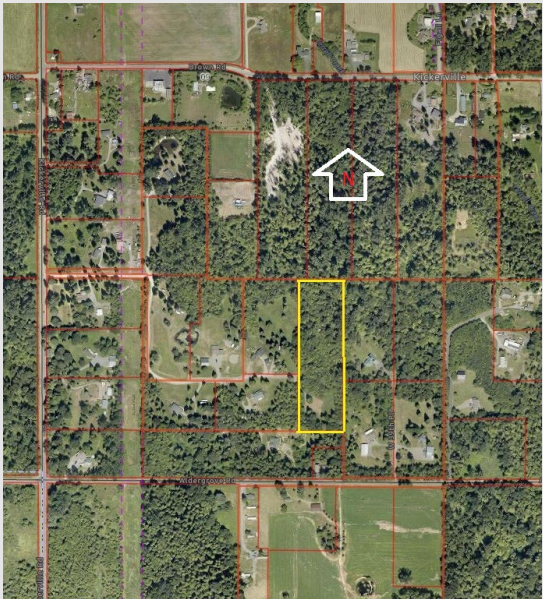


Appraisal Report

Whatcom County Disposition
3970 Kickerville Ln
Ferndale, Washington 98248



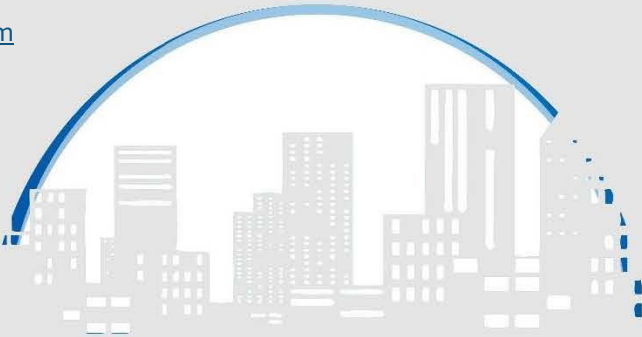
FOR

Whatcom County Public Works
Andrew Hester, SRWA
Real Estate Coordinator
322 N. Commercial St, Ste 301
Bellingham, WA 98225

ABS Valuation

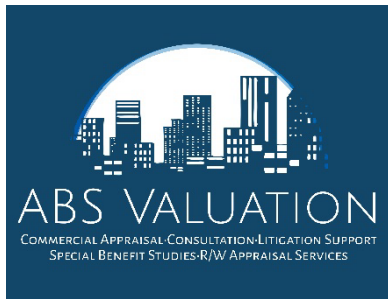
Jim E Dodge, Senior Associate Appraiser
2927 Colby Avenue, Suite 100
Everett, WA 98201
425-258-2611
jdodge@absvaluation.com
absvaluation.com

Date of Valuation: April 17, 2024
Date of Report: April 25, 2024
ABS Valuation Job # 24-0051



ABS VALUATION

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absvaluation.com

Appraisal Report

April 25, 2024

Whatcom County Public Works

Andrew Hester, SRWA
Real Estate Coordinator
322 N. Commercial St, Ste 301
Bellingham, WA 98225

RE: APPRAISAL OF 6.96 ACRES OF LAND FOR DISPOSITION BY WHATCOM COUNTY, LOCATED AT 3970 KICKERVILLE LANE, FERNDALE, WASHINGTON 98248 (Our File #24-0051).

Dear Mr. Hester:

In response to your request, I have completed an appraisal of the above referenced property. The purpose of this assignment is to provide an opinion of market value for disposition of herein defined property rights. The subject site is encumbered by a conservation easement intended to preserve, protect, maintain and limit use of an identified critical area and associated buffer. The intended user is the Whatcom County Public Works Department.

The subject larger parcel is a 6.96-acre tract consisting of Whatcom County Tax Parcel No: 390109-183088-0000. The property is unimproved with significant wetlands and buffers. A portion of the site near the southern boundary has been filled and consists of 0.80± acres. The site is located at the easterly terminus of Kickerville Lane, nearly 1,900 feet east of Kickerville Road and 350± feet north of Aldergrove Road. Surrounding development is primarily rural single family residential. Zoning is R5A, Rural District with a development density of one dwelling unit per five acre by Whatcom County.

This appraisal was prepared in conformance with the Uniform Standards of Professional Appraisal Practice (USPAP), Federal Regulations 49 CFR, Part 24 (The Uniform Act) and the Code of Professional Ethics of the Appraisal Institute. Complete descriptions of properties used for comparison are included in this report, as well as all of our analyses and conclusions. The value conclusions herein are given subject to the specific assumptions and limiting conditions stated in the Addenda of this report.



April 25, 2024
Mr. Andrew Hester
Whatcom County Public Works
Page 2

Based on my investigation and analysis of all relevant data, it is my opinion that the market value of the subject property as encumbered by the conservation easement, as of April 17, 2024, is:

**ONE HUNDRED TWENTY FIVE THOUSAND DOLLARS
(\$125,000)**

Sincerely,
ABS VALUATION

Jim E. Dodge, Senior Associate Appraiser



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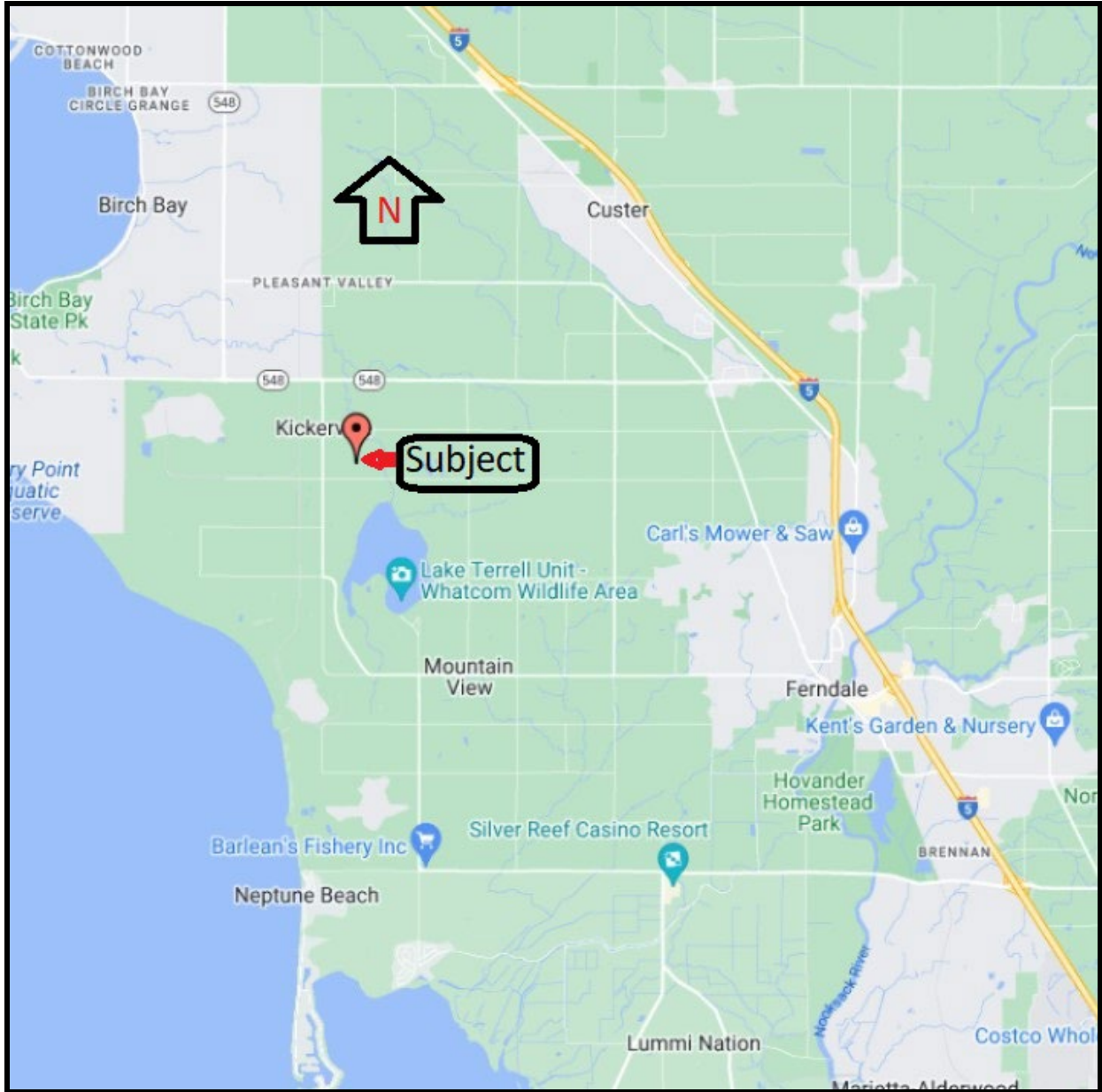


Executive Summary

Project:	Whatcom County disposition at 3970 Kickerville Ln.
Ostensible Owner:	Whatcom County.
Client:	Whatcom County Public Works Department.
Intended User:	The intended user of this report is the Whatcom County Public Works Department and their designees.
Location:	The subject property is situated at the easterly terminus of Kickerville Lane, 1,900± east of Kickerville Road with a mailing address of 3970 Kickerville Ln, Ferndale, WA 98248.
Site Size:	Based on Whatcom County records and provided exhibit, the subject property contains 6.96 acres. The tract is generally rectangular in shape with mostly level topography and near street grade. The site has identified wetlands nearly the entire tract with 0.80± acres that have been filled.
Improvements:	The property is unimproved.
Utilities:	The site has utility services of electricity and telephone available at the property boundaries. No water service or septic system are available.
Zoning:	The subject parcel is zoned R5A, Rural District with a development density of one dwelling unit per five acre by Whatcom County.
Highest & Best Use:	The subject property is located in unincorporated Whatcom County surrounded by rural residential development. Retail services are situated 5± miles southeast at Ferndale. The recreational area of Birch Bay is 3± miles to the northwest. As encumbered by the conservation easement, most probable highest and best use of the subject site as vacant is for recreational use.
Market Value	\$125,000
Date of Valuation:	April 17, 2024
Date of Report:	April 25, 2024
Appraiser:	Jim E. Dodge, Senior Associate Appraiser

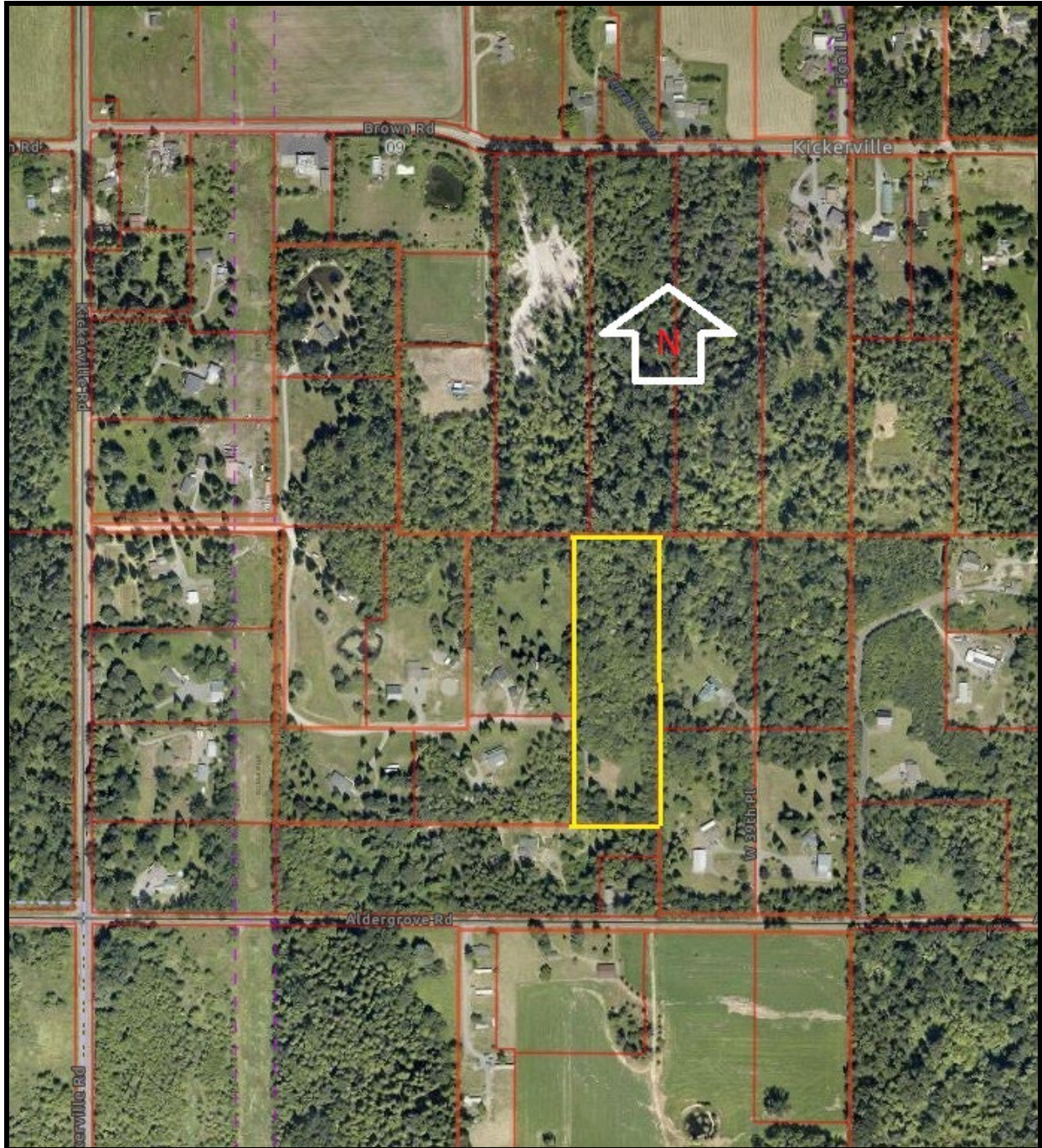


Vicinity Map





Aerial Photograph





Introduction

Identification of the Subject Property

The subject property is located in unincorporated Whatcom County, northeast of Ferndale. Mailing address is 3970 Kickerville Lane, Ferndale, WA. The property has no building improvements. The rectangular shaped tract contains 6.96 acres according to records of Whatcom County and provided exhibit map. Utility services of electricity and telephone are available at the property boundary. No water or sanitary sewer disposal service is available. Access is by 80± feet of frontage on the eastern terminus of Kickerville Ln. The tract is relatively level and near street grade.

