping.

Within this appraisal all three approaches (Income, Cost, and Sales Comparison) to value have been considered. The subject site is a paved public street right-of-way within the city limits of Puyallup. In this instance, the relevant methodologies for valuing land have been reviewed with the Sales Comparison Approach representing the best method for this assignment. Thus, it is the only approach utilized to estimate the subject’s market value.

UNAVAILABILITY OF INFORMATION

The following information applicable to the subject property has not been provided:

1. An environmental risk assessment
2. Any wetlands reports or studies
3. A soils report
4. A title report

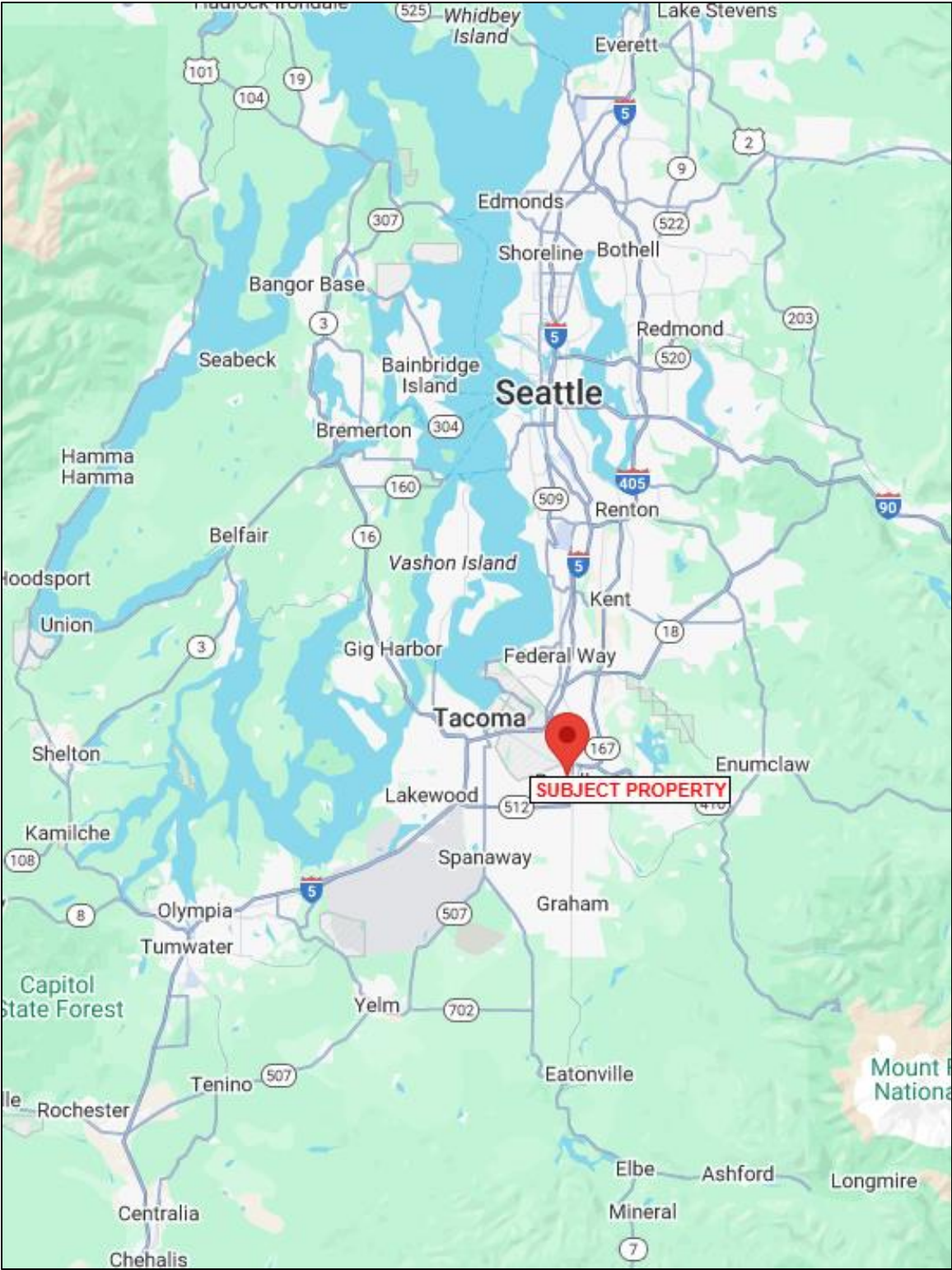
Therefore, any issues which might be raised if this information were available is not known or considered. We are not aware of any environmental issues or soils/geotechnical concerns that would quantifiably impact the subject property. It is our understanding that there are utilities within the street that will be subject to easements and will be maintained by the city.

LOCATION DESCRIPTION

A neighborhood is a group of complementary land uses, a congruous grouping of inhabitants, buildings or business enterprises. Neighborhoods are affected by social, economic, governmental, and environmental forces which influence property values in the vicinity of the subject property which, in turn, directly affect the value of a subject property itself. The boundaries of a neighborhood are typically identified by determining the area within which the forces affect all surrounding properties in the same way they affect the property being appraised. For reference, an area map showing the subject property's location in comparison to the greater Puget Sound region is presented on the following page. A location map showing the subject property's immediate neighborhood is also presented within this section.

The subject property is located within the city limits of Puyallup. The immediate neighborhood is considered to be downtown Puyallup. The major arterials serving this area include State Route 167 and State Route 512, which provide travel in the northerly and southerly directions and also west to South Tacoma. SR-167 provides access to the nearby Kent/Renton/Auburn/Sumner area, generally considered the Kent Valley. The Kent Valley area has evolved into the region's premier distribution center due to its freeway linkages, level topography, the presence of major rail lines in the area, and its proximity to the Port of Seattle, the Sea-Tac Airport, and the Port of Tacoma. As light industry and distribution has developed in the valley, the area has grown to become one of the region's largest employment centers.

The Puyallup area is generally known to include two neighborhoods, geographically established by a topography change; these areas are the Puyallup Valley, which includes the central business district as well as the subject property, and the South Hill neighborhood to the south. Although the South Hill area of Puyallup is responsible for the majority of the city's growth in recent years, the central business district area has seen growth and reinvigoration as well, most of which occurred prior to the most recent economic downturn. Good Samaritan Hospital, the Washington State Fair and the auto sales district on River Road are major sources of business activity in this area. The Puyallup Fairgrounds and Good Samaritan Hospital occupy several city blocks roughly one-and-a-half miles southerly of the subject property. Good Samaritan Hospital underwent a major renovation that was completed in 2011 and consisted of a 357,000-square-foot, seven-floor addition.



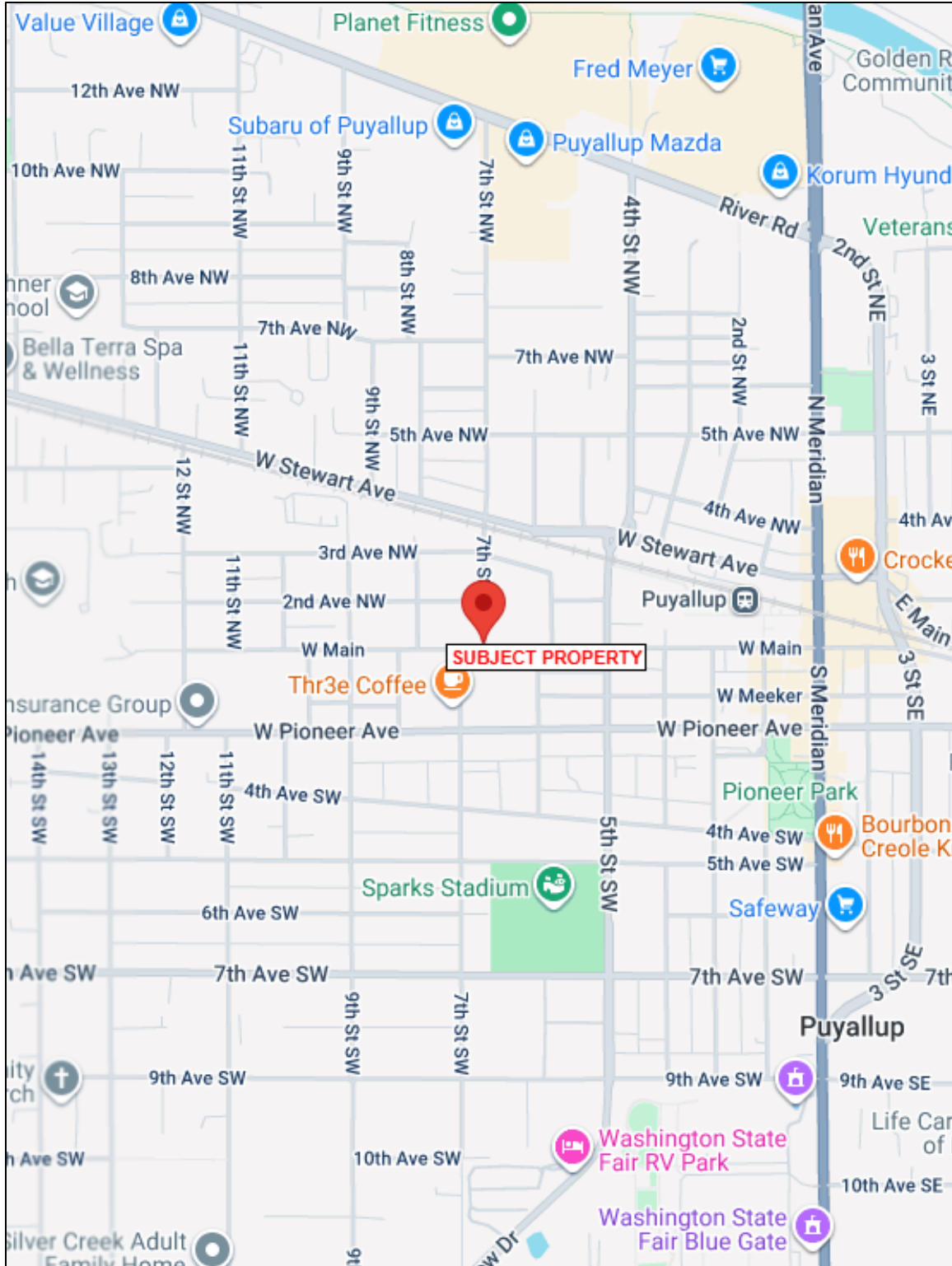
AREA MAP

The subject property is also impacted by its location within downtown Puyallup. The central business district includes a variety of commercial uses including retail stores, banks, service stations, office buildings, and restaurants. Several new and used car dealerships, which represent most of the major brands, are located along River Road. This corridor, as well as Pioneer Way, also include numerous restaurants, retail stores, and service stations, as well as a host of other commercial uses.

Contributing to the area's growth in past years was the construction of the Regional Transit station, between 4th Avenue NE and Meridian along the south side of West Stewart Avenue. The Sound Transit light rail system is an 82-mile system connecting Lakewood, Tacoma, Puyallup, Sumner, Kent, Tukwila, Seattle, Edmonds, Mukilteo and Everett; this station is one of 13 served by the new Sounder commuter trains. The Sound Transit Puyallup Station is located about three blocks easterly of the subject, which is a positive attribute.

After a lengthy and very competitive process, Puyallup was one of three communities in the state to receive a Local Infrastructure Funding Grant (LIFT), which provides for a \$1 million dollar annual award for 25 years. The grant funds a plan to connect Puyallup's two job centers, South Hill and downtown, with improved transit connection options, trail system improvements, telecommunications/fiber optic upgrades, and other infrastructure items that will create jobs within the city. The subject property is located in the downtown area and has the opportunity to benefit from these improvements.

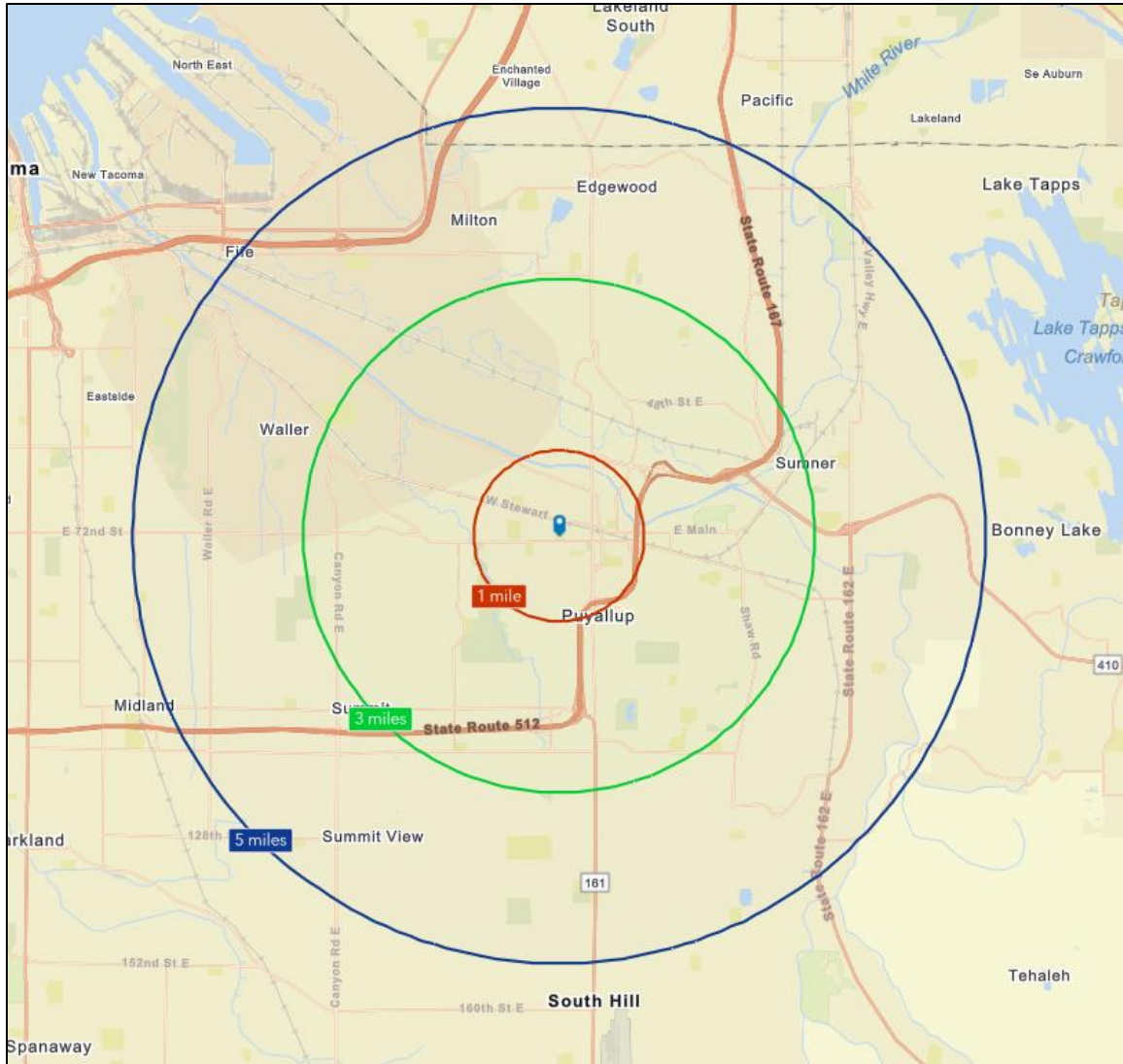
The subject is located adjacent to Puyallup High School, which serves more than 1,700 students in grades 10 through 12. The area to the west of Puyallup High School and the subject property is primarily improved with single-family residences.



