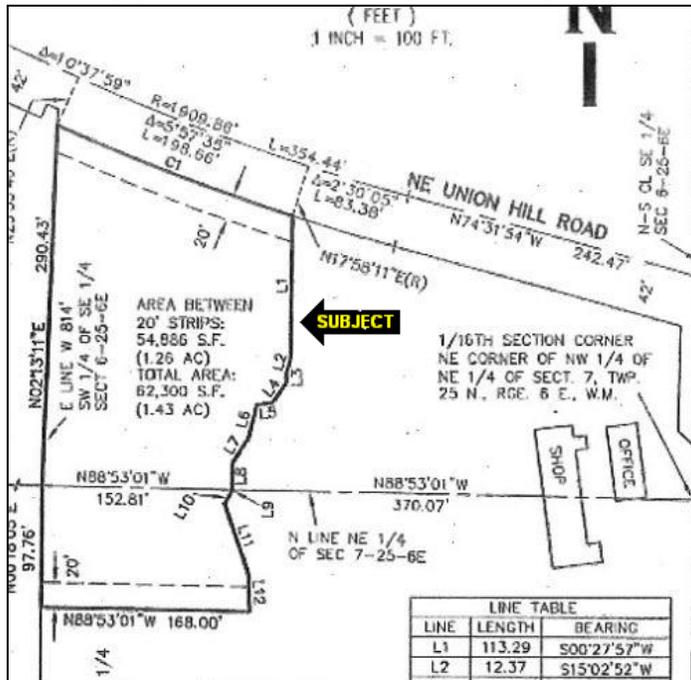




King County

Facilities Management Division
 Real Estate Services Section
Appraisal Unit

SUMMARY APPRAISAL REPORT



1.43 Acres of CADMAN PIT PROPERTY

19101 NE Union Hill Rd.,
 Redmond 98052

Prepared for:

Kate Donley, Project Program Manager
 Real Estate Services Section
 DES/FMD, King County.

Date of Value

October 23, 2014

Prepared by:

John M. Ely
 State Certified General Appraiser

Facilities Management Division

*King County Administration Building
 500 Fourth Avenue, Room 830
 Seattle, Washington 98104*

October 28, 2014

Kate Donley
Real Estate Services Section
DES/FMD, King County
ADM-ES-0820

RE: 1.43 acres at Cadman Pit, 19101 NE Union Hill Rd., Redmond, WA

Ms. Donley,

In accordance with your request, I prepared an appraisal of the above-referenced property, which is described in the attached report. As you requested, I estimated the market value of the fee simple estate in the described property. General Assumptions and Limiting Conditions governing this appraisal are included in the Addendum. This report describes the scope of work performed, the appraisal process undertaken, the property and surrounding market conditions, and the pertinent data and methodology I relied on in development of my conclusions.

This valuation is based on the hypothetical condition that the subject of this appraisal, a defined portion of the Cadman Pit property, is a legally discrete and marketable parcel of land. ***The use of this hypothetical condition may have affected assignment results.***

As a result of my investigation and analysis, I conclude that the market value of the subject property as of October 23, 2014, is:

**ONE MILLION, THIRTEEN THOUSAND DOLLARS
(\$1,013,000)**

A marketing period one year is associated with this value conclusion.

Sincerely,



John M. Ely
Real Estate Services Section
State Certified General Appraiser
Certificate Number 1100825

Summary of Salient Facts

Assessor's Parcel Number	Portion of 072506-9041
Land Area	1.43 acres; 62,300 SF
Zoning	BP, Business Park, Redmond
Highest and Best Use as if Vacant	Office/Industrial
Highest and Best Use as Improved	N/A, undeveloped
Use	Portion of a municipal maintenance service and gravel extraction site.
Ownership Interest Appraised	Fee Simple
Land Value Conclusion	\$1,013,000
Market Value Conclusion	\$1,013,000
Date of Report	October 28, 2014

Assignment Overview

Name of Client

Kate Donley, Project Program Manager, Real Estate Services Section, Facilities Management Division, King County.

Intended Users

King County Real Estate Services Section and King County Council.

Intended Use of the Appraisal

To document value of the subject property for purposes of sale of the property to the City of Redmond.

Purpose of Appraisal

To develop a conclusion of market value of the fee simple interest in the subject property as of a current date.