Summary of Appraisal Problem

The purpose of the report is to provide an opinion of the fee simple market value of the subject property for potential disposition by Whatcom County. The property is zoned R5A, Rural District with a development density of one dwelling unit per five acre by Whatcom County Zoning Code.

Legal Description

No title report was provided. The subject property is legally described as Lot 4, as delineated on S.S. Development Short Plat as recorded on December 15, 2016 under A.F. No. 2016-1201983, being a portion of the Southeast quarter of the Southwest quarter of Section 9, Township 39 N, Range 1 E, W.M., Whatcom County, WA. Whatcom County Tax Parcel No. is 390109-183088-0000.

History and Ownership

The subject property was purchased by Statutory Warranty Deed dated January 22, 2019 and recorded under A.F. No. 2019-0102381. Purchase price was \$225,000 for use as mitigation. The subject property is not currently listed for sale.

Intended Use and Users

The intended use of this appraisal is to provide an opinion of market value for potential disposition of fee simple property rights as encumbered by the Conservation Easement by Whatcom County. Intended user of the report is the Whatcom County Public Works Department.

Date of Inspection/Valuation

The subject property was inspected by Jim Dodge on April 17, 2024. The effective date of this appraisal is April 17, 2024.



Purpose of the Appraisal

The purpose of this appraisal is to provide an opinion of the market value of the subject property for potential disposition of fee simple rights, as of April 17, 2024. Market value is defined as:¹

"the amount in cash, or on terms reasonably equivalent to cash, for which in all probability the property would have sold on the effective date of the appraisal, after a reasonable exposure time on the open competitive market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither acting under any compulsion to buy or sell, giving due consideration to all available economic uses of the property at the time of the appraisal."

Property Rights Appraised

This appraisal is of fee simple interest as encumbered by existing easements. Fee simple interest is defined as:²

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.

Scope of the Appraisal

This appraisal fulfills the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation, and the Code of Professional Ethics of the Appraisal Institute. The appraisal assignment included on-site inspection of the subject parcel; evaluation of local and regional economic conditions; analysis of market supply and demand; determination of highest and best use; and preparation of value estimates by the relevant approaches to value. The scope of this appraisal involves the Sales Comparison. The Income and Cost Approaches are not relevant in valuing land only.

In appraising the subject property, the appraiser did the following:

- Researched CoStar, CBA and NWMLS databases
- Researched ABS Valuation existing database
- Confirmed all sales with buyers, sellers, their agents, and/or public records
- Inspected all comparable sales
- Reviewed all documents as cited throughout this report

Competency Provision

Jim E. Dodge, Senior Associate Appraiser, has previously appraised similar property and has the training and experience needed to competently complete this assignment.

¹Uniform Appraisal Standards for Federal Land Acquisitions, Page 10, Section 1.2.4

² From *The Appraisal of Real Estate*, Fifteenth Edition, 2020, Appraisal Institute



Larger Parcel

In analyzing the subject property, the larger parcel must be considered. There is no adjoining land under similar ownership. The larger parcel is concluded to be the 6.96 acre site identified herein and located at 3970 Kickerville Ln, Ferndale, WA.

Extraordinary Assumptions/Hypothetical Conditions

Extraordinary assumption is defined as an assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraisers' opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. No extraordinary assumption is made.

Hypothetical condition is defined as a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results but is used to analysis. Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. No hypothetical conditions are made in this appraisal analysis.

Hazardous Waste

We have been provided no information regarding the presence or absence of hazardous waste on the subject property. This report assumes the absence of any and all hazardous waste on the subject property. If hazardous waste is found to be present on the subject property, we reserve the right to change the valuation contained in this report.

Access and Utility Easements

No title was provided. Review of available public records indicated no known access or utility easements which would adversely affect use or market value of the subject property.

Personal Property

There is no personal property included in our analysis.

Exposure and Marketing Periods

Exposure and marketing periods are the respective timeframes before and after the date of valuation that are necessary to sell the subject property at the appraised value. The two periods may differ depending upon a variety of factors, including changes in market conditions or property characteristics. The exposure and marketing periods are considered to be similar for the parent tract and concluded to be six to eighteen months.

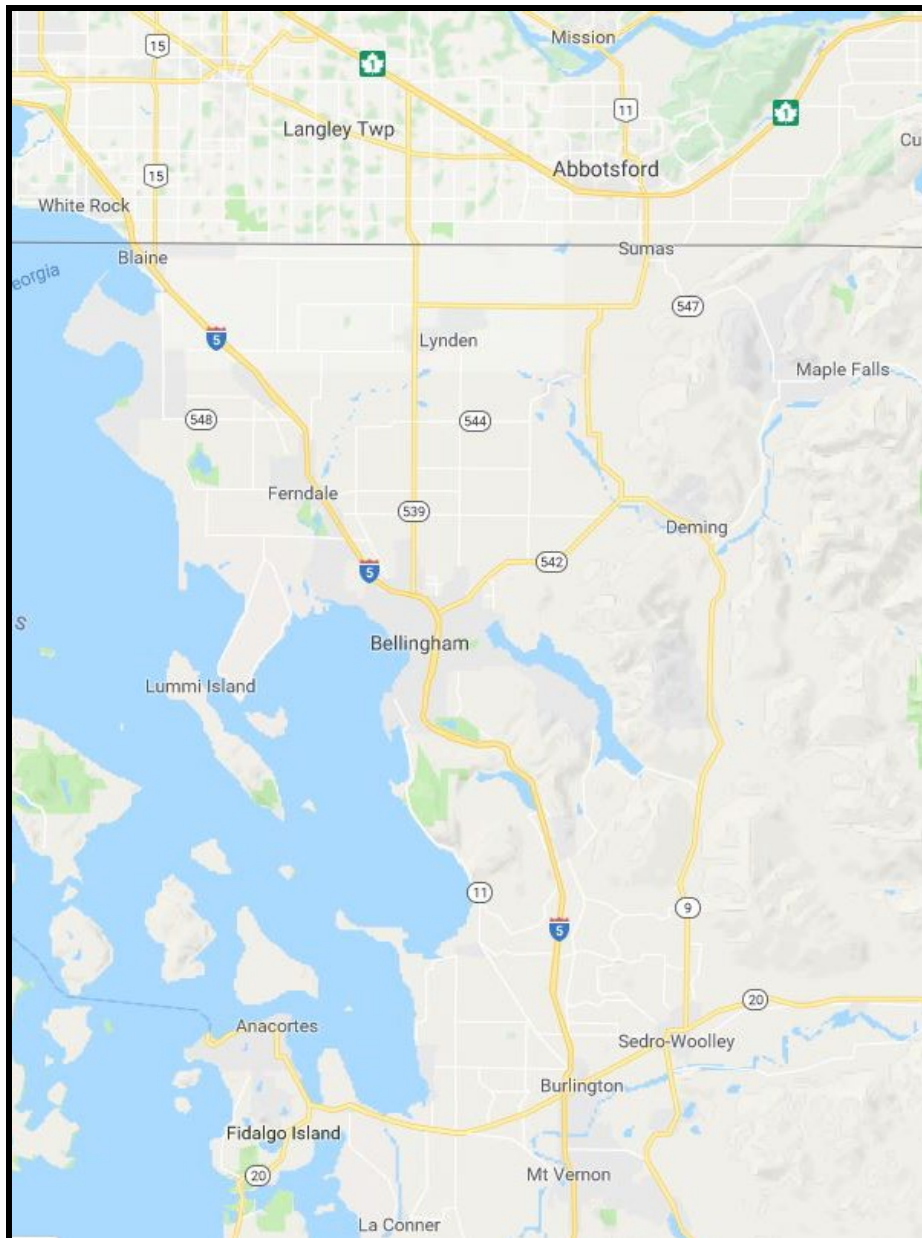
The global outbreak of a "novel coronavirus" (known as COVID-19) was officially declared a pandemic by the World Health Organization (WHO). It is currently unknown what direct, or indirect, effect, if any, this event may have on the national economy, the local economy, or the market in which the subject property is located. The reader is cautioned and reminded that the conclusions presented in this appraisal report apply only as of the effective date(s) indicated. The appraiser makes no representation as to the effect on the subject property of this event, or any event, subsequent to the effective date of the appraisal.



Area/Market/Neighborhood Descriptions

Boundaries

The larger market area is Whatcom County with the subject located northwest of the Bellingham urban growth area (UGA). A map of the western part of the county is below.





Whatcom County, Washington is the most northwesterly county in the continental United States. Total land mass is 2,120 square miles (or 3.2% of the state’s total) and the county ranks 12th in size among Washington counties. Whatcom County has a long, rectangular shape and is bounded by land on three sides and by water on the west. The county is bordered to the south and east by Skagit and Okanagan counties. The county’s northern boundary is the 49th parallel, which is the latitudinal line delineating the U.S.-Canadian border. The Strait of Georgia lies off the county’s northern shoreline, separating it from several Canadian islands, including Vancouver Island. Rosario Strait is off the county’s southern shoreline, separating it from the San Juan Island chain.

Bellingham is the county seat and principal city with a 2023 population of 95,960, according to the Washington State Office of Financial Management. It lies along Bellingham Bay and is 54 miles south of Vancouver, British Columbia. The latest available figure for total county population is 235,800. Lynden is the second largest city, with 16,520 residents, followed by Ferndale with 16,330. Almost 40% of residents live in unincorporated areas while most of the other inhabitants reside in Bellingham (it is 2.3 times larger than all the other Whatcom County cities combined). Below is a table summarizing recent population trends for the county as of April 2023.

Population Trends					
	2015	2020	2021	2022	2023
Bellingham	83,580	91,482	89,860	93,910	95,960
Blaine	4,905	5,884	6,020	6,130	6,310
Everson	2,580	2,888	2,935	3,060	3,135
Ferndale	12,920	15,048	15,570	15,970	16,330
Lynden	13,090	15,749	15,930	16,150	16,520
Nooksack	1,460	1,471	1,515	1,560	1,560
Sumas	1,467	1,665	1,740	1,740	1,810
Whatcom County	209,790	226,847	226,300	231,650	235,800

Source: Washington State Office of Financial Management, April 2023

Whatcom County’s economy has moved away from its traditional employment base. Agriculture and fishing, though still present, represent a substantially smaller component of the local economy than in the past. Although the forest products industry remains a major part, it pales in comparison with its historical presence. Government has replaced more traditional industries as one of the largest sources of jobs in Whatcom County, due in part to the combined presence of Western Washington University, Whatcom Community College and the U.S. Customs Service. Over the years, the addition of paper, chemicals, oil refining, aluminum and food processing firms have helped diversify a manufacturing sector once based almost solely on lumber and wood products. Moreover, small to moderate-scale light manufacturing (and wholesaling) are playing an increasing role. The labor force peaked in 2019 before falling with the economic slowdown brought on by the Covid pandemic.



Following is a summary of labor force trends through February 2024.