LOCATION MAP

Demographic Analysis

The exhibit below shows three rings surrounding the subject property, delineating a one-mile radius, a three-mile radius, and a five-mile radius. Population trends within the three radii are summarized in the chart on the following page.



DEMOGRAPHIC STUDY MAP

POPULATION SUMMARY				
ONE-MILE RADIUS				
Year	Source	Population	Total Change (%)	Average Annual Change (%)
2020	Census	10,524	N/A	N/A
2025	Estimate	10,552	0.27%	0.05%
2030	Projection	10,649	0.92%	0.18%
THREE-MILE RADIUS				
Year	Source	Population	Total Change (%)	Average Annual Change (%)
2020	Census	65,874	N/A	N/A
2025	Estimate	67,525	2.51%	0.50%
2030	Projection	69,559	3.01%	0.60%
FIVE-MILE RADIUS				
Year	Source	Population	Total Change (%)	Average Annual Change (%)
2020	Census	163,353	N/A	N/A
2025	Estimate	169,536	3.79%	0.76%
2030	Projection	174,986	3.21%	0.64%
Source: Esri				

The total population during the survey period indicates upward trends in all three radii, with the five-mile radius exhibiting the largest increase. Over the next five years, the greatest anticipated annual rate of increase is expected in the five-mile radius at 0.64%.

SITE DESCRIPTION

The subject property is a portion of 7th Street SW and West Main, which are both public rights-of-way that are located within the city limits of Puyallup. The subject is adjacent to Puyallup High School. Per information provided by the client, the subject property contains an area of 23,806 square feet. Details pertaining to the subject property are provided as follows:

Location: The subject property is comprised of a portion of 7th Street NW between 2nd Avenue NW and West Main, as well as a portion of West Main within the city limits of Puyallup, WA.

Area: 23,806 square feet, according to a map provided by the client, a copy of which is reproduced further within this section.

Topography & Coverage: The subject site is generally level and is improved with a paved road with curbing and sidewalks.

Shape: The subject site is a backward “L” shape, as shown in the map on the following page.

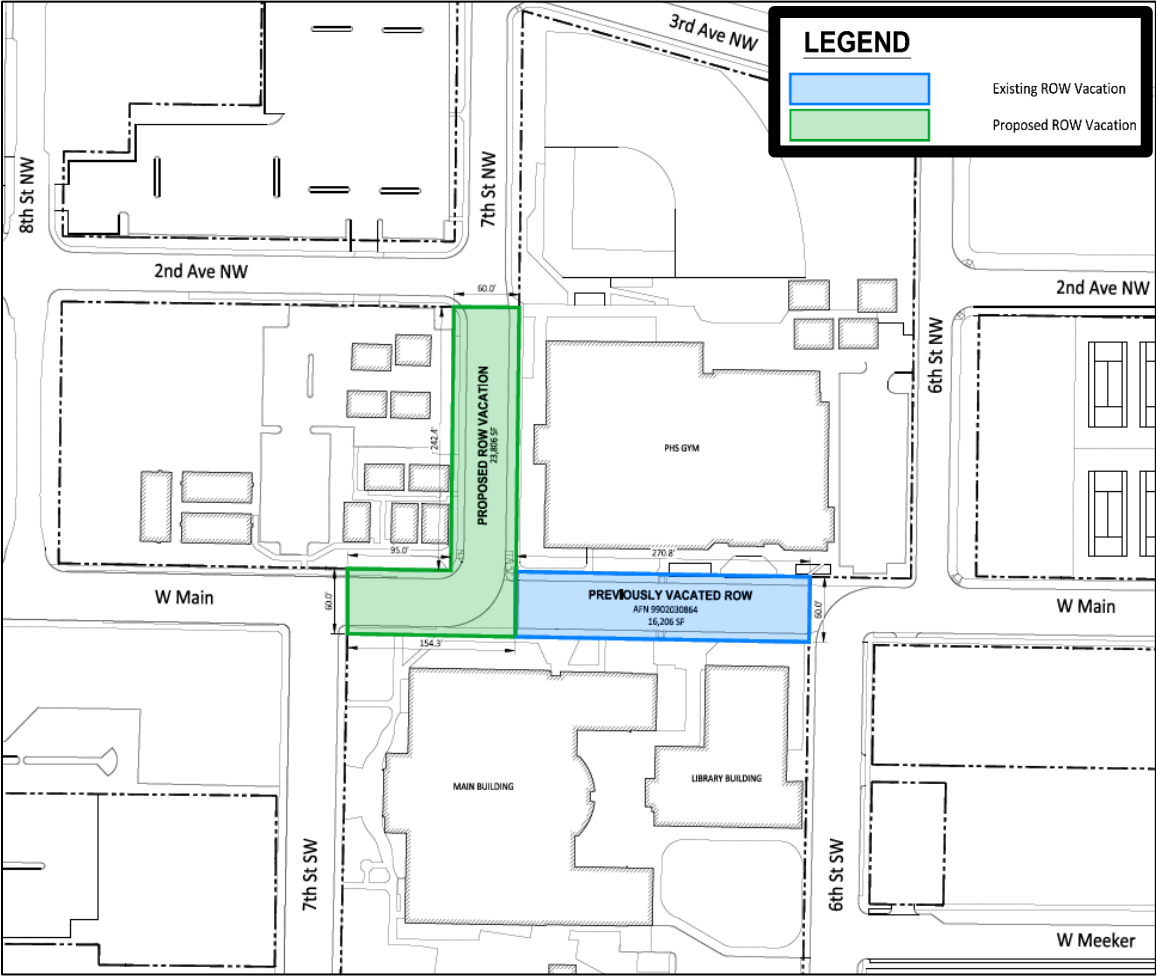
Easements / Encumbrances: A title report was not available for the subject property. We are aware of utilities onsite, for which the city will retain easements in order to access and maintain these areas. We are not aware of any additional easements that would negatively impact the subject site.

Environmental Concerns: We are not aware of any hazardous substances on the subject property which would create a significant impact on its value.

Soils: We have not been provided with a site-specific soil report. Based on surrounding uses, it appears that the soils can support the legally permitted uses.



**AERIAL VIEW OF SUBJECT SITE
SUBJECT PROPERTY OUTLINED IN RED**



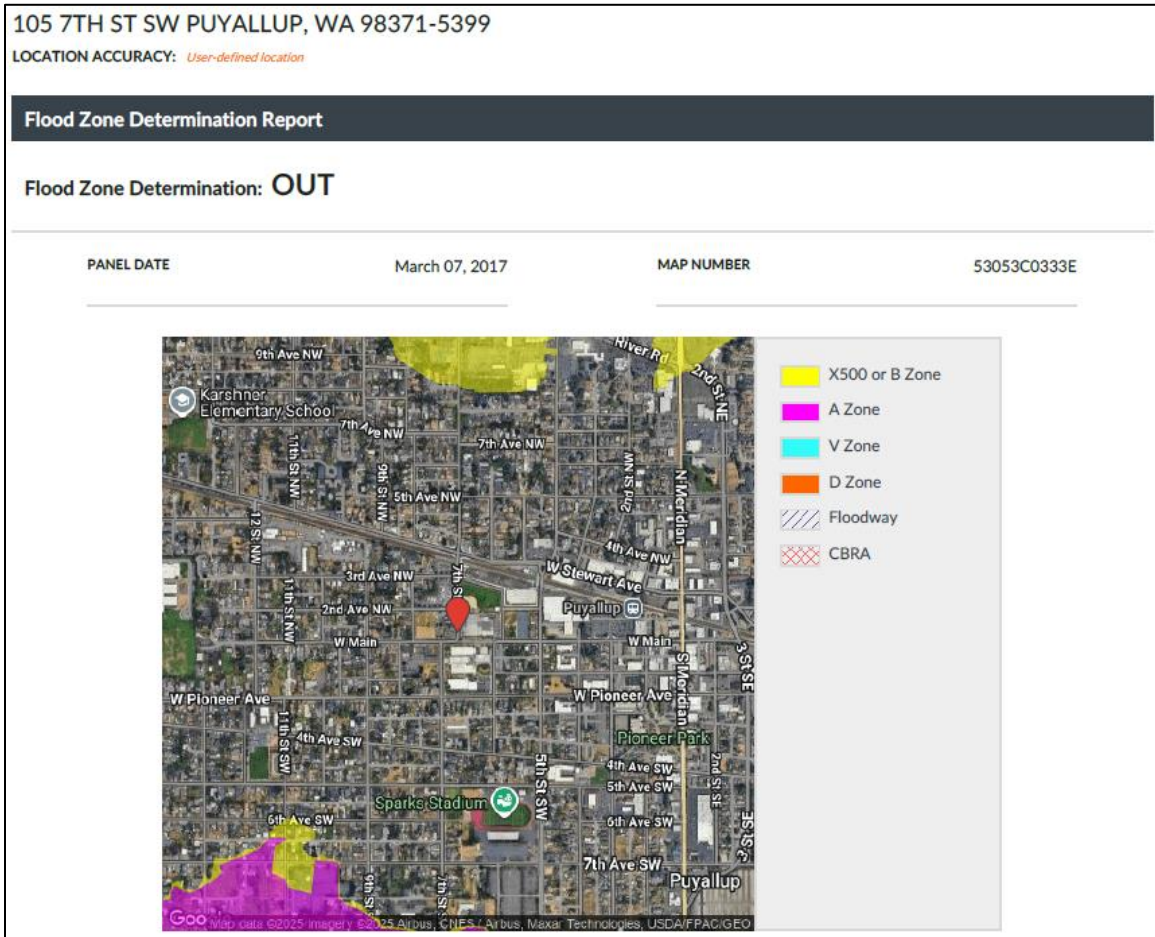
**MAP PROVIDED BY CLIENT
SUBJECT PROPERTY HIGHLIGHTED IN GREEN**

Surrounding Uses: All adjacent parcels are under the ownership of Puyallup School District #3 and are used in support of Puyallup High School.

