

Jeffrey L. Kelley  
Certified General Appraiser

Gregory G. Kelley, C.G.A. \*  
Jeffrey L. Kelley, C.G.A.

\* Also Certified in Wyoming

September 28, 2006

Teton County Commissioners  
c/o Roger Hoopes  
89 North Main Street, #1  
Driggs, Idaho 83422

**RE: Complete Summary Appraisal Report**

Subject: Five (5) Tracts of Vacant Land & Two (2) Improved Tracts  
Teton County, Idaho

Dear Commissioners:

At your request, I have performed an update appraisal analysis on the properties above. I have reviewed the market for recent sales of properties in the area in order to perform this analysis. Based on my investigation, I conclude that some of the properties have increased in value. The following is a conclusion of my analysis:

*Parcel 1:* 160-Acre Tract: Increased or \$2,125 per acre or \$1,940,000 / \$12,125 per Acre

*Parcel 2:* 8.25-Acre Tract: No Change In Value

*Parcel 3:* 8.50-Acre Tract: No Change In Value

*Parcel 4:* 16.50-Acre Tract: No Change In Value

*Parcel 5:* 2-Acre Tract: No Change In Value

*Improved Parcel 1(County Court House): Increase In Value from \$600,000 to \$724,000.*

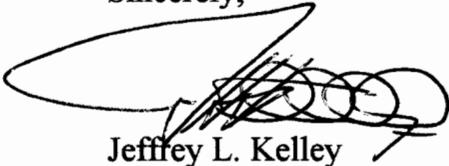
*Improved Parcel 2 (County Shed Property): No Change In Value*

Our analysis indicates that land values in the Packsaddle area have increased due to a recent sale in that area. As a result, Parcel #1 has been increased \$2,125 per acre. However, recent data in the other areas indicate our values from last spring have not changed.

We have investigated sales in the downtown area of Driggs. We found one sale that is pending. If this property is to close, it will indicate land values in the area are increasing. Since the property had not closed, we have not completely tied our value to it. Nevertheless, we conclude the courthouse has an increase in value of at least 20% because of pending sales and offers in the area. Therefore, we conclude it has a current value of \$724,000. We found that there has been no change in value to the County Shed property.

The update values above are based on an effective date of September 25, 2006. We will keep in our file a copy of the sales used to arrive at these update opinions. If the county would like, we could prepare a formal addendum to the summary appraisals reports completed last spring.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey L. Kelley". The signature is stylized with several loops and a long horizontal stroke extending to the left.

Jeffrey L. Kelley  
Appraiser, CGA #362

Jeffrey L. Kelley  
Certified General Appraiser

Gregory C. Kelley, C.G.A. \*  
Jeffrey L. Kelley, C.G.A.

\* Also Certified in Wyoming

March 22, 2006

Teton County Commissioners  
c/o Roger Hoopes  
89 North Main Street, #1  
Driggs, Idaho 83422

**RE: Complete Summary Appraisal Report**

**Subject: Parcel #1– Teton County Courthouse Property  
89 North Main Street  
Driggs, Teton County, Idaho**

Parcel #2– Teton County Sheds Property  
70 West North Buxton  
Driggs, Teton County, Idaho

Dear Commissioners:

As requested, I have made a careful, personal inspection of the above-referenced properties. I have also prepared a Complete Summary Appraisal Report, wherein I have provided you with my opinion of the *market value* of these properties in their present “as is” condition.

*Market Value* is defined as “the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus.” Implicit in this definition are various conditions that can be found in the full Market Value definition, which is set forth in the report.

I have prepared these appraisals for you as a representative of the Teton County Commissioner’s Office. It has been reported that the Commissioner plans to use this appraisal to establish a value for these properties so that they may trade them. *The use of this appraisal by anyone other than the Commissioners, their assignee, associates, accountants or counsel is strictly prohibited. Furthermore, this appraiser assumes no one, except the Teton County Commissioners and their assignee will rely upon the content and opinions of value herein.*



## PARCEL 1 - COUNTY COURTHOUSE:

### SUMMARY OF SALIENT FACTS AND CONCLUSIONS:

Owner of Record: Teton County is the recorded owner of this property. They have held title to it for more than five (5) years.

Location: This property is found at 89 North Main Street, in Driggs, Teton County, Idaho.

Legal Description: See "Legal Description" section in this report.

Land Size: 17,119 s.f.

Land Description: An irregularly-shaped tract of land at the southeast corner of Main Street and Wallace Avenue. It is bordered on the south by a commercial building and on the east by a public alley. It is bordered on the north and east by the American Legion Hall Building.

Zoning Designation: Central Business District (CBD) with a Design Review Overlay

Flooding Designation: This parcel is found outside any flood-designated area. This information was confirmed by Flood Insights with Community No. 160166.

Improvements: 2-story courthouse building and jail containing 9,218 s.f. It was constructed in 1924 and has been added onto approximately 30 years ago.

Highest and Best Use: Unimproved: Commercial Development  
Improved: Public Building or Multi-tenant Office Building

Valuation Date: March 3, 2006

*Estimate of Value:* ~~\$604,000~~ Revised 09.28.2006 \$724,000

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**PURPOSE AND INTENDED USE OF THE APPRAISAL:**

***Purpose of the Appraisal:*** This appraisal is a market analysis on the Teton County Courthouse and Teton County Sheds properties, which are located in Driggs, Idaho. The analysis herein is based on the highest and best use of these properties in their “as is” condition. This appraisal is based on the “fee simple” title of each property. The effective date of this appraisal is March 3, 2006.

At the client’s request, each property has been appraised separately. There are no assumptions or extraordinary conditions assumed in this appraisal, except for those stated below.

***Intended User:*** Roger Hoopes of the Teton County Commissioner’s Office has asked our firm to prepare these appraisals. The Teton Commissioner’s Office is considered the client of this report. The County Commissioners and possibly the Blackfoot Farms are the intended users of this document.

***Intended Use:*** The Teton Commissioner’s Office and Blackfoot Farms plan to use these appraisals as a base value for possibly trading the properties in the future.

**SCOPE OF THE APPRAISAL:**

The client has requested that a market analysis be performed on the County Courthouse and the County Sheds properties. These properties are to be appraised separately. The appraisal is to include the land, buildings and fixtures. Both appraisals are based on the highest and best use of each parcel in its “as is” condition. The “fee simple” title of each property has been appraised.

A Complete Summary Appraisal Report has been used to analyze and report these appraisals. In a Complete Appraisal, three (3) standard methods of valuation are employed. They are the Cost, Sales Comparison and Income Approaches. I have considered all three (3) approaches herein. However, I have only used the Sales Comparison Approach to arrive at an opinion of value for the Courthouse property. I have used both the Sales Comparison and Cost Approach to arrive at an opinion of value for the County Shed property. My explanation for not using the other approaches is explained in the body of this report.

The sales used in the analysis have all been confirmed and verified. They have been confirmed by the seller, the buyer or through the local Multi-listing service. I have verified all closed transaction with a Warranty Deed. These deeds will remain in my file, which I will keep in house for five or more years.

**STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS:**

**Parcel 1 - County Courthouse Property:**

The appraisal of this parcel is subject to the following assumptions and limiting conditions:

- This property does not contain any hidden or latent environmental issue that will affect its value. I was unable to find any obvious conditions or concerns on the property. However, my inspection was cursory in nature. Furthermore, I am not a qualified environmental auditor. I recommend the client obtain an asbestos analysis on the building, if one has not already been completed, prior to selling or trading it to another entity.
- It appears that the American Legion Hall Building may partially reside on the subject property. I recommend a survey be completed on the property prior to any transfer of title.

**Parcel 2 - County Sheds Property:**

The appraisal of this parcel is subject to the following assumptions and limiting conditions:

- This property does not contain any hidden or latent environmental issue that will affect its value. I was unable to find any obvious conditions or concerns on the property. However, my inspection was cursory in nature. Furthermore, I am not a qualified environmental auditor. I recommend the client obtain an asbestos analysis on the building, if one has not already been completed, prior to selling or trading it to another entity.

**EXPOSURE TIME:**

Parcel 1 would have an exposure time of one (1) year or more in order to sell at the opinion of value herein. Parcel 2 would have an exposure time on the market of one (1) year or less. These opinions are based on the uniqueness of the properties and sales of similar properties in the area.

**ESTATE TO BE APPRAISED:**

The estate to be appraised is the “fee simple” title to each property in its “as is” condition. The term “fee simple,” suggests that each parcel is not encumbered by any other interests, but only subject to easements, recorded right-of-ways and the four (4) powers of government— eminent domain, escheat, taxation and police power. The term “as is,” refers to the legal and physical condition of each parcel in its relationship to its highest and best use as of the *effective date* of this appraisal.

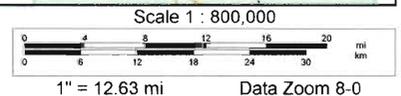
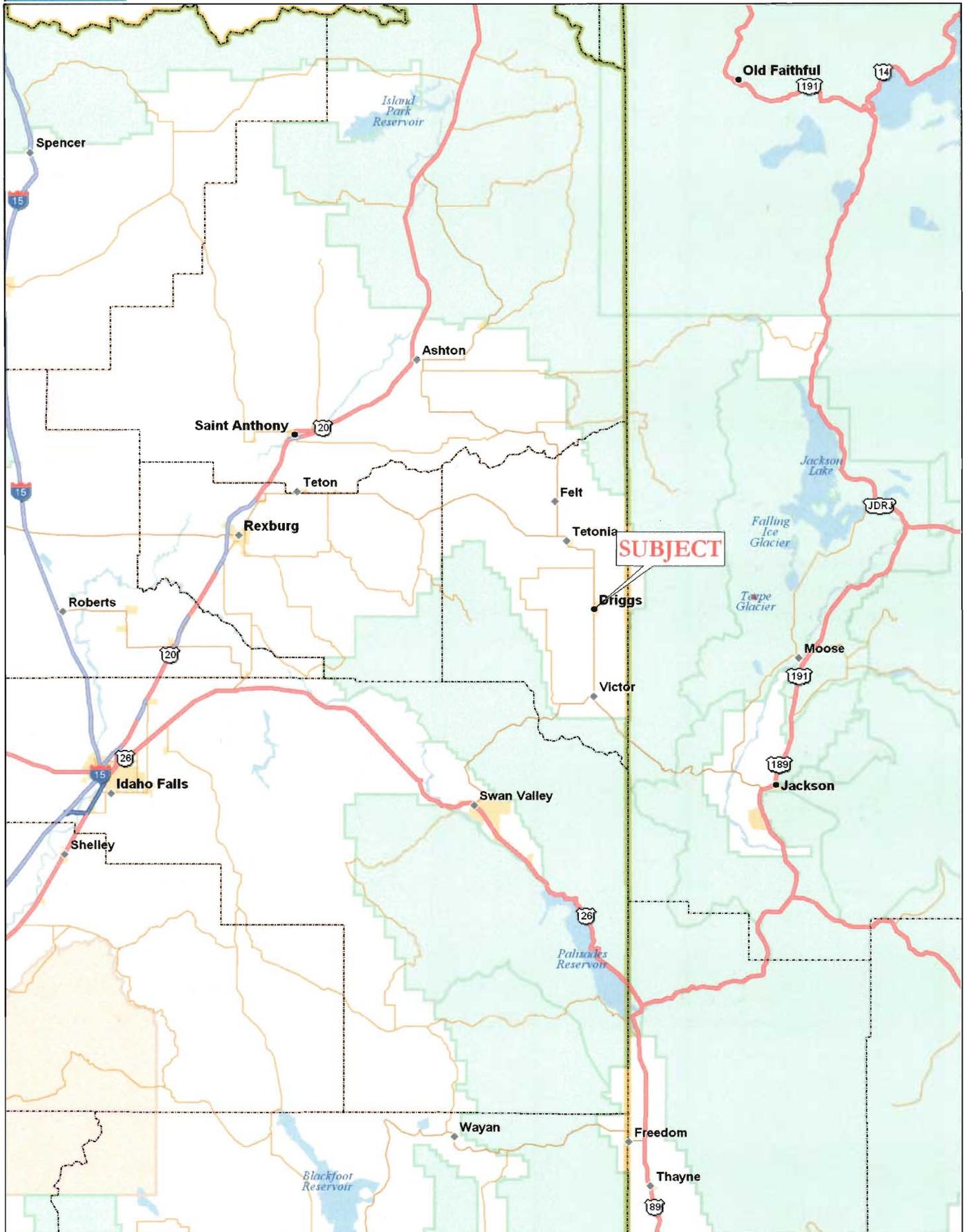
**INSPECTION OF THE PROPERTY:**

I inspected both properties on March 3, 2006. I made a complete and thorough inspection of them on that date. The photographs herein were taken then. *The effective date of this appraisal is March 3, 2006.*

**DEFINITIONS USED IN THIS APPRAISAL:**

1. **Market Value:** The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as a specified date and the passing of title from seller to buyer under conditions whereby:
  - (a) Buyer and seller are typically motivated;
  - (b) Both parties are well informed or well advised and both acting in what they consider their own best interest;
  - (c) A reasonable time is allowed for exposure in the open market;
  - (d) Payment is made in terms of cash in U.S. dollars, or in terms of financial arrangements comparable thereto; and
  - (e) 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.
  
