

AIRPORT GROUND LEASE SURVEY

Cottage Grove State Airport
Cottage Grove, Oregon

Date of Report:

November 15, 2007

Submitted To:

Rita Rogerson
Contracts and Leasing Manager
Oregon Department of Aviation
3040 25th Street SE
Salem, Oregon 97302-1125

Date of Survey:

October 12, 2007

Submitted By:

Clint C. Becraft
Richard J. Duncan, MAI, SRA
DUNCAN & BROWN, INC.
1260 Charnelton Street
Eugene, Oregon 97401
Duncan & Brown File No. 07-286d

DUNCAN & BROWN

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November 15, 2007

Rita Rogerson
Contracts and Leasing Manager
Oregon Department of Aviation
3040 25th Street SE
Salem, Oregon 97302-1125

Re: Airport Ground Lease Rate Survey
Cottage Grove State Airport
Eugene, Oregon

Dear Ms. Rogerson:

Pursuant to your written authorization, we have completed an airport ground lease rate survey for the purpose of determining the fair market lease rate for runway access land at the Cottage Grove State Airport in Cottage Grove, Oregon, as of October 12, 2007.

After an inspection of the subject property and based on subsequent research and analysis of pertinent market data, it is our opinion the fair market rental rate for runway access land, as of October 12, 2007, was:

\$0.15 Per Square Foot Annually*

**The conclusion of market rent above assumes a periodic escalation based on the Consumer Price Index. Each of the comparables utilized in concluding the fair market rental rate for the subject have provisions for periodic increases.*

In order to arrive at an opinion of fair market rent for the subject property we have surveyed those airports that lease sites that are most similar to the subject in terms of location, city size, airport facilities and activity. Some provide a higher level of facilities and service and some lower. Generally, the fields with more services, facilities and commercial activity command higher lease rates. The comparables were used to establish a reasonable range of rent levels for the subject.

This Summary Report is intended to comply with the reporting requirements set forth under Standard Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice for a Summary Report. As such, it presents only summary discussions of the data, reasoning and analyses that were used in the appraisal process to develop the appraisers' conclusions. Supporting documentation concerning the data, reasoning and analyses is retained in the

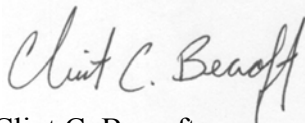
appraisers' file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use. The appraisers are not responsible for unauthorized use of this report.

The attached survey report details the basis and reasoning for our conclusions. Please refer to the Summary of Salient Facts on page 5. Your attention is also directed to the statement of Assumptions and Limiting Conditions contained on pages 6 through 7. This report has been made in conformance with the Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Standards Board of Appraisal Foundation.

We certify this survey report has been prepared in accordance with the Code of Professional Ethics and Standards of Professional Practices set forth by the Appraisal Institute. We certify we have no present or contemplated interest in the property and our fee for making this report is not predicated upon reporting any specified value or value range.

Please call at your convenience if any additional data or information is required.

Respectfully submitted,
DUNCAN & BROWN



Clint C. Becraft



Richard J. Duncan, MAI, SRA

CCB, Certification No. C000856, Exp. 04/30/08
RJD, MAI, SRA, Certification No. C000106, Exp. 7/31/09

CCB/RJD/mh

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SUMMARY OF SALIENT FACTS

Name/Location: Cottage Grove State Airport
Palmer Avenue
Cottage Grove, Oregon

FAA Identifier: 61S

Oregon Functional Category: 4

Service Level: Community General Aviation

NPIAS Role: General Aviation

Facilities: 3,188' x 60' paved runway, (1) partial service FBO, self-service fuel station, no control tower.