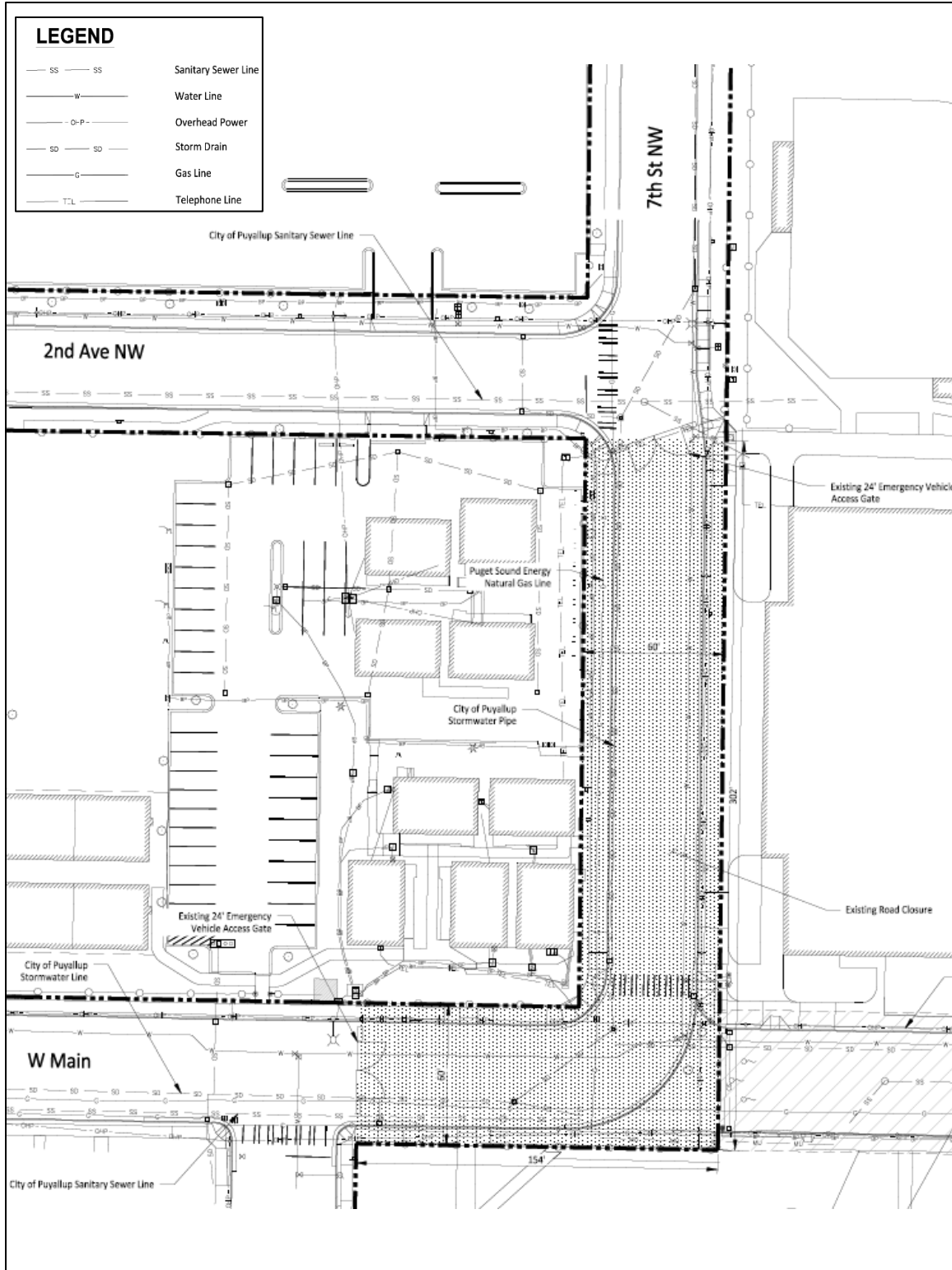
Utilities: Public water, sewer, gas, telephone, and electrical service are available to the site. A map on the following page shows all onsite utilities.

Wetlands: According to the U.S. Fish and Wildlife Service National Wetlands mapping device, the subject property is not located near any wetlands.

Flood Plain: According to the Flood Insurance Map Number 53053C0333E, effective date March 7, 2017, the subject site is not located within any regulated flood zones or floodways.



FLOOD MAP



UTILITIES MAP

Larger Parcel Discussion

The “Across the Fence” (ATF) method will be used to value the subject site herein, which is the most common method for valuing portions of transportation corridors. The ATF method assumes that the land value of the property being appraised is similar to vacant land values of properties adjacent to the property being appraised. In order to complete this analysis, it is necessary to identify the *larger parcel*. The *larger parcel* is then the basis of the valuation analysis.

The subject property is a portion of a public right-of-way that is a part of a larger road system. The subject and the adjacent roadway / public rights-of-way are all owned by the City of Puyallup. In order to estimate market value, part of the appraisal problem is to identify the *larger parcel* for valuation purposes. In defining the *larger parcel*, there are three basic conditions that need to be established.

- 1.) Unity of Ownership
- 2.) Contiguity
- 3.) Unity of Use

The City of Puyallup owns and operates a network of public streets of which the subject property is a part. Therefore, the entire network of streets / rights-of-way could be one *larger parcel* from the “unity of ownership” perspective.

The second category, “contiguity,” normally requires that physical contiguity be present for a *larger parcel* to exist. The entire network of streets / rights-of-way are generally contiguous.

In considering the third category, “unity of use,” one of the main considerations is that the properties are used in conjunction with each other. The subject and the adjacent properties under the same ownership are all utilized together in support of roadways / public rights-of-way.

Considering this discussion, one could easily conclude that the *larger parcel* is represented by the entire network of streets owned by the city. However, that portion of the *larger parcel* which will be directly impacted by the proposed vacation contains only 23,806 square feet. It seems reasonable and logical that rather than appraising the entire network of streets, this immediate area can be considered for appraisal purposes as the *larger parcel*, which is the approach taken in the following analysis. In “Real Estate Valuation in Litigation,” J.D. Eaton, MAI, SRA, notes that “the *larger parcel* may be all of one parcel,

part of a parcel, or several parcels, depending to varying degrees on unity of ownership, unity of use, and contiguity.”⁷

Including the entire network of streets under the city’s ownership as the subject property would unnecessarily complicate the appraisal assignment and valuation process and would not likely have a significant impact on the appraisal. Thus, for purposes of this appraisal, the subject property, and the *larger parcel*, is identified as the section of 7th Street NW and West Main that is highlighted in green in the map provided by the client (shown on Page 13), which contains an area of 23,806 square feet.

Zoning

The subject property is under the jurisdiction of the City of Puyallup. As the subject property is a portion of a street, the site is not zoned. A zoning map is provided on the following page in order to show the zoning designations on adjacent and nearby parcels. The adjacent parcels are zoned Public Facilities, which is not an economically driven designation, rather, it is a special use zone that is specific to the property’s public use and ownership. Sales of sites zoned “Public Facilities”, or a similar public oriented zoning, are essentially non-existent. Therefore, if we assumed a zoning of Public Facilities for the subject, comparable data for valuing the subject would be lacking and unreliable.

Therefore, utilizing the “Across the Fence” methodology, likely alternative zoning classifications are considered in order to impute a more typical and economical zoning designation for the subject site based on the most relevant zoning in the area. In order to determine an appropriate zoning for the analysis of the subject, we will consider the zoning of nearby parcels. Beyond the parcels zoned Public Facilities, the area to the north, southeast, south and west is almost exclusively zoned RS-06 (Urban density single-family residential zone). While the parcels to the northeast are under variations of commercial zoning, due to the prevalence of the RS-06 zone within the immediate area, the subject will be analyzed assuming a RS-06 zoning designation.

⁷ J.D. Eaton, MAI, SRA, “Real Estate Valuation in Litigation,” Page 76.



ZONING MAP
SUBJECT PROPERTY OUTLINED IN GREEN

The Urban density single-family residential zone (RS-06) is included within the broader zoning designation that is classified as Single-Family Residential Zone, which the City of Puyallup code states:

The RS single-family residential zones are intended to reserve appropriate areas for low density residential living at a broad range of densities consistent with the Puyallup Comprehensive Plan. They further intend to protect the public health, safety and general welfare by ensuring adequate access to light, air, privacy and open space; minimizing traffic congestion and utility overload; protecting residential properties from noise, direct illumination, unsightliness, odors, smoke and other objectionable influences; and, facilitating the provision of public facilities and services commensurate with anticipated population and dwelling unit densities.

Permitted uses are primarily limited to single-family residential uses. The RS-06 zone has a minimum lot size of 6,000 square feet. Development is allowed at four to six dwelling units per gross acre.

Taxes and Assessments

The subject property is a public alley that is under the ownership of the City of Puyallup and, as such, has not been assessed. If the property were to be purchased by a private entity that is not tax exempt, the property would accordingly be assessed by the Pierce County Assessor-Treasurer's office.

ANALYSIS OF DATA & OPINIONS OF APPRAISERS

HIGHEST AND BEST USE

The subject is a public right-of-way. The initial valuation of the subject utilizes the “Across the Fence” (ATF) method. The use of this method does not consider the subject’s size and configuration as a stand-alone property; rather, the analysis is relevant to the Highest and Best Use of adjacent or nearby properties.

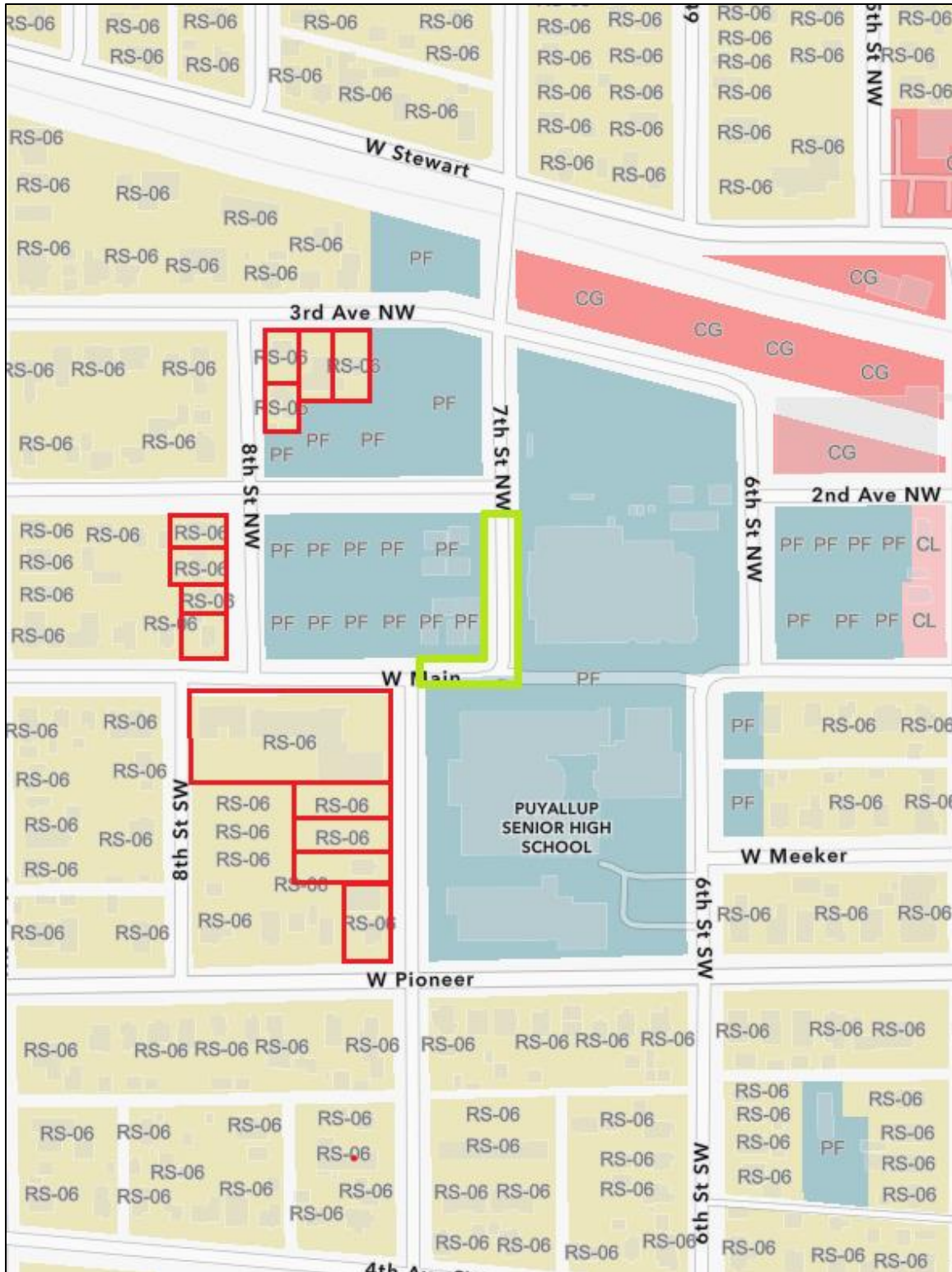
Highest and Best Use of Adjacent / Nearby Property

In valuing the subject property, we will be considering the value of the economically viable land adjacent to, or in this case nearby, the subject under the ATF methodology, as will be discussed and explained in the Valuation portion of this report. This analysis will provide a basis upon which to form an opinion of the appropriate unit price for valuing the subject property. The premise considers the value of the economically viable adjacent and nearby parcels surrounding the subject property, predicated upon the highest and best use of the adjacent lands.

The criterion for the determination of the highest and best use of the adjacent and nearby properties is based upon legal and physical considerations adjusted for financial feasibility and maximal productivity considerations.

Legal Considerations: The first test of highest and best use is to determine what is legally permissible, or what can legally be constructed on the nearby properties. The subject is not zoned. The adjacent properties are zoned Public Facilities, which is not an economically driven designation, rather, it is a special use zone that is specific to the property’s public use and ownership. We must assume an economically driven zoning designation for the subject. The vast majority of nearby properties are zoned RS-06 (Urban density single-family residential zone); thus, this is the zone we will assume for the subject’s valuation. Permitted uses within the RS-06 zone are primarily limited to single-family residential uses.

Physical Considerations: Factors influencing the use of the nearby sites include: location, size and shape, soils, availability of utilities and other site characteristics, nature of the adjoining land use, and terrain. The subject property and surrounding area is level, and all typical public utilities are available in the neighborhood. There are no flood zones or wetlands in the immediate area. The vast majority of the nearby sites are rectangular in shape. In terms of size, most of the nearby lots that are zoned RS-06 are less than 10,000 square feet. The map on the following page shows the closest lots in proximity to the subject that are zoned RS-06. The outlined lots will be utilized in determining an analysis size for the subject within the valuation section presented further within this report.



**ZONING MAP AND NEARBY LOTS USED FOR SIZE ANALYSIS
SUBJECT PROPERTY OUTLINED IN GREEN**

The sites outlined in the map on the prior page are summarized in the exhibit below.

SITE AREA OF ADJACENT / NEARBY PARCELS		
Parcel	Size (Sq.Ft.)	Size (Acres)
5870000340	7,200	0.17
5870000330	7,200	0.17
5870000320	5,280	0.12
5870000310	4,620	0.11
5870000680	4,500	0.10
5870000690	6,300	0.14
5870000570	3,150	0.07
5870000580	5,250	0.12
5505000020	50,962	1.17
5505000130	9,425	0.22
5505000170	8,125	0.19
5505000180	8,125	0.19
5505000250	9,900	0.23
Mean Lot Size	10,003	0.23

The mean size indicated by the nearby parcels will be considered in the analysis to follow when determining comparable properties for analyzing the subject.