2. **Highest and Best Use:** The highest and most profitable use for which the property is adaptable and needed or likely to be needed in the near future. Alternatively, that use from a reasonably probable and legal alternative use, found to be physically possible, appropriately supportive, financially feasible and which results in highest land use.
  
3. **Improvements:** Buildings or other relatively permanent structures or developments located on, or attached to land.

# Area Map



**AREA DATA:**

The subject parcels are found several blocks from each other in the City of Driggs. Driggs is the county seat of Teton County and is found in the middle of it.

***Teton County:*** Teton County had a population of 5,999 persons in the 2000 Census. This was a 74.0% increase from 1990. Teton County is the 2<sup>nd</sup> fastest growing county in Idaho and one of the fastest growing counties in the nation.

Some of the communities in Teton County include Driggs, Victor and Tetonia. Victor is located eight (8) miles south of Driggs, and Tetonia, which is located six (6) miles northwest of Driggs. (*See Area Map.*)

This county is found along the extreme eastern edge of Idaho. It is situated between the Big Hole and the Teton Mountain Ranges. Most of the county's area consists of rural, open land. This land is used primarily as irrigated agricultural land, wet and dry pasture land and for residential and recreational home sites.

Teton County is located near Jackson Hole, Wyoming. Jackson Hole is approximately twenty-two (22) miles east and over Teton Pass from this area. In recent years, many people have moved into Teton County, Idaho to avoid paying high real estate prices in and around Jackson Hole area. As a result, property values have steadily increased in the county during the past 10 years.

Teton County is bisected by State Highway 33 and 31. Highway 33 bisects the county north and south. It connects Victor to Driggs. It continues west of Driggs approximately 55 miles to Rexburg. It continues southeast of Victor twenty-two (22) mile to Jackson Hole, Wyoming.

State Highway 31 runs west of Victor to Swan Valley, Idaho, where it connects with U.S. Highway 26. This highway continues west toward Idaho Falls, Idaho. Victor is separated from Swan Valley by Pine Creek Pass.

Teton County is commonly known as the Teton Basin. Its elevation ranges from 6,000 to approximately 6,500 feet. Its summer temperatures rarely exceed 85° and its winter lows often drop well below 0°.

**Driggs** Driggs is the county seat of Teton County. It had a population of 1,100 persons in the 2000 Census. Its population has increased 30.0% since 1990. It has a sizeable commercial district, with a large grocery store, retail stores, a lumber yard, convenience stores, restaurants, gas stations and other types of businesses. Several banks and professional office buildings are found within the city.

This city is part of the Teton School District. This district has several elementary schools, a junior high and high school. The school district is rated for size as A-3 in the state. Victor and Tetonina are included in this school district.

Residential homes make up most of Driggs. Single family dwellings are the most common types of homes in the city. A few residential apartments are found in the city. New residential apartments have been developed on the south side of the city. The only other apartments include a small apartment on the northeast side of the city and a government subsidized project northwest of the city.

Driggs is incorporated and has a Mayor and Council system. It is protected by the Teton Sheriff's Department and the Teton Rural Fire District. The city also maintains and operates its own water and sewer systems. The Driggs Sewer District extends to Victor. All of the properties lying along this trunk line have access to this sewer system.

Driggs operates the Driggs-Reed Memorial Airport, which is a small-craft airport. This airport is large enough to accommodate small, private jets and light aircraft. Recently, the airport extended its runway and upgraded its aviation navigational system. *(A detailed description of the airport and its equipment can be found in the Addendum Section of this report.)*

The primary utilities in the area include the Fall River Rural Electric Cooperative, which provides electrical service, and Qwest, which provides telephone service. Scheduled airline services are available at Idaho Falls and Jackson, Wyoming.

#### ***General Economy:***

Historically, the economy in Teton Valley has been primarily influenced by agriculture, with some timber harvesting and limited amounts of mining. However, new development and an increase in population have driven the economy toward service industries and tourism.

Most of the employment in the valley is agricultural related. However, recreational employment has become more predominant during the past decade. Most of the winter employment is found at Grand Targhee, which employs both local and many out-of-state seasonal workers. Summer employment is found among agricultural farms, building contractors and with recreational outfitters.

Some of the tourist and recreational activities in the valley include skiing at Grand Targhee Ski Resort, cross country skiing and snowmobiling. During the summer, fishing, hiking and horseback riding are the biggest recreational activities. The annual Hot-Air Balloon Festival and summer activities at Grand Targhee Resort also draw a large number of people to the valley.

The general economy of Teton County has remained stable during the 1990's. Personal income in the valley has increased during the past ten (10) years. Land values have also increased in the valley during this period of time. From 1987 to 1997, land values increased 186%.<sup>1</sup> These values have continued to dramatically increase during the past 4 years.

Teton County has also become a popular location for people seeking a second home in a recreational area. Many new homes have been constructed around Driggs and Alpine, Wyoming. New development along the Teton River is also occupied as second dwellings. This area has a panoramic view of the Teton Mountain Range. The increase in population due to these new homes and dwellings has increased land values in the area.

***Sources of Income:***

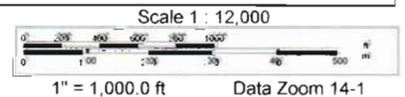
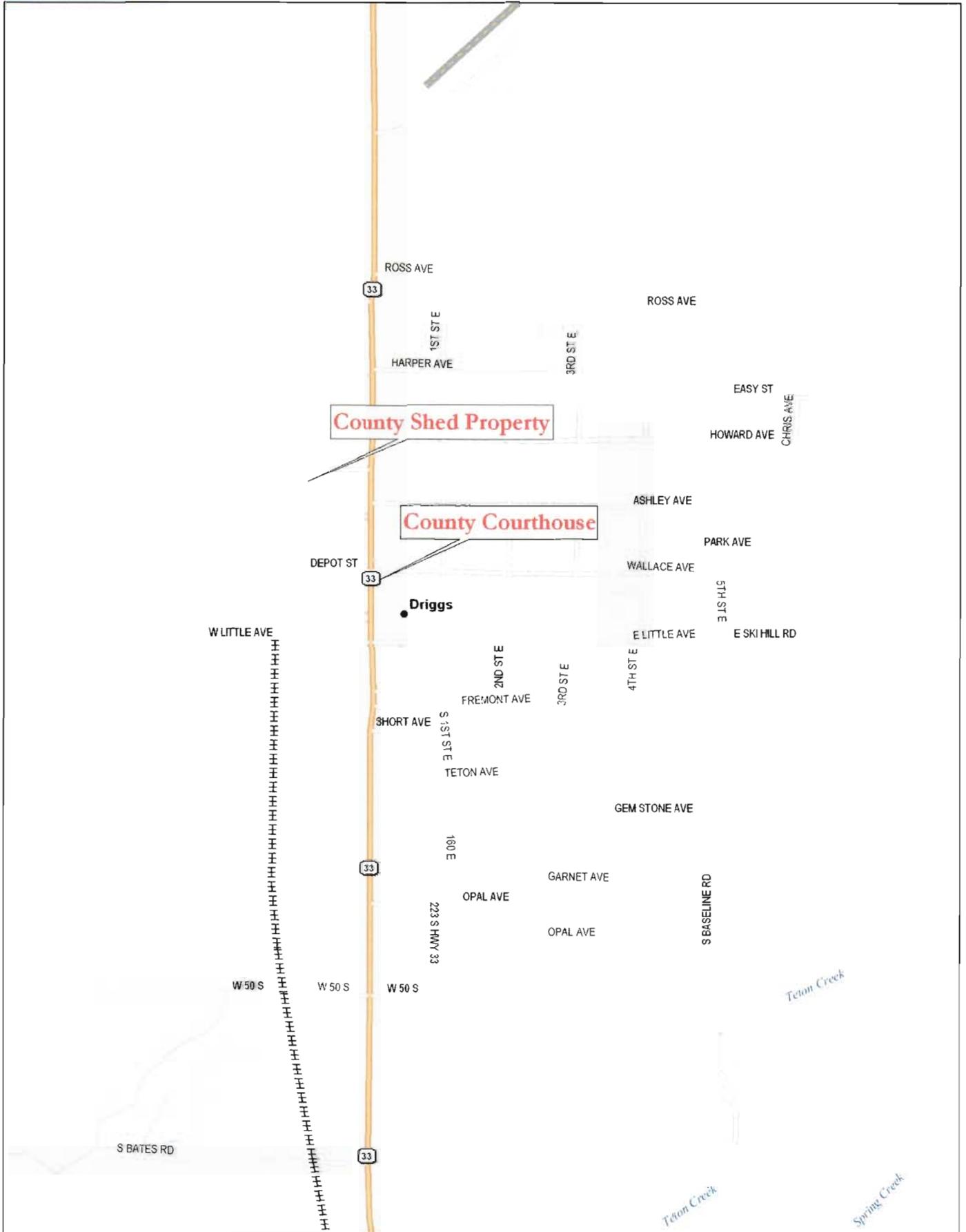
The primary sources of income in the Teton Basin are services (i.e., real estate, banking, insurance, law and medical). Farming represents the second largest industry, followed by construction. The personal income per capita in 1996 was \$12,471. The work force at that time was 2,262 persons.

The dramatic growth in the city and county has created new commercial development within Driggs. As a result, a new supermarket and shopping center are being constructed inside the city. This is the only supermarket in the area. Although a smaller grocery store is found in Victor, Broulims Food is the only large-scale grocery store in the valley.

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<sup>1</sup> Based on U.S. Census Bureau County Profile information.

# Neighborhood Map



**NEIGHBORHOOD DATA:**

**Parcel 1 - Courthouse Property:**

This parcel is found at the southeast corner of Main Street (State Highway 33) and Wallace Avenue, in downtown Driggs. (See *Neighborhood Map*.) The area surrounding it is a mixture of commercial and residential homes. A service station, office building and bank are located north of the property along Wallace Avenue. A small home, which has been converted into an office building, is found northeast of it. Row-style, commercial buildings line east Main Street south of the property.

The subject area is 80 percent built-up. Most of the improvements in the area are very old and have been in existence for more than 50 years. The only new building in the area is the Bank of Commerce, which is found on the north side of Wallace.

In recent years, several buildings have been razed along Main Street allowing for future development. A building fire west of the subject allowed most of the properties along the west side of Main Street to be razed. Recently, the City of Driggs sold its old city hall building. They purchased a large grocery store building a block south of the area and are currently renovating it as the new city hall.

Main Street is a major thoroughfare, which bisects the city north and south. It is also commonly known as State Highway 33. This highway continues west of Driggs to Rexburg, Idaho. It continues south to Victor and over to Jackson Hole, Wyoming, as State Highway 22.

Wallace Avenue is a secondary street, which bisects the city east and west. It continues east of Main Street toward the Teton Valley Hospital. It continues west of Main as Depot Avenue, and ends west of the city.

Most of the buildings along Main Street and Wallace Avenue utilize on-street parking. Parallel parking is allowed along Main Street and Wallace Avenue. In the mid-1990's, the City of Driggs purchased several lots lying behind the commercial buildings along Main Street. None of these lots border the subject property.

In recent years, Driggs has experienced an increase in economic and residential growth. Most of the downtown area is occupied by various retail shops and professional businesses. The demand for office space has remained fairly high during the past 5 years. However, very little new professional office development has occurred in the down town area.

Retail businesses, however, have expanded substantially in the area. For example, a new retail shopping area has been developed southwest of Main Street and Little Avenue. Several new businesses have also constructed buildings along Little Street.

Although the demand for office space appears to be stable, current rents in the area range from \$1.00 to \$1.25 per square foot per month. It is my opinion that demand will remain stable for the foreseeable future.

**Parcel 2 - County Sheds Property:**

This parcel is found at the southeast corner of Front and Buxton Street, on the western edge of the city. (See *Neighborhood Map*.) The area surrounding it is primarily commercial and light industrial use. It is bordered on the south by a commercial building and on the east by the back of commercial businesses facing Main Street. It also borders the back of the Teton School District's Main Office building, which faces Main Street.

