

# ALBANY CITY COUNCIL AGENDA

**Wednesday, March 26, 2025**  
**6:00 p.m.**

Council Chambers, City Hall  
333 Broadalbin Street SW

Watch on YouTube: <https://www.youtube.com/user/cityofalbany>

Please help us get Albany's work done.

Be respectful and refer to the rules of conduct posted by the main door to the Chambers and on the website.

**1. Call to order and pledge of allegiance**

**2. Roll call**

**3. Adoption of consent agenda**

- a. Approval of minutes [Pages 3-6]
  - 1) March 10, 2025 city council meeting
  - 2) March 03, 2025 joint planning commission city council work session
- b. Recommendation(s) to OLCC [Page 7]
  - 1) Approve Limited On-Premises Sales, Commercial, Liquor License Application for Sugar J's Ice Cream Workshop, Located at 226 2nd Avenue SW

MOTION: \_\_\_\_\_

**4. Public Comment**

**5. Action Items(s)**

- a. Adopt by motion- Award of Contract for WL-24-01, Countryman Circle Water Line to Wind Rose Excavation in the amount of \$755,515.55 - Carl Berg [Pages 8-11]

MOTION: \_\_\_\_\_

- d. Adopt by motion- Award Deerfield Park Renovation Contract to Durbin Excavating, LLC in the amount of \$662,431.65 - Kim Lyddane- [Pages 12-13]

MOTION: \_\_\_\_\_

**6. Informational Briefings/Staff Reports**

- a. Real property discussion 9<sup>th</sup> and Jackson City Owned Properties – Possible Action. Discussion/Direction– Matthew Ruettgers [Pages 14-174]
- b. Real property discussion 205 Madison Street NE City Owned Property-Possible Action. Discussion/Direction– Matthew Ruettgers [Pages 175-233]

**7. Business from the Council**



**8. City Manager Reports**

- 9. Recess to executive session** to discuss litigation or litigation likely to be filed in accordance with ORS 192.660 (2)(h).

**10. Reconvene**

**11. Next meeting dates**

Monday, April 7, 2025; 4:00 p.m. work session

Wednesday, April 9, 2025; 6:00 p.m. meeting

Thursday, April 10, 2025; 6:00 p.m. capital improvement joint work session (Planning Commission, Budget Review Committee and City Council)

**12. Adjournment**

*This meeting is accessible to the public via video connection. The location for in-person attendance is accessible to people with disabilities. If you have a disability that requires accommodation, please notify city staff at least 48 hours in advance of the meeting at: [cityclerk@albanyoregon.gov](mailto:cityclerk@albanyoregon.gov)*

*Testimony provided at the meeting is part of the public record. Meetings are recorded, capturing both in-person and virtual participation, and are posted on the City website.*



**MINUTES**

Monday, March 10, 2025  
Meeting  
Council Chambers, City Hall

Approved: DRAFT

Call to Order and Pledge of Allegiance

Council President Steph Newton-Azorr called the meeting to order at 4:00 p.m. The Council President led the pledge of allegiance.

Roll Call

Councilors present: Council President Steph Newton-Azorr, and Councilors Michael Thomson, Carolyn McLeod, Marilyn Smith, and Ramycia McGhee (virtual)  
Councilors absent: Mayor Alex Johnson II, Jackie Montague

Presentations and Ceremonies

Recognition for Outstanding Performance of the Albany ShrubHub Program **4:02 p.m.**

Director of Public Works Chris Bailey said that the city has a large need for plants, as environmental regulations require a lot of vegetive facilities along roads, and at Talking Water Gardens. She said that purchasing plants is expensive, and three city employees crafted an idea to create a city plant nursery, which uses treated wastewater. The plants were created from cuttings, and thousands of plants have been made for city use. They are also given away at farmers markets to showcase natural treatment systems. A grant item for growing the program would be on the agenda for council consideration later in the meeting, which was no/zero match by the city.

City Manager Peter Troedsson gifted challenge coins to Joe Deardorff, Meredith Tennant and Alexander Cogin, and thanked them for their initiative and dedication to the city.

Joe Deardorff, Natural Treatment Systems Supervisor provided a summary of the amount and types of plants produced in the nursery. He said that a Department of Land Conservation and Development grant item would be on the consent agenda for the Albany ShrubHUB later in the meeting. The grant would fund a greenhouse and insulated shipping container, which could be used as a plant cooler at the nursery. It was estimated to save the city \$10,000 or more per year, from plants the city did not have to purchase. The program could also potentially grow oak trees, or other street trees for Park and Recreation in the future.

Stand against the wind non-profit **4:09 p.m.**

Rich Kellum presented about the Stand Against the Wind non-profit organization. He said that the non-profit was created with \$700,000 in endowment funds and was expected to generate \$30,000-\$40,000 in annual funds for award. He said that the organization would award government employees cash awards for ideas which saved their government organization money.

Business from the Public **4:20 p.m.**

Lise Grato, Executive Director of the Albany Downtown Association provided information and updates about the Albany Downtown.

Adoption of Consent Agenda

- a. Appointments/resignations
  - 1) Accepting Skylar Bailey's resignation from the Community Development Commission
- b. Approval of minutes
  - 1) February 24, 2025, City Council work session
  - 2) February 26, 2025, City Council meeting
- c. Recommendation(s) to OLCC
  - 1) Approval of commercial liquor license application, limited on-premises, Tiwana Tech LLC., DBA Ciddicis Pizza located at 859 Belmont Ave SQ, UNIT 110, due to a change of ownership
  - 2) Approval of new liquor license application, retail off-premises sales, Sierra Enterprises Oregon, Inc., DBA Royal Mart #114, located at 3105 Santiam Highway.
- d. Adoption of resolution(s)
  - 1) Accept right of way dedication ST-22-06, Geary Street Sidewalk Espinoza/Herndon RES NO. 7399
  - 2) Accept Department of Land Conservation and Development DLCD Grant for Albany ShrubHub greenhouse and cooler construction RES NO.7400



**MOTION:** Thomson moved to approve the consent agenda as presented. McLeod seconded the motion, which passed 5-0.

Business from the council

**4:24 p.m.**

Thomson said that he attended a Community Conversation regarding the city owned 205 Madison property.

McLeod said that she attended the same meeting.

McGhee said that she was meeting with the Deputy City Manager to discuss internships at the City, and would provide an update at a later date.

Smith said that she would like to acknowledge the recent passing of Russ Tripp, who was a previous City of Albany Mayor.

City Manager Report

**4:27 p.m.**

Troedsson invited the council to attend the Hub City Compost event. He shared that the March 24 work session has been cancelled/merged into the March 26<sup>th</sup>,2025 meeting. He shared that he would be on vacation for twelve days. Deputy City Manager Kayla Barber-Perrotta would be Acting City Manager during that time.

Next Meeting Date

Wednesday, March 12, 2025; 6:00 p.m. meeting-Cancelled

Wednesday, March 26, 2025; 6:00 p.m. work meeting

ADJOURNMENT

There being no other business, the meeting was adjourned at 4:30 p.m.

Respectfully submitted,

Reviewed by,

Erik Glover  
City Recorder

Peter Troedsson  
City Manager

*\*Documents discussed at the meeting that are not in the agenda packet are archived in the record. Documents from staff are posted to the website after the meeting. Documents submitted by the public are available by emailing [cityclerk@albanyoregon.org](mailto:cityclerk@albanyoregon.org).*



## MINUTES

Monday, March 03, 2025

Council Chambers – 5:15 p.m.

Approved Planning Commission: March 17, 2025

Approved City Council: Draft

### Call to Order

**5:15 p.m.**

Chair JoAnn Miller called the meeting to order at 5:15 p.m.

### Pledge of Allegiance

### Roll Call

Commissioners Present: Skylar Bailey, Karen Cardosa, JoAnn Miller, Theadore Bunch Jr.,  
Stacey Bartholomew, Kenny Larson, Tami Cockeram

Commissioners Absent: Ron Green (excused)

City Council Members Present: Mayor Alex Johnson II and Councilors Steph Newton-Azorr, Michael  
Thomson, Jackie Montague, Carolyn McLeod, Ramycia McGhee,  
Marilyn Smith

City Council Members Absent: None

### Scheduled Business: Climate Friendly Areas and Walkability Standards Adoption

**5:16 p.m.**

Comprehensive Planning Manager, Anne Catlin gave a brief review sharing slides\* of the Climate Friendly and Equitable Communities work done to date and presented the timeline for the implementation of the Climate Friendly Rules (Oregon Administrative Rule (OAR) 660-012-0320).

Mayor Johnson II asked if the projected future housing needs that were identified in the Housing Needs Analysis were a variety of housing types. Catlin confirmed that there would be a mixture of housing types.

Catlin discussed the six climate friendly areas (CFA Sites A through F) scattered throughout the city. Councilor Montague asked about transit service to CFA Site C, which Catlin confirmed that there were no changes to transit accessibility in this site.

Catlin next discussed the proposed implementation strategies that would include a CFA Overlay Zoning District.

Mayor Johnson II inquired about fire hydrant accessibility and capacity for insurance purposes. Catlin said that there are formulas that the fire department must use for development, and that Public Works ensures that utilities are adequate to meet the needs.

Commissioner Larson asked about unit density calculations and if the room needed for garbage and recycling pickups is taken into consideration. Catlin shared that they did not assume 100 percent lot coverage and added that for land use applications during the development stage those needs are evaluated.

Councilor McLeod declared that prior to being on council she was on one of the walkable design standards focus groups and Catlin added that Commissioner Bartholomew was on a focus group as well.

Councilor Newton-Azorr shared that she thought incorporating public art in access/walkways would be an added benefit to the community.

Councilor Montague asked if the Transportation Advisory Commission had been engaged regarding pedestrian standards, Catlin responded that she had been working with Public Works who oversee that commission and would follow up with them to see if it would be beneficial to have them review.

Staff, Council and Commission discussed building locations, accesses, frontages, and setbacks and how to best address pedestrian safety concerns.

Councilor Newton Azorr recommended a podcast called "Paved Paradise" and asked that city staff forward the link to the commission/council.

Catlin introduced the concept of a Floor Area Ratio (FAR). She explained that other cities use Minimum FARs as a tool to require a minimum level of development and encourage multi-story buildings.

Next, Catlin shared that the Comprehensive Plan is a plan that directs all activities related to the natural and built environment and further discussed what the plan includes, who it involves, and how it helps guide the community's vision. She also stressed the importance of community engagement.

Mayor Johnson II asked if the Comprehensive Plan would be subject to a review on a set time basis like the strategic plan. Catlin confirmed that it would need to be viewed and updated to remain responsive to community needs, especially if there are changes in laws or other needs that arise.

Public Comment

None.

Adjournment

Hearing no further business, Chair Miller adjourned the meeting at 6:19 p.m.

Respectfully submitted,

Reviewed by,

Reviewed by,

Kaitlin Martin  
Administrative Services Coordinator

Anne Catlin  
Comprehensive Planning Manager


Peter Troedsson  
City Manager

*\*Documents discussed at the meeting that are not in the agenda packet are archived in the record. The documents are available by emailing [cdaa@albanyoregon.gov](mailto:cdaa@albanyoregon.gov).*



**TO:** Albany City Council

**VIA:** Peter Troedsson, City Manager

**FROM:** Marcia Harnden, Chief of Police 

**DATE:** March 11, 2025, for the March 26, 2025, City Council Meeting

**SUBJECT:** Limited On-Premises Sales, Commercial, Liquor License Application for Sugar J's Ice Cream Workshop, Located at 226 2<sup>nd</sup> Avenue SW

**Background/Discussion:**

Sugar J's Ice Cream Workshop, has applied for a limited on-premises sales, commercial, liquor license. Based on a background and criminal history investigation through Albany Police Department records, the applicant has no criminal record.

**Budget/Staff Impact:**

None.

**Staff Recommendation:**

I recommend the limited on-premises, commercial, liquor license application for Sugar J's Ice Cream Workshop, located at 226 2<sup>nd</sup> Avenue SW, be approved.

MH;rij



**TO:** Albany City Council

**VIA:** Peter Troedsson, City Manager  
Chris Bailey, Public Works Director

**FROM:** Staci Belcastro, P.E., City Engineer  
Carl Berg, P.E., Civil Engineer II

**DATE:** March 13, 2025, for the March 26, 2025 City Council Meeting

**SUBJECT:** Award of Contract for WL-24-01, Countryman Circle Water Line

**Purpose:**

Award a contract for WL-24-01, Countryman Circle Water Line to Wind Rose Excavation, of Junction City, Oregon.

**Background/Discussion:**

On Tuesday, March 11, 2025, bids were opened for WL-24-01, Countryman Circle Water Line. There were nine bids submitted for this project, ranging from \$755,516 to \$1,489,000. The Engineer’s estimate was \$1,150,000. A bid summary is provided as Attachment 1.

This project includes construction of approximately 8,000 feet of new water line pipes on Countryman Circle and Wishram Drive in North Albany. In addition to new water line, the project also includes installation of water services, meters, and related appurtenances.

The existing water lines in this area are deteriorated and often experience breaks and leaks. This requires frequent responses from City water crews and inconveniences customers with shutoffs while repairs are made. This project will increase system reliability, reduce water leaks, and reduce the number of emergency responses.

Based on the project bid and anticipated related costs, a summary of the total estimated project cost is shown in the following table. Amounts are rounded to the nearest \$100.

Project Components	Estimated Cost
<b>I. Engineering Costs</b>	
a. Engineering Design	\$ 80,000
b. Construction Inspections	\$ 45,000
<i>Engineering Subtotal</i>	\$ 125,000
<b>II. Construction Costs</b>	
a. Contract Amount	\$ 755,500
b. Contingency (10%)	\$ 75,600
c. Other Costs (survey, testing, permits)	\$ 40,000
<i>Construction Subtotal</i>	\$ 871,100
<i>Total Estimated Project Cost</i>	\$ 996,100
<i>Project Budget</i>	\$ 1,950,000
<i>Under Project Budget</i>	\$ 953,900



**Strategic Plan Impact:**

Construction of replacement water lines with this project meets Goal 2: Provide safe, sufficient, and reliable drinking water, found under the Safe City theme in the City Council’s adopted strategic plan.

**Budget/Staff Impact:**

The project will be funded from the North Albany Water Capital Fund (61540470).

**Staff Recommendation:**

Staff recommends that council, by motion, award this contract in the amount of \$755,515.55 to the low bidder, Wind Rose Excavation of Junction City, Oregon.

**Alternatives:**

1. Award the contract as recommended.
2. Do not award a contract.

**Attachments:**

1. Bid Summary
2. Project Map



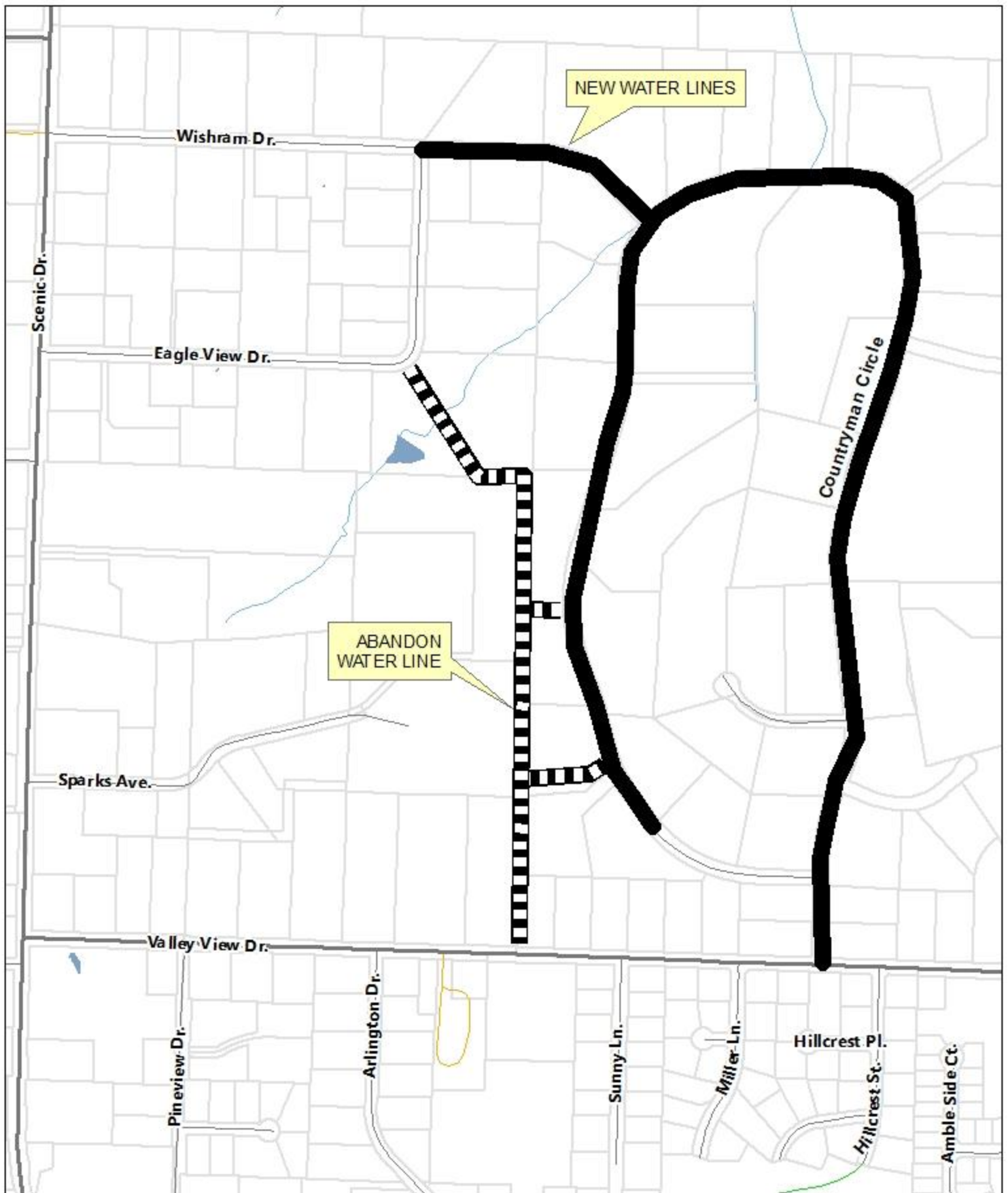
**CITY OF ALBANY, OREGON**  
**Public Works Department**  
**Construction Contract Bids**

**Project:** WL-24-01, Countryman Circle Water Line

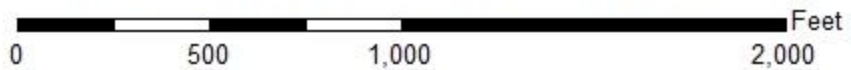
**Bid Opening:** March 11, 2025

<b>Engineer's Estimate</b>	<b>Wind Rose Excavation (Junction City, OR)</b>	<b>Trench Line Excavation, Inc. (Corvallis, OR)</b>	<b>K &amp; R Plumbing Construction Co Inc. (Clackamas, OR)</b>	<b>ML Houck Construction Co. (Salem, OR)</b>	<b>Jesse Rodriguez Construction (Silverton, OR)</b>	<b>Turney Excavation, Inc. (Silverton, OR)</b>
\$1,152,450.00	\$755,515.55	\$927,094.23	\$987,288.00	\$996,732.00	\$1,031,097.00	\$1,046,965.00

<b>Emery &amp; Sons Construction Group LLC (Salem, OR)</b>	<b>Lawson Corporation Excavation (Carlton, OR)</b>	<b>Pacific Excavation, Inc. (Eugene, OR)</b>
\$1,148,393.00	\$1,399,380.00	\$1,489,000.00



# COUNTRYMAN CIRCLE WATER LINE





**TO:** Albany City Council  
**VIA:** Peter Troedsson, City Manager  
**FROM:** Kim Lyddane, Parks & Recreation Director  
**DATE:** March 7, 2025, for the March 26, 2025, City Council Meeting

**SUBJECT:** Award of Contract for Deerfield Park Renovation

**Purpose:**

Council to award a construction contract to Durbin Excavating, LLC for Deerfield Park renovations.

**Background/Discussion:**

The Parks and Recreation Department is ready to move forward with construction of Deerfield Park. Staff advertised an Invitation to Bid (ITB) for public improvements on January 22, 2025, in accordance with Oregon Revised Statutes (ORS) and held a pre-bid onsite meeting on February 4, 2025, with ten interested contractors. The solicitation closed on Tuesday, February 18, 2025, and the City received eleven bids, Pacific Excavation (Eugene), Wurdinger Excavation (Monmouth), GT Landscape Solutions (Keizer), Knife River Corporation (Tangent), Wildish Construction Company (Eugene), Capture Energy LLC (Portland), R&R General Contractors, Inc. (Salem), Durbin Excavating, LLC (Eugene), Gelco Construction Company (Salem), North Santiam Paving Company (Stayton), and K&E Excavating, Inc. (Salem) in response to the ITB. We are recommending awarding the project to Durbin Excavating, LLC in the amount of \$662,431.15. This bid includes an additive for irrigation and the omission of turf and playground equipment installation that will be completed by the manufacturer. This was the lowest responsive and responsible bid received.

Bidder	Total
Pacific Excavation	\$831,145.00
Wurdinger Excavating	\$802,836.19
GT Landscape Solutions	\$768,385.41
Knife River Corporation	\$849,494.00
Wildish Construction Co.	\$978,900.00
Capture Energy LLC.	\$1,287,608.00
R&R General Contractors, Inc.	\$777,318.00
<b>Durbin Excavating LLC.</b>	<b>\$662,431.65</b>
Gelco Construction Company	\$843,797.60
North Santiam Paving Co.	\$1,111,187.50
K&E Excavating, Inc.	\$966,706.00

**Strategic Plan Impact:**

Renovation of Deerfield Park contributes to the City’s Great Neighborhoods strategic initiative. Renovation of the 10.89-acre neighborhood park will enhance the quality of life for residents in the

southern part of the community by adding an accessible playground, basketball court, nine-hole disk golf course, and a looped all-season walking trail.

**Budget/Staff Impact:**

The budget for the park is estimated at \$1.2 million dollars. The City received an Oregon Parks and Recreation Department Local Government Grant of \$485,000 that will offset the project costs. Costs for project construction are identified in Plan Year 25-26 of the FY24-28 adopted Capital Improvement Program (CIP) budget and in the FY25-29 CIP budget.

**Staff Recommendation:**

Staff recommends, by motion, that Council award the Deerfield Park reconstruction contract in the amount of \$662,431.65 to Durbin Excavating, LLC.

**Alternatives:**

1. Award the contract as recommended.
2. Do not award a contract.



**TO:** Albany City Council

**VIA:** Peter Troedsson, City Manager

**FROM:** Matthew Ruetters, Community Development Director *MR*

**DATE:** March 12, 2025, for the March 26, 2025, City Council Meeting

**SUBJECT:** Real property discussion – 9th and Jackson Properties

**Purpose:**

Continued discussion regarding disposition and outcomes for the City owned real properties (3) in the area of 9th Avenue SE and Jackson Street SE (Jackson Properties).

**Background/Discussion:**

At the September 25, 2024, regular session, city council requested staff bring back for discussion information on those real properties owned by the City in the area of 9th Avenue SE and Jackson Street SE, specifically being 503 & 519 9th Avenue and 817 Jackson Street SE (outlined in red on Attachment 1). This council request, stemming from an earlier presentation by Helping Hands Shelter and their expressed interest in acquiring these properties for a project. In the intervening time, the City had also received additional interest in the City-owned parcels from another party.

The three properties owned by the City range in size from approx. 3,600 square feet to 4,100 square feet and are located in block bounded by Jackson Street SE on the west, Pacific Boulevard on the north, the 9th Avenue SE off-ramp on the east, and 9th Avenue SE on the south. All the properties in this block and the surrounding area south of Pacific Boulevard are zoned Light Industrial (LI) which is an industrial zone, intended primarily for a wide range of manufacturing, warehousing, processing, assembling, wholesaling, specialty contractors, and related establishments. Of the 11 parcels that make up this block of land; (as shown on Attachment 1); 3 parcels are owned by the City as noted (outlined in red), 2 parcels are owned by individuals (no highlight), and the remaining 6 parcels are owned by Helping Hands (highlighted in blue).

The 2024 Linn County assessor’s real market value (RMV) for the Jackson Properties total is \$166,260 (Attachment 3).

On November 20, 2024, the council provided direction to staff to seek appraisals the Jackson Properties, which the appraisals determined a total real market value for all three parcels of \$145,000. (Attachment 2)

On December 11, 2024, the council adopted a policy to consider city-owned surplus real property for needed housing when there was no other priority purpose identified, so long as the zoning and conditions are suitable for residential development. (Resolution 7373)

The options and timeline for determining the future of the Jackson Properties are at the discretion of the council.

**Strategic Plan Impact:**

Supports the Strategic Plan themes of: A Healthy Economy, A Safe City, and Effective Government.

**Budget/Staff Impact:**

The January 2025 appraisals determined a total real market value of all three parcels to be \$145,000. If sold, the city council would direct staff on where to appropriate proceeds, if any, from the sale of the property. Depending on the type of disposal method desired, the value of the land could be used to incentivize a particular type of development, negating or reducing proceeds.

**Staff Recommendation:**

Staff recommends the city council discuss and provide direction as to the disposition of the Jackson Properties and, if determined surplus, provide direction to staff on the desired disposal process and timeframe.

**Alternatives:**

1. Council determines to retain the Jackson Properties in whole or in part - No further action is required for properties being retained.
2. Council determines not to retain any or some of the Jackson Properties – In a public meeting Council would declare which of the properties to surplus through a motion.

Disposal Paths if declared surplus per Resolution 7373

**Path A (Priority Purposes):** Once declared surplus, council would need to discuss if there are any priority purposes for the property(s). Priority purposes can include needs such as financial gains from the sale of the property(s), targeted development projects based on community inputs, staff inputs, council direction, etc. The council would next need to provide staff direction to proceed with disposal in accordance with Oregon Revised Statutes (ORS) 221.725 and the desired timeframe.

**Path B\* (Needed Housing):** Should the council determine there are no priority purposes, the City's surplus property procedures provide the following process the City may follow:

- Issue a request for proposals or invite bids for needed housing on the real property through notice in the paper and a public hearing in accordance with ORS 221.725; OR
- Invite parties interested in developing the property for use as affordable housing to submit proposals to the Albany City Council in accordance with ORS 221.729 and sell the real property for use as affordable housing if it is subject to an affordable housing covenant; OR
- Donate the property to a non-profit organization or another governmental organization.

\*If no affordable housing proposals are submitted or no agreement can be reached with an affordable housing developer, the city council could also consider alternative proposals for the property, such as other needed housing, or other uses similar to Path A described above.

**Attachments:**

1. Location Map
2. 2025 Appraisal
3. 2024 Linn County Assessor Summary







**APPRAISAL REPORT**

ALBANY INDUSTRIAL LAND  
503 9<sup>th</sup> Avenue SE  
Albany, OR 97322

PREPARED FOR:

City of Albany Community Development  
c/o Matthew Ruettgers  
Community Development Director  
333 Broadalbin Street SW  
Albany, OR 97321

PREPARED BY:

Joseph A. Swaney  
W. Paul Jackson, MAI  
**JACKSON GROUP NW** INC.  
PO Box 1246  
Canby, OR 97013  
(503) 358-7340

[www.jacksongroupnw.com](http://www.jacksongroupnw.com)

January 21, 2025

City of Albany Community Development  
c/o Matthew Ruettgers  
Community Development Director  
333 Broadalbin Street SW  
Albany, OR 97321

**RE: ALBANY INDUSTRIAL LAND**  
503 9<sup>th</sup> Avenue SE  
Albany, OR 97322

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Dear Mr. Ruettgers,

At your request, we have completed an appraisal of the property specified above, which is presented in the following appraisal report. The subject property is a 0.10 acre site located on one tax lot, currently vacant. We have appraised the property using generally accepted appraisal principles and practices. The following appraisal complies with:

- ◆ The Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation, and
- ◆ The Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, and

This appraisal uses standard recognized appraisal methodology to develop our opinion of the market value of the subject property. This appraisal is presented in report format compliant with USPAP Standard 2. As such, it summarizes the data, reasoning, and analyses used to develop our opinion(s) of value. Supporting documentation concerning the data, reasoning, and analysis is retained in our files. The depth of discussion contained in this report is specific to the needs of the client.

The client and intended user(s), intended use, type and definition of value, effective date, subject property, and assignment conditions of this appraisal are stated &/or described in the report. These factors limit the context of the appraisal, and the legitimate uses of this report. We are not responsible for any other use of this report, or any use by parties not named. Please refer to the Scope of Work, and Assumptions and Limiting Conditions sections for important information.

The appraisal assignment is to develop and report our opinion of the As Is Fee Simple Value of the subject property. The final opinion of value is a fee simple value.

Based on our investigation and analysis of available information, our final opinions of market value of the subject property are:

TYPE OF VALUE	DATE OF VALUE	OPINION OF VALUE
As Is Fee Simple Market Value:	January 9, 2025	\$ 50,000

The value opinion(s) concluded in this appraisal do not include furnishings, fixtures, equipment, personal property, or intangible items. The valuation is subject to the Assumptions and Limiting Conditions section of the following report, as well as the explanatory comments within the report, which should be referenced for a complete understanding of the value conclusion(s).

The opinion(s) of value reported herein are contingent upon extraordinary assumptions and/or hypothetical conditions ('EA/HC'). EA/HC not met could have a negative impact on the value conclusions and could invalidate the entire appraisal. The appraisal report is subject to the following EA/HC:

Extraordinary Assumptions

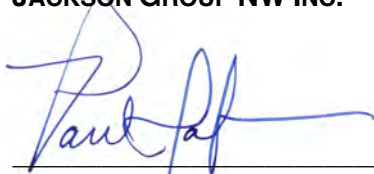
- A Preliminary Title Report was not provided to the appraisers. This appraisal assumes that there are no easements or encumbrances which would adversely affect the utility or market value of the subject property.
- A Professional Inspection Report was not provided to the appraisers. It is assumed that the subject is free and clear of any adverse conditions or defects, visible or otherwise, that would adversely affect the value of the subject.
- A Level 1 Environmental Report was not provided to the appraisers during the course of this analysis. It is assumed that the site is free and clear of any adverse conditions.
- A Geotechnical Report was not provided to the appraiser. This appraisal assumes that the subject soils are stable and will support the subject development.

Hypothetical Conditions

- N/A


Sincerely,

**JACKSON GROUP NW INC.**



W. Paul Jackson, MAI

Oregon Certified General Appraiser  
License No. C000548 – Expires July 31, 2026  
Washington Certified General Appraiser  
License No. 1100337 – Expires July 12, 2026



Joseph A. Swaney

Oregon Certified General Appraiser  
License No. C001088 – Expires February 28, 2026

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## **ADDENDA**

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- Exhibit A: Professional Qualifications and Company Profile – Jackson Group NW, Inc.
- Exhibit B: Appraisal Engagement Letter & Client Information



# APPRAISAL OVERVIEW

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## DESCRIPTION

**Property Name:** City of Albany Industrial Land

**Street Address:** 503 9<sup>th</sup> Avenue SE  
Albany, OR 97322

**Neighborhood Character:** The subject property is located in an industrial area adjacent to a regional connector, Highway 99E, in Albany, Oregon. Also known as Pacific Highway, Highway 99E is the primary commercial route in Albany, and connects the city to other communities in the Willamette Valley, most notably Corvallis and Eugene. I-5, two miles east of the subject, is the primary regional connector through the Willamette Valley. Off the arterials, uses turn to residential, with pockets of industrial development such as the subject neighborhood. No adverse environmental influences are noted that would negatively affect the subject property or neighborhood. The long-term outlook for the neighborhood is for continued desirability and positive property values.

**Site Area:** The site area is 0.10 acres (4,160 SF).

**Zoning:** The subject is zoned LI (Light Industrial) by the City of Albany. According to the code, the LI zone is intended to provide areas for "... a wide range of manufacturing, warehousing, processing, assembling, wholesaling, specialty contractors and related establishments." Uses are intended to have limited impacts on nearby properties; the LI zone serves as a buffer between heavy industrial zones and residential areas.

**General Site Conditions:** A rectangular-shaped corner site, level and at street grade. The site is within an established industrial node within the Highway 99E corridor.

## APPRAISAL OVERVIEW (continued)

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**Improvements:** The subject site has been graveled, and is improved with a 6' chain link fence on all sides.

**Tenancy:** The site is currently unoccupied.

**Access/Exposure:** The subject has average access and exposure to Jackson Street, a neighborhood arterial, and also 9<sup>th</sup> Avenue.

### HIGHEST AND BEST USE

**"As Vacant":** Small industrial building commensurate with the size of the lot.

### VALUATION SUMMARY

**Interest(s) Appraised:** Fee Simple Interest. The subject has no tenant or leasing in place. Therefore, fee simple analysis applies.

TYPE OF VALUE	DATE OF VALUE	OPINION OF VALUE
As Is Fee Simple Market Value (rounded):	January 9, 2025	\$ 50,000

# APPRAISAL INFORMATION

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## TRANSFERABILITY OF APPRAISAL

If this report is transferred/assigned to another party (user), and/or is reviewed and there are questions or additional work necessary to meet any subsequent guidelines/requirements, the appraiser may charge appropriate fees for any additional work performed. Our current billing rate is \$350/hour.

## LEGAL/TAX DESCRIPTION

No Investigation of title was provided. It appears that the corresponding County plat map matches property boundaries as apparent on the ground at the time of inspection. County assessment data is presented below.

Linn County Parcel # / Map & Tax Lot	Land	RMV Impr.	Total	Taxable Value	2024-25 Taxes
87052 / 11S 3W 07 AB 204	\$69,000	\$0	\$69,000	\$0	\$0

## CLIENT / INTENDED USER(S)

Jackson Group NW, Inc. has been retained by City of Albany, which is the client and intended user of this report.

## INTENDED USE

To provide the client and intended user with an opinion of market value, for use in pricing for marketing purposes.

## TYPE AND DEFINITION OF VALUE

The appraisal assignment is to develop and report our opinion of the As Is Fee Simple Value of the subject property. The final opinion of value is a Fee Simple value.

## EFFECTIVE DATE(S) OF VALUE

As Is Fee Simple Market Value:

January 9, 2025

## SUBJECT PROPERTY INSPECTION

Date:

January 9, 2025

Property Representative:

None present

Appraiser(s):

Joseph Swaney

OR Certified General Appraiser



# APPRAISAL INFORMATION (continued)

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## **MARKET VALUE<sup>1</sup>**

Market value is the major focus of most real property appraisal assignments. Both economic and legal definitions of market value have been developed and refined. A current economic definition agreed upon by federal financial institutions of the United States of America is:

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

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

Substitution of another currency for United States dollars in the fourth condition is appropriate in countries or in reports addressed to clients from other countries.

## **DEFINITIONS<sup>2</sup>**

### **As Is Value**

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

### **Prospective Value**

A forecast of the value expected at a specified future date. A prospective value estimate is most frequently sought in connection with real estate projects that are proposed, under construction, or under conversion to a new use, or those that have not achieved sellout or a stabilized level of long-term occupancy at the time the appraisal report is written.

### **Retrospective Value**

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

### **Stabilized Value**

A value estimate that excludes from consideration any transitory condition, e.g., a bonus or premium for material, the abnormal inefficiency of labor, the cost of delay, or unfinished repairs.

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<sup>1</sup> Uniform Standards of Professional Appraisal Practice, 2024, The Appraisal Foundation

<sup>2</sup> The Dictionary of Real Estate Appraisal, 2015, Sixth Edition, Appraisal Institute

## **APPRAISAL INFORMATION (continued)**

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### **Fee Simple Estate**

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

### **Leased Fee Estate**

An ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. The rights of lessor (leased fee owner) and the leased fee are specified by contract terms contained within the lease.

### **Leasehold Estate**

An ownership interest held by the lessee (tenant or renter) through a lease conveying the rights of use and occupancy for a stated term under certain conditions.

## **SUBJECT HISTORY OF OWNERSHIP INFORMATION**

A preliminary title report was not provided. Public records show title to the subject vested in the City of Albany, which has owned the subject for many years. The subject property is not listed for sale or for lease. We found no other conveyances of fee title in the three years prior to the date of value.

## **SCOPE OF THE APPRAISAL**

The appraisal assignment is to develop and report our opinion of the As Is Fee Simple Value of the subject property. The final opinion of value is a fee simple value. All applicable appraisal procedures were employed, including:

- Definition of pertinent issues related to the appraisal assignment
- Inspection of the subject property
- Site and improvement analyses
- Highest and best use analysis (as vacant, and as improved)
- Market data selection, verification, and analysis
- Use of the approaches to value and valuation
- The reconciliation of value indications and final value estimate

Joseph Swaney conducted an on-site inspection of the subject property, which included walking through the subject, photographing the interior and exterior. Mr. Swaney performed the appraisal and authored the report. W. Paul Jackson, MAI, did not inspect the subject property but is familiar with the market area, has reviewed this report and concurs with the analysis and conclusions herein. Building areas are based on the county sketch which was verified by spot check measurements by the appraiser. Land area is based on plat map and county data.

Property representatives were interviewed about the physical features of the property including the condition, function, efficiency, and operation of the property, and also the history of ownership and marketing activity for the property. Government officials, contractors, developers, architects, engineers, attorneys, and other professionals and/or consultants were interviewed and/or referenced when applicable in the appraisal. Government zoning and planning documents, legally binding documents (purchase, option, or development agreements, leases, easements, or encumbrances), and professional and/or consultant reports are included and/or referenced where appropriate in the appraisal.

**APPRAISAL INFORMATION (continued)**

The collection, verification and analysis of comparables are integral to the valuation analysis. This information was collected from sources deemed reliable and confirmed by interviewing knowledgeable market participants (buyers, sellers, property managers, tenants, brokers, consultants, developers, building owners, and/or investors) and exterior viewing of the properties. One or more knowledgeable parties to the transactions were interviewed in the verification and confirmation of the comparable data. The most current data (typically up to one year prior to the valuation date) was relied upon with primary emphasis on comparables located in the immediate market area when possible. When there was a lack of comparable information in the immediate market area, parameters were broadened to include similar competing markets and more dated transactions of properties in the immediate market area.

The following primary sources were contacted and contributed significant assistance in the appraisal process.

Primary Sources	Summary of Significant Assistance Provided
Matthew Ruetters, City of Albany Community Development	Appraisal Engagement / Subject Information
Knowledgeable Market Participants	Comparable market data
Jackson Group NW, Inc. Database	Comparable market data
Linn County / City of Albany	Plat Map, Assessment, Zoning, Land Use Patterns, Proposed Projects, Legal Subject Land Use(s)

The following secondary data sources were relied upon in the appraisal process.

Secondary Data Sources	Summary of Significant Information Provided
Loop Net / CoStar Comps / RMLS	Comparable sales and listings
Local Government, Market Participants, Publications	Comparable Leads, Market Trends

All information necessary to competently complete this appraisal assignment was made available to the appraisers, **except:**

- Preliminary Title Report
- Environmental Investigation / Assessment Report
- Building Inspection Report
- Geotechnical Report

**VALUATION METHODOLOGY**

The Sales Comparison Approach is performed in order to develop our opinion of the As Is Fee Simple Value of the subject. This is the typical approach used for valuation of land. Appraisal methodology performed and summarized in this report conforms with typical appraisal practice and expectations of the typical client in similar assignments, is sufficient for the intended use of the appraisal, and returns a credible opinion of value.



## **APPRAISAL INFORMATION (continued)**

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### **MARKETING AND EXPOSURE TIME**

Marketing period is defined as the amount of time a property would be on the market in order to sell at a future date, at the concluded value. Exposure period is the time a property would have previously been on the market, culminating in a hypothetical sale as of the date of value. Marketing time differs from Exposure time, which is always presumed to precede the effective date of an appraisal. USPAP requires an opinion of reasonable exposure time be reported when it is a constituent of the value opinion being developed.

Exposure periods for improved sales discovered in the course of this assignment ranged from zero (not openly marketed) to 6 months. Assuming it were competently promoted and appropriately priced, a Marketing / Exposure Period of up to 12 months would be reasonably anticipated for the subject property.

# ASSUMPTIONS AND LIMITING CONDITIONS

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## EXTRAORDINARY ASSUMPTIONS AND/OR HYPOTHETICAL CONDITIONS

The opinions of value reported herein are contingent upon extraordinary assumptions and/or hypothetical conditions ('EA/HC'). EA/HC not met could have a negative impact on the value conclusions and could invalidate the entire appraisal. The appraisal report is subject to the following EA/HC:

### Extraordinary Assumptions

- A Preliminary Title Report was not provided to the appraisers. This appraisal assumes that there are no easements or encumbrances which would adversely affect the utility or market value of the subject property.
- A Professional Inspection Report was not provided to the appraisers. It is assumed that the subject is free and clear of any adverse conditions or defects, visible or otherwise, that would adversely affect the value of the subject.
- A Level 1 Environmental Report was not provided to the appraisers during the course of this analysis. It is assumed that the site is free and clear of any adverse conditions.
- A Geotechnical Report was not provided to the appraiser. This appraisal assumes that the subject soils are stable and will support the subject development.

### Hypothetical Conditions

- N/A

## GENERAL ASSUMPTIONS

The statements of value and all conclusions shall apply as of the dates shown herein.

The valuation assumes the previously discussed legal description accurately identifies the subject property.

We assume no responsibility for matters legal in character, nor do we render any opinion as to title, which is assumed to be marketable. All existing liens, encumbrances, and assessments have been disregarded, unless otherwise noted, and the property is appraised as though free and clear, under responsible ownership, and competent management.

Unless otherwise noted herein, it is assumed that there are no adverse encroachments, zoning, or restrictive violations existing in the subject property.

We assume no responsibility for determining if the property requires environmental approval by the appropriate governing agencies, nor if it is in violation thereof, unless otherwise noted herein.

Information presented in this report has been obtained from reliable sources, and it is assumed that the information is accurate.

This report shall be used for its intended purpose only, and by the parties named as intended users. Possession of this report does not imply entitlement to use by other parties, or suitability for intended use(s) not stated herein. Possession of this report does not include the right of re-distribution in whole or part.

This report must be used in its entirety. Reliance on any portion of the report independent of other portions may lead the reader to erroneous conclusions regarding the property value. No portion of the report stands alone without approval from the authors.

## **ASSUMPTIONS AND LIMITING CONDITIONS (continued)**

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Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales, or other media without the written consent or approval of the authors. This applies particularly to opinions of value.

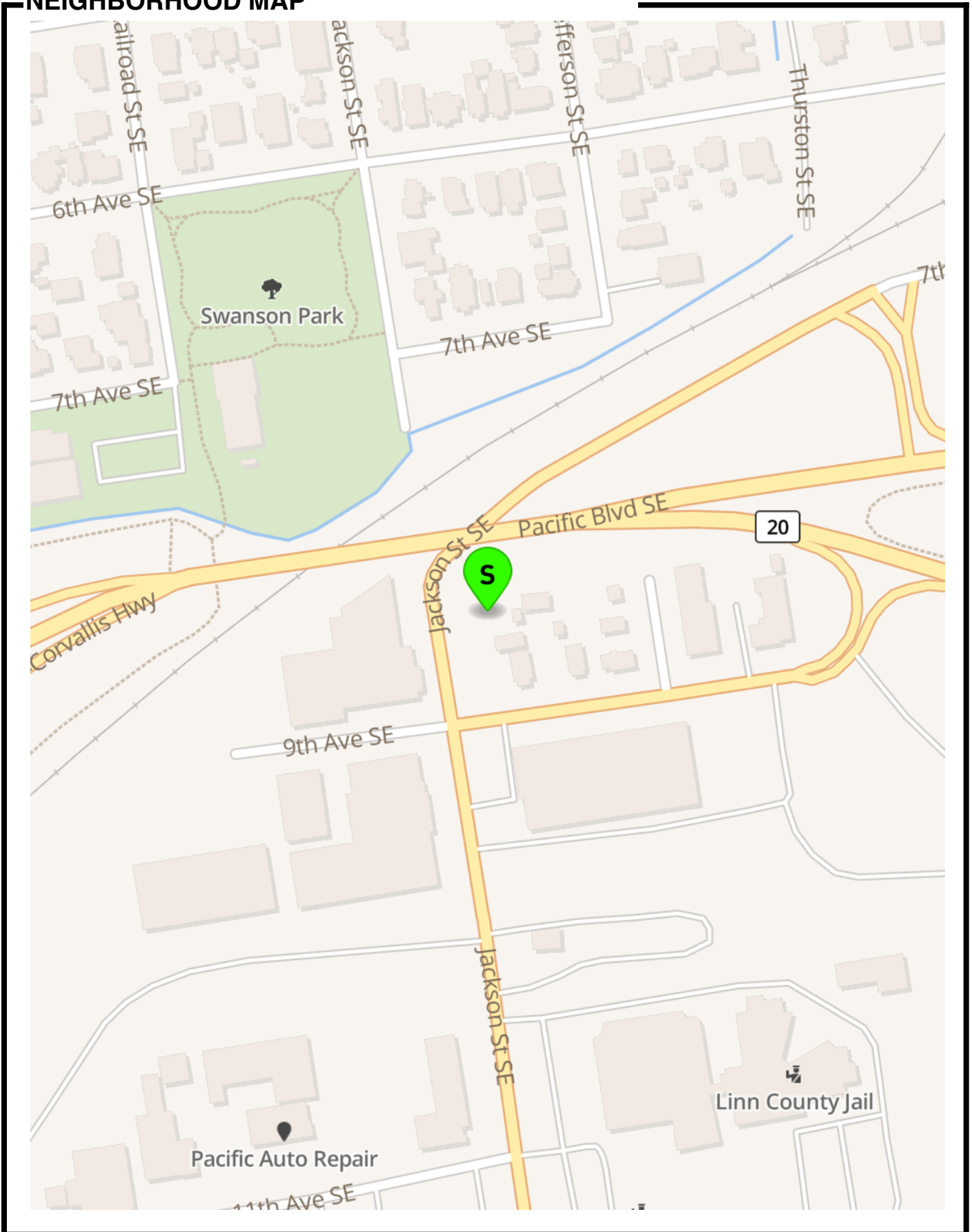
We have no present or contemplated future interest in the property that is not specifically disclosed in this report.

The valuation stated herein assumes professional management and operation of the property throughout the lifetime of the improvements, with an adequate maintenance and repair program.