Labor Force and Unemployment, Whatcom County 2000-2024				
Year	Labor Force	Employment	Unemployment	Unemployment Rate
2000	89,278	84,315	4,963	5.6%
2001	88,946	83,157	5,789	6.5%
2002	91,593	85,391	6,202	6.8%
2003	94,923	88,508	6,415	6.8%
2004	98,874	92,875	5,999	6.1%
2005	102,219	96,752	5,467	5.3%
2006	102,982	97,940	5,042	4.9%
2007	106,266	101,372	4,894	4.6%
2008	108,714	103,030	5,684	5.2%
2009	105,491	97,189	8,302	7.9%
2010	102,393	93,649	8,744	8.5%
2011	101,951	93,752	8,199	8.0%
2012	102,699	95,019	7,680	7.5%
2013	102,061	94,685	7,376	7.2%
2014	101,193	94,766	6,427	6.4%
2015	104,248	98,250	5,998	5.8%
2016	107,459	101,284	6,175	5.7%
2017	110,387	104,964	5,423	4.9%
2018	112,356	107,020	5,336	4.7%
2019	116,676	110,715	5,961	5.1%
2020	117,014	106,272	10,742	9.2%
2021	113,698	106,810	6,888	6.1%
2022	117,063	111,599	5,464	4.7%
2023	116,172	111,058	5,114	4.4%
2024-YTD	114,685	109,382	5,303	4.6%

Source: WA State Employment Security Department, March 2024, seasonally adjusted

Resident civilian employment in the Bellingham Metropolitan Statistical Area (Whatcom County) has remained relatively stable over the past three years. In 2020 employment was down with a corresponding increase in the unemployment rate due to covid. Overall total employment and unemployment rates have improved since 2021.



Below is a summary of the county's largest employers.

WHATCOM COUNTY TOP EMPLOYERS: 2022

2022 Rank	2021 Rank	Business Name	2022 Headcount
1	1	St. Joseph Medical Center	3117*
2	3	Western Washington University	2490
3	2	Lummi Nation	1698
4	4	Bellingham Public Schools	1423*
5	6	City of Bellingham	1119
6	7	Whatcom County	918*
7	15	Whatcom Community College	832
8	-	Haggen	715
9	5	BP Cherry Point	700
10	10	LTI, Inc.	557*
11	20	Family Care Network	405
12	-	Whatcom Educational Credit Union (WECU)	402
13	13	Fred Meyer	398
14	11	Blaine School District	395
15	14	Peoples Bank	313
16	-	Alpha Technology Services	302
17	27	Whatcom Transportation Authority	291*
18	21	Anvil Corporation	280
19	-	Semiahmoo Resort, Golf and Spa	260
20	-	Trans-Ocean Products, Inc.	254
21	-	Harris Pacific Northwest, LLC	242
22	24	Walmart	237
23	-	Mills Electric	185
24	-	WinCo Foods	152
25	-	Mt. Baker Care Center	149
26	-	CHS Northwest	148
27	-	Hardware Sales Inc.	133

*Based on 2021 numbers

Source: WWU Center for Economic & Business Research



Pre-Covid, perhaps the largest source of income was from Canadian visitors since there are 2.4 million Canadians in the Greater Vancouver area, living within an hour's drive of the Washington State border. In prior years, the largest employment gains have come in the retail trade and service sectors, during periods of favorable U.S.-Canadian currency exchange rates. The exchange rate was close to parity in 2013 but the American dollar has strengthened since that time.

Canadians own and invest heavily in Whatcom County real estate, especially recreational-oriented properties. Recreational facilities in the county are widespread. Birch Bay features one of the best saltwater beaches in the state, drawing 25,000± visitors on summer weekends. Skiing is available at Mount Baker, and there are year-round saltwater and freshwater fishing opportunities. The Cascade mountain range offers vast expanses of wilderness for hiking and backcountry recreation.

Interstate Highway 5, a major north-south limited-access freeway which serves the entire west coast from the Canadian to the Mexican border, bisects the western portion of Whatcom County. Other major roadways include State Routes 9, 11, 539, 542, 544, 546, 547 and 548, as seen in the state highway map three pages previous. State Route 542, also known as the Mt. Baker Highway, is a state-designated scenic and recreational highway. The east-west highway carries the majority of recreational travelers into the mountainous areas of eastern Whatcom County.

The county has several major Interstate Highway 5 interchanges around which freeway service functions such as restaurants, service stations and motels have developed. Recreation and tourism have been steadily increasing; with visitors to the eastern third of the county growing at 4% to 5% per year since the mid-1960's. Two factors account for this upward trend; (1) the diversity of outdoor recreation opportunities and (2) location between federally owned recreation lands to the east and population centers near Puget Sound and on the lower British Columbia mainland to the south and west.

Due to rugged terrain to the east, most of the county's population is concentrated in the westerly 20% of the county. Bellingham, the county seat, is located about six miles north of the Skagit County line, roughly between Lake Whatcom and Bellingham Bay. Nearly all the county's population resides within twenty miles of Bellingham, which also serves as the trade center for the northerly portion of Skagit County and "cross border" residents of Canada. Of the total land area in the county, 70% is in public ownership. Approximately 20% of the privately-owned land is owned by Canadians. Ownership of recreational property in the eastern part of the county is nearly 70% Canadian.

Like many port cities, the downtown section of the City of Bellingham is adjacent to the waterfront with the central business district close by. Marine activities, seafood processing plants and most timber production industries are situated on Bellingham Bay, along with a large marina/commercial project at Squalicum Harbor. In 1989, the Alaska Marine Highway terminal opened on the south side of Bellingham Bay. Six large cruise ships run scheduled routes to numerous Alaska destinations. There are also "sea links" with B.C. ferries (Port Hardy to Prince Rupert) and B. C. Stena Lines (Seattle to Victoria). South of the ferry terminal, outdoor recreational pursuits are available in Larrabee State Park, on Chuckanut Bay and along Chuckanut Drive, which leads south to Skagit County. There is residential and recreational development around Lake Whatcom, a 5,000±-acre lake just east of the city.



Historically, the economic foundation of Whatcom County centered around lumber products, agriculture and marine activities such as shipping, fishing and seafood processing. Whatcom County is the largest dairy county in the Pacific Northwest and grows significant crops of raspberries, blueberries and other produce. The forest products category includes timber harvesting and production of lumber, pulp and paper, as well as plywood and wood by-products. Marine activities around the deep water port in Bellingham include fishing and seafood processing.

Bellingham International Airport is located at the north end of Bellingham. It is a U.S. airport of entry as well as a regional airport serving Northwest counties, offering regular commuter flights for both passengers and freight to several western U.S. locations, including Hawaii. Service is provided by Alaska/Horizon Airlines, Allegiant Airlines and San Juan Airlines. The county is also serviced by the BNSF Railway, Amtrak passenger train service, Interstate Highway 5, a deep water port, various bus lines and other transportation facilities.

Located 50± miles south of Vancouver B.C. and 90 miles north of Seattle, the Port of Bellingham's North Terminal is a year-round facility with two deep water berths. BNSF Railway is connected to the North Terminal by spur lines. The facility is equipped with a rail barge transfer span and several types of equipment, capable of handling logs, lumber, pallets, containers and other products. It is an international ocean shipping terminal for bulk export cargoes which consist of unitized wood pulp and aluminum, liquid chemicals, bagged commodities, powdered milk, sulfur and fertilizers. The facility also imports bulk salt for the chemical industry.

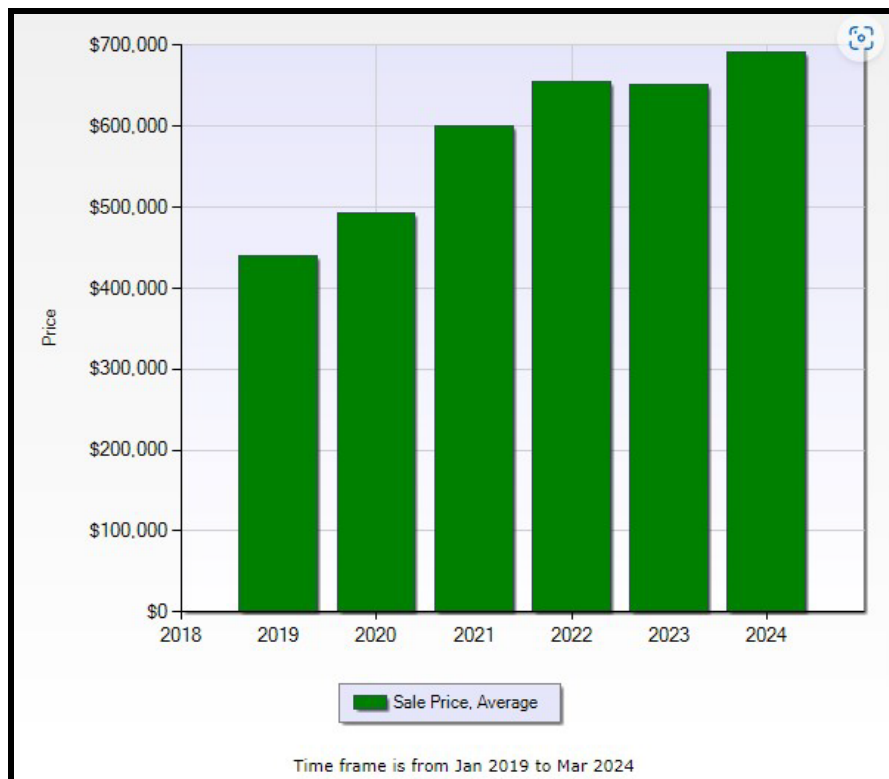
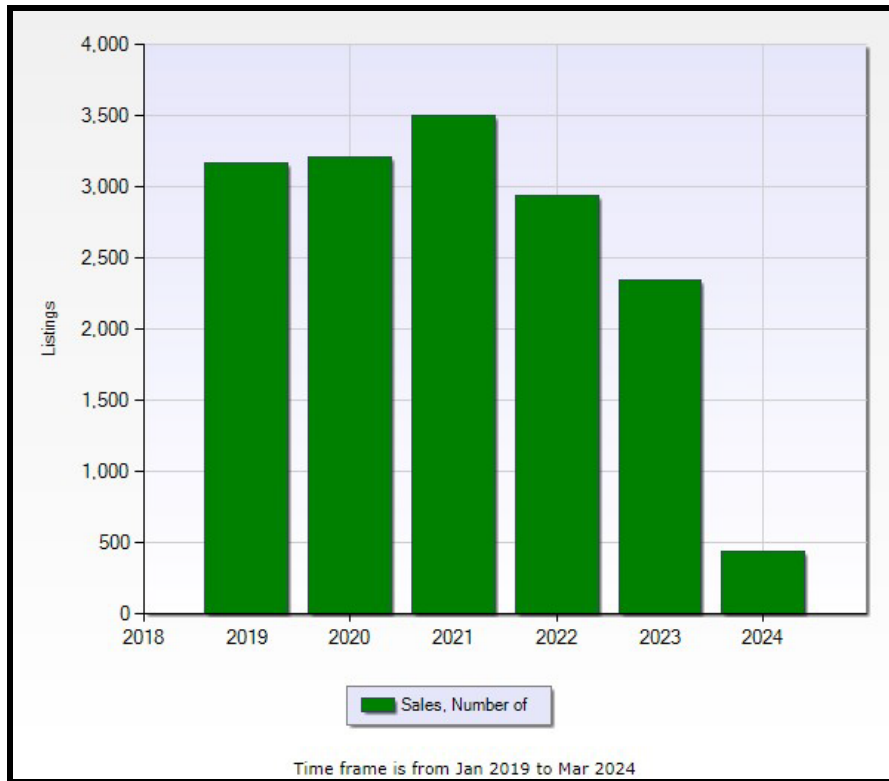
The area's largest retail development, 770,000 SF Bellis Fair Mall which opened in August 1988. Anchor tenants are Macy's, Sports Authority (formerly occupied by Sears), J.C. Penney, Kohl's and Target. The mall also has 133 specialty shops and 13 restaurants. Nearby is a master-planned development called Cordata, built by Trillium Corporation. It includes a Whatcom Community College campus, residential condominiums and light industrial and office park uses. The latest large-scale real estate developments include International Marketplace in Blaine and Gateway Factory Outlet Center at Interstate Highway 5 and Birch Bay-Lynden Road. Although not a single employer, Bellis Fair Mall employment (1,500±) is a compilation of anchor tenants and specialty shops.

Due to its location and the significant percentage of Canadian-generated revenue (20% to 30%), Whatcom County's wholesale and retail trade and service industries are affected by the health of the Canadian economy and the exchange rate between U.S. and Canadian dollars. Whatcom County's economy is also affected by changes in the population of British Columbia.

Following is a summary of Whatcom County residential sales volume over the last five years, indicating a downward trend in residential sales volume since 2021. Followed by a chart which shows an increase in average sales price for single family residences.