The appraisers know of no other physical site limitations such as improper soils, unusual easements, etc., that would limit the development or use of the nearby properties as to what is permitted by zoning.

ANALYSIS OF DATA & OPINIONS OF APPRAISERS

Market Feasibility: (Financially Feasible and Maximally Productive): A project's financial feasibility is measured by whether it can produce a positive return on its investment. The factor having the most weight in determining highest and best use is the feasibility of a use which is primarily supported by perceived demand.

One of the better indications of financial feasibility is the consideration of surrounding uses. The nearby properties under the RS-06 zoning designation are primarily developed with single-family residential uses. Given the trends for the area, the most financially feasible use for the nearby sites is in support of single-family residential development.

Conclusion: Legal, physical, and market considerations have been analyzed to evaluate the highest and best use of the economically viable properties near the subject property. This analysis was conducted in order to establish the use, and thus the value basis in applying the Across the Fence valuation methodology. After taking into consideration the factors cited above, the highest and best use of the nearby properties is in support of single-family residential development.

PROPERTY VALUATION

The Income Approach, Cost Approach and Sales Comparison Approach are the three basic techniques or approaches to value when appraising real property. Because the subject property is analyzed as an unimproved site, only those techniques applicable to Land Value derivation have been considered.

The subject property represents a site that is utilized as part of a larger public right-of-way network. Properties similar to the subject are not typically sold as stand-alone properties because they provide a functional service to the public in terms of transportation routes. Therefore, there is no relevant comparable data from which to value the subject. Alternative viable methods had to be considered for the valuation of the acquisition area.

The appropriate valuation methodology to be employed in valuing the subject property is the “Across the Fence” (ATF) method. The ATF value is “the estimated sale price based on the unit price of sales of similar land adjoining the subject.”⁸ The underlying assumption is that the value of the subject site is equal to the value of adjoining lands. In this case, the subject is adjacent to parcels that are zoned Public Facilities, which is not an economically driven zoning designation. Thus, we had to consider the properties adjacent to the parcels zoned Public Facilities, which are primarily zoned RS-06 (Urban density single-family residential zone).

To estimate ATF value, a right-of-way corridor is divided into segments of similar highest and best use. Sales data for these uses is gathered, and the ATF value is estimated from the unit rates reflected based on properties with similar highest and best uses to the adjacent / nearby properties.

The “Across the Fence” method is based on the Principle of Substitution. In theory, the factors to consider are the adjacent / nearby property’s highest and best use and unit value.

As discussed in the Highest and Best Use section, the closest parcels in proximity to the subject with the RS-06 zoning were utilized to determine an analysis size for valuing the subject property. The mean lot size of these parcels is 10,003 square feet. Therefore, in the analysis to follow, for the basis of establishing a benchmark value we will assume an analysis lot size of 10,000 square feet. Based on the subject area’s locational characteristics and an examination of the zoning of nearby properties, the most likely use would be for a single-family residence.

⁸ Zoll, “Rail Corridor Sales,” Page 380.

Several procedures for the valuation of land may be available to the appraiser depending on available data. These include:

1. The sales comparison approach. Sales of similar vacant parcels are analyzed, compared, and adjusted to derive an indication of value for the land being appraised.
2. The allocation (abstraction) procedure. Sales of improved properties are analyzed, and the prices are allocated between land and improvements.
3. The extraction procedure. This is a variant of the allocation method, whereby the value of the contribution to the total value of the improvements are estimated, and then deducted from the total to leave land value.
4. The Income Capitalization procedures are as follows:
 - a. The land residual procedure. The land is assumed to be improved to its highest and best use, and the net income imputable to the land after all expenses of operation and return attributable to the other agents in production is capitalized to derive an estimate of land value.
 - b. The ground rent capitalization procedure. In this procedure the rent paid for the right to use and occupy land is capitalized to yield a value. Capitalization rates are derived from market data.
 - c. The anticipated use (development) procedure. Undeveloped land is assumed to be subdivided, developed, and sold. Development costs, incentive costs and carrying charges are subtracted from the estimated proceeds of sale, and the net income projection is discounted over the estimated period required for market absorption of the developed sites to derive an indication of value for the land being appraised.

The most applicable method in valuing the subject property is the Sales Comparison Approach.

5. Zoning and Potential Development Density

The highest land values, on a per unit basis, are normally found under the higher density commercial uses, followed in succession by multifamily/office/industrial uses, single family use, suburban and rural residential, and, finally, agricultural and forestry, and open space use. While the existing zoning classification may not absolutely dictate future use of the land, it has a strong bearing on both sale prices and land values. A purchaser who must rezone land to a higher or different use must consider not only the probability of rezoning, but also the time and expense required.

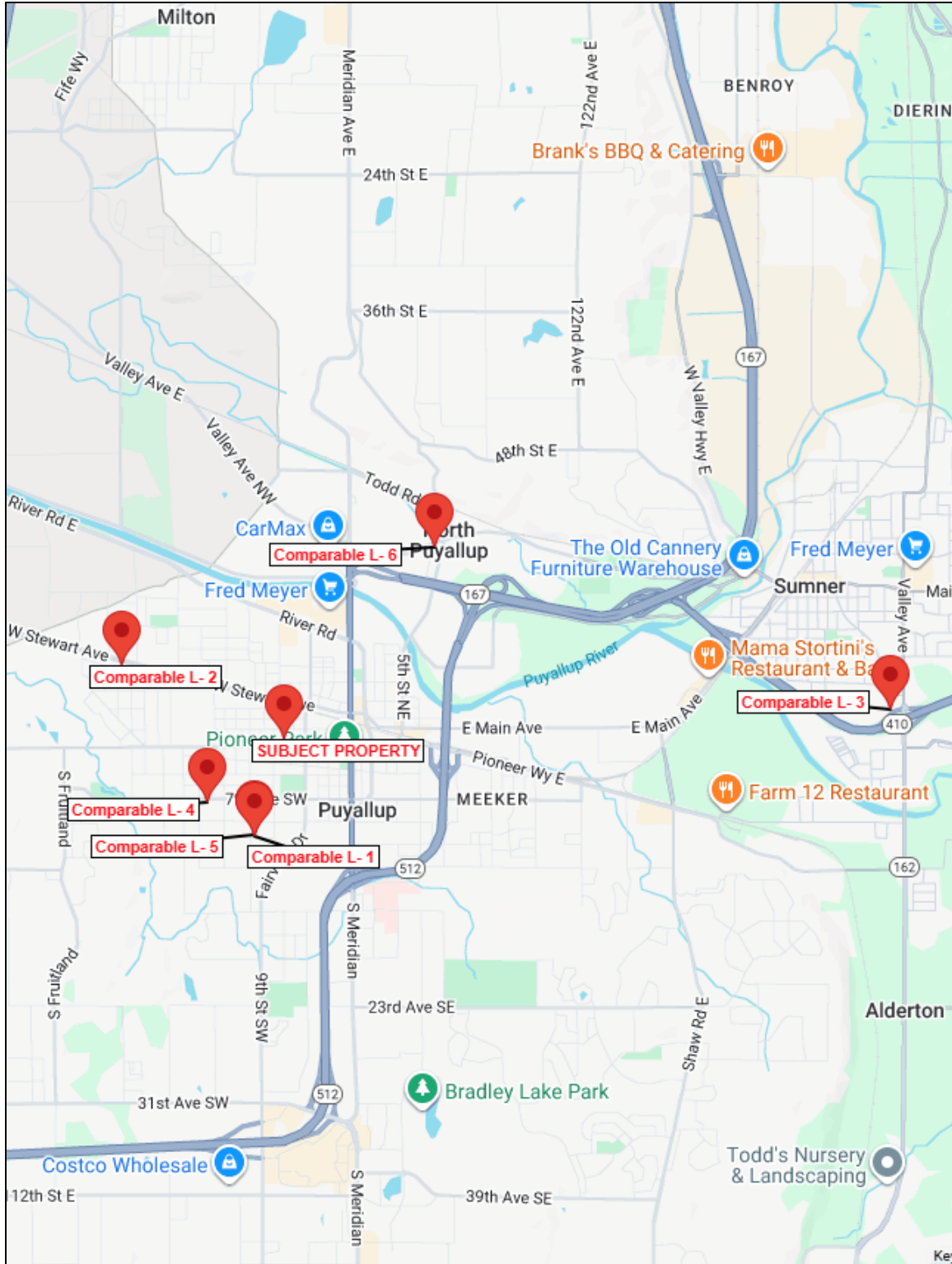
6. Physical Features of the Land

Physical features include topography or slope, provision for surface drainage, soil conditions, and the presence of wetlands, ground cover, and view, among others. When all of these conditions are favorable, a purchaser might reasonably be expected to pay a premium and when one or more are unfavorable, an offer to purchase will most probably be discounted.

ANALYSIS OF DATA & OPINIONS OF APPRAISERS

A search was conducted in the general market area for properties that offer similar zoning and development potential as the subject's nearby RS-06 properties, which are the basis for analysis. The search produced six comparable properties relevant for analysis. While these comparables are not identical to the subject, they provide a benchmark from which to arrive at a value for the subject property. The sales selected are delineated in the chart below, with a location map on the following page that shows the location of each comparable relevant to the subject. Each comparable is then discussed individually and accompanied by a photograph. The price per lot is the typical unit of measurement for residential properties and therefore, is the unit of measurement utilized herein.

LAND SALE COMPARABLES				
Comp	Location	Sale Date	Size (Sq.Ft.)	Analysis Price
L-1	813 10th Avenue SW Puyallup, WA	Jan-24	10,860	\$200,000
L-2	1825 5th Avenue NW Puyallup, WA	Jun-24	18,000	\$218,500
L-3	1908 Gault Street Sumner, WA	Jul-25	8,433	\$220,000
L-4	1206 7th Avenue SW Puyallup, WA	Listing	11,060	\$235,000
L-5	925 9th Street SW Puyallup, WA	Listing	10,790	\$250,000
L-6	10920 Valley Avenue East Puyallup, WA	Feb-25	11,000	\$250,000



COMPARABLE LAND SALES MAP

ANALYSIS OF DATA & OPINIONS OF APPRAISERS

Land Sale Comparable L-1

Property Identification

Record ID 15654
Property Type Residential Lot
Address 813 10th Avenue SW, Puyallup, Pierce County, Washington 98371
Location NEC of 9th Street SW and 10th Avenue SW
Tax ID 5505202702

Sale Data

Grantor Tod A. Reeve and Deborah G. Reeve and Bob M. Larson and Wendy R. Reeve
Grantee Davith Hout and Sreypich Kaing
Sale Date January 29, 2024
Deed Book/Page 202401290205
Property Rights Fee Simple
Marketing Time 816 days
Conditions of Sale Arm's Length
Financing Cash to seller
Verification Amy Samuelson-Engles (listing agent) Terrafin; 253-380-7770

Sale Price \$200,000

Land Data

Zoning RS-08
Topography Level
Utilities All available
Shape Rectangular
Flood Info In the AE flood zone

Land Size Information

Land Size 0.249 Acres or 10,860 SF
Front Footage 70 ft along 9th Street SW; 155 ft along 10th Avenue SW

Remarks

This is the sale of a single parcel of RS-08 zoned land containing 10,860 square feet in the city of Puyallup. The site is 70 feet wide, level, rectangular in shape, and is currently undeveloped. The site was previously developed with the adjacent parcel to the north as a single-family residence. Therefore, all utilities are already on site. There were no entitlements in place at the time of sale. The site is located in the AE flood zone, according to Pierce County GIS maps, which is assumed to result in special requirements for a building foundation.

The site was listed for sale at \$230,000 and sold at \$200,000 (86.96% of the listed price) after 816 days on the market. The listing agent indicated that the price sold for less than the listed price because of previous feasibility study challenges regarding telephone poles and lines along the south edge of the property, which the sellers had deeded to the City of Puyallup in order for the City to manage these lines. Furthermore, the City will require that access to a potential single-family residential development come from 10th Street SW at the back end of the lot, which ultimately reduced the site's desirability, according to the agent. The listing agent believes the buyer has a single-family residence in mind for the site.



NEC OF 9TH STREET SW AND 10TH AVENUE SW



925 9TH STREET SW

ANALYSIS OF DATA & OPINIONS OF APPRAISERS

Land Sale Comparable L-2

Record ID	16186
Property Type	Residential
Address	1825 5th Avenue NW, Puyallup, Pierce County, Washington 98371
Location	NW of downtown Puyallup
Tax ID	7070000243

Sale Data

Grantor	Douglas L. Phillips & Cecille A Phillips, Sarah C. Thomas & David G. Thomas
Grantee	Kenneth B Cage
Sale Date	June 14, 2024
Deed Book/Page	202406140574
Property Rights	Fee Simple
Sale History	Sold in May 2022 for \$175,000
Instrument	Statutory Warranty Deed
Verification	Robin Root James, Listing Agent; 206-940-6668

Sale Price	\$218,500
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Land Data

Zoning	RS-08 - Medium Density Single-Family; City of Puyallup
Topography	Level
Utilities	All public utilities in street
Shape	Rectangular
Flood Info	Not in a flood zone; no onsite wetlands

Land Size Information

Land Size	0.413 Acres or 18,000 SF
Front Footage	120 ft along 5th Avenue NW

Remarks

This is the sale of a residential parcel located in a residential neighborhood near downtown Puyallup. The lot is level and has direct access to all public utilities. In 2020, two adjacent assessor's parcels (7070000241 and 7070000242) each containing 9,000 square feet were combined into one parcel, which is the current parcel 7070000243. There is a rail line along the northerly border of the site.