Current Ground Lease Rate: \$0.13

Fair Market Rent Conclusion: \$0.15

Date of Report: November 15, 1007

Date of Inspection: October 12, 2007

Appraisers: Clint C. Becraft
Richard J. Duncan, MAI, SRA

ASSUMPTIONS & LIMITING CONDITIONS

General Assumptions and Limiting Conditions

1. This is a Summary Report, which is intended to comply with the reporting requirements set forth under Standard Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice for a Summary Report. As such, it may not include full discussions of the data, reasoning and analyses that were used in the appraisal process to develop the appraisers' conclusions. Supporting documentation concerning the data, reasoning and analyses is retained in the appraisers' file. The information contained herein is specific to the needs of the client and for the intended use stated in this report. The appraisers are not responsible for unauthorized use of this report.
2. Title to the property is assumed good and marketable unless otherwise stated in this report. No responsibility is assumed for the legal description or for such matters including legal or title considerations.
3. The property is analyzed free and clear of any or all liens or encumbrances unless otherwise stated in this report.
4. Responsible ownership and competent property management are assumed unless otherwise stated in this report.
5. The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
6. Any plot plans or illustrative material in this report are included only to assist the reader in visualizing the property.
7. It is assumed there are no hidden or unapparent conditions of the property, subsoil or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
8. It is assumed there is full compliance with all applicable federal, state and local environmental regulations and laws, unless non-compliance is stated, defined and considered in the appraisal report.
9. The appraisers are not qualified to detect hazardous waste and/or toxic materials. Any comment by the appraisers that may suggest the possibility of the presence of such substances should not be taken as confirmation of the presence of hazardous waste and/or toxic materials. Such determination would require investigation by a qualified expert in the field of environmental assessment. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The appraisers' conclusions are predicated on the assumption there is no such material on or in the property that would cause a loss in value unless otherwise stated in this report. No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. The appraisers'

Assumptions & Limiting Conditions

descriptions and comments are the result of the routine observations made during the appraisal process.

10. Compliance with all applicable zoning and use regulations and restrictions is assumed unless a nonconforming use has been stated, defined and considered in the report.
11. It is assumed that all required licenses, certificates of occupancy or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the conclusions contained in this report are based.
12. It is assumed the utilization of the land and improvements is within the boundaries or property lines of the property described and there is no encroachment or trespass unless otherwise stated in this report.
13. Any sketch in this report may show approximate dimensions and is included to assist the reader in visualizing the property. Maps and exhibits found in this report are provided for reader reference purposes only. No guarantee as to accuracy is expressed or implied unless otherwise stated in this report. No survey has been made for the purpose of this report.
14. It is assumed that, inasmuch as a detailed soils survey was not provided, the soil conditions found within the subject property would not excessively restrict and/or inhibit its development when compared to competing sites.
15. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraisers, and in any event only with proper written qualification and only in its entirety. The appraisers are not required to give further consultation, testimony, or be in attendance in court with reference to the property in question by reason of this appraisal, unless arrangements have been previously made.
16. Neither all nor any part of the contents of this report, including any conclusions, the identity of the appraisers, or the firm with which the appraisers are connected, shall be disseminated to the public through advertising, public relations, news, sales or other media without the prior written consent and approval of the appraisers.

PRELIMINARY INFORMATION

Subject of Survey

The subject of this survey is the land area at the Cottage Grove State Airport that has runway access. This includes the land area that is leased to commercial fixed base operators, as well as private hangar owners.

Purpose, Function and Intended User of the Report

The purpose of this survey is to estimate the fair market rental rate for runway access land at the subject property, as of the date of property inspection, October 12, 2007. The function of this survey is to assist the client in setting the rental rates for land at the Cottage Grove State Airport. The intended user of the report is the Oregon Department of Aviation.

Fair Market Rent Definition

The rental income that a property would most probably command in the open market; indicated by the current rents paid and asked for comparable space as of the date of the appraisal.¹

Scope of the Assignment

The scope of the assignment has been to collect, confirm, analyze and interpret pertinent market data and other market forces so as to arrive at an estimate of fair market rent for runway access land at the subject property as of the date of inspection. This assignment incorporated an investigation of all pertinent data relating to the subject property, including, but not limited to:

- Personal inspection of the subject property
- Review of public property records
- Review of rules governing use of State-owned airports
- Review of current leasing policies at the subject property
- Research of market conditions
- Research of land lease rates at comparable airports

Information relative to the subject's regional, neighborhood areas and competitive neighborhoods were researched and considered, as well as the current market trends and the competitive position of the subject property.

The client understands and is in agreement with the survey report being conveyed in a summary format.