This area is approximately 60 percent built-up. The land lying west of Front Street is agricultural land. At one time, Front Street was an old railroad right-of-way running through the city. Since the right-of-way was sold, a new office building complex with garages and shop have been constructed northwest of the property. This is the only new development in the area.

Buxton Street is a paved road running west from Main Street. It intersects with Front Street, a graveled road, at the northwest corner of the property. Both streets are secondary thoroughfares in the city.

The subject area is zoned for M - 1 use. Most of the improvements are industrial in nature. It appears this zoning designation will not change in the foreseeable future, unless major changes occur within the city.

**OWNERSHIP HISTORY:**

**Parcel 1 - County Courthouse:**

Teton County is the recorded owner of this tract of land. They received title to most of it from Harvey L. Crandall and S. May Crandall, husband and wife, on September 15, 1919. They received title to the easterly 50 feet of the property from O.W. Christensen and Loretta Christensen, husband and wife, on November 27, 1931. These transfers are evidenced by Warranty Deed, Book 42, Page 153 and Warranty Deed, Book 62, Page 52.

**Parcel #2:**

Teton County is also the recorded owner of this parcel. They have held title to it for more than five (5) years.

**LEGAL DESCRIPTION:**

The legal descriptions of the subject parcels are as follows:

**Parcel #1 Courthouse Property:**

Beginning at the NW corner of Lot 2, Block 25, Driggs Original Townsite, thence running East 181 feet, thence South 107.25 feet, thence West 181 feet, thence North 107.25 feet, to the place of beginning.

ALSO beginning at the NE corner of Lot 2, Block 25, Driggs Original Townsite, and running thence South 107.25 feet, thence West 50 feet, thence North 107.25 feet, thence East 50 feet to the point of beginning.

EXCEPTING: Beginning at the Northeast corner of Lot 2, Block 25, Driggs Original Townsite, running thence South 4.36 feet south of the south side of the Triple A Building located thereon, thence West to a point directly south of the southwest corner of the Fuel Room of the south side of the said building, thence North to said corner of said Fuel Room, thence West 12 feet, thence North to the south side of Triple A Building, thence West to the southwest corner of said building, thence North to the south side of the west entrance of said building, thence West 8 feet, thence North to the north boundary line of said Lot 2, thence East to the point of beginning.

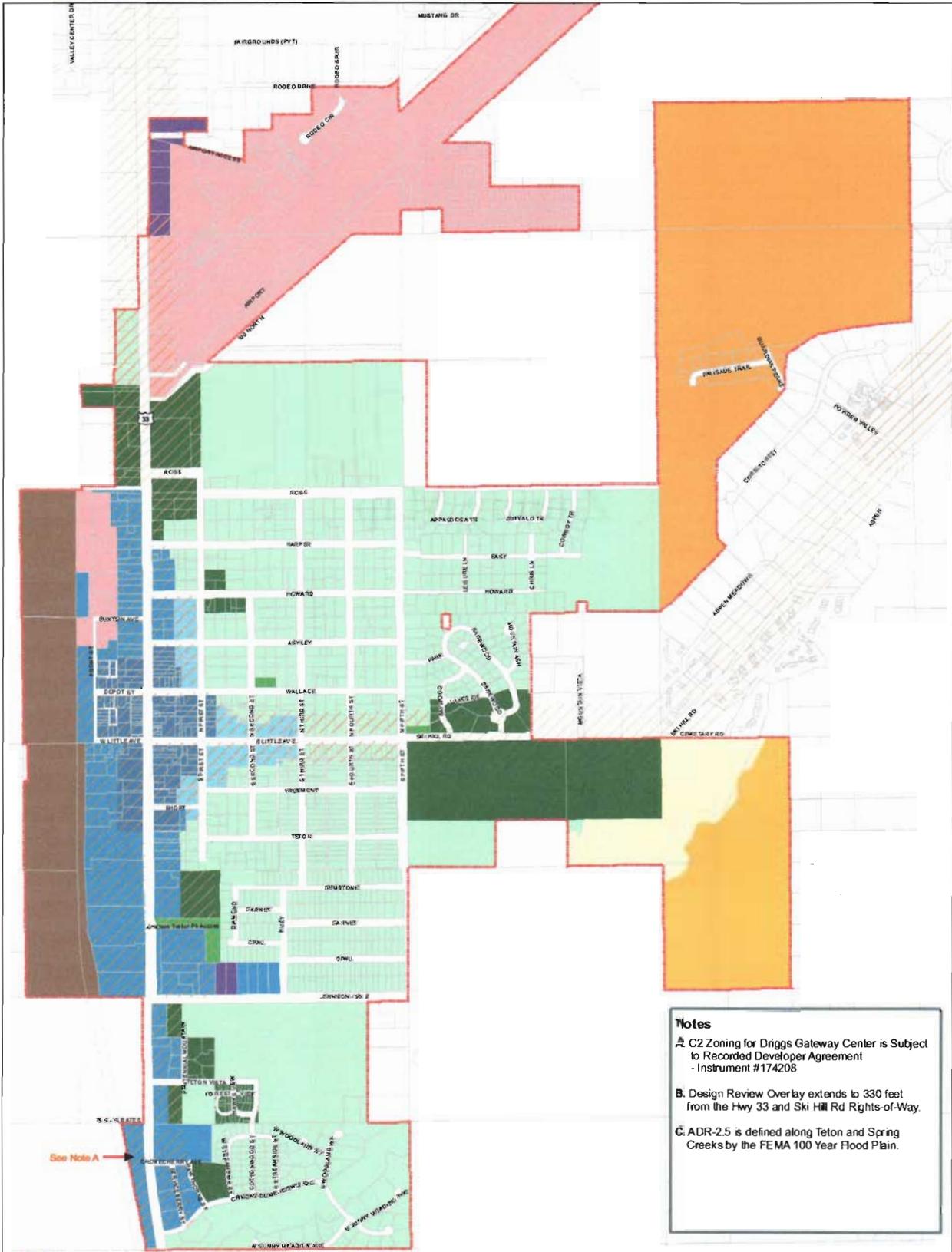
**Parcel 2 - County Sheds Property:**

Tax #1155-1449 and Tax #2646 of Block 1 and Lots 18 through 25, Block 2, to the Driggs Main Street Annex, City of Driggs, Teton County, Idaho.

# Zoning Map



# CITY OF DRIGGS ZONING MAP



<table border="0" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <ul style="list-style-type: none"> <li><span style="border: 1px solid red; display: inline-block; width: 15px; height: 10px; margin-right: 5px;"></span> City Limits</li> <li><span style="border-bottom: 1px dashed orange; display: inline-block; width: 15px; margin-right: 5px;"></span> Design Review Overlay</li> <li><span style="background-color: #8B4513; display: inline-block; width: 15px; height: 10px; margin-right: 5px;"></span> A-0.5 Agricultural (0.5 Acre Min. Lot Size)</li> <li><span style="background-color: #FF8C00; display: inline-block; width: 15px; height: 10px; margin-right: 5px;"></span> ADR-0.5 (0.5 Acre Avg Density Residential)</li> <li><span style="background-color: #FFD700; display: inline-block; width: 15px; height: 10px; margin-right: 5px;"></span> ADR-1.0</li> <li><span style="background-color: #FFFACD; display: inline-block; width: 15px; height: 10px; margin-right: 5px;"></span> ADR-2.5</li> <li><span style="background-color: #ADD8E6; display: inline-block; width: 15px; height: 10px; margin-right: 5px;"></span> C-1 Neighborhood Commercial</li> </ul> </td> <td style="width: 50%; vertical-align: top;"> <ul style="list-style-type: none"> <li><span style="background-color: #4169E1; display: inline-block; width: 15px; height: 10px; margin-right: 5px;"></span> C-2 Downtown Commercial</li> <li><span style="background-color: #483D8B; display: inline-block; width: 15px; height: 10px; margin-right: 5px;"></span> C-3 Service &amp; Highway Commercial</li> <li><span style="background-color: #4682B4; display: inline-block; width: 15px; height: 10px; margin-right: 5px;"></span> CBD Central Business District</li> <li><span style="background-color: #F08080; display: inline-block; width: 15px; height: 10px; margin-right: 5px;"></span> M-1 Light Industrial</li> <li><span style="background-color: #90EE90; display: inline-block; width: 15px; height: 10px; margin-right: 5px;"></span> R-1 Single &amp; Two-Family Residential</li> <li><span style="background-color: #3CB371; display: inline-block; width: 15px; height: 10px; margin-right: 5px;"></span> R-2 Combined Residential</li> <li><span style="background-color: #2E8B57; display: inline-block; width: 15px; height: 10px; margin-right: 5px;"></span> R-3 Multiple-Family Residential</li> </ul> </td> </tr> </table>	<ul style="list-style-type: none"> <li><span style="border: 1px solid red; display: inline-block; width: 15px; height: 10px; margin-right: 5px;"></span> City Limits</li> <li><span style="border-bottom: 1px dashed orange; display: inline-block; width: 15px; margin-right: 5px;"></span> Design Review Overlay</li> <li><span style="background-color: #8B4513; display: inline-block; width: 15px; height: 10px; margin-right: 5px;"></span> A-0.5 Agricultural (0.5 Acre Min. Lot Size)</li> <li><span style="background-color: #FF8C00; display: inline-block; width: 15px; height: 10px; margin-right: 5px;"></span> ADR-0.5 (0.5 Acre Avg Density Residential)</li> <li><span style="background-color: #FFD700; display: inline-block; width: 15px; height: 10px; margin-right: 5px;"></span> ADR-1.0</li> <li><span style="background-color: #FFFACD; display: inline-block; width: 15px; height: 10px; margin-right: 5px;"></span> ADR-2.5</li> <li><span style="background-color: #ADD8E6; display: inline-block; width: 15px; height: 10px; margin-right: 5px;"></span> C-1 Neighborhood Commercial</li> </ul>	<ul style="list-style-type: none"> <li><span style="background-color: #4169E1; display: inline-block; width: 15px; height: 10px; margin-right: 5px;"></span> C-2 Downtown Commercial</li> <li><span style="background-color: #483D8B; display: inline-block; width: 15px; height: 10px; margin-right: 5px;"></span> C-3 Service &amp; Highway Commercial</li> <li><span style="background-color: #4682B4; display: inline-block; width: 15px; height: 10px; margin-right: 5px;"></span> CBD Central Business District</li> <li><span style="background-color: #F08080; display: inline-block; width: 15px; height: 10px; margin-right: 5px;"></span> M-1 Light Industrial</li> <li><span style="background-color: #90EE90; display: inline-block; width: 15px; height: 10px; margin-right: 5px;"></span> R-1 Single &amp; Two-Family Residential</li> <li><span style="background-color: #3CB371; display: inline-block; width: 15px; height: 10px; margin-right: 5px;"></span> R-2 Combined Residential</li> <li><span style="background-color: #2E8B57; display: inline-block; width: 15px; height: 10px; margin-right: 5px;"></span> R-3 Multiple-Family Residential</li> </ul>	<p style="text-align: center; font-weight: bold; font-size: 1.2em;">CITY OF DRIGGS</p> <p style="text-align: center;">PLANNING AND ZONING DEPT.</p> <p style="text-align: center;">MARCH 7, 2006</p> <div style="text-align: center;"> <p>0 500 1,000 2,000 Feet</p> </div> <div style="text-align: right;"> </div>
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Data Sources: Teton County, ID, and City of Driggs  
Disclaimer: Data contains inaccuracies and is for reference only. The City of Driggs shall not be held liable for improper or incorrect use of the data described and/or contained herein.

**ASSESSED VALUE AND TAXES:**

Since all of the properties are owned by Teton County, they are not assessed for tax purposes.

**COUNTY ZONING:**

According to the City of Driggs Planning and Zoning Department, the subject parcels have been zoned as follows:

**Parcel #1:    *Zoning: CBD with a Design Review Overlay***

This parcel is zoned Central Business District with a Design Review Overlay. *(See Zoning Map on the opposite page.)* Under this designation, the property can be used for a variety of commercial and professional office uses. This zoning designation extends along both sides of Main Street in the area. The present use of this parcel is in compliance with this use restriction. *(See Full Zoning Ordinance in the Addendum Section of this report.)*

**Parcel #2:    *Zoning: M - 1***

This parcel is zoned for Light Industrial (M - 1) use. Under this designation, the property can be used for a variety of manufacturing, or storage uses. This designation extends north and west of the subject parcel. The present use of the parcel is in compliance with this use restriction. *(See Full Zoning Ordinance in the Addendum Section of this report.)*

**FLOOD PLAIN DESIGNATION:**

Both parcels are found outside any flood-designated area. This information was confirmed by Flood Insights with Community No. 160166.

