

APPRAISAL REPORT
Of
240 Boardman Avenue
Boardman, Oregon



Prepared For:

UMCHS

Umatilla Morrow Head Start, Inc.

Dan Daltoso, UMCHS

Prepared By:

Douglas M. Barak, SRA

Certified General Appraiser

Oregon # C000056

SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS

Subject Property:	UMCHS Classroom Buildings
Location:	240 Boardman Ave., Boardman, OR
Description:	Classroom building, Modular classroom building with fenced play yard and gravel/asphalt parking
Site Size:	21,780 sf / 0.5 Acres m/l
Improvements:	1872 s.f. Classroom building, 1568 s.f. Modular classroom building
Highest and Best Use:	Classroom
Value Conclusions:	
Date of Value:	April 14, 2025:
Date of Inspection:	April 14, 2025:
Cost Approach:	\$260,000
Sales Comparison Approach:	Not relevant
Income Approach:	Not relevant
Final Value Estimate:	\$260,000

PROPERTY APPRAISAL INFORMATION

CLIENT OF THE REPORT: UMCHS

SUBJECT PROPERTY: Class Room Buildings, 240 Boardman Ave, Boardman, OR

PROPERTY OWNER: UMCHS

PURPOSE OF APPRAISAL: Evaluation market value of the property as fee simple.

INTENDED USERS: UMCHS

INTENDED USE: Valuation of the subject buildings and site for asset valuation purposes.

PRIOR SERVICES DISCLOSURE: None

SCOPE OF WORK: Douglas M. Barak personally inspected the subject property on April 14, 2025. The site was viewed and photographed. The buildings were inspected, measured and photographed. By agreement with the client only the Cost Approach to Value is utilized. The Income Approach to value and the Sale Comparison Approach were omitted due the lack of rents or sales of similar improvements on leased ground. The results of our analysis are reported within this appraisal report that has been written to conform with the Uniform Standards of Appraisal Practice (USPAP) Standards 2-2 (a) and the Interagency Appraisal and Evaluation Guideline.

CURRENT MARKET TRENDS: The last year has seen stable residential property values with generally stable commercial property values. Industrial property values have remained stable for the past several years. Rent rates have also remained stable with stable to slightly declining capitalization rates resulting in stable to slightly rising industrial property values.

MARKETING PERIOD/EXPOSURE TIME: 6 to 12 Months

PERSONAL PROPERTY: None included

PROPERTY DESCRIPTION SUMMARY

LOCATION: The subject is located on the north side of Boardman Ave. This is adjacent to the high school; in Boardman, Oregon.

SITE SIZE: The site dimensions from the plat map are 206.21' x 122.00' x 185.21 x 123.66. The site size from the county assessor is 21,780 square feet (0.50 acres). A map is included in the report. The site is owned by UMCHS. The Appraiser is using the extraordinary assumption that the site has access to it from Boardman Ave.

SHAPE: The subject site is irregular in shape (see Plat Map).

TOPOGRAPHY: The subject is nearly level and at street grade.

ACCESS: The subject is accessed from Boardman Ave, a paved city street, via a paved driveway easement.

UTILITIES: Water and sewer for the building is reported to be provided by the city of Boardman. Electricity is supplied by Umatilla Electric Cooperative. Natural gas is from Cascade Natural Gas.

EASEMENTS: No easements, excepting typical utility company easements, were noted.

ZONING: The subject is zoned as R-1 residential. The subject is within the city.

FLOOD MAP: The subject site is located outside any flood hazard area. This is identified by Federal Emergency Management Agency (FEMA) map 41049C0150D, a non-printed panel.

ENVIRONMENTAL: A reasonable inspection has been made, and the assumption is made that there are no hidden or non-apparent conditions of the subject property or subsoil which would render it more or less valuable. The existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials, nor is he qualified to detect such substances. The presence of hazardous materials may affect the value of the property. Therefore, the value estimate is predicated on the absence of such hazardous materials. If the potential for such materials exists, the client is urged to retain an expert in this field. The subject is level and at street grade.