WHATCOM COUNTY DISPOSITION AREA/MARKET/NEIGHBORHOOD DESCRIPTIONS





WHATCOM COUNTY DISPOSITION AREA/MARKET/NEIGHBORHOOD DESCRIPTIONS

Whatcom County's deep water port, availability of industrial land and Bellingham Airport have continued to attract industrial businesses. The county's key geographic position as the first Washington metropolitan area south of the Canadian border has resulted in substantial economic impacts in the form of tourism, retail sales and real estate investment. However, because of dependence on Canadian visitors and changes in the U.S.-Canadian exchange rate, the economy is subject to relatively sudden fluctuations. To encourage stability, Whatcom County and the City of Bellingham are focusing on attracting industries such as manufacturing which are less affected by these fluctuations. Overall, as with the rest of the Puget Sound economy, growth of Whatcom County is expected to continue.



Site Data

Description of the Subject Property

Site

The subject larger parcel, as previously discussed, consists of 6.96 acres of land. The tract is located at the easterly terminus of Kickerville Lane, nearly 1,900 feet east of Kickerville Road and 350± feet north of Aldergrove Road. Mailing address is 3970 Kickerville Ln, Ferndale, WA 98248. The subject site is rectangular in shape.

Topography

The property is mostly level and near street grade.

Access

The subject property has 80± lineal feet of frontage on Kickerville Ln, a private two lane graveled street.

Sensitive Areas

The subject property is designated a Zone X, area of minimal flood hazard by Federal Emergency Management Agency (FEMA) Map Number 53073C 0675 E, effective date January 18, 2019. Wetland information provided by the client indicates the site has significant wetlands with 0.80± acres of fill.

Utilities

The site has electrical and telephone service available at the property boundary. No water or sewage disposal systems are available.

Zoning

The subject property is zoned R5A, Rural District with a development density of one dwelling unit per five acres by the Whatcom County Zoning Code. The purpose of the Rural District is to maintain the low density rural residential character of the areas designated as rural and rural neighborhood on the Comprehensive Plan map. In addition, it is the intent of this district to allow a variety of low intensity uses that are compatible and complementary with the conservation of agricultural, forestry and related uses. Permitted uses primarily are for single family detached dwellings, agricultural and recreational with conditions. Development standards for the R5A zoning designation are summarized below.

Standard	R5A
Density	1 du/5 acres
Minor/Local access streets	20/25 feet
Setback rear	5 feet
Setback side	5 feet
Maximum lot coverage	20%
Maximum building height	35 feet



Easements and Encumbrances

No title report was provided. Review of available public records revealed no unusual easements or encumbrances that would adversely affect market value of the subject larger parcel.

Assessed Value and Real Estate Taxes

The subject property is owned by Whatcom County and therefore not subject to ad valorem taxation.

Site Improvements

None.

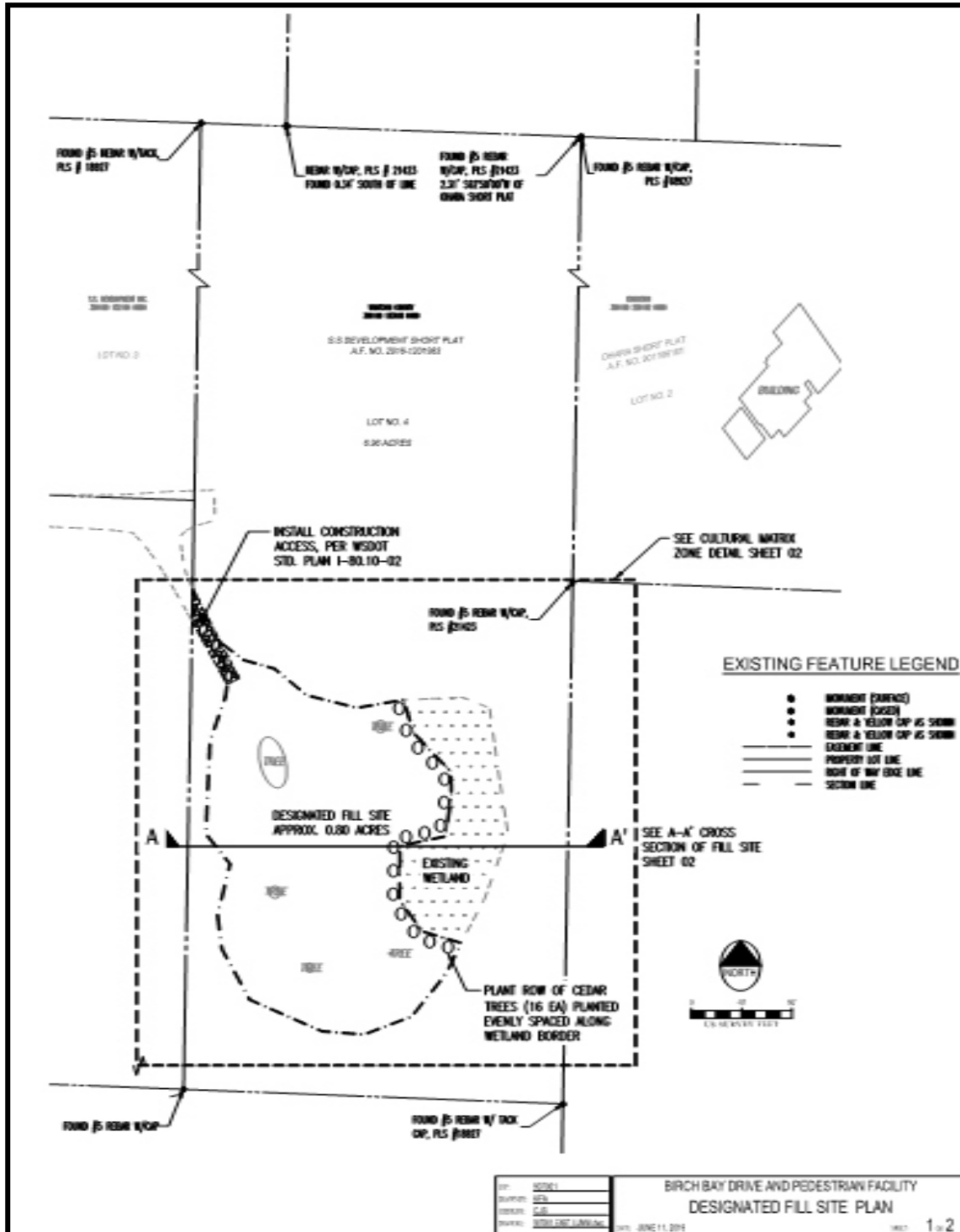
Building Improvements

None.

PLAT MAP



EXHIBIT MAP



Subject Property Photographs



1. Easterly view from Kickerville Ln.



2. Looking west toward Kickerville Ln from subject site.

Subject Property Photographs



3. Southeasterly view of access road.



4. Looking northwesterly from fill area along access road.



Highest and Best Use

Highest and best use is defined as: ¹

The highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future

A determination of highest and best use is guided by the following parameters: 1) physically possible; 2) legally permissible; 3) financially feasible; and 4) must result in the highest value.

Physically possible uses require an analysis of both the improvements (existing or proposed), as well as the underlying land. Size, topography, shape, access, soil conditions, wetlands, and utilities are all factors that can affect the development potential of a given site. With regard to the improvements, obviously, it must be physically possible to construct a building before it can be considered the highest and best use.

Legally permitted uses are those which fall within current zoning laws and are permitted by all agencies having jurisdiction. These may include federal, state, and local laws; zoning; easements and deed restrictions; as well as the possibility for reasonable zoning changes and variances.

The *financially feasible* category analyzes those uses that are physically possible, legally permitted, and which provide an adequate investor return. For income properties, this return is measured monetarily, while non-income-producing properties provide a somewhat less tangible measure of return. Risk is a primary determinant in the assessment of adequate return.

Finally, the uses satisfying all of the above criteria can be analyzed. The one use providing the highest return is considered maximally productive, and thus, the highest and best use.

As Vacant

Physically Possible. The 6.96-acre subject parcel is rectangular in shape with mostly level topography and near street grade. Access is adequate with 80± LF of frontage on the eastern terminus of Kickerville Ln. Utility services of electricity and telephone are available at the property boundary. No water or sewage service is available and requires on-site development. Wetland information provided by the client indicates the site has significant wetlands with 0.80± acres of fill.

Legally Permissible. The site is zoned R5A, Rural District with a development density of one dwelling unit per five acres by the Whatcom County Zoning Code. The zone is primarily for detached single family and agricultural development. The site is encumbered by a conservation easement with the intent to preserve, protect, maintain and limit use of an identified critical area and its associated buffer for the purpose of protecting the ecological functions and values provided by said critical area. Use restrictions under the conservation easement include construction of any buildings or structures, grazing, excavation, extraction or utility construction.

¹ From *The Uniform Appraisal Standards for Federal Land Acquisitions*, 2016



Financially Feasible/Maximally Productive. The maximally productive use is that use producing the highest residual land value. Physical and legally allowed uses are limited to maintaining the wetlands/critical area. A limited recreational use that does not disturb the site is possible. Surrounding development is primarily single family residences. The site has adequate access. Based on physical and legal restrictions affecting the site, the maximally productive use of the subject site is concluded to be for recreational as a natural habitat.

As Improved

The subject parcel is unimproved.



Property Valuation

Valuation-Before Acquisition

The scope of the assignment is to estimate the market value of the subject property for potential disposition as encumbered.

Approaches Used in the Valuation Process – The valuation is obtained by the proper use of three different approaches to the value conclusion: the Cost Approach, the Income Approach, and the Sales Comparison Approach. These three approaches are different in character but, related somewhat in the known facts they require to arrive at an opinion of value from each. The final conclusion of value is derived through a correlation process in which the appraiser weighs one approach against the other to determine the relative merits of each before coming to a conclusion.

The Cost Approach to Value is the process of first determining the value of the subject land, to which is added the replacement cost new of the structure, less depreciation and the cost of land improvements. The sum of the costs is the indication of value by the Cost Approach. The subject has no building improvements; therefore, the Cost Approach is not used.

The Income Approach to Value involves the estimation of a gross economic rental, which is then processed by subtracting an estimated vacancy and credit loss and operating expenses to obtain an estimated net operating income. The net operating income is then capitalized into a value conclusion by the appropriate capitalization rate derived from the market. Vacant land is not typically purchased for its ability to generate an income stream. Therefore, the Income Approach is not relevant and not utilized.

The Sales Comparison Approach to Value is a comparative technique which utilizes sales of comparable properties and analyzes them to determine an applicable sale price per unit to apply to the subject land. In this case, the subject will be analyzed on a price per acre of land area.

Final Correlation and Conclusion of Value the various indications of value from the approaches are analyzed as to how they relate to one another, as well as to the market. The approach or approaches most appropriate are given the most consideration in arriving at a final opinion of value.



Property is typically purchased on a per unit basis. Comparison is on a per acre basis. Comparable sales are adjusted for variation in market conditions, location, size, useable area, zoning, topography and utilities. Based on the concluded highest and best use, we have analyzed a series of sales that reflect the market for the subject property. All sales considered comparable to the subject were utilized.

Comparable Land Sales Tabulation						
Sale No.	Location	Sale Date	Sale Price	Zone	Land Area-Ac	Price per Ac
Subj	3970 Kickerville Ln, Ferndale	1/22/19	\$225,000	R5A	6.96	\$32,328
1	Terminus of Sunburst Dr, Blaine	5/28/21	\$95,000	URM6	6.00	\$15,833
2	8363 Harborview Rd, Blaine	1/6/23	\$135,000	UR4	8.82	\$15,306
3	7958 Kickerville Rd, Blaine	5/12/21	\$48,900	R10A	9.91	\$4,934
4	4041 Kickerville Ln, Ferndale	9/15/21	\$240,000	R5A	5.51	\$43,557
5	South side Birch Bay Lynden Rd, Custer	5/31/23	\$82,000	R10A	4.78	\$17,155

The following discussion of sales relates to the comparables presented in the above chart. The subject purchase was prior to the conservation easement and over five years old and not considered relevant in this analysis.

Comparable 1 is the May 2021 sale of a level 6.0 acre residential site located at the terminus of Sunburst Dr in Birch Bay area. Contains wetlands with required critical areas assessment and mitigation for building reflected in sale price.

Comparable 2 is the January 2023 sale of an 8.82 acre irregular shaped site north of Birch Bay. Wetlands delineation complete at time of sale with adequate area to develop a small home.

Comparable 3 is the May 2021 sale of 9.91 acres. Level rectangular shaped site along east side of Kickerville Rd, south of Birch Bay Lynden Rd. Site is not buildable due to high water table throughout tract (12 inches below surface). Currently a recreational vehicle is located on the tract.

Comparable 4 is the September 2021 sale of 5.51 acres. This is a building ready site near the subject property. Electrical and shared well are available on the property together with an approved four-bedroom septic design. Wetlands delineation is complete and impacts approximately one third of the site.



Comparable 5 is the May 2023 sale of 4.78 acres. The rectangular shaped tract is located along Birch Bay Lynden Rd, 340± feet west of Ham Rd. A wetland reconnaissance indicates with existing wetlands and buffers, development is restricted to a maximum 4,000 SF of improvements (including residence and outbuildings).