Property Appraised

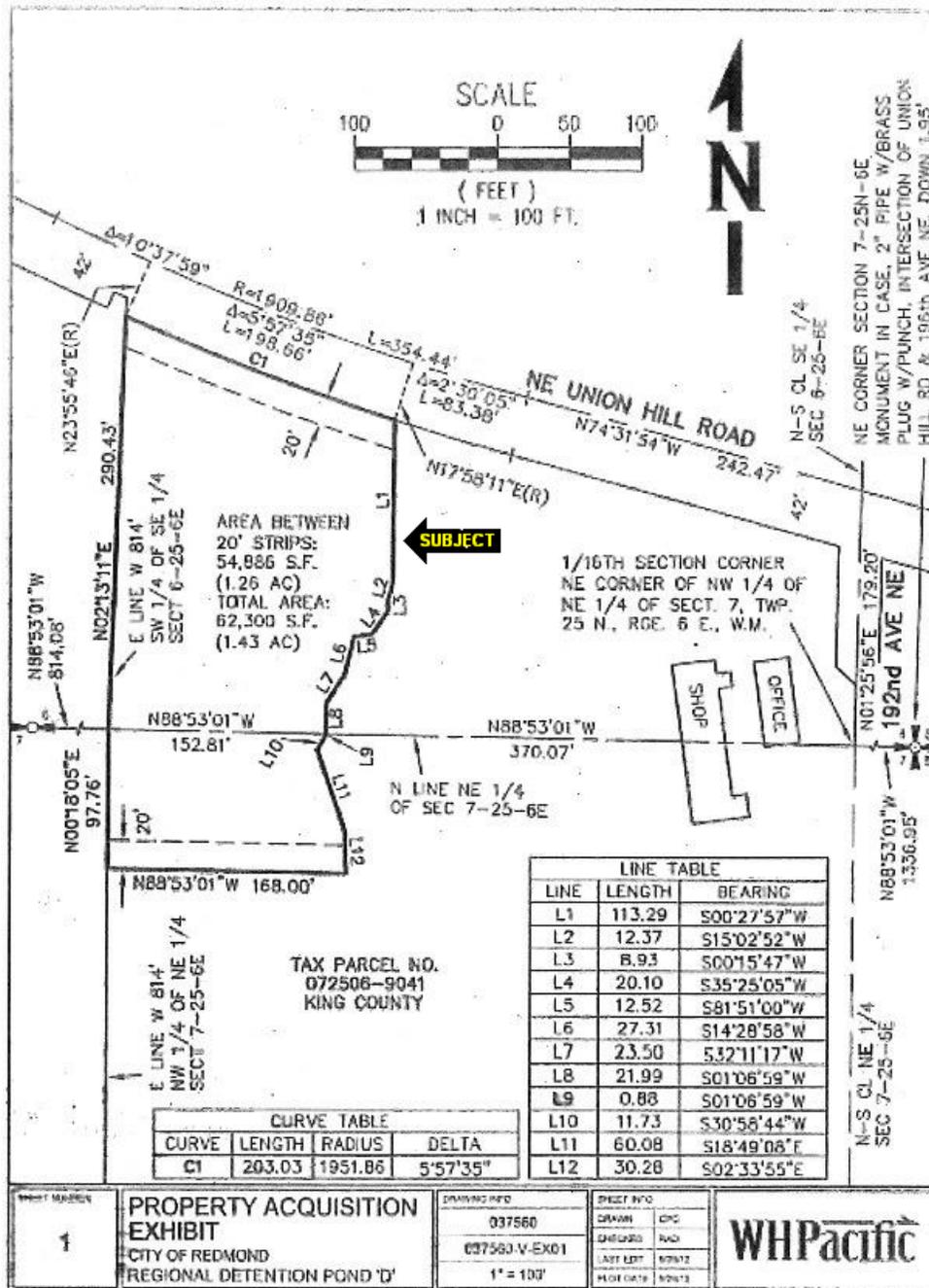
The subject of this appraisal is 1.43 acres of undeveloped land located on the northwest part of the 23.67-acre Cadman Pit property located at 19101 Union Hill Rd. in Redmond, WA, 98052, Assessor's parcel number 072506-9041.

The exhibit on the following page shows the map that defines the property being appraised. The indicated boundary is a hypothetical property line. The subject parcel has about 203 feet of frontage on NE Union Hill Rd., and depth along the west property line of about 388 feet based on this map. The southern side is 168 feet, and the east side meanders along an existing driveway on the parent parcel.

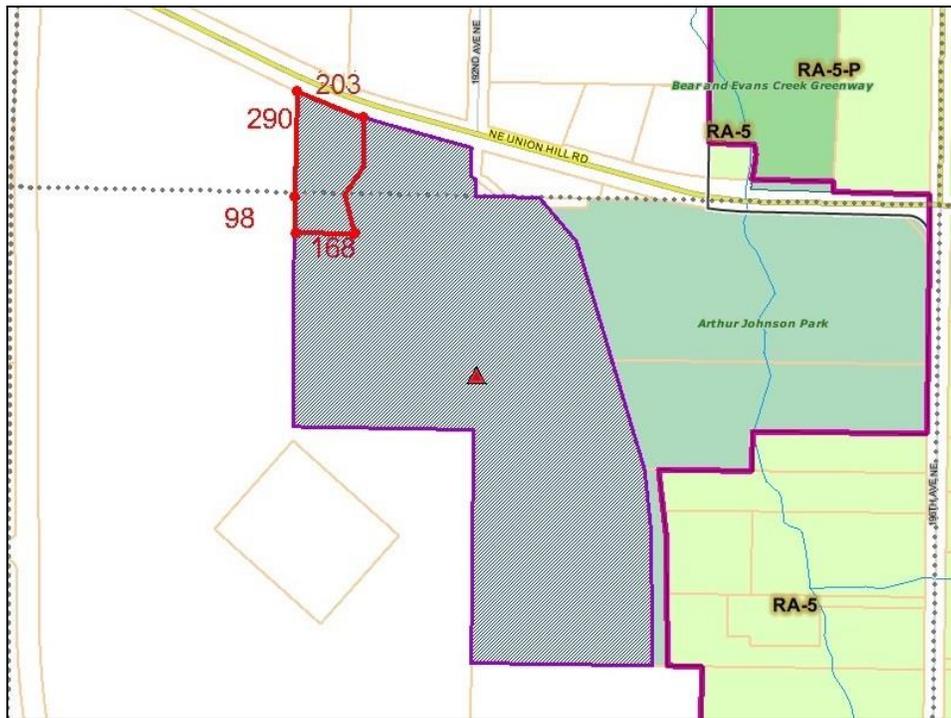
Use of Property on the Date of Value

The property is part of the Cadman Pit which is used for road services and gravel extraction. The subject portion of the property is generally undeveloped but for fencing and some grading for drainage.