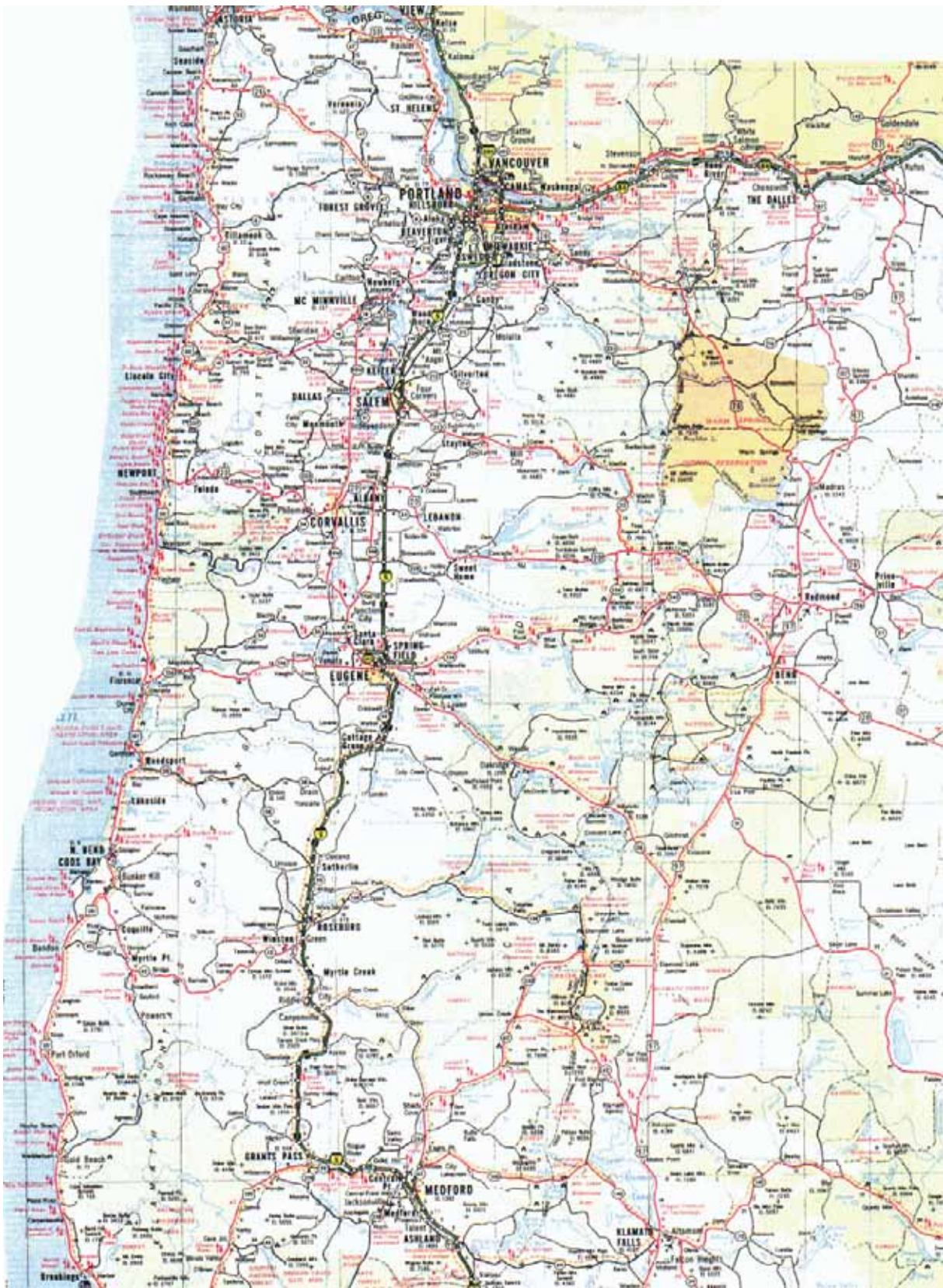
Compliance & Competency Provision

This report has been prepared in compliance with the current edition of the Uniform Standards of Professional Appraisal Practice (USPAP) as adopted by the Appraisal Standards Board of the Appraisal Foundation. Clint C. Becraft and Richard J. Duncan, MAI, SRA, are certified general appraisers in the State of Oregon, Certification Nos. C000856 and C000106, and have the knowledge and experience to complete this assignment competently, in compliance with the stated regulations.