IMPROVEMENTS: The classroom (240A) is 36' x 52' and 1872 square feet. It has two restrooms, an office, a kitchen, a dedicated classroom and a large room which could be used for activities and/or a classroom. It was originally built in 1987 and then moved to location in 2002. The building appears to have been adequately maintained over most of its life but has recently suffered from water damage caused by a broken pipe. The repairs are partially done but subfloor/ flooring, kitchen and bathrooms remain to be completed. Its actual age (38) is higher than its effective age (25). This higher effective age was warranted due to remaining repairs to be completed. The modular class room (240B) is 56' x 28' and has three restrooms, a utility room with washer dryer hookups and two classrooms. It was built and placed in 1994 per county assessor records. The building

appears to have been reasonably maintained and its actual age (31) is similar to its effective age (25).

LEGAL DESCRIPTION: Parcel 2 of PARTITION PLAT 2002-7, in the City of Boardman, County of Morrow and State of Oregon

SALES HISTORY: The subject has not been sold or transferred in the past three years. The subject has not been listed or actively offered for sale.

HIGHEST AND BEST USE:

As if Vacant – Public use and/or an educational use would be the most likely use as vacant giving the surrounding area.

As Improved – The current use is consistent with the highest and best use as vacant.

Subject Photographs



Overall Front View



240 A Front



240 A Rear



240 B Front



240 A Rear



240 A End

Subject Photographs



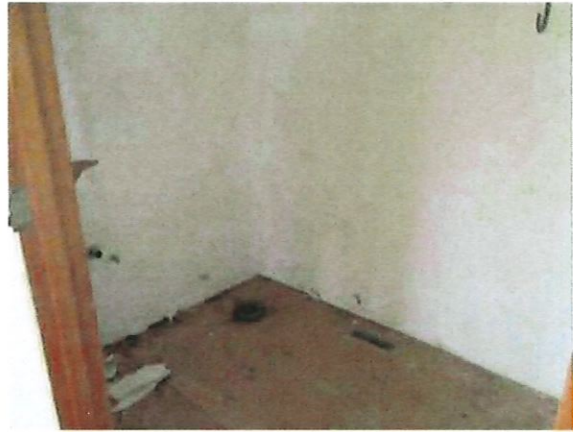
240 A Interior



240 A Interior



240 A Interior



240 A Interior



240 A Interior

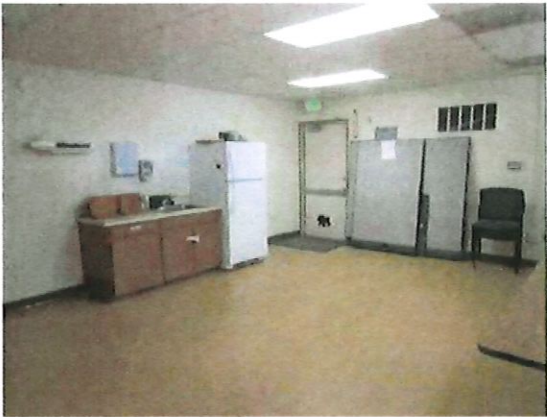


240 A Interior

Subject Photographs



240 B Interior



240 B Interior



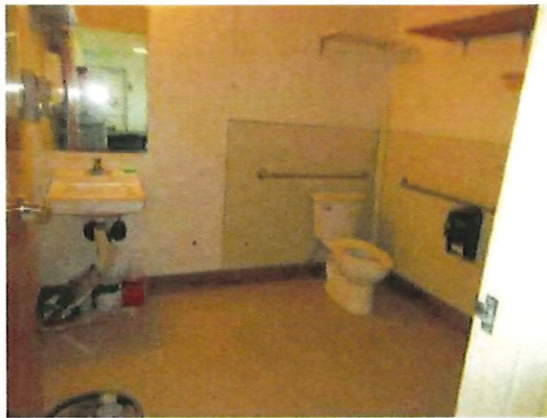
240 B Interior



240 B Interior



240 B Interior



240 B Interior

PROPERTY VALUATION - APPRAISAL PROCESS

VALUATION SUMMARY

APPRAISAL TYPE: Narrative Report
INTEREST APPRAISED: Fee Simple.
DATE OF VALUATION: April 14, 2025
DATE OF INSPECTION: April 14, 2025
DATE OF REPORT: April 15, 2025

DEFINITION OF MARKET VALUE

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

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

(The Dictionary of Real Estate Appraisal, 5th Edition, Appraisal Institute, 2010 and 12 CFR 34.42)

VALUATION APPROACHES

Generally, three standard approaches to value are analyzed and these methods utilize information gathered from the local real estate market.