Engineer's Drawing of Subject



Shape and Location of Subject on Cadman Site



Property Interest Appraised

This appraisal is of the market value of the fee simple interest in the subject property.

Definition of Market Value

“The amount in cash that a well informed buyer, willing but not obliged to buy the property, would pay, and that a well informed seller, willing but not obligated to sell it would accept, taking into consideration all uses to which the property is adapted and might in reason be applied.” (Washington Pattern Instruction 150.08)

Date of Report

The date of this report is October 28, 2014.

Effective Date of Value

The effective date of value for this appraisal is, October 23, 2014.

Legal Description

The subject is not an individual legal parcel. The following legal description is from a draft of the Purchase and Sale Agreement, which matches the engineer’s drawing.

City of Redmond Pond 'D' Description

Portions of the Southwest quarter of the Southeast quarter, Section 6, and the Northwest quarter of the Northeast quarter, Section 7, Township 25 North, Range 6 East, W.M., King County, Washington, described as follows:

BEGINNING at the intersection of the Southerly right of way margin of Union Hill Road NE, as established by deed recorded under Recording No. 20080109001406 with the East line of the West 814 feet of said Southwest quarter, Southeast quarter, said intersection being on an arc of a curve concave to the north from which its center bears North 23°55'46" East, 1951.86 feet distant; thence Easterly along the arc of said curve and margin through a central angle of 05°57'35" a distance of 203.03 feet; thence South 00°27'57" West 113.29 feet to a top of slope; thence the following courses along said top of slope, South 15°02'52" West 12.37 feet; South 00°15'47" West 8.93 feet; South 35°25'05" West 20.10 feet; South 81°51'00" West 12.52 feet; South 14.28'58" West 27.31 feet; South 32°11'17" West 23.50 feet; South 01°06'59" West 22.87 feet; South 30°58'44" West 11.73 feet; South 18°49'08" East 60.08 feet; South 02°33'55" East 30.28 feet; thence leaving said top of slope, North 88°53'01" West 168.00 feet to the East line of the West 814 feet of said Northwest quarter, Northeast quarter; thence North 00°18'05" East along said East line 97.76 feet to the South line of said Section 6 and the beginning of said East line of the West 814 feet of the Southwest quarter, Southeast quarter; thence North 02°13'11" East along said East line 290.43 feet to the POINT OF BEGINNING.

The above-described parcel contains 62,300 square feet, more or less.

Scope of Work

This assignment is to develop and report a credible opinion of the current market value of the defined subject property for purposes of sale. This appraisal is subject to the hypothetical condition that the subject is an individually marketable parcel. The scope of work necessary to perform this assignment entails inspection and evaluation of the property and its neighborhood, and market research and analysis to determine the applicability of the three traditional approaches to value: cost, sales comparison, and income. Upon review of the data, I concluded that direct comparison approach alone is appropriate and adequately supported to provide a credible opinion of value.

Summary of Information Analyzed

I performed an inspection of the land from its street frontage on October 9, 2013, reviewed the Assessor's record for the property, city of Redmond zoning map, and the sketch of the proposed segregation.

My market research consisted of identifying recent sales and listings of commercial land in the Redmond market area, including areas of Woodinville and Kirkland. My sources of information include the Commercial Brokers Association (CBA) multiple listing service, the Northwest Multiple Listing Service, CoStar COMPS database, King County records, internet searches for news items, and the City of Kirkland website. In some cases, I confirmed details about the sales with listing agents or others involved in the transaction.

Appraisal Methodology

Of the three traditional approaches to value, direct comparison is appropriate for this analysis as there are no significant improvements to analyze in the cost approach and this type of property rarely is bought and sold based on income characteristics, so the income approach is also not applicable.

The direct comparison method is reliable and appropriate for this problem, and I discovered adequate market data to make a reasoned analysis and draw well-supported conclusions.

Extraordinary Assumptions and Hypothetical Conditions

An extraordinary assumption is an assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions.

The use extraordinary assumptions and hypothetical conditions may have affected the assignment results.

The following extraordinary assumptions apply to this assignment:

- The information on the dimensions and size of the subject proposed parcel provided by others is assumed to be correct.

A hypothetical condition is that which is contrary to what exists but is supposed for the purpose of analysis. This appraisal uses the following hypothetical conditions in order to develop an estimate of market value for the subject property as defined:

- That the subject as shown on the accompanying maps is a legal and distinct, marketable parcel of land with clear title.

Sale History

Neither the subject portion nor the parent parcel have transferred ownership in many years.

The appraised property is the subject of an agreement between King County and the city of Redmond wherein Redmond will purchase the property based on an appraised value of \$1,013,000, subject to approval by the King County Council. Redmond seeks the property in conjunction with drainage improvements on Union Hill Rd.