**Aerial Map**  
**(County Courthouse Property)**

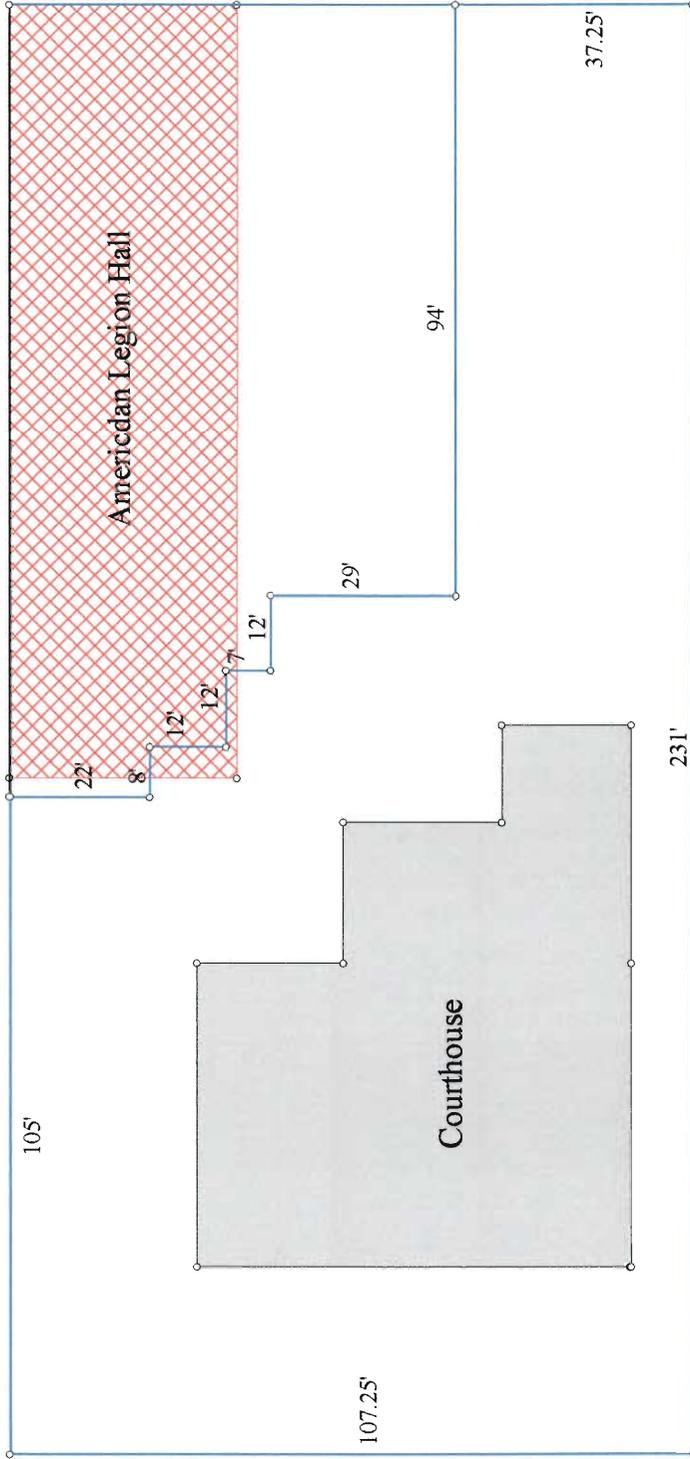


# **Plat Map**

**(County Courthouse Property)**



Wallace Avenue



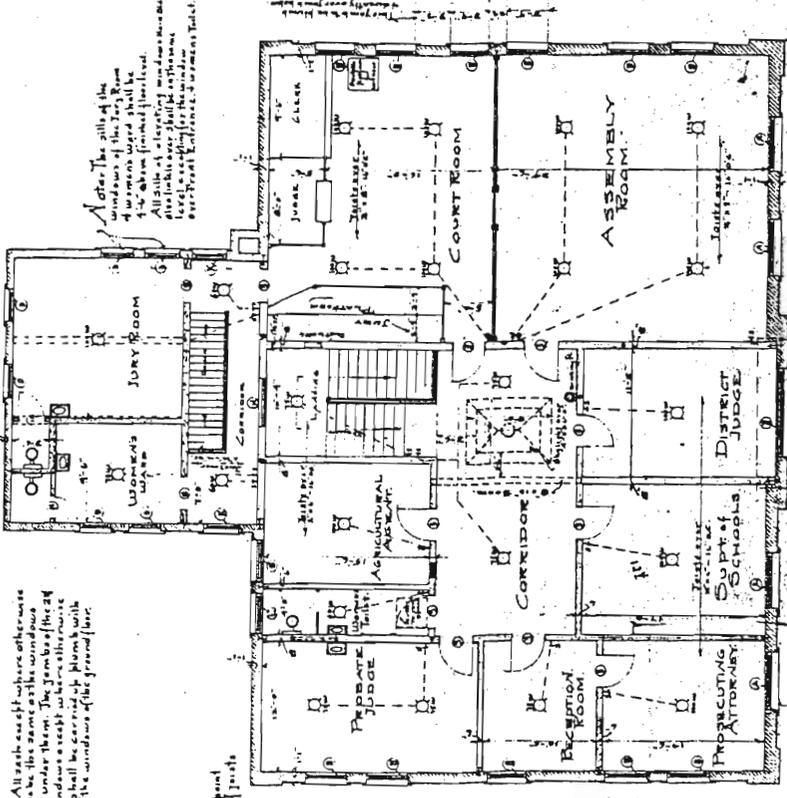
Main Street

# Plat Map

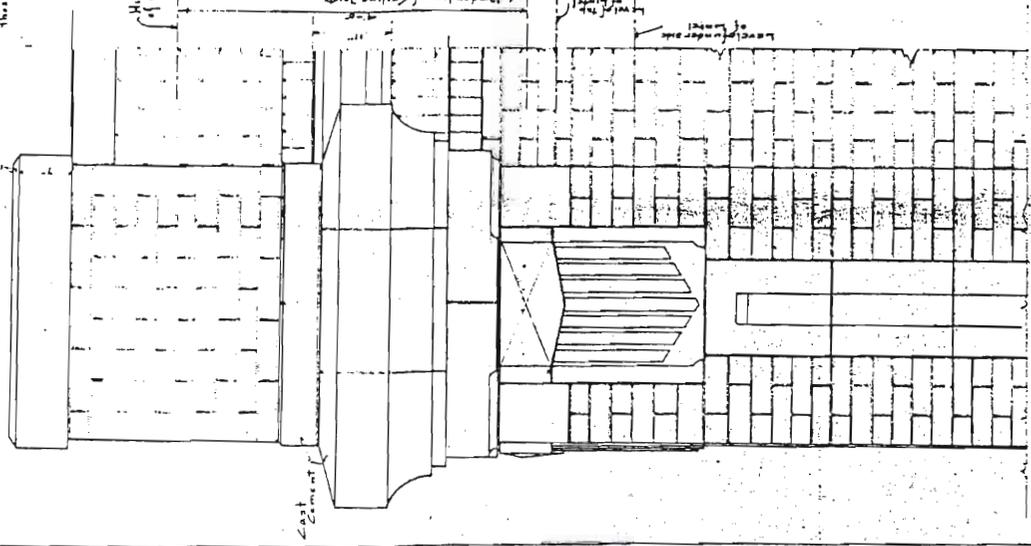
Land Size: 17,119 s.f.  
Courthouse: 9,218 s.f.

# **Courthouse Main Floor Plan**

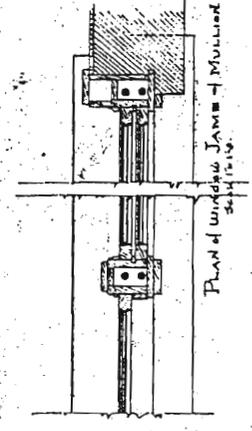
Note - All sash except where otherwise noted are the same as the windows usually under them. The jamb of the floor windows except where otherwise noted shall be carried up blank with those of the windows of the ground floor.



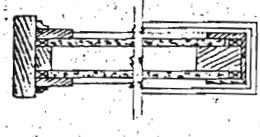
SECOND FLOOR PLAN  
Scale 1/8" = 1'-0"



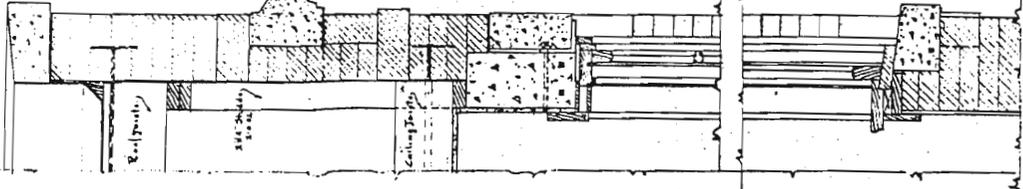
ELEVATION OF UPPER PORTION OF PILLAR  
Scale 1/8" = 1'-0"



PLAN of WINDOW JAMB + MULLION  
Scale 1/8" = 1'-0"



PLAN of SECTION of STAIR RAIL  
Scale 1/8" = 1'-0"

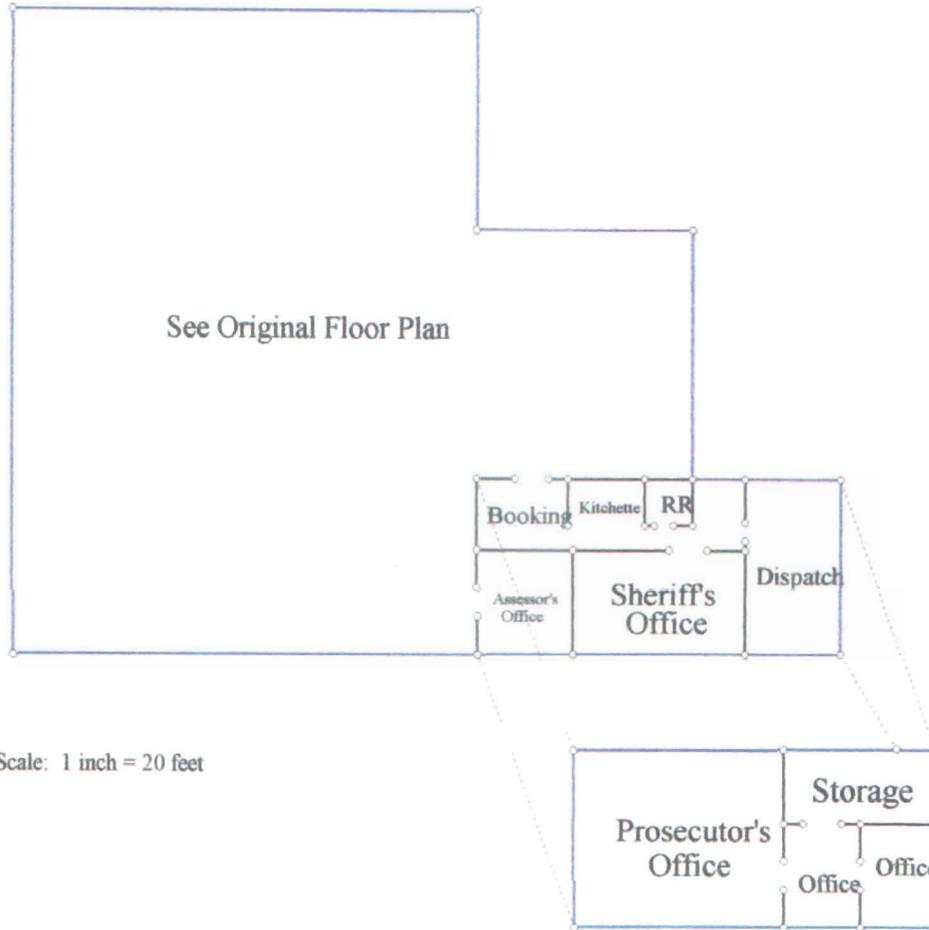


SECTION + ELEVATION of MAIN BUILDING  
Scale 1/8" = 1'-0"

# **Courthouse Second Floor Plan**



# **Courthouse Addition Floor Plan**



Scale: 1 inch = 20 feet

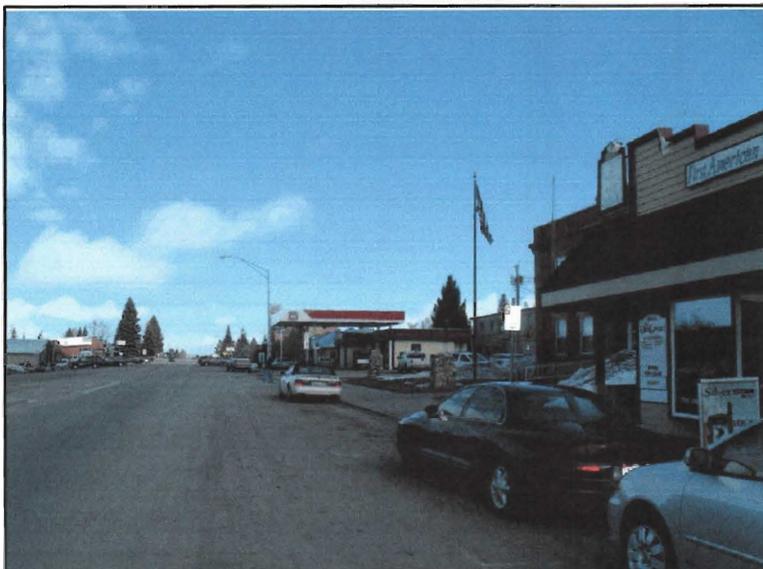
## Courthouse Addition

Total Building Size: 9,218 s.f.