The cost approach is defined as that approach in appraisal analysis which is based on the fact that an informed purchaser would pay no more than the cost to producing a substitute with the same utility as the subject property. The sales comparison approach is an analysis which is based on the idea that an informed purchaser would pay no more for a property than the cost of acquiring an existing property with the same utility. The Income Approach to value is that procedure in an analysis which converts anticipated income to be derived from ownership of a property into a value estimate. The Reconciliation Analysis is an evaluation process where the appraiser carefully evaluates the value indication from each of the approaches. The strengths and weaknesses of each approach, as used, are discussed. The applicability of each method is weighed in an effort to establish a single defensible final value estimate.

The Cost Approach has been completed. By prior agreement with the client, the Sale Comparison Approach and Income Approach were judged to not be relevant due to the lack of similar comparable sale data. The omission of the Sales Comparison Approach and Income Approach does not reduce the credibility of the value estimate.

Cost Approach:

The cost approach is based on the assumption that the value of a property tends to reflect the value of the site plus the current cost to produce the improvements less any existing depreciation. The steps followed are:

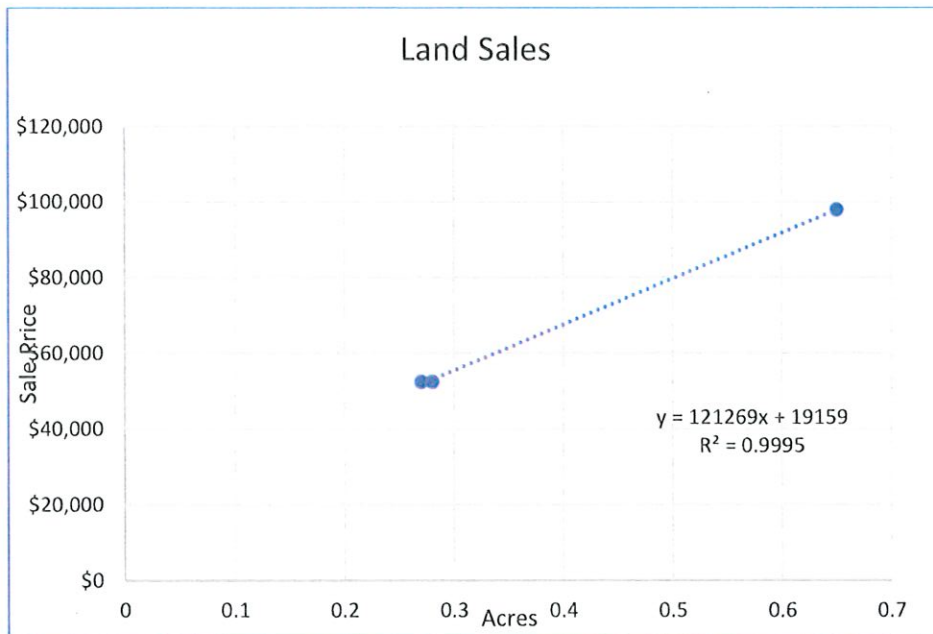
1. Estimate the value of the site (land) as if vacant.
2. Estimate the reproduction cost or replacement cost new of all the improvements (excluding any that were included as part of the site value).
3. Estimate accrued depreciation from all causes (physical deterioration, functional obsolescence and economic obsolescence).
4. Deduct accrued depreciation from the cost new of the improvements to arrive at a depreciated value of the improvements.
5. Add the site (land) value (step 1) to the depreciated value of the improvements (step 4) to arrive at a value indicated by the cost approach.

The following summarizes the cost of the improvements plus land value for the subject. Replacement cost new for the proposed building was estimated by using data obtained from the Marshall Valuation Service Handbook and the subject cost information for the site work based on the cost estimates provided. This does not include any furniture, fixtures or equipment (F, F&E). The allocation of some costs between the various areas was done based on the Marshall Valuation Service Cost Handbook, contractors cost information and the appraiser's judgment.