Description of Subject Property**Location**

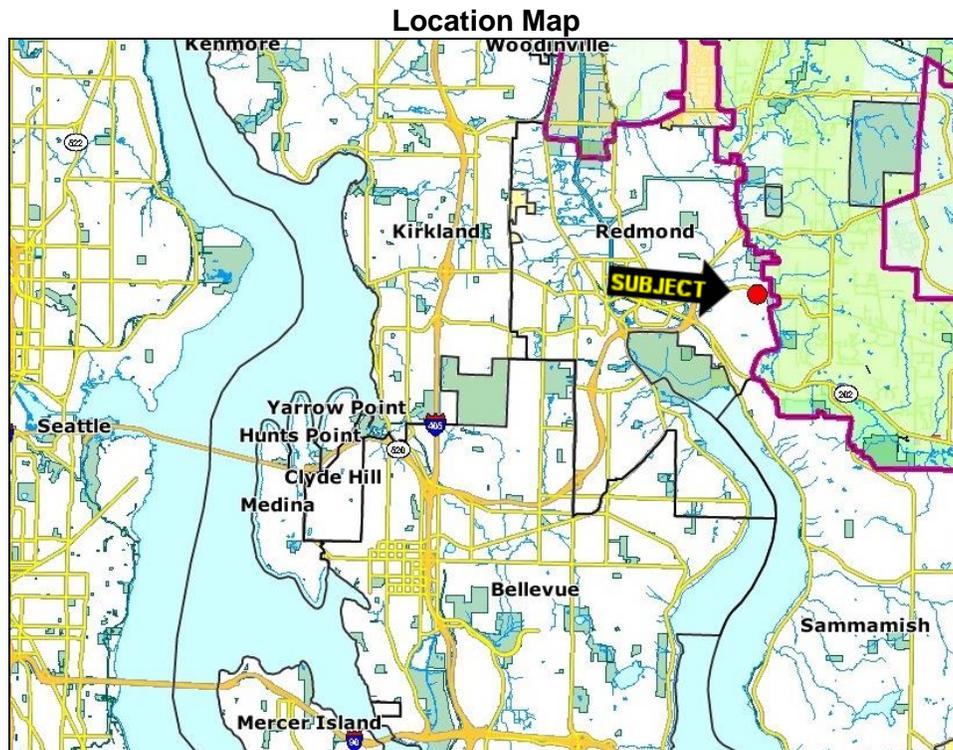
The property is in eastern part of the city of Redmond, about two miles east of Redmond's CBD. The immediate neighborhood is dominated by industrial uses including sand and gravel extraction activities by Cadman Inc., which occupies land west and north of the subject. Other nearby heavy industrial uses include an asphalt plant and cement casting business. Bear Creek and its associated open space is the northern limit of the neighborhood. Evans Creek, and the urban growth boundary defines the easterly edge of the neighborhood. Arthur Johnson Park is adjacent to the Cadman Pit parent parcel to the east.

There are established office and business park districts in the neighborhood, one along the north side of NE Union Hill Rd. west of the subject, and another to the southeast. These areas continue to grow with recent additions of Swedish Medical Center and FedEx distribution center.

NE Union Hill Rd. provides east-west access through the neighborhood, connecting with the downtown Redmond street grid and SR-520 about one mile west of the subject. Land use east of the subject outside the UGA is primarily low density single residential houses.

North-south routes are limited in the area with Bear Creek forming a natural divide to the north, and Lake Sammamish to the south. Avondale Rd. extends north to suburban neighborhoods of Redmond and Woodinville, and 195th Ave. NE east of the subject was recently extended to connect with Novelty Hill Rd. West of the subject, 185th Ave. NE connects Union Hill Rd. with SR-202 to the south.

The west end of the neighborhood is bounded by SR-520 and Avondale Rd. This area has grown to include several destination retail businesses including Whole Foods, The Home Depot, Target, Gold's Gym and Fred Meyer.



The Subject Land

Size and Shape

The shape of the land is irregular but has usable dimensions of roughly 160 feet width by 390 feet depth. The engineer's map indicates a gross area of 62,300 square feet or 1.43 acres.

Topography and Utilities

The site is generally level, with uneven, undulating terrain, close to the grade of Union Hill Rd. The site is not connected to utilities, but municipal water and sewer is installed in Union Hill Rd. Electric and natural gas utilities are also available to the property.

Access

Access to the site is possible but not improved on Union Hill Rd. The easterly boundary of the subject follows an existing driveway on the parent parcel. From the standpoint of transportation to and from a business operating on the subject land, access to the subject is average.

Zoning

The site is in the Business Park (BP) zoning district of Redmond. The intent of this zoning is to provide business and manufacturing employment opportunities that compliment downtown commercial activities with limited outdoor storage and high amenities. This zone allows R&D, software development, technology industries, wholesale and manufacturing businesses (largely indoors), and supporting compatible uses including restaurants and health clubs.

Assessed Value and Taxes

The property is assessed at 100% of market value by the King County Assessor. Assessment information for the parent parcel is shown here:

Land Data and Assesement

Parcel No.	Land SF	Zoning	2014 Assessments		
			Land	Building	Total
072506-9041	1,031,116	BP	\$5,361,800	\$1,000	\$5,362,800

This assessment reflects a land value of \$5.20 per square foot. There are structures on the 23.67-acre parent parcel, but they are assigned only nominal value. As a County-owned property, this parcel is exempt from taxation and no taxes are levied. Change in state law by the 2013 Legislature eliminated revaluation requirements for government owned parcels. The information above is from the Assessor's production database: it is not publicly reported.

It is not uncommon for the assessed value to differ from market value today, particularly in unique and tax-exempt properties.

Environmental

The site is in an area with high basin condition and high susceptibility to groundwater contamination. No streams or wetlands are shown on County maps. City of Redmond maps shows a narrow band of Landslide Hazard area that may cross the subject, and part of the land may be in Seismic Hazard area.

It is a general assumption of this assignment that the property is free of hazardous environmental contamination (*Appraisal Assumptions and Limiting Conditions, items 6 and 7*).

Improvement Description

The property has minimal improvement, consisting of a chain link fence on the west and north sides.

Highest and Best Use

As Vacant

Physically, the land has adequate soils, topography, dimensions, access and availability of utilities to be placed in a wide range of possible uses. On-site storm water management would be required with development.

The BP zone allows a range of light manufacturing, office, technology, warehouse and supporting uses, though the property is surrounded by resource-based traditional heavy industrial uses.