The listing agent indicated that the sellers "spoke with City of Puyallup planners and it sounded like it could be placed back into two parcels once again." The sellers had planned to subdivide the parcel into its original two-parcel configuration and build two single-family residences; however, this never came to fruition.

The property was listed at \$218,500 on May 30, 2024. Two days later there was a pending sale in place that closed in mid-June 2024 at the list price. The listing agent confirmed there were no atypical conditions of the sale.



NW OF DOWNTOWN PUYALLUP



1825 5TH AVENUE NW

ANALYSIS OF DATA & OPINIONS OF APPRAISERS

Land Sale Comparable L-3

Property Identification

Record ID 16187
Property Type Residential
Address 1908 Gault Street, Sumner, Pierce County, Washington 98390
Location NE of SR 162 and Highway 410 intersection
Tax ID 0420251197

Sale Data

Grantor Zachary Pesicka and Audra Pesicka
Grantee Walter Johnson Jerrolene Johnson
Sale Date July 11, 2025
Deed Book/Page 202507110073
Property Rights Fee Simple
Sale History Sold in April 2022 for \$190,000
Instrument Statutory Warranty Deed
Verification James Bergstrom, Listing Agent; 360-286-5098, Toby Parker, Prior Buyer's Agent, 425-890-3400

Sale Price \$220,000

Land Data

Zoning Low Density Residential 6000; City of Sumner
Topography Level
Utilities Sewer onsite, electricity and water in street
Shape Generally rectangular
Fencing Yes
Flood Info Not in a flood zone; no onsite wetlands

Land Size Information

Land Size 0.194 Acres or 8,433 SF

Remarks

This is the sale of a residential lot located in the city limits of Sumner. The southerly border of the site has frontage on the Highway 410 on-ramp. The northerly border has frontage and access along a residential side street, Gault Street. Site coverage includes primarily grass with a couple large trees. There is fencing on two sides of the property.

This property was listed for sale on June 16, 2025, at \$217,777. There were multiple offers and about a week later, there was a pending sale in place that closed in July 2025 at \$220,000, which is 101.02% of the list price.

ANALYSIS OF DATA & OPINIONS OF APPRAISERS



NE OF SR 162 AND HIGHWAY 410 INTERSECTION



1908 GAULT STREET

ANALYSIS OF DATA & OPINIONS OF APPRAISERS

Land Listing Comparable L-4

Property Identification

Record ID	16189
Property Type	Residential Lot
Address	1206 7th Avenue SW, Puyallup, Pierce County, Washington 98371
Location	South side of 7th Avenue SW
Tax ID	5505202293

Sale Data

Grantor	Straightline Construction & Development LLC
Survey Date	September 11, 2025
Property Rights	Fee Simple
Verification	Kylee Hill, Listing Agent; 253-653-7692

Listing Price	\$235,000
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Land Data

Zoning	RS-06; City of Puyallup
Topography	Level
Utilities	All public utilities in street
Shape	Rectangular
Flood Info	In Flood Zone AE

Land Size Information

Land Size	0.254 Acres or 11,060 SF
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Remarks

This is the listing of a residential lot within the city limits of Puyallup. Site coverage is grass. The site is located in the AE flood zone, according to Pierce County GIS maps, which is assumed to result in special requirements for a building foundation.

The property was listed for sale at \$240,000 on August 19, 2025. On September 11, 2025, the listing agent opined that they have had “a ton of interest.” That being said, they have received an offer that is under the list price, although she did not provide the offer amount. The listing agent indicated “This property is in receivership. . . The court will be the one to decide if they will accept the offer or not.” On September 15, 2025, the list price was reduced to \$235,000.

ANALYSIS OF DATA & OPINIONS OF APPRAISERS



SOUTH SIDE OF 7TH AVENUE SW



1206 7TH AVENUE SW

ANALYSIS OF DATA & OPINIONS OF APPRAISERS

Land Listing Comparable L-5

Property Identification

Record ID 16188
Property Type Residential
Address 925 9th Street SW, Puyallup, Pierce County, Washington 98371
Location Easterly side of 9th Street SW, just northerly of its intersection with 10th Avenue SW
Tax ID 5505202701

Sale Data

Grantor K & L Food and Entertainment Services, LLC
Survey Date September 11, 2025
Property Rights Fee Simple
Sale History Sold in April 2022 for \$250,000
Verification Delinda Jokela, Lising Agent; 253-335-6125

Listing Price \$250,000

Land Data

Zoning RS-08, Residential
Topography Level
Utilities All available
Shape Rectangular
Flood Info In the AE flood zone

Land Size Information

Land Size 0.248 Acres or 10,790 SF
Front Footage 70 ft along 9th Street SW

Remarks

This is the listing of a single parcel of RS-08 zoned land containing 10,790 square feet in the city of Puyallup. The site is level, rectangular in shape, and is currently undeveloped. All utilities are available to the site. The site is located in the AE flood zone, according to Pierce County GIS maps, which will result in special requirements for a building foundation. Reportedly, there had been a conditional use permit in place in the past for the site to be developed for duplex use. However, there were no entitlements in place at the time of sale.

The site previously sold in April 2022 for \$250,000 after seven days on the market. The current listing agent opined "that was a different market," compared to the current market. The property is currently listed for \$250,000 and has been on the market since February 2025. The listing was changed to "pending feasibility" for about two weeks at the end of February and early March, but has otherwise been an active listing. She indicated that the potential buyer did not realize it was in a flood zone and upon learning of this, was no longer interested. The listing agent opined that the current list price of \$250,000 for the comparable is too high, but that the seller is "willing to sit on it." For reference, the adjacent lot, which is very similar in size, sold in January 2024 for \$200,000.



**EASTERLY SIDE OF 9TH STREET SW,
JUST NORTHERLY OF ITS INTERSECTION WITH 10TH AVENUE SW**



925 9TH STREET SW

ANALYSIS OF DATA & OPINIONS OF APPRAISERS

Land Sale Comparable L-6

Property Identification

Record ID	16190
Property Type	Residential
Address	10920 Valley Avenue East, Puyallup, Pierce County, Washington 98372
Location	South side of Valley Avenue East, west of Milwaukee Avenue East
Tax ID	2245000131

Sale Data

Grantor	Jo Ellen K. Krone
Grantee	Austin Automotive Operations LLC
Sale Date	February 14, 2025
Deed Book/Page	202502140329
Property Rights	Fee Simple
Sale History	No sales in prior five years
Instrument	Statutory Warranty Deed
Verification	Chrissy Bartlett, Listing Agent and Buyer's Agent; 253-686-5139

Sale Price	\$250,000
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Land Data

Zoning	Suburban Residential
Topography	Level
Utilities	Electricity, public water and onsite septic in place
Shape	Rectangular
Fencing	Fully fenced with gated access
Flood Info	Not in a flood zone; no wetlands

Land Size Information

Land Size	0.253 Acres or 11,000 SF
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Remarks

This is the sale of a residential site located along Valley Avenue East within the Puyallup Urban Growth Area. The site had electricity, public water and a septic system all in place on the property. There is also a sewer line in Valley Avenue East in the subject's street frontage. The site was improved with a garage in fair but useable condition as well as a paved driveway, and the site was fully fenced with gated access at the time of sale.

The property was listed for sale on July 11, 2024, at \$287,300. The status was changed to "pending feasibility" on December 22, 2024, but was active again on January 7, 2025. On January 30, 2025, the status was changed again to "pending feasibility," and this sale closed in February 2025 at \$250,000, which is 87.02% of the list price.



**SOUTH SIDE OF VALLEY AVENUE EAST,
WEST OF MILWAUKEE AVENUE EAST**



10920 VALLEY AVENUE EAST

Analysis of Comparable Sales

In utilizing the comparables to estimate a value per lot for the subject property, each sale should be adjusted to the subject for dissimilarities. There are six common elements of comparison that should always be considered in sales comparison analysis. These are: *Real property rights conveyed; Financing terms; Condition of sale; Date of sale; and Location and Physical characteristics.* In analyzing the *Location and Physical characteristics*, adjustments may be considered for some dissimilarities among the comparables, primarily for location, site size, available utilities, site utility, and site improvements.

The comparison process involves comparing similar properties that have sold with the subject. An adjustment process is applied to the comparables, with an adjustment chart presented further in this section. The adjustment process considers the thought process often followed by buyers and sellers in comparing different properties. Within the discussion herein, the characteristics are noted and compared to the subject. Where necessary, adjustments are made to the comparables in relationship to the subject. The top of the chart accounts for quantitative adjustments which are now discussed.

Quantitative Adjustments

When applicable, quantitative adjustments can be applied to the comparables for items such as *property rights conveyed, financing terms, conditions of sale, and buyer expenditures* after the purchase. The comparables are similar to the subject in all of these categories and no adjustments are required.

Market Conditions

The next quantitative adjustment to consider is for market conditions. In analyzing the influence of the market conditions at the time of sale of the comparables in relation to the market conditions as of the date of appraisal, the key factor is the passage of time. More specifically, the question to be answered in its simplest form is whether there is any trend in general prices over time. The *Date of sale* for the comparables ranges from January 2024 through July 2025 with two current listings. The NWMLS is utilized to determine any trends over time. The chart below shows the median sale price of vacant land containing less than 0.5 acres over the past year and a half for both the entire MLS (black line) and for Pierce County (green line).



ANALYSIS OF DATA & OPINIONS OF APPRAISERS

The data presented in the chart on the prior page is also categorized in the charts below.

ENTIRE MLS				PIERCE COUNTY			
Jan-24	\$97,500	Jan-25	\$99,950	Jan-24	\$112,750	Jan-25	\$55,000
Feb-24	\$80,000	Feb-25	\$99,925	Feb-24	\$155,000	Feb-25	\$120,000
Mar-24	\$107,500	Mar-25	\$91,400	Mar-24	\$150,000	Mar-25	\$80,000
Apr-24	\$83,000	Apr-25	\$110,000	Apr-24	\$63,375	Apr-25	\$64,500
May-24	\$91,000	May-25	\$109,000	May-24	\$34,000	May-25	\$55,000
Jun-24	\$105,000	Jun-25	\$90,963	Jun-24	\$172,500	Jun-25	\$40,000
Jul-24	\$105,000	Jul-25	\$110,000	Jul-24	\$62,000	Jul-25	\$155,000
Aug-24	\$90,000	Aug-25	\$97,000	Aug-24	\$49,000	Aug-25	\$97,500
Sep-24	\$95,000			Sep-24	\$77,500		
Oct-24	\$100,000			Oct-24	\$107,500		
Nov-24	\$82,500			Nov-24	\$65,000		
Dec-24	\$85,000			Dec-24	\$130,000		
Median	\$93,000	Median	\$99,938	Median	\$92,500	Median	\$72,250
% change over prior year:		7.46%		% change over prior year:		-21.89%	

As shown in the Pierce County chart, the median sale price has large fluctuations but generally decreased over the past year and a half. The entire MLS data is more stable, likely due to a larger data set. The entire MLS data shows an overall increase in prices. The entire MLS data is given more weight, as this data set is more stable. However, a smaller increase than 7.46% is appropriate given some consideration to the Pierce County data. Overall, a minimal upward adjustment of 3.0% annually, or 0.25% per month, is applied to the comparables for market conditions in the analysis to follow.

We also need to consider adjustments to the two listings. L-4 was recently listed on August 19, 2025, at \$240,000. On September 11, 2025, the listing agent opined that they have had “a ton of interest,” and they had received an offer that is under the list price. On September 15, 2025, the list price was reduced to \$235,000. It is assumed that the property will sell within 5% to 10% of the current list price. Thus, a reduction of 7.50% is applied to the current list price.

In regards to L-5, this property has been listed since February 2025 at \$250,000 with no deductions to the list price. The listing agent opined that the current list price of \$250,000 for the comparable is too high, but that the seller is “willing to sit on it.” It is assumed that in order to induce a sale of this site, a reduction will need to be applied. We will apply a 15% reduction to the list price for the analysis herein.

Qualitative Adjustments

The Across the Fence (ATF) method is being implemented to estimate a value for the subject property. As previously determined, the analysis site size used herein is 10,000 square feet. This lot size is the basis for arriving at a benchmark value for the subject site under the ATF methodology. The adjustment process is discussed following the adjustment chart.

LAND COMPARISON ANALYSIS							
Comparable Number		L-1	L-2	L-3	L-4	L-5	L-6
Sale Price	n/a	\$200,000	\$218,500	\$220,000	\$235,000	\$250,000	\$250,000
Property Rights Conveyed	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Adjustment		\$0	\$0	\$0	\$0	\$0	\$0
Adjusted Price		\$200,000	\$218,500	\$220,000	\$235,000	\$250,000	\$250,000
Financing Terms		Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller
Adjustment		\$0	\$0	\$0	\$0	\$0	\$0
Adjusted Price		\$200,000	\$218,500	\$220,000	\$235,000	\$250,000	\$250,000
Conditions of Sale		Arms Length	Arms Length	Arms Length	Arms Length	Arms Length	Arms Length
Adjustment		\$0	\$0	\$0	\$0	\$0	\$0
Adjusted Price		\$200,000	\$218,500	\$220,000	\$235,000	\$250,000	\$250,000
Buyer Expenditures/Other		None	None	None	None	None	None
Adjustment		\$0	\$0	\$0	\$0	\$0	\$0
Adjusted Price		\$200,000	\$218,500	\$220,000	\$235,000	\$250,000	\$250,000
Date of Sale	0.25% per month	Jan-24	Jun-24	Jul-25	Listing	Listing	Feb-25
Adjustment		4.75%	3.50%	0.50%	-7.50%	-15.00%	1.50%
Adjusted Price		\$209,500	\$226,148	\$221,100	\$217,375	\$212,500	\$253,750
Analysis Price		\$209,500	\$226,148	\$221,100	\$217,375	\$212,500	\$253,750
Qualitative Adjustments							
Location	Puyallup	Similar	Inferior	Similar	Similar	Similar	Similar
Adjustment			+				
Site Size (Sq.Ft.)	10,000	10,860	18,000	8,433	11,060	10,790	11,000
Adjustment			--				
Utilities Available	All Public Avail	Similar	Similar	Similar	Similar	Similar	Similar
Adjustment							
Site Utility	Average	Inferior	Superior	Similar	Inferior	Inferior	Similar
Adjustment		+	-		+	+	
Site Improvements	No	Similar	Similar	Similar	Similar	Similar	Superior
Adjustment							--
Total Adjustment		Upward	Downward	Similar	Upward	Upward	Downward

Location

L-1, L-2, L-4 and L-5 are all located in the same NWMLS area code as the subject. No adjustment is applied to L-1, L-4 and L-5. L-2, however, is located adjacent to railroad tracks, an inferior locational characteristic for an upward adjustment. L-3 and L-6 are located in areas with similar enough median home sale prices as the subject (according to NWMLS) to not warrant adjustments.