LAND SALES AND LAND VALUE

A thorough search was made for residential land sales in the subject's market. The following sales represent most of the residential land sales in the subject neighborhood and similar areas of Boardman. The sales have occurred over the last two years. Other communities were considered, but were judged less comparable due to differing economies and land inventories. Other sales were researched, but were found to be dissimilar in location and less representative of the subject. The sales on the following pages were judged the best residential land sales found in Boardman for valuing the subject site

Address	Zoning	Tax ID	Prop Type	Acres	Close Price	Close Date	\$/Acre
TL 1501 NE Boardman AVE	R1	10243	RESID	0.27	\$52,500	9/11/2023	\$194,444
TL 1502 NE Boardman AVE	R1	10244	RESID	0.28	\$52,500	9/11/2023	\$187,500
611 SW MT HOOD AVE	R1	11973	RESID	0.65	\$98,000	7/12/2023	\$150,769



The three sale found were the most recent R1 sale found. They appear to be arms length and bracket the size of the subject. The value formula provides a subject site value estimate of $(121269 \times 0.5 + 19159)$ \$78,794. This was rounded to \$80,000.

Building Costs		
Classroom Building	1,872 S.F. @ \$168 / S.F	\$314,496
Good	Floor Area Multiplier @ 1.09	\$342,801
	Ceiling Height Multiplier @ 0.90	\$308,521
	Cost Modifier @1.02	\$314,691
	Local Multiplier @ 1.12	\$352,454
	Replacement cost new	\$352,454
	Depreciation 75%	<u>(\$264,341)</u>
	Total	\$88,113
Modular Classroom	1568 S.F. @ \$132 / S.F	\$206,976
Average	Floor Area Multiplier @ 1.01	\$209,046
	Ceiling Height Multiplier @ 0.963	\$201,311
	Cost Modifier @ 1.02	\$205,337
	Local Multiplier @ 1.12	\$229,978
	Replacement cost new	\$229,978
	Depreciation 65%	<u>(\$149,486)</u>
	Total	\$80,492
Total Depreciated Cost		\$168,605
OSD/Landscaping		\$10,000
Land Value		\$80,000
Total Cost Approach Value		<u>\$258,605</u>
Rounded to: \$260,000		

Estimated "As Is" Value by the Cost Approach as of April 14, 2025,

\$260,000 (Rounded)

Cost Comments: The cost to construct was based on the Marshal Valuation Service Cost Handbook and data contained in the appraiser's files. **The cost approach has been developed in support of the opinion of the subject's market value. Use of this data for other purposes is not intended by the appraiser and could be misleading.**

RECONCILIATION AND FINAL VALUE CONCLUSION

Final Reconciliation is the process of evaluation alternative conclusions and selecting from the indications of value derived from each of the approaches utilized in the appraisal problem, a final estimate of value. In this section, the strengths and weaknesses of each approach have been identified. The subject property has been considered and analyzed, as well as all data and factors believed to have any influence on its value.

Cost Approach to Value	\$260,000
Income Approach to Value	NA
Sales Comparison Approach to Value	NA

By prior agreement with the client, only the Cost Approach was utilized. As a result, the single approach is relied upon for the value estimate.

The cost approach considered relevant since the subject is proposed construction. Overall, the cost approach was assigned the greater weight. After analyzing and weighing all the assimilated data, it is concluded that the final market value of the leasehold interest of the subject, subject to completion, as of April 14, 2025, the date of value, is \$260,000.