There appears to be steady market demand for one- to two- acres land parcels for commercial and retail uses in the greater Eastside area. I conclude the highest and best use of the site is for a small commercial development.

Valuation

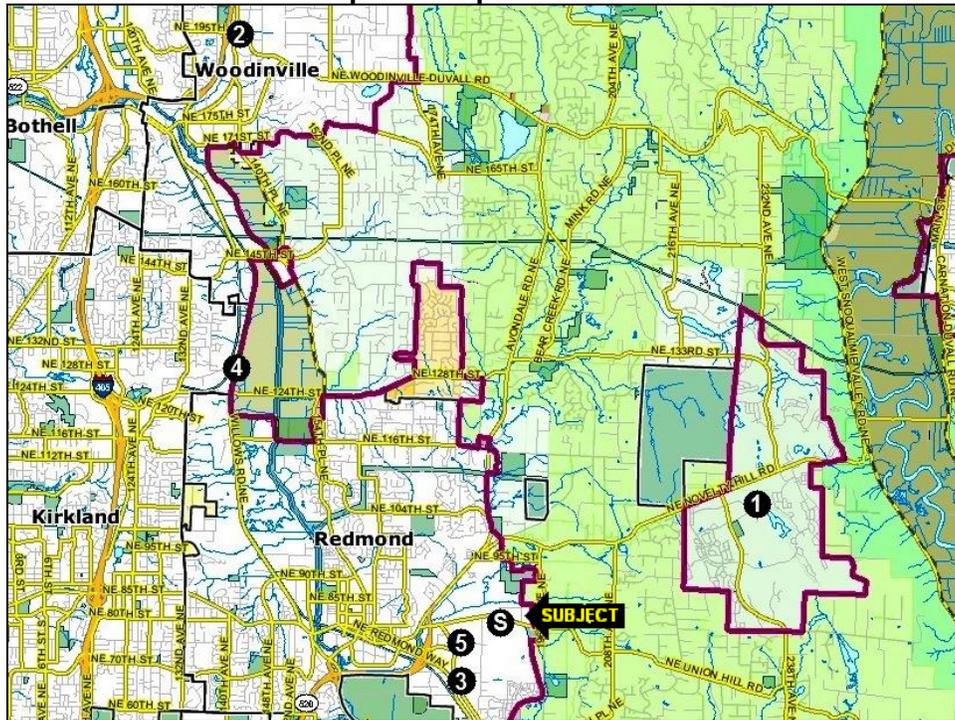
The direct comparison approach is the most reliable valuation method for this analysis, using the price per square foot unit of comparison. With one exception, The land sales are all or mostly usable. This comparison is based on prices per square foot of gross land area, and my conclusion of value per square foot will be applied to the gross area of the subject.

Land Value

The following table summarizes four recent transactions of industrial land in the subject's market area. The indicated prices per square foot of land area are good indicators of the per square foot unit value of the subject property.

Sale No.	Address	Commercial Land Sales Summary				Notes
		Land Area, SF	Zoning	Sale Date	Price Price/SF	
1	NE Alder Crest Redmond, 98053	39,654	URPSO	8/26/2013	\$650,000 \$16.39	3.1 mi NE. Raw site, all usable. Street improvements in, Redmond Ridge business park land in a neighborhood of warehouses.
2	Woodinville-Snohomish Woodinville, 98072	104,482	GB	12/26/2012	\$1,820,000 \$17.42	7.1 mi NW. Site was improved with an older SFR converted to office, a warehouse and storage sheds. This sale reflects two transactions from related sellers to the same buyer. A hotel is planned.
3	E. Lk Sammamish Redmond, 98052	22,400	GC	6/16/2012	\$851,200 \$38.00	0.8 mi SW. BSP division of a Les Schwab Tire Center with easements for parking and circulation. Buyer developed a veterinary clinic. Effectively a pad site, hence the high \$/SF.
4	Willows Rd Kirkland, 98034	55,493	TL7	5/8/2013	\$775,000 \$13.97	4.1 mi NW. Two parcels on up-sloping land. back to the ERC. These were graded for parking in the past, and usable area is about 85% of the gross (\$16.43/SF net).
5	17777 NE 76th St. Redmond, 98052	46,383	GDD(2)	1/23/2012	\$750,000 \$16.17	0.5 mi SW. Pad parcel in Redmond Crossings power center with access via easements. Developed to a Discount Tire store.
	Subject	62,300	BP	Pending	\$1,013,000 \$16.26	Union Hill Rd. frontage.

Map of Comparable Sales



Sale 1 is in Redmond Ridge, in a developing business park with primarily office and warehouse uses. This parcel abuts a greenbelt and has no permit applications on file. This location is an 'island' of UGA surrounded by rural area. This indication provides a good direct price comparison for the subject.

Sale 2 is part of the former Woodinville Truss property and sold for redevelopment. This sale is the combination of two related transactions. This site is visible from SR-522 and close to a partial interchange at NE 195th St. The buyer plans a hotel on the land. There is a stream crossing the north property line, and running down the west, encumbering about 8,000 square feet according to the agent. With highway visibility, and near the growing Woodinville winery district, this location is superior to the subject. A potential downward adjustment for quality of location is partly offset by upward consideration for increasing price trends since this sale.

Sale 3 is an unusual parcel with an effective usable area greater than its gross area due to easements for circulation and parking access. It is the result of a lot split with binding site plan involving a previously-improved Les Schwab Tire Center. The buyer constructed a veterinary clinic on the property. This site has good visibility from E. Lake Sammamish Parkway and close proximity to SR-202, Redmond-Fall City Rd. This price indication is well above other suburban land prices due to the pad-like nature of this land, which relies on easements over adjoining land for access and circulation.