Site Size (Sq.Ft.)

The subject is analyzed based on the analysis size of 10,000 square feet. All of the comparables except L-2 are similar enough in size to the subject to not warrant an adjustment. L-2 is larger to the point of warranting a downward adjustment.

Utilities Available

The subject area has access to all typical public utilities. All of the comparables are similar enough in this category when compared to the subject to not warrant an adjustment.

Site Utility

The subject is analyzed as having average site utility. The subject and surrounding parcels are not located within a flood zone or impacted by onsite wetlands. L-1, L-4 and L-5 are all located within flood zones, which impacts site utility and upward adjustments are applied. L-2 can be subdivided, which is a superior characteristic and a downward adjustment is applied. The remaining comparables are similar enough in site utility to not warrant any further adjustments.

Site Improvements

The subject site is analyzed as an unimproved site. All of the comparables except L-6 are essentially unimproved and no adjustments are applied. L-6 was improved with a useable garage, paved driveway, gated access, and fully fenced site at the time of sale. This is superior for a downward adjustment.

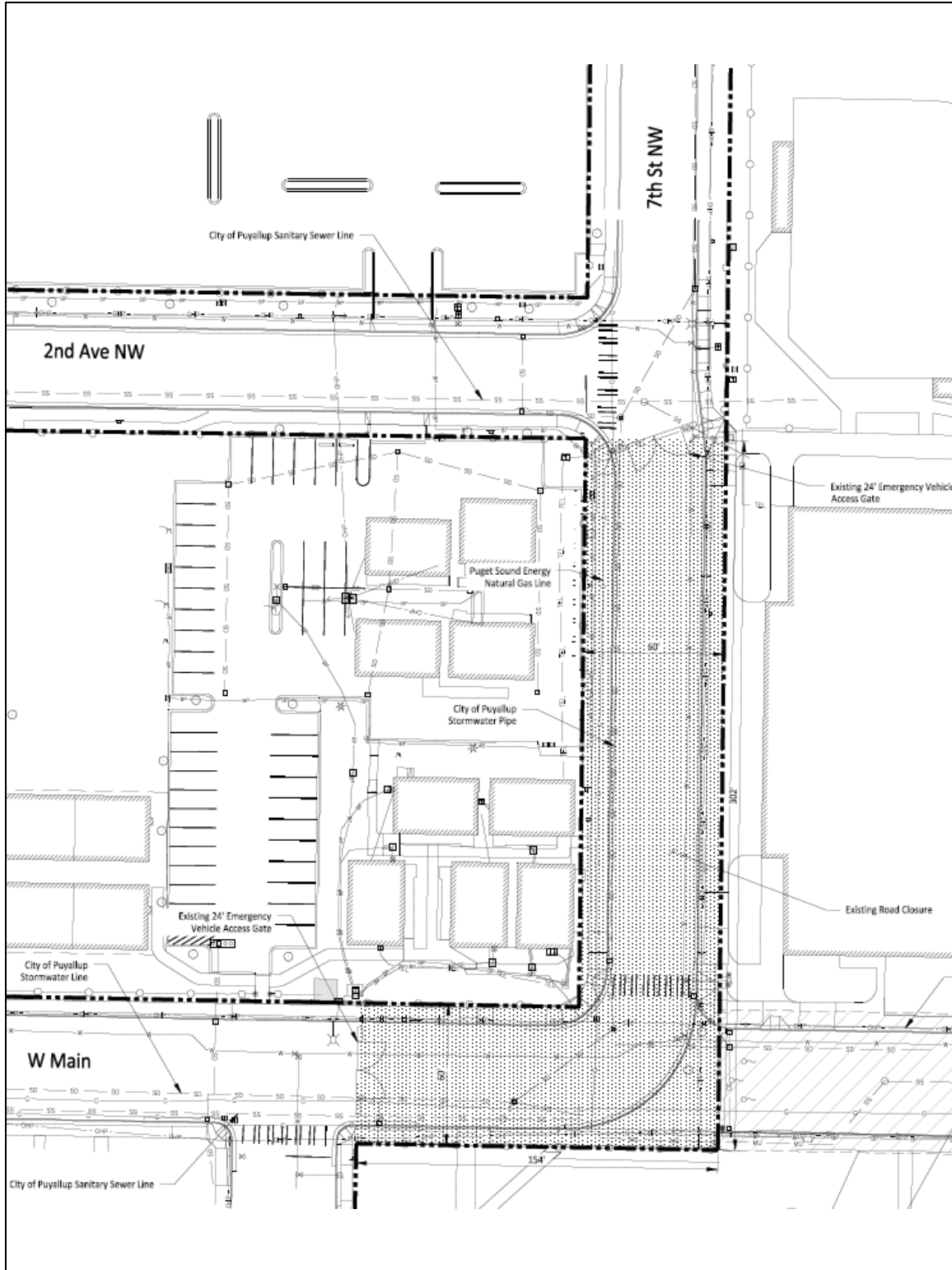
Unit Value Conclusion

After the comparison process, a base value similar to L-3 (\$221,100/site) is supported. Considering the subject analysis size is slightly larger than L-3, the final value is reconciled at \$225,000 for a 10,000-square-foot site. As shown in the chart below, this equates to \$22.50 per square foot.

<u>Indicated Value</u>	<u>Analysis Size (Sq.Ft.)</u>	<u>Price/Sq.Ft.</u>
\$225,000	10,000	\$22.50

This value estimate is reflective of the market value of the subject site analyzed as though there are no use restrictions in place. However, the city will be retaining several utility easements across the property. The utilities map, which was previously presented within the report, is reproduced again on the following page to show the location of the utility easements that will be retained by the city. As shown in the map, the easements on the site that are situated in 7th Street NW are generally located along the borders of the site, which are typical for utility easements. However, there is a water line and a storm drain in the West Main portion of the subject property that cross through the site and reduce the usability of this area. It is assumed that the subject area on West Main would not be able to accommodate structures.

The base land value of \$22.50 per square foot assumes that the owner has complete control over the site area to be acquired and that it can viably support residential development. This type of use, however, would be curtailed by the proposed easements, which would have an impact on the market value of the subject in that it essentially eliminates economically viable uses in the southerly area of the property. Thus, the question to be answered in this scenario is how much of an impact to value would such a restriction have on the subject property?



UTILITIES MAP

ANALYSIS OF DATA & OPINIONS OF APPRAISERS

The amount of impact of the proposed easements to property value can be difficult to measure but can generally be classified by the severity of the impact to the underlying rights. The following chart is an Easement Valuation Matrix⁹ categorizing the easement types and their general impacts to the total bundle of rights.

Percentage of Fee	Comments	Potential Types of Easements
90% - 100%	<ul style="list-style-type: none"> • Severe impact on surface use • Conveyance of future uses 	Overhead electric, flowage easements, railroad right of way, irrigation canals, exclusive access easements
75% - 89%	<ul style="list-style-type: none"> • Major impact on surface use • Conveyance of future uses 	Overhead electric, pipelines, drainage easements, railroad right of way, flowage easements
51% - 74%	<ul style="list-style-type: none"> • Some impact on surface use • Conveyance of ingress/egress rights 	Pipelines, scenic easements
50%	<ul style="list-style-type: none"> • Balanced use by both owner and easement holder 	Water or sewer lines, cable lines, telecommunications
26% - 49%	<ul style="list-style-type: none"> • Location along a property line • location across non-usable land area 	Water or sewer line, cable lines
11% - 25%	<ul style="list-style-type: none"> • Subsurface or air rights with minimal effect on use and utility • Location with a setback 	Air rights, water or sewer line
0% - 10%	<ul style="list-style-type: none"> • Nominal effect on use and utility 	Small subsurface easement

It should be noted that the suggested diminutions are relevant only to the easement area (not the site as a whole). The easement areas (sq.ft.) for the subject were not provided. We will be applying a diminution in value to the property as a whole. However, this chart does provide some insight into the impacts of easements on value.

Most of the existing utilities / proposed easements are located along the property lines, which the chart suggests a diminution of 26% to 49% for those easement areas. However, some of the existing utilities / proposed easements cut through the subject site and reduce the usability.

⁹ Donnie Sherwood, SR/WA, MAI, FRICS, "The Valuation of Easements," Right of Way Magazine, November/December 2014
https://eweb.irwaonline.org/eweb/upload/web_novdec_14_Valuation.pdf

ANALYSIS OF DATA & OPINIONS OF APPRAISERS

Considering that the southerly portion of the subject site (the area of West Main), may not be able to support development of a permanent structure due to the location of the easements, but also recognizing that most of the proposed easements are located along the property line, an overall diminution to the property of 30% is concluded. The previously determined base value of \$22.50 per square foot and the 30% diminution results in a value as follows:

<u>Land Size (SF)</u>	<u>Base Value</u>	<u>Diminution</u>	<u>Adjusted Base Value</u>	<u>Indicated Land Value</u>
23,806	\$22.50	30%	\$15.75	\$374,945
ROUNDED				\$375,000

**Value by the Sales Comparison Approach
as of September 11, 2025:**

\$375,000

RECONCILIATION

ACROSS THE FENCE METHOD

The Sales Comparison Approach is the only applicable valuation method for this appraisal assignment. Based on the preceding analysis, it is the opinion of the appraisers that the market value of the 23,806-square-foot right-of-way to be vacated, based on the Across the Fence method, as described herein, as of the date of inspection, September 11, 2025, is:

THREE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS

\$375,000

CERTIFICATION

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

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial and unbiased professional analyses, opinions and conclusions.
3. We have no present or prospective interest in the property that is the subject of this appraisal report and have no personal interest with respect to the parties involved.
4. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. Compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. We have made a personal inspection of the property that is the subject of this report.
8. No one provided real property appraisal assistance to the persons signing this report in the preparation of and research contained within this report.
9. The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or an approval of a loan.
12. The appraisers are competent and qualified to perform the appraisal assignment.

13. We have performed no services, as appraisers 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.

14. As of the date of this report, Matt Minarck, MAI, has completed the requirements of the continuing education program for Designated Members of the Appraisal Institute.



Matt Minarck, MAI
State of Washington License 1101115



Stephanie Wilson, Associate
State of Washington License 1102570

QUALIFICATIONS

MATTHEW A. MINARCK, MAI

EDUCATION:

Tacoma Community College - Associate of Arts and Sciences

Central Washington University - Bachelor of Arts in Law and Justice

MILITARY:

United States Army - Enlistment 1985 - 1989, 2nd Battalion, 75th Infantry Regiment, Ranger (Airborne), Fort Lewis, Washington, - Honorable Discharge, Rank of Sergeant.

PROFESSIONAL DESIGNATION:

MAI, Appraisal Institute

PROFESSIONAL EDUCATION:

Real Estate Appraisal Principles

Real Estate Appraisal Procedures

Basic Income Capitalization

Advanced Income Capitalization

General Applications

Standards of Professional Practice Parts A & B

Business Practices and Ethics

Highest and Best Use/Market Analysis

Advanced Sales Comparison and Cost Approach

Report Writing/Valuation Analysis

Advanced Applications

Uniform Appraisal Standards for Federal Land Acquisitions – Practical Applications

Appraising the Appraisal

Understanding Environmental Contamination in Real Estate

Going Concerns and Multidisciplinary Appraisals

Ted Whitmer Comprehensive Appraisal Workshop

Expert Witness Strategies

Supervisor - Trainee Course for Washington

Marshall & Swift Cost Approach – Commercial

Eminent Domain and Condemnation

Arbitration Do's and Don'ts

Fundamentals of Appraising Affordable Housing

Fundamentals of the Uniform Appraisal Standards for Federal Land Acquisitions

Various Continuing Education Courses and Seminars

CERTIFICATIONS:

General Classification - Washington State Certified Real Estate Appraiser
License 1101115 (Expiration Date June 17, 2026)

Currently on the Washington State Department of Transportation Approved Appraiser List

EXPERIENCE:

Partner/Appraiser – SH&H Valuation and Consulting (formerly Strickland, Heischman, and Hoss),
Tacoma, WA (1999 to present)

APPRAISAL EXPERIENCE INCLUDES:

Adult Family Homes	Leasehold Interests
Agricultural Land	Litigation Support
Airplane Hangars	Marinas
Apartments	Nurseries
Automobile Dealerships	Offices (Professional and Medical)
Bank Branches	Oil Refineries
Carwashes	Private Schools
Churches	Recreational Properties
Cold Storage Facilities	Religious Facilities and Retreats
Commercial Land	Residential –Single and Multi-Family
Condominium Properties	Resource and Forest Land Properties
Conservation Easements	Restaurants
Day Care Centers	Retail Centers
Distribution Facilities	Right-of-Way Acquisitions
Estate Planning	Self Storage Facilities
Food Processing Facilities	Senior Care Facilities
Forestry/Resource Land	Shellfish Processing Plants
Gas Station/C-Stores	Shopping Centers
Golf Courses	Subdivisions (Commercial and Residential)
Hotels/Motels	Warehouse Facilities
Industrial Properties	Waterfront Properties
502 Production Facilities	Wildlife Habitat Restoration