--- TWO HUNDRED SIXTY THOUSAND DOLLARS ---

Limiting Conditions and Assumptions

1. We assume no responsibility for matters legal in nature, nor do we render any opinion as to the title, which is assumed to be marketable. The property is appraised as though under responsible ownership.
2. The legal description used herein is correct.
3. We have made no survey of the property and the boundaries are taken from records believed to be reliable. Any sketches in this report are included to assist the reader in visualizing the property, and we assume no responsibility for their accuracy.
4. We are not required to testify or appear in court on matters contained herein, unless previous arrangements have been made.
5. The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.
6. The value estimate is based on the assumption that the property is not negatively affected by the existence of hazardous substances or detrimental environmental conditions. A reasonable inspection has been made and the assumption is made that there are no hidden or unapparent conditions of the subject property or subsoil which would render it more or less valuable. We assume no responsibility for such conditions, or for engineering which might be required to discover such factors.
7. The appraisers do not have the knowledge to determine the existence of such materials nor are they qualified to detect such substances. The presence of hazardous materials may affect the value of the property. Therefore, the value estimate is predicated on the absence of such hazardous materials. If the potential for such materials exists, the client is urged to retain an expert in this field.
8. The information, estimates and opinions furnished to me and contained in this report were obtained from sources considered reliable and believed to be true and accurate. However, no responsibility for accuracy can be assumed by us.
9. This report is to be used in its entirety and only for the purpose for which it was rendered.
10. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser or the firm with which he is connected) shall be reproduced, published or disseminated to the public through advertising media, public relations media, sales media or any other public means of communication without the prior written consent and approval of the authors.



Douglas M. Barak, SRA
Certified General Appraiser
Oregon # C000056

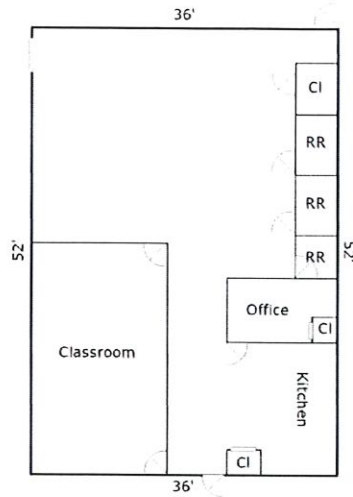
Appraiser's Certification

1. The Appraisers have no present or contemplated future interest in the property appraised. Current and future employment of the Appraiser was not conditioned upon the appraisal producing a specific value or a value within a given range. The Appraisers' compensation is not contingent upon the reporting of a predetermined value of direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
2. The Appraisers have no present or prospective interest in the property that is the subject of this report and has no personal interest or bias with respect to the parties involved. The "Estimate of Market Value" in the appraisal report is not based in whole or in part upon the race, color, or national origin of the prospective owners or occupants of the property appraised, or upon the race, color or national origin of the present owners or occupants of the properties in the vicinity of the property appraised.
3. The Appraisers have personally inspected the property, both inside and out, and has made an exterior inspection of all comparable sales listed in the report. To the best of the Appraisers' knowledge and belief, all statements and information in this report are true and correct, and the Appraisers have not knowingly withheld any significant information.
4. All contingent and limiting conditions are contained herein (imposed by the terms of the assignment or by the undersigned affecting the analysis, opinions, and conclusions contained in the report). The reported analysis, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is the Appraisers' personal, unbiased professional analysis, opinions and conclusions.
5. This appraisal report has been made in conformity with and is subject to the requirements of Title X1 of the Federal Financial Institutions Reform, Recovery, and Enforcement Act of 1989 and regulations adopted by the Office of Comptroller of the Currency and Uniform Standards of Professional Appraisal Practice (with the exclusion of the Departure Provision to the Uniform Standards of Professional Appraisal Practice).
6. All conclusions and opinions concerning the real estate that are set forth in the appraisal report were prepared by the appraiser whose signature appears on the appraisal report, unless indicated as "Review Appraiser". The appraiser or Review Appraiser, if applicable, has the knowledge and /or experience necessary to complete the appraisal assignment competently. No change of any item in the appraisal report shall be made by anyone other than the Appraisers and the Appraisers shall have no responsibility for any such unauthorized change.
6. We have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of the work under review within the three-year period immediately preceding the acceptance of this assignment.
7. As of the date of this report, we have completed the Standards and Ethics Education Requirement of the Appraisal Institute for Associate Members.