Sale 4 is on the fringe of the Totem Lake area overlooking the Sammamish Valley. It has zoning that is similar to that of the subject and is a relatively long and narrow shape with about 85% usable land area due to slope up from the street and up to the ERC. It is

likely the buyer will use the site for vehicle storage. The price on the usable area is \$16.43 per square foot.

Sale 5 is a retail pad site in a Redmond power center with good access to SR-522, Union Hill Rd. and Avondale Rd. This parcel was developed to a Discount Tire facility. This parcel is superior to the subject in terms of the location in a power center. As with Sale 2, a potential downward adjustment for location quality is offset by upward consideration for increasing price trends since this sale.

With the exception of Sale 3, these sales indicate a narrow range in prices per square foot for commercial land in the market area.

With emphasis on the indications from Sales 1, 2, and 5, and the price per square foot of usable land from Sale 4, and considering the raw, undeveloped condition of the land, I conclude the data indicates a value per square foot of \$16.25 for the subject property.

Land Value Conclusion

Land Area	Unit Value	Indicated Value
62,300 SF x	\$16.25 /SF =	\$1,012,375

Reconciliation and Value Conclusion

The subject is under an agreement of sale with the city of Redmond for a price of \$1,013,000. Market data from recent and comparable sales of similar sized land parcels with similar zoning and use supports a value conclusion very close to the contract price.

I therefore conclude that as of the date of value, October 23, 2014, the market value of the fee simple interest in the subject property as defined is \$1,013,000.

Certification

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My 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 Appraisal Practice of the Appraisal Institute. The use of this report is subject to the requirement of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, I, John Ely, have completed the Standards and Ethics Education Requirement of the Appraisal Institute for Practicing Affiliates.
- I have made a personal inspection of the property that is the subject of this report.
- No one provided significant real property appraisal assistance to the person signing this certification.
- the appraiser has performed appraisal review of a 2012 appraisal that included the subject property, and review of a 2014 appraisal on the parent parcel excluding the subject property.

Signature:



John M. Ely

Appraiser

Washington State Certified General Real Estate #1100825

October 28, 2014

ADDENDUM

APPRAISAL ASSUMPTIONS AND LIMITING CONDITIONS

1. The property description supplied to the appraiser is assumed to be correct;
2. No survey of the property has been made or reviewed by the appraiser, and no responsibility is assumed in connection with such matters. Illustrative material, including maps and plot plans, utilized in this report are included only to assist the reader in visualizing the property. Property dimensions and sizes are considered to be approximate;
3. No responsibility is assumed for matters of a legal nature affecting title to the property, nor is any opinion of title rendered. Property titles are assumed to be good and merchantable unless otherwise stated;
4. Information furnished by others is believed to be true, correct, and reliable. However, no responsibility for its accuracy is assumed by the appraiser;
5. All mortgages, liens, encumbrances, leases, and servitudes have been disregarded unless so specified within the report. The property is assumed to be under responsible, financially sound ownership and competent management;
6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render the property more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies which may be required to discover them;
7. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. However, the appraiser is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The value conclusions in this report are predicated on the assumption that there is no such materials on or in the property that would cause a loss of value. No responsibility is assumed for any such conditions, or for the expertise required to discover them. The client is urged to retain an expert in this field if desired. The analysis and value conclusions in this report are null and void should any hazardous material be discovered;
8. Unless otherwise stated in this report, no environmental impact studies were either requested or made in conjunction with this report. The appraiser reserves the right to alter, amend, revise, or rescind any opinions of value based upon any subsequent environmental impact studies, research, or investigation;
9. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is specified, defined, and considered in this report;
10. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless non-conformity has been specified, defined and considered in this report;
11. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or federal governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimate is based;
12. The appraiser will not be required to give testimony or appear in court because of having made this report, unless arrangements have previously been made;
13. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the client without the written consent of the appraiser, and in any event, only with properly written qualification and only in its entirety;
14. Neither all nor any part of the contents of this report, or copy thereof, shall be conveyed to the public through advertising, public relations, news, sales, or any other media without written consent and approval of the appraiser. Nor shall the appraiser, client, firm, or professional organization of which the appraiser is a member be identified without the written consent of the appraiser;
15. The liability of the appraiser, employees, and subcontractors is limited to the client only. There is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions. The appraiser is in no way responsible for any costs incurred to discover or correct any deficiencies of the property;
16. It is assumed that the public project which is the object of this report, will be constructed in the manner proposed and in the foreseeable future;
17. Acceptance and/or use of this report constitutes acceptance of the foregoing assumptions and limiting conditions.

SUBJECT PHOTOGRAPHS



View easterly from subject frontage on NE Union Hill Rd.



View southerly of subject from the street.