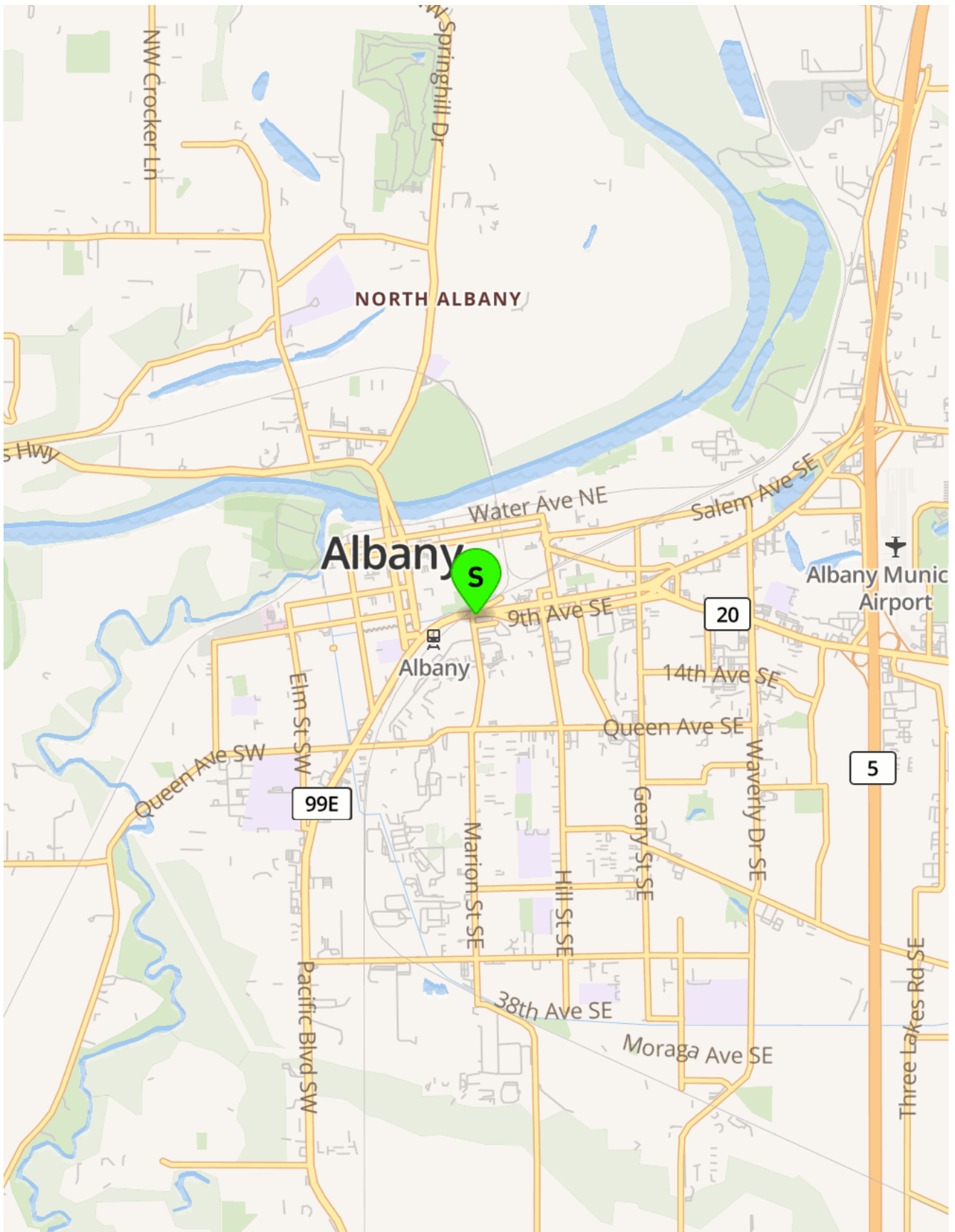
We assume no responsibility for determining if the subject property complies with the Americans with Disabilities act (ADA). Jackson Group NW, Inc. shall not be liable for any costs, expenses, assessments, penalties or diminution in value resulting from non-compliance. This appraisal assumes that the subject meets an acceptable level of compliance with ADA standards; if the subject is not in compliance, the eventual renovation costs and/or penalties would negatively impact the present value of the subject. If the magnitude and time of the cost were known today, they would be deducted from the reported value conclusion.

We are not qualified to detect the presence of toxic or hazardous substances or materials that may influence or be associated with the property or any adjacent properties. Jackson Group NW, Inc. shall not be liable for any costs, expenses, assessments, or penalties, or diminution in value, property damage, or personal injury (including death) resulting from or otherwise attributable to toxic or hazardous substances or materials, including, without limitation, hazardous waste, asbestos material, formaldehyde, or any smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids, solids or gasses, waste materials or other irritants, contaminants or pollutants.

# NEIGHBORHOOD MAP



# REGIONAL MAP





# MARKET AREA DESCRIPTION

The Appraisal Institute defines market area as following: “The geographic or locational delineation of the market for a specific category of real estate, i.e., the area in which alternative, similar properties effectively compete with the subject property in the minds of probable, potential purchasers and buyers”.

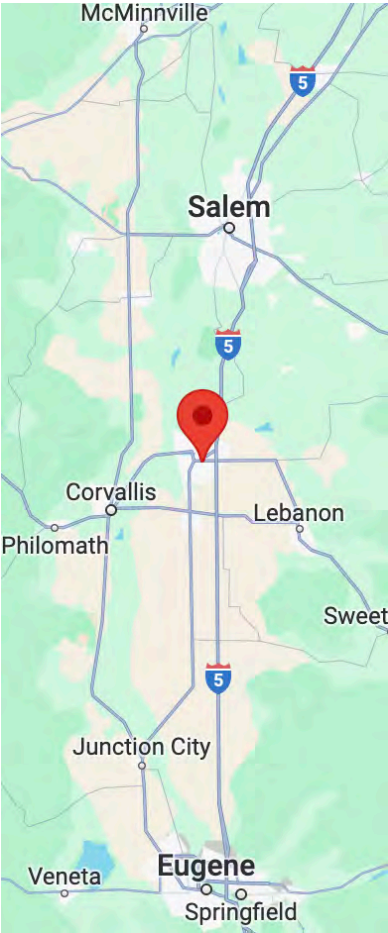
The market area analysis is presented in two sections, a regional analysis and general neighborhood analysis. The regional analysis will focus on a macro view of the subject market area and generally highlight current conditions that shape the nature of the regional economy. A more specific analysis that focuses on the subject’s neighborhood area will follow.

### Regional Analysis

This section will discuss the greater economic trends (population, income, and employment) within the subject’s region that may have an impact on the property now and in the foreseeable future. The following tables show the historic and projected growth rates for population, median household income, and unemployment within the region.

### Demographics

Oregon has experienced consistent population growth over the last decade. However, it has slowed down since 2021 due to changes in the political climate and livability in the urban centers. As a result, residents have migrated to more suburban / rural locations with more affordable real estate, which has been bolstered by more “work from home” jobs. The population trends are summarized in the table below.

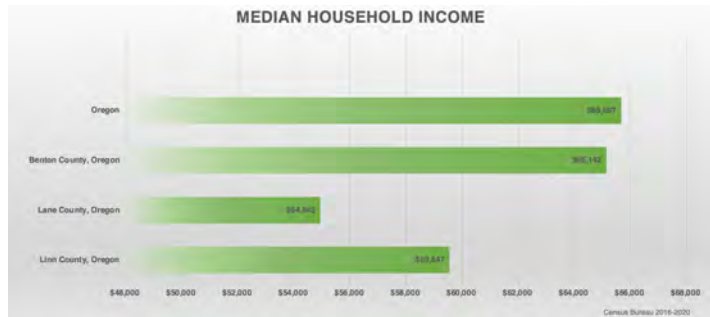


Portland State University: Center For Population Research and Census (Recent Years)

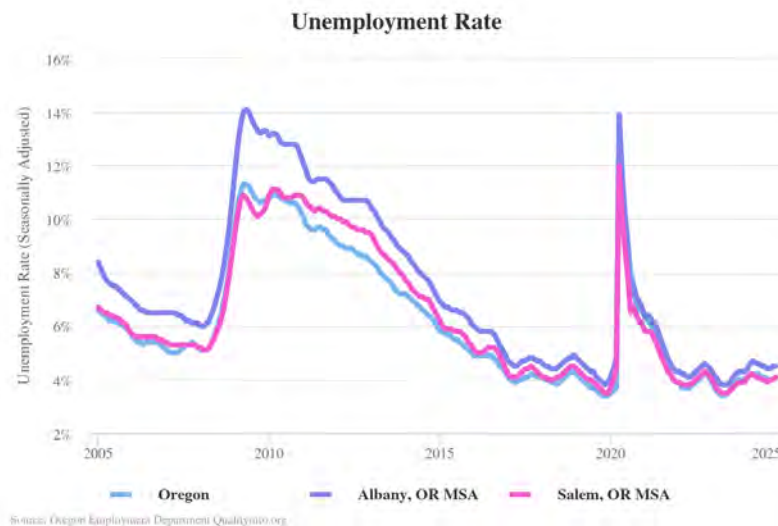
POPULATION	2023	2022	2021	2020	2019
Oregon	4,296,626	4,278,910	4,263,827	4,268,055	4,236,400
Linn County	131,984	131,194	129,839	128,610	125,048
<b>Albany</b>	<b>57,997</b>	<b>57,322</b>	<b>56,828</b>	<b>56,412</b>	<b>53,521</b>
Corvallis	61,669	59,434	59,864	59,696	58,028

## MARKET AREA ANALYSIS (Continued)

The U.S Census Bureau graph illustrates the median household income from the years 2016-2020 in Oregon and the Counties of Linn, Benton, and Lane. The median household income in the counties is all lower than the statewide median household.



The Oregon unemployment rate continues to drop since its high of nearly 13% in early 2020. The graph below shows the unemployment statistics in Oregon and the Albany MSA (equivalent to Linn County), from the years 2010-2023. The current Oregon unemployment rate is (November 2024) 4.1%. The Albany MSA, of which the subject is a part, is at 4.5%. Although low, these rates do not fully reflect the current job market in which workforce participation is at an all-time low due to the residual effect of expanded unemployment benefits and other government subsidies related to the COVID-19 response. The state as a whole, along with other counties, have followed similar trendlines.



### General Neighborhood Analysis

This section will discuss the general neighborhood and economic trends (population and income) located in the primary market area that may have an impact on the property now and in the foreseeable future.

The subject property is located in the city of Albany in Linn County, Oregon. Albany is located in the Mid-Willamette Valley along the Interstate-5 corridor approximately 20 miles south of Salem, and 40 miles north of Eugene. Albany is a small, developing city with an economy based primarily on an agriculture and food products, wood products, metals, paper and manufacturing.

Commercial development in Albany is concentrated along the main arterials, Highway 20 and Highway 99. There are some industrial uses interspersed throughout southeast Albany and on the periphery of the city near the major I-5 and Highway 30 interchanges, as well as in the subject neighborhood of south and east of Highway 99.

## **MARKET AREA ANALYSIS (Continued)**

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The Albany Municipal Airport is located between I-5 and Price Road, at the north portion of the Albany area, east of I-5. Shopping centers/ fast food services are primarily located along Highway 20 (Santiam Highway) and Highway 99 (Pacific Boulevard).

The City of Albany contains Enterprise Zones, affordable infrastructure costs, adequate working-age population, and good regional linkages. Existing infrastructure is estimated to be operating at about half of capacity. City Government offers tax reductions and permit / fee discounts for job creating industries. Overall, the potential for future development is positive.

### Access and Linkages

The site allows good local and regional linkages to housing, employment, and services. Interstate 5 is 2 miles to the northeast at the I-5/Highway 99E interchange, and the I-5/Highway 20 interchange is 1.75 miles east. To the south is Highway 34 which connects Albany with Corvallis and the Oregon coast, and central Oregon and the City of Bend to east. Highway 99E runs north-south to the west of I-5 between Albany and Eugene, connecting the subject neighborhood with the farming communities of the Willamette Valley.

### Immediate Neighborhood

The subject is in an industrial node east of the Highway 99E (Pacific Highway) corridor in Albany. Highway 99E gives the subject regional and immediate access to major arterials within the area, as described above. Surrounding development is mostly light industrial.

### Outlook and Conclusion

Neighborhoods are constantly changing and continually cycle through four phases. The four phases include growth, stability, decline, and renewal. These phases are used to evaluate the changes that occur within a neighborhood over time. During the growth phase, the neighborhood is in the beginning of development and expansion. Following the growth phase is stability. The neighborhood may still grow, but at a much slower pace. A neighborhood enters a state of decline when it can no longer compete with adjacent neighborhoods. Lastly, renewal is the period during which a neighborhood is “rediscovered” because of affordability and convenience. The subject area has been in the steady phase as an established economic node for the immediate area and regionally.

As the population and employment rates keep trending slowly upward, the subject market area is anticipated to continue improving, with appreciating property values in the long term.

Overall, there are no adverse conditions that were evident that would have a detrimental impact on the neighborhood, or the marketability of the subject property specifically. With expected population and employment growth in the region, the forecast for the subject is for continuing stable to mildly appreciating property values.

AERIAL OVERLAY



PLAT MAP



# PROPERTY DESCRIPTION



## DESCRIPTION

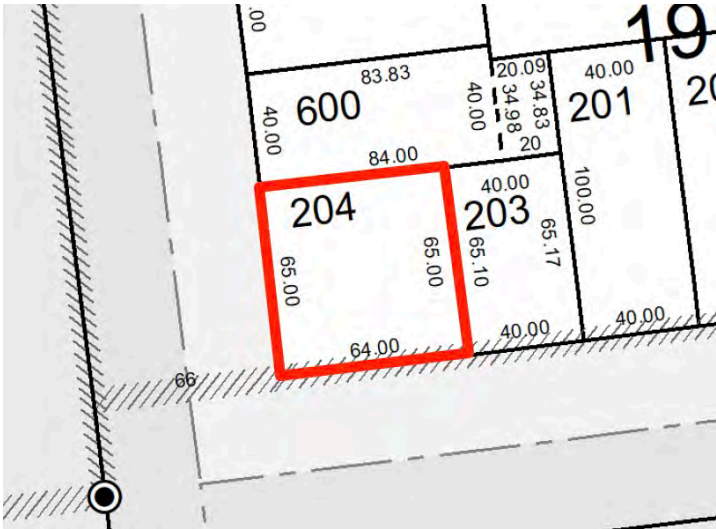
**Property Name:** City of Albany Industrial Zoned Lot  
503 9<sup>th</sup> Avenue SE  
Albany, OR 97322

## SITE DESCRIPTION

**GENERAL:** A rectangular-shaped corner site which is level and at street grade. The site is within an industrial area immediately south of Highway 99E.

**Shape:** Rectangular

**Land Area:** The site is 0.10 acres (4,160 SF) in area on a 64' x 65' lot.



**PROPERTY DESCRIPTION (continued)**

**SITE DESCRIPTION (CONTINUED)**

**Access/Exposure:** The subject has average access and exposure to Jackson Street, a neighborhood collector, and also to 9<sup>th</sup> Avenue.

**Topography:** Level at street grade.

**Utilities:** All public utilities are available.

**Site Improvements:** Public sidewalks; 6’ chainlink fencing; gravel.

**Easements/Encroachments:** A preliminary title report was not provided to the appraiser. This appraisal assumes that there are no easements or encumbrances which would adversely affect the utility or market value of the subject.

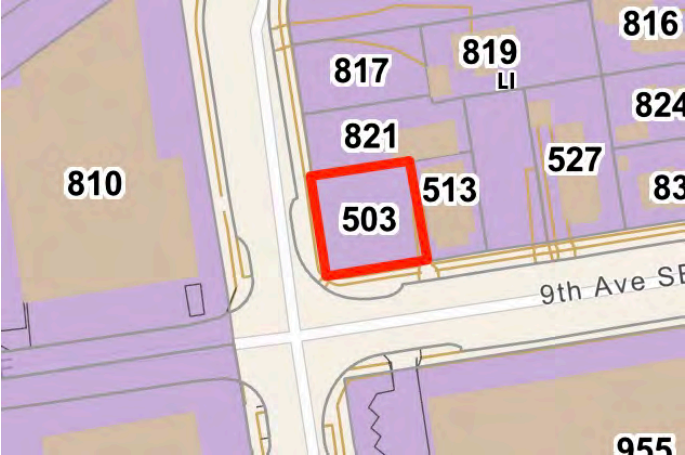
**Flood Plain:** FEMA FIRM panel 41043C 0213H (12/8/2016) locates the subject in zone X, outside known flood hazard zones.

**Drainage:** Nothing adverse noted during the inspection.

**Environmental:** A current environmental report was not provided. Upon property inspection and interview with representatives, no adverse factors are noted, and this appraisal assumes that none exist. Please refer also to the Assumptions and Limiting Conditions.

**Geology:** A geotechnical report was not provided. Subject soils are assumed stable and capable of supporting development commensurate with the concluded highest and best use.

**Zoning:** The subject is zoned LI (Light Industrial) by the City of Albany. According to the code, the LI zone is intended to provide areas for “... a wide range of manufacturing, warehousing, processing, assembling, wholesaling, specialty contractors and related establishments.” Uses are intended to have limited impacts on nearby properties; the LI zone serves as a buffer between heavy industrial zones and residential areas.



## **PROPERTY DESCRIPTION (continued)**

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### **SITE DESCRIPTION (CONTINUED)**

**Surrounding Uses:**                   **North-** SFR  
   **South-** Industrial  
   **East-** SFR  
   **West-** Industrial

**Site Summary:**                   The subject site has adequate and marketable buildable area, average access and traffic in a built-up light industrial area, with all public utilities available. The site has good access to Highway 99E and to I-5. The site would be desirable for development.



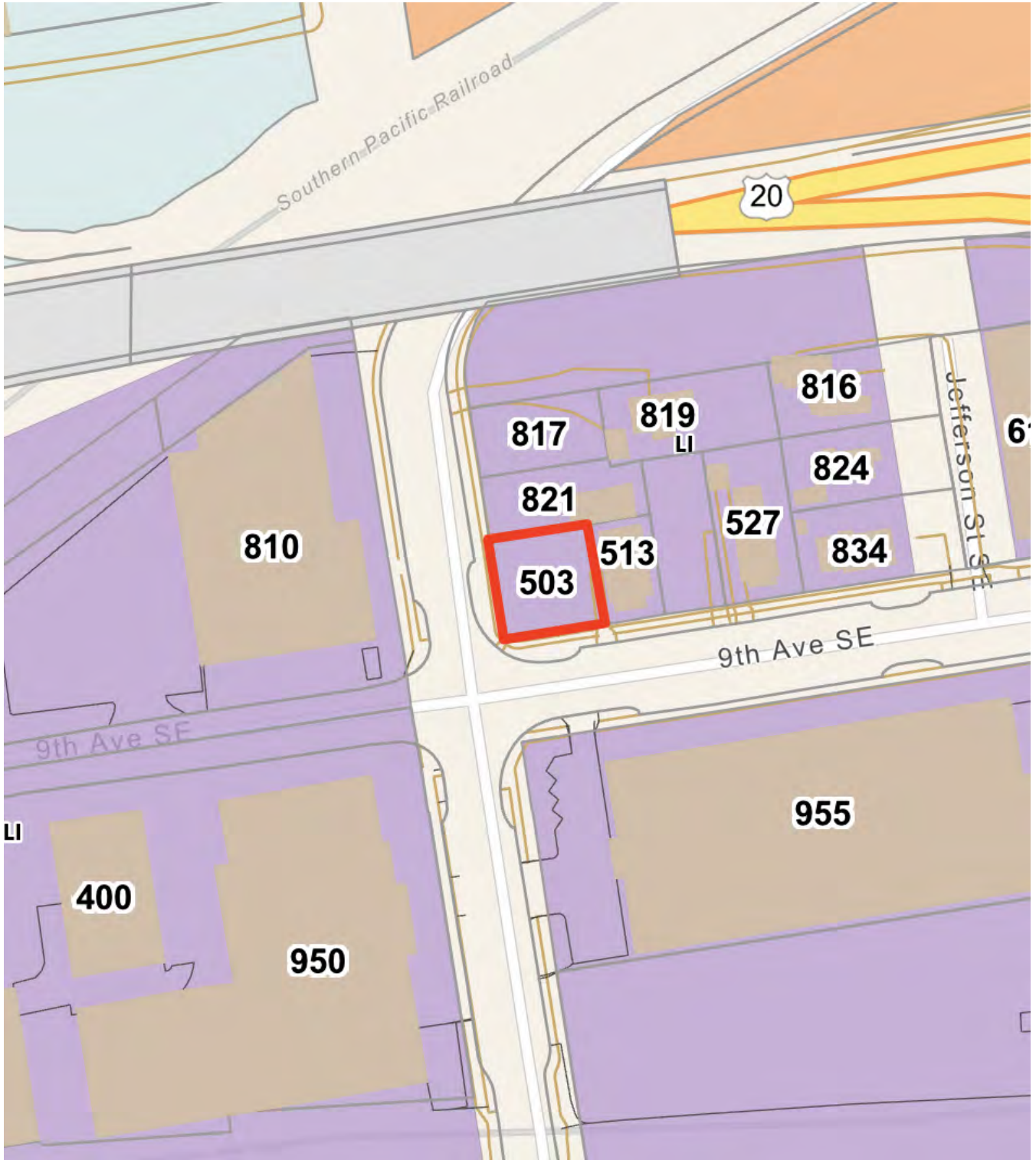
# SUBJECT PHOTO



125JG-101



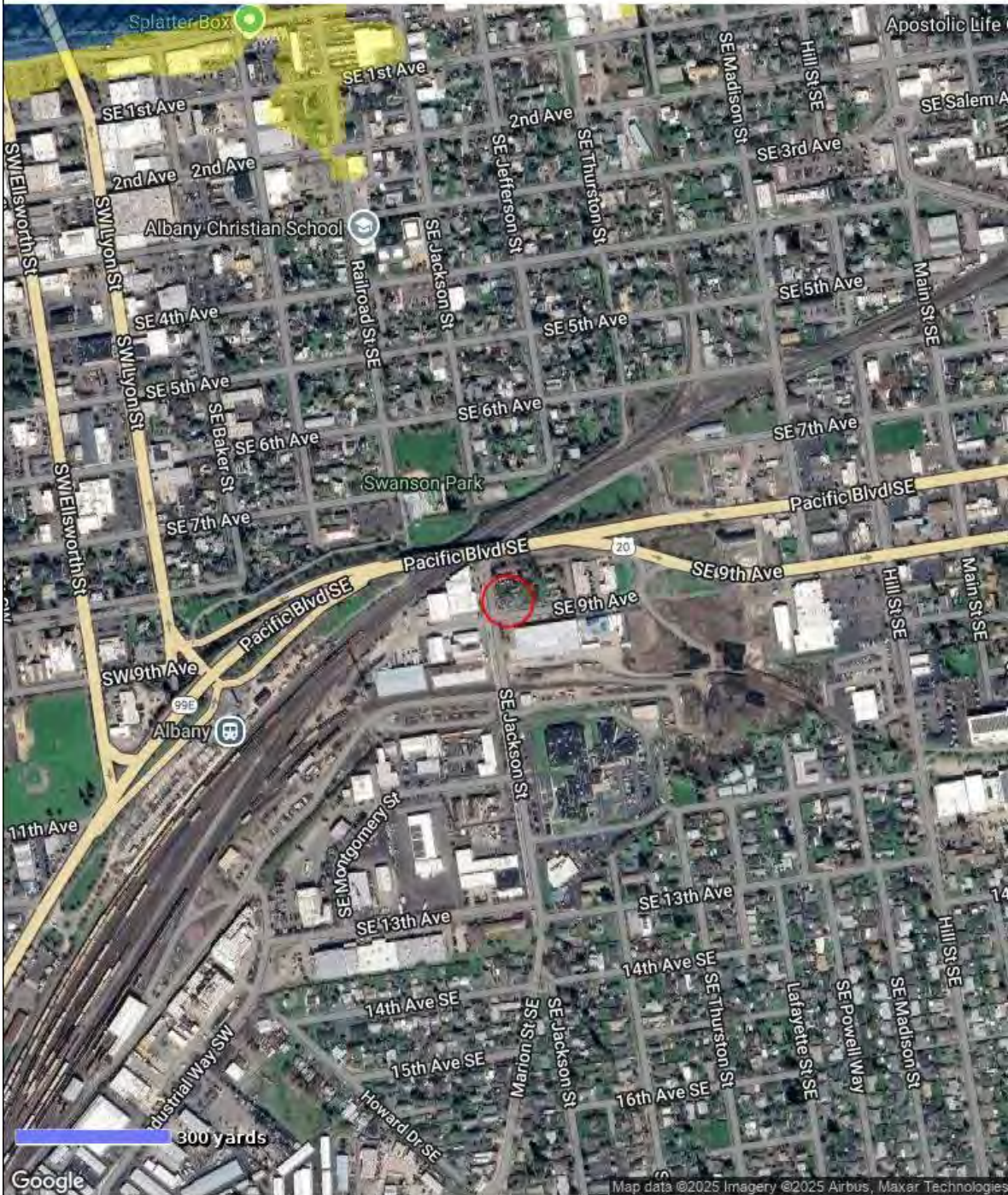
# ZONING MAP



# FLOOD MAP

**InterFlood** by a la mode

Prepared for: Jackson Group NW, Inc  
 503 9th Ave SE  
 Albany, OR 97322-3209



**MAP DATA**

FEMA Special Flood Hazard Area: No  
 Map Number: 41043C0213H  
 Zone: X  
 Map Date: December 08, 2016  
 FIPS: 41043

**MAP LEGEND**

- |                                      |                 |
|--------------------------------------|-----------------|
| Areas inundated by 500-year flooding | Protected Areas |
| Areas inundated by 100-year flooding | Floodway        |
| Velocity Hazard                      | Subject Area    |

Powered by CoreLogic®



# SUBJECT PROPERTY PHOTOGRAPHS

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Subject from southeast corner of site, looking northwest



Subject from northwest corner of site, looking southeast

## SUBJECT PROPERTY PHOTOGRAPHS (Continued)

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Jackson Street, looking south. Subject is at left



9th Avenue, looking west. Subject is ahead at right



9th Avenue, looking east. Subject is at right



Jackson Street, looking north. Subject is at right

# HIGHEST AND BEST USE ANALYSIS

The Appraisal Institute defines the concept of highest and best use as follows:

"The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability."<sup>3</sup>

The highest and best use concept is based on traditional appraisal theory and reflects the attitudes of typical buyers and sellers who recognize that value is predicated on anticipation of future benefits. This theory is based on the wealth maximization of the owner. In the appraisal process, highest and best use concept typically reflects most probable use, and often relates to the most probable value of the property.

## AS VACANT

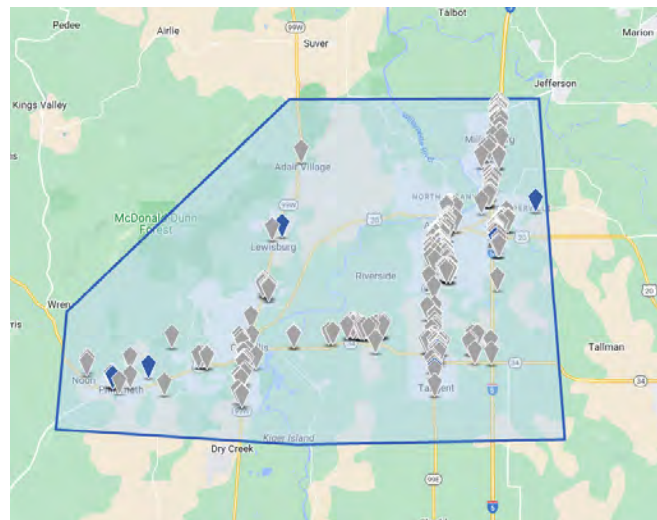
The subject site is zoned LI (Light Industrial) by the City of Albany. This zoning allows a wide variety of low-impact industrial uses, including manufacturing, warehousing, wholesaling, assembling, contracting and related uses. The site is physically functional, with marketable buildable area, access, and all utilities available. The immediate vicinity is built out, with little vacant land available.

Physical: The subject site is within a commercial / industrial corridor, adjacent to Highway 99E, with very good proximity to Interstate-5 via a nearby interchange. The immediate neighborhood is an industrial enclave that is well located to serve local as well as transient markets in the central Willamette Valley and beyond. The size, shape, topography, and soil conditions of the parcel are functional, with city utilities available. Extensive site frontage provides good exposure on a local collector. With functional shape and area, good location and linkages, the subject site would have good appeal for owner-occupancy. Given proximity to commercial and residential areas of Albany, a service-oriented use would seem likely.

Legal: The subject zoning promotes light industrial uses. The subject presents no extraordinary obstacles to development.

Feasibility: Employment and general economic conditions have been improving. The Albany area appears to be experiencing some growth, with recent investment apparent. The subject site as vacant is of adequate area and functional for development, and would have good appeal to an owner-user. The subject's commercial proximity indicates possible industrial/service use.

A CoStar survey of smaller industrial properties in the Albany submarket (see map at right) shows variable but low vacancy, currently at 1.3%.



<sup>3</sup> The Dictionary of Real Estate Appraisal, 2015, Sixth Edition, Appraisal Institute

# HIGHEST AND BEST USE ANALYSIS

Rents have been increasing since 2015, but leveled off in 2021, and today are 8.9% above the five-year average. Please refer to the graph at right and the table below.

Industrial properties are relatively unaffected by changing employee location (workplace / home) dynamics. Industrial rents are forecast to continue their steady rise. Low vacancy and rising prices are indicative of demand, which favors subject development. Nonetheless, speculative development in the near-term is not supported given current economic uncertainty.



Availability	Survey	5-Year Avg
Rent Per SF	\$8.91	\$8.18
Vacancy Rate	1.3%	1.9%
Vacant SF	130,210	189,181
Availability Rate	1.9%	3.0%
Available SF	188,410	300,374
Sublet SF	8,000	64,952
Months on Market	4.9	6.1

Inventory	Survey	5-Year Avg
Existing Buildings	326	323
Existing SF	10,104,161	9,986,766
12 Mo. Const. Starts	0	47,046
Under Construction	0	31,760
12 Mo. Deliveries	2,730	52,273

Demand	Survey	5-Year Avg
12 Mo. Absorption SF	-33,846	55,041
12 Mo. Leasing SF	85,613	104,444

Sales	Past Year	5-Year Avg
Sale Price Per SF	\$71	\$78
Asking Price Per SF	\$104	\$97
Sales Volume (Mil.)	\$33	\$27
Cap Rate	-	7.5%

Further analysis of possible development scenarios is beyond the scope of this appraisal, which develops and reports our opinion of as is market value.

Summary / As Vacant Conclusion: The subject market area is a stable corridor. Additional speculative development is not supported at this time. Based on planning goals, market trends, and subject specifics, the highest and best use of the subject site, as if vacant, is for development of a light industrial or service project, depending on changing market conditions and specific demand from prospective owner-users and/or primary lease tenants.



# VALUATION

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## INTRODUCTION

The social, economic, governmental, and environmental forces influencing the subject property have been presented. The specific physical and location characteristics of the site and improvements have been described. The highest and best use of the subject property is concluded to be as 0.10 acres of LI zoned land on a corner site.

The appraisal assignment is to develop and report our opinion of the As Is Market Value of the subject property. The final opinion of value is a fee simple value.

## VALUATION APPROACHES

The Cost Approach is typically performed in valuation of newly-built &/or special-use properties, and properties in which a greater proportion of overall value is in the land. The Income Capitalization Approach is typically the strongest indicator for properties that would trade based on income / investment potential as the primary consideration. The Sales Comparison Approach is considered most applicable by owner-users and buyers giving additional consideration to benefits of ownership, and to physical presence.

## VALUE CONCLUSION

The subject is 4,160 SF (0.10 acre) of usable industrial-zoned land, on a corner site in an industrial enclave.

The subject land value is developed by sales comparison approach, which is the sole approach used for the land. This is typical for valuation of vacant fee owned land. Appraisal methodology performed and summarized in this report conforms with typical appraisal practice and expectations of the typical client in similar assignments, is sufficient for the intended use of the appraisal, and returns a credible opinion of value.

# SITE VALUATION

In this section, the market value of the subject site is developed by comparing it with light industrial use sites. The subject site is located in an established industrial neighborhood adjacent to a commercially intensive arterial, Highway 99E, within a greater growing submarket with low vacancy and rising rents.

## SITE COMPARABLE SALES ANALYSIS

When applicable, comparables are first adjusted for property rights conveyed, and non-market financing. Land sales are then adjusted to the subject according to comparable elements of zoning, location, physical characteristics, potential economic use, and market conditions.

The following adjustment grid represents a bracketing analysis that generally ranks the subject among the comparables. Adjustments are expressed as numerical percentages, to illustrate the relative weight given individual adjustments, compared with the subject property, and each other. The comparables are adjusted to the subject property consistent with standard appraisal methodology. A positive percentage adjustment indicates that a comparable is inferior to the subject regarding a specific (or set of related) characteristic(s) and is therefore adjusted upward to simulate rough parity with the subject property. Conversely, negative adjustment indicates that a comparable is superior to the subject in some regard and so is adjusted downward. The adjusted values indicate a quantifiable range of market value for the subject property, which is further refined in the narrative analysis that follows.

Comparable Land Sale Adjustment Grid

#	Comparables	Sale Price / Sale Date	Acres (AC)	Size (SF)	\$/SF	Econ. Location	Size	Zoning / Utility	Site Imps. / Grading	Time - % annually	Market Cond.	Net Adjustment	Adjusted \$ / SF % of Unadjusted
1	92341 Booth St Junction City	\$325,000 1-Jun-2024	1.66	72,217	\$4.50	\$0.45 10.00%	\$2.25 50.00%	\$0.00 0.00%	\$0.00 0.00%	\$0.08 1.85%	\$0.00 0.00%	\$2.78 61.85%	\$7.28 0.00%
2	740 Ellingson Rd SW Albany	\$240,000 26-Apr-2024	0.80	33,122	\$7.25	\$0.00 0.00%	\$1.81 25.00%	\$0.00 0.00%	\$0.00 0.00%	\$0.16 2.15%	\$0.00 0.00%	\$1.97 27.15%	\$9.22 0.00%
3	3766 NE Steelhead Run Dr Albany	\$300,000 14-Mar-2024	1.41	61,306	\$4.89	\$0.00 0.00%	\$2.45 50.00%	\$0.00 0.00%	\$0.00 0.00%	\$0.12 2.51%	\$0.00 0.00%	\$2.57 52.51%	\$7.46 0.00%
4	4380 SW Deschutes St Corvallis	\$1,016,824 17-Feb-2023	3.48	151,589	\$6.71	(\$0.67) -10.00%	\$4.03 60.00%	\$0.00 0.00%	\$0.00 0.00%	\$0.39 5.77%	\$0.00 0.00%	\$3.74 55.77%	\$10.45 0.00%
5	93309 Prairie Rd Junction City	\$425,000 27-Jul-2022	0.79	34,376	\$12.36	\$1.24 10.00%	\$3.09 25.00%	\$0.00 0.00%	(\$3.71) -30.00%	\$0.92 7.48%	\$0.00 0.00%	\$1.54 12.48%	\$13.90 0.00%
6	1921 SW Ferry St Albany	\$170,000 12-Apr-2022	0.83	36,300	\$4.68	\$0.00 0.00%	\$1.17 25.00%	\$1.17 25.00%	\$0.00 0.00%	\$0.39 8.36%	\$0.00 0.00%	\$2.73 58.36%	\$7.41 0.00%

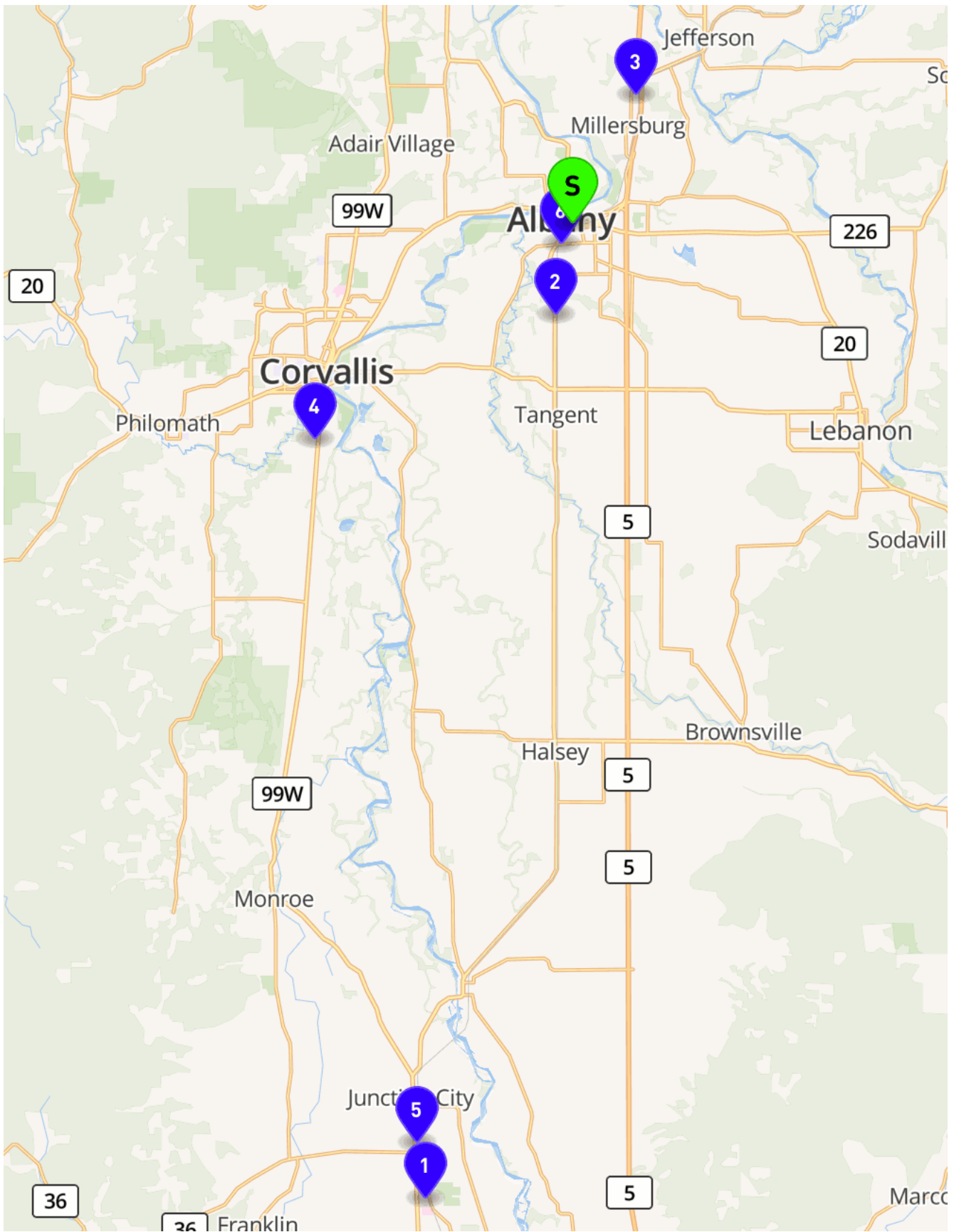
Sales of land with similar economic location, potential legal use(s) and functional utility were researched throughout the greater market area. Selected sales represent the most recent and comparable land sales available for analysis. Unadjusted sales range between \$4.50/SF and \$12.36/SF.

# Comparable Sale Table

	Name/Location	Date of Sale	Usable Site SF	Usable Site Acres	Zoning	Utilities Available	Shape Topography	Proposed Use	Existing Improvements	Price / SF
1	92341 Booth St Junction City, OR 97448	6/1/2024	72,217 SF	1.66 Acres	M3, Heavy Ind	None	None	Data Center	None	\$4.50
2	740 Ellingson Rd SW Albany, OR 97322	4/26/2024	33,122 SF	0.80 Acres	IL	All available	Rectangular Level, at street grade	Unknown	None	\$7.25
3	3766 NE Steelhead Run Dr Albany, OR 97321	3/14/2024	61,306 SF	1.41 Acres	IL	All available	Rectangular Level, at street grade	Unknown	N/A	\$4.89
4	Industrial Land 3480 SW Deschutes St Corvallis, OR 97333	2/17/2023	151,589 SF	3.48 Acres	GI	Sewer, Telephone, and Water	Irregular Level, at street grade	6 Building Self Storage	None	\$6.71
5	93309 Prairie Rd Junction City, OR 97448	7/27/2022	34,376 SF	0.79 Acres	M2, Lt Ind.	Well, Septic	Irregular Level, at street grade	9600 SF Whse, Possible smaller 2nd bldg	None	\$12.36
6	1921 SW Ferry St Albany, OR 97322	4/12/2022	36,300 SF	0.83 Acres	LI	All available	Rectangular Level, at street grade	Unknown	None	\$4.68



# INDUSTRIAL LAND SALE MAP



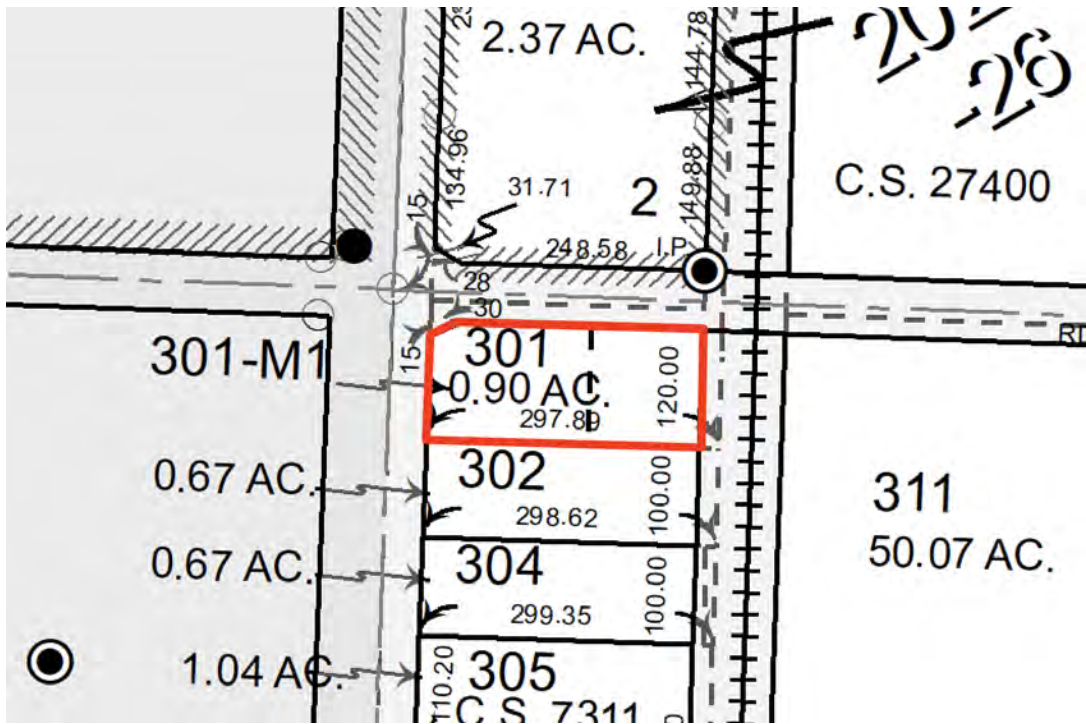
# COMPARABLE PHOTOS

Comp # 1.



92341 Booth St

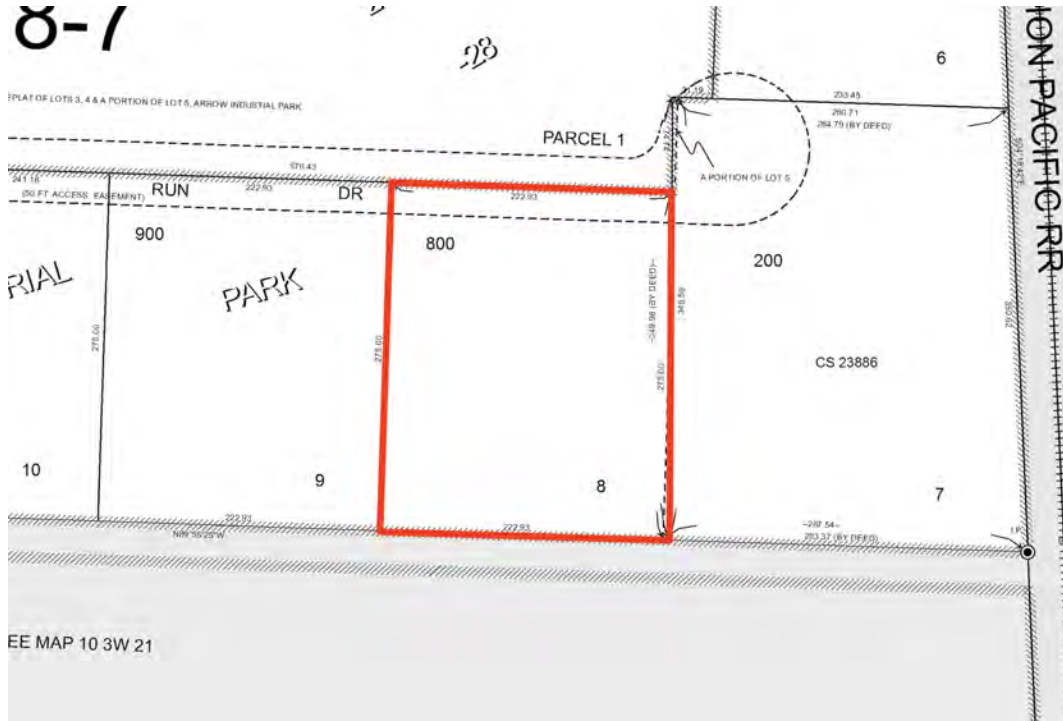
Comp # 2.



740 Ellingson Rd SW

# COMPARABLE PHOTOS (continued)

Comp # 3.



3766 NE Steelhead Run Dr

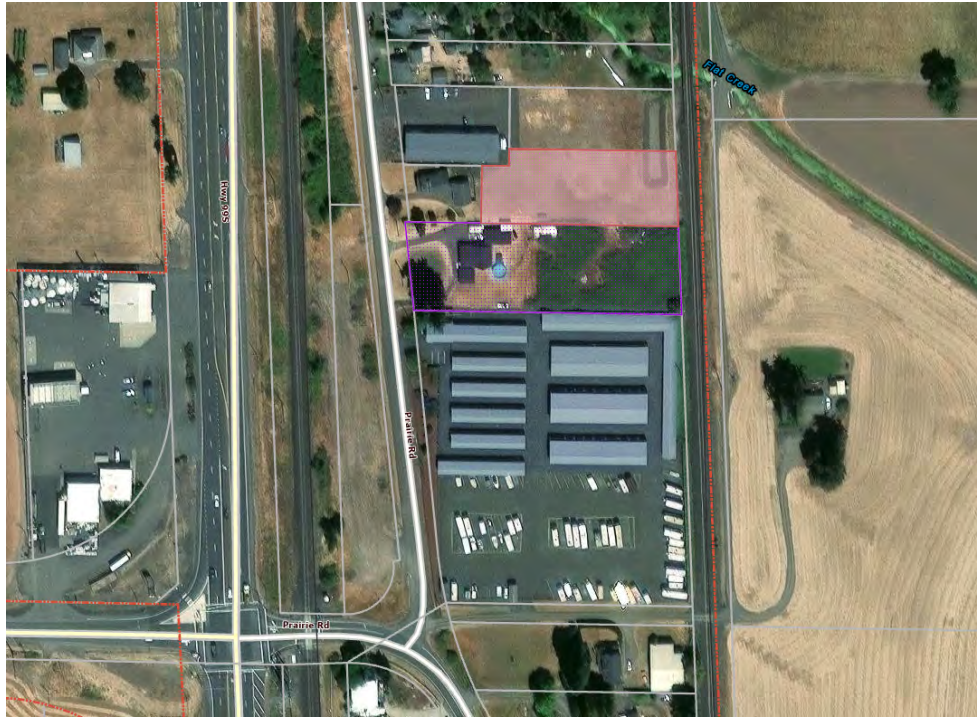
Comp # 4.



3480 SW Deschutes St

# COMPARABLE PHOTOS (continued)

Comp # 5.



93309 Prairie Rd

Comp # 6.



1921 SW Ferry St

## SITE VALUATION (continued)

Location / Access – The location & access adjustment is intended to account for differences in the immediate market areas of the comparables relative to the subject, as well as specific deficiencies that may attach to a particular comparable. Comparables 1 and 5 have mildly inferior locations and are adjusted upward 5% apiece. Comparable 4 has a superior location in Corvallis, where industrial land is scarcer, and is adjusted downward 10%. All of the other comparables have similar location and local demographics, and receive no adjustments.

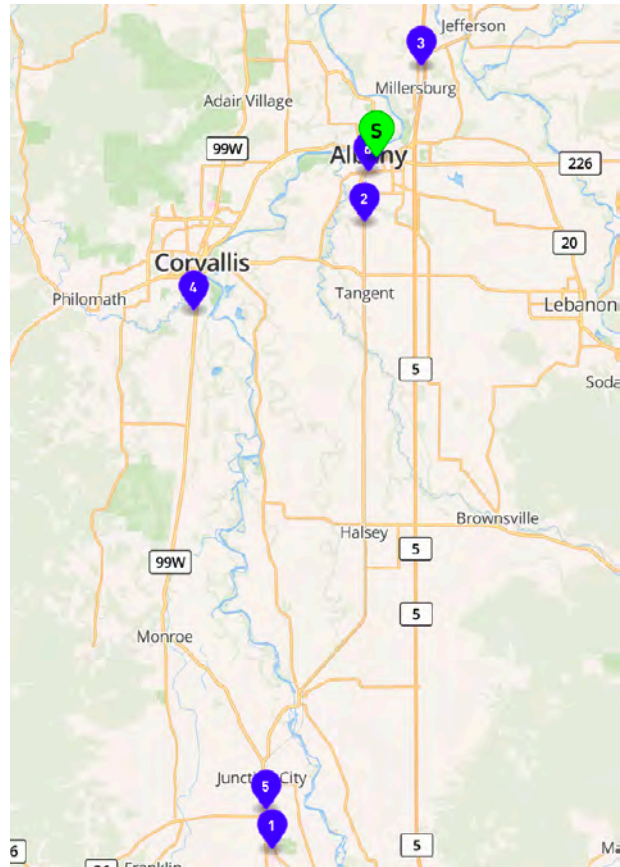
Land Area – The land area adjustment is made to reflect the relationship between size and unit values. Typically, a relatively larger area will depress the per-unit price (reduced competition for larger, more expensive parcels). All of the comparables are larger sites, and receive upward adjustments between 25% and 60%.