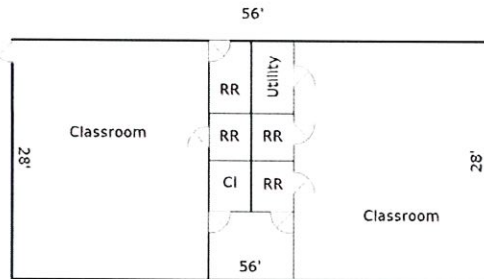


Douglas M. Barak, SRA
Certified General Appraiser
Oregon # C000056

Building Sketch



240 A - First Floor
[1872 Sq ft]



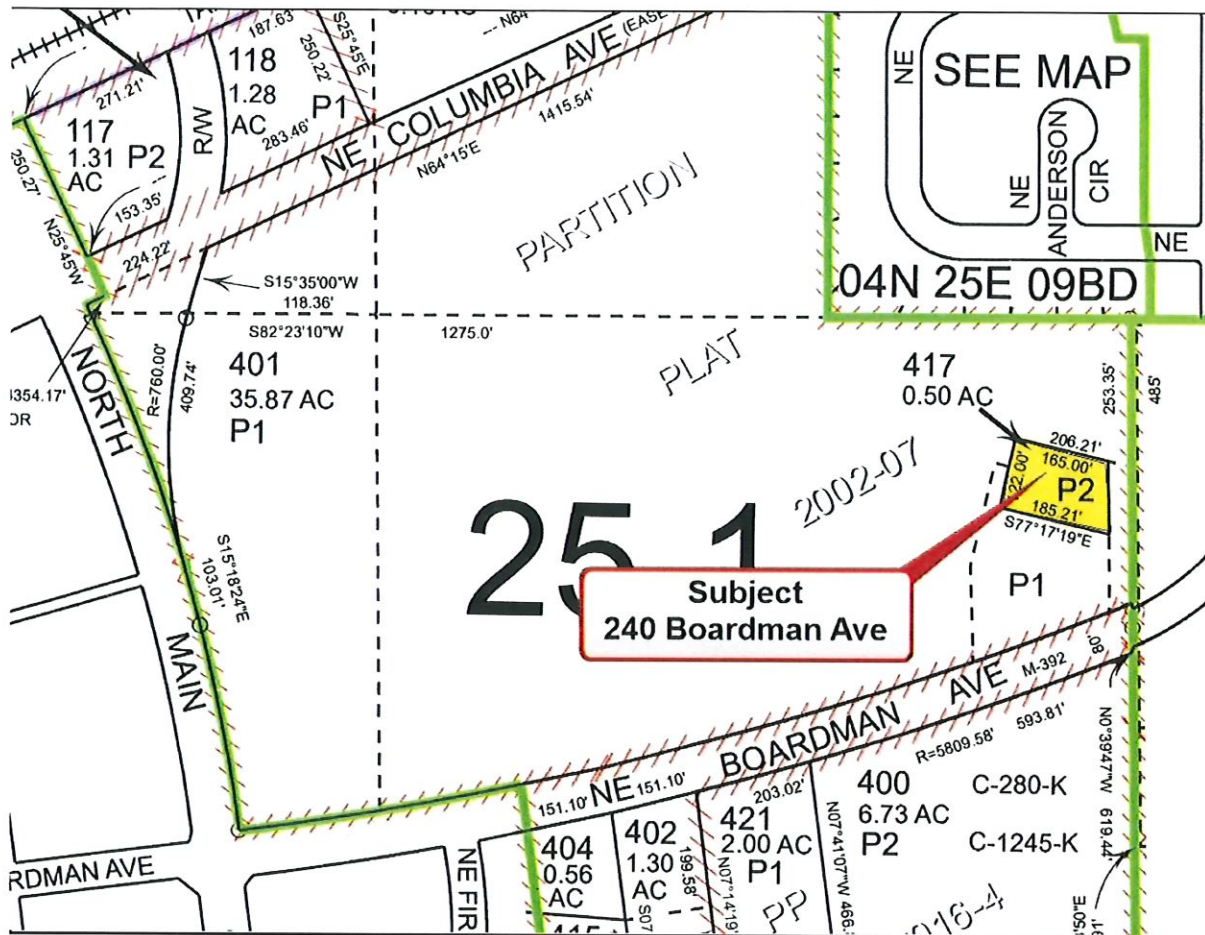
240 B - First Floor
[1568 Sq ft]

TOTAL Sketch by a la mode, inc.