COMPARABLE LAND SALE NO. 1



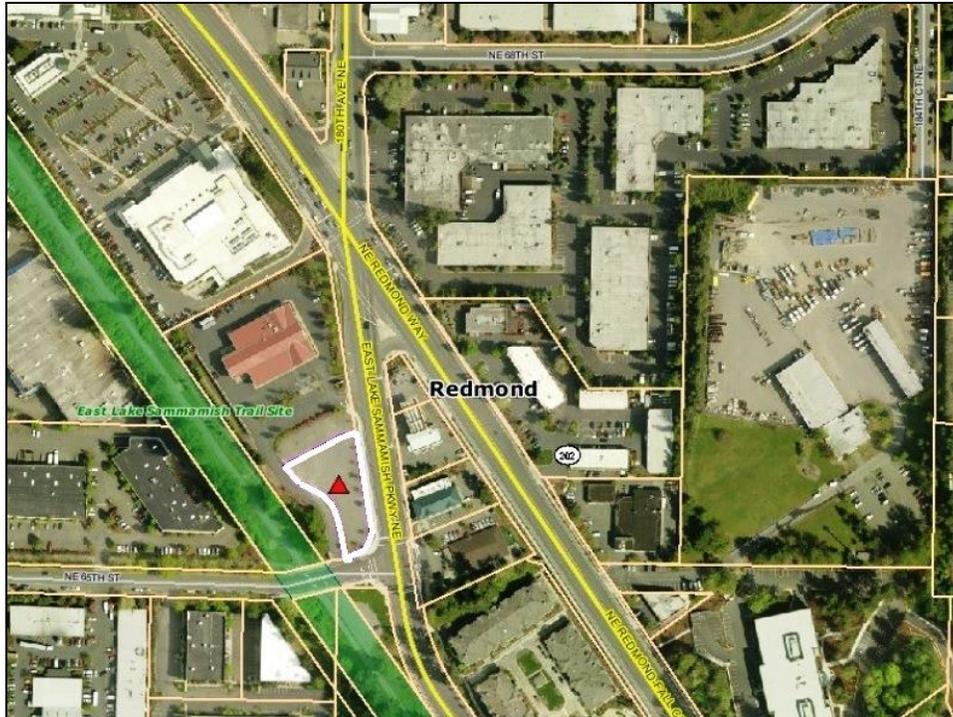
LOCATION:	230xx NE Alder Crest Dr., Redmond (unincorporated), 98053
GRANTOR:	M&T Partners Inc.
GRANTEE:	RSA Ventures, LLC
SALE DATE:	Aug. 26, 2013
SALE PRICE:	\$650,000
INSTRUMENT:	SWD, AFN 20130828000729
TERMS:	Cash to seller
CONFIRMATION:	CoStar, CBA, public record
PREVIOUS SALES:	None in prior five years
LAND SIZE:	39,654 square feet (0.91 acres)
TAX ACCT. NO.:	720232-0110
UTILITIES:	Water, power, gas and sewer are available in the street.
ACCESS:	Via shared easement direct to NE Alder Crest Dr.
ZONING:	URPSO, unincorporated King County. This Urban Reserve zone is part of a master planned community designed to be self-contained. Light industrial and commercial uses are in the immediate area.
HIGHEST & BEST USE:	Neighborhood commercial development.
PROPERTY DESCRIPTION:	Level site in the Redmond Ridge Division 8, a business park portion of the community. Parcel has a 40-foot shared access easement down its west side. No pending permits on file. Surrounding uses are mostly warehouse.
ANALYSIS:	\$16.39 per square foot gross area.

COMPARABLE LAND SALE NO. 2



LOCATION:	19265 Woodinville Snohomish Rd NE, Woodinville, 98072
GRANTOR:	Anderson and Ind-com Properties
GRANTEE:	Capri Colorado Springs Inc.
SALE DATE:	Dec. 26, 2012
SALE PRICE:	\$1,820,000
INSTRUMENT:	Two SWDs, AFN 20121228002759 and 20121228002760
TERMS:	Cash to seller
CONFIRMATION:	CBA, CoStar, public record, listing agent Steve Henderson.
PREVIOUS SALES:	None in prior five years
LAND SIZE:	104,482 square feet (2.4 acres)
TAX ACCT. NO.:	062210-0052 (with -0059, now merged)
UTILITIES:	Water, power, gas and sewer are available in the street.
ACCESS:	Direct on Woodinville Snohomish Rd NE.
ZONING:	GB, general business, Woodinville. This zone allows a broad range of commercial and business uses.
HIGHEST & BEST USE:	Commercial development.
PROPERTY DESCRIPTION:	This sale is a portion of the former Woodinville Truss property with older, low cost improvements including a storage warehouse of 1,526 SF and a house converted to office of 1,466 SF that did not contribute value. The land is near-level, with stream across the west side where it backs to SR-522. Environmental factors in addition to the stream include seismic hazard area and Chinook distribution overlay on county maps. The land is about 92% usable. This sale was two transactions with related sellers to the same buyer, with concurrent deeds. The buyer represents a hotel developer.
ANALYSIS:	\$17.42 per square foot gross area.