Discussion of Adjustments

Unadjusted sale prices range from \$5,000/Ac to \$17,000/Ac. In comparison to the subject, the sales have been adjusted for differences in market conditions, location, and a variety of physical characteristics. Certain adjustments will be discussed in additional detail in this section. The first category of adjustments includes market conditions (time), financing, and issues relating to the interests purchased. The subsequent category of adjustments reflects the physical features and locational differences.

Rights Conveyed relates to the actual interests transferred. All of the comparable sales include fee simple rights and no adjustments are necessary.

Conditions of Sale reflect adjustments for sales, which occurred under unusual and specific conditions. This category is different than the adjustment for time, which will be dealt with subsequently. No adjustment is made for conditions of sale.

Financing adjustments are necessary for sales that were financed with atypical terms. This includes seller financing with non-market interest rates or abnormal down payment levels; the theory being that a comparable figure for use in appraisal analysis should reflect a cash equivalent price, or a price that is in line with existing market terms at the time of sale. No adjustments are necessary.

In terms of adjustment support for time (market conditions), we have reviewed the market and found that paired sales activity is limited. Research of single family sales in the NWMLS market areas of 870 and 880, which includes the subject area, was completed. The average and median sales price over the past three years yields a monthly increase ranging between 0.63% and 0.82%. A conservative estimate for a date of sale adjustment is concluded at 0.65% per month or 7.8% annually. All the sales are adjusted upward for inferior market time.

Physical characteristics, including differences in the location, size, intensity of use, and zoning or land use issues, are now discussed. Market data is not adequate to support quantitative adjustments; therefore, qualitative adjustments are necessary and reflected in the chart as follows:

Location:

Factors in the location equation include the subject's regional access and proximity to major employment centers and commercial services. The subject property is situated in unincorporated Whatcom County northwest of Ferndale. All of the comparable sales are located nearby and considered similar for location with no adjustment considered necessary.

Size:

The size adjustment is based on subject land area of 6.96 acres. Typically, if all other factors are similar, a larger site will sell for less on a per square foot basis. The sales are considered relatively similar in size with no adjustment necessary.



Site Quality:

This adjustment considers the topography, shape and sensitive area impact, which combine to affect the overall site utility. The subject site is rectangular in shape and level with significant wetlands. All the comparable sales contain some portion of wetlands. No adjustment is made.

Amenities:

This adjustment is made for any perceived amenities, including views, waterfrontage, privacy, and atmosphere of the neighborhood. This also considers nuisances to the property (traffic noise, powerlines, etc.) that can negatively affect value. This can be a very subjective adjustment and is based on the appraiser's opinion of the amenity quality. The comparable sales are rated similar with no adjustment made.

Zoning/Entitlements:

This adjustment reflects the differences in zoning and entitlements, as properties with higher density or more intense allowable uses typically sell for higher values. Sales 1 and 2 have superior zoning and rated superior. The remaining sales are considered similar.

Access/utilities:

This adjustment considers visibility, quality of road access, utilities and general infrastructure available at a property. Sales 1, 2 and 4 have some combination of water and sewer/septic service available. The remaining sales are considered similar to the subject for available utilities and access.

Following is a grid summarizing adjustment of the sales as compared to the subject property.

Comparable Land Sales Adjustment Summary						
Sale No.	Subj	1	2	3	4	5
Sale Date	01/19	05/21	01/23	05/21	09/21	05/23
Sale Price	\$225,000	\$95,000	\$135,000	\$48,900	\$240,000	\$82,000
Price per Ac	32,328	15,833	15,306	4,934	43,557	17,155
	fee	fee	fee	fee	fee	fee
Property rights	simple	simple	simple	simple	simple	simple
Financing terms	NA	similar	similar	similar	similar	similar
Sale conditions	NA	similar	similar	similar	similar	similar
Market conditions-mos.	NA	34	15	35	31	10
Adjustment	<u>NA</u>	<u>\$3,499</u>	<u>\$1,492</u>	<u>\$1,123</u>	<u>\$8,777</u>	<u>\$1,115</u>
Adjusted sale price	NA	\$19,333	\$16,798	\$6,057	\$52,334	\$18,270
Location	Avg	similar	similar	similar	similar	similar
Site size	6.96	similar	similar	similar	similar	similar
Site quality	Avg	similar	similar	similar	similar	similar
Amenities	Avg	similar	similar	similar	similar	similar
Zoning/entitlements	R5A	superior	superior	similar	similar	similar
Access/utilities	Avg	superior	superior	similar	superior	similar
Overall Adjustment		superior	superior	similar	superior	similar



Conclusion of Market Value

The comparable sales adequately bracket a market value range for subject property. After a quantitative adjustment for date of sale the adjusted value range is \$6,000/Ac to \$52,000/Ac. Qualitative adjustments resulted in Sales 1, 2 and 4 rated as superior. Sales 3 and 5 are rated similar and best reflect the subject site with no or limited utility for development. The most probable market value range is \$6,000/Ac to \$18,000/Ac. Placing emphasis on Sale 5 as the most recent transaction a value near the upper end of the range is most likely. Most probable market value of the subject land area as encumbered by the conservation easement is concluded to be \$18,000/Ac.

Market value of the subject land area is summarized below.

6.96 acres @ \$18,000/Ac

(R) \$125,000



Assumptions and Limiting Conditions

This appraisal is subject to the following limiting conditions:

1. The legal description – if furnished to us – is assumed to be correct.
2. No responsibility is assumed for legal matters, questions of survey or title, soil or subsoil conditions, engineering, availability or capacity of utilities, or other similar technical matters. The appraisal does not constitute a survey of the property appraised. All existing liens and encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management unless otherwise noted.
3. Unless otherwise noted, the appraisal will value the property as though free of contamination. ABS Valuation will conduct no hazardous materials or contamination inspection of any kind. It is recommended that the client hire an expert if the presence of hazardous materials or contamination poses any concern.
4. The stamps and/or consideration placed on deeds used to indicate sales are in correct relationship to the actual dollar amount of the transaction.
5. Unless otherwise noted, it is assumed there are no encroachments, zoning violations or restrictions existing in the subject property.
6. The appraiser is not required to give testimony or attendance in court by reason of this appraisal unless previous arrangements have been made.
7. Unless expressly specified in the engagement letter, the fee for this appraisal does not include the attendance or giving of testimony by Appraiser at any court, regulatory, or other proceedings, or any conferences or other work in preparation for such proceeding. If any partner or employee of ABS Valuation is asked or required to appear and/or testify at any deposition, trial, or other proceeding about the preparation, conclusions or any other aspect of this assignment, client shall compensate Appraiser for the time spent by the partner or employee in appearing and/or testifying and in preparing to testify according to the Appraiser's then current hourly rate plus reimbursement of expenses.
8. The values for land and/or improvements, as contained in this report, are constituent parts of the total value reported and neither is (or are) to be used in making a summation appraisal of a combination of values created by another appraiser. Either is invalidated if so used.
9. The dates of value to which the opinions expressed in this report apply are set forth in this report. We assume no responsibility for economic or physical factors occurring at some point at a later date, which may affect the opinions stated herein. The forecasts, projections, or operating estimates contained herein are based on current market conditions and anticipated short-term supply and demand factors and are subject to change with future conditions.



10. The sketches, maps, plats and exhibits in this report are included to assist the reader in visualizing the property. The appraiser has made no survey of the property and assumed no responsibility in connection with such matters.
11. The information estimates and opinions, which were obtained from sources outside of this office, are considered reliable. However, no liability for them can be assumed by the appraiser.
12. Possession of this report, or a copy thereof, does not carry with it the right of publication. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to property value, the identity of the appraisers, professional designations, reference to any professional appraisal organization or the firm with which the appraisers are connected), shall be disseminated to the public through advertising, public relations, news, sales, or other media without prior written consent and approval.
13. No claim is intended to be expressed for matters of expertise that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers. We claim no expertise in areas such as, but not limited to, legal, survey, structural, environmental, pest control, mechanical, etc.
14. This appraisal was prepared for the sole and exclusive use of the client for the function outlined herein. Any party who is not the client or intended user identified in the appraisal or engagement letter is not entitled to rely upon the contents of the appraisal without express written consent of ABS Valuation and Client. The Client shall not include partners, affiliates, or relatives of the party addressed herein. The appraiser assumes no obligation, liability or accountability to any third party.
15. Distribution of this report is at the sole discretion of the client, but third-parties not listed as an intended user on the face of the appraisal or the engagement letter may not rely upon the contents of the appraisal. In no event shall client give a third-party a partial copy of the appraisal report. We will make no distribution of the report without the specific direction of the client.
16. This appraisal shall be used only for the function outlined herein, unless expressly authorized by ABS Valuation.
17. This appraisal shall be considered in its entirety. No part thereof shall be used separately or out of context.
18. Unless otherwise noted in the body of this report, this appraisal assumes that the subject property does not fall within the areas where mandatory flood insurance is effective. Unless otherwise noted, we have not completed, nor have we contracted to have completed an investigation to identify and/or quantify the presence of non-tidal wetland conditions on the subject property. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
19. The flood maps are not site specific. We are not qualified to confirm the location of the subject property in relation to flood hazard areas based on the FEMA Flood Insurance Rate Maps or other surveying techniques. It is recommended that the



client obtain a confirmation of the subject's flood zone classification from a licensed surveyor.

20. If the appraisal is for mortgage loan purposes 1) we assume satisfactory completion of improvements if construction is not complete, 2) no consideration has been given for rent loss during rent-up unless noted in the body of this report, and 3) occupancy at levels consistent with our "Income and Expense Projection" are anticipated.
21. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.
22. Our inspection included an observation of the land and improvements thereon only. It was not possible to observe conditions beneath the soil or hidden structural components within the improvements. We inspected the buildings involved, and reported damage (if any) by termites, dry rot, wet rot, or other infestations as a matter of information, and no guarantee of the amount or degree of damage (if any) is implied. Condition of heating, cooling, ventilation, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. Should the client have concerns in these areas, it is the client's responsibility to order the appropriate inspections. The appraiser does not have the skill or expertise to make such inspections and assumes no responsibility for these items.
23. This appraisal does not guarantee compliance with building code and life safety code requirements of the local jurisdiction. It is assumed that all required licenses, consents, certificates of occupancy or other legislative or administrative authority from any local, state or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value conclusion contained in this report is based unless specifically stated to the contrary.
24. When possible, we have relied upon building measurements provided by the client, owner, or associated agents of these parties. In the absence of a detailed rent roll, reliable public records, or "as-built" plans provided to us, we have relied upon our own measurements of the subject improvements. We follow typical appraisal industry methods; however, we recognize that some factors may limit our ability to obtain accurate measurements including, but not limited to, property access on the day of inspection, basements, fenced/gated areas, grade elevations, greenery/shrubbery, uneven surfaces, multiple story structures, obtuse or acute wall angles, immobile obstructions, etc. Professional building area measurements of the quality, level of detail, or accuracy of professional measurement services are beyond the scope of this appraisal assignment.
25. We have attempted to reconcile sources of data discovered or provided during the appraisal process, including assessment department data. Ultimately, the measurements that are deemed by us to be the most accurate and/or reliable are used within this report. While the measurements and any accompanying sketches are considered to be reasonably accurate and reliable, we cannot guarantee their accuracy. Should the client desire a greater level of measuring detail, they are urged to retain the measurement services of a qualified professional (space planner, architect or building engineer). We reserve the right to use an alternative source of



building size and amend the analysis, narrative and concluded values (at additional cost) should this alternative measurement source reflect or reveal substantial differences with the measurements used within the report.

26. In the absence of being provided with a detailed land survey, we have used assessment department data to ascertain the physical dimensions and acreage of the property. Should a survey prove this information to be inaccurate, we reserve the right to amend this appraisal (at additional cost) if substantial differences are discovered.
27. If only preliminary plans and specifications were available for use in the preparation of this appraisal, then this appraisal is subject to a review of the final plans and specifications when available (at additional cost) and we reserve the right to amend this appraisal if substantial differences are discovered.
28. Unless otherwise stated in this report, the value conclusion is predicated on the assumption that the property is free of contamination, environmental impairment or hazardous materials. Unless otherwise stated, the existence of hazardous material was not observed by the appraiser and the appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, 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. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required for discovery. The client is urged to retain an expert in this field, if desired.
29. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey of the property to determine if it is in conformity with the various requirements of the ADA. It is possible that a compliance survey of the property, together with an analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this could have a negative effect on the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible noncompliance with the requirements of ADA in developing an opinion of value.
30. This appraisal applies to the land and building improvements only. The value of trade fixtures, furnishings, and other equipment, or subsurface rights (minerals, gas, and oil) were not considered in this appraisal unless specifically stated to the contrary.
31. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated, unless specifically stated to the contrary.
32. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute prediction of future operating results. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance.