Area Calculations Summary

Living Area		Calculation Details
240 A - First Floor	1872 Sq ft	$36 \times 52 = 1872$
240 B - First Floor	1568 Sq ft	$28 \times 56 = 1568$
Total Living Area (Rounded):	3440 Sq ft	

Plat Map



Aerial Map With Plat Overlay

ArcGIS Web Map



Appraisers License and Resume

LICENSE

Appraiser Certification and Licensure Board

State Certified General Appraiser

28 hours of continuing education required

**DOUGLAS M BARAK
BARAK & ASSOCIATES
1055 S HWY 395, STE 222
HERMISTON, OR 97838**

License No.: C000056
Issue Date: March 01, 2025
Expiration Date: February 28, 2027


Chad Koch, Administrator

RESUME

APPRAISER QUALIFICATIONS

DOUGLAS M. BARAK, SRA



EDUCATION:

EASTERN OREGON UNIVERSITY- 1978

Bachelor of Science in Business/Economics

BLUE MOUNTAIN COMMUNITY COLLEGE- 1976

Associate of Science in Accounting

Associate of Science in Marketing and Management

Certificate in Real Estate

EMPLOYMENT:

Realtor/Appraiser - 1980 to present

I have been actively involved in the appraisal of a wide variety of real estate including farm, business, investment and residential properties, with an emphasis on residential property.

Umatilla County Assessor's Office-1978-1980

I appraised real estate for tax purposes.

PROFESSIONAL MEMBERSHIPS AND QUALIFICATIONS:

State Certified General Appraiser, Oregon License # C000056

SRA Designation-Appraisal Institute

Real Estate Broker, Oregon License # 800400181

HUD/FHA approved appraiser, ORC000056

Federal VA approved appraiser, 3480098

Member, Columbia Basin Board of Realtors – Past President

APPRAISAL COURSES AND SEMINARS:

The following are a sampling of the many education courses taken through **The Appraisal Institute**.

Advanced Residential Applications & Case Studies/Part 1

Advanced Residential Report Writing/Part 2

Real Estate Finance Statistics & Valuation Modeling

Residential Market Analysis & Highest & Best Use

Real Estate Appraisal Principals

Principals of Residential Valuation

Standards of Prof. Practice

Basic Valuation Procedures

Business Valuation Seminar

Capitalization Theory & Technology

Advanced Capitalization Theory

Limited Appraisals Reporting Options

Y:\Janet\My Documents\Resume's\Resume's Doug Resume updated letter.docx
02/20/19

Residential Design & Functional Utility
Common USPAP violations
Wind Projects and Land Value
Valuing High End and Unusual Properties
Valuation of Green Residential Properties
Special Purpose Properties
Appraising the Tough Ones
Litigation Skills for the Appraiser

OTHER:

Past Umatilla County Planning Commission
Umatilla County Housing Authority – Board Member
Kiwanis Club of Hermiston, 1981-Present



1055 S. Highway 395 Suite 222 • Hermiston, OR 97838
 Phone (541) 567-6728 • Fax (541) 567-0893
 www.barakappraisals.com

INVOICE

INVOICE NUMBER

24585

DATE

REFERENCE

Internal Order #: 24585

Client File #:

Main File # on form: 24585

Other File # on form:

Federal Tax ID: 541525718

Employer ID:

TO:

Umatilla Morrow Head Start, Inc
 110 NE 4th St
 Hermiston, OR 97838

Telephone Number: (541) 564-6878

Fax Number:

Alternate Number:

E-Mail: ddaltoso@umchs.org

DESCRIPTION

Client: Umatilla Morrow Head Start, Inc
 Property Address: 240 Boardman Ave
 City: Boardman
 County: Morrow
 Legal Description:

State: OR

Zip: 97818

FEES

AMOUNT

Commerical Appraisal

1,800.00

SUBTOTAL

1,800.00

PAYMENTS

AMOUNT

Check #: Date: Description:

Check #: Date: Description:

Check #: Date: Description:

SUBTOTAL

All bills are due and payable upon receipt. \$25.00 service charge per month if over 30 days old

TOTAL DUE

\$

1,800.00