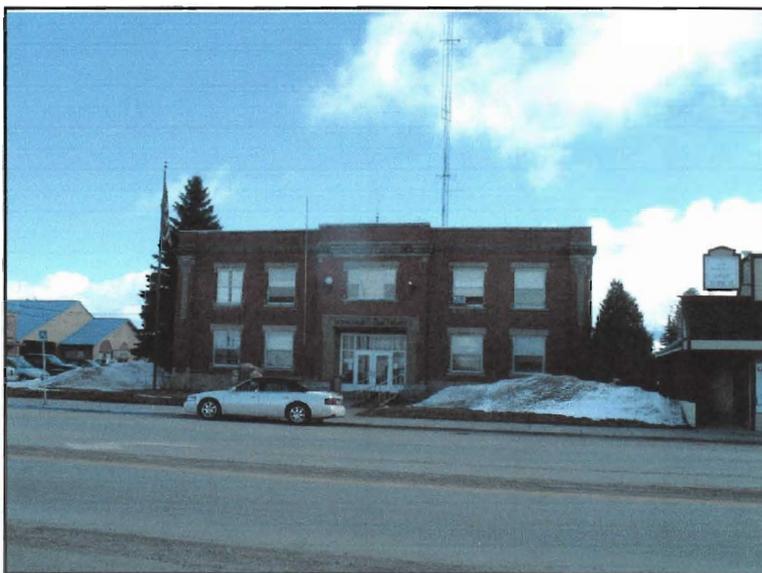
Main Floor: 4,609 s.f.

Second Floor: 4,609 s.f.

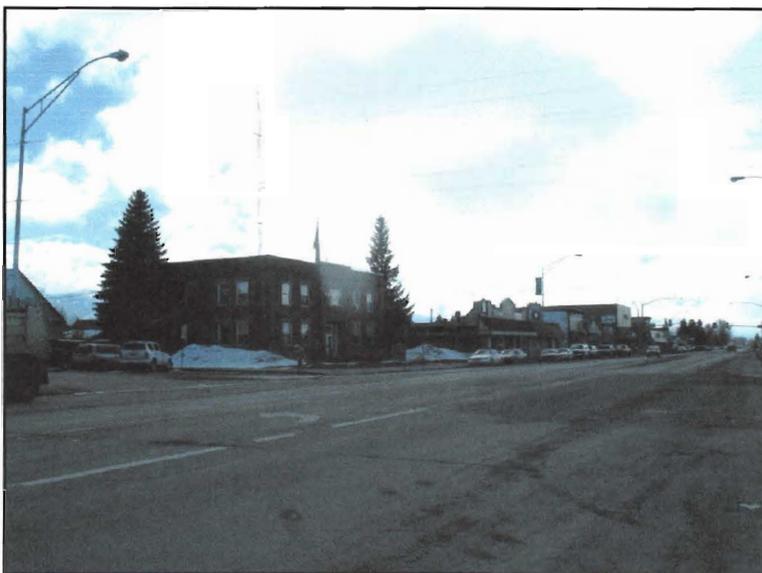
Addition Size: 709.46 s.f.



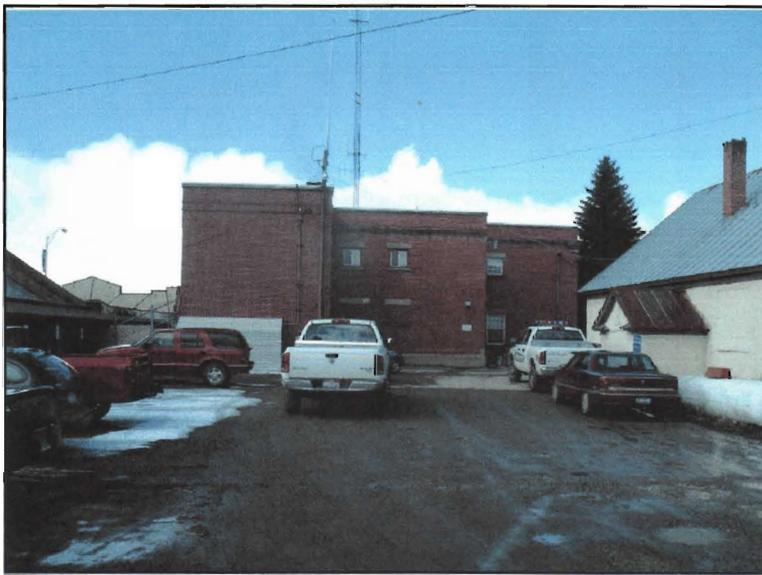
1. Looking north along Main Street (State Highway 33) at the subject property.



2. Looking east at the County Courthouse on the subject property.



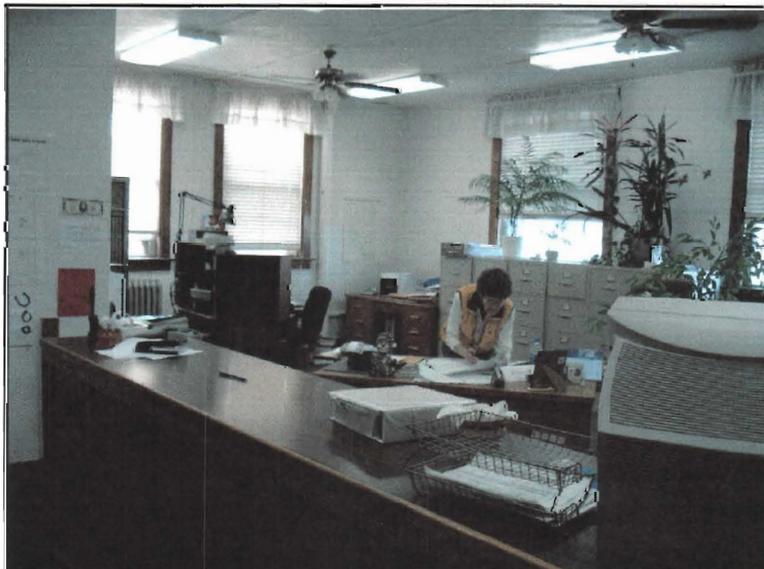
3. Looking south along Main Street at the subject property.



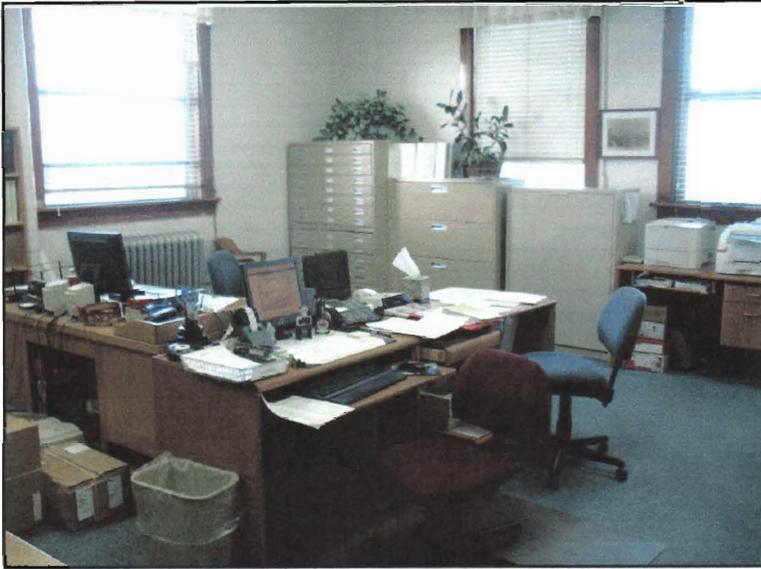
4. Looking west at the back of the subject improvement.



5. Looking east across the hallway on the main floor of the building.



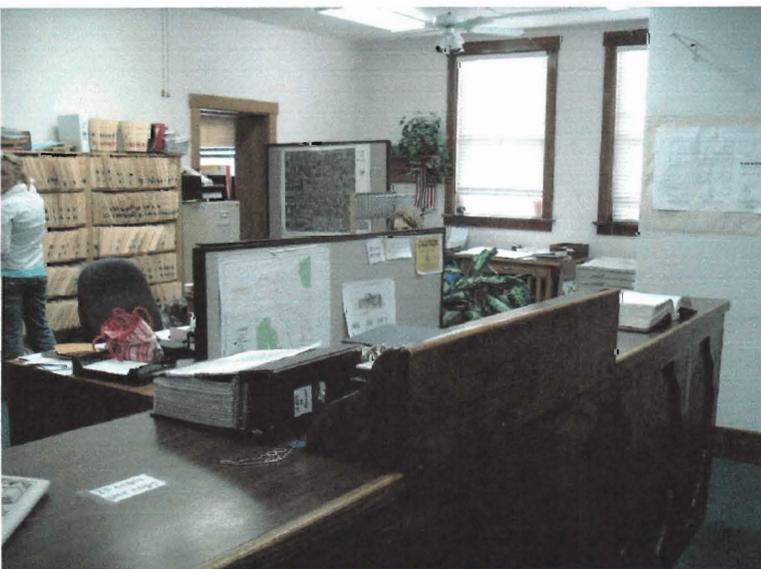
6. Looking southwest across the Treasurer's Office, which is inside the building.



7. Looking southwest across the Clerk's Office inside the building.



8. Looking east across a file room off of the Clerk's Office.



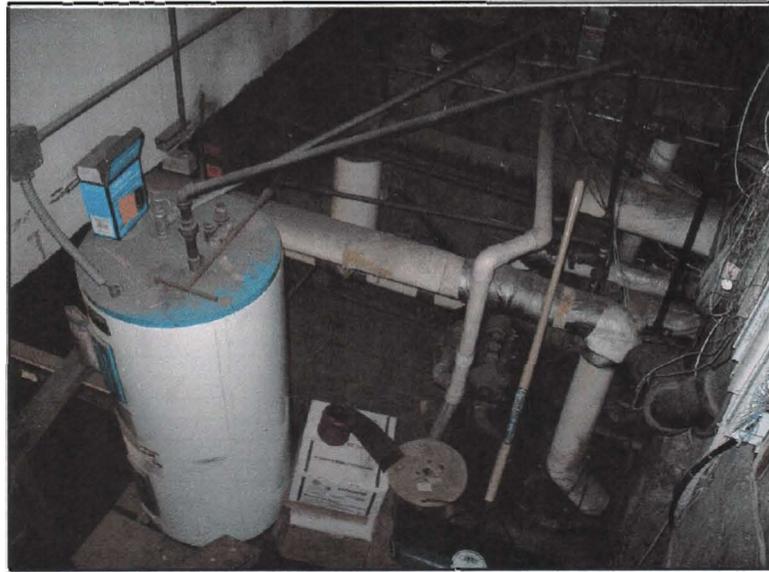
9. Looking southeast across the Assessor's Office inside the building.



10. Looking northeast across the 2<sup>nd</sup> floor of the building.



11. Looking southeast across the court room on the 2<sup>nd</sup> floor of the building.



12. Looking down at the boiler in the partial basement inside the building.



13. Looking west across the dispatch center in the Sheriff's Department area at the back of the subject building.

## **DESCRIPTION OF THE PROPERTY:**

### **Parcel 1 - Courthouse Property:**

#### *Location and Land Size:*

This is a 17,119 s.f. (0.393-acre) tract of land lying at the southeast corner of the intersection of Main Street and Wallace Avenue. Its physical address is 89 North Main Street. It is an irregularly-shaped tract of land that is bordered on the south by a commercial building, on the east by a graveled, public alley and on the north by the American Legion Hall building and Wallace Avenue. (See Aerial Map, and Photographs.)