Zoning / Potential Use / Functional Utility – This adjustment considers differences in permitted / probable economic use of the property, from legal, physical and marketability perspectives, compared with the subject. All of the comparables have similar zoning. Comparable 6 is adjusted upward 25% for inferior utility, with a long narrow shape and very small frontage relative to overall site area. No other adjustments are made in this category.

Site Improvements – This adjustment reflects improvements to the site already made which would contribute to the proposed use. Comparable 5 had plans and approvals already in place for a 9,600 SF building, and is adjusted downward 30%. No other adjustments are made.

Time Adjustment – This adjustment reflects change in market conditions between the sale date and the date of analysis. Growth and price appreciation in the subject corridor has been slow but positive, and application of a Market Conditions / Time adjustment is indicated. Considering the residual effects of the COVID years, this adjustment is based on an average (linear) annual appreciation rate of 3% on sale prices, applied monthly to the number of months from the comparable sale date to the date of value.

Market Condition – This adjustment is intended to reflect intangible factors other than time that affect marketability, such as the availability of financing, atypical market events, and the demand for the property type. This adjustment is specific to the comparable as opposed to the time adjustment, which is a representation of the general market. None of the comparables were adjusted.





# SITE IMPROVEMENT VALUATION

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## LAND VALUE CONCLUSION

Adjusted comparables indicate a range of market value from \$7.28 to \$13.90/SF.

Considering market trends and the comparables, and also subject location and small size, a market value of \$12/SF is concluded. The indicated market value for the subject site by the sales comparison approach is  $(4,160 \text{ SF} \times \$12/\text{SF}) = \$49,920$ , rounded to: **\$50,000**.

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<b>As Is Fee Simple Value, Subject Property:</b>
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<b>January 9, 2025</b>
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<b>\$ 50,000</b>
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# CERTIFICATION OF APPRAISAL

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It is hereby certified that, to the best of the appraisers' knowledge and belief, the statements of fact contained in this report are true and correct.

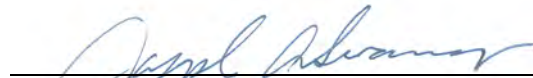
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- We have no (or the specified) present or prospective interest in the property that is the subject of this report and no (or the specified) personal interest with respect to the parties involved.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting pre-determined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The Reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice.
- The Reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, W. Paul Jackson MAI has completed the continuing education program for Designated Members of the Appraisal Institute.
- We have performed no appraisal services, as appraiser(s) or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the acceptance of this assignment.
- Joseph A. Swaney made a personal inspection of the property that is the subject of this report. W. Paul Jackson did not inspect the subject property.
- No one not named in the appraisal report provided significant real property appraisal assistance to the person(s) signing this certification.



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W. Paul Jackson, MAI

Oregon Certified General Appraiser  
License No. C000548 – Expires July 31, 2026  
Washington Certified General Appraiser  
License No. 1100337 – Expires July 12, 2026



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Joseph A. Swaney

Oregon Certified General Appraiser  
License No. C001088 – Expires February 28, 2026

# ADDENDA CONTENTS

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**EXHIBIT A**

**Appraiser's Qualifications / Company Profile / Client Contracts**

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**EXHIBIT B**

**N/A**

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**EXHIBIT C**

**N/A**

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**EXHIBIT D**

**N/A**

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## **COMPANY PROFILE**

Jackson Group NW, Inc. is a commercial real estate appraisal and consulting firm located in Portland, Oregon. The goal of the company is to provide appraisal and consultation services in a professional and timely manner. We provide appraisal services for properties located in Oregon and Washington. We are dedicated to the company's goal of providing quality appraisal and consultation services on a personal basis.

We have extensive experience in appraising and providing consultation services. Our scope of experience includes multiple property types and various ownership interests from small owner occupied properties to large institutional grade investments.

**W. Paul Jackson, MAI** has worked as a commercial appraiser and consultant since 1992. Mr. Jackson has experience in appraising multiple property types. He also has experience in appraising property for estate planning and court testimony. Over the years, in addition to the standard property types, he has developed valuable experience and expertise in the valuation of Hotels/Motels, gas stations/c-stores, mobile home parks, golf courses, institutional grade government buildings and a handful of other unique property types. Mr. Jackson prides himself on his ability to provide quality professional appraisal services that are both reliable and on time. Whatever your appraisals need, be it a simple owner occupied office or a complex re-development, you can rely on Mr. Jackson to provide you with the service you need.

**Joseph B. Skilton** has worked in real estate since 1978 as a land survey fieldman and drafter, cartographer (Ticor), real estate research analyst, corporate librarian, computer analyst, and real estate publisher (Real Estate Transaction Journal). Mr. Skilton joined us in 1999 and specializes in retail, general commercial, and special-use property appraisals.

**Joseph A. Swaney** had a prior career working in the information technology field as a computer programmer and database analyst. His first introduction to real estate was as a surveyor's chainman in his teenage years. He joined Jackson Group NW, Inc. in February 2005 as an assistant to W. Paul Jackson, and became a Certified General Appraiser in 2012.

**William E. "Bill" Leavens** has worked in the real estate community since high school where he did general construction, property management and accounts receivable for Leavens Investments, a family-owned rental property business. He began appraising in January 2003, specializing in apartment appraisals. Over the past decade Bill has gained extensive experience in appraising and providing consultation services for multifamily developments as a high value employee and also as the owner of his own appraisal firm. Bill brings a high level of customer service and expertise to our firm that is of great value to our clients and us.

**Garth W. Bergeson** has worked in commercial real estate appraisal since June 2004 and is currently certified in both Oregon and Washington. Garth has a broad base of experience ranging from standard commercial real estate appraisal work to complex land valuations. Garth brings a level of expert analysis and critical thinking to our team that is reflected in his clear and logical writing style.

## **COMPANY PROFILE (CONTINUED)**

To better serve our clients, Jackson Group NW, Inc. maintains state of the art computer equipment, real estate analytical software programs, libraries of comparable and resource data, property sales, lease transactions, property data computer retrieval systems, and other necessary tools and information relevant to the real estate appraisal and consultation field.

Jackson Group NW, Inc. considers its clients to be its most valuable assets. We have served various small and large financial institutions, corporations, developers, private individuals, attorneys, accountants, and government agencies. Our appraisal experience extends to all types of commercial, industrial, residential, apartment, resort, agricultural, and special use properties.

Past appraisal assignments have been conducted to serve various functions, including mortgage financing, property purchase and disposition, lease/rent arbitration, litigation support, condemnation, property tax analysis and appeal services, and corporate planning purposes.

## **PROFESSIONAL SERVICES**

- **Valuation Reports:** The market valuation of real property interests (*fee simple, leasehold, leased fee, etc.*) in various types of properties is the primary focus of most real property appraisal assignments performed by Jackson Group NW, Inc.
- **Real Estate Consulting:** Jackson Group NW, Inc. also conducts consulting assignments relating to all property types. Providing competent, unbiased, professional guidance on diversified problems in real estate has taken on ever increasing importance as a method of reducing the risks associated with the real estate field. The firm has undertaken such tasks as discounted cash flow analysis, highest and best use analysis, market studies, subdivision analysis, and market / feasibility analysis.
- **Arbitration, Litigation Support, and Expert Witness Services:** Jackson Group NW, Inc. also offers services for real estate matters involving arbitration (*ground rent renegotiations, tenant space lease renegotiations, etc.*). We also offer litigation support services to attorneys with various real estate problems. It is our goal to provide not only offensive, but defensive strategies, in a fair and unbiased manner, in order to expose the strengths and weaknesses of a particular case. Finally, we are experienced in working with attorneys in preparation for expert witness testimony.
- **Appraisal Review Services:** An appraisal review serves the purpose of analyzing the content and conclusions of an appraisal report. Clients consider an appraisal review to be a valuable tool in determining the credibility of an appraisal report, in order to reduce the risks associated with important lending, legal, and investment decisions.
- **Property Tax Analysis and Appeal Services:** The real property tax liability for property has a direct impact on its operating/holding expenses, net income, and associated market value. Therefore, competent representation before government agencies regarding ad valorem taxes can be critical in keeping this expense item in check.

**PROFESSIONAL QUALIFICATIONS - W. PAUL JACKSON, MAI**

Paul Jackson was born in Albany, Oregon and attended Oregon State University.

**EDUCATION**

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- Oregon State University, Bachelor Degree Economics 1991

**APPRAISAL INSTITUTE COURSES**

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- Analyzing Operating Expenses 2020
- 2020-21 USPAP 7-Hour Update 2020
- Forecasting Revenue 2020
- Small Hotel/Motel Valuation 2020
- Appraisal of Medical Office Buildings 2018
- Appraising Automobile Dealerships 2018
- Business Practices and Ethics 2018
- Eminent Domain and Condemnation 2018
- Data Verification Methods 2016
- Rates, Ratios: Making sense of GIMs, OARs, and DCF 2016
- Forecasting Revenue 2016
- Business Practices & Ethics 2016
- 7-hour USPAP 2016
- Business Practices & Ethics 2014
- Small Hotel/Motel Valuation 2014
- Subdivision Valuation 2014
- The DCF Model: Concepts, Issues, and Apps. 2014
- Green Buildings: Principles & Concepts 2014
- USPAP 7 hour Update 2011
- Feasibility, Market Value, Investment Timing: Option Value 2011
- Scope of Work: Expanding Your Range of Services 2011
- Appraising Convenience Stores 2011
- Site Valuation and Cost Approach 2009
- Analyzing Operating Expenses 2008
- Analyzing Distressed Real Estate 2008
- USPAP National Course Update 2008
- Using Your HP12C Financial Calculator 2006
- Feasibility, Market Value, Investment Timing: Option Value 2006
- Appraisal Report Writing Seminar 2004
- Small Hotel / Motel Valuation 2004
- GIS Applications for Real Estate Appraisal 2004
- Course 400, USPAP National Course Update 2003
- Search Strategies for Real Estate Appraisers 2001
- Valuation of Detrimental Conditions in Real Estate 2001

**PROFESSIONAL LICENSES**

---

- Certified General Appraiser:
  - 1) State of Oregon Certificate No. C000548
  - 2) State of Washington Certificate No. 1100337

**PROFESSIONAL QUALIFICATIONS - W. PAUL JACKSON, MAI**

**PROFESSIONAL AFFILIATIONS**

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- Designated Member of the Appraisal Institute (MAI) 2004

**PROFESSIONAL EXPERIENCE**

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- Owner, Jackson Group NW, Inc., Portland, Oregon 2013 to Present
- Owner, Cassinelli Jackson LLC, Portland, Oregon 1997 to 2013
- Commercial Appraiser, Palmer Groth & Pietka, Inc., Portland, Oregon 1992 to 1997

## **AREAS OF COVERAGE**

We cover all of Oregon, SW Washington as far north as Pacific county (Aberdeen) and SE Washington as far east as Walla Walla.

We have extensive expertise and experience in appraising all types of commercial real estate, which includes the following:

- Retail – All types
- Office –All types and Classes
- Industrial - All types
- Hotels/Motels - All types
- Mobile Home Parks
- Gas Stations/ C-Stores
- Restaurants – Fast Food and Sit Down
- Multi-Family
- Camp Grounds
- RV Parks
- Subdivision Analysis
- All types of Land
- Churches
- Schools/Universities/Government Buildings
- Agricultural Property

I have been appraising commercial real estate for more than twenty-five years and my four associates have 12 to 20 years of experience in commercial real estate appraisal. There are very few property types or real estate valuation issues that we have not analyzed over the past couple of decades.

Thank You

Paul Jackson, MAI  
Jackson Group NW, Inc.





**Appraiser Certification and Licensure Board**  
**State Certified General Appraiser**  
*28 hours of continuing education required*

**W. PAUL JACKSON**  
**JACKSON GROUP NW, INC.**  
**PO BOX 1246**  
**CANBY, OR 97013**

License No.: C000548  
Issue Date: August 01, 2024  
Expiration Date: July 31, 2026

  
Chad Koch, Administrator



**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**

**W. PAUL JACKSON**

1100337 License Number      12/27/2004 Issue Date      07/12/2026 Expiration Date

  
Marcus J. Glasper, Director



**PROFESSIONAL QUALIFICATIONS – JOE SWANEY**

Joe Swaney was born in Portland, Oregon and is a graduate of Portland State University.

**EDUCATION**

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- Portland State University, Bachelor of Arts, Political Science 1984

**APPRAISAL INSTITUTE COURSES**

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- Basic Income & Capitalization Theory 2005
- Advanced Income & Capitalization Theory 2008
- Report Writing & Valuation Analysis 2008
- Site Valuation & Cost Approach 2008
- Sales Comparison Approach 2008
- Market Analysis and Highest & Best Use 2010
- Apartment Appraisal 2010
- Basic Appraisal Procedures 2012

**OTHER APPRAISAL COURSES**

---

- Foundations of Appraisal, Portland Community College 2005
- Standards of Professional Practice (*USPAP*), Pro-Schools 2005
- Statistics, Modeling & Finance, McKissock, LP 2010
- FHA Single Family Appraisal, Career WebSchool 2010

**PROFESSIONAL LICENSES**

---

- Certified General Appraiser  
State of Oregon Certificate No. C001088

**PROFESSIONAL EXPERIENCE**

---

- Appraiser Jackson Group NW, Inc. Portland, Oregon 2013 to Present
- Appraisal Assistant, Cassinelli Jackson LLC, Portland, Oregon January 2005 to 2013
- Senior Programmer/Analyst, Regence Group, Portland, Oregon February 1989 to December 2004

**Appraiser Certification and Licensure Board**

**State Certified General Appraiser**

*28 hours of continuing education required*

**JOSEPH A SWANEY  
JACKSON GROUP NW, INC.  
PO BOX 1246  
CANBY, OR 97013**

License No.: C001088  
Issue Date: March 01, 2024  
Expiration Date: February 28, 2026



Chad Koch, Administrator



January 2, 2025

City of Albany Community Development  
c/o Matthew Ruettgers  
Community Development Director  
333 Broadalbin St. SW  
Albany, OR 97321  
Email: [Matthew.Ruettgers@cityofalbany.net](mailto:Matthew.Ruettgers@cityofalbany.net)  
Phone: (541) 917-7674

**RE: INDUSTRIAL ZONED LAND**  
817 Jackson St SE, Albany  
503 9<sup>th</sup> Ave SE, Albany  
519 9<sup>th</sup> Ave SE, Albany

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Dear Mr. Ruettgers,

I am pleased to submit the following proposal for the requested assignment. The terms and conditions are specified as follows:

**ASSIGNMENT SCOPE AND SPECIFICATIONS**

<b>Purpose:</b>	Estimate the market value of the above referenced property
<b>Property Rights Appraised:</b>	Fee Simple
<b>Premise / Valuation Date:</b>	Provide As Is Market Value as of the inspection date
<b>Intended Use:</b>	Determine value from which to establish a sales price
<b>Intended User:</b>	Matthew Ruettgers, City of Albany Community Development, and associated professionals
<b>Inspection:</b>	An on-site inspection of the property will be made by the appraiser
<b>Valuation Approaches:</b>	All applicable approaches as determined by the appraiser
<b>Report Type:</b>	Appraisal Report as per client requirements
<b>Appraisal Report Standards:</b>	Uniformed Standards of Professional Appraisal Practice
<b>Appraisal Fee:</b>	\$4,500
<b>Expenses:</b>	Included in the fee
<b>Retainer:</b>	0% (\$0)
<b>Payment Terms:</b>	Payment due upon delivery of the appraisal report. Please remit payments to: <b>Jackson Group NW, Inc.</b> <b>PO Box 1246</b> <b>Canby, OR 97013</b>
<b>Acceptance Date:</b>	This contract proposal is valid 5 business days from the date of this letter
<b>Start Date:</b>	Job commencement begins upon receipt of the signed contract and all requested information.
<b>Delivery Date:</b>	January 27, 2025 assuming prompt receipt of the contract, retainer, and all requested information.

**Report:**

The finished appraisals, one for each property, will be delivered via email to the client email in PDF format. Hard copies can be provided upon request for \$175 per copy.

If additional consultation is necessary after the appraisal is completed, the client will be billed at an hourly rate of \$350 per hour for all time expended. If the assignment is canceled for any reason prior to completion, the client will be billed at an hourly rate of \$350 per hour for all time expended prior to cancellation.

If the appraiser is required to give testimony for any reason, or at any time in connection with this assignment, then the client agrees to assume any reasonable professional fees and related costs, including preparation time. Trial preparation and consultation is billed at \$350 per hour. Court testimony time is billed at \$450 per hour.

Acceptance of this agreement by yourself, or a duly authorized agent, should be indicated by signing and mailing/delivering an authorized copy of this agreement to my attention. I look forward to working with you on this assignment, and should you have any questions on any aspect of this letter, please do not hesitate to call.

Sincerely,

**JACKSON GROUP NW, INC.**



W. Paul Jackson, MAI  
Oregon Certified General Appraiser C000548  
Washington Certified General Appraiser 1100337

Phone : 503-358-7340

Email : [paul@jacksongroupnw.com](mailto:paul@jacksongroupnw.com)

**ACCEPTANCE:**



Client Signature

1/2/2025

Date

Matthew Ruetters

Client Name (Printed)

541-917-7674

Phone #

matthew.ruetters@albanyoregon.gov

Email

same as above

Property Contact Name (Printed)

Phone #

Email





**APPRAISAL REPORT**

ALBANY INDUSTRIAL LAND  
519 9<sup>th</sup> Avenue SE  
Albany, OR 97322

PREPARED FOR:

City of Albany Community Development  
c/o Matthew Ruettgers  
Community Development Director  
333 Broadalbin Street SW  
Albany, OR 97321

PREPARED BY:

Joseph A. Swaney  
W. Paul Jackson, MAI  
**JACKSON GROUP NW** INC.  
PO Box 1246  
Canby, OR 97013  
(503) 358-7340

[www.jacksongroupnw.com](http://www.jacksongroupnw.com)

January 21, 2025

City of Albany Community Development  
c/o Matthew Ruettgers  
Community Development Director  
333 Broadalbin Street SW  
Albany, OR 97321

**RE: ALBANY INDUSTRIAL LAND**  
519 9<sup>th</sup> Avenue SE  
Albany, OR 97322

---

Dear Mr. Ruettgers,

At your request, we have completed an appraisal of the property specified above, which is presented in the following appraisal report. The subject property is a 0.09 acre site located on one tax lot, currently vacant. We have appraised the property using generally accepted appraisal principles and practices. The following appraisal complies with:

- ◆ The Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation, and
- ◆ The Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, and

This appraisal uses standard recognized appraisal methodology to develop our opinion of the market value of the subject property. This appraisal is presented in report format compliant with USPAP Standard 2. As such, it summarizes the data, reasoning, and analyses used to develop our opinion(s) of value. Supporting documentation concerning the data, reasoning, and analysis is retained in our files. The depth of discussion contained in this report is specific to the needs of the client.

The client and intended user(s), intended use, type and definition of value, effective date, subject property, and assignment conditions of this appraisal are stated &/or described in the report. These factors limit the context of the appraisal, and the legitimate uses of this report. We are not responsible for any other use of this report, or any use by parties not named. Please refer to the Scope of Work, and Assumptions and Limiting Conditions sections for important information.

The appraisal assignment is to develop and report our opinion of the As Is Fee Simple Value of the subject property. The final opinion of value is a fee simple value.

Based on our investigation and analysis of available information, our final opinion of market value of the subject property are:

TYPE OF VALUE	DATE OF VALUE	OPINION OF VALUE
As Is Fee Simple Market Value:	January 9, 2025	\$ 50,000

The value opinion(s) concluded in this appraisal do not include furnishings, fixtures, equipment, personal property, or intangible items. The valuation is subject to the Assumptions and Limiting Conditions section of the following report, as well as the explanatory comments within the report, which should be referenced for a complete understanding of the value conclusion(s).

The opinion(s) of value reported herein are contingent upon extraordinary assumptions and/or hypothetical conditions ('EA/HC'). EA/HC not met could have a negative impact on the value conclusions and could invalidate the entire appraisal. The appraisal report is subject to the following EA/HC:

Extraordinary Assumptions

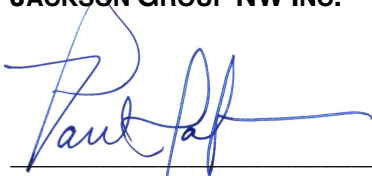
- A Preliminary Title Report was not provided to the appraisers. This appraisal assumes that there are no easements or encumbrances which would adversely affect the utility or market value of the subject property.
- A Professional Inspection Report was not provided to the appraisers. It is assumed that the subject is free and clear of any adverse conditions or defects, visible or otherwise, that would adversely affect the value of the subject.
- A Level 1 Environmental Report was not provided to the appraisers during the course of this analysis. It is assumed that the site is free and clear of any adverse conditions.
- A Geotechnical Report was not provided to the appraiser. This appraisal assumes that the subject soils are stable and will support the subject development.

Hypothetical Conditions

- N/A

Sincerely,

**JACKSON GROUP NW INC.**



W. Paul Jackson, MAI

Oregon Certified General Appraiser  
License No. C000548 – Expires July 31, 2026  
Washington Certified General Appraiser  
License No. 1100337 – Expires July 12, 2026



Joseph A. Swaney

Oregon Certified General Appraiser  
License No. C001088 – Expires February 28, 2026



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## **ADDENDA**

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- Exhibit A: Professional Qualifications and Company Profile – Jackson Group NW, Inc.
- Exhibit B: Appraisal Engagement Letter & Client Information

# APPRAISAL OVERVIEW



## DESCRIPTION

**Property Name:** City of Albany Industrial Land

**Street Address:** 519 9<sup>th</sup> Avenue SE  
Albany, OR 97322

**Neighborhood Character:** The subject property is located in an industrial area adjacent to a regional connector, Highway 99E, in Albany, Oregon. Also known as Pacific Highway, Highway 99E is the primary commercial route in Albany, and connects the city to other communities in the Willamette Valley, most notably Corvallis and Eugene. I-5, two miles east of the subject, is the primary regional connector through the Willamette Valley. Off the arterials, uses turn to residential, with pockets of industrial development such as the subject neighborhood. No adverse environmental influences are noted that would negatively affect the subject property or neighborhood. The long-term outlook for the neighborhood is for continued desirability and positive property values.

**Site Area:** The site area is 0.09 acres (4,000 SF).

**Zoning:** The subject is zoned LI (Light Industrial) by the City of Albany. According to the code, the LI zone is intended to provide areas for "... a wide range of manufacturing, warehousing, processing, assembling, wholesaling, specialty contractors and related establishments." Uses are intended to have limited impacts on nearby properties; the LI zone serves as a buffer between heavy industrial zones and residential areas.

**General Site Conditions:** A rectangular-shaped interior site, level and at street grade. The site is within an established industrial node within the Highway 99E corridor.

## **APPRAISAL OVERVIEW** (continued)

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**Improvements:** Grass, mature trees.

**Tenancy:** The site is currently unoccupied.

**Access/Exposure:** The subject has average access and exposure to Jackson Street, a neighborhood collector street.

### **HIGHEST AND BEST USE**

**"As Vacant":** Small industrial building commensurate with the size of the lot.

### **VALUATION SUMMARY**

**Interest(s) Appraised:** Fee Simple Interest. The subject has no tenant or leasing in place. Therefore, fee simple analysis applies.

<b>TYPE OF VALUE</b>	<b>DATE OF VALUE</b>	<b>OPINION OF VALUE</b>
<b>As Is Fee Simple Market Value (rounded):</b>	<b>January 9, 2025</b>	<b>\$ 50,000</b>

# APPRAISAL INFORMATION

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## TRANSFERABILITY OF APPRAISAL

If this report is transferred/assigned to another party (user), and/or is reviewed and there are questions or additional work necessary to meet any subsequent guidelines/requirements, the appraiser may charge appropriate fees for any additional work performed. Our current billing rate is \$350/hour.

## LEGAL/TAX DESCRIPTION

No Investigation of title was provided. It appears that the corresponding County plat map matches property boundaries as apparent on the ground at the time of inspection. County assessment data is presented below.

Linn County Parcel # / Map & Tax Lot	Land	RMV Impr.	Total	Taxable Value	2024-25 Taxes
87029 / 11S 3W 07 AB 201	\$69,000	\$0	\$69,000	\$0	\$0

## CLIENT / INTENDED USER(S)

Jackson Group NW, Inc. has been retained by City of Albany, which is the client and intended user of this report.

## INTENDED USE

To provide the client and intended user with an opinion of market value, for use in pricing for marketing purposes.

## TYPE AND DEFINITION OF VALUE

The appraisal assignment is to develop and report our opinion of the As Is Fee Simple Value of the subject property. The final opinion of value is a Fee Simple value.

## EFFECTIVE DATE(S) OF VALUE

As Is Fee Simple Market Value:

January 9, 2025

## SUBJECT PROPERTY INSPECTION

Date:

January 9, 2025

Property Representative:

None present

Appraiser(s):

Joseph Swaney

OR Certified General Appraiser

# APPRAISAL INFORMATION (continued)

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## **MARKET VALUE<sup>1</sup>**

Market value is the major focus of most real property appraisal assignments. Both economic and legal definitions of market value have been developed and refined. A current economic definition agreed upon by federal financial institutions of the United States of America is:

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

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

Substitution of another currency for United States dollars in the fourth condition is appropriate in countries or in reports addressed to clients from other countries.

## **DEFINITIONS<sup>2</sup>**

### **As Is Value**

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

### **Prospective Value**

A forecast of the value expected at a specified future date. A prospective value estimate is most frequently sought in connection with real estate projects that are proposed, under construction, or under conversion to a new use, or those that have not achieved sellout or a stabilized level of long-term occupancy at the time the appraisal report is written.

### **Retrospective Value**

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

### **Stabilized Value**

A value estimate that excludes from consideration any transitory condition, e.g., a bonus or premium for material, the abnormal inefficiency of labor, the cost of delay, or unfinished repairs.

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<sup>1</sup> Uniform Standards of Professional Appraisal Practice, 2024, The Appraisal Foundation

<sup>2</sup> The Dictionary of Real Estate Appraisal, 2015, Sixth Edition, Appraisal Institute

## **APPRAISAL INFORMATION (continued)**

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### **Fee Simple Estate**

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

### **Leased Fee Estate**

An ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. The rights of lessor (leased fee owner) and the leased fee are specified by contract terms contained within the lease.

### **Leasehold Estate**

An ownership interest held by the lessee (tenant or renter) through a lease conveying the rights of use and occupancy for a stated term under certain conditions.

## **SUBJECT HISTORY OF OWNERSHIP INFORMATION**

A preliminary title report was not provided. Public records show title to the subject vested in the City of Albany, which has owned the subject for many years. The subject property is not listed for sale or for lease. We found no other conveyances of fee title in the three years prior to the date of value.

## **SCOPE OF THE APPRAISAL**

The appraisal assignment is to develop and report our opinion of the As Is Fee Simple Value of the subject property. The final opinion of value is a fee simple value. All applicable appraisal procedures were employed, including:

- Definition of pertinent issues related to the appraisal assignment
- Inspection of the subject property
- Site and improvement analyses
- Highest and best use analysis (as vacant, and as improved)
- Market data selection, verification, and analysis
- Use of the approaches to value and valuation
- The reconciliation of value indications and final value estimate

Joseph Swaney conducted an on-site inspection of the subject property, which included walking through the subject, photographing the interior and exterior. Mr. Swaney performed the appraisal and authored the report. W. Paul Jackson, MAI, did not inspect the subject property but is familiar with the market area, has reviewed this report and concurs with the analysis and conclusions herein. Building areas are based on the county sketch which was verified by spot check measurements by the appraiser. Land area is based on plat map and county data.

Property representatives were interviewed about the physical features of the property including the condition, function, efficiency, and operation of the property, and also the history of ownership and marketing activity for the property. Government officials, contractors, developers, architects, engineers, attorneys, and other professionals and/or consultants were interviewed and/or referenced when applicable in the appraisal. Government zoning and planning documents, legally binding documents (purchase, option, or development agreements, leases, easements, or encumbrances), and professional and/or consultant reports are included and/or referenced where appropriate in the appraisal.

**APPRAISAL INFORMATION (continued)**

The collection, verification and analysis of comparables are integral to the valuation analysis. This information was collected from sources deemed reliable and confirmed by interviewing knowledgeable market participants (buyers, sellers, property managers, tenants, brokers, consultants, developers, building owners, and/or investors) and exterior viewing of the properties. One or more knowledgeable parties to the transactions were interviewed in the verification and confirmation of the comparable data. The most current data (typically up to one year prior to the valuation date) was relied upon with primary emphasis on comparables located in the immediate market area when possible. When there was a lack of comparable information in the immediate market area, parameters were broadened to include similar competing markets and more dated transactions of properties in the immediate market area.

The following primary sources were contacted and contributed significant assistance in the appraisal process.

Primary Sources	Summary of Significant Assistance Provided
Matthew Ruetters, City of Albany Community Development	Appraisal Engagement / Subject Information
Knowledgeable Market Participants	Comparable market data
Jackson Group NW, Inc. Database	Comparable market data
Linn County / City of Albany	Plat Map, Assessment, Zoning, Land Use Patterns, Proposed Projects, Legal Subject Land Use(s)

The following secondary data sources were relied upon in the appraisal process.

Secondary Data Sources	Summary of Significant Information Provided
Loop Net / CoStar Comps / RMLS	Comparable sales and listings
Local Government, Market Participants, Publications	Comparable Leads, Market Trends

All information necessary to competently complete this appraisal assignment was made available to the appraisers, **except:**

- Preliminary Title Report
- Environmental Investigation / Assessment Report
- Building Inspection Report
- Geotechnical Report

**VALUATION METHODOLOGY**

The Sales Comparison Approach is performed in order to develop our opinion of the As Is Fee Simple Value of the subject. This is the typical approach used for valuation of land. Appraisal methodology performed and summarized in this report conforms with typical appraisal practice and expectations of the typical client in similar assignments, is sufficient for the intended use of the appraisal, and returns a credible opinion of value.



## **APPRAISAL INFORMATION (continued)**

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### **MARKETING AND EXPOSURE TIME**

Marketing period is defined as the amount of time a property would be on the market in order to sell at a future date, at the concluded value. Exposure period is the time a property would have previously been on the market, culminating in a hypothetical sale as of the date of value. Marketing time differs from Exposure time, which is always presumed to precede the effective date of an appraisal. USPAP requires an opinion of reasonable exposure time be reported when it is a constituent of the value opinion being developed.

Exposure periods for improved sales discovered in the course of this assignment ranged from zero (not openly marketed) to 6 months. Assuming it were competently promoted and appropriately priced, a Marketing / Exposure Period of up to 12 months would be reasonably anticipated for the subject property.



# ASSUMPTIONS AND LIMITING CONDITIONS

---

## EXTRAORDINARY ASSUMPTIONS AND/OR HYPOTHETICAL CONDITIONS

The opinions of value reported herein are contingent upon extraordinary assumptions and/or hypothetical conditions ('EA/HC'). EA/HC not met could have a negative impact on the value conclusions and could invalidate the entire appraisal. The appraisal report is subject to the following EA/HC:

### Extraordinary Assumptions

- A Preliminary Title Report was not provided to the appraisers. This appraisal assumes that there are no easements or encumbrances which would adversely affect the utility or market value of the subject property.
- A Professional Inspection Report was not provided to the appraisers. It is assumed that the subject is free and clear of any adverse conditions or defects, visible or otherwise, that would adversely affect the value of the subject.
- A Level 1 Environmental Report was not provided to the appraisers during the course of this analysis. It is assumed that the site is free and clear of any adverse conditions.
- A Geotechnical Report was not provided to the appraiser. This appraisal assumes that the subject soils are stable and will support the subject development.

### Hypothetical Conditions

- N/A

## GENERAL ASSUMPTIONS

The statements of value and all conclusions shall apply as of the dates shown herein.

The valuation assumes the previously discussed legal description accurately identifies the subject property.

We assume no responsibility for matters legal in character, nor do we render any opinion as to title, which is assumed to be marketable. All existing liens, encumbrances, and assessments have been disregarded, unless otherwise noted, and the property is appraised as though free and clear, under responsible ownership, and competent management.

Unless otherwise noted herein, it is assumed that there are no adverse encroachments, zoning, or restrictive violations existing in the subject property.

We assume no responsibility for determining if the property requires environmental approval by the appropriate governing agencies, nor if it is in violation thereof, unless otherwise noted herein.

Information presented in this report has been obtained from reliable sources, and it is assumed that the information is accurate.

This report shall be used for its intended purpose only, and by the parties named as intended users. Possession of this report does not imply entitlement to use by other parties, or suitability for intended use(s) not stated herein. Possession of this report does not include the right of re-distribution in whole or part.

This report must be used in its entirety. Reliance on any portion of the report independent of other portions may lead the reader to erroneous conclusions regarding the property value. No portion of the report stands alone without approval from the authors.

## **ASSUMPTIONS AND LIMITING CONDITIONS (continued)**

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Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales, or other media without the written consent or approval of the authors. This applies particularly to opinions of value.

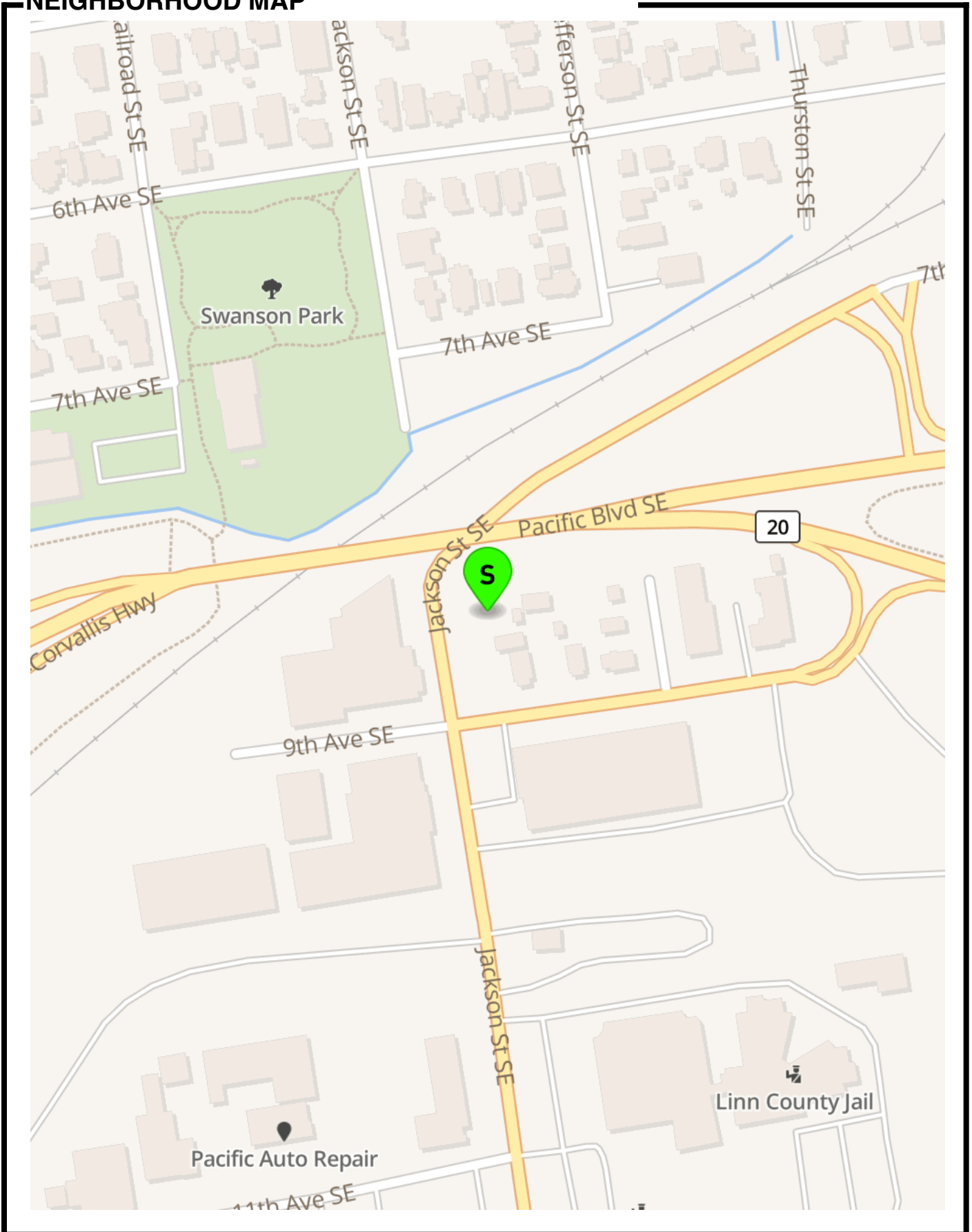
We have no present or contemplated future interest in the property that is not specifically disclosed in this report.

The valuation stated herein assumes professional management and operation of the property throughout the lifetime of the improvements, with an adequate maintenance and repair program.

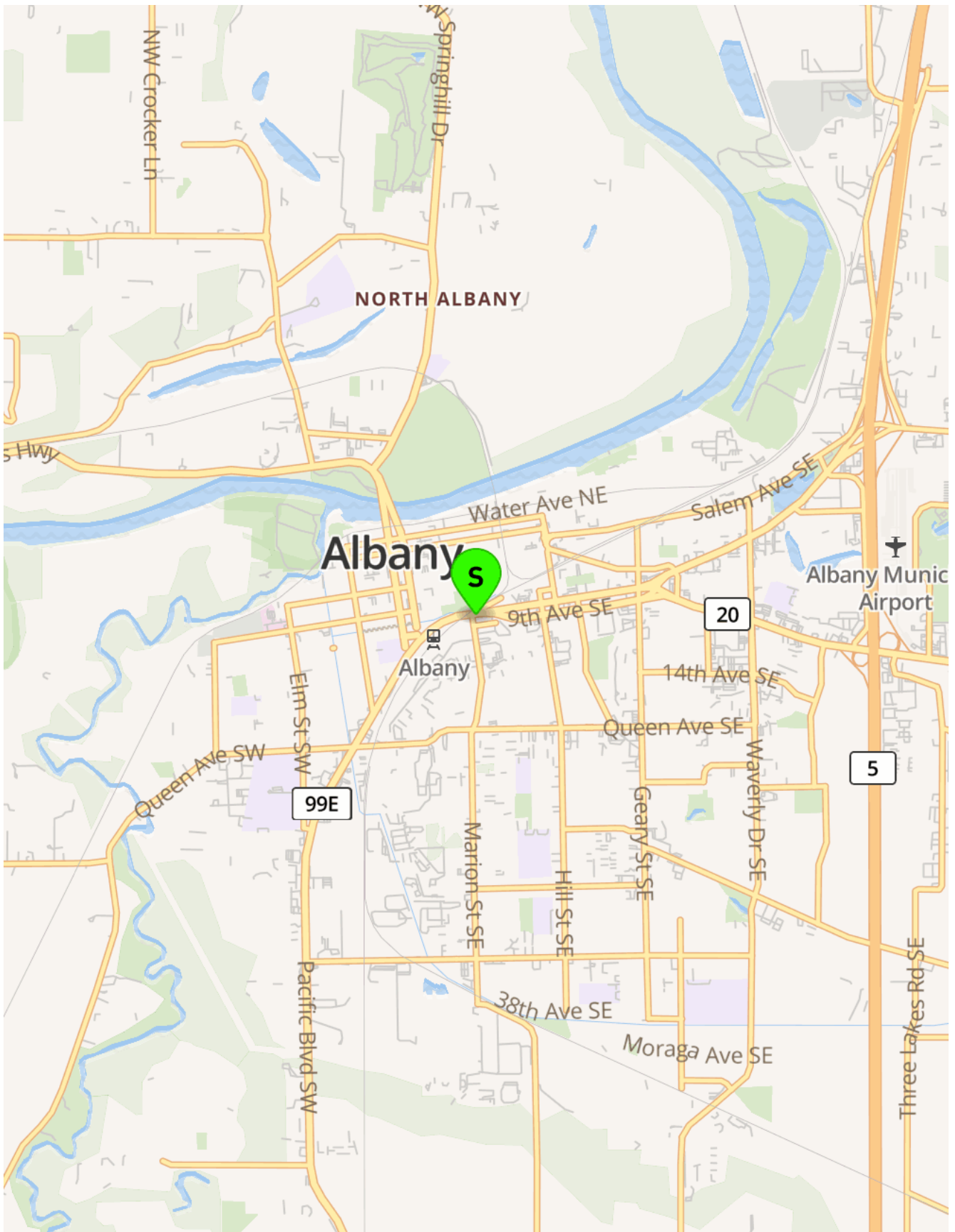
We assume no responsibility for determining if the subject property complies with the Americans with Disabilities act (ADA). Jackson Group NW, Inc. shall not be liable for any costs, expenses, assessments, penalties or diminution in value resulting from non-compliance. This appraisal assumes that the subject meets an acceptable level of compliance with ADA standards; if the subject is not in compliance, the eventual renovation costs and/or penalties would negatively impact the present value of the subject. If the magnitude and time of the cost were known today, they would be deducted from the reported value conclusion.

We are not qualified to detect the presence of toxic or hazardous substances or materials that may influence or be associated with the property or any adjacent properties. Jackson Group NW, Inc. shall not be liable for any costs, expenses, assessments, or penalties, or diminution in value, property damage, or personal injury (including death) resulting from or otherwise attributable to toxic or hazardous substances or materials, including, without limitation, hazardous waste, asbestos material, formaldehyde, or any smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids, solids or gasses, waste materials or other irritants, contaminants or pollutants.

# NEIGHBORHOOD MAP



# REGIONAL MAP



# MARKET AREA DESCRIPTION

The Appraisal Institute defines market area as following: “The geographic or locational delineation of the market for a specific category of real estate, i.e., the area in which alternative, similar properties effectively compete with the subject property in the minds of probable, potential purchasers and buyers”.

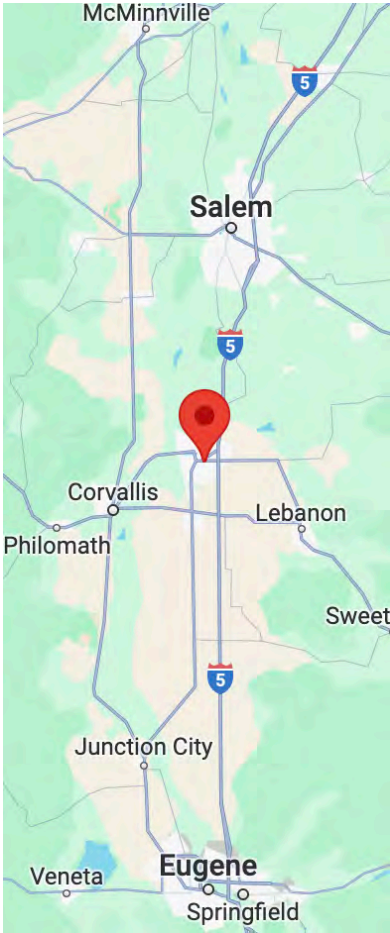
The market area analysis is presented in two sections, a regional analysis and general neighborhood analysis. The regional analysis will focus on a macro view of the subject market area and generally highlight current conditions that shape the nature of the regional economy. A more specific analysis that focuses on the subject’s neighborhood area will follow.

### Regional Analysis

This section will discuss the greater economic trends (population, income, and employment) within the subject’s region that may have an impact on the property now and in the foreseeable future. The following tables show the historic and projected growth rates for population, median household income, and unemployment within the region.

### Demographics

Oregon has experienced consistent population growth over the last decade. However, it has slowed down since 2021 due to changes in the political climate and livability in the urban centers. As a result, residents have migrated to more suburban / rural locations with more affordable real estate, which has been bolstered by more “work from home” jobs. The population trends are summarized in the table below.

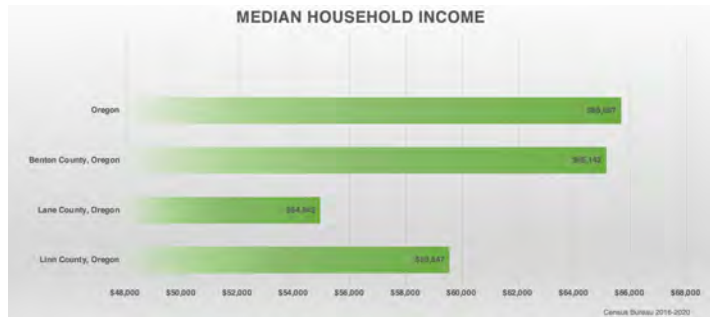


Portland State University: Center For Population Research and Census (Recent Years)

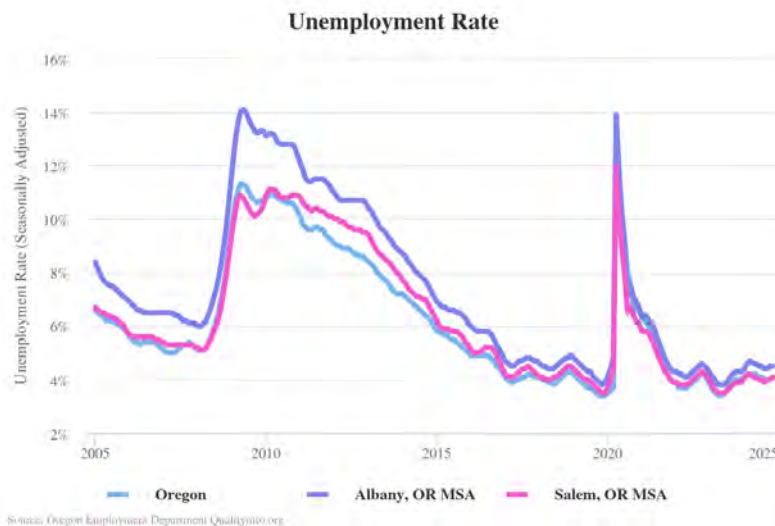
POPULATION	2023	2022	2021	2020	2019
Oregon	4,296,626	4,278,910	4,263,827	4,268,055	4,236,400
Linn County	131,984	131,194	129,839	128,610	125,048
<b>Albany</b>	<b>57,997</b>	<b>57,322</b>	<b>56,828</b>	<b>56,412</b>	<b>53,521</b>
Corvallis	61,669	59,434	59,864	59,696	58,028

## MARKET AREA ANALYSIS (Continued)

The U.S Census Bureau graph illustrates the median household income from the years 2016-2020 in Oregon and the Counties of Linn, Benton, and Lane. The median household income in the counties is all lower than the statewide median household.



The Oregon unemployment rate continues to drop since its high of nearly 13% in early 2020. The graph below shows the unemployment statistics in Oregon and the Albany MSA (equivalent to Linn County), from the years 2010-2023. The current Oregon unemployment rate is (November 2024) 4.1%. The Albany MSA, of which the subject is a part, is at 4.5%. Although low, these rates do not fully reflect the current job market in which workforce participation is at an all-time low due to the residual effect of expanded unemployment benefits and other government subsidies related to the COVID-19 response. The state as a whole, along with other counties, have followed similar trendlines.



### General Neighborhood Analysis

This section will discuss the general neighborhood and economic trends (population and income) located in the primary market area that may have an impact on the property now and in the foreseeable future.