33. Any estimate of insurable value, if included within the scope of work and presented herein, is based upon figures developed consistent with industry practices. However, actual local and regional construction costs may vary significantly from our estimate and individual insurance policies and underwriters have varied specifications, exclusions, and non-insurable items. As such, we strongly recommend that the Client obtain estimates from professionals experienced in establishing insurance coverage. This analysis should not be relied upon to determine insurance coverage and we make no warranties regarding the accuracy of this estimate.
34. The data gathered in the course of this assignment (except data furnished by the Client) shall remain the property of the Appraiser. The appraiser will not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential information furnished to the appraiser. Notwithstanding the foregoing, the Appraiser is authorized by the client to disclose all or any portion of the appraisal and related appraisal data to appropriate representatives of the Appraisal Institute if such disclosure is required to enable the appraiser to comply with the Bylaws and Regulations of such Institute now or hereafter in effect.
35. You and ABS Valuation both agree that any dispute over matters in excess of \$5,000 will be submitted for resolution by arbitration. This includes fee disputes and any claim of malpractice. The arbitrator shall be mutually selected. If ABS Valuation and the client cannot agree on the arbitrator, the presiding head of the Local County Mediation & Arbitration panel shall select the arbitrator. Such arbitration shall be binding and final. In agreeing to arbitration, we both acknowledge that, by agreeing to binding arbitration, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury. In the event that the client, or any other party, makes a claim against ABS Valuation or any of its employees in connections with or in any way relating to this assignment, the maximum damages recoverable by such claimant shall be the amount actually received by ABS Valuation for this assignment, and under no circumstances shall any claim for consequential damages be made.
36. ABS Valuation shall have no obligation, liability, or accountability to any third party. Any party who is not the "client" or intended user identified on the face of the appraisal or in the engagement letter is not entitled to rely upon the contents of the appraisal without the express written consent of ABS Valuation. "Client" shall not include partners, affiliates, or relatives of the party named in the engagement letter. Client shall hold ABS Valuation and its employees harmless in the event of any lawsuit brought by any third party, lender, partner, or part-owner in any form of ownership or any other party as a result of this assignment. The client also agrees that in case of lawsuit arising from or in any way involving these appraisal services, client will hold ABS Valuation harmless from and against any liability, loss, cost, or expense incurred or suffered by ABS Valuation in such action, regardless of its outcome.
37. Acceptance and/or use of this appraisal report constitutes acceptance of the foregoing general assumptions and limiting conditions.



Certification

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

- the statements of fact contained in this report and upon which the opinions herein are based 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 interest, either present or prospective 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 subject property, or to the parties involved.
- My engagement in this assignment was in no way contingent upon developing or reporting predetermined results, nor was it based on a requested minimum valuation, a specific value, or the approval of a loan
- 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 in conformity with requirements of the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation.
- I have not performed valuation, consulting or any other services on the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have made a personal inspection of the subject property, and the owner or owner's representative was given the opportunity to accompany the appraiser on the property inspection
- No one provided significant real property appraisal assistance to the person signing this certification, with the exception of the person(s) shown on additional certification(s), if enclosed.
- This report was prepared in compliance with the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute
- Use of this report is subject to the Appraisal Institute's right to review the appraisal report
- As of the date of this report, I have completed the continuing education program of the Appraisal Institute for Practicing Affiliates
- In my opinion, the market value of the subject property as encumbered by a conservation easement is:

ONE HUNDRED TWENTY FIVE THOUSAND DOLLARS
(\$125,000)

Date of Value: April 17, 2024

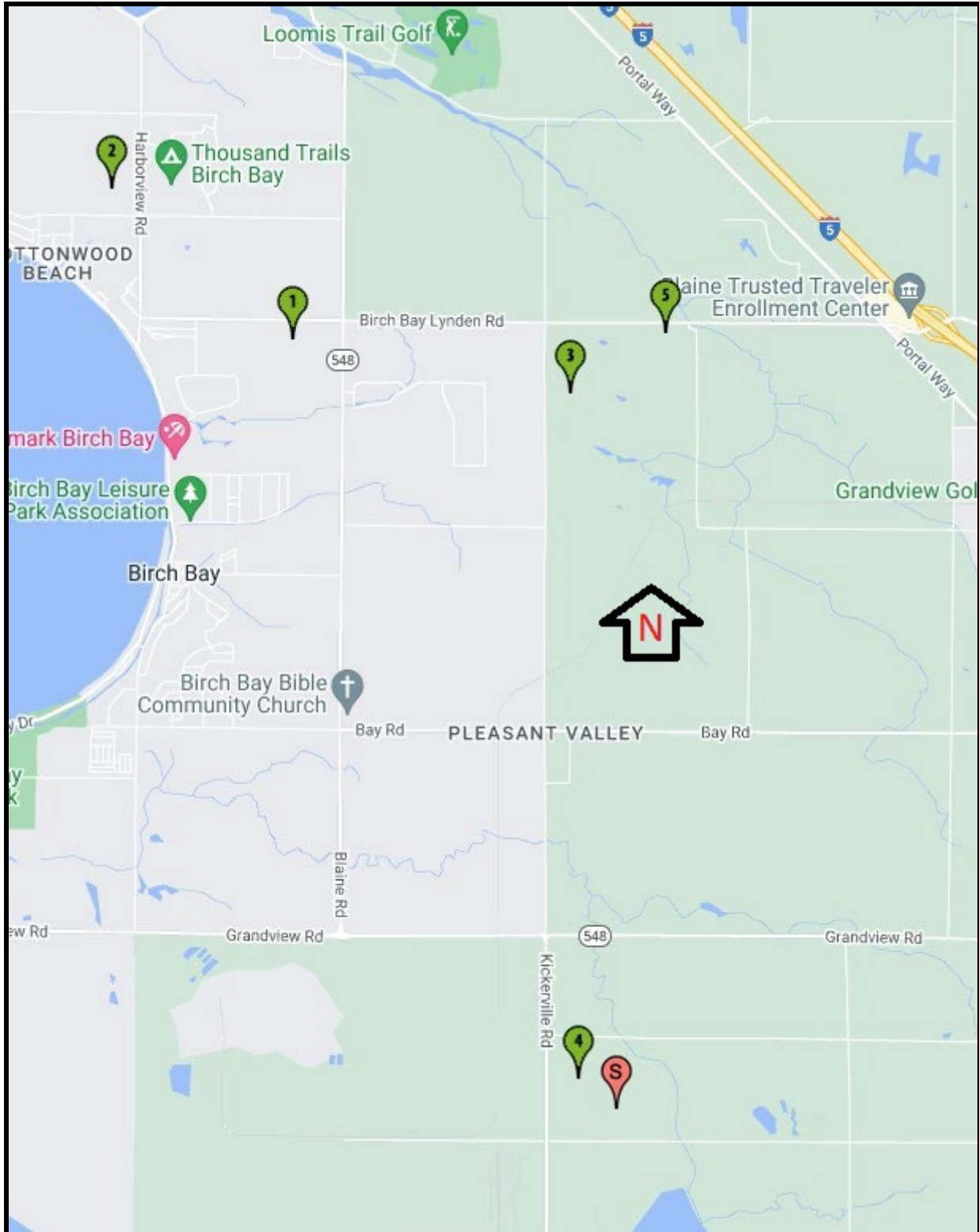
Jim E. Dodge, Senior Associate Appraiser
WA State Certified- General Appraiser No. 1100557



Addenda

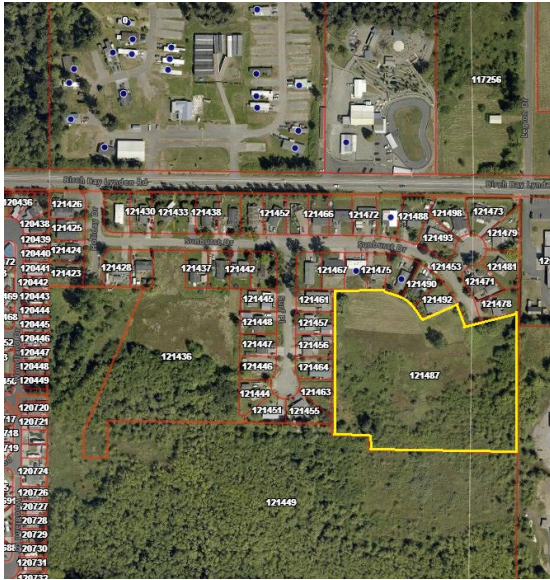
Comparable Property Information
Qualifications
Conservation Easement
FEMA Flood Map
NWMLS Market Trends

Comparable Property Information



Comparable Land Sales Map

LAND SALE NO. 1



Sunburst Dr



Sunburst Dr

Property Identification

Property ID	10995760
Property Type	Residential (Single-Family) Land
Property Name	Residential site
Address	Sunburst Dr
City, State Zip	Blaine, Washington 98230
County	Whatcom
Location Description	Southeastern terminus of Sunburst Drive.
Section, Township, Range	30-40-1
Tax ID	400130-413533-0000
Latitude and Longitude	48.934508 - 122.731657

Sale Data

Seller	Marr Family, LLC
Buyer	Nexidyne Corporation
Sale Date	05-26-2021
Recording Date	05-28-2021
Sale Price	\$95,000
Analysis Price	\$95,000
Deed Type	Statutory Warranty Deed
Recording No.	2021-0504688
Property Rights Transferred	Fee Simple
Market Time	37 days
Verified By	Jim Dodge
Verification With	Mary Kay Robinson, agent
Verification Date	04-22-2024



Land Data

Land Size	6.00 acres or 261,360 SF
Topography	Mostly level
Front Footage	30.00
Utilities	Electric, water, and sewer available
Access	Easement from Sunburst Dr
Shape	Irregular
Grade	At street grade
In Flood Plain?	No
Zoning Code	URM6, Urban Residential-Medium Density 6 DU/Ac, Whatcom County

Indicators

Analysis Price/Gross Acre	\$15,833 per Acre
Analysis Price/Gross SF	\$.36 per SF
Analysis Price/Front Foot	\$3,166.67

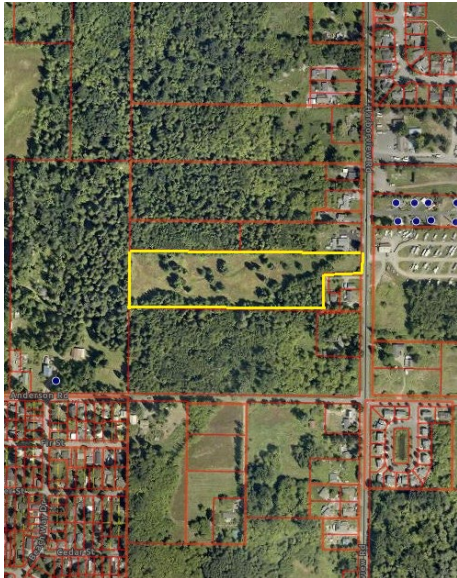
Property Remarks

Level residential site located at the terminus of Sunburst Dr in Birch Bay area. Contains wetlands with required critical areas assessment and mitigation for building reflected in sale price.

Comp ID No. 10995760



LAND SALE NO. 2



8363 Harborview Rd



8363 Harborview Rd

Property Identification

Property ID	10995761
Property Type	Residential (Single-Family) Land
Property Name	Residential site
Address	8363 Harborview Rd
City, State Zip	Blaine, Washington 98230
County	Whatcom
Location Description	West side of Harborview Rd, north of Anderson Rd.
Section, Township, Range	24-40-1W
Tax ID	405124-469333-0000
Latitude and Longitude	48.945139 - 122.751240

Sale Data

Seller	John Tenney, et al
Buyer	Jose Cacho
Sale Date	01-06-2023
Recording Date	01-06-2023
Sale Price	\$135,000
Analysis Price	\$135,000
Deed Type	Statutory Warranty Deed
Recording No.	2023-0100285
Property Rights Transferred	Fee Simple
Market Time	50 days
Verified By	Jim Dodge
Verification With	Kathy Stauffer, agent
Verification Date	04-22-2024



Land Data

Land Size	8.82 acres or 384,199 SF
Topography	Mostly level
Front Footage	120.00 ft on two lane road
Utilities	All available
Access	Harborview Rd
Shape	Irregular Rectangle
Grade	At street grade
In Flood Plain?	No
Zoning Code	UR4, Urban Residential 4 DU/AC, Whatcom County

Indicators

Analysis Price/Gross Acre	\$15,306 per Acre
Analysis Price/Gross SF	\$.35 per SF
Analysis Price/Front Foot	\$1,125.00

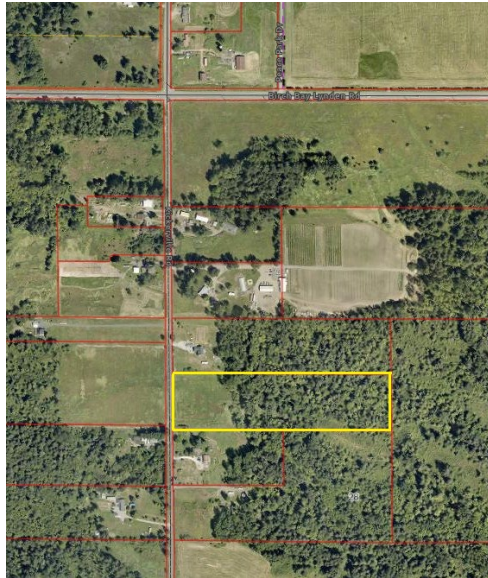
Property Remarks

Irregular shaped site north of Birch Bay. Wetlands delineation complete at time of sale with adequate area to develop a small home.