#### *Accessibility and Parking:*

This parcel has approximately 107.25 feet of frontage along Main Street. It has approximately 55 feet along Wallace Avenue. The greatest depth of the property is approximately 231 feet. This length runs along the south side of the property. (See Plat Map.)

The property is accessible by a driveway along Wallace Avenue. It has access to street parking along Main Street and Wallace Avenue. Parallel parking is found along both streets. City parking is located approximately one-half (½) block away behind the buildings lying west of Main Street. There is some parking available at the back of the property.

#### *Building Description and Condition:*

This parcel has been improved with a 9,218 s.f., 2-story building, which is used as the Teton Courthouse. It is a wood-framed structure set on a concrete foundation with a crawl space underneath. Its exterior has been finished with a brick facing and stone facade. Its roof is finished with a single-layer, membrane surface. This surface was installed in 1994 and has a 15-year guarantee.

This building was constructed in 1924 for Teton County. Approximately thirty (30) years ago, the Sheriff's Office was added onto the back of the original structure.

The interior of the building is divided into three(3) office areas and a hallway. Each office area has its own security vault. A jail room and sheriff's office is located at the back of the building. The jail features two (2) holding cells with a shower and toilet area. This room is secured away from the rest of the building by two (2) metal doors.

The main floor also features a step-down men's restroom situated underneath the staircase leading to the second floor. This restroom does not meet ADA standards. A metal ramp at the front of the building conforms to ADA requirements for accessibility onto the main floor. However, there are no other features in the building which meet ADA standards.

The second floor mirrors the main floor. It features an open corridor at the top of the main staircase, a large courtroom and four (4) offices line the parameter of the building.

A Women's restroom is found on the second floor. It features a sink and single commode. It does not meet ADA requirements.

At the back of the building, there is a second staircase and a small corridor leading to the back of the court room and the jury room. A small holding cell is also found on the second floor. This room is presently being used as storage. However, it has been plumbed with a single commode and sink. A washroom and commode are also found off of the jury room. These rooms also do not meet ADA requirements.

The prosecutor's office is also found at the back of the building. This is a three-room office with a storage area. It lies above the sheriff's office. It is also accessible from the back staircase.

The entire building, except for the sheriff and prosecutor's office, is presently heated with a coal-fired boiler, which is located beneath the back staircase and jail room. This boiler is very antiquated and in poor condition. It provides radiant heat throughout the building. While inspecting this room, I found a sump pump underneath the steps. It appears this room has flooded in the past from sub-water.

The sheriff and prosecutor's office are heated with electric baseboard heat. The building is not air-conditioned nor does it have central air.

*MAIN FLOOR:*

The interior of the building has been finished with plastered ceilings and walls. Its floors consist of an unpadded carpet and linoleum tile surface. The rooms on this level are finished with some wood trim and wainscot. All of the areas are lit with florescent lighting.

*Hallway:* The front entry into the building features two (2) wooden swinging doors that are in good condition. All of the other doors in the building are older, solid wood doors with extensive wood casing. All appear to be in fair condition.

*Clerk's Office:* This room features unpadded, carpeted flooring, plastered ceilings and walls and a walk-in vault.

*Commissioner's Office:* This room features wood-paneled wainscot walls, plastered ceilings and walls.

*Computer Room:* Features unpadded carpeted flooring, wood-paneled and plastered ceilings and walls.

*Treasurer's Office:* This room features unpadded, carpeted flooring, plastered ceilings and walls and a walk-in vault.

*Assessor's Office:* This room features unpadded, carpeted flooring, plastered ceilings and walls and a walk-in vault. This room also features a separate Assessor's Office, which is found in the new addition of the building. It features finished drywall, unpadded, carpeted flooring and a drop acoustic-tiled ceilings.

*Restroom:* This room is found underneath the main staircase. It has a concrete floor, built-in urinal, two (2) commodes and a sink/cabinet combination. It is two-steps down room.

*Storage Closet:* This room is found on the north side of the hall, near the restroom. It features a vinyl-tiled floor, plastered ceilings and walls and a floor tub.

All of the ceilings on the main floor are 12 feet high. The same ceilings are found on the second floor.

*Sheriff's Office:* This section features unpadded carpet and linoleum-tiled flooring. It also features sheet-rocked walls and drop acoustic-tiled ceilings. This office is accessible by a doorway at the back of the building. It is only accessible to the rest of the building through the Jail area.

*Jail:* This area is finished with a concrete floor and with plastered ceilings and walls. Each cell has a commode and sink. The area also is improved with a private shower and restroom area.

#### *SECOND FLOOR:*

The upper floor features plastered ceilings and walls, with padded carpeted flooring.

*Courtroom:* This room features plastered ceilings and walls, with padded carpeted flooring, ceiling fans and florescent lighting.

*Agricultural Agent Room:* This office features padded carpeted flooring and plastered ceilings and walls.

*Planning and Zoning Office:* This office features unpadded carpeted flooring and plastered ceilings and walls.

*District Court Office:* These offices feature padded carpeted flooring and plastered ceilings and walls.

*Other Offices:* These offices feature padded carpeted flooring and plastered ceilings and walls.

*Women's Restroom:* This room features tiled floors with plastered ceilings and walls. It also features a single commode and cabinet/sink combination.

*Prosecutor's Office:* This office features unpadded carpeted flooring, finished sheet-rocked walls and drop acoustic-tiled ceilings.

*Jury Room:* This area features wood-paneled walls and plastered ceilings. A washroom is found on the north side of this room with a commode in a closet.

The building is wired to a single electrical meter, which is located at the back of the building. The building has three (3) public accesses—one at the front, one along the north side and one at the back of the building. The building also features a large antenna, which is located on top of the building. *This antenna has not been included in the value of this report.*

*Exterior Improvements:*

The building is surrounded by an open lawn area with mature shrubbery and trees along the front of the building. This landscaped area does not have an automatic sprinkling system.

A buried fuel tank is found at the back of the building. According to the sheriff's department, the fuel dispenser is not being used. I was unable to confirm the size of the tank buried within the ground. Only some asphalt is found at the back of the building. Most of the parking behind the building is graveled.

**HIGHEST AND BEST USE:**

In arriving at an opinion of value, I have analyzed and determined the highest and best use of the subject parcels in their unimproved and improved conditions. I have analyzed each property as unimproved land to find its highest and best use as vacant land. I have then analyzed it as improved condition to determine if its present use is what the market would consider to be its highest and best use. This analysis helps me determine if the improvements on the property are proper and whether such improvements provide a contributory value to the land.

I have used four (4) criteria for determining the highest and best use of each parcel. These factors, or use criteria, require that the property be:

- (1) Legally Permissible;
- (2) Physically Possible;
- (3) Financially Feasible;
- (4) Maximally Productive.

**Parcel 1 - Courthouse Property:**

**A. Unimproved Condition:**

**Legally Permissible:**

This parcel is zoned for Central Business District use with a design review overlay. Under this designation, the property could be for a variety of retail or professional office uses.

**Physically Possible:**

The subject contains 17,119 s.f. It has 107.25 feet along Main Street and 105 feet along Wallace Avenue. It is bordered on the northeast by the American Legion Hall Building and on the south by older commercial buildings.

Because of its location along Main Street, it has good utility for commercial or professional office development. It is located downtown. It is surrounded by commercial and professional office development. Therefore, it has good utility for this type of use.

**Financially Feasible:**

In recent years, older buildings along Main Street have been renovated to accommodate the demand for professional office and retail space. Most of these buildings are occupied. A few lots exist for development. These lots have recently been purchased for future development.

Land values in the city have dramatically increased during the past couple of years. These values are based on speculation and not on any type of return. Most small lots, like the subject, have a significantly higher value than do larger commercial tracts in the area. Therefore, I conclude the property has good economic utility as a vacant lot.

Maximally Productive:

The subject property is located on a corner in downtown Driggs. It is easily accessible and has good exposure to local and regional traffic. It is fairly large in size and has good access from foot and vehicle traffic. Therefore, I conclude the highest and best use of this parcel, as unimproved land, is that of a commercial, retail or professional office site.

**B. Improved or Present Condition:**

Legally Permissible:

This parcel is zoned for Central Business District use with a design review overlay. The present use of this parcel conforms to this use restriction. This zoning designation will not change in the foreseeable future. Under this designation, the property could be used for a variety of uses including retail, professional office, etc.

Physically Possible:

The property is improved with a 9,218 s.f., two-story building, which is presently used as the Teton County Courthouse. It was constructed in 1924. It is on the historical register's list. It is well-maintained, but very antiquated as a building.

It is functional as an older County Courthouse building. However, its overall utility is restricted because of its age and condition. For example, the upper floor is inaccessible to wheel chairs. All of the restrooms are ADA noncompliant. The heating and electrical system in the building are antiquated. Therefore, the building is in need of substantial upgrade.

At the present time, the building has some functionality for use by a single entity. However, if it were to be used by multiple tenants, it would require substantial renovation. Certain portions of the building would have to be reconfigured or constructed in order to be utilized. As a result, I conclude the building in its present condition is at the end of its economic life, without substantial renovations being made to it.

*Financially Feasible:*

Under this section, the present use of the property is analyzed in order to determine if the subject building in its present condition is financially feasible to a typical buyer in the market. In its present condition, the building has some utility as a courthouse. However any other use, particularly use by a private enterprise, would require major renovation.

In its present condition, the building would have some utility to a potential buyer, who is seeking an investment. Of course, the question is whether the cost of purchasing and renovating the building would be more than what it would return as an investment.

Most of the older buildings on Main Street have been renovated and upgraded with modern plumbing and electrical wiring. While investigating the market, I found most of these buildings are occupied retail, commercial or professional office operations.

In order to compete with these properties, the subject would have to be renovated. This renovation would require rewiring portions, if not all of the building. It would also require a new heating and central air system and an elevator, providing access to the upper floor. Finally, the restroom facilities in the building would need to be renovated and upgraded to meet ADA standards. I estimate it would cost \$450,000 to \$500,000 to renovate the building. This does not include the price of buying the building.

If the building were renovated, it could be rented out as a multi-unit office building. The hallways and corridors would be "common area." However, the individual offices, court room and other portions of the building could be used as individual suites.

I estimate the building would have approximately 7,168 s.f. of leaseable space after renovation. This area would rent anywhere from \$0.63 to \$1.33 per s.f. per month. The main floor units would rent anywhere from \$1.25 to \$1.33 per s.f., while the upper floor would rent near \$0.63 per s.f.

Based on the analysis, the property would have an indicated value after renovation as follows:

<i><b>Gross Income</b></i>	No. S.F.	Per S.F.	
Left Front Unit:	1334	\$16.00	\$21,344
Right Front Unit:	1215	\$16.00	19,440
Back Lower Unit:	685	\$7.50	5,138
Upper Units:	3934	\$7.50	29,505
Gross Revenue:	7,168		\$75,427
Less Vacancy Loss:		8%	-6,034
Effective Gross Income:			\$69,392

<i><b>Expenses</b></i>			
Property Tax:			5,000
Insurance:			1,800
Maintenance Reserve:		8%	5,551
Management Fee:		5%	3,470
Total Expenses:			-\$15,821
Net Income:			\$53,571
Capitalized at:			9.00%
Concluded Value			\$595,233

In order to determine the financial feasibility of such renovation, the potential return needs to be reduced by the estimated renovation costs. I estimate it would cost an average of \$475,000 to renovate the building. Therefore, the return on the building less the cost to renovate is as follows:

Concluded Value	\$595,233
Less Renovation:	-475,000
Value After Capital Outlay:	\$120,233

This is a positive return. However, it does not take into consideration the price of purchasing the building. It also is significantly less than the value of the subject land.

Based on my review of the market, small commercial tracts are selling between \$38 and \$40 per s.f. This would indicate value near \$650,000. Even taking into the cost of removing the building, the property would have an indicated value near \$600,000. Therefore, I conclude the present use of the property is not its most financially feasible use.

Maximally Productive:

The subject property is currently improved with an older, 2-story, 9,218 s.f. building, which is being used as a courthouse. Although located near the downtown section of Driggs, it does not have good utility, except as a courthouse or for some public use.

Because of its age and size, the building does not have good utility for private use. Instead, the value of the land (as vacant) outweighs the value of the property improved. Therefore, I conclude the highest and best use of this parcel, as improved, is to remove the building and use the land for some type of commercial, retail or professional office development.