The subject property is located in the city of Albany in Linn County, Oregon. Albany is located in the Mid-Willamette Valley along the Interstate-5 corridor approximately 20 miles south of Salem, and 40 miles north of Eugene. Albany is a small, developing city with an economy based primarily on an agriculture and food products, wood products, metals, paper and manufacturing.

Commercial development in Albany is concentrated along the main arterials, Highway 20 and Highway 99. There are some industrial uses interspersed throughout southeast Albany and on the periphery of the city near the major I-5 and Highway 30 interchanges, as well as in the subject neighborhood of south and east of Highway 99.

## **MARKET AREA ANALYSIS (Continued)**

---

The Albany Municipal Airport is located between I-5 and Price Road, at the north portion of the Albany area, east of I-5. Shopping centers/ fast food services are primarily located along Highway 20 (Santiam Highway) and Highway 99 (Pacific Boulevard).

The City of Albany contains Enterprise Zones, affordable infrastructure costs, adequate working-age population, and good regional linkages. Existing infrastructure is estimated to be operating at about half of capacity. City Government offers tax reductions and permit / fee discounts for job creating industries. Overall, the potential for future development is positive.

### Access and Linkages

The site allows good local and regional linkages to housing, employment, and services. Interstate 5 is 2 miles to the northeast at the I-5/Highway 99E interchange, and the I-5/Highway 20 interchange is 1.75 miles east. To the south is Highway 34 which connects Albany with Corvallis and the Oregon coast, and central Oregon and the City of Bend to east. Highway 99E runs north-south to the west of I-5 between Albany and Eugene, connecting the subject neighborhood with the farming communities of the Willamette Valley.

### Immediate Neighborhood

The subject is in an industrial node east of the Highway 99E (Pacific Highway) corridor in Albany. Highway 99E gives the subject regional and immediate access to major arterials within the area, as described above. Surrounding development is mostly light industrial.

### Outlook and Conclusion

Neighborhoods are constantly changing and continually cycle through four phases. The four phases include growth, stability, decline, and renewal. These phases are used to evaluate the changes that occur within a neighborhood over time. During the growth phase, the neighborhood is in the beginning of development and expansion. Following the growth phase is stability. The neighborhood may still grow, but at a much slower pace. A neighborhood enters a state of decline when it can no longer compete with adjacent neighborhoods. Lastly, renewal is the period during which a neighborhood is “rediscovered” because of affordability and convenience. The subject area has been in the steady phase as an established economic node for the immediate area and regionally.

As the population and employment rates keep trending slowly upward, the subject market area is anticipated to continue improving, with appreciating property values in the long term.

Overall, there are no adverse conditions that were evident that would have a detrimental impact on the neighborhood, or the marketability of the subject property specifically. With expected population and employment growth in the region, the forecast for the subject is for continuing stable to mildly appreciating property values.

AERIAL OVERLAY





# PLAT MAP



# PROPERTY DESCRIPTION



## DESCRIPTION

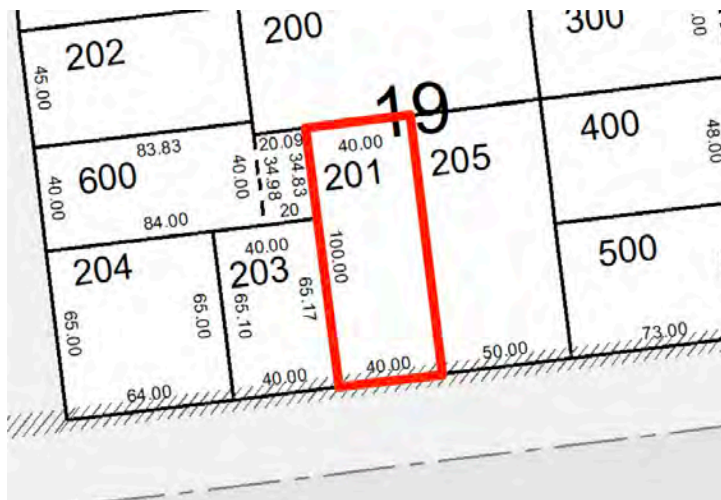
**Property Name:** City of Albany Industrial Zoned Lot  
519 9<sup>th</sup> Avenue SE  
Albany, OR 97322

## SITE DESCRIPTION

**GENERAL:** A rectangular-shaped interior site which is level and at street grade. The site is within an industrial area immediately south of Highway 99E.

**Shape:** Rectangular

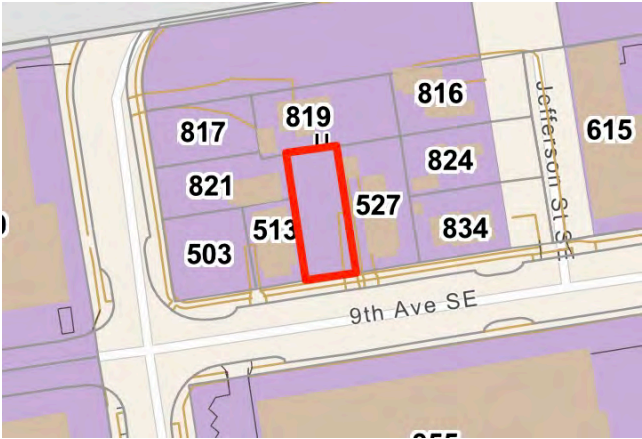
**Land Area:** The site is 0.09 acres (4,000 SF) in area according to County records.



**PROPERTY DESCRIPTION (continued)**

**SITE DESCRIPTION (CONTINUED)**

- Access/Exposure:** The subject has average access and exposure to 9<sup>th</sup> Avenue, a neighborhood connector which leads to Highway 99E eastbound.
- Topography:** Level at street grade.
- Utilities:** All public utilities are available.
- Site Improvements:** Grass, mature trees.
- Easements/Encroachments:** A preliminary title report was not provided to the appraiser. This appraisal assumes that there are no easements or encumbrances which would adversely affect the utility or market value of the subject.
- Flood Plain:** FEMA FIRM panel 41043C 0213H (12/8/2016) locates the subject in zone X, outside known flood hazard zones.
- Drainage:** Nothing adverse noted during the inspection.
- Environmental:** A current environmental report was not provided. Upon property inspection and interview with representatives, no adverse factors are noted, and this appraisal assumes that none exist. Please refer also to the Assumptions and Limiting Conditions.
- Geology:** A geotechnical report was not provided. Subject soils are assumed stable and capable of supporting development commensurate with the concluded highest and best use.
- Zoning:** The subject is zoned LI (Light Industrial) by the City of Albany. According to the code, the LI zone is intended to provide areas for "... a wide range of manufacturing, warehousing, processing, assembling, wholesaling, specialty contractors and related establishments." Uses are intended to have limited impacts on nearby properties; the LI zone serves as a buffer between heavy industrial zones and residential areas.



## **PROPERTY DESCRIPTION (continued)**

---

### **SITE DESCRIPTION (CONTINUED)**

**Surrounding Uses:**           **North-** SFR  
   **South-** Industrial  
   **East-** SFR  
   **West-** SFR

**Site Summary:**               The subject site has adequate and marketable buildable area, average access and traffic in a built-up light industrial area, with all public utilities available. The site has good access to Highway 99E and to I-5. The site would be desirable for development.

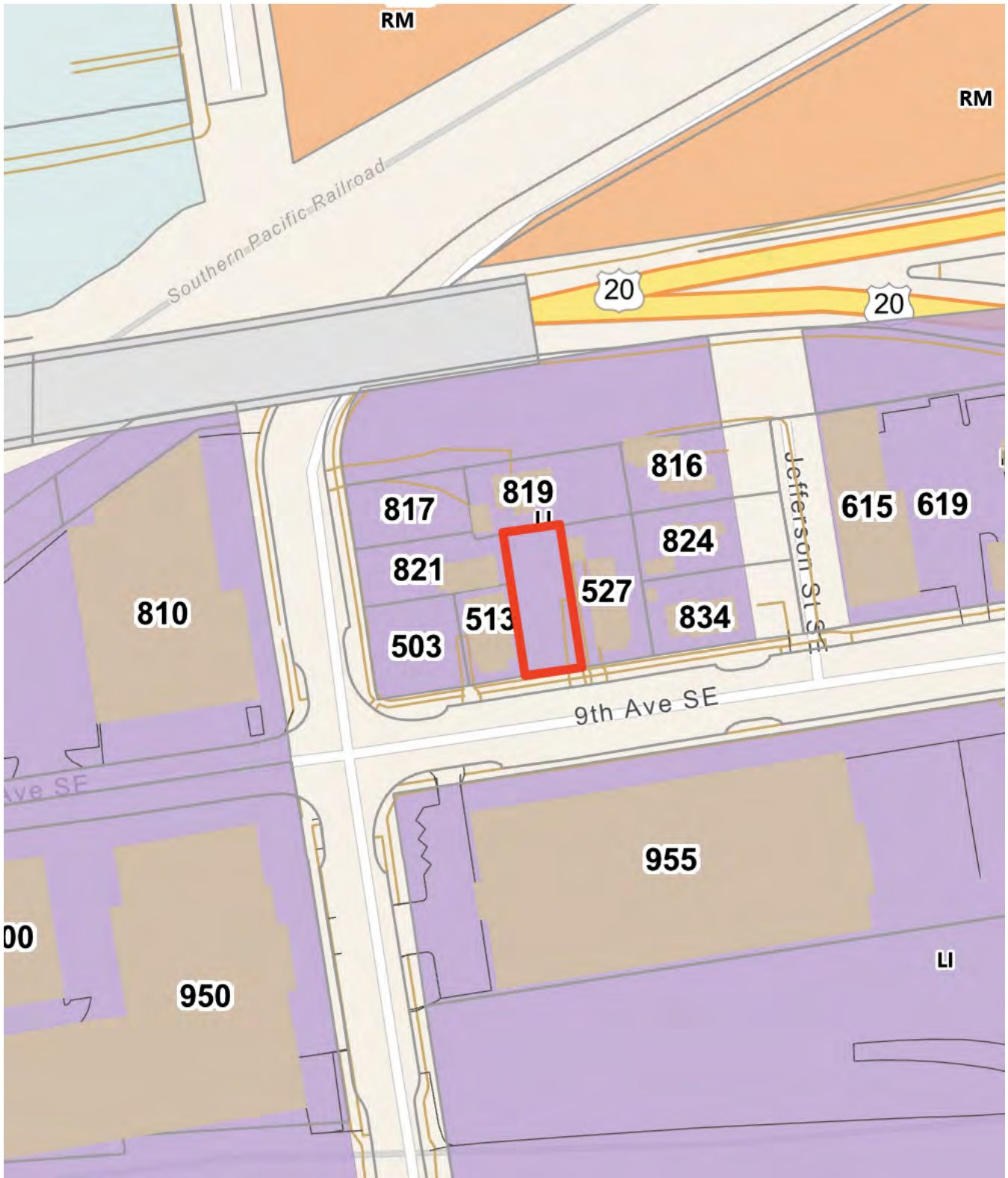
**SUBJECT PHOTO**



125JG-103



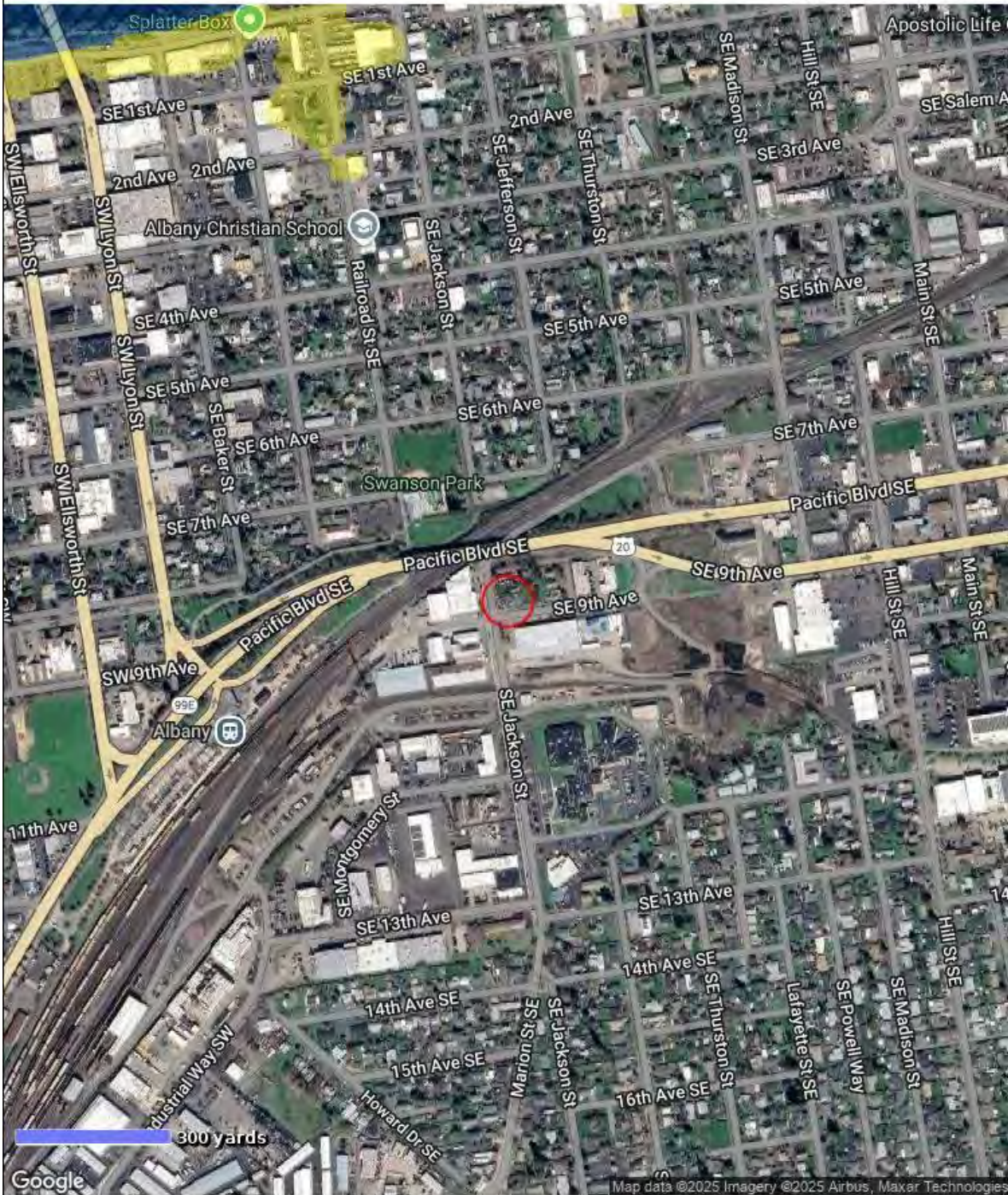
# ZONING MAP



# FLOOD MAP

**InterFlood** by a la mode

Prepared for: Jackson Group NW, Inc  
 503 9th Ave SE  
 Albany, OR 97322-3209



**MAP DATA**

FEMA Special Flood Hazard Area: No  
 Map Number: 41043C0213H  
 Zone: X  
 Map Date: December 08, 2016  
 FIPS: 41043

**MAP LEGEND**

- |                                      |                 |
|--------------------------------------|-----------------|
| Areas inundated by 500-year flooding | Protected Areas |
| Areas inundated by 100-year flooding | Floodway        |
| Velocity Hazard                      | Subject Area    |

Powered by CoreLogic®



# SUBJECT PROPERTY PHOTOGRAPHS

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Subject from 9th Avenue



Subject from 9th Avenue



# SUBJECT PROPERTY PHOTOGRAPHS

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9th Avenue SE, looking west. Subject is at right



9th Avenue SE, looking east. Subject is ahead at left

# HIGHEST AND BEST USE ANALYSIS

The Appraisal Institute defines the concept of highest and best use as follows:

"The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability."<sup>3</sup>

The highest and best use concept is based on traditional appraisal theory and reflects the attitudes of typical buyers and sellers who recognize that value is predicated on anticipation of future benefits. This theory is based on the wealth maximization of the owner. In the appraisal process, highest and best use concept typically reflects most probable use, and often relates to the most probable value of the property.

## AS VACANT

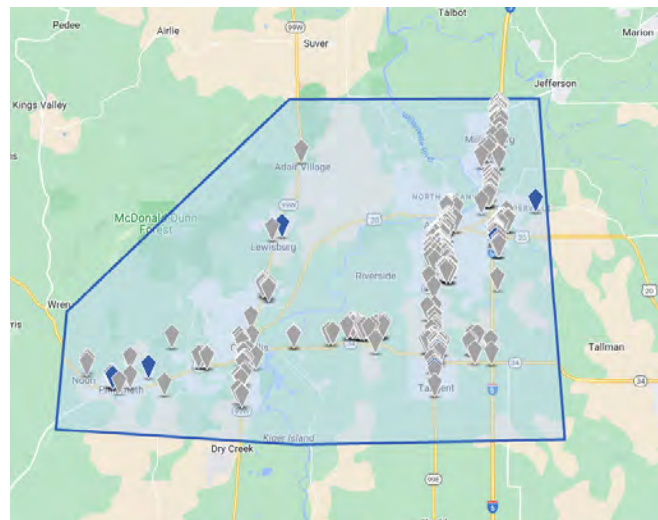
The subject site is zoned LI (Light Industrial) by the City of Albany. This zoning allows a wide variety of low-impact industrial uses, including manufacturing, warehousing, wholesaling, assembling, contracting and related uses. The site is physically functional, with marketable buildable area, access, and all utilities available. The immediate vicinity is built out, with little vacant land available.

Physical: The subject site is within a commercial / industrial corridor, adjacent to Highway 99E, with very good proximity to Interstate-5 via a nearby interchange. The immediate neighborhood is an industrial enclave that is well located to serve local as well as transient markets in the central Willamette Valley and beyond. The size, shape, topography, and soil conditions of the parcel are functional, with city utilities available. Extensive site frontage provides good exposure on a local collector. With functional shape and area, good location and linkages, the subject site would have good appeal for owner-occupancy. Given proximity to commercial and residential areas of Albany, a service-oriented use would seem likely.

Legal: The subject zoning promotes light industrial uses. The subject presents no extraordinary obstacles to development.

Feasibility: Employment and general economic conditions have been improving. The Albany area appears to be experiencing some growth, with recent investment apparent. The subject site as vacant is of adequate area and functional for development, and would have good appeal to an owner-user. The subject's commercial proximity indicates possible industrial/service use.

A CoStar survey of smaller industrial properties in the Albany submarket (see map at right) shows variable but low vacancy, currently at 1.3%.



<sup>3</sup> The Dictionary of Real Estate Appraisal, 2015, Sixth Edition, Appraisal Institute

# HIGHEST AND BEST USE ANALYSIS

Rents have been increasing since 2015, but leveled off in 2021, and today are 8.9% above the five-year average. Please refer to the graph at right and the table below.

Industrial properties are relatively unaffected by changing employee location (workplace / home) dynamics. Industrial rents are forecast to continue their steady rise. Low vacancy and rising prices are indicative of demand, which favors subject development. Nonetheless, speculative development in the near-term is not supported given current economic uncertainty.



Availability	Survey	5-Year Avg
Rent Per SF	\$8.91	\$8.18
Vacancy Rate	1.3%	1.9%
Vacant SF	130,210	189,181
Availability Rate	1.9%	3.0%
Available SF	188,410	300,374
Sublet SF	8,000	64,952
Months on Market	4.9	6.1

Inventory	Survey	5-Year Avg
Existing Buildings	326	323
Existing SF	10,104,161	9,986,766
12 Mo. Const. Starts	0	47,046
Under Construction	0	31,760
12 Mo. Deliveries	2,730	52,273

Demand	Survey	5-Year Avg
12 Mo. Absorption SF	-33,846	55,041
12 Mo. Leasing SF	85,613	104,444

Sales	Past Year	5-Year Avg
Sale Price Per SF	\$71	\$78
Asking Price Per SF	\$104	\$97
Sales Volume (Mil.)	\$33	\$27
Cap Rate	-	7.5%

Further analysis of possible development scenarios is beyond the scope of this appraisal, which develops and reports our opinion of as is market value.

Summary / As Vacant Conclusion: The subject market area is a stable corridor. Additional speculative development is not supported at this time. Based on planning goals, market trends, and subject specifics, the highest and best use of the subject site, as if vacant, is for development of a light industrial or service project, depending on changing market conditions and specific demand from prospective owner-users and/or primary lease tenants.

# VALUATION

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## INTRODUCTION

The social, economic, governmental, and environmental forces influencing the subject property have been presented. The specific physical and location characteristics of the site and improvements have been described. The highest and best use of the subject property is concluded to be as 0.09 acres of LI zoned land.

The appraisal assignment is to develop and report our opinion of the As Is Market Value of the subject property. The final opinion of value is a fee simple value.

## VALUATION APPROACHES

The Cost Approach is typically performed in valuation of newly-built &/or special-use properties, and properties in which a greater proportion of overall value is in the land. The Income Capitalization Approach is typically the strongest indicator for properties that would trade based on income / investment potential as the primary consideration. The Sales Comparison Approach is considered most applicable by owner-users and buyers giving additional consideration to benefits of ownership, and to physical presence.

## VALUE CONCLUSION

The subject is 4,000 SF (0.09 acre) of usable industrial-zoned land, located in an industrial enclave.

The subject land value is developed by sales comparison approach, which is the sole approach used for the land. This is typical for valuation of vacant fee owned land. Appraisal methodology performed and summarized in this report conforms with typical appraisal practice and expectations of the typical client in similar assignments, is sufficient for the intended use of the appraisal, and returns a credible opinion of value.

# SITE VALUATION

In this section, the market value of the subject site is developed by comparing it with light industrial use sites. The subject site is located in an established industrial neighborhood adjacent to a commercially intensive arterial, Highway 99E, within a greater growing submarket with low vacancy and rising rents.

## SITE COMPARABLE SALES ANALYSIS

When applicable, comparables are first adjusted for property rights conveyed, and non-market financing. Land sales are then adjusted to the subject according to comparable elements of zoning, location, physical characteristics, potential economic use, and market conditions.

The following adjustment grid represents a bracketing analysis that generally ranks the subject among the comparables. Adjustments are expressed as numerical percentages, to illustrate the relative weight given individual adjustments, compared with the subject property, and each other. The comparables are adjusted to the subject property consistent with standard appraisal methodology. A positive percentage adjustment indicates that a comparable is inferior to the subject regarding a specific (or set of related) characteristic(s) and is therefore adjusted upward to simulate rough parity with the subject property. Conversely, negative adjustment indicates that a comparable is superior to the subject in some regard and so is adjusted downward. The adjusted values indicate a quantifiable range of market value for the subject property, which is further refined in the narrative analysis that follows.

Comparable Land Sale Adjustment Grid

#	Comparables	Sale Price / Sale Date	Acres (AC)	Size (SF)	\$/SF	Econ. Location	Size	Zoning / Utility	Site Imps. / Grading	Time - % annually	Market Cond.	Net Adjustment	Adjusted \$ / SF % of Unadjusted
1	92341 Booth St Junction City	\$325,000 1-Jun-2024	1.66	72,217	\$4.50	\$0.45 10.00%	\$2.25 50.00%	\$0.00 0.00%	\$0.00 0.00%	\$0.08 1.85%	\$0.00 0.00%	\$2.78 61.85%	\$7.28 0.00%
2	740 Ellingson Rd SW Albany	\$240,000 26-Apr-2024	0.80	33,122	\$7.25	\$0.00 0.00%	\$1.81 25.00%	\$0.00 0.00%	\$0.00 0.00%	\$0.16 2.15%	\$0.00 0.00%	\$1.97 27.15%	\$9.22 0.00%
3	3766 NE Steelhead Run Dr Albany	\$300,000 14-Mar-2024	1.41	61,306	\$4.89	\$0.00 0.00%	\$2.45 50.00%	\$0.00 0.00%	\$0.00 0.00%	\$0.12 2.51%	\$0.00 0.00%	\$2.57 52.51%	\$7.46 0.00%
4	4380 SW Deschutes St Corvallis	\$1,016,824 17-Feb-2023	3.48	151,589	\$6.71	(\$0.67) -10.00%	\$4.03 60.00%	\$0.00 0.00%	\$0.00 0.00%	\$0.39 5.77%	\$0.00 0.00%	\$3.74 55.77%	\$10.45 0.00%
5	93309 Prairie Rd Junction City	\$425,000 27-Jul-2022	0.79	34,376	\$12.36	\$1.24 10.00%	\$3.09 25.00%	\$0.00 0.00%	(\$3.71) -30.00%	\$0.92 7.48%	\$0.00 0.00%	\$1.54 12.48%	\$13.90 0.00%
6	1921 SW Ferry St Albany	\$170,000 12-Apr-2022	0.83	36,300	\$4.68	\$0.00 0.00%	\$1.17 25.00%	\$1.17 25.00%	\$0.00 0.00%	\$0.39 8.36%	\$0.00 0.00%	\$2.73 58.36%	\$7.41 0.00%

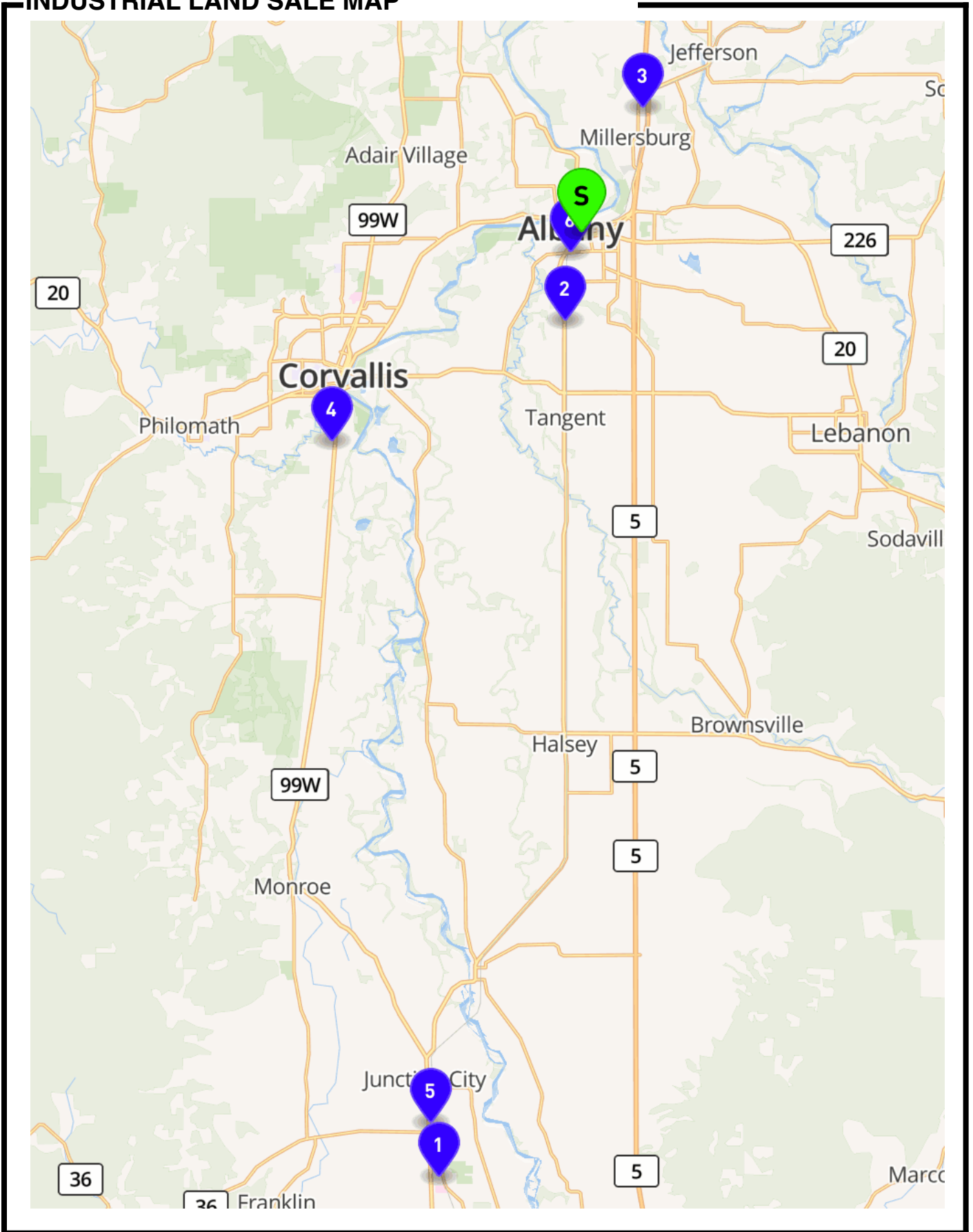
Sales of land with similar economic location, potential legal use(s) and functional utility were researched throughout the greater market area. Selected sales represent the most recent and comparable land sales available for analysis. Unadjusted sales range between \$4.50/SF and \$12.36/SF.

# Comparable Sale Table

	Name/Location	Date of Sale	Usable Site SF	Usable Site Acres	Zoning	Utilities Available	Shape Topography	Proposed Use	Existing Improvements	Price / SF
1	92341 Booth St Junction City, OR 97448	6/1/2024	72,217 SF	1.66 Acres	M3, Heavy Ind	None	None	Data Center	None	\$4.50
2	740 Ellingson Rd SW Albany, OR 97322	4/26/2024	33,122 SF	0.80 Acres	IL	All available	Rectangular Level, at street grade	Unknown	None	\$7.25
3	3766 NE Steelhead Run Dr Albany, OR 97321	3/14/2024	61,306 SF	1.41 Acres	IL	All available	Rectangular Level, at street grade	Unknown	N/A	\$4.89
4	Industrial Land 3480 SW Deschutes St Corvallis, OR 97333	2/17/2023	151,589 SF	3.48 Acres	GI	Sewer, Telephone, and Water	Irregular Level, at street grade	6 Building Self Storage	None	\$6.71
5	93309 Prairie Rd Junction City, OR 97448	7/27/2022	34,376 SF	0.79 Acres	M2, Lt Ind.	Well, Septic	Irregular Level, at street grade	9600 SF Whse, Possible smaller 2nd bldg	None	\$12.36
6	1921 SW Ferry St Albany, OR 97322	4/12/2022	36,300 SF	0.83 Acres	LI	All available	Rectangular Level, at street grade	Unknown	None	\$4.68



# INDUSTRIAL LAND SALE MAP



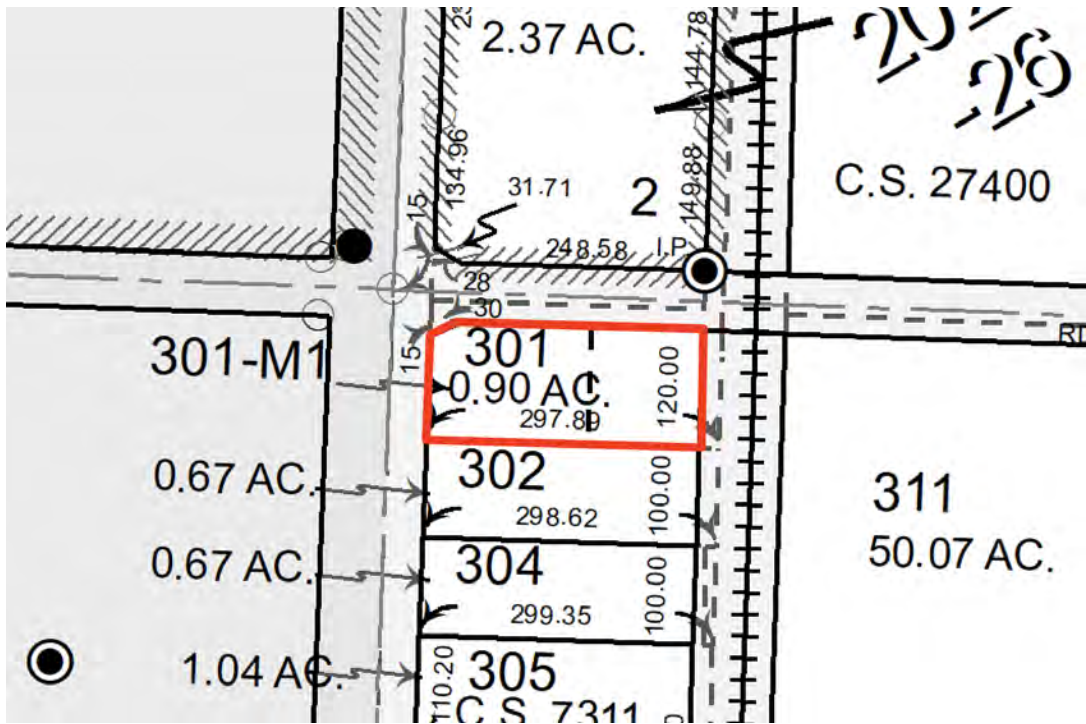
# COMPARABLE PHOTOS

Comp # 1.



92341 Booth St

Comp # 2.

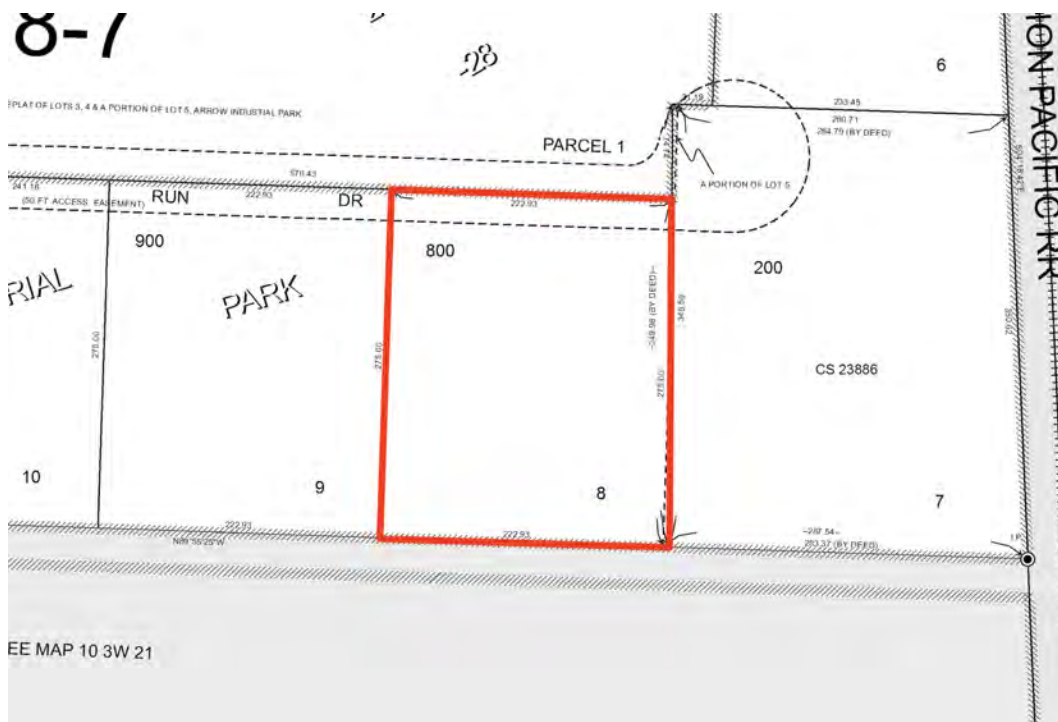


740 Ellingson Rd SW



# COMPARABLE PHOTOS (continued)

Comp # 3.



3766 NE Steelhead Run Dr

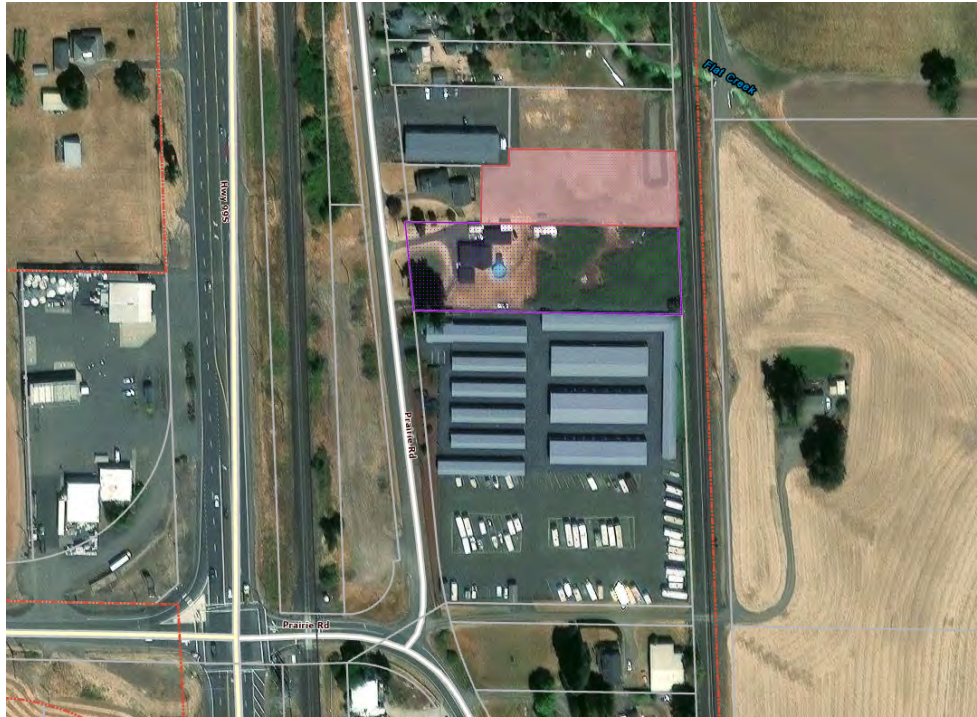
Comp # 4.



3480 SW Deschutes St

# COMPARABLE PHOTOS (continued)

Comp # 5.



93309 Prairie Rd

Comp # 6.



1921 SW Ferry St

## SITE VALUATION (continued)

Location / Access – The location & access adjustment is intended to account for differences in the immediate market areas of the comparables relative to the subject, as well as specific deficiencies that may attach to a particular comparable. Comparables 1 and 5 have mildly inferior locations and are adjusted upward 5% apiece. Comparable 4 has a superior location in Corvallis, where industrial land is scarcer, and is adjusted downward 10%. All of the other comparables have similar location and local demographics, and receive no adjustments.

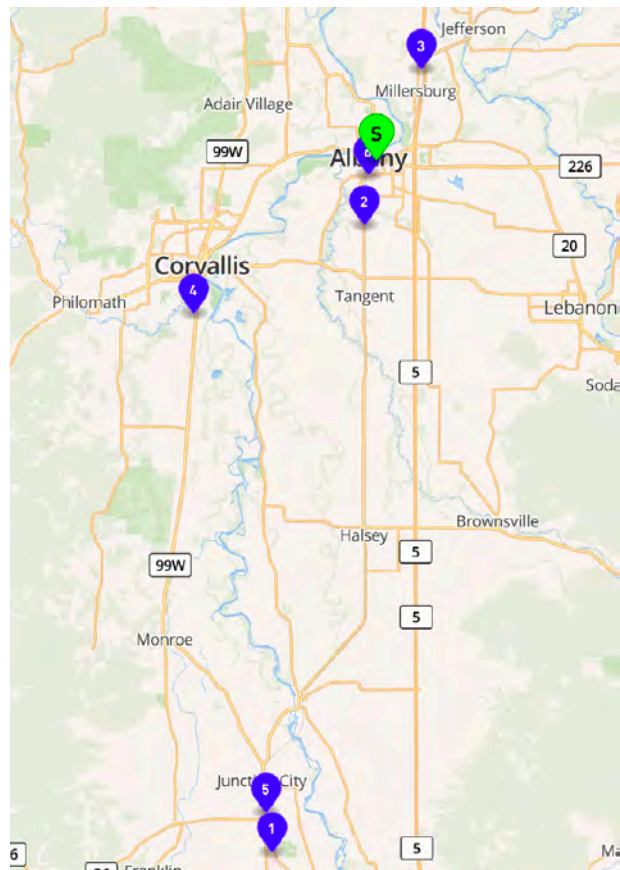
Land Area – The land area adjustment is made to reflect the relationship between size and unit values. Typically, a relatively larger area will depress the per-unit price (reduced competition for larger, more expensive parcels). All of the comparables are larger sites, and receive upward adjustments between 25% and 60%.

Zoning / Potential Use / Functional Utility – This adjustment considers differences in permitted / probable economic use of the property, from legal, physical and marketability perspectives, compared with the subject. All of the comparables have similar zoning. Comparable 6 is adjusted upward 25% for inferior utility, with a long narrow shape and very small frontage relative to overall site area. No other adjustments are made in this category.

Site Improvements – This adjustment reflects improvements to the site already made which would contribute to the proposed use. Comparable 5 had plans and approvals already in place for a 9,600 SF building, and is adjusted downward 30%. No other adjustments are made.

Time Adjustment – This adjustment reflects change in market conditions between the sale date and the date of analysis. Growth and price appreciation in the subject corridor has been slow but positive, and application of a Market Conditions / Time adjustment is indicated. Considering the residual effects of the COVID years, this adjustment is based on an average (linear) annual appreciation rate of 3% on sale prices, applied monthly to the number of months from the comparable sale date to the date of value.

Market Condition – This adjustment is intended to reflect intangible factors other than time that affect marketability, such as the availability of financing, atypical market events, and the demand for the property type. This adjustment is specific to the comparable as opposed to the time adjustment, which is a representation of the general market. None of the comparables were adjusted.



# SITE IMPROVEMENT VALUATION

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## LAND VALUE CONCLUSION

Adjusted comparables indicate a range of market value from \$7.28 to \$13.90/SF.

Considering market trends and the comparables, and also subject location and small size, a market value of \$12/SF is concluded. The indicated market value for the subject site by the sales comparison approach is  $(4,000 \text{ SF} \times \$12/\text{SF}) = \$48,000$ , rounded to: **\$50,000**.

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<b>As Is Fee Simple Value, Subject Property:</b>	<b>January 9, 2025</b>	<b>\$ 50,000</b>
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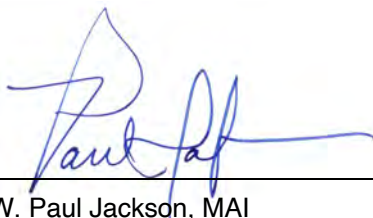
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# CERTIFICATION OF APPRAISAL

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It is hereby certified that, to the best of the appraisers' knowledge and belief, the statements of fact contained in this report are true and correct.

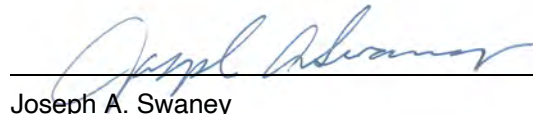
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- We have no (or the specified) present or prospective interest in the property that is the subject of this report and no (or the specified) personal interest with respect to the parties involved.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting pre-determined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The Reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice.
- The Reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, W. Paul Jackson MAI has completed the continuing education program for Designated Members of the Appraisal Institute.
- We have performed no appraisal services, as appraiser(s) or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the acceptance of this assignment.
- Joseph A. Swaney made a personal inspection of the property that is the subject of this report. W. Paul Jackson did not inspect the subject property.
- No one not named in the appraisal report provided significant real property appraisal assistance to the person(s) signing this certification.



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W. Paul Jackson, MAI

Oregon Certified General Appraiser  
License No. C000548 – Expires July 31, 2026  
Washington Certified General Appraiser  
License No. 1100337 – Expires July 12, 2026



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Joseph A. Swaney

Oregon Certified General Appraiser  
License No. C001088 – Expires February 28, 2026

**ADDENDA CONTENTS**

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**EXHIBIT A**  
**Appraiser's Qualifications / Company Profile / Client Contracts**

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**EXHIBIT B**  
**N/A**

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**EXHIBIT C**  
**N/A**

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**EXHIBIT D**  
**N/A**

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## COMPANY PROFILE

Jackson Group NW, Inc. is a commercial real estate appraisal and consulting firm located in Portland, Oregon. The goal of the company is to provide appraisal and consultation services in a professional and timely manner. We provide appraisal services for properties located in Oregon and Washington. We are dedicated to the company's goal of providing quality appraisal and consultation services on a personal basis.

We have extensive experience in appraising and providing consultation services. Our scope of experience includes multiple property types and various ownership interests from small owner occupied properties to large institutional grade investments.

**W. Paul Jackson, MAI** has worked as a commercial appraiser and consultant since 1992. Mr. Jackson has experience in appraising multiple property types. He also has experience in appraising property for estate planning and court testimony. Over the years, in addition to the standard property types, he has developed valuable experience and expertise in the valuation of Hotels/Motels, gas stations/c-stores, mobile home parks, golf courses, institutional grade government buildings and a handful of other unique property types. Mr. Jackson prides himself on his ability to provide quality professional appraisal services that are both reliable and on time. Whatever your appraisals need, be it a simple owner occupied office or a complex re-development, you can rely on Mr. Jackson to provide you with the service you need.

**Joseph B. Skilton** has worked in real estate since 1978 as a land survey fieldman and drafter, cartographer (Ticor), real estate research analyst, corporate librarian, computer analyst, and real estate publisher (Real Estate Transaction Journal). Mr. Skilton joined us in 1999 and specializes in retail, general commercial, and special-use property appraisals.

**Joseph A. Swaney** had a prior career working in the information technology field as a computer programmer and database analyst. His first introduction to real estate was as a surveyor's chainman in his teenage years. He joined Jackson Group NW, Inc. in February 2005 as an assistant to W. Paul Jackson, and became a Certified General Appraiser in 2012.

**William E. "Bill" Leavens** has worked in the real estate community since high school where he did general construction, property management and accounts receivable for Leavens Investments, a family-owned rental property business. He began appraising in January 2003, specializing in apartment appraisals. Over the past decade Bill has gained extensive experience in appraising and providing consultation services for multifamily developments as a high value employee and also as the owner of his own appraisal firm. Bill brings a high level of customer service and expertise to our firm that is of great value to our clients and us.

**Garth W. Bergeson** has worked in commercial real estate appraisal since June 2004 and is currently certified in both Oregon and Washington. Garth has a broad base of experience ranging from standard commercial real estate appraisal work to complex land valuations. Garth brings a level of expert analysis and critical thinking to our team that is reflected in his clear and logical writing style.

## **COMPANY PROFILE (CONTINUED)**

To better serve our clients, Jackson Group NW, Inc. maintains state of the art computer equipment, real estate analytical software programs, libraries of comparable and resource data, property sales, lease transactions, property data computer retrieval systems, and other necessary tools and information relevant to the real estate appraisal and consultation field.

Jackson Group NW, Inc. considers its clients to be its most valuable assets. We have served various small and large financial institutions, corporations, developers, private individuals, attorneys, accountants, and government agencies. Our appraisal experience extends to all types of commercial, industrial, residential, apartment, resort, agricultural, and special use properties.

Past appraisal assignments have been conducted to serve various functions, including mortgage financing, property purchase and disposition, lease/rent arbitration, litigation support, condemnation, property tax analysis and appeal services, and corporate planning purposes.

## **PROFESSIONAL SERVICES**

- **Valuation Reports:** The market valuation of real property interests (*fee simple, leasehold, leased fee, etc.*) in various types of properties is the primary focus of most real property appraisal assignments performed by Jackson Group NW, Inc.
- **Real Estate Consulting:** Jackson Group NW, Inc. also conducts consulting assignments relating to all property types. Providing competent, unbiased, professional guidance on diversified problems in real estate has taken on ever increasing importance as a method of reducing the risks associated with the real estate field. The firm has undertaken such tasks as discounted cash flow analysis, highest and best use analysis, market studies, subdivision analysis, and market / feasibility analysis.
- **Arbitration, Litigation Support, and Expert Witness Services:** Jackson Group NW, Inc. also offers services for real estate matters involving arbitration (*ground rent renegotiations, tenant space lease renegotiations, etc.*). We also offer litigation support services to attorneys with various real estate problems. It is our goal to provide not only offensive, but defensive strategies, in a fair and unbiased manner, in order to expose the strengths and weaknesses of a particular case. Finally, we are experienced in working with attorneys in preparation for expert witness testimony.
- **Appraisal Review Services:** An appraisal review serves the purpose of analyzing the content and conclusions of an appraisal report. Clients consider an appraisal review to be a valuable tool in determining the credibility of an appraisal report, in order to reduce the risks associated with important lending, legal, and investment decisions.
- **Property Tax Analysis and Appeal Services:** The real property tax liability for property has a direct impact on its operating/holding expenses, net income, and associated market value. Therefore, competent representation before government agencies regarding ad valorem taxes can be critical in keeping this expense item in check.