PARTIAL LIST OF CLIENTS FOR WHICH I HAVE COMPLETED APPRAISALS:

Parallel Commercial Capitol	Wells Fargo
Interwest Bancorp	Continental Savings Bank
Zion First National Bank	South Sound Bank
Kitsap Bank	Union Bank of California
AmSouth Bank	WA State Department of Natural Resources
Columbia Bank	Redmond National Bank
Mt. Rainier National Bank	King County Department of Transportation
Key Bank	Bank of America
Union Bank	Security State Bank
Washington Mutual Bank	U.S. Bank
Valley Bank	Timberland Savings Bank
Amresco Independent Funding, Inc.	Anchor Savings Bank
City of Tacoma	City of Olympia
Jesse Engineering	Morse Investment
City of Gig Harbor	Puyallup Tribe of Indians
City of Kent	Washington Business Bank
Port of Tacoma	Washington State Department of Transportation
City of Yakima	Jesse Engineering
Whidbey Island Bank	Pierce County
Commencement Bank	Timberland Bank
Harborstone Credit Union	First Savings Bank NW
Sunwest Bank	Anchor Bank
Umpqua Bank	The Rush Companies
Russell Foundation	Thurston First Bank
First Federal	Heritage Bank
Port of Chehalis	Port of Shelton
Simon Johnson Company	Mason County Public Works
Liberty Mutual Insurance	Kitsap Credit Union
Froboese Realty Advisors	North Thurston Public Schools
Coastal Community Bank	CHI Franciscan
Port of Seattle (NW Seaport Alliance)	First Citizens Bank
Mason County Public Works	Umpqua Bank
Olympia Federal Savings	Vine Street Investors
Peninsula Light Company	Sound Credit Union
Homestreet Bank	WA State Attorney General's Office
First National Bank of Alaska	Kaufman Construction
Uni Bank	Seattle Bank

PARTIAL LIST OF WASHINGTON COUNTIES APPRAISED IN:

Benton County	Lewis County
Clallam County	Mason County
Clark County	Okanogan County
Cowlitz County	Pierce County
Grant County	Skagit County
Grays Harbor County	Skamania County
Jefferson County	Snohomish County
King County	Spokane County
Kitsap County	Thurston County
Kittitas County	Whatcom County
	Yakima County

STEPHANIE WILSON

GENERAL EDUCATION

Washington State University, Bachelor of Arts in Communications with an emphasis in Journalism

CERTIFICATIONS

Washington State Certified General Real Estate Appraiser
License 1102570 (Expiration Date: August 26, 2026)

PROFESSIONAL EXPERIENCE

Real Estate Appraiser and Consultant with Strickland, Heischman and Hoss (2013-2015)
Real Estate Appraiser and Consultant with SH&H Valuation and Consulting (2016-current)

PROFESSIONAL EDUCATION

Basic Appraisal Principles
Basic Appraisal Procedures
Uniform Standards of Professional Appraisal Practice (USPAP)
Statistics, Modeling and Finance
General Appraiser Market Analysis Highest and Best Use
General Appraiser Sales Comparison Approach
General Appraiser Income Approach
General Appraiser Site Valuation and Cost Approach
General Report Writing & Case Studies
Expert Witness for Commercial Appraisers
Commercial Appraiser Review
Appraisal of Industrial Incubators
Appraisal of Fast Food Facilities
Appraisal of Land Subject to Ground Leases
Uniform Appraisal Standards for Federal Land Acquisitions (Yellow Book) Course

APPRAISAL EXPERIENCE IN THE FOLLOWING WASHINGTON COUNTIES

Jefferson County	Mason County
Kittitas County	Lewis County
Island County	Okanogan County
Grays Harbor County	Pierce County
King County	Snohomish County
Kitsap County	Thurston County

APPRAISAL EXPERIENCE INCLUDES

Agricultural Land	Mobile Home Parks
Apartments	Multi-Family Land
Auto Dealerships	Oil and Refinery Property
Billboards	Professional Offices
Churches/Monastery/Religious Buildings	Residential Land
Commercial/Industrial Land	Restaurants
Condominiums	Right-of-Way/Eminent Domain
Conference/Retreat Centers	RV Parks
Contractor Yards	Rural Land
Day Cares	Schools
Dental Offices	Self-Storage Properties
Ground Leases	Single-Family Residences
Hotel/Motel	Strip Retail Properties
Industrial Properties	Submerged Land
Marinas	Subdivision Land
Medical Offices	Waterfront properties
Mixed Use Properties	Wetlands

ASSISTED IN COMPLETION OF APPRAISAL ASSIGNMENTS FOR THE FOLLOWING CLIENTS

Anchor Bank	Pacific Continental
AG Financial Services	People's Bank
Bank of America	Pierce Transit
Bank of the West	Puget Sound Bank
BECU	Quinault Indian Nation
Columbia Bank	Seattle Bank
Commencement Bank	South Sound Bank
Department of Natural Resources	Sunwest Bank
First Citizens Bank	Thurston First Bank
First Federal	Timberland Bank
First Savings Bank Northwest	Umpqua Bank
Franciscan Medical Group	Universal Field Services
Harborstone Credit Union	US Bank
Heritage Bank	U.S. Small Business Administration
Jefferson Healthcare	Various Attorneys
Jefferson Land Trust	Various Private Individuals and Estates
JPMorgan Chase Bank	Washington Federal
Key Bank	Washington State Department of Transportation
Kitsap Bank	Wells Fargo Bank

ASSUMPTIONS AND LIMITING CONDITIONS

Unless noted otherwise in the body of the report, this appraisal is subject to the following assumptions and limiting conditions.

1. No responsibility is assumed for legal or title considerations. Title to the subject property is marketable and free and clear of all liens, encumbrances, encroachments, easements and restrictions. The property is assumed to be under responsible ownership and competent management and is assumed available for its highest and best use.
2. There are no existing judgments or pending or threatened litigation that impact the value of the property.
3. There are no hidden or undisclosed conditions of the land or of the improvements that impact the value of the property.
4. Information, public and private, relevant to sale price indications is assumed to be correct.
5. The property is in compliance with all applicable building, environmental, zoning, and other federal, state and local laws, regulations and codes.
6. Information, estimates and opinions contained in the report, obtained from others, including third-party sources, are assumed to be reliable and have not been independently verified and no warranty is given for accuracy.
7. An appraisal is inherently subjective and represents our opinion as to the value of the property appraised.
8. The conclusions stated in our appraisal apply only as of the effective date of the appraisal, and no representation is made as to the effect of subsequent events.
9. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.
10. When environmental impact studies are not provided in conjunction with the appraisal, we reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the appraisal assumes that such statement will be favorable and will be approved by the appropriate regulatory bodies.

ASSUMPTIONS AND LIMITING CONDITIONS

11. Unless otherwise agreed to in writing, we are not required to give testimony, respond to any subpoena or attend any court, governmental or other hearing with reference to the property without compensation relative to such additional employment.
12. We have made no survey of the property and assume no responsibility in connection with such matters. Any sketch or survey of the property included in this report is for illustrative purposes only and should not be considered to be scaled accurately for size. The appraisal covers the property as described in this report, and the areas and dimensions set forth are assumed to be correct.
13. No opinion is expressed as to the value of subsurface oil, gas or mineral rights, if any, and we have assumed that the property is not subject to surface entry for the exploration or removal of such materials, unless otherwise noted in our appraisal.
14. We accept no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal descriptions and other legal matters such as legal title, geologic considerations such as soils and seismic stability, and civil, mechanical, electrical, structural and other engineering and environmental matters.
15. The distribution of the total valuation in the report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used. The appraisal report shall be considered only in its entirety. No part of the appraisal report shall be utilized separately or out of context.
16. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the person signing the report.

ASSUMPTIONS AND LIMITING CONDITIONS

17. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute predictions of future operating results.
18. If the property is subject to one or more leases, any estimate of residual value contained in the appraisal may be particularly affected by significant changes in the condition of the economy, of the real estate industry, or of the appraised property at the time these leases expire or otherwise terminate.
19. No consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property; only the real property has been considered.
20. The current purchasing power of the dollar is the basis for the value stated herein. We have assumed that no extreme fluctuations in economic cycles will occur.
21. The analyses contained in the report necessarily incorporate numerous estimates and assumptions regarding property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates, and the variations may be material. The *Americans with Disabilities Act (ADA)* became effective in the 1990s. We have not made a specific survey or analysis of the property to determine whether the physical aspects of the improvements meet the *ADA* accessibility guidelines. We claim no expertise in *ADA* issues, and render no opinion regarding compliance of the subject with *ADA* regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.

ASSUMPTIONS AND LIMITING CONDITIONS

22. No studies have been provided to us indicating the presence or absence of hazardous materials on the subject property or in the improvements, and our valuation is predicated upon the assumption that the subject property is free and clear of any environmental hazards including, without limitation, hazardous wastes, toxic substances and mold. No representations or warranties are made regarding the environmental condition of the subject property and the person signing the report shall not be responsible for any such environmental conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because we are not experts in the field of environmental conditions, the appraisal report cannot be considered as an environmental assessment of the subject property.
23. The person signing the report may have reviewed available flood maps and may have noted in the appraisal report whether the subject property is located in an identified Special Flood Hazard Area. We are not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are non-existent or minimal.
24. The appraisal report and the value conclusion within the appraisal is predicated upon the assumption that the satisfactory completion of construction, repairs or alterations will be performed in a workmanlike manner.
25. It is expressly acknowledged that in any action which may be brought against SH&H Valuation and Consulting, or their respective officers, owners, managers, directors, agents, subcontractors or employees (the "SH&H Valuation and Consulting Parties"), arising out of, relating to, or in any way pertaining to this engagement, the appraisal reports, or any estimates or information contained therein, the "SH&H Valuation and Consulting Parties" shall not be responsible or liable for an incidental or consequential damages or losses, unless the appraisal was fraudulent or prepared with gross negligence. It is further acknowledged that the collective liability of the "SH&H Valuation and Consulting Parties" in any such action shall not exceed the fees paid for the preparation of the appraisal report unless the appraisal was fraudulent or prepared with gross negligence. Finally, it is acknowledged that the fees charged herein are in reliance upon the foregoing limitations of liability.

ASSUMPTIONS AND LIMITING CONDITIONS

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

EXTRAORDINARY ASSUMPTIONS AND/OR HYPOTHETICAL CONDITIONS

- 1) **Extraordinary Assumption:** *“an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser’s opinions or conclusions.”*¹⁰ Extraordinary assumptions assume as fact 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 analysis.

There are no extraordinary assumptions relevant to this appraisal.

- 2) **Hypothetical Condition:** *“a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.”*¹¹ A hypothetical condition assumes conditions 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 analysis.

There are no hypothetical conditions relevant to this appraisal.

¹⁰ *Uniform Standards of Professional Appraisal Practice, 2024 Edition*, Appraisal Standards Board, The Appraisal Foundation, Washington D.C., p. 4.

¹¹ *Ibid*, p. 4.

ADDENDA

AGREEMENT FOR CONSULTING SERVICES PUYALLUP SCHOOL DISTRICT

THIS AGREEMENT is entered into as of **8/26/2025**, by and between the Puyallup School District No. 3, 323 12th Street NW, Puyallup, WA 98371 ("School District") and **SH&H VALUATION LLC** ("Consultant").

A. *The School District desires to engage the Consultant to perform certain technical, professional, and other services described in this Agreement ("Services") including the Services described in Attachment 1 for the **Puyallup High School - Library Science Building (7583)** Project ("Project.")*

B. *The Consultant represents that it is in all respects qualified to perform the Services, is capable of performing the Services, and is not financially associated with the School District.*

AGREEMENT

1. Contractual Relationship

The Consultant shall be and operate as an independent contractor and shall have control over and responsibility for the conduct of all personnel performing the Services. The Consultant is not an officer, agent, or employee of the School District for any purpose, and is not authorized on behalf of the School District to enter into any agreements, to waive any provisions of the Project's Contract Documents, to receive or accept contractual notice, to authorize payment, or to accept or approve any change in the Contract Sum or Contract Time as set forth in the Contract Documents. The School District shall not be responsible for fringe benefits, withholding, paying of any taxes on behalf of Consultant or Consultant's employees or agents, or remuneration above the amount stipulated in this Agreement. This Agreement does not preclude the Consultant from undertaking work or assignments from other school districts, agencies or individuals.

2. Scope of Service

a. **Services.** The Consultant shall perform Services pursuant to this Agreement as more fully described in Attachment 1 hereto. Any terms therein inconsistent with this Agreement and any limitations or extensions of liability therein are void unless each such term is initialed by both parties.

b. **Performance.** All of the Services will be performed by or through the Consultant in a satisfactory and proper manner, as determined by the School District. None of the Services shall be subcontracted without prior written approval of the School District. The Consultant shall perform the Services with a high standard of care, skill and diligence. At the time of performance, the Consultant shall be properly licensed, equipped, organized

and financed to perform the Services. The Consultant shall be familiar with the Project requirements, such as the program, Project site work area, Contract Time, and other information affecting the Consultant's services.

c. Correction. The Consultant shall, at no cost to the School District, promptly and satisfactorily correct and/or complete any Services found to be defective, incomplete, or not in conformity with the requirements of this Agreement.

d. Compliance. The Consultant shall comply, and shall contractually require that the Services of all its subconsultants comply, with applicable federal, state and local laws, regulations, codes and orders.

e. Conflicts. The Consultant has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner with the performance of the Services. The Consultant will not employ any person in the performance of this Agreement having any such interest.