Comp ID No. 10995761



LAND SALE NO. 3



7958 Kickerville Rd



7958 Kickerville Rd

Property Identification

Property ID	10995762
Property Type	Residential (Single-Family) Land
Property Name	Residential site
Address	7958 Kickerville Rd
City, State Zip	Blaine, Washington 98230
County	Whatcom
Location Description	East side of Kickerville Rd, south of Birch Bay Lynden Rd.
Section, Township, Range	28-40-1
Tax ID	400128-072350-0000
Latitude and Longitude	48.930637 - 122.701642

Sale Data

Seller	Amal & Dawn Graafstra
Buyer	Scott Hillius & Sasha Nielsen
Sale Date	05-07-2021
Recording Date	05-12-2021
Sale Price	\$48,900
Analysis Price	\$48,900
Deed Type	Statutory Warranty Deed
Recording No.	2021-0501937
Property Rights Transferred	Fee Simple
Market Time	375 days
Verified By	Jim Dodge
Verification With	Don Hale, agent
Verification Date	04-22-2024



Land Data

Land Size	9.70 acres or 422,532 SF
Topography	Mostly level
Front Footage	330.00 ft on Kickerville Rd
Utilities	Electric in street, water share available, septic needed
Access	Kickerville Rd
Shape	Generally Rectangular
Grade	At street grade
In Flood Plain?	No
Zoning Code	R10A, Residential 1 du/10 acres, Whatcom County

Indicators

Analysis Price/Gross Acre	\$5,041 per Acre
Analysis Price/Gross SF	\$.12 per SF
Analysis Price/Front Foot	\$148.18

Property Remarks

Level rectangular shaped site along east side of Kickerville Rd, south of Birch Bay Lynden Rd. Site is not buildable due to high water table throughout tract (12 inches below surface).

Comp ID No. 10995762



LAND SALE NO. 4



4041 Kickerville Ln



4041 Kickerville Ln

Property Identification

Property ID	10995763
Property Type	Residential (Single-Family) Land
Property Name	Residential site
Address	4041 Kickerville Lane
City, State Zip	Ferndale, Washington 98248
County	Whatcom
Location Description	Kickerville Lane, 835 feet east of Kickerville Rd.
Section, Township, Range	9-39-1
Tax ID	390109-099166-0000
Latitude and Longitude	48.881835 - 122.700814

Sale Data

Seller	Martha & Anthony Luckert
Buyer	Aleksandr & Katie Kuksenko
Sale Date	09-06-2021
Recording Date	09-13-2021
Sale Price	\$240,000
Analysis Price	\$240,000
Deed Type	Statutory Warranty Deed
Recording No.	2021-0901679
Property Rights Transferred	Fee Simple
Market Time	4 days
Verified By	Jim Dodge
Verification With	Mikala Murphy, agent
Verification Date	04-22-2024



Land Data

Land Size	5.51 acres or 240,016 SF
Topography	Mostly level
Front Footage	30.00 ft on two lane gravel road
Utilities	Electric, shared well, septic needed
Access	Kickerville Ln
Shape	Generally Rectangular
Grade	At street grade
In Flood Plain?	No
Zoning Code	R5A, Rural (1 du/5 ac), Whatcom County

Indicators

Analysis Price/Gross Acre	\$43,557 per Acre
Analysis Price/Gross SF	\$1.00 per SF
Analysis Price/Front Foot	\$8,000.00

Property Remarks

Sale of a building ready site near the subject property. Electrical and shared well are available on the property together with an approved four-bedroom septic design. Wetlands delineation is complete and impacts approximately one third of the site.

Comp ID No. 10995763



LAND SALE NO. 5



Birch Bay Lynden Rd



Birch Bay Lynden Rd

Property Identification

Property ID	10995764
Property Type	Residential (Single-Family) Land
Property Name	Residential site
Address	3800 blk of Birch Bay Lynden Rd
City, State Zip	Blaine, Washington 98230
County	Whatcom
Location Description	South side of Birch Bay Lynden Rd, 340 feet west of Ham Rd.
Section, Township, Range	28-40-1
Tax ID	400128-310502-0000
Latitude and Longitude	48.934902 - 122.691291

Sale Data

Seller	Carey & Laura James
Buyer	Tanisha Valadez
Sale Date	05-30-2023
Recording Date	05-31-2023
Sale Price	\$82,000
Analysis Price	\$82,000
Deed Type	Statutory Warranty Deed
Recording No.	2023-0502551
Property Rights Transferred	Fee Simple
Market Time	109 days
Verified By	Jim Dodge
Verification With	Mariah Fioretti, agent
Verification Date	04-22-2024



Land Data

Land Size	4.78 acres or 208,217 SF
Topography	Mostly level
Front Footage	330.00 ft on two lane paved road
Utilities	Electric, water share available
Access	Birch Bay Lynden Rd
Shape	Generally Rectangular
Grade	At street grade
In Flood Plain?	No
Zoning Code	R10A, Residential 1 du/10 acres, Whatcom County

Indicators

Analysis Price/Gross Acre	\$17,155 per Acre
Analysis Price/Gross SF	\$.39 per SF
Analysis Price/Front Foot	\$248.48

Property Remarks

Rectangular shaped tract along Birch Bay Lynden Rd. A wetland reconnaissance indicates with existing wetlands and buffers, development is restricted to a maximum 4,000 SF of improvements (including residence and outbuildings).

Comp ID No. 10995764



Qualifications of Appraiser



Qualifications of Jim E. Dodge

Senior Associate Appraiser

ABS Valuation

Education

Bachelor of Science in Business Management, University of Idaho, 1977.

Professional Education

Appraisal Courses: Standards of Professional Practice SPP- Part C, Standards of Professional Practice SPP- Part B, Report Writing and Valuation Analysis, Case Studies 2-1, Uniform Standards of Professional Appraisal Practice, Module A, Capitalization Theory & Techniques, Parts 1BA & 1BB, Basic Valuation Procedures 1A2, Real Estate Appraisal Principles 1A1

Seminars and Continuing Education (abbreviated summary of coursework):

- Uniform Standards of Professional Appraisal Practice (USPAP)
- IRWA: 403-Easement Valuation
- IRWA: 802 - Legal Aspects of Easements
- AI: Business Practice & Ethics, Agricultural Special Use
- AI: Uniform Appraisal Standards for Federal Land Acquisitions (Yellow Book)
- AI: Easements & Divided Partial Interests, Errors & Misconceptions in Yellow Book
- AI: USPAP, Evaluating Commercial Construction, Business Practices & Ethics
- AI: Attacking/Defending Appraisals in Litigation, Fall Real Estate Conference
- AI: Real Estate Finance, Statistics & Valuation Modeling, Course 300
- AI: Eminent Domain & Condemnation, Conservation Easements, Analyzing Distressed Properties
- Appraisal Review Overview (WSDOT)
- AI: Partial Interest Valuation
- AI: Condemnation Appraising - Basic Principles, 710

Professional Affiliation

Practicing Affiliate, Appraisal Institute.

Approved Appraiser and Review Appraiser, Washington State Department of Transportation
Member, International Right-of-Way Association

Appraisal Experience

Assignments have included fee and ad valorem appraisals of commercial, industrial, residential, agricultural and special use properties. Qualified as an expert witness in Snohomish County and Island County Superior Courts. Presentations at LID/LUD preliminary and final assessment roll hearings. Ad Valorem appraisal contracts completed for several northern Idaho counties. Tasks included field inspections, analysis of market data, agricultural production income/costs, depreciation studies and board of equalization.



JIM DODGE (cont.)

A variety of right-of-way acquisition appraisals have been completed, typically involving multiple parcel assignments. Projects include trail acquisition for the Snohomish County Parks Department and the Skagit County Parks Department. Right-of-way acquisition for road widening purposes have been completed for Snohomish and Skagit County Public Works departments and the cities of Marysville, Snohomish, Stanwood, Lake Stevens and Everett. A highway right-of-way acquisition project for the Montana Department of Highways involved approximately 100 properties. Eminent domain appraisals have been completed for the Washington State Department of Transportation. Currently on the WSDOT approved list for fee and review appraisers.

Valuation assignments completed cover a wide variety of commercial, industrial, residential, agricultural and special use properties in addition to real estate consultations with private individuals and organizations. LID Special Benefit Study experience includes the 1,400 acre Northwest Landing development by Weyerhaeuser Real Estate Company at DuPont, WA, City of Ocean Shores sewer LID 98-01 and various studies for Snohomish County PUD No. 1 and Skagit County PUD No. 1.

Representative Client List

Cities/Counties

Cities of Arlington, Bellingham, Burlington, Edmonds, Everett, Lake Stevens, Lynnwood, Marysville, Monroe, Mountlake Terrace, Mount Vernon, Mukilteo, Oak Harbor, Ocean Shores, Renton, Seattle, Snohomish, Stanwood, Sultan, and Woodinville. Counties of Island, King, San Juan, Skagit, Snohomish, and Whatcom.

Government

Ports of Everett and Skagit County. Edmonds, Everett, Granite Falls, Mukilteo, Marysville and Stanwood School Districts. WSDOT, U.S. Naval Facilities Engineering Command NW, Seattle City Light, Snohomish County PUD, Skagit County PUD, Tulalip Tribes, Lummi Indian Nation and Montana Department of Highways.

Financial Institutions

Bank of Washington, BECU, Everett Mutual Bank, Farm Credit Services, First Heritage Bank, First Interstate Bank, Frontier Savings Bank, Seafirst National Bank, The Commerce Bank and US Bancorp.

Corporations, Law Firms and Non-Profits

Weyerhaeuser Real Estate Company, Puget Sound Energy, OTAK, HDR Inc., Coates Field Service, Inc., Perteet Engineering, Brewes Layman, Weed, Graafstra & Benson, Inc., P.S., Anderson Hunter, Hill Street Development, Industrial Electric, Les Schwab, Millstone, Northcoast Electric, Northwest Pipeline Corporation, Providence Hospital, Steel Fab and Tyr Energy.

State Certification Number - General: 1100557 **Expiration:** 9/3/25



Conservation Easement

After recording return to:

Whatcom County Public Works
322 N. Commercial St. Ste. 301
Bellingham, WA 98225

GRANTOR: WHATCOM COUNTY
 GRANTEE: WHATCOM COUNTY
 GRANTEE (Trustee): N/A
 LEGAL DESCRIPTION: Lot 4. S.S. Development Short Plat
 TAX PARCEL I.D. #: 390109 183088 0000
 REFERENCE #'s:

CONSERVATION EASEMENT

This grant of a conservation easement is made by and between Whatcom County, referred to hereafter as "Grantors," and Whatcom County, referred to hereafter as "Grantee." The Grantors own real property in Whatcom County, the legal description of which is attached hereto as Exhibit A (hereinafter the "Property"). The intent of Grantors and Grantee, through this conservation easement, is to preserve, protect, maintain and limit use of a portion of Grantors' undeveloped Property containing an identified critical area(s) and/or its associated buffer area(s), defined pursuant to WCC 16.16 – Whatcom County Critical Areas Ordinance, for the purpose of protecting the ecological functions and values provided by said critical area(s).

Grantors hereby convey to Grantee, its successors, heirs, and assigns, an easement for conservation purposes in reference to wetlands and/or Habitat Conservation Areas and/or associated buffers as defined pursuant to WCC 16.16. The conservation easement is depicted as "Conservation Easement" on Exhibit B attached hereto (hereinafter the "Conservation Easement").

It is the intent of this easement that the grant of protection not exceed the purpose, boundaries, or duration of critical area protection required by law under the Whatcom County Critical Areas Ordinance. Should the size, shape, or character of the identified critical area be altered by natural processes and/or operation of law in favor of the grantor, this easement shall be subject to amendment to conform to those changes, as determined by the administrator or a court of competent jurisdiction.

This conservation easement consists of mutual rights and obligations and is subject to the reservation of rights set forth below.

- 1. Rights, Obligations and Reservations.** All rights, obligations and reservations shall operate as covenants running with the land.