**PROFESSIONAL QUALIFICATIONS - W. PAUL JACKSON, MAI**

Paul Jackson was born in Albany, Oregon and attended Oregon State University.

**EDUCATION**

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- Oregon State University, Bachelor Degree Economics 1991

**APPRAISAL INSTITUTE COURSES**

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- Analyzing Operating Expenses 2020
- 2020-21 USPAP 7-Hour Update 2020
- Forecasting Revenue 2020
- Small Hotel/Motel Valuation 2020
- Appraisal of Medical Office Buildings 2018
- Appraising Automobile Dealerships 2018
- Business Practices and Ethics 2018
- Eminent Domain and Condemnation 2018
- Data Verification Methods 2016
- Rates, Ratios: Making sense of GIMs, OARs, and DCF 2016
- Forecasting Revenue 2016
- Business Practices & Ethics 2016
- 7-hour USPAP 2016
- Business Practices & Ethics 2014
- Small Hotel/Motel Valuation 2014
- Subdivision Valuation 2014
- The DCF Model: Concepts, Issues, and Apps. 2014
- Green Buildings: Principles & Concepts 2014
- USPAP 7 hour Update 2011
- Feasibility, Market Value, Investment Timing: Option Value 2011
- Scope of Work: Expanding Your Range of Services 2011
- Appraising Convenience Stores 2011
- Site Valuation and Cost Approach 2009
- Analyzing Operating Expenses 2008
- Analyzing Distressed Real Estate 2008
- USPAP National Course Update 2008
- Using Your HP12C Financial Calculator 2006
- Feasibility, Market Value, Investment Timing: Option Value 2006
- Appraisal Report Writing Seminar 2004
- Small Hotel / Motel Valuation 2004
- GIS Applications for Real Estate Appraisal 2004
- Course 400, USPAP National Course Update 2003
- Search Strategies for Real Estate Appraisers 2001
- Valuation of Detrimental Conditions in Real Estate 2001

**PROFESSIONAL LICENSES**

---

- Certified General Appraiser:
  - 1) State of Oregon Certificate No. C000548
  - 2) State of Washington Certificate No. 1100337

**PROFESSIONAL QUALIFICATIONS - W. PAUL JACKSON, MAI**

**PROFESSIONAL AFFILIATIONS**

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- Designated Member of the Appraisal Institute (MAI) 2004

**PROFESSIONAL EXPERIENCE**

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- Owner, Jackson Group NW, Inc., Portland, Oregon 2013 to Present
- Owner, Cassinelli Jackson LLC, Portland, Oregon 1997 to 2013
- Commercial Appraiser, Palmer Groth & Pietka, Inc., Portland, Oregon 1992 to 1997

## **AREAS OF COVERAGE**

We cover all of Oregon, SW Washington as far north as Pacific county (Aberdeen) and SE Washington as far east as Walla Walla.

We have extensive expertise and experience in appraising all types of commercial real estate, which includes the following:

- Retail – All types
- Office –All types and Classes
- Industrial - All types
- Hotels/Motels - All types
- Mobile Home Parks
- Gas Stations/ C-Stores
- Restaurants – Fast Food and Sit Down
- Multi-Family
- Camp Grounds
- RV Parks
- Subdivision Analysis
- All types of Land
- Churches
- Schools/Universities/Government Buildings
- Agricultural Property

I have been appraising commercial real estate for more than twenty-five years and my four associates have 12 to 20 years of experience in commercial real estate appraisal. There are very few property types or real estate valuation issues that we have not analyzed over the past couple of decades.

Thank You

Paul Jackson, MAI  
Jackson Group NW, Inc.



**Appraiser Certification and Licensure Board**  
**State Certified General Appraiser**  
*28 hours of continuing education required*

**W. PAUL JACKSON**  
**JACKSON GROUP NW, INC.**  
**PO BOX 1246**  
**CANBY, OR 97013**

License No.: C000548  
Issue Date: August 01, 2024  
Expiration Date: July 31, 2026

  
Chad Koch, Administrator



**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**

**W. PAUL JACKSON**

1100337 License Number      12/27/2004 Issue Date      07/12/2026 Expiration Date

  
Marcus J. Glasper, Director



**PROFESSIONAL QUALIFICATIONS – JOE SWANEY**

Joe Swaney was born in Portland, Oregon and is a graduate of Portland State University.

**EDUCATION**

---

- Portland State University, Bachelor of Arts, Political Science 1984

**APPRAISAL INSTITUTE COURSES**

---

- Basic Income & Capitalization Theory 2005
- Advanced Income & Capitalization Theory 2008
- Report Writing & Valuation Analysis 2008
- Site Valuation & Cost Approach 2008
- Sales Comparison Approach 2008
- Market Analysis and Highest & Best Use 2010
- Apartment Appraisal 2010
- Basic Appraisal Procedures 2012

**OTHER APPRAISAL COURSES**

---

- Foundations of Appraisal, Portland Community College 2005
- Standards of Professional Practice (*USPAP*), Pro-Schools 2005
- Statistics, Modeling & Finance, McKissock, LP 2010
- FHA Single Family Appraisal, Career WebSchool 2010

**PROFESSIONAL LICENSES**

---

- Certified General Appraiser  
State of Oregon Certificate No. C001088

**PROFESSIONAL EXPERIENCE**

---

- Appraiser Jackson Group NW, Inc. Portland, Oregon 2013 to Present
- Appraisal Assistant, Cassinelli Jackson LLC, Portland, Oregon January 2005 to 2013
- Senior Programmer/Analyst, Regence Group, Portland, Oregon February 1989 to December 2004

**Appraiser Certification and Licensure Board**

**State Certified General Appraiser**

*28 hours of continuing education required*

**JOSEPH A SWANEY  
JACKSON GROUP NW, INC.  
PO BOX 1246  
CANBY, OR 97013**

License No.: C001088  
Issue Date: March 01, 2024  
Expiration Date: February 28, 2026



Chad Koch, Administrator



January 2, 2025

City of Albany Community Development  
c/o Matthew Ruettgers  
Community Development Director  
333 Broadalbin St. SW  
Albany, OR 97321  
Email: [Matthew.Ruettgers@cityofalbany.net](mailto:Matthew.Ruettgers@cityofalbany.net)  
Phone: (541) 917-7674

**RE: INDUSTRIAL ZONED LAND**  
817 Jackson St SE, Albany  
503 9<sup>th</sup> Ave SE, Albany  
519 9<sup>th</sup> Ave SE, Albany

---

Dear Mr. Ruettgers,

I am pleased to submit the following proposal for the requested assignment. The terms and conditions are specified as follows:

**ASSIGNMENT SCOPE AND SPECIFICATIONS**

<b>Purpose:</b>	Estimate the market value of the above referenced property
<b>Property Rights Appraised:</b>	Fee Simple
<b>Premise / Valuation Date:</b>	Provide As Is Market Value as of the inspection date
<b>Intended Use:</b>	Determine value from which to establish a sales price
<b>Intended User:</b>	Matthew Ruettgers, City of Albany Community Development, and associated professionals
<b>Inspection:</b>	An on-site inspection of the property will be made by the appraiser
<b>Valuation Approaches:</b>	All applicable approaches as determined by the appraiser
<b>Report Type:</b>	Appraisal Report as per client requirements
<b>Appraisal Report Standards:</b>	Uniformed Standards of Professional Appraisal Practice
<b>Appraisal Fee:</b>	\$4,500
<b>Expenses:</b>	Included in the fee
<b>Retainer:</b>	0% (\$0)
<b>Payment Terms:</b>	Payment due upon delivery of the appraisal report. Please remit payments to: <b>Jackson Group NW, Inc.</b> <b>PO Box 1246</b> <b>Canby, OR 97013</b>
<b>Acceptance Date:</b>	This contract proposal is valid 5 business days from the date of this letter
<b>Start Date:</b>	Job commencement begins upon receipt of the signed contract and all requested information.
<b>Delivery Date:</b>	January 27, 2025 assuming prompt receipt of the contract, retainer, and all requested information.

**Report:**

The finished appraisals, one for each property, will be delivered via email to the client email in PDF format. Hard copies can be provided upon request for \$175 per copy.

If additional consultation is necessary after the appraisal is completed, the client will be billed at an hourly rate of \$350 per hour for all time expended. If the assignment is canceled for any reason prior to completion, the client will be billed at an hourly rate of \$350 per hour for all time expended prior to cancellation.

If the appraiser is required to give testimony for any reason, or at any time in connection with this assignment, then the client agrees to assume any reasonable professional fees and related costs, including preparation time. Trial preparation and consultation is billed at \$350 per hour. Court testimony time is billed at \$450 per hour.

Acceptance of this agreement by yourself, or a duly authorized agent, should be indicated by signing and mailing/delivering an authorized copy of this agreement to my attention. I look forward to working with you on this assignment, and should you have any questions on any aspect of this letter, please do not hesitate to call.

Sincerely,

**JACKSON GROUP NW, INC.**



W. Paul Jackson, MAI  
Oregon Certified General Appraiser C000548  
Washington Certified General Appraiser 1100337

Phone : 503-358-7340

Email : [paul@jacksongroupnw.com](mailto:paul@jacksongroupnw.com)

**ACCEPTANCE:**



Client Signature

1/2/2025

Date

Matthew Ruetters

Client Name (Printed)

541-917-7674

Phone #

matthew.ruetters@albanyoregon.gov

Email

same as above

Property Contact Name (Printed)

Phone #

Email







**APPRAISAL REPORT**

ALBANY INDUSTRIAL LAND  
817 Jackson Street SE  
Albany, OR 97322

PREPARED FOR:

City of Albany Community Development  
c/o Matthew Ruettgers  
Community Development Director  
333 Broadalbin Street SW  
Albany, OR 97321

PREPARED BY:

Joseph A. Swaney  
W. Paul Jackson, MAI  
**JACKSON GROUP NW** INC.  
PO Box 1246  
Canby, OR 97013  
(503) 358-7340

[www.jacksongroupnw.com](http://www.jacksongroupnw.com)

January 21, 2025

City of Albany Community Development  
c/o Matthew Ruettgers  
Community Development Director  
333 Broadalbin Street SW  
Albany, OR 97321

**RE: ALBANY INDUSTRIAL LAND**  
817 Jackson Street SE  
Albany, OR 97322

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Dear Mr. Ruettgers,

At your request, we have completed an appraisal of the property specified above, which is presented in the following appraisal report. The subject property is a 0.08 acre site located on one tax lot, currently vacant. We have appraised the property using generally accepted appraisal principles and practices. The following appraisal complies with:

- ◆ The Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation, and
- ◆ The Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, and

This appraisal uses standard recognized appraisal methodology to develop our opinion of the market value of the subject property. This appraisal is presented in report format compliant with USPAP Standard 2. As such, it summarizes the data, reasoning, and analyses used to develop our opinion(s) of value. Supporting documentation concerning the data, reasoning, and analysis is retained in our files. The depth of discussion contained in this report is specific to the needs of the client.

The client and intended user(s), intended use, type and definition of value, effective date, subject property, and assignment conditions of this appraisal are stated &/or described in the report. These factors limit the context of the appraisal, and the legitimate uses of this report. We are not responsible for any other use of this report, or any use by parties not named. Please refer to the Scope of Work, and Assumptions and Limiting Conditions sections for important information.

The appraisal assignment is to develop and report our opinion of the As Is Fee Simple Value of the subject property. The final opinion of value is a fee simple value.

Based on our investigation and analysis of available information, our final opinion of market value of the subject property are:

TYPE OF VALUE	DATE OF VALUE	OPINION OF VALUE
As Is Fee Simple Market Value:	January 9, 2025	\$ 45,000

The value opinion(s) concluded in this appraisal do not include furnishings, fixtures, equipment, personal property, or intangible items. The valuation is subject to the Assumptions and Limiting Conditions section of the following report, as well as the explanatory comments within the report, which should be referenced for a complete understanding of the value conclusion(s).

The opinion(s) of value reported herein are contingent upon extraordinary assumptions and/or hypothetical conditions ('EA/HC'). EA/HC not met could have a negative impact on the value conclusions and could invalidate the entire appraisal. The appraisal report is subject to the following EA/HC:

Extraordinary Assumptions

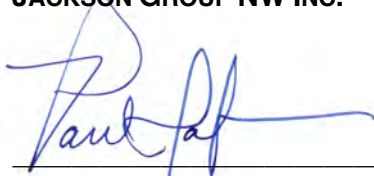
- A Preliminary Title Report was not provided to the appraisers. This appraisal assumes that there are no easements or encumbrances which would adversely affect the utility or market value of the subject property.
- A Professional Inspection Report was not provided to the appraisers. It is assumed that the subject is free and clear of any adverse conditions or defects, visible or otherwise, that would adversely affect the value of the subject.
- A Level 1 Environmental Report was not provided to the appraisers during the course of this analysis. It is assumed that the site is free and clear of any adverse conditions.
- A Geotechnical Report was not provided to the appraiser. This appraisal assumes that the subject soils are stable and will support the subject development.

Hypothetical Conditions

- N/A


Sincerely,

**JACKSON GROUP NW INC.**



W. Paul Jackson, MAI

Oregon Certified General Appraiser  
License No. C000548 – Expires July 31, 2026  
Washington Certified General Appraiser  
License No. 1100337 – Expires July 12, 2026



Joseph A. Swaney

Oregon Certified General Appraiser  
License No. C001088 – Expires February 28, 2026

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**ADDENDA**

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- Exhibit A: Professional Qualifications and Company Profile – Jackson Group NW, Inc.
- Exhibit B: Appraisal Engagement Letter & Client Information



# APPRAISAL OVERVIEW

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## DESCRIPTION

**Property Name:** City of Albany Industrial Land

**Street Address:** 817 Jackson Street SE  
Albany, OR 97322

**Neighborhood Character:** The subject property is located in an industrial area adjacent to a regional connector, Highway 99E, in Albany, Oregon. Also known as Pacific Highway, Highway 99E is the primary commercial route in Albany, and connects the city to other communities in the Willamette Valley, most notably Corvallis and Eugene. I-5, two miles east of the subject, is the primary regional connector through the Willamette Valley. Off the arterials, uses turn to residential, with pockets of industrial development such as the subject neighborhood. No adverse environmental influences are noted that would negatively affect the subject property or neighborhood. The long-term outlook for the neighborhood is for continued desirability and positive property values.

**Site Area:** The site area is 0.08 acres (3,600 SF).

**Zoning:** The subject is zoned LI (Light Industrial) by the City of Albany. According to the code, the LI zone is intended to provide areas for "... a wide range of manufacturing, warehousing, processing, assembling, wholesaling, specialty contractors and related establishments." Uses are intended to have limited impacts on nearby properties; the LI zone serves as a buffer between heavy industrial zones and residential areas.

**General Site Conditions:** A rectangular-shaped interior site, level and at street grade. The site is within an established industrial node within the Highway 99E corridor.

## APPRAISAL OVERVIEW (continued)

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**Improvements:** The subject site has been graveled, and is improved with a 6' chain link fence on all sides.

**Tenancy:** The site is currently unoccupied.

**Access/Exposure:** The subject has average access and exposure to Jackson Street, a neighborhood collector street.

### HIGHEST AND BEST USE

**"As Vacant":** Small industrial building commensurate with the size of the lot.

### VALUATION SUMMARY

**Interest(s) Appraised:** Fee Simple Interest. The subject has no tenant or leasing in place. Therefore, fee simple analysis applies.

TYPE OF VALUE	DATE OF VALUE	OPINION OF VALUE
As Is Fee Simple Market Value (rounded):	January 9, 2025	\$ 45,000

# APPRAISAL INFORMATION

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## TRANSFERABILITY OF APPRAISAL

If this report is transferred/assigned to another party (user), and/or is reviewed and there are questions or additional work necessary to meet any subsequent guidelines/requirements, the appraiser may charge appropriate fees for any additional work performed. Our current billing rate is \$350/hour.

## LEGAL/TAX DESCRIPTION

No Investigation of title was provided. It appears that the corresponding County plat map matches property boundaries as apparent on the ground at the time of inspection. County assessment data is presented below.

Linn County Parcel # / Map & Tax Lot	Land	RMV Impr.	Total	Taxable Value	2024-25 Taxes
87037 / 11S 3W 07 AB 202	\$28,260	\$0	\$28,260	\$0	\$0

## CLIENT / INTENDED USER(S)

Jackson Group NW, Inc. has been retained by City of Albany, which is the client and intended user of this report.

## INTENDED USE

To provide the client and intended user with an opinion of market value, for use in pricing for marketing purposes.

## TYPE AND DEFINITION OF VALUE

The appraisal assignment is to develop and report our opinion of the As Is Fee Simple Value of the subject property. The final opinion of value is a Fee Simple value.

## EFFECTIVE DATE(S) OF VALUE

As Is Fee Simple Market Value:

January 9, 2025

## SUBJECT PROPERTY INSPECTION

Date:

January 9, 2025

Property Representative:

None present

Appraiser(s):

Joseph Swaney

OR Certified General Appraiser

# APPRAISAL INFORMATION (continued)

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## **MARKET VALUE<sup>1</sup>**

Market value is the major focus of most real property appraisal assignments. Both economic and legal definitions of market value have been developed and refined. A current economic definition agreed upon by federal financial institutions of the United States of America is:

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

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

Substitution of another currency for United States dollars in the fourth condition is appropriate in countries or in reports addressed to clients from other countries.

## **DEFINITIONS<sup>2</sup>**

### **As Is Value**

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

### **Prospective Value**

A forecast of the value expected at a specified future date. A prospective value estimate is most frequently sought in connection with real estate projects that are proposed, under construction, or under conversion to a new use, or those that have not achieved sellout or a stabilized level of long-term occupancy at the time the appraisal report is written.

### **Retrospective Value**

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

### **Stabilized Value**

A value estimate that excludes from consideration any transitory condition, e.g., a bonus or premium for material, the abnormal inefficiency of labor, the cost of delay, or unfinished repairs.

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<sup>1</sup> Uniform Standards of Professional Appraisal Practice, 2024, The Appraisal Foundation

<sup>2</sup> The Dictionary of Real Estate Appraisal, 2015, Sixth Edition, Appraisal Institute



## **APPRAISAL INFORMATION (continued)**

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### **Fee Simple Estate**

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

### **Leased Fee Estate**

An ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. The rights of lessor (leased fee owner) and the leased fee are specified by contract terms contained within the lease.

### **Leasehold Estate**

An ownership interest held by the lessee (tenant or renter) through a lease conveying the rights of use and occupancy for a stated term under certain conditions.

## **SUBJECT HISTORY OF OWNERSHIP INFORMATION**

A preliminary title report was not provided. Public records show title to the subject vested in the City of Albany, which has owned the subject for many years. The subject property is not listed for sale or for lease. We found no other conveyances of fee title in the three years prior to the date of value.

## **SCOPE OF THE APPRAISAL**

The appraisal assignment is to develop and report our opinion of the As Is Fee Simple Value of the subject property. The final opinion of value is a fee simple value. All applicable appraisal procedures were employed, including:

- Definition of pertinent issues related to the appraisal assignment
- Inspection of the subject property
- Site and improvement analyses
- Highest and best use analysis (as vacant, and as improved)
- Market data selection, verification, and analysis
- Use of the approaches to value and valuation
- The reconciliation of value indications and final value estimate

Joseph Swaney conducted an on-site inspection of the subject property, which included walking through the subject, photographing the interior and exterior. Mr. Swaney performed the appraisal and authored the report. W. Paul Jackson, MAI, did not inspect the subject property but is familiar with the market area, has reviewed this report and concurs with the analysis and conclusions herein. Building areas are based on the county sketch which was verified by spot check measurements by the appraiser. Land area is based on plat map and county data.

Property representatives were interviewed about the physical features of the property including the condition, function, efficiency, and operation of the property, and also the history of ownership and marketing activity for the property. Government officials, contractors, developers, architects, engineers, attorneys, and other professionals and/or consultants were interviewed and/or referenced when applicable in the appraisal. Government zoning and planning documents, legally binding documents (purchase, option, or development agreements, leases, easements, or encumbrances), and professional and/or consultant reports are included and/or referenced where appropriate in the appraisal.

**APPRAISAL INFORMATION (continued)**

The collection, verification and analysis of comparables are integral to the valuation analysis. This information was collected from sources deemed reliable and confirmed by interviewing knowledgeable market participants (buyers, sellers, property managers, tenants, brokers, consultants, developers, building owners, and/or investors) and exterior viewing of the properties. One or more knowledgeable parties to the transactions were interviewed in the verification and confirmation of the comparable data. The most current data (typically up to one year prior to the valuation date) was relied upon with primary emphasis on comparables located in the immediate market area when possible. When there was a lack of comparable information in the immediate market area, parameters were broadened to include similar competing markets and more dated transactions of properties in the immediate market area.

The following primary sources were contacted and contributed significant assistance in the appraisal process.

Primary Sources	Summary of Significant Assistance Provided
Matthew Ruettgers, City of Albany Community Development	Appraisal Engagement / Subject Information
Knowledgeable Market Participants	Comparable market data
Jackson Group NW, Inc. Database	Comparable market data
Linn County / City of Albany	Plat Map, Assessment, Zoning, Land Use Patterns, Proposed Projects, Legal Subject Land Use(s)

The following secondary data sources were relied upon in the appraisal process.

Secondary Data Sources	Summary of Significant Information Provided
Loop Net / CoStar Comps / RMLS	Comparable sales and listings
Local Government, Market Participants, Publications	Comparable Leads, Market Trends

All information necessary to competently complete this appraisal assignment was made available to the appraisers, **except:**

- Preliminary Title Report
- Environmental Investigation / Assessment Report
- Building Inspection Report
- Geotechnical Report

**VALUATION METHODOLOGY**

The Sales Comparison Approach is performed in order to develop our opinion of the As Is Fee Simple Value of the subject. This is the typical approach used for valuation of land. Appraisal methodology performed and summarized in this report conforms with typical appraisal practice and expectations of the typical client in similar assignments, is sufficient for the intended use of the appraisal, and returns a credible opinion of value.



## **APPRAISAL INFORMATION (continued)**

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### **MARKETING AND EXPOSURE TIME**

Marketing period is defined as the amount of time a property would be on the market in order to sell at a future date, at the concluded value. Exposure period is the time a property would have previously been on the market, culminating in a hypothetical sale as of the date of value. Marketing time differs from Exposure time, which is always presumed to precede the effective date of an appraisal. USPAP requires an opinion of reasonable exposure time be reported when it is a constituent of the value opinion being developed.

Exposure periods for improved sales discovered in the course of this assignment ranged from zero (not openly marketed) to 6 months. Assuming it were competently promoted and appropriately priced, a Marketing / Exposure Period of up to 12 months would be reasonably anticipated for the subject property.

# ASSUMPTIONS AND LIMITING CONDITIONS

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## EXTRAORDINARY ASSUMPTIONS AND/OR HYPOTHETICAL CONDITIONS

The opinions of value reported herein are contingent upon extraordinary assumptions and/or hypothetical conditions ('EA/HC'). EA/HC not met could have a negative impact on the value conclusions and could invalidate the entire appraisal. The appraisal report is subject to the following EA/HC:

### Extraordinary Assumptions

- A Preliminary Title Report was not provided to the appraisers. This appraisal assumes that there are no easements or encumbrances which would adversely affect the utility or market value of the subject property.
- A Professional Inspection Report was not provided to the appraisers. It is assumed that the subject is free and clear of any adverse conditions or defects, visible or otherwise, that would adversely affect the value of the subject.
- A Level 1 Environmental Report was not provided to the appraisers during the course of this analysis. It is assumed that the site is free and clear of any adverse conditions.
- A Geotechnical Report was not provided to the appraiser. This appraisal assumes that the subject soils are stable and will support the subject development.

### Hypothetical Conditions

- N/A

## GENERAL ASSUMPTIONS

The statements of value and all conclusions shall apply as of the dates shown herein.

The valuation assumes the previously discussed legal description accurately identifies the subject property.

We assume no responsibility for matters legal in character, nor do we render any opinion as to title, which is assumed to be marketable. All existing liens, encumbrances, and assessments have been disregarded, unless otherwise noted, and the property is appraised as though free and clear, under responsible ownership, and competent management.

Unless otherwise noted herein, it is assumed that there are no adverse encroachments, zoning, or restrictive violations existing in the subject property.

We assume no responsibility for determining if the property requires environmental approval by the appropriate governing agencies, nor if it is in violation thereof, unless otherwise noted herein.

Information presented in this report has been obtained from reliable sources, and it is assumed that the information is accurate.

This report shall be used for its intended purpose only, and by the parties named as intended users. Possession of this report does not imply entitlement to use by other parties, or suitability for intended use(s) not stated herein. Possession of this report does not include the right of re-distribution in whole or part.

This report must be used in its entirety. Reliance on any portion of the report independent of other portions may lead the reader to erroneous conclusions regarding the property value. No portion of the report stands alone without approval from the authors.

## **ASSUMPTIONS AND LIMITING CONDITIONS** (continued)

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Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales, or other media without the written consent or approval of the authors. This applies particularly to opinions of value.

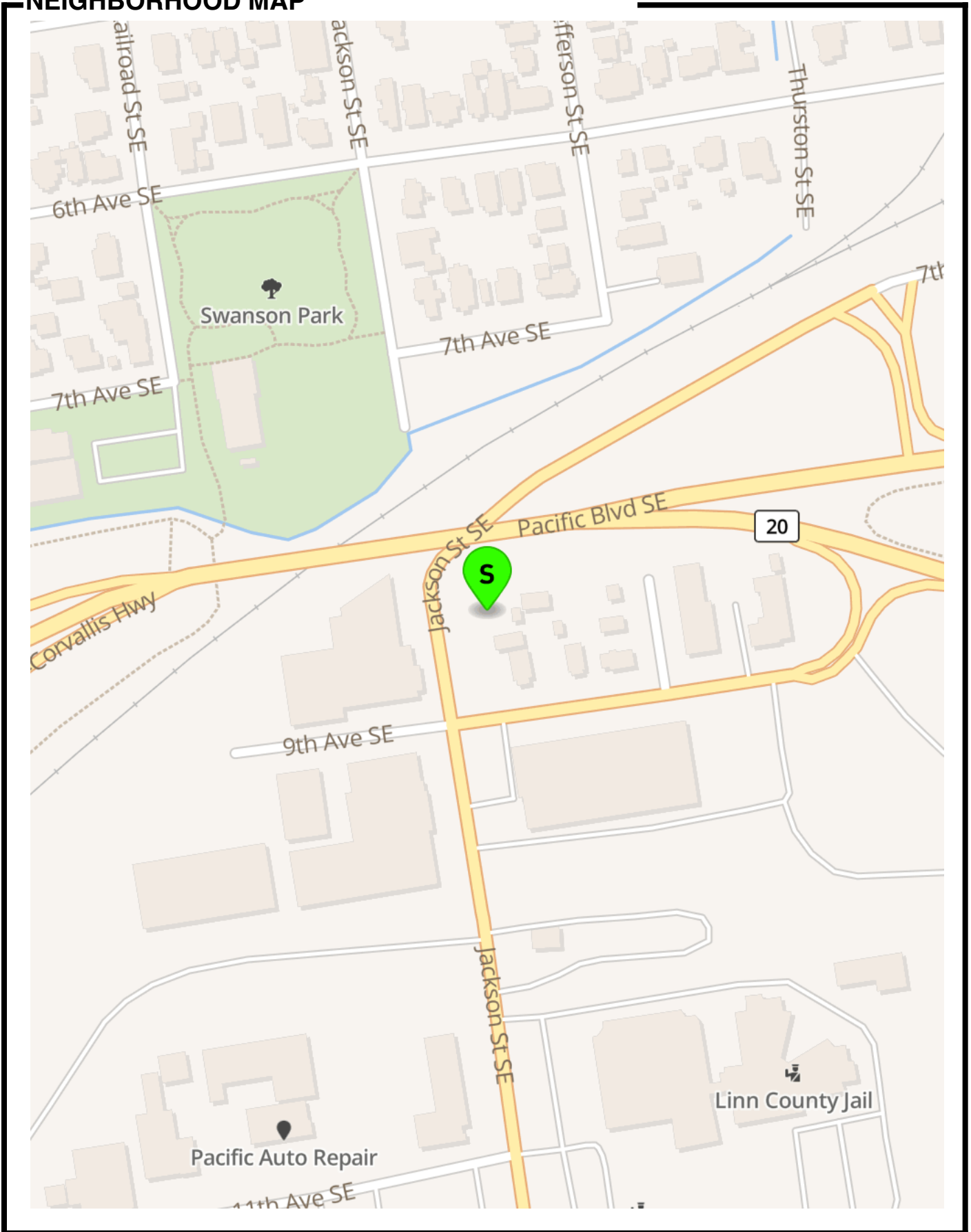
We have no present or contemplated future interest in the property that is not specifically disclosed in this report.

The valuation stated herein assumes professional management and operation of the property throughout the lifetime of the improvements, with an adequate maintenance and repair program.

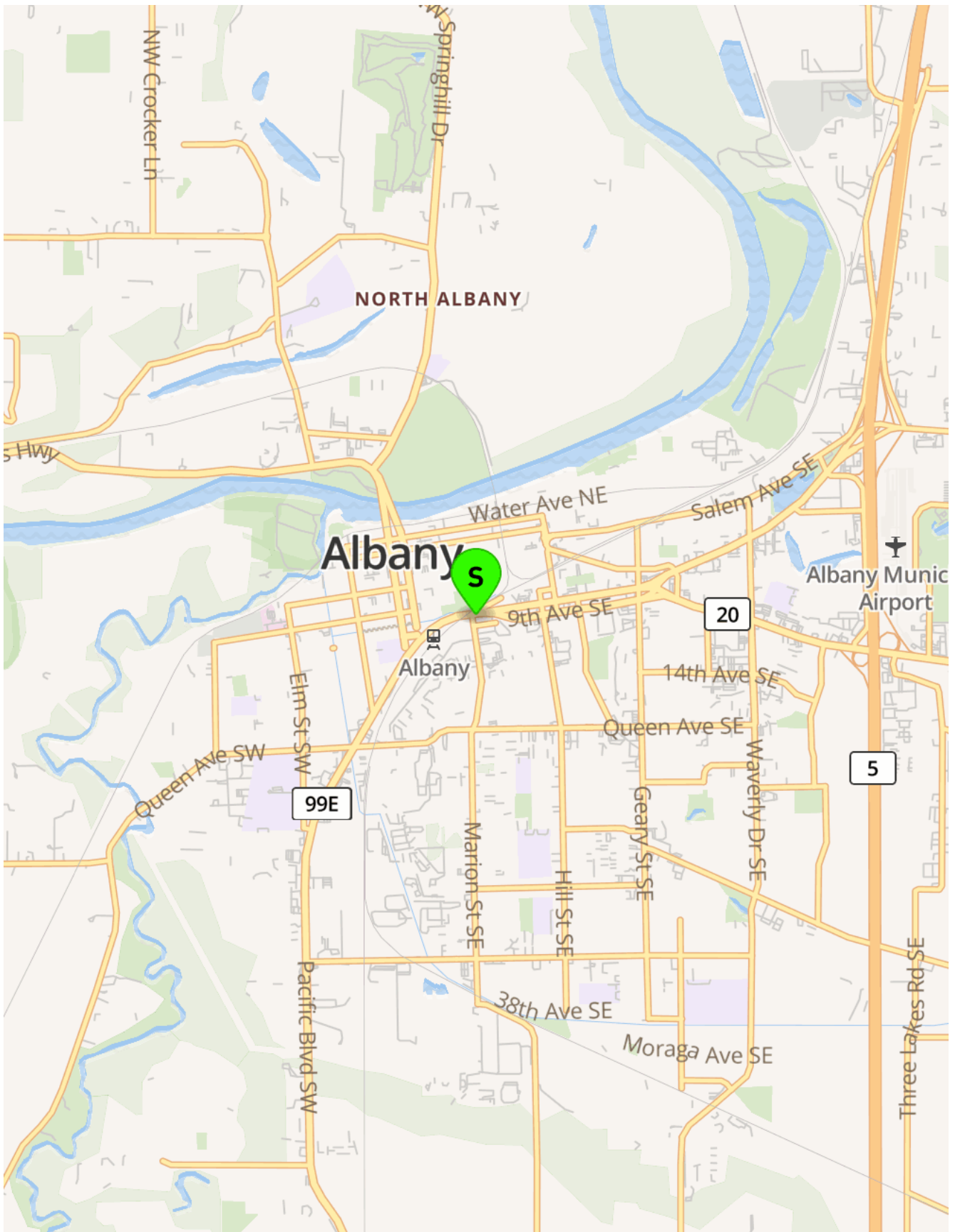
We assume no responsibility for determining if the subject property complies with the Americans with Disabilities act (ADA). Jackson Group NW, Inc. shall not be liable for any costs, expenses, assessments, penalties or diminution in value resulting from non-compliance. This appraisal assumes that the subject meets an acceptable level of compliance with ADA standards; if the subject is not in compliance, the eventual renovation costs and/or penalties would negatively impact the present value of the subject. If the magnitude and time of the cost were known today, they would be deducted from the reported value conclusion.

We are not qualified to detect the presence of toxic or hazardous substances or materials that may influence or be associated with the property or any adjacent properties. Jackson Group NW, Inc. shall not be liable for any costs, expenses, assessments, or penalties, or diminution in value, property damage, or personal injury (including death) resulting from or otherwise attributable to toxic or hazardous substances or materials, including, without limitation, hazardous waste, asbestos material, formaldehyde, or any smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids, solids or gasses, waste materials or other irritants, contaminants or pollutants.

# NEIGHBORHOOD MAP



# REGIONAL MAP



# MARKET AREA DESCRIPTION

The Appraisal Institute defines market area as following: “The geographic or locational delineation of the market for a specific category of real estate, i.e., the area in which alternative, similar properties effectively compete with the subject property in the minds of probable, potential purchasers and buyers”.

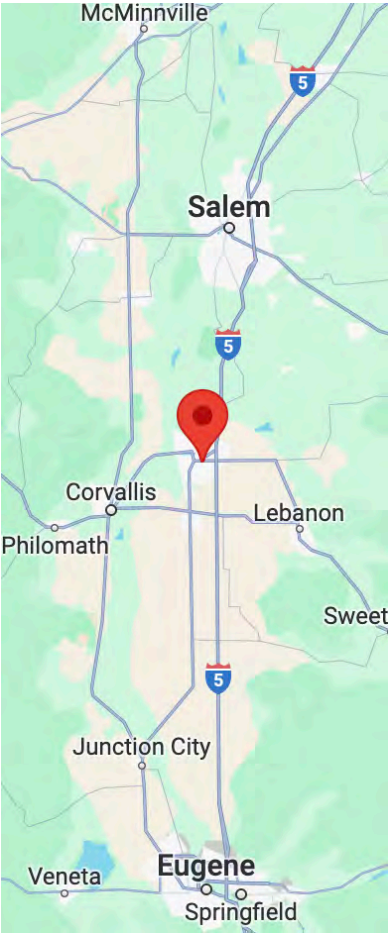
The market area analysis is presented in two sections, a regional analysis and general neighborhood analysis. The regional analysis will focus on a macro view of the subject market area and generally highlight current conditions that shape the nature of the regional economy. A more specific analysis that focuses on the subject’s neighborhood area will follow.

### Regional Analysis

This section will discuss the greater economic trends (population, income, and employment) within the subject’s region that may have an impact on the property now and in the foreseeable future. The following tables show the historic and projected growth rates for population, median household income, and unemployment within the region.

### Demographics

Oregon has experienced consistent population growth over the last decade. However, it has slowed down since 2021 due to changes in the political climate and livability in the urban centers. As a result, residents have migrated to more suburban / rural locations with more affordable real estate, which has been bolstered by more “work from home” jobs. The population trends are summarized in the table below.



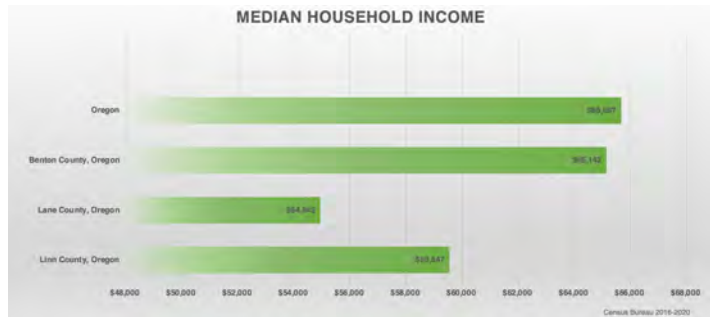
Portland State University: Center For Population Research and Census (Recent Years)

POPULATION	2023	2022	2021	2020	2019
Oregon	4,296,626	4,278,910	4,263,827	4,268,055	4,236,400
Linn County	131,984	131,194	129,839	128,610	125,048
<b>Albany</b>	<b>57,997</b>	<b>57,322</b>	<b>56,828</b>	<b>56,412</b>	<b>53,521</b>
Corvallis	61,669	59,434	59,864	59,696	58,028

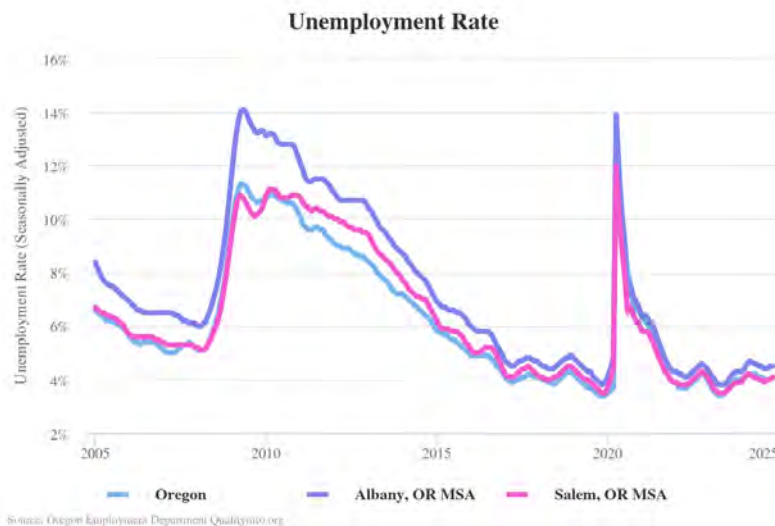


## MARKET AREA ANALYSIS (Continued)

The U.S Census Bureau graph illustrates the median household income from the years 2016-2020 in Oregon and the Counties of Linn, Benton, and Lane. The median household income in the counties is all lower than the statewide median household.



The Oregon unemployment rate continues to drop since its high of nearly 13% in early 2020. The graph below shows the unemployment statistics in Oregon and the Albany MSA (equivalent to Linn County), from the years 2010-2023. The current Oregon unemployment rate is (November 2024) 4.1%. The Albany MSA, of which the subject is a part, is at 4.5%. Although low, these rates do not fully reflect the current job market in which workforce participation is at an all-time low due to the residual effect of expanded unemployment benefits and other government subsidies related to the COVID-19 response. The state as a whole, along with other counties, have followed similar trendlines.



### General Neighborhood Analysis

This section will discuss the general neighborhood and economic trends (population and income) located in the primary market area that may have an impact on the property now and in the foreseeable future.

The subject property is located in the city of Albany in Linn County, Oregon. Albany is located in the Mid-Willamette Valley along the Interstate-5 corridor approximately 20 miles south of Salem, and 40 miles north of Eugene. Albany is a small, developing city with an economy based primarily on an agriculture and food products, wood products, metals, paper and manufacturing.

Commercial development in Albany is concentrated along the main arterials, Highway 20 and Highway 99. There are some industrial uses interspersed throughout southeast Albany and on the periphery of the city near the major I-5 and Highway 30 interchanges, as well as in the subject neighborhood of south and east of Highway 99.

## **MARKET AREA ANALYSIS (Continued)**

---

The Albany Municipal Airport is located between I-5 and Price Road, at the north portion of the Albany area, east of I-5. Shopping centers/ fast food services are primarily located along Highway 20 (Santiam Highway) and Highway 99 (Pacific Boulevard).

The City of Albany contains Enterprise Zones, affordable infrastructure costs, adequate working-age population, and good regional linkages. Existing infrastructure is estimated to be operating at about half of capacity. City Government offers tax reductions and permit / fee discounts for job creating industries. Overall, the potential for future development is positive.

### Access and Linkages

The site allows good local and regional linkages to housing, employment, and services. Interstate 5 is 2 miles to the northeast at the I-5/Highway 99E interchange, and the I-5/Highway 20 interchange is 1.75 miles east. To the south is Highway 34 which connects Albany with Corvallis and the Oregon coast, and central Oregon and the City of Bend to east. Highway 99E runs north-south to the west of I-5 between Albany and Eugene, connecting the subject neighborhood with the farming communities of the Willamette Valley.

### Immediate Neighborhood

The subject is in an industrial node east of the Highway 99E (Pacific Highway) corridor in Albany. Highway 99E gives the subject regional and immediate access to major arterials within the area, as described above. Surrounding development is mostly light industrial.

### Outlook and Conclusion

Neighborhoods are constantly changing and continually cycle through four phases. The four phases include growth, stability, decline, and renewal. These phases are used to evaluate the changes that occur within a neighborhood over time. During the growth phase, the neighborhood is in the beginning of development and expansion. Following the growth phase is stability. The neighborhood may still grow, but at a much slower pace. A neighborhood enters a state of decline when it can no longer compete with adjacent neighborhoods. Lastly, renewal is the period during which a neighborhood is “rediscovered” because of affordability and convenience. The subject area has been in the steady phase as an established economic node for the immediate area and regionally.

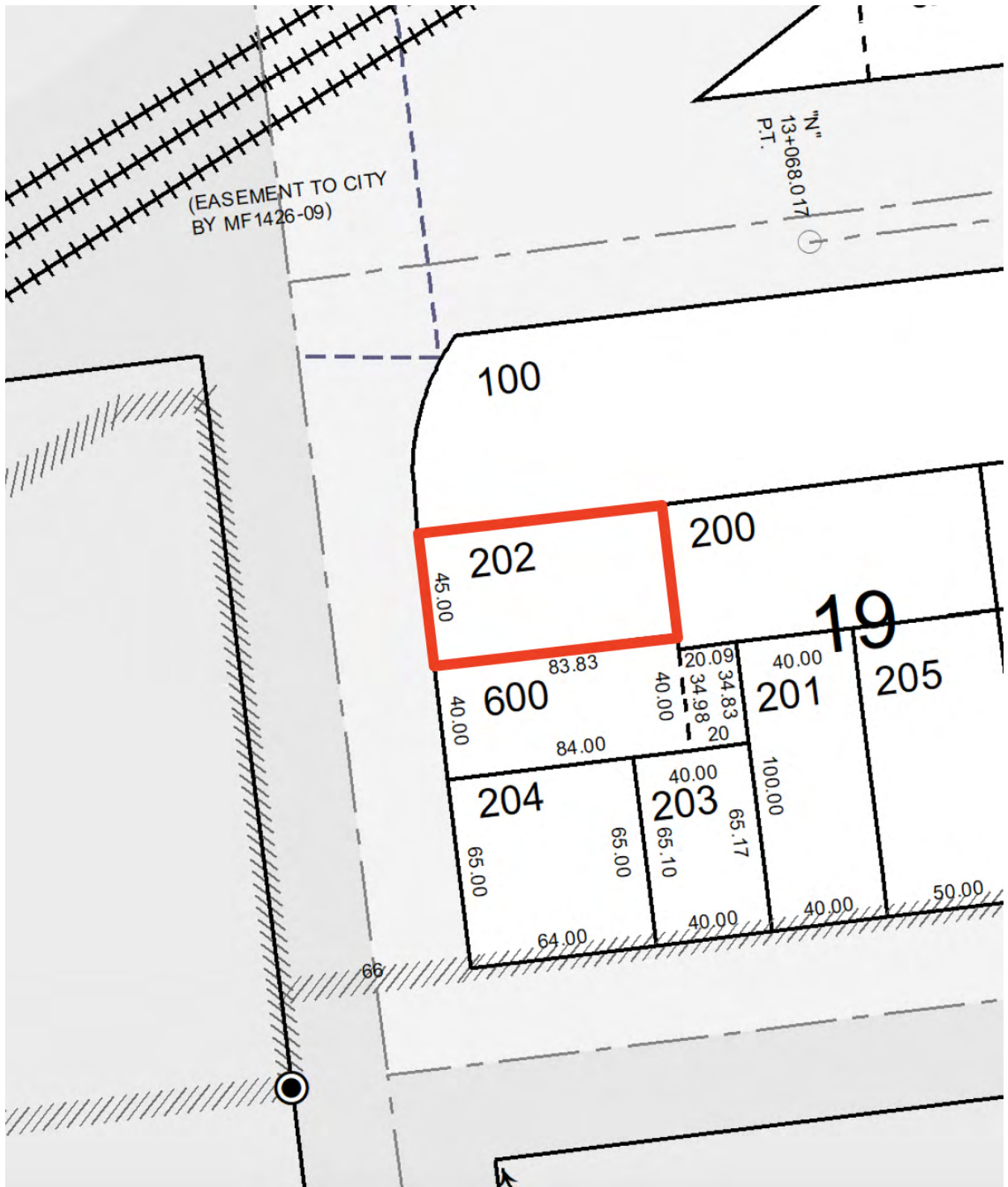
As the population and employment rates keep trending slowly upward, the subject market area is anticipated to continue improving, with appreciating property values in the long term.

Overall, there are no adverse conditions that were evident that would have a detrimental impact on the neighborhood, or the marketability of the subject property specifically. With expected population and employment growth in the region, the forecast for the subject is for continuing stable to mildly appreciating property values.

**AERIAL OVERLAY**



PLAT MAP



# PROPERTY DESCRIPTION



## DESCRIPTION

**Property Name:** City of Albany Industrial Zoned Lot  
817 Jackson Street SE  
Albany, OR 97322

## SITE DESCRIPTION

**GENERAL:** A rectangular-shaped interior site which is level and at street grade. The site is within an industrial area immediately south of Highway 99E.

**Shape:** Rectangular

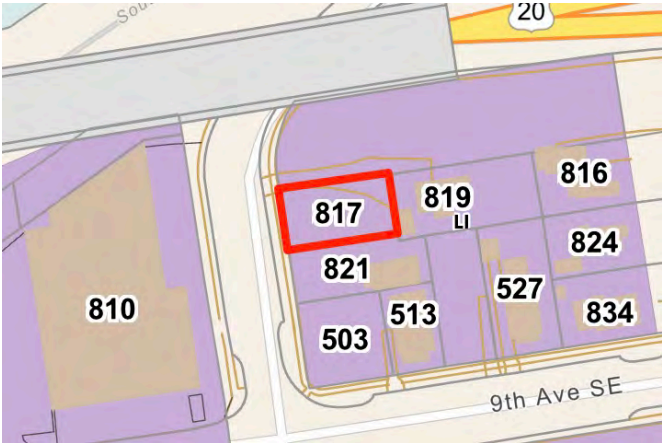
**Land Area:** The site is 0.08 acres (3,600 SF) in area according to County records.



**PROPERTY DESCRIPTION (continued)**

**SITE DESCRIPTION (CONTINUED)**

- Access/Exposure:** The subject has average access and exposure to Jackson Street, a neighborhood collector.
- Topography:** Level at street grade.
- Utilities:** All public utilities are available.
- Site Improvements:** Public sidewalks; 6’ chainlink fencing; gravel.
- Easements/Encroachments:** A preliminary title report was not provided to the appraiser. This appraisal assumes that there are no easements or encumbrances which would adversely affect the utility or market value of the subject.
- Flood Plain:** FEMA FIRM panel 41043C 0213H (12/8/2016) locates the subject in zone X, outside known flood hazard zones.
- Drainage:** Nothing adverse noted during the inspection.
- Environmental:** A current environmental report was not provided. Upon property inspection and interview with representatives, no adverse factors are noted, and this appraisal assumes that none exist. Please refer also to the Assumptions and Limiting Conditions.
- Geology:** A geotechnical report was not provided. Subject soils are assumed stable and capable of supporting development commensurate with the concluded highest and best use.
- Zoning:** The subject is zoned LI (Light Industrial) by the City of Albany. According to the code, the LI zone is intended to provide areas for “... a wide range of manufacturing, warehousing, processing, assembling, wholesaling, specialty contractors and related establishments.” Uses are intended to have limited impacts on nearby properties; the LI zone serves as a buffer between heavy industrial zones and residential areas.