3. **Personnel**

a. The Consultant will secure at its own expense all personnel required to perform the Services. These personnel shall not be employees of, or have any contractual relationship with, the School District or the Project's Contractor, and they shall be experienced, fully qualified and authorized under applicable law to perform their portion(s) of the Services.

b. The Services will be suitable for the intended purpose. The Project Representative shall be **Matt Minarck**, who shall not be changed without the School District's written consent.

c. The School District's Project representative is **Larry Vandenberg**. All communications from the Consultant to the School District shall be to this Project representative.

d. If the Work is being performed at a site in active school use or where there is a likelihood of contact with children, no employee of the Consultant may be present on site if he or she has pled guilty to or has been convicted of any felony crime involving the physical neglect of a child under Chapter 9A.42 RCW, the physical injury or death of a child under Chapter 9A.32 RCW or Chapter 9A.36 RCW (except motor vehicle violations under Chapter 46.61 RCW), sexual exploitation of a child under Chapter 9.68A RCW, sexual offenses under Chapter 9A.44 RCW where a minor is a victim, promoting prostitution of a minor under Chapter 9A.88 RCW, the sale or purchase of a minor child under Chapter 9A.64.030 RCW, or violation of similar laws of another jurisdiction. The Consultant shall remove from the Services any employee or other person who has engaged in such actions or who the School District reasonably considers objectionable at no cost to the School District. Failure to comply with these requirements is grounds for immediate termination of the Agreement.

4. **Time of Performance**

The timing for performing the Services is of the essence. The Services shall be undertaken so as to assure their expeditious completion in the light of the purpose of this Agreement. The Services shall be completed by, and the Agreement shall remain in effect until **1/1/2026** unless cancelled prior to that date pursuant to this Agreement.

5. **Compensation**

a. Fee. The School District agrees to pay the Consultant the following Fee:

A **fixed, lump sum Fee** of **\$4,300** as full and complete compensation for the Services. Any costs incurred by the Consultant in excess of the Fee are the responsibility of Consultant unless approved in writing by the School District prior to being incurred.

or

Compensation for Services of the Consultant shall be on an **hourly basis** at the rates listed in Attachments 1 and 2. The Compensation for Services, including any subconsultants, shall not exceed , without the prior written approval of the School District.

b. Reimbursable Expenses. In addition to the Fee, the School District agrees to pay the Consultant a multiple of 1.1 times the following Reimbursable Expenses to the extent paid by the Consultant in the interest of the Project:

c. Changes in Services. Additional compensation for a pre-authorized Change in Services shall be paid as agreed in writing prior to commencement of the Services. The Consultant will not, however, be entitled to additional compensation for Services incurred because of the fault of the Consultant. Failure of the Consultant to obtain the School District's written agreement to pay for additional services shall be a waiver of any claim thereto.

d. Method of Payment. The Consultant will submit a detailed monthly written request for payment and, upon the School District's request, a progress report certifying that it has performed the designated Services under the Agreement, and that it is entitled to receive the amount requested. Payment will be made on the basis of the actual Services approved as completed. All invoices shall be on a form provided or approved by the School District. The School District will pay the Consultant within 30 days of receipt of the request and report. Payments due and owing but unpaid shall bear interest at the Bank of America Prime Rate plus 2% after 30 days.

e. Weekly Updates on Costs. The Consultant shall provide weekly budget updates and weekly timesheets to the School District.

5. Changes in Services

The School District may, at any time, require changes in the scope of the Services. A Contract Modification, including any increase or decrease in the Consultant's compensation and/or time of performance, will be incorporated in written amendments to this Agreement when mutually agreed upon by both parties.

6. Indemnification

The Consultant shall indemnify, and hold harmless the School District, its agents, directors and employees, successors and assigns, and its architect, engineer, and other consultants, from and against all claims, damages, losses and expenses, direct or indirect, or consequential, including costs and attorneys' fees incurred on such claims and in proving the right to indemnification, to the extent they are caused by any negligent or wrongful act or omission of the Consultant, its employees, agents or anyone acting on its behalf.

7. Insurance

a. Certificates. The Consultant shall not commence performance of Services under this Agreement until all required insurance has been obtained and a certificate has been submitted to the School District. All certificates must provide 30 days' prior notice to the School District of cancellation, nonrenewal, or material alteration of the insurance. The Comprehensive General Liability and the Comprehensive Automobile Liability policies shall name the School District as an additional named insured. Lapse of coverage or failure to furnish satisfactory evidence of insurance is cause for termination of this Agreement.

b. Coverage. The Consultant warrants that it has secured and will maintain for the duration of this Agreement plus one year following the date of Final Acceptance of the Project insurance in the minimum amounts specified as follows:

<u>Type of Insurance</u>	<u>Each Occurrence</u>	<u>Aggregate</u>
Worker's Compensation	(Statutory)	(Statutory)
Comprehensive General Liability	\$1,000,000	\$2,000,000
Comprehensive Automobile Liability	(Statutory)	(Statutory)
Errors and Omissions	\$500,000	Per Occurrence
Employers Liability (Stop Gap)	\$1,000,000	\$1,000,000

8. Dispute Resolution

a. Mediation. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall first be subject to nonbinding mediation. A request for mediation shall be filed in writing with the other party to the Agreement, and the parties shall promptly attempt to mutually agree upon a mediator. If the parties have not reached

agreement on a mediator within thirty days of the request, either party may file the request with the American Arbitration Association with a copy to the other party, and the mediation shall be in accordance with the Construction Industry Mediation Rules of the American Arbitration Association.

b. Mediation Procedure. A principal of the Consultant and the Superintendent or designee of the School District, both having full authority to settle the claim, must attend the mediation session. To the extent there are other parties in interest, such as subconsultants, the Contractor, and/or designers, their representatives, with full authority to settle the claim, shall also attend the mediation session. Unless the School District and Consultant mutually agree in writing otherwise, all unresolved Claims in the Project shall be considered at a single mediation session which shall occur prior to Final Acceptance by School District.

c. Litigation. The Consultant may not bring litigation on claims unless they have been properly raised and considered in the above mediation procedure.

d. No Waiver. The requirements of this paragraph cannot be waived except by an explicit written waiver signed by the School District.

9. **Termination**

a. Termination by School District. The School District may, at its option, terminate all or a portion of the Services not then performed under this Agreement at any time with or without cause by notifying the Consultant in writing. All finished or unfinished documents, reports, information, data, drawings, maps, models, photographs, studies, and work product given to, prepared or assembled by or for the benefit of the Consultant under this Agreement, including but not limited to all items listed in Section 11.d, shall, at the option of the School District, thereupon become the School District's property.

b. Compensation. The School District shall be liable to the Consultant for the Consultant's just and equitable compensation for all Services to the extent satisfactorily completed prior to termination, but in no event shall this compensation exceed the percentage of total Services satisfactorily completed at the time of termination times the total compensation payable under this Agreement. In no event shall the School District be liable for any consequential or incidental damages, including but not limited to loss of profit on this or other projects or of reputation incurred by the Consultant as a result of such termination.

10. **Miscellaneous**

a. Assignment. The Consultant shall not assign or transfer any interest in this Agreement without the prior written consent of the School District.

b. Governing Law. This Agreement shall be governed by the internal laws of the State of Washington, not including its choice-of-law provisions.

c. Nondiscrimination. The Consultant shall comply with all applicable provisions of RCW 49.60, as well as other state, local, and federal civil rights laws.

d. Material Created During Performance of Contract. All data, designs, drawings, tracings, artwork, plans, layouts, programs, flow charts, specifications, computer software, documentation, work product, notes, and any and all memoranda, including but not limited to, physical and electronic copies, and any and all written information which may be developed, produced, prepared, or designed by the Consultant in connection with the Services to be performed hereunder, shall be the joint property of the Consultant and the School District, shall be available to the School District at all times, and may be used by the School District for any purpose without additional compensation to the Consultant. To the extent that the Consultant asserts any rights or establishes any claim under design or copyright laws, such rights shall also accrue to the School District. Upon the termination or completion of the Agreement, any and all material referred to in this paragraph, together with all copies in the Consultant's possession, custody, or control, shall be promptly transferred and delivered to the School District, upon the School District's request, except that the Consultant may retain one archival copy.

e. Hazardous Waste. The Consultant will not cause nor permit any activities on the School District's property which directly or indirectly could result in the School District's property becoming contaminated with hazardous or toxic waste or substances. For purposes of this Agreement, the term "hazardous or toxic waste or substances" means any substance or material defined or designated as hazardous or toxic wastes, hazardous or toxic material, a hazardous, toxic or radioactive substance or other similar term by any applicable federal, state or local statute, regulation or ordinance now or hereafter in effect. To the extent that the Consultant becomes aware of any actual or suspected hazardous waste, the Consultant shall immediately report it to the School District's Project representative.

f. Accounting. Upon request, the Consultant shall provide the School District with an accounting of Services, which shall detail the Services performed on each invoice, the amounts paid to any subconsultants (supported by copies of all paid invoices) and such other information as the School District may reasonably request. Upon request, the Consultant shall provide the School District with access to the books and records related to the Services of Consultant and its subconsultants for inspection, audit, and reproduction.

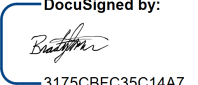
g. Notices. Any notice or demand required under this Agreement will be in writing, and will be personally served or sent by certified mail, return receipt requested, postage prepaid, or by a recognized overnight carrier which provides proof of receipt. Either party may change the address to which notice are sent by sending written notice of such change of address to the other party.

h. Entire Contract. This Agreement constitutes the entire agreement between the School District and the Consultant and supersedes any prior oral or written statements or agreements. To the extent that the Consultant has provided a proposal to perform these consulting Services and such proposal includes the Consultant's standard terms and

conditions that are not specific to the Services performed on this Project, such terms and conditions are not a part of this Agreement except to the extent explicitly accepted in writing by the School District.

PUYALLUP SCHOOL DISTRICT No. 3

CONSULTANT

By:  3175CBFC35C14A7...

Its: Brady Martin – Executive Director of
Construction, Maintenance & Facilities
Planning

Date: 8/27/2025

By:  04B76B7E57184D8...

Its: Matt Minarck - Consultant

Date: 8/26/2025

PUYALLUP SIGNATURES

PROJECT MANAGER

DocuSigned by:
Larry Vandeberg
453F5767EF87494...

By: _____

Its: Larry Vandeberg

Date: 8/27/2025

Attachment 1



August 21, 2025

Brian Devereux
Director of Facilities Planning
Puyallup School District
302 2nd Street SE
Puyallup, WA 98372
(253) 841-8772

RE: Appraisal Services Relevant to:
Proposed Street Vacation
7th Street NW between 2nd Avenue NW and West Main Street
Puyallup, WA 98371

Dear Mr. Devereux:

I am providing this engagement letter as the basis for appraisal services relevant to the above referenced property. The property consists of a section of 7th Street NW, a public right-of-way, located between 2nd Avenue NW and West Main Street, within the city limits of Puyallup, Washington. It is my understanding that the client (Puyallup School District) is petitioning for the permanent closure and vacation of this section of 7th Street NW. The purpose of the appraisal is to provide the market value relevant to the subject property as of the date of my inspection. It is my understanding that the report will be utilized by the client for the purpose of making future real estate decisions relevant to the potential acquisition of the vacated section of road.

The appraisal will be provided in a *Narrative Appraisal Report* format utilizing the “across the fence” methodology for street vacation valuations. The report will be prepared with the intent to be in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, which includes the Uniform Standards of Professional Appraisal Practice (USPAP).

The total fee to complete the appraisal report is \$4,300. The report will be provided to you within thirty-five (35) days from the date of being formally engaged for the assignment, assuming all relevant information needed for the completion of the appraisal is available in a timely fashion.

Formal engagement for this assignment will commence upon receipt of a signed copy of this document. Payment is due upon completion and delivery of the report. Payment can be made by check (made out to SH&H Valuation and Consulting) or by ACH payment with no processing fee. Payment by credit card is also acceptable but would incur a 3% transaction fee. If either ACH or credit card payment is desired, please contact our administrative staff at 253-564-3230 to assist with the process during normal business hours (M-F, 8:00 AM-5:00 PM).

If this proposal is acceptable, please confirm by signing this letter in the space provided below and returning it to our office. Please feel free to contact me if you have any questions. I look forward to working with you on this assignment.

Sincerely,



Matt Minarck, MAI

Engagement Letter Accepted: _____
Client Signature Date



STATE OF WASHINGTON

DEPARTMENT OF LICENSING - BUSINESS AND PROFESSIONS DIVISION
THIS CERTIFIES THE PERSON OR BUSINESS NAMED BELOW IS AUTHORIZED AS A



**CERTIFIED GENERAL REAL ESTATE APPRAISER
SUPERVISOR**

MATTHEW ALBERT MINARCK

1101115
License Number

05/20/2003
Issue Date

06/17/2026
Expiration Date



Marcus J Glasper, Director



STATE OF WASHINGTON

DEPARTMENT OF LICENSING - BUSINESS AND PROFESSIONS DIVISION
THIS CERTIFIES THE PERSON OR BUSINESS NAMED BELOW IS AUTHORIZED AS A



CERTIFIED GENERAL REAL ESTATE APPRAISER

STEPHANIE MARIE WILSON

1102570
License Number

05/06/2019
Issue Date

08/26/2026
Expiration Date



Marcus J Glasper, Director



3609 Market Place West, Suite 201, University Place, WA 98466
p. 253.564.3230 | f. 253.564.3143