COMPARABLE LAND SALE NO. 3



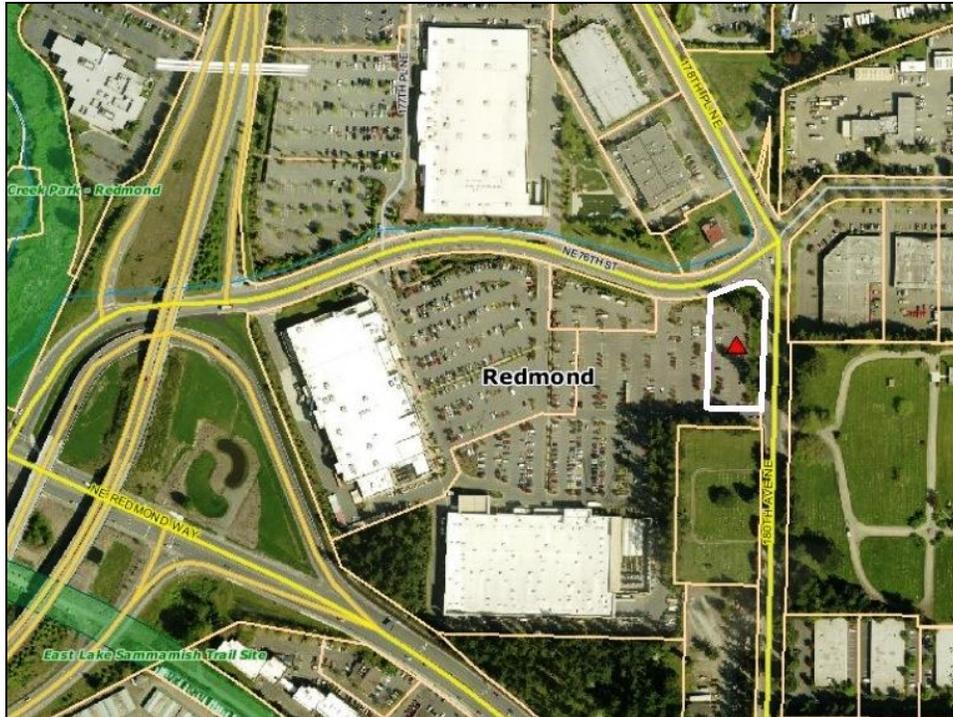
LOCATION:	6535 E. Lake Sammamish Pkwy., Redmond, 98052
GRANTOR:	Schwab Properties Limited
GRANTEE:	Brookfield Properties LLC
SALE DATE:	June 16, 2012
SALE PRICE:	\$851,200
INSTRUMENT:	SWD, AFN 20120628000911
TERMS:	Cash to seller
CONFIRMATION:	CoStar, public record
PREVIOUS SALES:	None in prior five years
LAND SIZE:	22,400 square feet (0.51 acres)
TAX ACCT. NO.:	113790-0020
UTILITIES:	Water, power, gas and sewer are available in the street.
ACCESS:	Via easements over adjoining Les Schwab Tire Center parcel to E. Lake Sammamish Pkwy. and NE 65 th St. to the south.
ZONING:	GC, Redmond. The General Commercial zone allows a range of commercial and business uses.
HIGHEST & BEST USE:	Neighborhood commercial development.
PROPERTY DESCRIPTION:	Level corner site created by BSP on excess land of a Les Schwab Tire Center. The adjacent access driveways and access to parking on the north side of the building is via easement. There is also a common use easement in the center of the south parking area for an underground detention vault. The effective land area is greater than the gross site area due to these easements. The buyer developed a veterinary clinic, though this use is expressly excluded in the zoning code. This is similar to a commercial pad site where off site improvement costs and access routes are included in the price, resulting in a high price per square foot compared with standalone sites.
ANALYSIS:	\$38.00 per square foot gross area.

COMPARABLE LAND SALE NO. 4



LOCATION:	12711 Willows Rd. NE, Kirkland, 98034
GRANTOR:	Rainmaker US Investments, Inc.
GRANTEE:	RC 124 th LLC
SALE DATE:	May 8, 2013
SALE PRICE:	\$775,000
INSTRUMENT:	SWD, AFN 20130520002052
TERMS:	Cash to seller
CONFIRMATION:	CoStar, CBA, public record
PREVIOUS SALES:	Transferred June 2011 for \$460,000.
LAND SIZE:	55,493 square feet (1.27 acres)
TAX ACCT. NO.:	272605-9142, -9143
UTILITIES:	Water, power, gas and sewer are available in the street.
ACCESS:	Direct to Willows Rd.
ZONING:	TL7, Kirkland. This zoning is a multi-use district in the Totem Lake area that allows a range of commercial and industrial uses including manufacturing such as brewery, winery or distillery; warehouse storage and sales, industrial printing, retail storage, contractor and rental yards, schools and daycare.
HIGHEST & BEST USE:	Commercial offices.
PROPERTY DESCRIPTION:	Two parcels sold together in relatively narrow, tapered shape along the Eastside Rail Corridor. A low view across the Sammamish Valley to the south is available from the property. The land has been graded to level pads, previously used for open parking or storage, that are above the grade of Willows Rd. The land further slopes up to the ERC. Usable area is approximately 85% of the gross area. The buyer is an automotive sales group with dealerships in the neighborhood.
ANALYSIS:	\$13.97 per square foot gross area; \$16.43 per square foot net usable.

COMPARABLE LAND SALE NO. 5



LOCATION: 17777 NE 76th St., Redmond, 98052
GRANTOR: HD Development of Maryland Inc.
GRANTEE: Halle Properties, LLC
SALE DATE: Jan. 23, 2012
SALE PRICE: \$750,000
INSTRUMENT: SWD, AFN 20120127000882
TERMS: Cash to seller
CONFIRMATION: CoStar, public record.
PREVIOUS SALES: None in prior five years
LAND SIZE: 46,383 square feet (1.06 acres)
TAX ACCT. NO.: 719893-0040
UTILITIES: Water, power, gas and sewer are available in the street.
ACCESS: Via easements over adjoining parcels in the Redmond Crossings plat, to shared driveways to NE 76th St. and 180th Ave. NE.
ZONING: GDD(2), Gateway Design District, a multi-use zone designed for office, hotel, high tech, R&D and regional retail. Allows a broad range of commercial and business uses.
HIGHEST & BEST USE: Power center satellite retail development.
PROPERTY DESCRIPTION: Level corner site in the Redmond Crossings power center with Fred Meyer and The Home Depot as anchor tenants. Orientation is toward the center, with landscaped road frontages and access through the center. The land has some minor utility easements along the frontage but is essentially all usable. The buyer developed a Discount Tire masonry service building.
ANALYSIS: \$16.17 per square foot gross area.