## **PROPERTY DESCRIPTION (continued)**

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### **SITE DESCRIPTION (CONTINUED)**

**Surrounding Uses:**           **North-** Vacant  
                                     **South-** SFR  
                                     **East-** SFR  
                                     **West-** Industrial

**Site Summary:**               The subject site has adequate and marketable buildable area, average access and traffic in a built-up light industrial area, with all public utilities available. The site has good access to Highway 99E and to I-5. The site would be desirable for development.

**SUBJECT PHOTO**

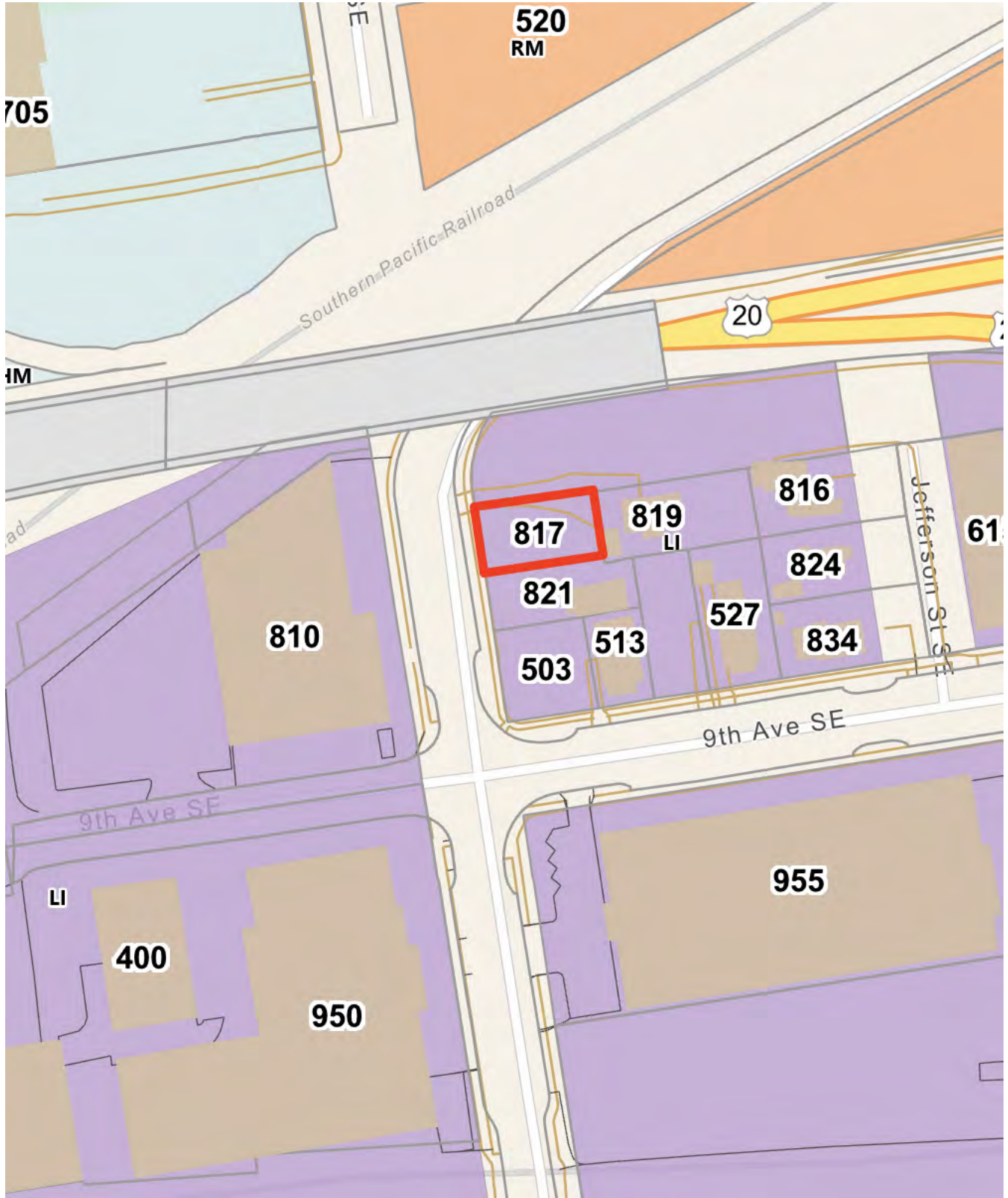


125JG-102





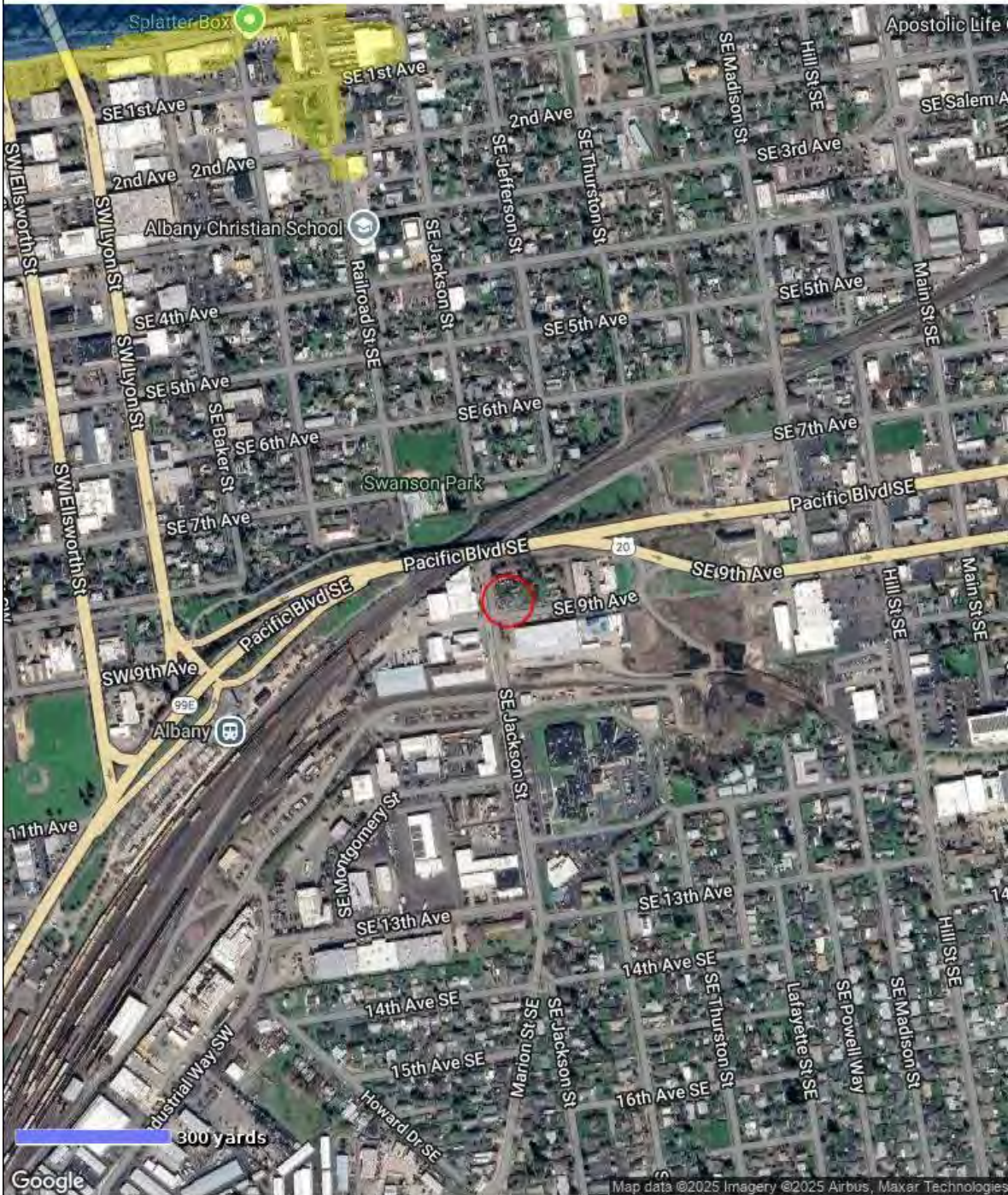
# ZONING MAP



# FLOOD MAP

**InterFlood** by a la mode

Prepared for: Jackson Group NW, Inc  
 503 9th Ave SE  
 Albany, OR 97322-3209



**MAP DATA**

FEMA Special Flood Hazard Area: No  
 Map Number: 41043C0213H  
 Zone: X  
 Map Date: December 08, 2016  
 FIPS: 41043

**MAP LEGEND**

- Areas inundated by 500-year flooding
- Areas inundated by 100-year flooding
- Velocity Hazard
- Protected Areas
- Floodway
- Subject Area

Powered by CoreLogic®



# SUBJECT PROPERTY PHOTOGRAPHS

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Looking northeast from southwest corner of site



Subject from Jackson Street

# SUBJECT PROPERTY PHOTOGRAPHS

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Jackson Street SE, looking south. Subject is at left



Jackson Street SE, looking north. Subject is ahead at right

# HIGHEST AND BEST USE ANALYSIS

The Appraisal Institute defines the concept of highest and best use as follows:

"The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability." <sup>3</sup>

The highest and best use concept is based on traditional appraisal theory and reflects the attitudes of typical buyers and sellers who recognize that value is predicated on anticipation of future benefits. This theory is based on the wealth maximization of the owner. In the appraisal process, highest and best use concept typically reflects most probable use, and often relates to the most probable value of the property.

## AS VACANT

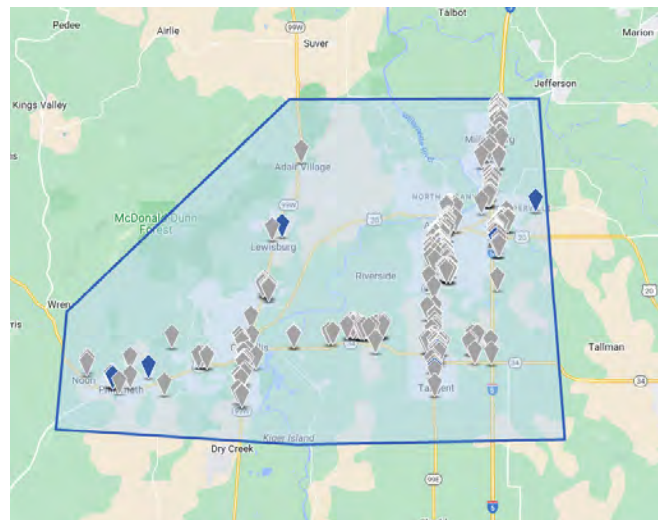
The subject site is zoned LI (Light Industrial) by the City of Albany. This zoning allows a wide variety of low-impact industrial uses, including manufacturing, warehousing, wholesaling, assembling, contracting and related uses. The site is physically functional, with marketable buildable area, access, and all utilities available. The immediate vicinity is built out, with little vacant land available.

Physical: The subject site is within a commercial / industrial corridor, adjacent to Highway 99E, with very good proximity to Interstate-5 via a nearby interchange. The immediate neighborhood is an industrial enclave that is well located to serve local as well as transient markets in the central Willamette Valley and beyond. The size, shape, topography, and soil conditions of the parcel are functional, with city utilities available. Extensive site frontage provides good exposure on a local collector. With functional shape and area, good location and linkages, the subject site would have good appeal for owner-occupancy. Given proximity to commercial and residential areas of Albany, a service-oriented use would seem likely.

Legal: The subject zoning promotes light industrial uses. The subject presents no extraordinary obstacles to development.

Feasibility: Employment and general economic conditions have been improving. The Albany area appears to be experiencing some growth, with recent investment apparent. The subject site as vacant is of adequate area and functional for development, and would have good appeal to an owner-user. The subject's commercial proximity indicates possible industrial/service use.

A CoStar survey of smaller industrial properties in the Albany submarket (see map at right) shows variable but low vacancy, currently at 1.3%.



<sup>3</sup> The Dictionary of Real Estate Appraisal, 2015, Sixth Edition, Appraisal Institute

# HIGHEST AND BEST USE ANALYSIS

Rents have been increasing since 2015, but leveled off in 2021, and today are 8.9% above the five-year average. Please refer to the graph at right and the table below.

Industrial properties are relatively unaffected by changing employee location (workplace / home) dynamics. Industrial rents are forecast to continue their steady rise. Low vacancy and rising prices are indicative of demand, which favors subject development. Nonetheless, speculative development in the near-term is not supported given current economic uncertainty.



Availability	Survey	5-Year Avg
Rent Per SF	\$8.91	\$8.18
Vacancy Rate	1.3%	1.9%
Vacant SF	130,210	189,181
Availability Rate	1.9%	3.0%
Available SF	188,410	300,374
Sublet SF	8,000	64,952
Months on Market	4.9	6.1

Inventory	Survey	5-Year Avg
Existing Buildings	326	323
Existing SF	10,104,161	9,986,766
12 Mo. Const. Starts	0	47,046
Under Construction	0	31,760
12 Mo. Deliveries	2,730	52,273

Demand	Survey	5-Year Avg
12 Mo. Absorption SF	-33,846	55,041
12 Mo. Leasing SF	85,613	104,444

Sales	Past Year	5-Year Avg
Sale Price Per SF	\$71	\$78
Asking Price Per SF	\$104	\$97
Sales Volume (Mil.)	\$33	\$27
Cap Rate	-	7.5%

Further analysis of possible development scenarios is beyond the scope of this appraisal, which develops and reports our opinion of as is market value.

Summary / As Vacant Conclusion: The subject market area is a stable corridor. Additional speculative development is not supported at this time. Based on planning goals, market trends, and subject specifics, the highest and best use of the subject site, as if vacant, is for development of a light industrial or service project, depending on changing market conditions and specific demand from prospective owner-users and/or primary lease tenants.

# VALUATION

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## INTRODUCTION

The social, economic, governmental, and environmental forces influencing the subject property have been presented. The specific physical and location characteristics of the site and improvements have been described. The highest and best use of the subject property is concluded to be as 0.08 acres of LI zoned land.

The appraisal assignment is to develop and report our opinion of the As Is Market Value of the subject property. The final opinion of value is a fee simple value.

## VALUATION APPROACHES

The Cost Approach is typically performed in valuation of newly-built &/or special-use properties, and properties in which a greater proportion of overall value is in the land. The Income Capitalization Approach is typically the strongest indicator for properties that would trade based on income / investment potential as the primary consideration. The Sales Comparison Approach is considered most applicable by owner-users and buyers giving additional consideration to benefits of ownership, and to physical presence.

## VALUE CONCLUSION

The subject is 3,600 SF (0.08 acre) of usable industrial-zoned land, located in an industrial enclave.

The subject land value is developed by sales comparison approach, which is the sole approach used for the land. This is typical for valuation of vacant fee owned land. Appraisal methodology performed and summarized in this report conforms with typical appraisal practice and expectations of the typical client in similar assignments, is sufficient for the intended use of the appraisal, and returns a credible opinion of value.

# SITE VALUATION

In this section, the market value of the subject site is developed by comparing it with light industrial use sites. The subject site is located in an established industrial neighborhood adjacent to a commercially intensive arterial, Highway 99E, within a greater growing submarket with low vacancy and rising rents.

## SITE COMPARABLE SALES ANALYSIS

When applicable, comparables are first adjusted for property rights conveyed, and non-market financing. Land sales are then adjusted to the subject according to comparable elements of zoning, location, physical characteristics, potential economic use, and market conditions.

The following adjustment grid represents a bracketing analysis that generally ranks the subject among the comparables. Adjustments are expressed as numerical percentages, to illustrate the relative weight given individual adjustments, compared with the subject property, and each other. The comparables are adjusted to the subject property consistent with standard appraisal methodology. A positive percentage adjustment indicates that a comparable is inferior to the subject regarding a specific (or set of related) characteristic(s) and is therefore adjusted upward to simulate rough parity with the subject property. Conversely, negative adjustment indicates that a comparable is superior to the subject in some regard and so is adjusted downward. The adjusted values indicate a quantifiable range of market value for the subject property, which is further refined in the narrative analysis that follows.

Comparable Land Sale Adjustment Grid

#	Comparables	Sale Price / Sale Date	Acres (AC)	Size (SF)	\$/SF	Econ. Location	Size	Zoning / Utility	Site Imps. / Grading	Time - % annually	Market Cond.	Net Adjustment	Adjusted \$ / SF % of Unadjusted
1	92341 Booth St Junction City	\$325,000 1-Jun-2024	1.66	72,217	\$4.50	\$0.45 10.00%	\$2.25 50.00%	\$0.00 0.00%	\$0.00 0.00%	\$0.08 1.85%	\$0.00 0.00%	\$2.78 61.85%	\$7.28 0.00%
2	740 Ellingson Rd SW Albany	\$240,000 26-Apr-2024	0.80	33,122	\$7.25	\$0.00 0.00%	\$1.81 25.00%	\$0.00 0.00%	\$0.00 0.00%	\$0.16 2.15%	\$0.00 0.00%	\$1.97 27.15%	\$9.22 0.00%
3	3766 NE Steelhead Run Dr Albany	\$300,000 14-Mar-2024	1.41	61,306	\$4.89	\$0.00 0.00%	\$2.45 50.00%	\$0.00 0.00%	\$0.00 0.00%	\$0.12 2.51%	\$0.00 0.00%	\$2.57 52.51%	\$7.46 0.00%
4	4380 SW Deschutes St Corvallis	\$1,016,824 17-Feb-2023	3.48	151,589	\$6.71	(\$0.67) -10.00%	\$4.03 60.00%	\$0.00 0.00%	\$0.00 0.00%	\$0.39 5.77%	\$0.00 0.00%	\$3.74 55.77%	\$10.45 0.00%
5	93309 Prairie Rd Junction City	\$425,000 27-Jul-2022	0.79	34,376	\$12.36	\$1.24 10.00%	\$3.09 25.00%	\$0.00 0.00%	(\$3.71) -30.00%	\$0.92 7.48%	\$0.00 0.00%	\$1.54 12.48%	\$13.90 0.00%
6	1921 SW Ferry St Albany	\$170,000 12-Apr-2022	0.83	36,300	\$4.68	\$0.00 0.00%	\$1.17 25.00%	\$1.17 25.00%	\$0.00 0.00%	\$0.39 8.36%	\$0.00 0.00%	\$2.73 58.36%	\$7.41 0.00%

Sales of land with similar economic location, potential legal use(s) and functional utility were researched throughout the greater market area. Selected sales represent the most recent and comparable land sales available for analysis. Unadjusted sales range between \$4.50/SF and \$12.36/SF.

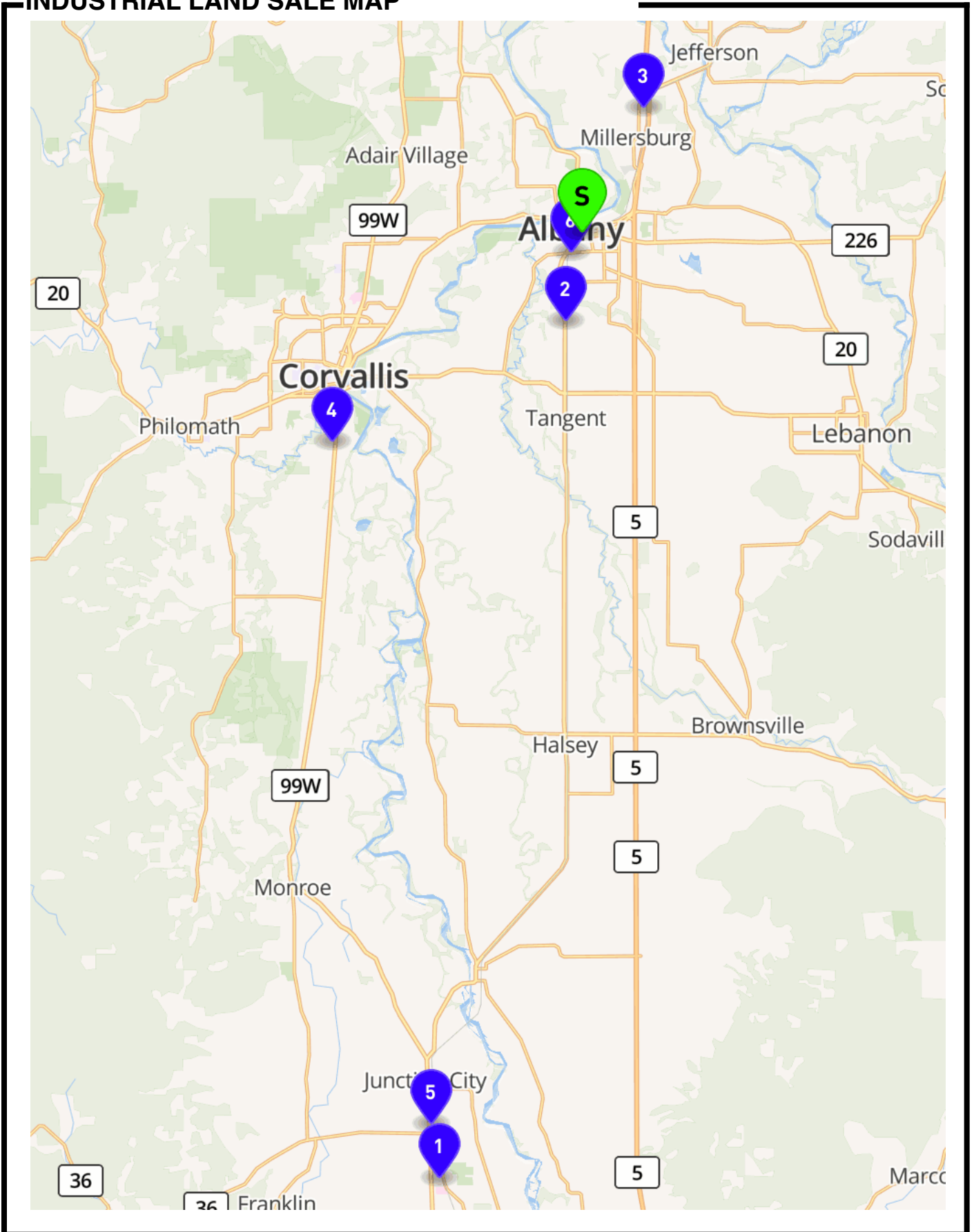


# Comparable Sale Table

	Name/Location	Date of Sale	Usable Site SF	Usable Site Acres	Zoning	Utilities Available	Shape Topography	Proposed Use	Existing Improvements	Price / SF
1	92341 Booth St Junction City, OR 97448	6/1/2024	72,217 SF	1.66 Acres	M3, Heavy Ind	None	None	Data Center	None	\$4.50
2	740 Ellingson Rd SW Albany, OR 97322	4/26/2024	33,122 SF	0.80 Acres	IL	All available	Rectangular Level, at street grade	Unknown	None	\$7.25
3	3766 NE Steelhead Run Dr Albany, OR 97321	3/14/2024	61,306 SF	1.41 Acres	IL	All available	Rectangular Level, at street grade	Unknown	N/A	\$4.89
4	Industrial Land 3480 SW Deschutes St Corvallis, OR 97333	2/17/2023	151,589 SF	3.48 Acres	GI	Sewer, Telephone, and Water	Irregular Level, at street grade	6 Building Self Storage	None	\$6.71
5	93309 Prairie Rd Junction City, OR 97448	7/27/2022	34,376 SF	0.79 Acres	M2, Lt Ind.	Well, Septic	Irregular Level, at street grade	9600 SF Whse, Possible smaller 2nd bldg	None	\$12.36
6	1921 SW Ferry St Albany, OR 97322	4/12/2022	36,300 SF	0.83 Acres	LI	All available	Rectangular Level, at street grade	Unknown	None	\$4.68



# INDUSTRIAL LAND SALE MAP



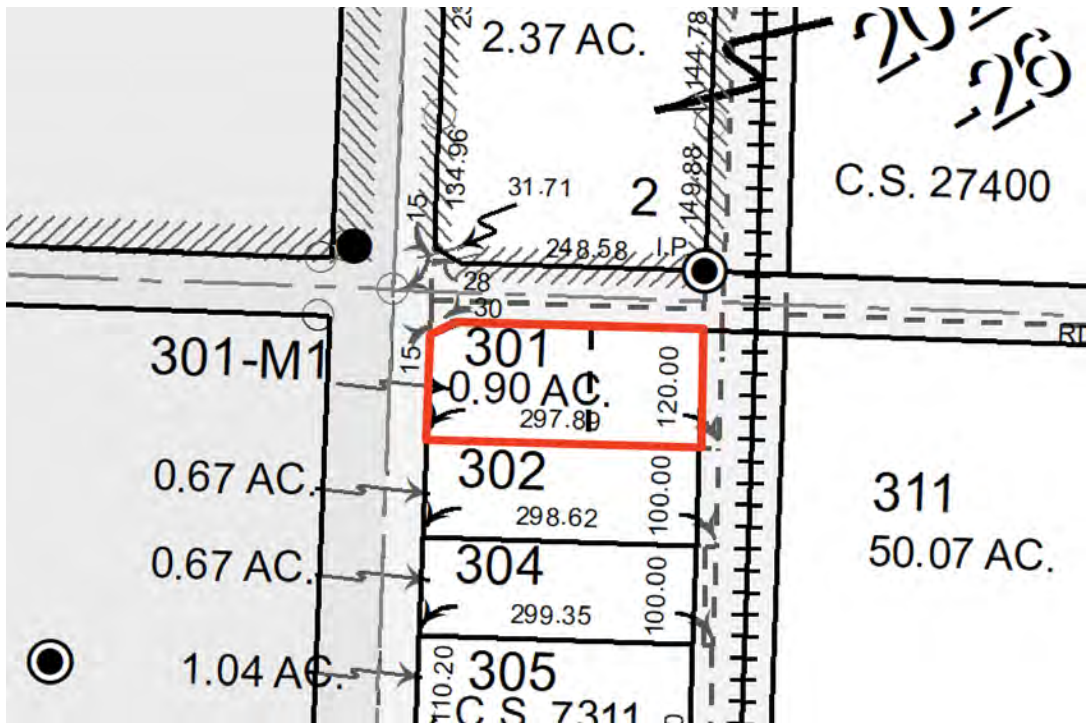
# COMPARABLE PHOTOS

Comp # 1.



92341 Booth St

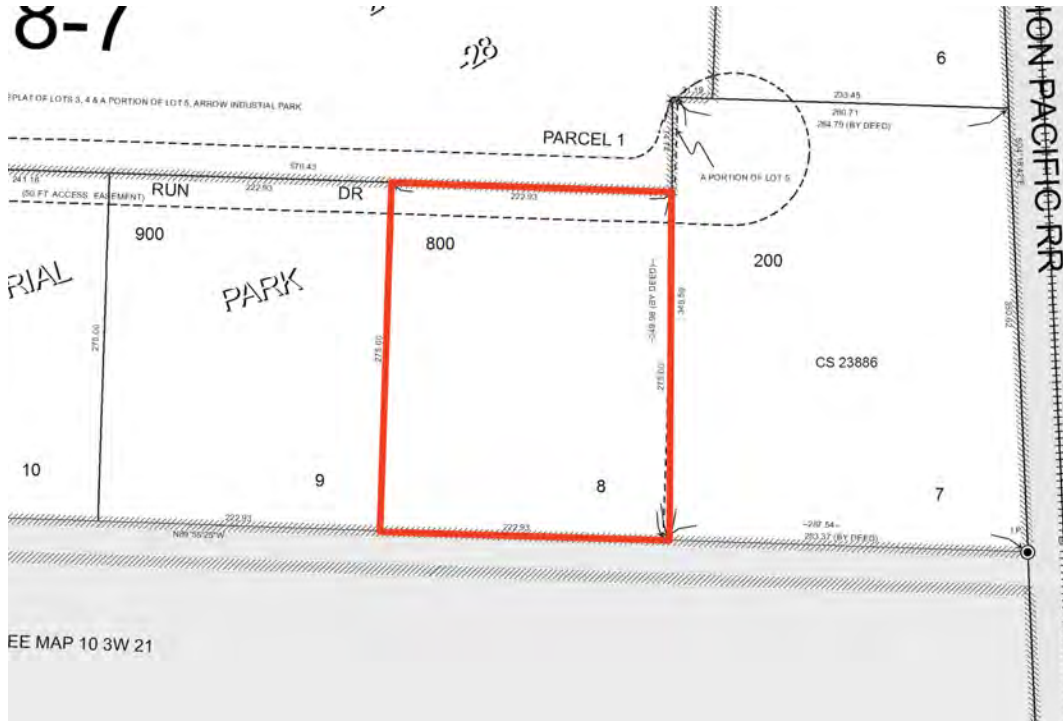
Comp # 2.



740 Ellingson Rd SW

# COMPARABLE PHOTOS (continued)

Comp # 3.



3766 NE Steelhead Run Dr

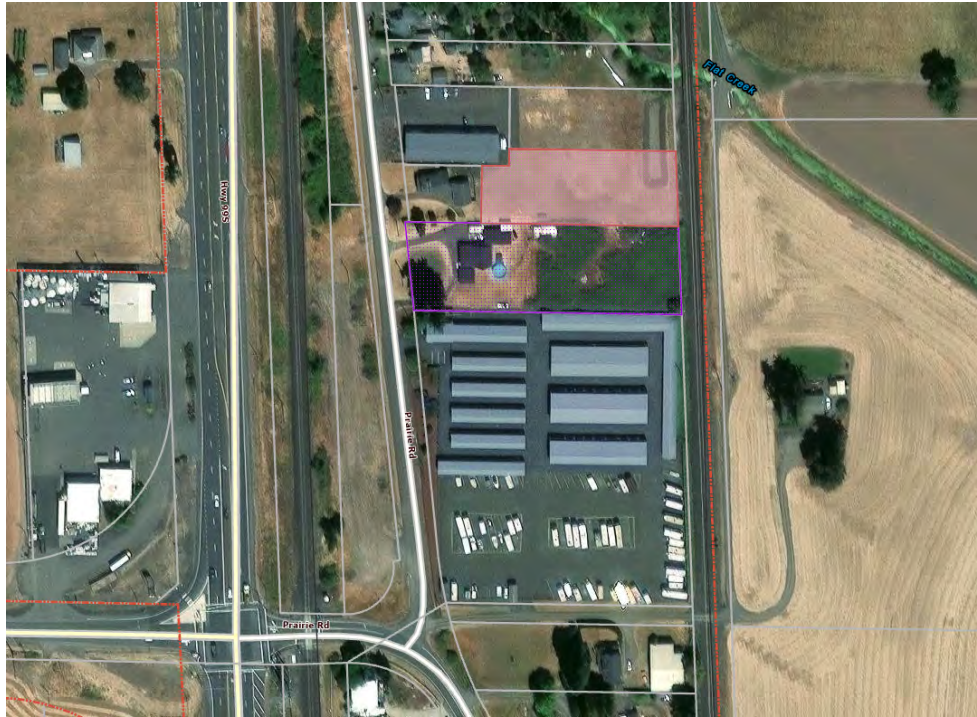
Comp # 4.



3480 SW Deschutes St

# COMPARABLE PHOTOS (continued)

Comp # 5.



93309 Prairie Rd

Comp # 6.



1921 SW Ferry St

## SITE VALUATION (continued)

Location / Access – The location & access adjustment is intended to account for differences in the immediate market areas of the comparables relative to the subject, as well as specific deficiencies that may attach to a particular comparable. Comparables 1 and 5 have mildly inferior locations and are adjusted upward 5% apiece. Comparable 4 has a superior location in Corvallis, where industrial land is scarcer, and is adjusted downward 10%. All of the other comparables have similar location and local demographics, and receive no adjustments.

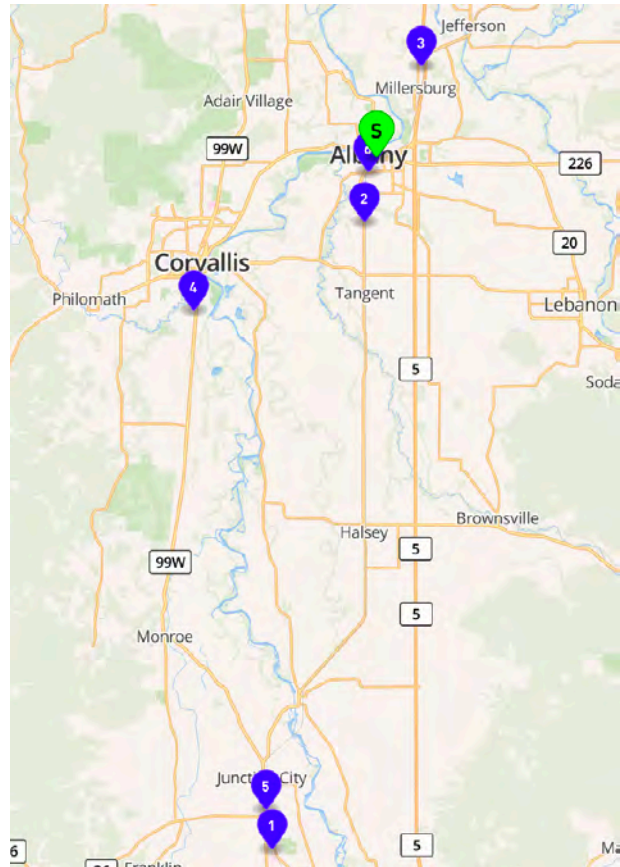
Land Area – The land area adjustment is made to reflect the relationship between size and unit values. Typically, a relatively larger area will depress the per-unit price (reduced competition for larger, more expensive parcels). All of the comparables are larger sites, and receive upward adjustments between 25% and 60%.

Zoning / Potential Use / Functional Utility – This adjustment considers differences in permitted / probable economic use of the property, from legal, physical and marketability perspectives, compared with the subject. All of the comparables have similar zoning. Comparable 6 is adjusted upward 25% for inferior utility, with a long narrow shape and very small frontage relative to overall site area. No other adjustments are made in this category.

Site Improvements – This adjustment reflects improvements to the site already made which would contribute to the proposed use. Comparable 5 had plans and approvals already in place for a 9,600 SF building, and is adjusted downward 30%. No other adjustments are made.

Time Adjustment – This adjustment reflects change in market conditions between the sale date and the date of analysis. Growth and price appreciation in the subject corridor has been slow but positive, and application of a Market Conditions / Time adjustment is indicated. Considering the residual effects of the COVID years, this adjustment is based on an average (linear) annual appreciation rate of 3% on sale prices, applied monthly to the number of months from the comparable sale date to the date of value.

Market Condition – This adjustment is intended to reflect intangible factors other than time that affect marketability, such as the availability of financing, atypical market events, and the demand for the property type. This adjustment is specific to the comparable as opposed to the time adjustment, which is a representation of the general market. None of the comparables were adjusted.



# SITE IMPROVEMENT VALUATION

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## LAND VALUE CONCLUSION

Adjusted comparables indicate a range of market value from \$7.28 to \$13.90/SF.

Considering market trends and the comparables, and also subject location and small size, a market value of \$12/SF is concluded. The indicated market value for the subject site by the sales comparison approach is  $(3,600 \text{ SF} \times \$12/\text{SF}) = \$43,200$ , rounded to: **\$45,000**.

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<b>As Is Fee Simple Value, Subject Property:</b>	<b>January 9, 2025</b>	<b>\$ 45,000</b>
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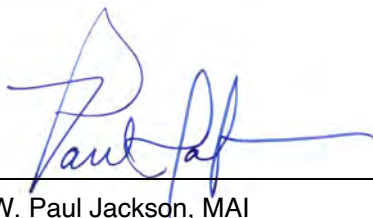
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# CERTIFICATION OF APPRAISAL

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It is hereby certified that, to the best of the appraisers' knowledge and belief, the statements of fact contained in this report are true and correct.

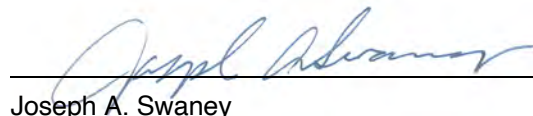
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- We have no (or the specified) present or prospective interest in the property that is the subject of this report and no (or the specified) personal interest with respect to the parties involved.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting pre-determined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The Reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice.
- The Reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, W. Paul Jackson MAI has completed the continuing education program for Designated Members of the Appraisal Institute.
- We have performed no appraisal services, as appraiser(s) or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the acceptance of this assignment.
- Joseph A. Swaney made a personal inspection of the property that is the subject of this report. W. Paul Jackson did not inspect the subject property.
- No one not named in the appraisal report provided significant real property appraisal assistance to the person(s) signing this certification.



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W. Paul Jackson, MAI

Oregon Certified General Appraiser  
License No. C000548 – Expires July 31, 2026  
Washington Certified General Appraiser  
License No. 1100337 – Expires July 12, 2026



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Joseph A. Swaney

Oregon Certified General Appraiser  
License No. C001088 – Expires February 28, 2026



## ADDENDA CONTENTS

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**EXHIBIT A**

**Appraiser's Qualifications / Company Profile / Client Contracts**

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**EXHIBIT B**

**N/A**

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**EXHIBIT C**

**N/A**

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**EXHIBIT D**

**N/A**

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## COMPANY PROFILE

Jackson Group NW, Inc. is a commercial real estate appraisal and consulting firm located in Portland, Oregon. The goal of the company is to provide appraisal and consultation services in a professional and timely manner. We provide appraisal services for properties located in Oregon and Washington. We are dedicated to the company's goal of providing quality appraisal and consultation services on a personal basis.

We have extensive experience in appraising and providing consultation services. Our scope of experience includes multiple property types and various ownership interests from small owner occupied properties to large institutional grade investments.

**W. Paul Jackson, MAI** has worked as a commercial appraiser and consultant since 1992. Mr. Jackson has experience in appraising multiple property types. He also has experience in appraising property for estate planning and court testimony. Over the years, in addition to the standard property types, he has developed valuable experience and expertise in the valuation of Hotels/Motels, gas stations/c-stores, mobile home parks, golf courses, institutional grade government buildings and a handful of other unique property types. Mr. Jackson prides himself on his ability to provide quality professional appraisal services that are both reliable and on time. Whatever your appraisals need, be it a simple owner occupied office or a complex re-development, you can rely on Mr. Jackson to provide you with the service you need.

**Joseph B. Skilton** has worked in real estate since 1978 as a land survey fieldman and drafter, cartographer (Ticor), real estate research analyst, corporate librarian, computer analyst, and real estate publisher (Real Estate Transaction Journal). Mr. Skilton joined us in 1999 and specializes in retail, general commercial, and special-use property appraisals.

**Joseph A. Swaney** had a prior career working in the information technology field as a computer programmer and database analyst. His first introduction to real estate was as a surveyor's chainman in his teenage years. He joined Jackson Group NW, Inc. in February 2005 as an assistant to W. Paul Jackson, and became a Certified General Appraiser in 2012.

**William E. "Bill" Leavens** has worked in the real estate community since high school where he did general construction, property management and accounts receivable for Leavens Investments, a family-owned rental property business. He began appraising in January 2003, specializing in apartment appraisals. Over the past decade Bill has gained extensive experience in appraising and providing consultation services for multifamily developments as a high value employee and also as the owner of his own appraisal firm. Bill brings a high level of customer service and expertise to our firm that is of great value to our clients and us.

**Garth W. Bergeson** has worked in commercial real estate appraisal since June 2004 and is currently certified in both Oregon and Washington. Garth has a broad base of experience ranging from standard commercial real estate appraisal work to complex land valuations. Garth brings a level of expert analysis and critical thinking to our team that is reflected in his clear and logical writing style.

## **COMPANY PROFILE (CONTINUED)**

To better serve our clients, Jackson Group NW, Inc. maintains state of the art computer equipment, real estate analytical software programs, libraries of comparable and resource data, property sales, lease transactions, property data computer retrieval systems, and other necessary tools and information relevant to the real estate appraisal and consultation field.

Jackson Group NW, Inc. considers its clients to be its most valuable assets. We have served various small and large financial institutions, corporations, developers, private individuals, attorneys, accountants, and government agencies. Our appraisal experience extends to all types of commercial, industrial, residential, apartment, resort, agricultural, and special use properties.

Past appraisal assignments have been conducted to serve various functions, including mortgage financing, property purchase and disposition, lease/rent arbitration, litigation support, condemnation, property tax analysis and appeal services, and corporate planning purposes.

## **PROFESSIONAL SERVICES**

- **Valuation Reports:** The market valuation of real property interests (*fee simple, leasehold, leased fee, etc.*) in various types of properties is the primary focus of most real property appraisal assignments performed by Jackson Group NW, Inc.
- **Real Estate Consulting:** Jackson Group NW, Inc. also conducts consulting assignments relating to all property types. Providing competent, unbiased, professional guidance on diversified problems in real estate has taken on ever increasing importance as a method of reducing the risks associated with the real estate field. The firm has undertaken such tasks as discounted cash flow analysis, highest and best use analysis, market studies, subdivision analysis, and market / feasibility analysis.
- **Arbitration, Litigation Support, and Expert Witness Services:** Jackson Group NW, Inc. also offers services for real estate matters involving arbitration (*ground rent renegotiations, tenant space lease renegotiations, etc.*). We also offer litigation support services to attorneys with various real estate problems. It is our goal to provide not only offensive, but defensive strategies, in a fair and unbiased manner, in order to expose the strengths and weaknesses of a particular case. Finally, we are experienced in working with attorneys in preparation for expert witness testimony.
- **Appraisal Review Services:** An appraisal review serves the purpose of analyzing the content and conclusions of an appraisal report. Clients consider an appraisal review to be a valuable tool in determining the credibility of an appraisal report, in order to reduce the risks associated with important lending, legal, and investment decisions.
- **Property Tax Analysis and Appeal Services:** The real property tax liability for property has a direct impact on its operating/holding expenses, net income, and associated market value. Therefore, competent representation before government agencies regarding ad valorem taxes can be critical in keeping this expense item in check.

**PROFESSIONAL QUALIFICATIONS - W. PAUL JACKSON, MAI**

Paul Jackson was born in Albany, Oregon and attended Oregon State University.

**EDUCATION**

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- Oregon State University, Bachelor Degree Economics 1991

**APPRAISAL INSTITUTE COURSES**

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- Analyzing Operating Expenses 2020
- 2020-21 USPAP 7-Hour Update 2020
- Forecasting Revenue 2020
- Small Hotel/Motel Valuation 2020
- Appraisal of Medical Office Buildings 2018
- Appraising Automobile Dealerships 2018
- Business Practices and Ethics 2018
- Eminent Domain and Condemnation 2018
- Data Verification Methods 2016
- Rates, Ratios: Making sense of GIMs, OARs, and DCF 2016
- Forecasting Revenue 2016
- Business Practices & Ethics 2016
- 7-hour USPAP 2016
- Business Practices & Ethics 2014
- Small Hotel/Motel Valuation 2014
- Subdivision Valuation 2014
- The DCF Model: Concepts, Issues, and Apps. 2014
- Green Buildings: Principles & Concepts 2014
- USPAP 7 hour Update 2011
- Feasibility, Market Value, Investment Timing: Option Value 2011
- Scope of Work: Expanding Your Range of Services 2011
- Appraising Convenience Stores 2011
- Site Valuation and Cost Approach 2009
- Analyzing Operating Expenses 2008
- Analyzing Distressed Real Estate 2008
- USPAP National Course Update 2008
- Using Your HP12C Financial Calculator 2006
- Feasibility, Market Value, Investment Timing: Option Value 2006
- Appraisal Report Writing Seminar 2004
- Small Hotel / Motel Valuation 2004
- GIS Applications for Real Estate Appraisal 2004
- Course 400, USPAP National Course Update 2003
- Search Strategies for Real Estate Appraisers 2001
- Valuation of Detrimental Conditions in Real Estate 2001

**PROFESSIONAL LICENSES**

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- Certified General Appraiser:
  - 1) State of Oregon Certificate No. C000548
  - 2) State of Washington Certificate No. 1100337

**PROFESSIONAL QUALIFICATIONS - W. PAUL JACKSON, MAI**

**PROFESSIONAL AFFILIATIONS**

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- Designated Member of the Appraisal Institute (MAI) 2004

**PROFESSIONAL EXPERIENCE**

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- Owner, Jackson Group NW, Inc., Portland, Oregon 2013 to Present
- Owner, Cassinelli Jackson LLC, Portland, Oregon 1997 to 2013
- Commercial Appraiser, Palmer Groth & Pietka, Inc., Portland, Oregon 1992 to 1997

## **AREAS OF COVERAGE**

We cover all of Oregon, SW Washington as far north as Pacific county (Aberdeen) and SE Washington as far east as Walla Walla.

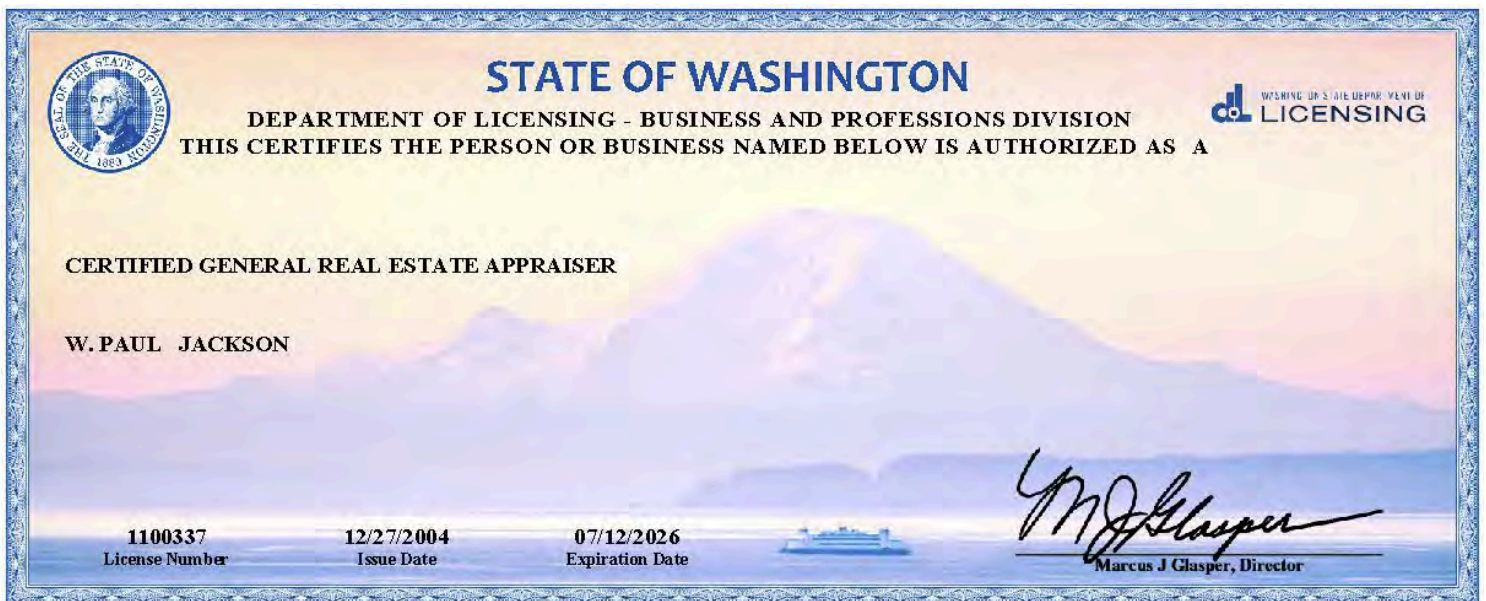
We have extensive expertise and experience in appraising all types of commercial real estate, which includes the following:

- Retail – All types
- Office –All types and Classes
- Industrial - All types
- Hotels/Motels - All types
- Mobile Home Parks
- Gas Stations/ C-Stores
- Restaurants – Fast Food and Sit Down
- Multi-Family
- Camp Grounds
- RV Parks
- Subdivision Analysis
- All types of Land
- Churches
- Schools/Universities/Government Buildings
- Agricultural Property

I have been appraising commercial real estate for more than twenty-five years and my four associates have 12 to 20 years of experience in commercial real estate appraisal. There are very few property types or real estate valuation issues that we have not analyzed over the past couple of decades.