## **APPROACHES TO VALUE:**

Three approaches to value are generally considered in arriving at an estimate of the value of Real Estate. These are called Sales Comparison, Cost and Income approaches.

The application of the Sales Comparison Approach produces an estimate of value by comparing the subject with similar properties of the same type and class that have sold or are currently offered for sale in the same or complementary areas. The sale prices of properties, deemed most comparable, set the range in which the value of the subject property will fall. When properly applied, this approach generally allows for both depreciation and appreciation in value.

In the Cost Approach, a value is estimated by computing the present replacement cost of the improvements and then applying an appropriate depreciation rate to arrive at a depreciated value of the improvements. This depreciation rate is concluded either from comparing sales for similar types of properties to their replacement cost, or from the various accepted Age-Life methods, or both. This is then added to the land value, found by comparison in the market, to arrive at a value for the property.

This approach is based on the assumption that the replacement cost is the upper limit of value. This approach is best used when the improvements are new or near new and are proper improvements for the property. As improvements increase in age and as depreciation accumulates, the validity of this approach lessens.

The Income Approach is a process of developing the net rental income from a property into an indication of value. This is accomplished by analyzing the relationship of net rental incomes from similar properties to their selling prices in the market. The relationship between this net income and the selling price is called a capitalization rate. The net income is divided by the capitalization rate to show value.

I have considered all three (3) approaches herein. However, I have only used the Sales Comparison Approach in arriving at an opinion of value for Parcel 1. I have not used the Cost or Income Approach because I conclude the "highest and best use" of this parcel is vacant land available for development.

I have used the Sales Comparison Approach and Cost Approach to arrive at an opinion of value for Parcel 2. The Cost Approach has been used to arrive at a contributory value of the buildings and improvements thereon. The Sales Comparison Approach has been used to arrive at an opinion of value for the land. The following is a conclusion of my analysis.

VALUATION SECTION

**Parcel 1 - County Courthouse Property:**

The Sales Comparison Approach has been used to arrive at an opinion of value for this parcel. In the highest and best use analysis, it was determined that the land value on this parcel was greater than the value of the property with the building on it. Therefore, I have used land sales in the immediate area to arrive at an opinion of value for the land.

There have been several sales in the area of the subject. Some of the smaller tracts have sold for ten times the value or larger commercial tracts in the area. Recently two (2) sales directly west of the property, along the west side of Main Street, sold for \$39 and \$42 per s.f., respectively. The following is a list of the sales considered in the analysis.

The first sale is of a vacant tract of land along Main Street. It was purchased by the owner

List of Sales								
Sale	Buyer	Date	Sale Price	Land Size (S.F.)	Price Per S.F.	Zoning	Location	Utility
	Dennis Sessions	Aug-05	375,000	75,826	\$4.95	C-2	Lot 7 Broulins Retail Center	2nd Retail
	City of Driggs	Aug-05	130,676	18,668	\$7.00	C-2	Behind new City Hall	2nd Retail
	RE Services	Mar-01	225,000	24,975	\$9.01	C-1	SE Corner Hwy 33 & 31, Victor	Retail
	Jim Hunter	Aug-05	162,340	16,234	\$10.00	C-2	Little Avenue	Retail
	Sun Valley Bancorp.	Sep-05	425,000	30,594	\$13.89	C-2	Lot 6 Broulins Retail Center	Retail
1	Gillett	May-04	627,000	15,987	\$39.22	CBD	North Main Street	Retail
2	CWD, LLC	Jan-06	402,000	9,606	\$41.85	CBD	North Main Street	Retail

of Grand Targhee Ski Resort. Mr. Gillett indicated he plans to develop the site with retail and commercial businesses that will tie into the ski resort.

The second sale is the recent purchase of the old City Hall building. The buyers of this property plan to raze the building and develop new retail and commercial buildings on the property. In the meantime, they hope to lease out the building.

It should be noted that Sale #2, when analyzed, is approximately \$16,000 less. In my analysis, I have reduced this sale price by the cost required to remove the building, which is currently situated on it. After this expense, the property has an indicated value of \$40.14 per s.f.

All of the other properties that have sold in the area or either larger tracts or are located on secondary streets. The Jim Hunter sale is a tract of land along Little Street. It does not have the same exposure as the subject property or Sale #1 and #2. The Sun Valley Bancorp property is a “pad site” in a new retail shopping development. It is found south of the area.

I have used a *quantitative analysis* to compare the selected sales to the subject property. I have isolated various factors that affect value. These factors are location, size, zoning and utility. I have adjusted each sale using these factors. The following is a conclusion of my analysis.

***Location:*** Location refers to attractiveness, view, overall appeal to the market of a certain tract of land. I conclude that both Sale #1 and #2 are similar to the subject in location. The subject is found on a corner, which gives it better utility. However, its shape restricts its potential use compared to these sales. Therefore, its overall comparability is about the same.

***Size:*** The size of a property can affect the per s.f. value. In this case, the sales are fairly similar to the subject in size. Therefore, no adjustment is required.

***Zoning:*** A zoning designation can make one property more desirable than another. However, in this case all of the properties have the same zoning designation. Therefore, no adjustment has been made.

***Utility of the Land:*** This factor is a “catch all” for determining the overall quality of a tract of land. I conclude that the subject does not have the same overall utility as these sales. Unlike the subject, these sales are located adjacent to off-street, public parking. They also have a configuration that does not restrict their potential for future development, like the subject. The subject property is between an existing commercial building and the American Legion Hall, which restricts its potential for development. Therefore, I have adjusted each sale down \$2.00 per s.f. for this difference.

The following is the summary of my adjustments:

## Sales Adjustment Table

Element	Subject	Sale 1		Sale 2	
Sale Price:	-		\$627,000		\$385,600
Land Size (s.f.):	17,119		15,682		9,606
Price Per Acre.:	-		\$39.98		\$40.14
Property Rights:	Fee Simple		Fee Simple		Fee Simple
Adjusted Price:	-		0		0
Financing Terms:	N/A		Cash		Cash
Adj. for Financing:	-		0		0
Condition of Sale:	N/A		Arm's Length		Arm's Length
Adj. for Condition:	-		0		0
Market Conditions:	N/A		May -04		Pending
Adj. for Market Cond.:	-		0%		0%
Other Adjustments:					
Location:	Main & Wallace	Main Street	0	Main Street	0
Size:	Small	Small	0	Small	0
Zoning:	CBD	CBD	0	CBD	0
Utility of the Land:	Comm/Off.	Comm/Off.	-2.00	Comm/Off.	-2.00
<b>Total Net Adjustment:</b>			<b>-\$2.00</b>		<b>-\$2.00</b>
Total Net Adjustment:					
as % of Sale Price:			-5%		-5%
<b>Final Adj. Sale Price:</b>			<b>\$37.98</b>		<b>\$38.14</b>

These sales indicate a value range near \$38.00 per s.f. This value represents the value of the land as though it were vacant. However, the property is still improved with a 2-story, 9,218 s.f. building.

The true value of the property is the value of the vacant land less the cost required to raze the building. As part of the appraisal process, I have investigated the market to find the cost of removing this type of building. I found that it cost \$135,000 or \$5.00 per s.f. to raze the North Fremont High School, in Ashton, Idaho. It cost approximately \$125,000 or \$5.00 per s.f. to raze the Kinghorn Junior High School, in Rigby, Idaho. Based on these costs, I estimate it would cost approximately \$46,090 to raze the subject building.

Land Value:	\$650,522
Less Building Demolition:	<u>-46,090</u>
Opinion of Value of Property:	<u>\$604,432</u>

After deducting this cost from the land value, the subject property has an indicated value of \$604,432. This figure represents the current value of the property in its "as is" condition.

*Called At: ~~\$604,000~~*

*09.28.2006 Revised \$ 724,000*

## **Addendum**

- ▶ **Zoning Ordinances for CBD & M - 1**
- ▶ **Parcel #1 -Land Sales Map**
- ▶ **Parcel #1 - Land Sales Data**
- ▶ **Parcel #2 - Land Sales Map**
- ▶ **Parcel #2 - Land Sales Data**
- ▶ **Certification and Statement of Limiting Conditions**
- ▶ **Qualifications of the Appraiser**

## **Section 10. CBD ( Central Business District)**

The purpose of the Central Business District Zone is to provide for the business and civic functions that make up the city's historic core. The Central Business District (CBD) has a strong pedestrian character and provides for concentrated small-scale commercial activity, which serves the needs of the community and visitors.

### **A. Uses Allowed:**

1. Club or lodge;
2. Hotel;
3. Motel;
4. Restaurant or Café
5. Retail store;
6. Personal service shop;
7. Tavern, lounge or pub;
8. Theater, indoor;
9. Bank;
10. Office of a professional or administrative nature;
11. Office of a medical nature; and
11. Bed and breakfast.

### **B. Conditional Uses Permitted:**

1. Bowling alley, dance hall or similar establishment;
2. Radio or television studio;
3. Commercial or private parking lot;
4. Crafts shop;
5. Microbrewery;
6. Home business;
7. Multiple-family dwelling;
8. Recreation / fitness center; and
9. Building for nonprofit community functions.

### **C. Height Regulations:**

Any building or structure or portion thereof hereafter erected shall not exceed forty-five (45) feet in height unless approved by Conditional Use Permit.

### **D. Setback Requirements:**

No front, rear, nor side yards shall be required except when a building or group of buildings abuts upon a residential zone. A yard, having a width of not less than ten (10) feet, shall be provided on the side or sides of any lot abutting a residential zone. A yard, with a depth of not less than fifteen (15)

feet, shall be provided at the rear of any lot abutting a residential zone. A rear yard may be used for off-street parking and loading.

**E. Area Requirements:**

There shall be no minimum lot size except that residential uses shall have the same area requirements as set forth in the R-3 Zone.

**F. Accessory Buildings:**

Accessory buildings shall not be placed in front yard and shall meet the same setback requirements as principal buildings. An accessory building or group of accessory buildings with a residential use shall not cover more than thirty (30) percent of the rear yard. Accessory buildings under 120 square feet in size shall not be required to meet rear and side yard setback requirements.

**G. Off-Street Parking Requirements:**

All off-street parking shall be governed by Chapter 2, Section 3.

**H. Signs:**

The erection of signs is regulated by the current Sign Ordinance adopted by the City of Driggs.

### **Section 13. M-1 (Light Industrial)**

The purpose of the M-1 Light Industrial Zone is to provide for and encourage the grouping of light industrial uses. Uses must be capable of operating in a location where appearance of buildings and the treatment of the land about them will be unobtrusive and not detrimental to surrounding commercial or residential uses.

#### **A. Uses Allowed:**

1. Manufacturing, assembling, fabricating, processing, packing, repairing, or storage uses which have not been declared a nuisance by statute, resolution or any court of competent jurisdiction and provided these uses shall not cause:
  - a. Unreasonable dust, smoke, gas, fumes, noise, vibration, or odor beyond the boundaries of the site on which such use is conducted; nor
  - b. Hazard of fire, explosion, or other physical damage to any adjacent building or vegetation;
2. Wholesaling, warehousing, storage, and distribution;
3. Storage of contracting equipment, maintenance or operating equipment of public agencies or public utilities or materials and equipment of a similar nature;
4. Food processing; and
5. Industrial laundry and dry cleaning.
6. Grain elevator and bulk storage such as for potatoes, hay, and other similar uses;
7. Radio or television studio;
8. Auction establishment;
9. Auto gas/service station;
10. Auto sales and service;
11. Trailer sales and rentals;
12. Commercial or private off-street parking lot;
13. Auto body and paint shop;
14. Truck repair/service station;
15. Business services, as defined in Chapter 4, Section 5;
16. Crafts shop;
17. Cottage industry
18. Bottling and distribution plant;
19. Contractor's shop;
20. Sale of hay, grain, seed and related supplies;
21. Sale of heavy building material and machinery;
22. Sale of salvaged goods within an enclosed building;
23. Sheet metal, roofing or sign painting shop;
24. Storage warehouse;
25. Trade or industrial school; and
26. Temporary building as necessary for construction purposes, and for a period not to exceed one year.

B. Conditional Uses Permitted:

1. Kennel;
2. Broadcasting tower for radio or television;
3. Storage for wholesale or for distribution in bulk of any flammable liquid above or below ground;
4. Sawmill or log production facility;
5. Impound yard or any similar safe storage facility;
6. Micro-brewery;
7. Animal hospital / vet clinic;
8. Private amusement park, ball park, race track or similar uses;
9. Transit or trucking terminal; and
10. Public utility installation.

C. Height Regulations:

Any building or structure or portion thereof hereafter erected shall not exceed forty-five (45) feet in height unless approved by conditional use permit.