2. Permitted Uses and Rights Reserved by Grantors. Grantor reserves the following rights:

- a. To use the property as allowed by applicable Whatcom County Ordinances after disclosing the proposed use to Whatcom County.
- b. To include the acreage of the conservation easement within any development permit application or any project proposal that may be located on the Property for the purposes of calculating residential density or designating required open space.
- c. To maintain fish and wildlife habitat.
- d. Only upon written consent of Grantee, or by an approved farm plan or an approved addendum by the Technical Administrator:
 - (1) to enhance or restore degraded fish or wildlife habitat, wetlands, or wildland forest characteristics, on an ecologically managed basis; or
 - (2) to allow construction of unpaved foot trails; or
 - (3) to allow for ongoing agriculture activities outside of approved mitigation areas; or
 - (4) install utilities as approved by the Technical Administrator.

3. Restrictions on Use. Except as provided above, and as may be necessary to carry out those rights reserved, and after review by Technical Administrator, the Grantors shall not conduct the following activities within the Conservation Easement area:

- a. Remove trees or native vegetation.
- b. Permit grazing of domestic animals.
- c. Excavate, dredge, fill, dike or otherwise alter the landscape or topography.
- d. Store derelict vehicles, hazardous substances, or waste of any kind.
- e. Explore for or extract minerals, hydrocarbons, soils, gravel or other materials.
- f. Construct, erect or place any buildings, structures, or improvements, either of a temporary or permanent nature.
- g. Grant or allow road or utility construction and easements.



- h. Alter the surface or subsurface hydrology entering or exiting the conservation easement area.

Otherwise use the conservation easement area in a manner that is inconsistent with the reservation of rights and the purposes of this Conservation Easement.

4. Rights and Responsibilities of Grantee.

- a. Any forbearance by Grantee to exercise any rights under this agreement, in the event of a breach, shall not be deemed to be a waiver of Grantee's rights under this Conservation Easement.
- b. To access, with permission from Grantor, or with an administrative search warrant, to grantee, agents, successor and assigns for the limited purpose of monitoring this easement.

5. General Conditions.

- a. This conservation easement does not grant or permit public access to any portion of the conservation easement.
- b. Grantee may assign its interest in this conservation easement upon written consent of grantor.
- c. This conservation easement shall run with the property and shall be binding on successors, assigns, heirs of Grantor and Grantee.
- d. In the event that any of the provisions contained in this conservation easement are declared invalid or unenforceable in the future, all remaining provisions shall remain in affect.



Dated this _____ day of _____, _____.

Grantor

Grantor

Grantor/Print Name

Grantor/Print Name

STATE OF WASHINGTON)
)ss.
COUNTY OF WHATCOM)

I certify that I know or have satisfactory evidence that _____
is/are the person(s) who appeared before me, and said person acknowledge that he signed
this instrument, on oath stated that he was authorized to execute the instrument and
acknowledged it to be the free and voluntary act of such party for the uses and purposes
mentioned in the instrument.

Dated: _____

NOTARY PUBLIC, in and for the State of Washington,
residing at: _____
Printed Name: _____
My Commission expires: _____

STATE OF WASHINGTON)
)ss.
COUNTY OF WHATCOM)

I certify that I know or have satisfactory evidence that _____
is/are the person(s) who appeared before me, and said person acknowledge that he signed
this instrument, on oath stated that he was authorized to execute the instrument and
acknowledged it to be the free and voluntary act of such party for the uses and purposes
mentioned in the instrument.

Dated: _____

NOTARY PUBLIC, in and for the State of Washington,
residing at: _____
Printed Name: _____
My Commission expires: _____

Reviewed and approved by:

Whatcom County Natural Resources Division

Date

Conservation Easement
PL4-86-002 K

- 4 -
September 2012

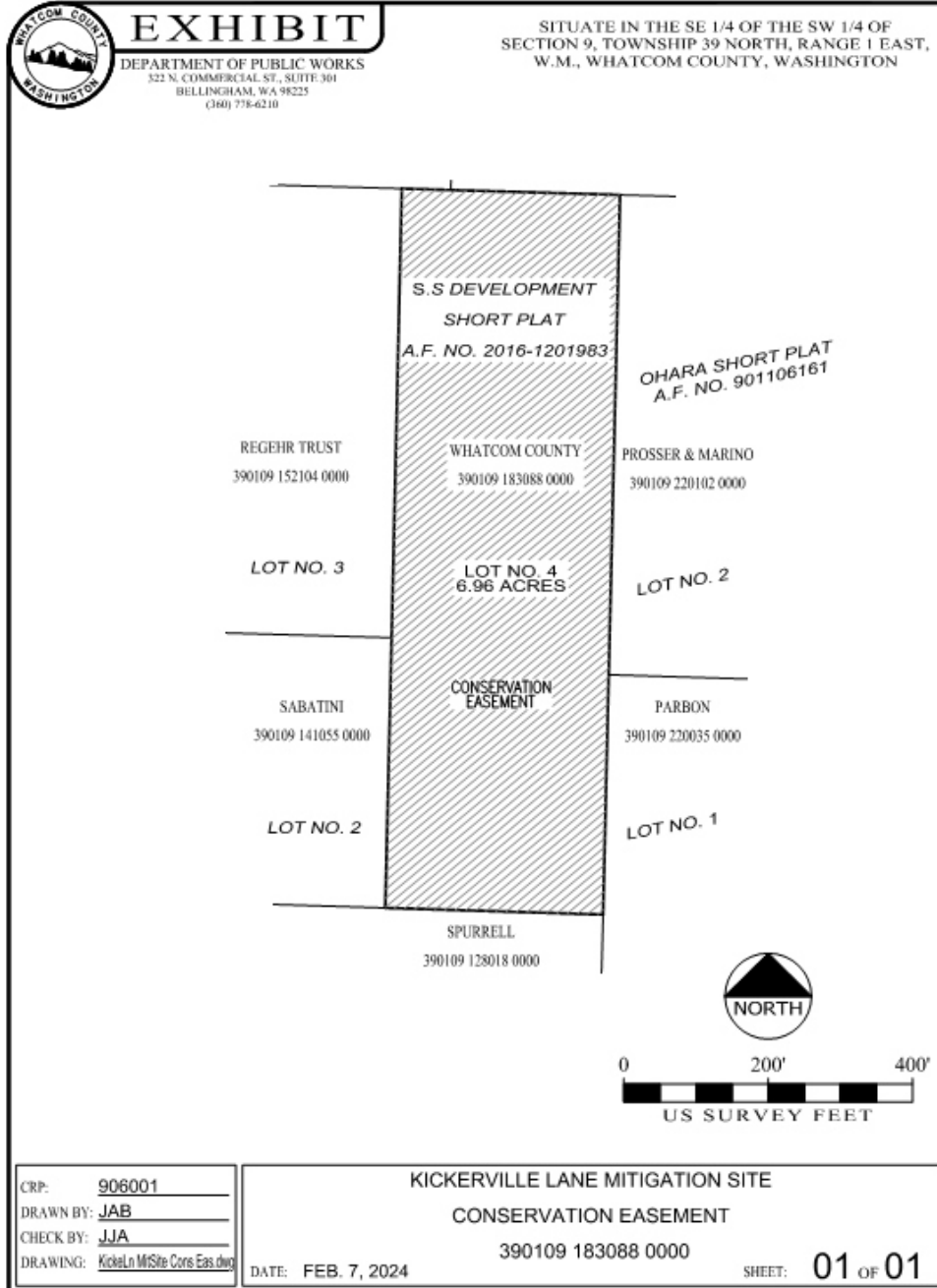


Exhibit A

Legal Description

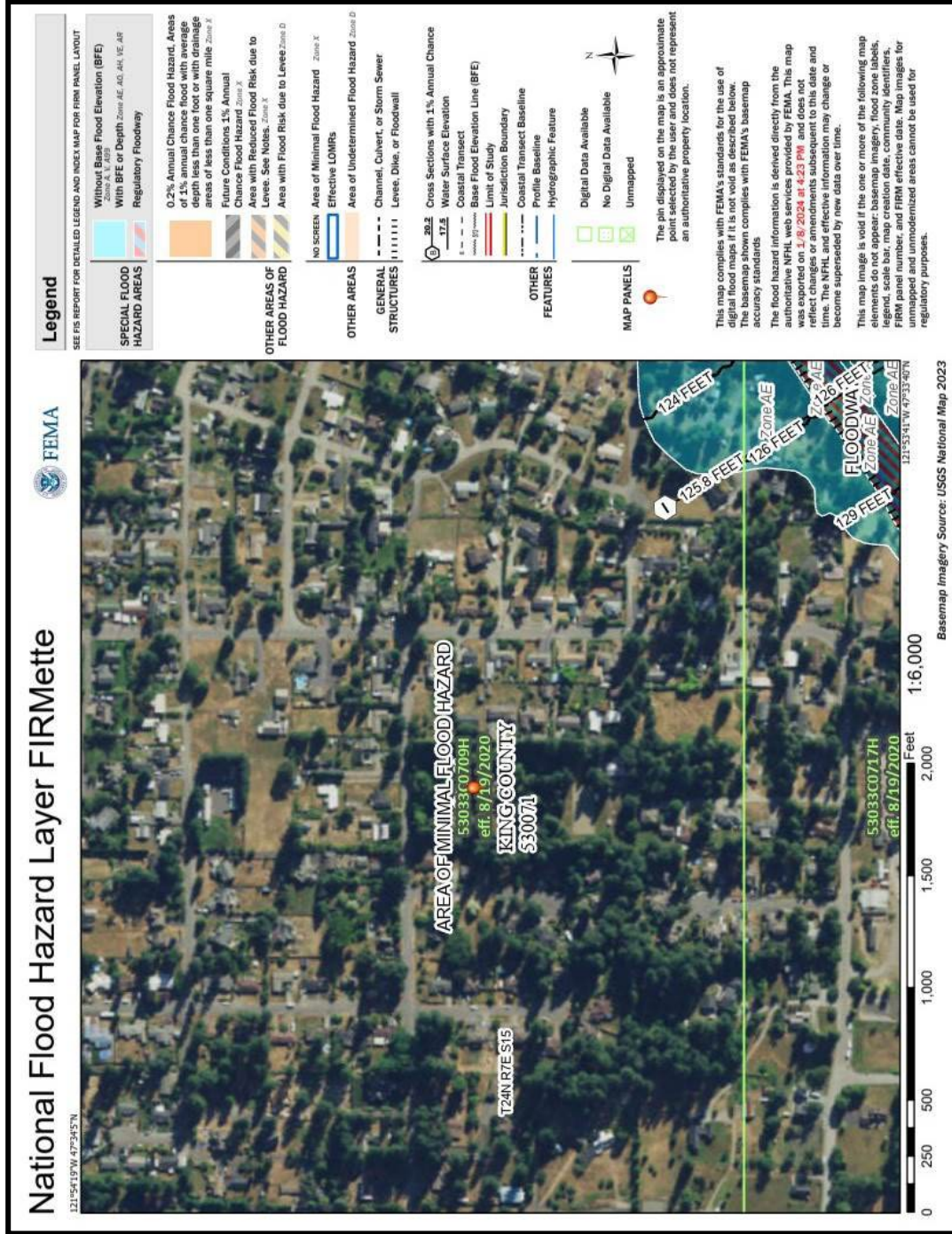
Lot 4, as delineated on S.S. Development Short Plat, according to the plat thereof, recorded on December 15, 2016, under Auditor's File No. 2016-1201983, records of Whatcom County, Washington.

Situate in Whatcom County, Washington.





FEMA Flood Map





NWMLS Market Trends

Monthly Average Sale Price-Residential Area 870/880				
Month	2021	2022	2023	2024
Jan	\$545,509	\$577,354	\$567,851	\$629,035
Feb	\$477,246	\$640,835	\$604,104	\$614,818
Mar	\$522,158	\$750,260	\$625,616	\$679,063
Apr	\$571,708	\$661,514	\$614,440	
May	\$612,497	\$686,897	\$594,562	
Jun	\$575,432	\$611,419	\$650,935	
Jul	\$587,460	\$701,782	\$591,321	
Aug	\$554,992	\$624,543	\$661,552	
Sep	\$578,871	\$560,679	\$641,819	
Oct	\$597,876	\$621,091	\$634,423	
Nov	\$601,658	\$569,191	\$643,071	
Dec	\$602,572	\$640,438	\$638,264	

Monthly Median Sale Price-Residential Area 870/880				
Month	2021	2022	2023	2024
Jan	\$507,450	\$528,000	\$450,000	\$593,900
Feb	\$482,450	\$650,000	\$575,000	\$583,600
Mar	\$504,000	\$665,500	\$570,000	\$670,000
Apr	\$515,000	\$562,975	\$554,950	
May	\$502,950	\$610,000	\$562,500	
Jun	\$506,500	\$587,500	\$580,000	
Jul	\$530,000	\$638,400	\$539,000	
Aug	\$502,000	\$610,000	\$605,000	
Sep	\$540,000	\$519,000	\$559,750	
Oct	\$563,200	\$555,000	\$575,000	
Nov	\$545,000	\$500,000	\$591,475	
Dec	\$532,000	\$665,000	\$607,000	

Average Sale Price 1/2021 - 3/2024	0.63%
Median Sale Price 1/2021 - 3/2024	0.82%