Thank You

Paul Jackson, MAI  
Jackson Group NW, Inc.



**PROFESSIONAL QUALIFICATIONS – JOE SWANEY**

Joe Swaney was born in Portland, Oregon and is a graduate of Portland State University.

**EDUCATION**

---

- Portland State University, Bachelor of Arts, Political Science 1984

**APPRAISAL INSTITUTE COURSES**

---

- Basic Income & Capitalization Theory 2005
- Advanced Income & Capitalization Theory 2008
- Report Writing & Valuation Analysis 2008
- Site Valuation & Cost Approach 2008
- Sales Comparison Approach 2008
- Market Analysis and Highest & Best Use 2010
- Apartment Appraisal 2010
- Basic Appraisal Procedures 2012

**OTHER APPRAISAL COURSES**

---

- Foundations of Appraisal, Portland Community College 2005
- Standards of Professional Practice (*USPAP*), Pro-Schools 2005
- Statistics, Modeling & Finance, McKissock, LP 2010
- FHA Single Family Appraisal, Career WebSchool 2010

**PROFESSIONAL LICENSES**

---

- Certified General Appraiser  
State of Oregon Certificate No. C001088

**PROFESSIONAL EXPERIENCE**

---

- Appraiser Jackson Group NW, Inc. Portland, Oregon 2013 to Present
- Appraisal Assistant, Cassinelli Jackson LLC, Portland, Oregon January 2005 to 2013
- Senior Programmer/Analyst, Regence Group, Portland, Oregon February 1989 to December 2004



The seal of the State of Oregon is centered in the background. It features an eagle with wings spread, perched on a shield. The shield contains a plow, a sheaf of wheat, and a ship. The words "STATE OF OREGON" are written in a circular border around the eagle, and the year "1859" is at the bottom.

**Appraiser Certification and Licensure Board**

**State Certified General Appraiser**

*28 hours of continuing education required*

**JOSEPH A SWANEY  
JACKSON GROUP NW, INC.  
PO BOX 1246  
CANBY, OR 97013**

License No.: C001088  
Issue Date: March 01, 2024  
Expiration Date: February 28, 2026

A handwritten signature in blue ink, appearing to read "Chad Koch".

Chad Koch, Administrator



January 2, 2025

City of Albany Community Development  
c/o Matthew Ruettgers  
Community Development Director  
333 Broadalbin St. SW  
Albany, OR 97321  
Email: [Matthew.Ruettgers@cityofalbany.net](mailto:Matthew.Ruettgers@cityofalbany.net)  
Phone: (541) 917-7674

**RE: INDUSTRIAL ZONED LAND**  
817 Jackson St SE, Albany  
503 9<sup>th</sup> Ave SE, Albany  
519 9<sup>th</sup> Ave SE, Albany

Dear Mr. Ruettgers,

I am pleased to submit the following proposal for the requested assignment. The terms and conditions are specified as follows:

**ASSIGNMENT SCOPE AND SPECIFICATIONS**

<b>Purpose:</b>	Estimate the market value of the above referenced property
<b>Property Rights Appraised:</b>	Fee Simple
<b>Premise / Valuation Date:</b>	Provide As Is Market Value as of the inspection date
<b>Intended Use:</b>	Determine value from which to establish a sales price
<b>Intended User:</b>	Matthew Ruettgers, City of Albany Community Development, and associated professionals
<b>Inspection:</b>	An on-site inspection of the property will be made by the appraiser
<b>Valuation Approaches:</b>	All applicable approaches as determined by the appraiser
<b>Report Type:</b>	Appraisal Report as per client requirements
<b>Appraisal Report Standards:</b>	Uniformed Standards of Professional Appraisal Practice
<b>Appraisal Fee:</b>	\$4,500
<b>Expenses:</b>	Included in the fee
<b>Retainer:</b>	0% (\$0)
<b>Payment Terms:</b>	Payment due upon delivery of the appraisal report. Please remit payments to: <b>Jackson Group NW, Inc.</b> <b>PO Box 1246</b> <b>Canby, OR 97013</b>
<b>Acceptance Date:</b>	This contract proposal is valid 5 business days from the date of this letter
<b>Start Date:</b>	Job commencement begins upon receipt of the signed contract and all requested information.
<b>Delivery Date:</b>	January 27, 2025 assuming prompt receipt of the contract, retainer, and all requested information.

**Report:**

The finished appraisals, one for each property, will be delivered via email to the client email in PDF format. Hard copies can be provided upon request for \$175 per copy.

If additional consultation is necessary after the appraisal is completed, the client will be billed at an hourly rate of \$350 per hour for all time expended. If the assignment is canceled for any reason prior to completion, the client will be billed at an hourly rate of \$350 per hour for all time expended prior to cancellation.

If the appraiser is required to give testimony for any reason, or at any time in connection with this assignment, then the client agrees to assume any reasonable professional fees and related costs, including preparation time. Trial preparation and consultation is billed at \$350 per hour. Court testimony time is billed at \$450 per hour.

Acceptance of this agreement by yourself, or a duly authorized agent, should be indicated by signing and mailing/delivering an authorized copy of this agreement to my attention. I look forward to working with you on this assignment, and should you have any questions on any aspect of this letter, please do not hesitate to call.

Sincerely,

**JACKSON GROUP NW, INC.**



W. Paul Jackson, MAI  
Oregon Certified General Appraiser C000548  
Washington Certified General Appraiser 1100337

Phone : 503-358-7340

Email : [paul@jacksongroupnw.com](mailto:paul@jacksongroupnw.com)

**ACCEPTANCE:**



Client Signature

1/2/2025

Date

Matthew Ruetters

Client Name (Printed)

541-917-7674

Phone #

matthew.ruetters@albanyoregon.gov

Email

same as above

Property Contact Name (Printed)

Phone #

Email



## Linn County 2024 Real Property Assessment Report Account 87037

<b>Map</b>	11S03W07-AB-00202	<b>Tax Status</b>	Non-Assessable
<b>Code - Tax ID</b>	00846 - 87037	<b>Account Status</b>	Active
		<b>Subtype</b>	NORMAL
<b>Legal Descr</b>	HACKLEMAN'S 2ND ADDITION		
	Block - 19		
<b>Mailing</b>	ALBANY CITY OF	<b>Deed Reference #</b>	See Record
	PO BOX 490	<b>Sales Date/Price</b>	See Record
	ALBANY OR 97321	<b>Appraiser</b>	UNKNOWN

<b>Property Class</b>	940	<b>MA</b>	<b>SA</b>	<b>NH</b>
<b>RMV Class</b>	200	01	01	012

Site	Situs Address	City
1	817 JACKSON ST SE	ALBANY

Value Summary					
Code Area	RMV	MAV	AV	RMV Exception	CPR %
00846	Land	28,260	Land	0	
	Impr	0	Impr	0	
<b>Code Area Total</b>		28,260	0	0	
<b>Grand Total</b>		28,260	0	0	

Land Breakdown									
Code Area	ID #	RFPD	Ex	Plan Zone	Value Source	Trend %	Size	Land Class	Trended RMV
00846	1	<input checked="" type="checkbox"/>			Market	104	3,600	SF	28,260
<b>Code Area Total</b>							3,600	SF	28,260

Improvement Breakdown									
Code Area	Year Built	Stat Class	Description	Trend %	Total Sqft	Ex% MS Acct	Trended RMV		

Exemptions / Special Assessments / Notations
<p><b>Exemptions (RMV)</b></p> <ul style="list-style-type: none"> <li>■ ORS 307.090 - Cities and Towns</li> </ul> <p><b>Notations</b></p> <ul style="list-style-type: none"> <li>■ CITIES AND TOWNS ORS 307.090 ADDED 2018 CITY</li> </ul>

**Linn County**  
**2024 Real Property Assessment Report**  
 Account 87029

**Map** 11S03W07-AB-00201  
**Code - Tax ID** 00846 - 87029

**Tax Status** Non-Assessable  
**Account Status** Active  
**Subtype** NORMAL

**Legal Descr** HACKLEMAN'S 2ND ADDITION  
 Block - 19

**Mailing** ALBANY CITY OF  
 PO BOX 490  
 ALBANY OR 97321

**Deed Reference #** See Record  
**Sales Date/Price** See Record  
**Appraiser** GARTON, JOSHUA

**Property Class** 940 **MA SA NH**  
**RMV Class** 100 01 01 003

Site	Situs Address	City
1	519 9TH AVE SE	ALBANY

Value Summary						
Code Area		RMV	MAV	AV	RMV Exception	CPR %
00846	Land	69,000		Land	0	
	Impr	0		Impr	0	
<b>Code Area Total</b>		69,000	0	0	0	
<b>Grand Total</b>		69,000	0	0	0	

Land Breakdown									
Code Area	ID #	RFPD	Ex	Plan Zone	Value Source	Trend %	Size	Land Class	Trended RMV
00846	1	<input checked="" type="checkbox"/>			Market	100	4,000 SF		69,000
<b>Code Area Total</b>							4,000 SF		69,000

Improvement Breakdown									
Code Area	Year Built	Stat Class	Description	Trend %	Total Sqft	Ex%	MS Acct	Trended RMV	

Exemptions / Special Assessments / Notations									
<b>Exemptions (RMV)</b>									
■ ORS 307.090 - Cities and Towns									
<b>Notations</b>									
■ CITIES AND TOWNS ORS 307.090 ADDED 2018 CITY									

**Comments** 527 9TH AVE SE, ALBANY

**Linn County**  
**2024 Real Property Assessment Report**  
 Account 87052

**Map** 11S03W07-AB-00204  
**Code - Tax ID** 00846 - 87052

**Tax Status** Non-Assessable  
**Account Status** Active  
**Subtype** NORMAL

**Legal Descr** HACKLEMAN'S 2ND ADDITION  
 Block - 19

**Mailing** ALBANY CITY OF  
 PO BOX 490  
 ALBANY OR 97321

**Deed Reference #** See Record  
**Sales Date/Price** See Record  
**Appraiser** GARTON, JOSHUA

**Property Class** 940 **MA SA NH**  
**RMV Class** 100 01 01 003

Site	Situs Address	City
	503 9TH AVE SE	ALBANY

Value Summary					
Code Area	RMV	MAV	AV	RMV Exception	CPR %
00846	Land	69,000	Land	0	
	Impr	0	Impr	0	
<b>Code Area Total</b>	69,000	0	0	0	
<b>Grand Total</b>	69,000	0	0	0	

Land Breakdown									
Code Area	ID #	RFPD	Ex	Plan Zone	Value Source	Trend %	Size	Land Class	Trended RMV
00846	1	<input checked="" type="checkbox"/>			Market	100	4,160 SF		69,000
<b>Code Area Total</b>							4,160 SF		69,000

Improvement Breakdown									
Code Area	Year ID #	Stat Built	Class Description	Trend %	Total Sqft	Ex% MS Acct	Trended RMV		

Exemptions / Special Assessments / Notations									
<b>Exemptions (RMV)</b>									
<ul style="list-style-type: none"> <li>■ ORS 307.090 - Cities and Towns</li> </ul>									
<b>Notations</b>									
<ul style="list-style-type: none"> <li>■ CITIES AND TOWNS ORS 307.090 ADDED 2018 CITY</li> </ul>									

**Comments** '24 Cycle Appraisal: Utilized as homeless encampment. 3/24-JG-



**TO:** Albany City Council

**VIA:** Peter Troedsson, City Manager

**FROM:** Matthew Ruetters, Community Development Director *MR*

**DATE:** March 12, 2025, for the March 26, 2025, City Council Meeting

**SUBJECT:** Real property discussion - 205 Madison Street NE

**Purpose:**

Continued discussion regarding disposition and outcomes for the City owned real property at 205 Madison Street NE (Madison Property).

**Background/Discussion:**

In 2013, the City acquired the 205 Madison Street NE property along Water Avenue as part of a settlement and franchise agreement with BNSF Railroad. The almost one-acre (41,668 square feet) property abuts the railroad tracks and is surrounded by the Edgewater Village residential development. The property is zoned WF, Waterfront, a mixed-use zone that allows a variety of housing choices and a mixture of housing, office, and retail uses. See the Property Location Map (Attachment 1).

In January of 2022, in response to inquiries about the property for housing, staff asked the council if it would like to consider the Madison Property surplus. No direction was provided at that time and the discussion was paused. The property was appraised in anticipation of future discussions about the property. It was appraised for \$415,000 on November 10, 2022 (Attachment 2).

The 2024 Linn County assessor's real market value (RMV) for the property was \$231,310 (Attachment 3).

The Madison Property is suitable for mixed-use and residential development. There continues to be interest from the private sector in this property, including a recent inquiry by an affordable housing developer and another private developer.

On December 11, 2024, the council adopted a policy to consider city-owned surplus real property for needed housing when there was no other priority purpose identified, so long as the zoning and conditions are suitable for residential development. (Resolution 7373)

On February 10, 2025, the council provided direction to staff to seek community input regarding uses for the Madison Property, which was conducted through a Community Conversation held at the Riverside Community Center on the evening of March 6, 2025.

The options and timeline for determining the future of the Madison Property are at the discretion of the council.

**Strategic Plan Impact:**

Supports the Strategic Plan themes of: A Healthy Economy, A Safe City, and Effective Government.

### **Budget/Staff Impact:**

The November 10, 2022, appraisal determined a real market value of \$415,000. If sold, the city council would direct staff on where to appropriate proceeds, if any, from the sale of the property. Depending on the type of disposal method desired, the value of the land could be used to incentivize a particular type of development, negating or reducing proceeds.

### **Staff Recommendation:**

Staff recommends the city council discuss and provide direction as to the disposition of the Madison Property and, if determined surplus, provide direction to staff on the desired disposal process and timeframe.

### **Alternatives:**

1. Council determines to retain the Madison Property - No further action is required.
2. Council determines not to retain the Madison Property – In a public meeting council would declare the property surplus through a motion.

### Disposal Paths if declared surplus per Resolution 7373

**Path A (Priority Purposes):** Once declared surplus, council would need to discuss if there are any priority purposes for the property. Priority purposes can include needs such as financial gains from the sale of the property, targeted development projects based on community inputs, staff inputs, council direction, etc. The council would next need to provide staff direction to proceed with disposal in accordance with Oregon Revised Statutes (ORS) 221.725 and the desired timeframe.

**Path B\* (Needed Housing):** Should the council determine there are no priority purposes, the City's surplus property procedures provide the following process the City may follow:

- Issue a request for proposals or invite bids for needed housing on the real property through notice in the paper and a public hearing in accordance with ORS 221.725; OR
- Invite parties interested in developing the property for use as affordable housing to submit proposals to the Albany City Council in accordance with ORS 221.729 and sell the real property for use as affordable housing if it is subject to an affordable housing covenant; OR
- Donate the property to a non-profit organization or another governmental organization.

\*If no affordable housing proposals are submitted or no agreement can be reached with an affordable housing developer, the city council could also consider alternative proposals for the property, such as other needed housing, or other uses similar to Path A described above.

### **Attachments:**

1. Location Map



2. 2022 Appraisal
3. 2024 Linn County Assessor Summary



Date: 1/11/2022 Map Source: City of Albany

**205 Madison Street NE**

**Property Location Map**



**APPRAISAL REPORT**

WF ZONED LAND  
205 Madison Street NE  
Albany, OR 97321

PREPARED FOR:

CITY OF ALBANY COMMUNITY DEVELOPMENT  
C/o Matthew Ruetters  
Community Development Director  
333 Broadalbin Street SW  
Albany, OR 97321

PREPARED BY:

Joseph Swaney  
W. Paul Jackson, MAI

**JACKSONGROUP**NW<sup>INC.</sup>

4850 SW Scholls Ferry Road  
Suite 305  
Portland, OR 97225  
(503) 358-7340

[www.jacksongroupnw.com](http://www.jacksongroupnw.com)



November 21, 2022

CITY OF ALBANY COMMUNITY DEVELOPMENT  
C/o Matthew Ruetters  
Community Development Director  
333 Broadalbin Street SW  
Albany, OR 97321

RE: **WF Zoned Land**  
205 Madison Street NE  
Albany, OR 97321

---

Dear Mr. Ruetters,

At your request, we have completed an appraisal of the property specified above, which is presented in the following appraisal report. The subject property consists of one vacant parcel which contains 0.96 Acres (41,668 SF). We have appraised the property using generally-accepted appraisal principles and practices. The following appraisal complies with:

- ◆ The Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation, and
- ◆ The Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, and
- ◆ Supplemental Requirements of the Client and Intended User(s) regarding Real Estate Appraisal Services.

The appraisal uses standard recognized appraisal methodology to develop our opinion of the market value of the subject property. The appraisal is presented in a report format compliant with USPAP Standard 2. As such, it summarizes the data, reasoning, and analyses used to develop our opinion(s) of value. Supporting documentation concerning the data, reasoning, and analysis is retained in our files. The depth of discussion contained in this report is specific to the needs of the client.

The client and intended user(s), intended use, type and definition of value, effective date, subject property, and assignment conditions of this appraisal are stated &/or described in the report. These factors limit the context of the appraisal, and the legitimate uses of the report. We are not responsible for any other use of the report, or any use by parties not named. Please refer to the Scope of Work, and Assumptions and Limiting Conditions sections for important information.

The appraisal assignment is to develop and report our opinion of As Is Market Value of the subject property. The property is currently vacant land. The final opinion of value is a fee simple value. Based on our investigation and analysis of available information, our final opinion of market value of the subject property is:

TYPE OF VALUE	DATE OF VALUE	OPINION OF VALUE
As-Is Fee Simple Value:	November 10, 2022	\$ 415,000

The opinions of value reported herein are contingent upon extraordinary assumptions and/or hypothetical conditions ('EA/HC'). EA/HC not met could have a negative impact on the value conclusions and could invalidate the entire appraisal. The appraisal report is subject to the following EA/HC:

Extraordinary Assumptions


- A Title Report or Preliminary was not provided to the appraisers during the course of this analysis. The appraisal assumes that the subject property is correctly identified, title is clear and marketable, and the property is free of legal issues that would adversely affect property value.
- An Environmental investigation / assessment report was not provided. The appraisal assumes that the subject is free and clear of any environmental conditions that would adversely affect property value.
- A Geotechnical Report was not provided to the appraiser. The appraisal assumes that that the subject soils are stable and support the subject development.

Hypothetical Conditions

- None

Sincerely,


**JACKSON GROUP NW INC.**




---

W. Paul Jackson, MAI

Oregon Certified General Appraiser C000548  
 License No. C000548 – Expires July 31, 2024  
 Washington Certified General Appraiser  
 License No. 1100337 – Expires July 12, 2024




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Joseph A. Swaney

Oregon Certified General Appraiser  
 License No. C001088 – Expires February 29, 2024

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[Exhibit A:](#) Professional Qualifications and Company Profile – Jackson Group NW, Inc.

[Exhibit B:](#) Appraisal Engagement Letter & Client Information

## APPRAISAL OVERVIEW

---

### DESCRIPTION

**Property Name:** WF Zoned Land

**Street Address:** 205 Madison St NE  
Albany, OR 97321

**Census Tract (2020):** 204.00



**Neighborhood Character:** The subject property is located in the city of Albany, in an area north of Highway 99E and east of the historic downtown area. This neighborhood is generally mixed-use in nature with retail, office and residential development. With adequate land supply and increasing demand, the subject's market area outlook is good, and the long-term forecast for the area is for positive growth and stable to rising values.

**Site Area:** 0.96 acre (41,668 SF) on one tax lot, by assessor records, plat map and legal description.

**FEMA Flood Designation:** FEMA FIRM panel 41041C 0213H (12/8/2016) locates the subject property in Zone X, indicating no flood hazard identified.

**Zoning:** The subject is zoned WF – Waterfront District – by the city of Albany. According to the city code, “The WF district is intended to transition Albany’s Willamette River waterfront into a vibrant center characterized by a variety of housing choices and a mixture of housing, office and retail uses.” The zoning allows a wide range of small-scale retail, office and residential uses.

**Other Zoning:** None

## **APPRAISAL OVERVIEW (continued)**

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**General Site Conditions:** The subject land is a level, multi-corner site at street grade, with access from three sides. The site has adequate and marketable buildable area, location and linkages, in a viable corridor, and would be desirable for development.

**Access / Exposure:** The subject has average access and exposure, on a secondary neighborhood connector.

### **HIGHEST AND BEST USE**

**"As Vacant":** Residential use as supported by physical site and market conditions.

### **VALUATION SUMMARY**

**Interest(s) Appraised:** Fee Simple Estate

TYPE OF VALUE	DATE OF VALUE	OPINION OF VALUE
As Is Fee Simple Value:	November 10, 2022	\$ 415,000



## **APPRAISAL INFORMATION**

---

### **TRANSFERABILITY OF APPRAISAL**

If this report is transferred/assigned to another party (user), and/or is reviewed and there are questions or additional work necessary to meet any subsequent guidelines/requirements, the appraiser may charge appropriate fees for any additional work performed. Our current billing rate is \$300/hour.

### **LEGAL/TAX DESCRIPTION**

No title report or preliminary was provided. Lincoln County assessment data is summarized below. It appears that the corresponding County plat map matches property boundaries as apparent on the ground at the time of inspection. There do not appear to be any delinquent property taxes owing.

Linn County Account # / Map & Tax Lot	Market Value	Assessed Value	Taxes
83002 / 11S 03W 06 DA 100	\$216,060	\$0	\$0

### **CLIENT / INTENDED USER(S)**

Jackson Group NW, Inc. has been retained by the City of Albany, Community Development, which is the client and intended user(s) of this appraisal.

### **INTENDED USE**

To provide the client and intended user(s) with an opinion of market value, to assist with decision making.

### **TYPE AND DEFINITION OF VALUE**

The appraisal assignment is to develop and report our opinion of As Is Market Value of the subject property. The property is owner occupied. The final opinion of value is a Fee Simple value.

### **EFFECTIVE DATE(S) OF VALUE**

As-Is Fee Simple Value:

November 10, 2022

## **APPRAISAL INFORMATION (Continued)**

---

### **SUBJECT PROPERTY INSPECTION**

Date:	November 10, 2022
Property Representative:	None present
Appraiser(s):	Joseph Swaney OR Certified General Appraiser

### **MARKET VALUE<sup>1</sup>**

Market value is the major focus of most real property appraisal assignments. Both economic and legal definitions of market value have been developed and refined. A current economic definition agreed upon by federal financial institutions of the United States of America is:

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

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

Substitution of another currency for United States dollars in the fourth condition is appropriate in countries or in reports addressed to clients from other countries.

### **DEFINITIONS<sup>2</sup>**

#### **As Is Value**

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

#### **Prospective Value**

A forecast of the value expected at a specified future date. A prospective value estimate is most frequently sought in connection with real estate projects that are proposed, under construction, or under conversion to a new use, or those that have not achieved sellout or a stabilized level of long-term occupancy at the time the appraisal report is written.

#### **Stabilized Value**

A value estimate that excludes from consideration any transitory condition, e.g., a bonus or premium for material, the abnormal inefficiency of labor, the cost of delay, or unfinished repairs.

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<sup>1</sup> Uniform Standards of Professional Appraisal Practice, 2020-22, The Appraisal Foundation

<sup>2</sup> The Dictionary of Real Estate Appraisal, 2015, Sixth Edition, Appraisal Institute

## **APPRAISAL INFORMATION (Continued)**

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### **Fee Simple Estate**

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

### **Leased Fee Estate**

An ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. The rights of lessor (leased fee owner) and the leased fee are specified by contract terms contained within the lease.

### **Leasehold Estate**

An ownership interest held by the lessee (tenant or renter) through a lease conveying the rights of use and occupancy for a stated term under certain conditions.

## **SUBJECT HISTORY OF OWNERSHIP INFORMATION**

No title report or preliminary was provided. Public records show title vested in the City of Albany, which has been in title for many years.

No conveyances involving the subject property appear to have been recorded in the three years prior to the date of value. The property is not currently being marketed for sale or lease.

## **SCOPE OF THE APPRAISAL**

The appraisal assignment is to develop and report our opinion of As Is Market Value of the subject property. The property will continue to be leased for the indefinite future. The final opinion of value is a Fee Simple value. All steps of the appraisal process were performed or considered, including:

- Definition of pertinent issues related to the appraisal assignment
- Inspection of the subject property
- Site and improvement analyses
- Highest and best use analysis (as vacant, and as improved)
- Market data selection, verification, and analysis
- Use of the approaches to value and valuation
- The reconciliation of value indications and final value estimate

Joseph Swaney conducted an on-site inspection of the subject property, which included walking and photographing the subject site and site improvements. W. Paul Jackson MAI did not inspect the subject property, but is familiar with the market area, participated in the appraisal process, reviewed the appraisal report, and concurs with the data selection, analysis and conclusions presented herein. Land area is based on assessor records, plat map and legal description.

Property representatives were interviewed about the physical features of the property. Government officials, contractors, developers, architects, engineers, attorneys, and other professionals and/or consultants were interviewed and/or referenced when applicable in the appraisal. Government zoning and planning documents, legally binding documents (purchase, option, or development agreements, leases, easements, or encumbrances), and professional and/or consultant reports are included and/or referenced where appropriate in the appraisal.

## APPRAISAL INFORMATION (Continued)

The collection, verification and analysis of comparables are integral to the valuation analysis. This information was collected from sources deemed reliable and confirmed by interviewing knowledgeable market participants (buyers, sellers, property managers, tenants, brokers, consultants, developers, building owners, and/or investors) and exterior viewing of the properties. One or more knowledgeable parties to the transactions were interviewed in the verification and confirmation of the comparable data. The most current data (typically up to one year prior to the valuation date) was relied upon, with primary emphasis on comparables located in the immediate market area when possible. When there was a lack of comparable information in the immediate market area, parameters were broadened to include similar competing markets and more dated transactions of properties in the immediate market area.

With regard to the analysis herein, market-typical discounts and deductions were considered, whether they are necessary or not.

The following primary sources were contacted and contributed significant assistance in the appraisal process.

Primary Sources	Summary of Significant Assistance Provided
Matthew Ruettgers, City of Albany	Appraisal Engagement / Subject Information
Knowledgeable Market Participants	Comparable market data
Jackson Group NW, Inc. Database	Comparable market data
Linn County / City of Albany	Plat Map, Assessment, Zoning, Land Use Patterns, Proposed Projects, Legal Subject Land Use(s)

The following secondary data sources were relied upon in the appraisal process.

Secondary Data Sources	Summary of Significant Information Provided
Loop Net / CoStar Comps / RMLS	Comparable sales and listings
Local Government, Market Participants, Publications	Comparable Leads, Market Trends

All information necessary to competently complete this appraisal assignment was made available to the appraisers, **except:**

- Title Report or Preliminary
- Environmental Investigation / Assessment Report
- Geotechnical Report

### Valuation Methodology

The Cost Approach is not typically performed or expected in valuation of a property without improvements. Exclusion of the Cost Approach does not reduce the credibility of the final opinion of value.

The income capitalization approach is not typically performed when valuing vacant land. There is a lack of adequate number of land leases and capitalization rates for vacant land.

The Sales comparison approach is performed as the most applicable approach in order to conclude the As Is Fee Simple Value in the subject property. Appraisal methodology performed and summarized in this report conforms with typical appraisal practice and expectations of the typical client in similar assignments, is sufficient for the intended use of the appraisal, and will return a credible opinion of value.

**APPRAISAL INFORMATION (Continued)**

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**MARKETING AND EXPOSURE TIME**

Marketing period is defined as the amount of time a property would be on the market in order to sell at a future date, at the concluded value. Exposure period is the time a property would have previously been on the market, culminating in a hypothetical sale as of the date of value. Marketing time differs from Exposure time, which is always presumed to precede the effective date of an appraisal. USPAP requires an opinion of reasonable exposure time be reported when it is a constituent of the value opinion being developed.

Exposure periods for improved sales discovered in the course of this assignment ranged from one to six months. The subject property has not recently been exposed to the open market. Assuming it were competently promoted and appropriately priced, a Marketing / Exposure Period of less than 12 months would be reasonably anticipated for the subject property.

## **ASSUMPTIONS AND LIMITING CONDITIONS**

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### **EXTRAORDINARY ASSUMPTIONS AND/OR HYPOTHETICAL CONDITIONS**

The opinions of value reported herein are contingent upon extraordinary assumptions and/or hypothetical conditions ('EA/HC'). EA/HC not met could have a negative impact on the value conclusions and could invalidate the entire appraisal. The appraisal report is subject to the following EA/HC:

#### Extraordinary Assumptions

- A Title Report or Preliminary was not provided to the appraisers during the course of this analysis. The appraisal assumes that the subject property is correctly identified, title is clear and marketable, and the property is free of legal issues that would adversely affect property value.
- An Environmental investigation / assessment report was not provided. The appraisal assumes that the subject is free and clear of any environmental conditions that would adversely affect property value.
- A Geotechnical Report was not provided to the appraiser. The appraisal assumes that that the subject soils are stable and support the subject development.

#### Hypothetical Conditions

- None

### **GENERAL ASSUMPTIONS**

The statements of value and all conclusions shall apply as of the dates shown herein.

The valuation assumes the previously discussed legal description accurately identifies the subject property.

We have no present or contemplated future interest in the property that is not specifically disclosed in this report.

We assume no responsibility for matters legal in character, nor do we render any opinion as to title, which is assumed to be marketable. All existing liens, encumbrances, and assessments have been disregarded, unless otherwise noted, and the property is appraised as though free and clear, under responsible ownership, and competent management.

Unless otherwise noted herein, it is assumed that there are no adverse encroachments, zoning, or restrictive violations existing in the subject property.

We assume no responsibility for determining if the property requires environmental approval by the appropriate governing agencies, nor if it is in violation thereof, unless otherwise noted herein.

Information presented in this report has been obtained from reliable sources, and it is assumed that the information is accurate.

This report shall be used for its intended purpose only, and by the parties named as intended users. Possession of this report does not imply entitlement to use by other parties, or suitability for intended use(s) not stated herein. Possession of this report does not include the right of re-distribution in whole or part.

## **ASSUMPTIONS AND LIMITING CONDITIONS (Continued)**

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This report must be used in its entirety. Reliance on any portion of the report independent of other portions may lead the reader to erroneous conclusions regarding the property value. No portion of the report stands alone without approval from the authors.

Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales, or other media without the written consent or approval of the authors. This applies particularly to opinions of value.

The statements of value and all conclusions shall apply as of the dates shown herein.

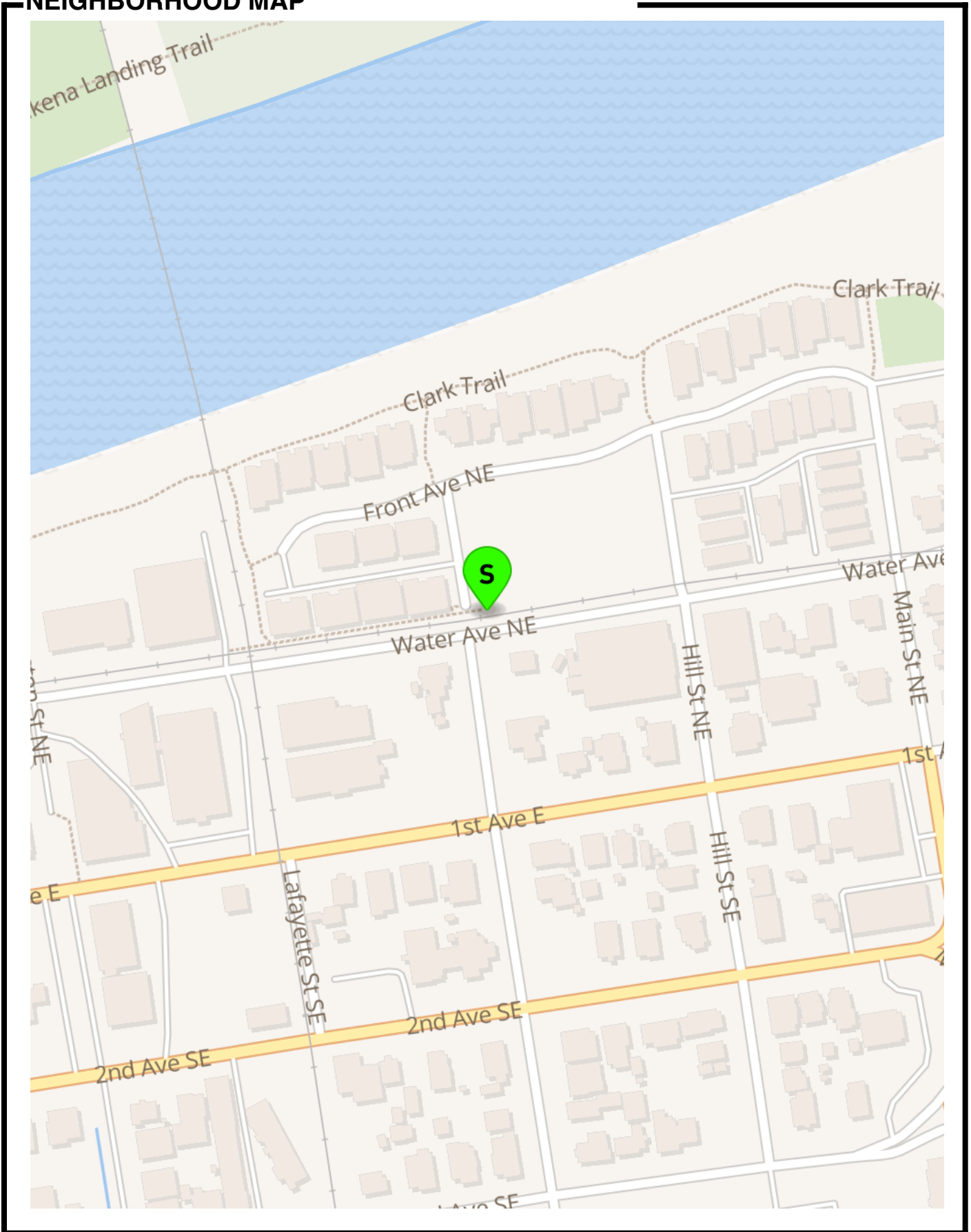
We have no present or contemplated future interest in the property that is not specifically disclosed in this report.

The valuation stated herein assumes professional management and operation of the property throughout the lifetime of the improvements, with an adequate maintenance and repair program.

We assume no responsibility for determining if the subject property complies with the Americans with Disabilities act (ADA). Jackson Group NW, Inc. shall not be liable for any costs, expenses, assessments, penalties or diminution in value resulting from non-compliance. This appraisal assumes that the subject meets an acceptable level of compliance with ADA standards; if the subject is not in compliance, the eventual renovation costs and/or penalties would negatively impact the present value of the subject. If the magnitude and time of the cost were known today, they would be deducted from the reported value conclusion.

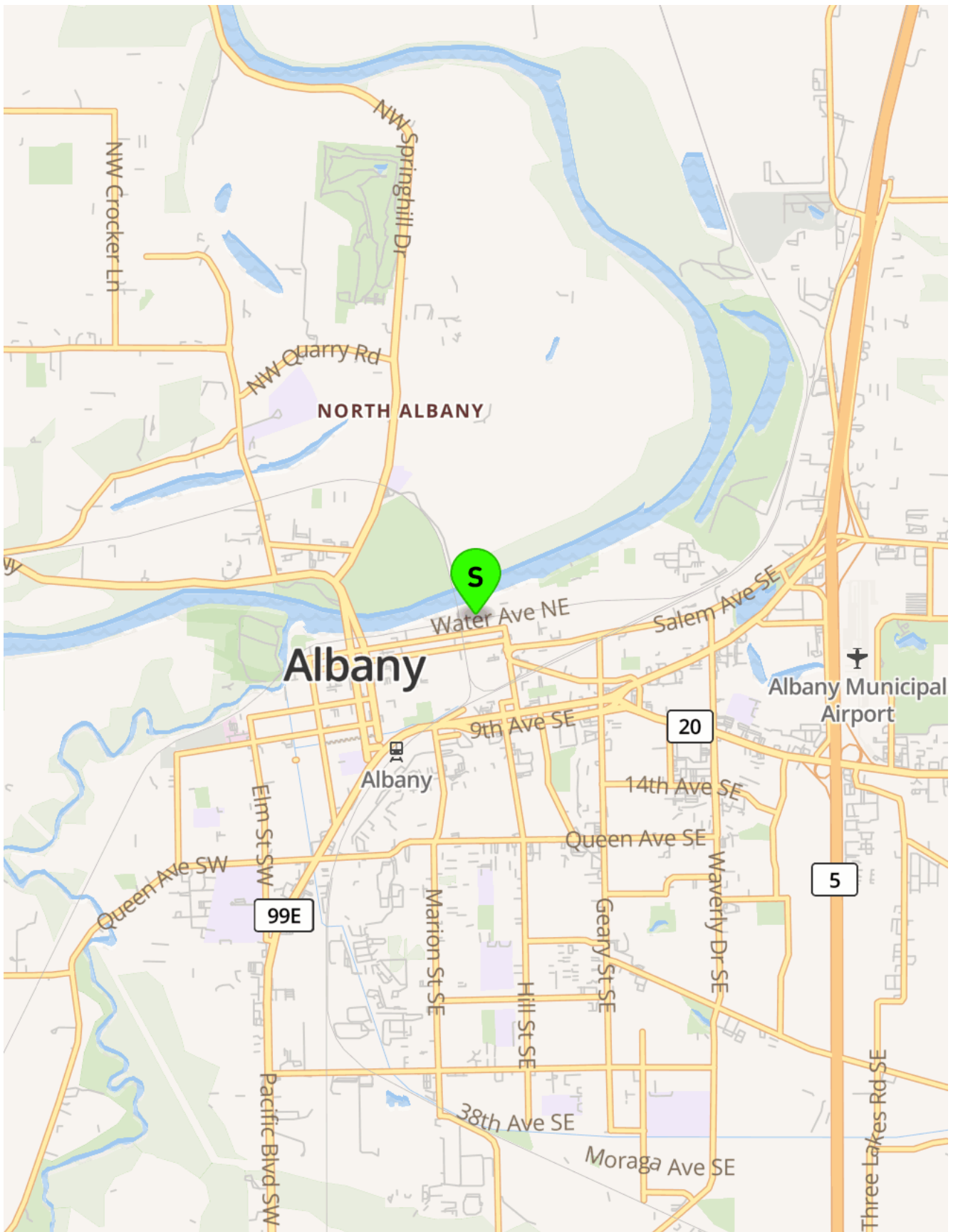
We are not qualified to detect the presence of toxic or hazardous substances or materials that may influence or be associated with the property or any adjacent properties. Jackson Group NW, Inc. shall not be liable for any costs, expenses, assessments, or penalties, or diminution in value, property damage, or personal injury (including death) resulting from or otherwise attributable to toxic or hazardous substances or materials, including, without limitation, hazardous waste, asbestos material, formaldehyde, or any smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids, solids or gasses, waste materials or other irritants, contaminants or pollutants.

# NEIGHBORHOOD MAP





# REGIONAL MAP



## NEIGHBORHOOD DESCRIPTION

### Regional Indicators

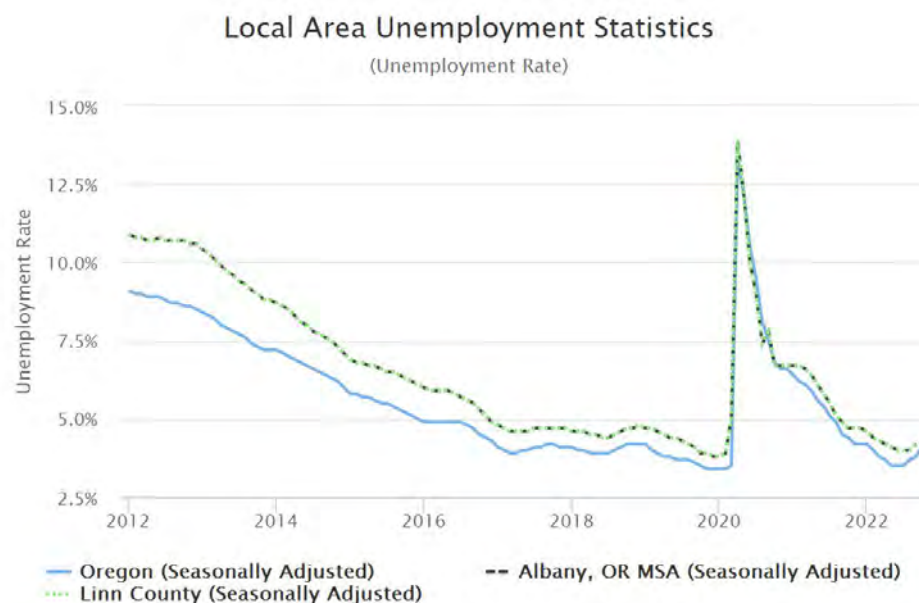
**Oregon Population** growth is attributable to natural increase and substantial in-migration. Portland State University's Population Research Center shows the state's population jumped from 4,076,350 in 2016 to 4,236,400 in 2019, an increase of 160,050 people. The 2019 preliminary estimates follow a similar result from the reporting years, with an increase of 1.53% in 2015-16, 1.56% in 2016-17, 1.29% in 2017-18 and 0.97% in 2019. Since the 2010 census, the population has increased 9.42%, which equates to an overall average of 1.05%. Oregon's population increases represented the largest numeric growth over a two-year period (2015-16 & 2016-17) since the early 1990s. The migration has slowed slightly in 2017-18 and 2018-19. The largest percentage growth occurred in the central Oregon counties of Deschutes and Crook.

The subject property is located in the city of Albany, in Linn County, Oregon. Albany is located in the Mid-Willamette Valley along the Interstate-5 corridor approximately 20 miles south of Salem, and 40 miles north of Eugene. Albany is a small, developing city with an economy based primarily on agriculture and food products, wood products, metals, paper and manufacturing. Population trends are summarized on the following table.

POPULATION	2021	2019	2018	2017	2016	2015	2010 Census
Oregon	4,266,560	4,236,400	4,195,300	4,141,100	4,076,350	4,013,845	3,837,300
Linn County	130,440	126,550	125,575	124,010	122,315	126,860	116,840
City of Albany	57,199	54,050	53,145	52,710	52,540	51,670	50,325

*Center for Population Research and Census, Portland State University*

**Employment:** Oregon's seasonally adjusted unemployment rate ran in the 3.3% – 4.2% range for two years, only recently increasing to 14.9%, attributable to the Covid-19 pandemic. Since then, the Oregon rate has decreased to 4.0%. The Albany / Linn County MSA (which are the same) rate rose to 15.2% in April 2020, after several years below 5%. The rate has since declined to 4.2% (September 2022). Both the state and local economies are showing signs of recovery.



Source: Oregon Employment Department QualityInfo.org

## **NEIGHBORHOOD DESCRIPTION (continued)**

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### **CITY OF ALBANY**

The subject property is located in the city of Albany in Linn County, Oregon. Albany is located in the Mid-Willamette Valley along the Interstate-5 corridor approximately 20 miles south of Salem, and 40 miles north of Eugene. Albany is a small, developing city with an economy based primarily on an agriculture and food products, wood products, metals, paper and manufacturing.

Commercial development is concentrated along the main arterials, Highway 20 and Highway 99. There are some industrial uses interspersed throughout southeast Albany and on the periphery of the city near the major I-5 and Highway 30 interchanges. The Albany Municipal Airport is located between I-5 and Price Road, at the north portion of the Albany area, east of I-5. Shopping centers/ fast food services are primarily located along Highway 20 (Santiam Highway) and Highway 99 (Pacific Boulevard). These corridors are mostly built up with commercial and some industrial uses. The Heritage Mall, anchored by Sears and Target, is located along Highway 20. Other big-box stores in the 99/20 corridors include Fred Meyer, Walmart, Costco and Kohls.

The immediate subject neighborhood is a few blocks east of downtown Albany and eight blocks north of Highway 99E. The Willamette River is just to the north, about 200 feet from the subject. This part of the city has commercial uses along arterials and generally single-family residential away from arterials.

The City contains Enterprise Zones, affordable infrastructure costs, adequate working-age population, and good regional linkages. Existing infrastructure is estimated to be operating at about half of capacity. City Government offers tax reductions and permit / fee discounts for job-creating industries.

### **Market Summary**

The general and immediate area of the subject is stable, with some new development, and with long-term positive outlook. No influences are noted that would be expected to have detrimental effect on the neighborhood, or the marketability of the subject property specifically. With expected population and employment growth in the region, the forecast for the subject is for continuing stable to mildly appreciating property values.



**961**  
**SUBJECT PHOTO**

AERIAL OVERLAY



## PROPERTY DESCRIPTION

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**Street Address:** 205 Madison Street NE, Albany, OR 97321

**Census Tract (2020):** 204.00

### SITE DESCRIPTION

**General:** The subject land is a multi-corner site, level and at street grade, with access from three sides. The site has adequate and marketable buildable area, location and linkages, in a viable corridor which has seen recent development, and would be desirable for development.

**Access/Exposure:** Average access and exposure on a secondary arterial just east of old downtown Albany.

**Shape:** Irregular.

**Topography:** Level, at street grade.

**Utilities:** All public utilities are available.

**Views:** No view amenity.

## PROPERTY DESCRIPTION (continued)

### SITE DESCRIPTION (CONTINUED)

**Land Area:** 0.96 acre (41,668 SF) on one tax lot, by assessor records, plat map and legal description.



**Site Improvements:** City street improvements, including curbs.

**Easements / Encroachments:** No investigation of title was provided. This appraisal assumes that no adverse easements or encroachments exist. Note that we are not lawyers; seek competent assistance with legal matters.

**Flood Plain:** FEMA FIRM panel 41041C 0213H (12/8/2016) locates the subject property in Zone X, indicating no flood hazard identified.

**Drainage:** Nothing adverse noted during inspection.

**Environmental:** No environmental report was provided. No adverse conditions were observed during inspection; note, however, that we are not qualified to identify all existing or potential hazards. Please refer also to the Assumptions and Limiting Conditions.

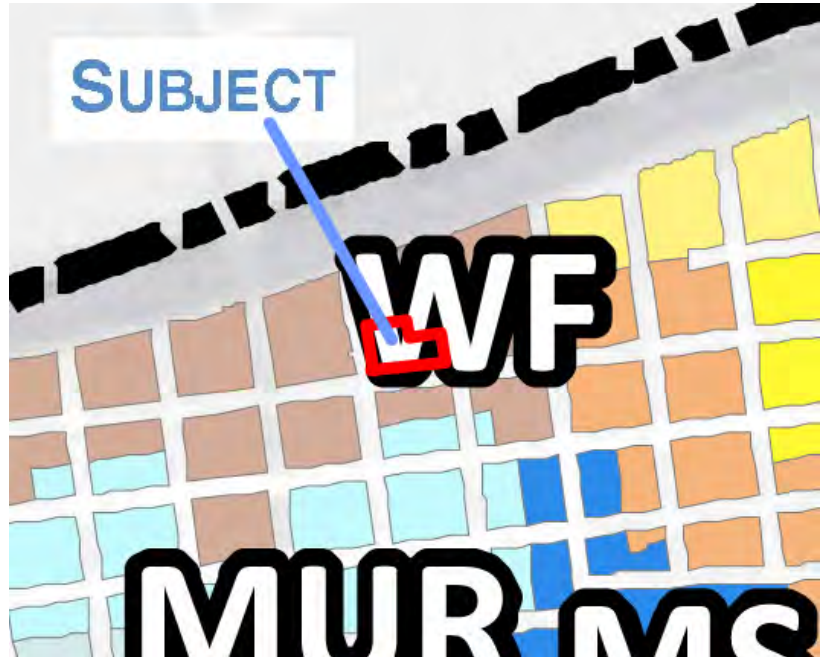
## PROPERTY DESCRIPTION (continued)

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### SITE DESCRIPTION (CONTINUED)

#### **Zoning:**

WF (Waterfront District) by the city of Albany. According to the city code, "The WF district is intended to transition Albany's Willamette River waterfront into a vibrant center characterized by a variety of housing choices and a mixture of housing, office and retail uses." The zoning allows a wide range of small-scale retail, office and residential uses.