D. Setback Requirements:

1. Front yard:

The front yard setback shall be a minimum of twenty (20) feet when a lot abuts, touches, adjoins, or is across the street from a residential zone; otherwise, no front yard setback is required.

2. Side yard:

The side yard shall be a minimum of twenty (20) feet when a lot abuts, touches, or adjoins a residential zone; otherwise, no side yard setback is required.

3. Rear yard:

The rear yard shall be a minimum of twenty (20) feet when a lot abuts, touches, or adjoins a residential zone; otherwise, no rear yard setback is required.

E. Area Requirements:

There shall be no minimum lot size.

F. Accessory Buildings:

Accessory buildings shall not be placed in front yard and shall meet the same setback requirements as principal buildings. An accessory building or group of accessory buildings with a residential use shall not cover more than thirty (30) percent of the rear yard. Accessory buildings under 120 square feet in size shall not be required to meet rear and side yard setback requirements.

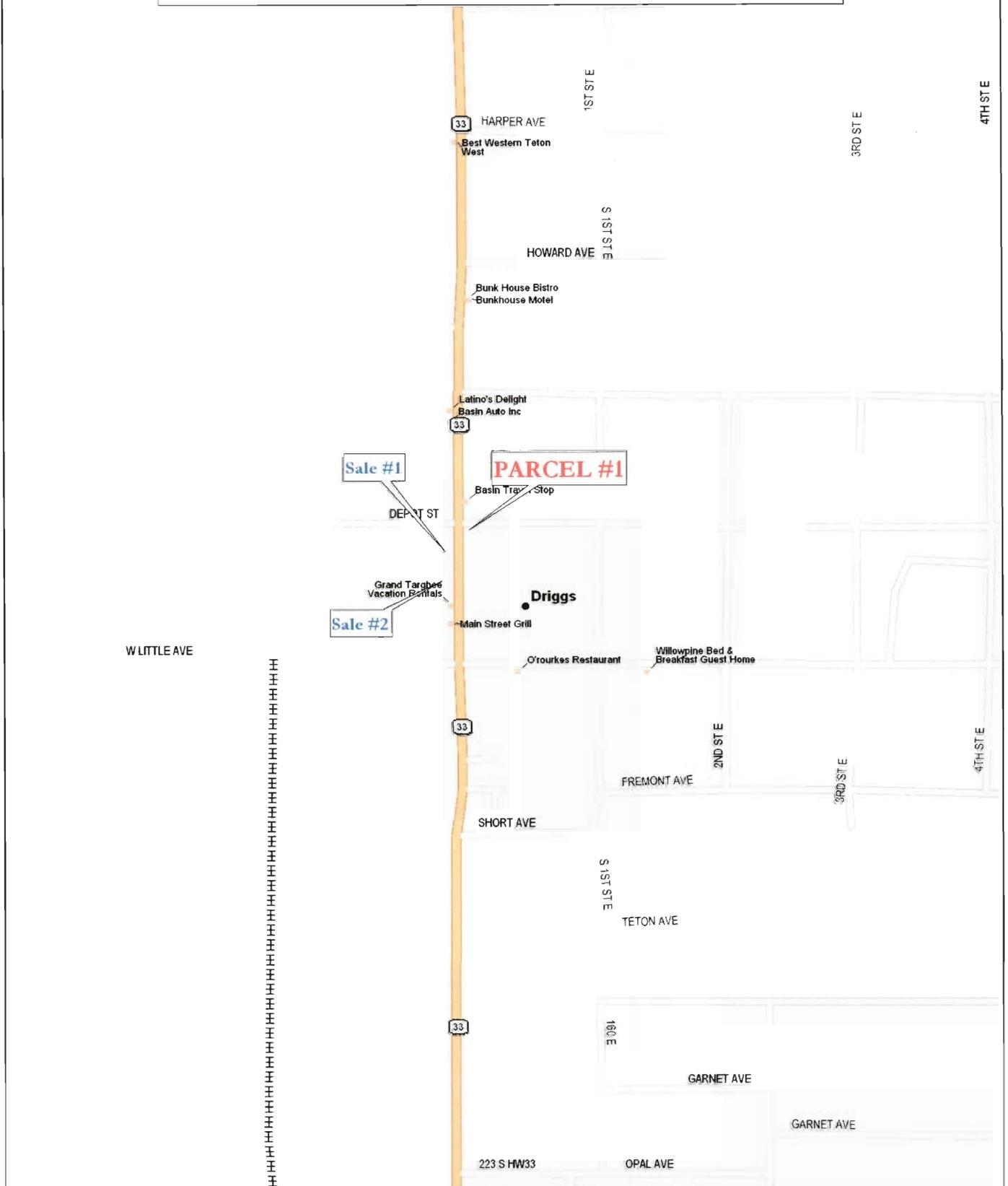
G. Off-Street Parking Requirements:

All off-street parking shall be governed by Chapter 2, Section 2.

H. Signs:

The erection of signs is regulated by the current Sign Ordinance adopted by the City of Driggs.

# Parcel #1 Land Sales Map



**Land Sale # 1**

<b>Buyer</b>	George N. Gillett	
<b>Seller</b>	Hillman	
<b>Date</b>	May 2004	
<b>Consideration</b>	\$627,000	
<b>Land Size</b>	15,682	Acres/Sq. Ft.
<b>Estimated Value of Improvements</b>	None	
<b>Estimated Value of Land</b>	15,682 s.f. tract of commercial land @ \$39.98 per s.f.	
<b>Sales Data</b>	Warranty Deed	
<b>Information verified by</b>	Multi-Listing Service	
<b>Legal Description</b>	Beginning at 49.5 feet West and 112.1 feet North of the Southeast Corner of the Southwest Quarter of Section 26, Township 5 North, Range 45 East of the Boise Meridian, being the true point of beginning and running thence North 89.9 feet, thence West 132 feet, thence South 89.9 feet, thence East 132 feet to the Point of Beginning.	
<b>Location</b>	This property is found at 50 North Main Street, in Driggs, Teton County, Idaho.	
<b>Property Description</b>	This is a rectangularly-shaped tract of land. It is found in the middle of the downtown area. At one time, this property was improved with several retail buildings. A portion of this complex was destroyed in a fire. As a result, several commercial buildings were torn down. The property is found directly east of a public parking lot. It also fronts along Main.	
<b>Zoning</b>	CBD	
<b>Highest and Best Use</b>	Commercial Development	
<b>Remarks</b>	The buyer is the owner of Targhee Ski Resort. He plans to develop the site with commercial and retail buildings in the future.	

**Land Sale # 2**

<b>Buyer</b>	CWD, LLC.
<b>Seller</b>	City of Driggs
<b>Date</b>	January 2006
<b>Consideration</b>	\$402,000
<b>Land Size</b>	9,606 s.f. <span style="float: right;">Acres/Sq. Ft.</span>
<b>Estimated Value of Improvements</b>	1,640 s.f. building and 327 s.f. shed building @ \$0
<b>Estimated Value of Land</b>	9,606 s.f. tract of commercial land @ \$40.14 per s.f.
<b>Sales Data</b>	Quitclaim Deed #174338
<b>Information verified by</b>	Mayor Christensen - Mayor of Driggs
<b>Legal Description</b>	This is a portion of Lot 3 and all of Lots 4 and 5 and a portion of Lot 6, in Block 4, Driggs Main Street Annex as per the recorded plat.
<b>Location</b>	This property is found at 80 North Main Street, in Driggs, Teton County, Idaho.
<b>Property Description</b>	This is a rectangularly-shaped tract of land that is improved with a 1,640 s.f., cinderblock structure with a stucco exterior. It is an older building that is at the end of its economic life. It is bordered on the north and south by vacant commercial land.
<b>Zoning</b>	CBD
<b>Highest and Best Use</b>	Commercial Development
<b>Remarks</b>	This property was used as city hall. The city purchased a grocery store and vacated the building. They placed the building on an online auction to the highest bidder. The buyer placed the highest bid. The price per s.f. has been reduced by \$16,400, the cost to remove the building. The actual price per s.f. is \$40.14 after this cost reduction.

## **CERTIFICATION AND STATEMENT OF LIMITING CONDITIONS:**

The Appraiser certifies that, to the best of his knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial and unbiased professional analyses, opinions and conclusions.
3. The Appraiser has no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. The Appraiser has no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction of value that favors the cause of the client, the amount of the value, the attainment of a stipulated result, the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. My analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice.
8. I have visited the property that is the subject of this report. However, my visit was cursory in nature.
9. No one provided significant real property appraisal assistance to the person signing this certification.
10. All conclusions and opinions concerning the real estate that are set forth in this letter were prepared by the Appraiser(s), whose signature appears on this report. No change of any item in this report shall be made by anyone other than the Appraiser, and the Appraiser shall have no responsibility for any such unauthorized change.

## **CONTINGENT AND LIMITING CONDITIONS:**

The certification appearing in this report is subject to the following conditions and to such other specific and limiting conditions as are set forth by the Appraiser.

1. The Appraiser assumes no responsibility for matters of a legal nature affecting the property or the title thereto, nor does the Appraiser render any opinion as to the title, which is assumed to be good and marketable. The property is considered to be under responsible ownership.
2. Any sketch or plat map attached may show approximate dimensions and is included to assist the reader in visualizing the property. The Appraiser has not made a survey of the property.

3. The Appraiser is not required to give testimony or appear in court because of having made the inspection with reference to the property in question, unless arrangements have been previously made thereto.

4. Any distribution of the valuation in this report between land and improvement 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.

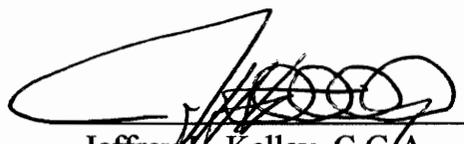
5. The Appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The Appraiser assumes no responsibility for such conditions, or for engineering which might be required to discover such factors.

6. Information, estimates, and opinions furnished to me and contained in this report were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished can be assumed.

7. The description of the property herein is stated for the purpose of arriving at an opinion of value. It should not be used for any other purpose, such as a description for a prospectus or for describing the property for sale. All parts of this appraisal should only be construed as applying to the opinion of value herein and should not be used separately for specific information.

8. Disclosure of the contents of this report is restricted to the intended users of the report. No other individual is authorized by the appraiser to use this report.

9. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the Appraiser. The Appraiser has no knowledge of the existence of such materials on or in the property. The Appraiser however, is not a qualified environmental auditor who has the skill 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. Any latent environmental problem within or underneath the property may also affect its value. The value estimate herein is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.



Jeffrey L. Kelley, C.G.A.

Idaho State Certified Appraiser, #ICA-362

## QUALIFICATIONS OF THE APPRAISER

**Jeffrey L. Kelley**

Idaho State Certified Appraiser, #ICA-362

### **Education:**

Juris Doctorate - Whittier College School of Law, Los Angeles, CA

Bachelor of Science - Brigham Young University, Provo Utah

Major: Real Estate Finance

Minor: Economics

### **Background:**

Assisting Appraiser - Kelley Real Estate & Appraisal since 1994;

Practicing Attorney - State of California, June 1991 - July 1994;

Member of the Idaho State Bar - April 1995;

Member of the Utah State Bar - May 1994;

Member of the California State Bar - June 1991;

### **Special Training:**

Institute Appraisal Course 120, 310, 320, 510 and 520

Standard and Ethics Courses — App. Inst. Course 420 A & B

Advanced Condemnation Appraisal Courses

App. Inst. Courses 710 & 720

ASFMRA Conservation Easement Seminar

Various Continuing Education Society Seminars

### **Experience:**

- **Commercial Properties:** Retail, Industrial, Professional Office & Apartment Complexes;
- **Agricultural Properties:** Farmland, Ranches and Range Land;
- **Recreational Properties:** Conservation (Before & After) Easements, Fee Ownerships, Estate Tax Appraisals;
- **Condemnation Appraisals:** Various ITD Projects around eastern Idaho as well as local municipality condemnation appraisal including the City of Blackfoot, Rexburg, Pocatello and Fremont County.
- **Specialized Appraisals:** Conservation Easements, Development and Mineral Right Extractions, Schools, Gravel Pits, Railroad Right-of-Ways and Potato Fresh Pack and Processing Facilities
- **Client Base:** Major Lending Institutions, Idaho Transportation Department, Bureau of Land Management, Idaho Department of Parks & Recreation, Bureau of Rec., Army Corp of Eng. City of Pocatello, City of Idaho Falls, The Nature Conservancy, Attorneys, Accountants, General Service Administration, Small Business Administration, Farm Service Agency, L.D.S. Church & other governmental and private entities.