#### **Other Zoning:**

None.

#### **Geology:**

A geotechnical report was not provided. Subject soils are assumed stable and capable of supporting development commensurate with the concluded highest and best use.

#### **Surrounding Uses:**

Residential development to the north, east and west; retail (brewpub) to the south.

#### **Site Summary:**

The subject site has adequate and marketable buildable area, good exposure, and all public utilities available. The site would be desirable for development.



PLAT MAP



# FLOOD MAP

**InterFlood** by a la mode

Prepared for: Jackson Group NW, Inc  
 205 Madison St NE  
 Albany, OR 97321-3071



**MAP DATA**

FEMA Special Flood Hazard Area: No  
 Map Number: 41043C0213H  
 Zone: X  
 Map Date: December 08, 2016  
 FIPS: 41043

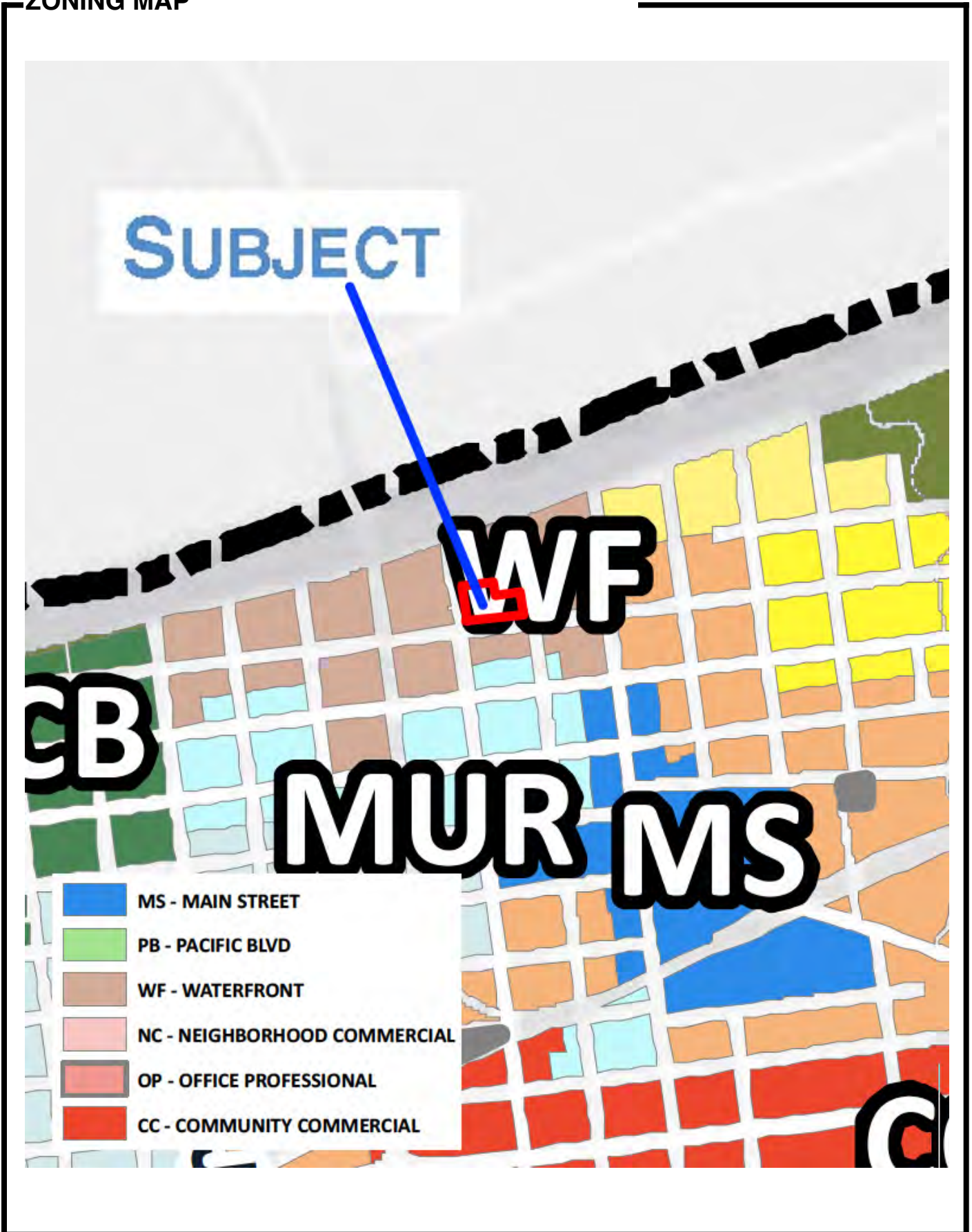
**MAP LEGEND**

- |                                      |                 |
|--------------------------------------|-----------------|
| Areas inundated by 500-year flooding | Protected Areas |
| Areas inundated by 100-year flooding | Floodway        |
| Velocity Hazard                      | Subject Area    |

Powered by CoreLogic®



ZONING MAP



# SUBJECT PROPERTY PHOTOGRAPHS

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Subject from southeast corner of site, looking northwest



Subject from street, looking northwest

# SUBJECT PROPERTY PHOTOGRAPHS (Continued)

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Subject from intersection of Front Avenue and Hill Street, looking southwest



Subject site from northwest corner of lot looking southeast

# SUBJECT PROPERTY PHOTOGRAPHS (Continued)

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South property line of subject, looking east



West property line, looking north

# SUBJECT PROPERTY PHOTOGRAPHS (Continued)

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Front Avenue, looking west. Subject is at left



Water Avenue, looking west. Subject is at right

# SUBJECT PROPERTY PHOTOGRAPHS (Continued)

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Hill Street, looking north. Subject is at left



Hill Street, looking south. Subject is at right



**SUBJECT PROPERTY PHOTOGRAPHS (Continued)**

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Front Avenue, looking east. Subject is at right



Madison Street, looking south. Subject is at left

## HIGHEST AND BEST USE ANALYSIS

The Appraisal Institute defines the concept of highest and best use as follows:

"The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability."<sup>3</sup>

The highest and best use concept is based on traditional appraisal theory and reflects the attitudes of typical buyers and sellers who recognize that value is predicated on anticipation of future benefits. This theory is based on the wealth maximization of the owner. In the appraisal process, highest and best use concept typically reflects most probable use, and often relates to the most probable value of the property.

### AS VACANT

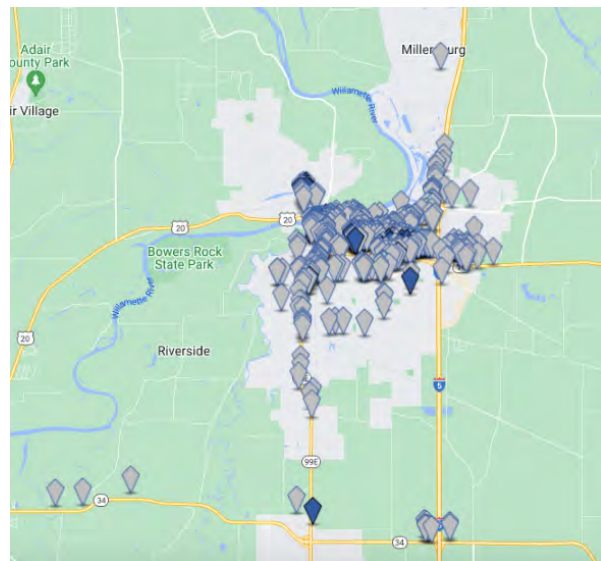
Legal / Physical: The subject is zoned WF, Waterfront District, by the city of Albany. This zone allows for a wide variety of retail, office and residential uses. The site is level at street grade and has access from Water Avenue via Hill Street. This location is suitable for ground floor commercial use due to the zoning. There are minimal setbacks and high site coverage allowed with a maximum height of 55'. Minimum lot size is 1,600 SF/unit for townhomes, and 1,800 SF/unit for duplexes or 2+ bedroom SFRs.

Alternatively, subject zoning allows commercial development, as noted above. In this scenario the subject might be developed with one or more mixed-use retail/apartment buildings. It is likely that anybody developing the subject would go no more than 3 stories (no elevator). Given the subject's location near downtown, and exposure on a secondary arterial with other retail development nearby, it would be suitable for small retail uses such as a restaurant and/or coffee shop. The size of the subject would limit parking, but the subject is in a more pedestrian-oriented area, with a river trail just to the north as well. The subject location, in a gentrifying riverfront area, would make it attractive for mixed-use development in the next economic cycle.

The subject site is level, buildable and can support development. The parcel is roughly rectangular shaped with good utility.

Marketability: Long term population and employment trends are positive, sustaining demand for services. Properties in the immediate vicinity are generally maintained in good condition, with new investment apparent in the form of renovation / conversions.

According to a survey we conducted using CoStar, retail and office vacancy in the immediate market area of Albany (shown in adjacent map), is currently 1.0%. This survey consists of 6.82M SF within 740 buildings. The current vacancy is below the five-year average of 2.1%.



<sup>3</sup> The Dictionary of Real Estate Appraisal, Sixth Edition, 2015, Appraisal Institute

## HIGHEST AND BEST USE ANALYSIS (Continued)

Vacancy and rental rates are illustrated in the graph at right. Asking rents are currently \$15.85/SF, which compares well with the 5-year average of \$13.19/SF. The subject's wider neighborhood has very solid commercial demand due to its location in a growing market and good access characteristics. The historic downtown area, just west of the subject, has undergone a good deal of investment in recent years and is more updated and appealing than most small town "Main Street" locations.

VACANCY &amp; RENTAL RATES



### SUMMARY STATISTICS

Availability	Survey	5-Year Avg
Rent Per SF	\$15.85	\$13.19
Vacancy Rate	1.0%	2.1%
Vacant SF	69,885	139,319
Availability Rate	2.0%	3.1%
Available SF	135,483	209,917
Sublet SF	4,193	13,761
Months on Market	10.0	12.3

Inventory	Survey	5-Year Avg
Existing Buildings	740	739
Existing SF	6,817,772	6,808,729
12 Mo. Const. Starts	0	5,089
Under Construction	0	4,532
12 Mo. Deliveries	0	6,758

Demand	Survey	5-Year Avg
12 Mo. Absorption SF	-21,230	22,683
12 Mo. Leasing SF	32,998	41,180

Sales	Past Year	5-Year Avg
Sale Price Per SF	\$144	\$115
Asking Price Per SF	\$213	\$182
Sales Volume (Mil.)	\$39	\$32
Cap Rate	5.5%	6.8%

Highest and Best Use As Vacant: Market analysts predict continued positive growth going forward. Demand for commercial and residential space is strong in the subject market area. For the subject site as if vacant, current conditions support future medium-density residential (most likely townhomes) or mixed-use commercial retail/residential development, as supported by evolving market conditions.

# VALUATION

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## INTRODUCTION

The social, economic, governmental and environmental forces influencing the subject property have been presented. The specific physical and location characteristics of the site and improvements have been described. The highest and best use of the subject property as improved is concluded to be residential or mixed-us retail / residential development, as market conditions allow.

The appraisal assignment is to develop and report our opinion of As Is Market Value of the subject property. The final opinion of value is a Fee Simple value.

## VALUATION APPROACHES

The Cost Approach was not performed in this appraisal, as the subject site lacks improvements. Therefore, exclusion of the cost approach is reasonable and typical, and does not reduce the credibility of this appraisal.

The Income Capitalization Approach is the process of converting anticipated income to value by a process known as capitalization. This method converts a periodic series of future benefits (net income) into a present value by use of an appropriate, market derived, rate of return. The market capitalization rate reflects the specific income pattern, return on investment, and forecasted change in the value of the investment. However, this approach is not typically performed when valuing vacant land, due to a lack of adequate number of ground leases and capitalization rates for vacant land.

The Sales Comparison Approach develops an indication of value by comparing the subject property to similar properties that have sold recently, applying appropriate units of comparison, and making necessary adjustments to the sales prices. This approach may be used to value vacant land or improved properties. It is most reliable for properties (such as the subject) that are not yet improved. The Sales comparison approach is considered to be the most applicable approach to conclude the As Is Fee Simple Value of the subject property.

Appraisal methodology performed and summarized in this report conforms with typical appraisal practice and expectations of the typical client in similar assignments, is sufficient for the intended use of the appraisal, and will return a credible opinion of value.

## SALES COMPARISON APPROACH

The Sales Comparison Approach develops an indication of value by comparing the subject property with similar recently-sold properties. The most relevant unit of comparison is the sales price per square foot of usable land area. The subject of this analysis is a 41,668 SF site, near old downtown Albany and the Willamette River, with Waterfront District allowing commercial and residential development. The subject has average exposure off-arterial.

### COMPARABLE SALES ANALYSIS

The following adjustment grid represents a bracketing analysis that generally ranks the subject among the comparables using tangible percentage adjustments to illustrate the relative comparability to the subject. The comparables are adjusted to the subject property consistent with standard valuation (appraisal) methodology. A positive percentage adjustment indicates that a comparable is inferior to the subject regarding a specific (or set of related) characteristic(s) and is therefore adjusted upward to simulate rough parity with the subject property. Conversely, negative percentage adjustment indicates that a comparable is superior to the subject in some regard and so is adjusted downward. The resulting range of adjusted values provides a quantifiable illustration of the subject's market value. The conclusion is further refined in the narrative analysis that follows.

### Adjustment Analysis

Comparable Sale Adjustment Grid												
#	Comparables	Sale Price / Sale Date	Size (SF)	\$/SF	Econ. Location	Access / Exposure	Utility	Land Area	Time - 3% annually	Market Cond.	Net Adjustment	Adjusted \$ / SF % of Unadjusted
1	Commercial Site 902 Pacific Blvd SE Albany	\$250,000 25-May-2022	12,639	\$19.78	\$0.00 0.00%	(\$3.96) -20.00%	\$0.00 0.00%	(\$3.96) -20.00%	\$0.28 1.41%	\$0.00 0.00%	(\$7.63) -38.59%	\$12.15 61.43%
2	280 N Santiam Hwy Lebanon	\$95,000 13-Jan-2022	7,405	\$12.83	\$1.28 10.00%	(\$1.28) -10.00%	\$0.00 0.00%	(\$2.57) -20.00%	\$0.32 2.51%	\$0.00 0.00%	(\$2.24) -17.49%	\$10.59 82.54%
3	Mixed-Use Site 1801 Geary St SE Albany	\$1,500,000 1-Dec-2021	154,202	\$9.73	\$0.00 0.00%	(\$0.97) -10.00%	\$0.00 0.00%	\$1.95 20.00%	\$0.28 2.87%	\$0.00 0.00%	\$1.25 12.87%	\$10.98 112.85%
4	Commercial Site 802 7th Ave SE Albany	\$325,000 4-Jul-2021	35,719	\$9.10	\$0.00 0.00%	(\$0.91) -10.00%	\$0.91 10.00%	\$0.00 0.00%	\$0.37 4.12%	\$0.00 0.00%	\$0.37 4.12%	\$9.47 104.07%
5	Commercial Site 2252 Main St Sweet Home	\$120,000 2-Jun-2021	16,117	\$7.45	\$1.86 25.00%	(\$0.75) -10.00%	\$0.75 10.00%	(\$1.12) -15.00%	\$0.33 4.38%	\$0.00 0.00%	\$1.07 14.38%	\$8.52 114.36%
6	Commercial Site 815 SE 9th Ave Albany	\$275,000 5-Jul-2019	18,200	\$15.11	\$0.00 0.00%	(\$2.27) -15.00%	\$0.00 0.00%	(\$2.27) -15.00%	\$1.54 10.20%	\$0.00 0.00%	(\$2.99) -19.80%	\$12.12 80.21%

**Economic Location** – The economic location adjustment is intended to account for differences in the immediate market areas of the comparables relative to the subject. Upward adjustments of 10% and 25% were applied to Comparables 2 and 5 for their inferior locations. No adjustments were made to the remaining comparables due to their locations in Albany close to the subject.

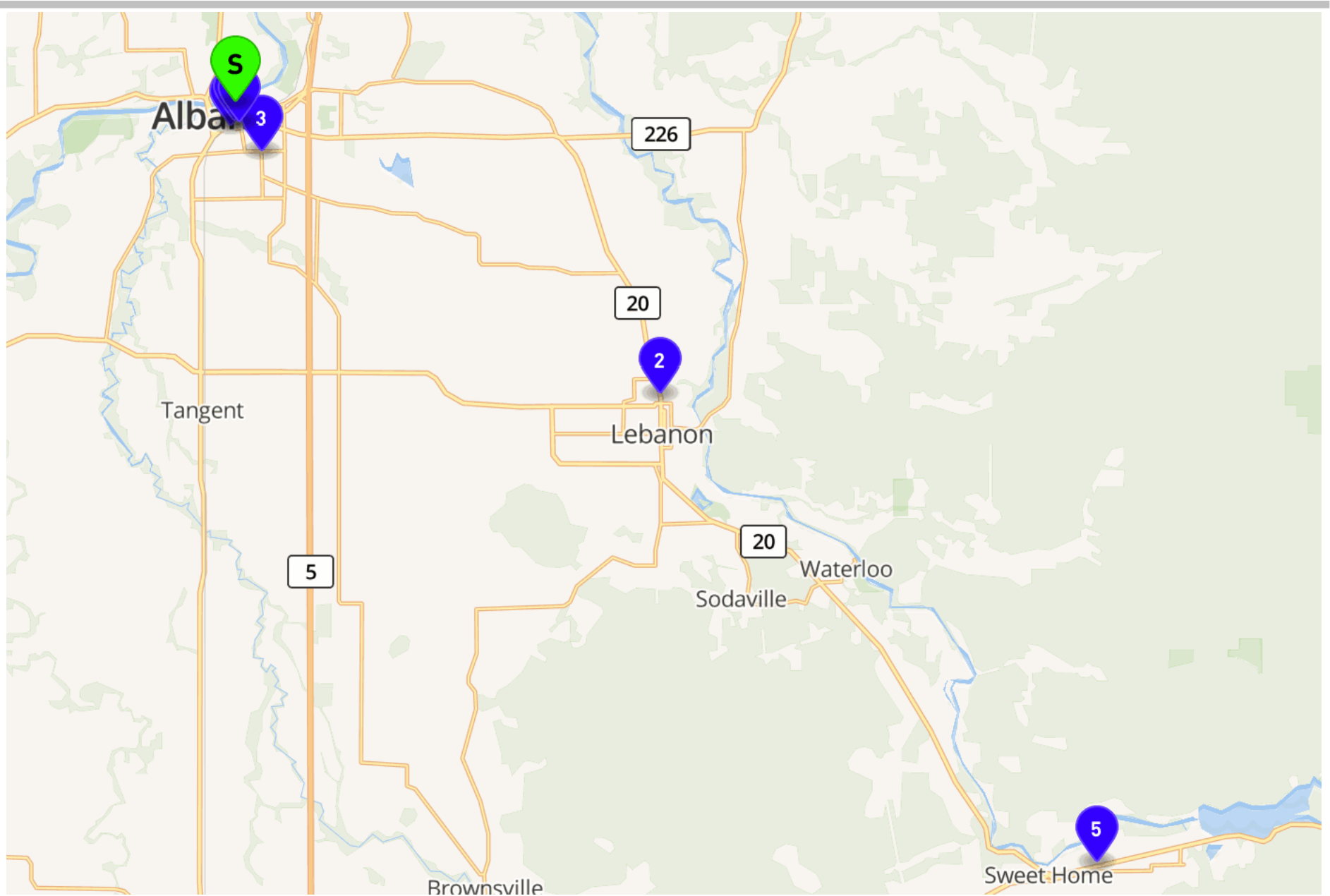
**Exposure / Traffic** – This adjustment is for higher and lower levels of traffic past the sites, which affects the value of commercial-zoned sites. All of the comparables have higher-traffic locations, and receive negative adjustments between 10% and 20% for this factor.

# Comparable Sale Table

	Name/Location	Date of Sale	Type / Zoning	Usable Site SF	Adj. Sale Price	Price / Bldg SF	Shape	Proposed Use	Existing	Utilities	Available
1	902 Pacific Blvd SE Albany, OR 97321	5/25/2022	N/A CC	12,639 SF 0.29 Acres	\$250,000 N/A		Rectangular Level, at street grade	Unknown	Curbs, sidewalks	All available	
2	280 N Santiam Hwy Lebanon, OR 97355	1/13/2022	N/A CH	7,405 SF 0.17 Acres	\$95,000 N/A		Irregular Level, at street grade	Unknown	None	All Available	
3	1801 Geary St SE Albany, OR 97322	12/1/2021	N/A RMA	154,202 SF 3.54 Acres	\$1,500,000 N/A		Irregular Level, at street grade	Apartments-95 units w/ retail	None	All available	
4	802 7th Ave SE Albany, OR 97321	7/4/2021	N/A CC	35,719 SF 0.82 Acres	\$325,000 N/A		Irregular Level, at street grade	Unknown	None	All Available	
5	225 Main Street 2252 Main St Sweet Home, OR 97386	6/2/2021	N/A C2	16,117 SF 0.37 Acres	\$120,000 N/A		Triangular Level, at street grade	Unknown	None	All Available	
6	815 SE 9th Ave Albany, OR 97322	7/5/2019	Retail CC, Community Commercial N/A	18,200 SF 0.42 Acres	\$275,000 N/A		Irregular Level, at street grade	Auto related mixed use	Partially paved and gravelled	All Available	



# COMMERCIAL LAND SALE MAP



122JG-347

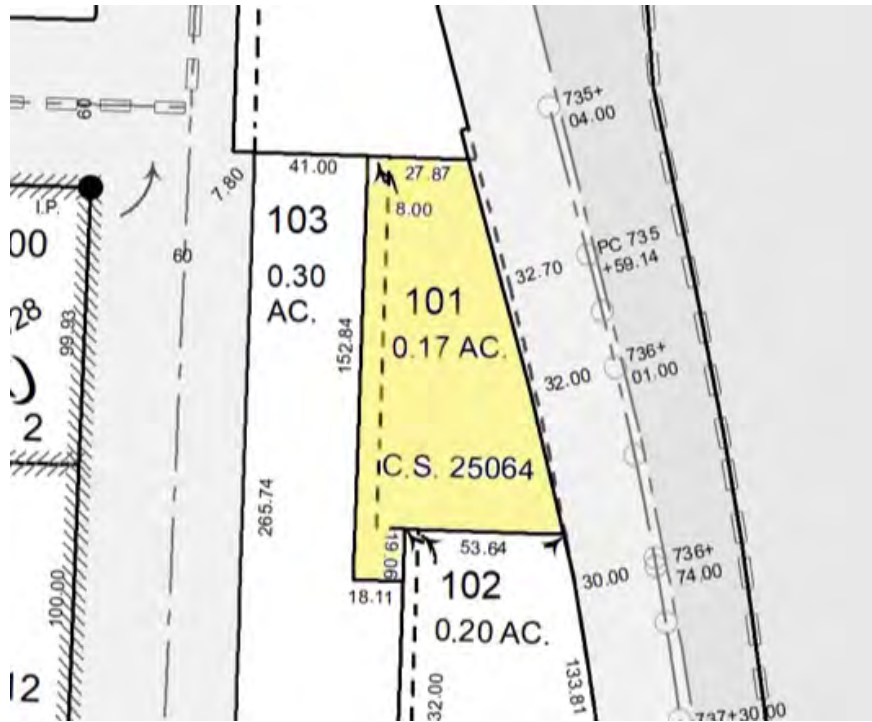


Comp # 1.



902 Pacific Blvd SE

Comp # 2.



280 N Santiam Hwy

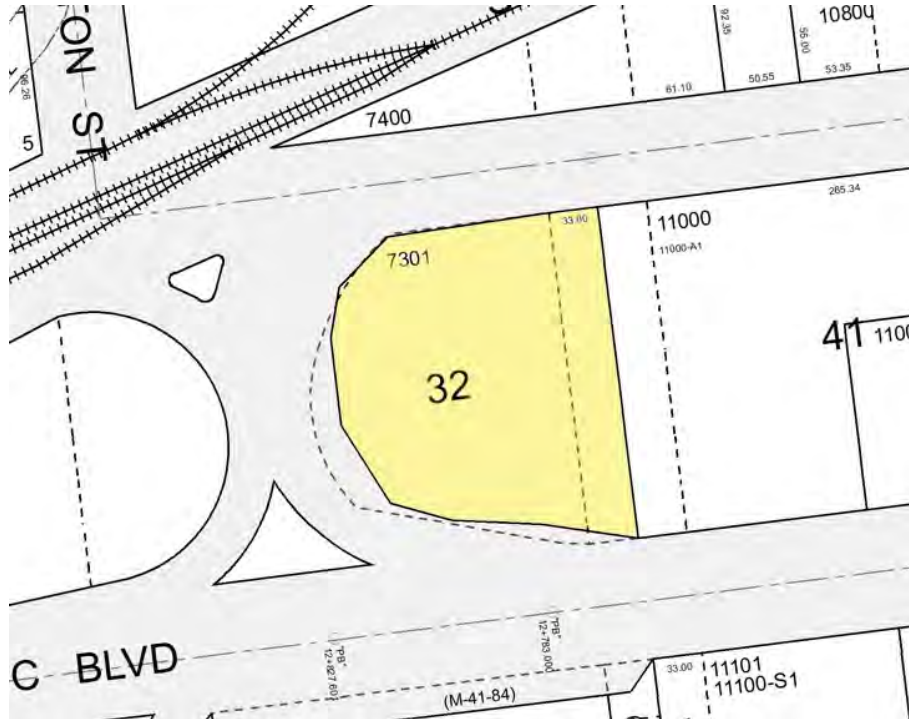


Comp # 3.



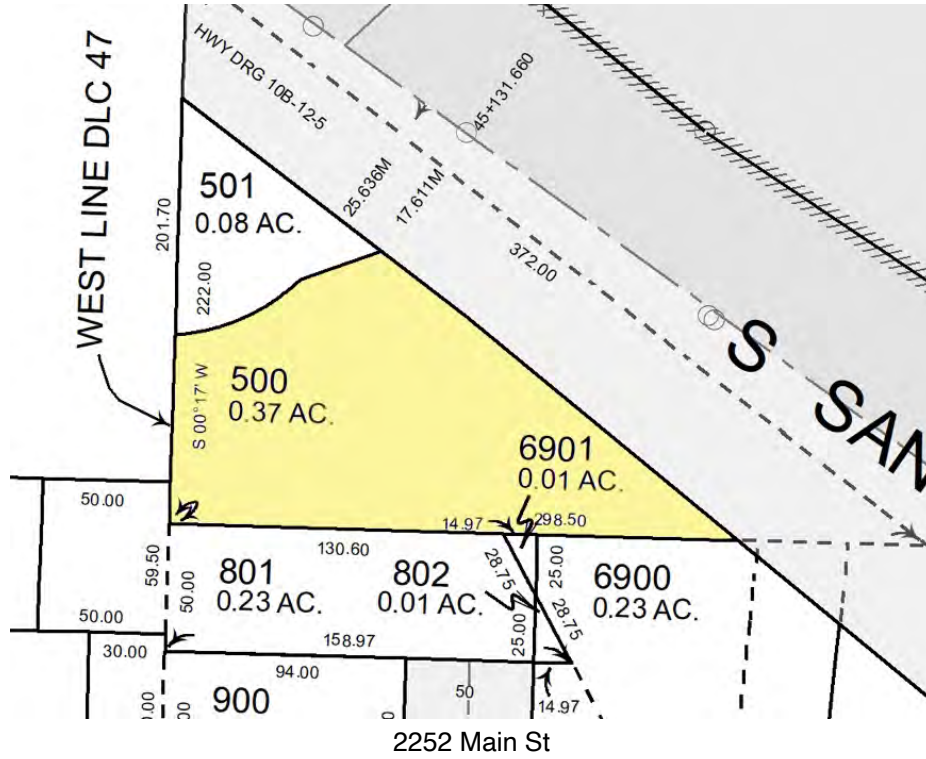
1801 Geary St SE

Comp # 4.



802 7th Ave SE

Comp # 5.



Comp # 6.



815 SE 9th Ave

## **SALES COMPARISON APPROACH (continued)**

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Utility – The utility adjustment is intended to treat any differences related to the shape and terrain of the property that would be considered significantly divergent from a typical use. Comparables 4 and 5 have inferior utility due to their irregular shapes, which reduce the amount of usable area for structures and parking. Both received upward adjustments of 10%.

Land Area – The floor area adjustment is made to reflect the relationship between size and unit values. Typically, the larger the property the somewhat lower the unit value (economy of scale). Comparable 1 was adjusted upward 20% for larger size. Conversely, Comparables 1, 2, 5 and 6 were adjusted downward due to smaller size.

Time Adjustment – This adjustment is an estimate of the change in market between the sale date and the date of analysis. This adjustment is intended to reflect market appreciation. This adjustment is based on an annual appreciation rate of 3% applied monthly to the number of months between the sale date and date of value.

Market Condition – This adjustment is intended to reflect intangible factors other than time that affect marketability such as the availability of financing, atypical market events, and the demand for the property type. No adjustments are needed for market conditions.

The adjusted comparable range is \$8.52 to \$12.15 per SF of land area.

### VALUE CONCLUSION – SALES COMPARISON APPROACH

The adjusted comparable range is \$8.50 to \$12 per SF.

Based on the comparable analysis, a unit value of \$10 per SF is concluded.

The indicated value for the subject property by the sales comparison approach is (41,668 SF site area x \$10/SF) **\$416,680**.

Based on the data, analysis, and conclusions summarized in this report, the indicated value is rounded to:

As Is Value of the Fee Simple Interest:	November 10, 2022	\$ 415,000
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Opinions of value reported herein are contingent upon extraordinary assumptions and/or hypothetical conditions. Please see the following page for more information.

## **SALES COMPARISON APPROACH (continued)**

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Opinions of value reported herein are contingent upon extraordinary assumptions and/or hypothetical conditions ('EA/HC'). EA/HC not met could have a negative impact on the value conclusions and could invalidate the entire appraisal. The appraisal report is subject to the following EA/HC:

### Extraordinary Assumptions

- A Title Report or Preliminary was not provided to the appraisers during the course of this analysis. The appraisal assumes that the subject property is correctly identified, title is clear and marketable, and the property is free of legal issues that would adversely affect property value.
- An Environmental investigation / assessment report was not provided. The appraisal assumes that the subject is free and clear of any environmental conditions that would adversely affect property value.
- A Geotechnical Report was not provided to the appraiser. The appraisal assumes that that the subject soils are stable and support the subject development.

### Hypothetical Conditions

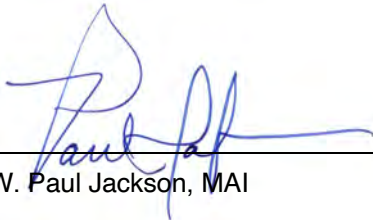
- None

## CERTIFICATION OF APPRAISAL

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It is hereby certified that, to the best of the appraisers' knowledge and belief, the statements of fact contained in this report are true and correct.

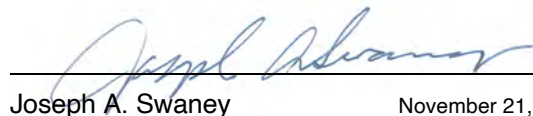
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- We have no (or the specified) present or prospective interest in the property that is the subject of this report and no (or the specified) personal interest with respect to the parties involved.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting pre-determined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The Reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice.
- The Reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, W. Paul Jackson MAI has completed the continuing education program for Designated Members of the Appraisal Institute.
- We have not performed appraisal services, as appraiser(s) or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the acceptance of this assignment.
- Joseph A. Swaney made a personal inspection of the property that is the subject of this report. W. Paul Jackson, MAI did not inspect the property.
- No one not named in the appraisal report provided significant real property appraisal assistance to the person(s) signing this certification.



W. Paul Jackson, MAI

November 21, 2022

Oregon Certified General Appraiser  
License No. C000548 – Expires July 31, 2024  
Washington Certified General Appraiser  
License No. 1100337 – Expires July 12, 2024



Joseph A. Swaney

November 21, 2022

Oregon Certified General Appraiser  
License No. C001088 – Expires February 28, 2024

## **ADDENDA CONTENTS**

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**EXHIBIT A**

**Appraiser's Qualifications / Company Profile**

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**EXHIBIT B**

**Client Contracts**

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**EXHIBIT C**

**N/A**

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## **COMPANY PROFILE**

Jackson Group NW, Inc. is a commercial real estate appraisal and consulting firm located in Portland, Oregon. The goal of the company is to provide appraisal and consultation services in a professional and timely manner. We provide appraisal services for properties located in Oregon and Washington. We are dedicated to the company's goal of providing quality appraisal and consultation services on a personal basis.

We have extensive experience in appraising and providing consultation services. Our scope of experience includes multiple property types and various ownership interests from small owner occupied properties to large institutional grade investments.

**W. Paul Jackson, MAI** has worked as a commercial appraiser and consultant since 1992. Mr. Jackson has experience in appraising multiple property types. He also has experience in appraising property for estate planning and court testimony. Over the years, in addition to the standard property types, he has developed valuable experience and expertise in the valuation of Hotels/Motels, gas stations/c-stores, mobile home parks, golf courses, institutional grade government buildings and a handful of other unique property types. Mr. Jackson prides himself on his ability to provide quality professional appraisal services that are both reliable and on time. Whatever your appraisals need, be it a simple owner occupied office or a complex re-development, you can rely on Mr. Jackson to provide you with the service you need.

**Joseph B. Skilton** has worked in real estate since 1978 as a land survey fieldman and drafter, cartographer (Ticor), real estate research analyst, corporate librarian, computer analyst, and real estate publisher (Real Estate Transaction Journal). Mr. Skilton joined us in 1999 and specializes in retail, general commercial, and special-use property appraisals.

**Joseph A. Swaney** had a prior career working in the information technology field as a computer programmer and database analyst. His first introduction to real estate was as a surveyor's chainman in his teenage years. He joined Jackson Group NW, Inc. in February 2005 as an assistant to W. Paul Jackson, and became a Certified General Appraiser in 2012.

**William E. "Bill" Leavens** has worked in the real estate community since high school where he did general construction, property management and accounts receivable for Leavens Investments, a family-owned rental property business. He began appraising in January 2003, specializing in apartment appraisals. Over the past decade Bill has gained extensive experience in appraising and providing consultation services for multifamily developments as a high value employee and also as the owner of his own appraisal firm. Bill brings a high level of customer service and expertise to our firm that is of great value to our clients and us.

**Garth W. Bergeson** has worked in commercial real estate appraisal since June 2004 and is currently certified in both Oregon and Washington. Garth has a broad base of experience ranging from standard commercial real estate appraisal work to complex land valuations. Garth brings a level of expert analysis and critical thinking to our team that is reflected in his clear and logical writing style.





## **COMPANY PROFILE (CONTINUED)**

To better serve our clients, Jackson Group NW, Inc. maintains state of the art computer equipment, real estate analytical software programs, libraries of comparable and resource data, property sales, lease transactions, property data computer retrieval systems, and other necessary tools and information relevant to the real estate appraisal and consultation field.

Jackson Group NW, Inc. considers its clients to be its most valuable assets. We have served various small and large financial institutions, corporations, developers, private individuals, attorneys, accountants, and government agencies. Our appraisal experience extends to all types of commercial, industrial, residential, apartment, resort, agricultural, and special use properties.

Past appraisal assignments have been conducted to serve various functions, including mortgage financing, property purchase and disposition, lease/rent arbitration, litigation support, condemnation, property tax analysis and appeal services, and corporate planning purposes.

## **PROFESSIONAL SERVICES**

- **Valuation Reports:** The market valuation of real property interests (*fee simple, leasehold, leased fee, etc.*) in various types of properties is the primary focus of most real property appraisal assignments performed by Jackson Group NW, Inc.
- **Real Estate Consulting:** Jackson Group NW, Inc. also conducts consulting assignments relating to all property types. Providing competent, unbiased, professional guidance on diversified problems in real estate has taken on ever increasing importance as a method of reducing the risks associated with the real estate field. The firm has undertaken such tasks as discounted cash flow analysis, highest and best use analysis, market studies, subdivision analysis, and market / feasibility analysis.
- **Arbitration, Litigation Support, and Expert Witness Services:** Jackson Group NW, Inc. also offers services for real estate matters involving arbitration (*ground rent renegotiations, tenant space lease renegotiations, etc.*). We also offer litigation support services to attorneys with various real estate problems. It is our goal to provide not only offensive, but defensive strategies, in a fair and unbiased manner, in order to expose the strengths and weaknesses of a particular case. Finally, we are experienced in working with attorneys in preparation for expert witness testimony.
- **Appraisal Review Services:** An appraisal review serves the purpose of analyzing the content and conclusions of an appraisal report. Clients consider an appraisal review to be a valuable tool in determining the credibility of an appraisal report, in order to reduce the risks associated with important lending, legal, and investment decisions.
- **Property Tax Analysis and Appeal Services:** The real property tax liability for property has a direct impact on its operating/holding expenses, net income, and associated market value. Therefore, competent representation before government agencies regarding ad valorem taxes can be critical in keeping this expense item in check.





## PROFESSIONAL QUALIFICATIONS - W. PAUL JACKSON, MAI

Paul Jackson was born in Albany, Oregon and attended Oregon State University.

### EDUCATION

- Oregon State University, Bachelor Degree Economics 1991

### APPRAISAL INSTITUTE COURSES

- Analyzing Operating Expenses 2020
- 2020-21 USPAP 7-Hour Update 2020
- Forecasting Revenue 2020
- Small Hotel/Motel Valuation 2020
- Appraisal of Medical Office Buildings 2018
- Appraising Automobile Dealerships 2018
- Business Practices and Ethics 2018
- Eminent Domain and Condemnation 2018
- Data Verification Methods 2016
- Rates, Ratios: Making sense of GIMs, OARs, and DCF 2016
- Forecasting Revenue 2016
- Business Practices & Ethics 2016
- 7-hour USPAP 2016
- Business Practices & Ethics 2014
- Small Hotel/Motel Valuation 2014
- Subdivision Valuation 2014
- The DCF Model: Concepts, Issues, and Apps. 2014
- Green Buildings: Principles & Concepts 2014
- USPAP 7 hour Update 2011
- Feasibility, Market Value, Investment Timing: Option Value 2011
- Scope of Work: Expanding Your Range of Services 2011
- Appraising Convenience Stores 2011
- Site Valuation and Cost Approach 2009
- Analyzing Operating Expenses 2008
- Analyzing Distressed Real Estate 2008
- USPAP National Course Update 2008
- Using Your HP12C Financial Calculator 2006
- Feasibility, Market Value, Investment Timing: Option Value 2006
- Appraisal Report Writing Seminar 2004
- Small Hotel / Motel Valuation 2004
- GIS Applications for Real Estate Appraisal 2004
- Course 400, USPAP National Course Update 2003
- Search Strategies for Real Estate Appraisers 2001
- Valuation of Detrimental Conditions in Real Estate 2001

### PROFESSIONAL LICENSES

- Certified General Appraiser:
  - 1) State of Oregon Certificate No. C000548
  - 2) State of Washington Certificate No. 1100337

**PROFESSIONAL QUALIFICATIONS - W. PAUL JACKSON, MAI****PROFESSIONAL AFFILIATIONS**

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- Designated Member of the Appraisal Institute (MAI) 2004

**PROFESSIONAL EXPERIENCE**

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- Owner, Jackson Group NW, Inc., Portland, Oregon 2013 to Present
- Owner, Cassinelli Jackson LLC, Portland, Oregon 1997 to 2013
- Commercial Appraiser, Palmer Groth & Pietka, Inc., Portland, Oregon 1992 to 1997

**AREAS OF COVERAGE**

We cover all of Oregon, SW Washington as far north as Pacific county (Aberdeen) and SE Washington as far east as Walla Walla.

We have extensive expertise and experience in appraising all types of commercial real estate, which includes the following:

- Retail – All types
- Office –All types and Classes
- Industrial - All types
- Hotels/Motels - All types
- Mobile Home Parks
- Gas Stations/ C-Stores
- Restaurants – Fast Food and Sit Down
- Multi-Family
- Camp Grounds
- RV Parks
- Subdivision Analysis
- All types of Land
- Churches
- Schools/Universities/Government Buildings
- Agricultural Property

I have been appraising commercial real estate for more than twenty-five years and my four associates have 12 to 20 years of experience in commercial real estate appraisal. There are very few property types or real estate valuation issues that we have not analyzed over the past couple of decades.

Thank You

Paul Jackson, MAI  
Jackson Group NW, Inc.

W. Paul Jackson, MAI - Certifications



**Appraiser Certification and Licensure Board**  
**State Certified General Appraiser**  
*28 hours of continuing education required*

License No.: C000548  
 Issue Date: August 01, 2022  
 Expiration Date: July 31, 2024

W. PAUL JACKSON  
 JACKSON GROUP NW, INC.  
 4850 SW SCHOLLS FERRY RD #305  
 PORTLAND, OR 97225

  
 \_\_\_\_\_  
 Chad Koch, Administrator



**STATE OF WASHINGTON**  
 DEPARTMENT OF LICENSING – BUSINESS AND PROFESSIONS DIVISION  
 THIS CERTIFIES THAT THE PERSON OR BUSINESS NAMED BELOW IS AUTHORIZED AS A



**CERTIFIED GENERAL REAL ESTATE APPRAISER**

WILLIAM PAUL JACKSON  
 4850 SW Scholls Ferry Rd # 305  
 Portland OR 97225

1100337	12/27/2004	07/12/2024	 Teresa Berntsen, Director
License Number	Issue Date	Expiration Date	



## PROFESSIONAL QUALIFICATIONS – JOE SWANEY

Joe Swaney was born in Portland, Oregon and is a graduate of Portland State University.

### EDUCATION

- Portland State University, Bachelor of Arts, Political Science 1984

### APPRAISAL INSTITUTE COURSES

- Basic Income & Capitalization Theory 2005
- Advanced Income & Capitalization Theory 2008
- Report Writing & Valuation Analysis 2008
- Site Valuation & Cost Approach 2008
- Sales Comparison Approach 2008
- Market Analysis and Highest & Best Use 2010
- Apartment Appraisal 2010
- Basic Appraisal Procedures 2012

### OTHER APPRAISAL COURSES

- Foundations of Appraisal, Portland Community College 2005
- Standards of Professional Practice (*USPAP*), Pro-Schools 2005
- Statistics, Modeling & Finance, McKissock, LP 2010
- FHA Single Family Appraisal, Career WebSchool 2010

### PROFESSIONAL LICENSES

- Certified General Appraiser  
State of Oregon Certificate No. C001088

### PROFESSIONAL EXPERIENCE

- Appraiser Jackson Group NW, Inc. Portland, Oregon 2013 to Present
- Appraisal Assistant, Cassinelli Jackson LLC, Portland, Oregon January 2005 to 2013
- Senior Programmer/Analyst, Regence Group, Portland, Oregon February 1989 to December 2004



## Appraiser Certification and Licensure Board

### State Certified General Appraiser

*28 hours of continuing education required*

License No.: C001088

Issue Date: March 01, 2022

Expiration Date: February 29, 2024

JOSEPH A SWANEY  
Jackson Group NW Inc.  
4850 SW SCHOLLS FERRY ROAD #305  
PORTLAND, OR 97225

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Chad Koch, Administrator



October 13, 2022

City of Albany Community Development  
 c/o Matthew Ruettgers  
 Community Development Director  
 333 Broadalbin St. SW  
 Albany, OR 97321  
 Email: [Matthew.Ruettgers@cityofalbany.net](mailto:Matthew.Ruettgers@cityofalbany.net)  
 Phone: (541) 917-7674

**RE: WF ZONED LAND**  
 205 Madison Street NE  
 Albany, OR 97321

Dear Mr. Ruettgers,

I am pleased to submit the following proposal for the requested assignment. The terms and conditions are specified as follows:

**ASSIGNMENT SCOPE AND SPECIFICATIONS**

<b>Purpose:</b>	Estimate the market value of the above referenced property
<b>Property Rights Appraised:</b>	Fee Simple
<b>Premise / Valuation Date:</b>	Provide As Is Market Value as of the inspection date
<b>Intended Use:</b>	Determine value from which to establish a sales price
<b>Intended User:</b>	Matthew Ruettgers, City of Albany Community Development, and associated professionals
<b>Inspection:</b>	An on-site inspection of the property will be made by the appraiser
<b>Valuation Approaches:</b>	All applicable approaches as determined by the appraiser
<b>Report Type:</b>	Appraisal Report as per client requirements
<b>Appraisal Report Standards:</b>	Uniformed Standards of Professional Appraisal Practice
<b>Appraisal Fee:</b>	\$3,200
<b>Expenses:</b>	Included in the fee
<b>Retainer:</b>	0% (\$0)
<b>Payment Terms:</b>	Payment due upon delivery of the appraisal report. Please remit payments to: <b>Jackson Group NW, Inc.</b> <b>4850 SW Scholls Ferry Rd., Suite 305</b> <b>Portland, OR 97225</b>
<b>Acceptance Date:</b>	This contract proposal is valid 5 business days from the date of this letter
<b>Start Date:</b>	Job commencement begins upon receipt of the signed contract and all requested information.
<b>Delivery Date:</b>	November 18, 2022 assuming prompt receipt of the contract, retainer, and all requested information.

City of Albany Community Development  
c/o Matthew Ruettgers

October 13, 2022  
Page Two

**Report:** The finished appraisals, one for each property, will be delivered via email to the client email in PDF format. Hard copies can be provided upon request for \$100 per copy.

If additional consultation is necessary after the appraisal is completed, the client will be billed at an hourly rate of \$350 per hour for all time expended. Any changes in the Agreement for Appraisal Services will be mutually agreed upon, in writing, and the fee will be adjusted accordingly, if necessary.

In the event that the appraiser is required to give testimony for any reason, or at any time in connection with this assignment, then the client agrees to assume any reasonable professional fees and related costs, including preparation time, not underwritten by the entity requiring such testimony. If the assignment is canceled for any reason prior to completion, the client will be billed at an hourly rate of \$350 per hour for all time expended prior to cancellation.

Acceptance of this agreement by yourself, or a duly authorized agent, should be indicated by signing and mailing/delivering an authorized copy of this agreement to my attention. I look forward to working with you on this assignment, and should you have any questions on any aspect of this letter, please do not hesitate to call.

Sincerely,

**JACKSON GROUP NW, INC.**



W. Paul Jackson, MAI  
Oregon Certified General Appraiser C000548  
Washington Certified General Appraiser 1100337

Phone : 503-358-7340  
Email : [paul@jacksongroupnw.com](mailto:paul@jacksongroupnw.com)

**ACCEPTANCE:**

  
Client Signature

10/13/2022  
Date

Matthew Ruettgers  
Client Name (Printed)

591-917-7674  
Phone #

matthew.ruettgers@cityofalbany.net  
Email

same as above  
Property Contact Name (Printed)

\_\_\_\_\_  
Phone #

\_\_\_\_\_  
Email





Property Search Online

**Account 83002** Assessment Summary

- [Account](#)
- [Taxes](#)
- [Sales History](#)
- [Value History](#)
- [Reports](#)
- [Files](#)

**Real Property**

**Situs Address**

205 MADISON ST NE ALBANY OR 97321

**Mailing Address**

ALBANY CITY OF  
 C/O JAMES V B DELAPOER  
 PO BOX 40  
 ALBANY OR 97321

**Map and Taxlot**

11S03W06-DA-00100

**Owner**

ALBANY CITY OF

Related Accounts

Name Ledger Names

**Assessment**

**Assessment Year**

Assessment Summary

	RMV	MAV	AV
Land	\$231,310		
Improvements	\$0		
<b>Total</b>	<b>\$231,310</b>	<b>\$0</b>	<b>\$0</b>

<b>Account Status</b>	Active
<b>Size</b>	41,668 Sqft
<b>Property Class</b>	940 - EXEMPT CITY VACANT
<b>Legal Description</b>	HACKLEMAN'S ADDITION 124

**Improvements**

Bldg #	Year Built	Description	Livable Size	Stat Class	Code Area
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