1. The Dictionary of Real Estate Appraisal, Chicago, 1993, Appraisal Institute, p. 221.

Inspection Data

Date:	October 12, 2007
Owner Representative:	None
Duncan & Brown Representatives:	Clint C. Becraft



Regional Location

ABBREVIATED CITY/AREA DESCRIPTION

City of Cottage Grove

Cottage Grove, known as the Covered Bridge Capital of Oregon, is located about 20 miles south of the Eugene/Springfield metro area. Neighborhood boundaries for rural communities are generally defined by such physical boundaries as rivers, ridge tops, highways, etc. or political boundaries such as city limits or urban growth boundaries. In the case of the subject, the neighborhood boundaries generally consist of Cottage Grove city limits and the close-in surrounding rural area. The city is bisected by Interstate 5 (I-5), with its downtown situated west of the freeway. The area is typical of smaller rural communities throughout western Oregon.

Over the past 50 years, the city has experienced steady growth. Today, Cottage Grove is the largest city along I-5 between Eugene and Roseburg. It is also the largest city within the 655-square-mile Coast Fork watershed and serves as the area's major trade center. The 2005 population of 9,110 has nearly tripled the 1950 population of 3,535. Following is a comparison of the populations of Cottage Grove and Lane County:

<u>Year</u>	<u>Cottage Grove</u>	<u>% Change</u>	<u>Lane County</u>	<u>% Change</u>
1990	7,403		282,912	
2000	8,445	+14.08	322,959	+14.16
2001	8,670	+2.66	325,900	+0.09
2002	8,730	+0.07	328,150	+0.07
2003	8,912	+2.08	330,527	+0.72
2004	9,010	+1.10	333,350	+0.85
2005	9,110	+1.11	336,085	+0.82
2006	9,275	+1.81	339,740	+1.09

On a citywide basis, there was an increase of 605 persons (a 6.98% change) over the last five years. As indicated by the preceding statistics, the population of Cottage Grove has grown at a somewhat faster rate than the county as a whole and has grown at an average of 1.23% per year over the past five years.

There are a variety of housing types, primary commercial uses and a limited number of industrial facilities. Land uses in Cottage Grove are generally described below:

Residential Development

Residential land uses include single-family, multi-family and manufactured home park development. The older neighborhoods near the downtown area were developed in a lot and block fashion. Homes in the older areas are 50 to 100 years old and typically range in size from 800 to 2,000 square feet. Cottage Grove has a fair number of early 20th century homes that are maintained in good condition. Post-WWII development is primarily south and east of the downtown area and consists of typical tract style homes of the era.

Multiple-family residential development is scattered throughout the town and primarily consists of small (6- to 12-unit) buildings. Most of the multiple family development occurred in the 1960s and 70s, with a few projects in the 1990s. Development is typically wood-frame, plywood-sided, two-story buildings in a stacked-flat style. The quality of materials and design is fair to average, with the condition typically fair. A large percentage of multi-family units are subsidized housing.

There are several manufactured home parks ranging from old, low quality, trailer courts to the Middlefield Village development. The older manufactured home parks and trailer courts are located primarily along U.S. Hwy. 99 (Pacific Highway). Those parks have units ranging from 20 to 50 years old. The Middlefield Village development is located adjacent to the Middlefield Village Golf Course east of I-5, and is improved with top quality large manufactured homes that are new to 10 years old. The golf course and manufactured home park were developed in 1991-92.

Commercial Development

A full range of day-to-day commercial services and products are available in Cottage Grove. Larger, urban-style commercial centers are located 20 miles north of Cottage Grove in the Eugene/Springfield area.

US Hwy. 99 bisects Cottage Grove from north to south and is a commercial strip with a wide variety of land uses. Land uses include a neighborhood shopping center built in the 1950s, gas stations, fast food restaurants, a hardware store and an assortment of one-story commercial buildings housing a variety of retailers. There has been virtually no new development on the strip in 25 years. There is some newer development on Main Street between Hwy. 99 and Gateway Boulevard near the freeway.

The older commercial development is located along Main Street, an east/west street in the center of town, the historic commercial center of Cottage Grove and the entire area. Commercial development along Main Street is primarily one- and two-story buildings dating to the late 1800s and early 1900s, with 1950s buildings on the abutting streets. Main Street in Cottage Grove was once a declining commercial area populated by secondary and specialty retailers, and the second floors of most of the buildings were not in use. The area in the blocks immediately abutting Main Street includes medical/dental offices, churches and other types of commercial uses. The majority of new commercial development in Cottage Grove has occurred at the I-5 Freeway interchange. Within the interchange development area are several gas stations, restaurants, fast food outlets, a car dealership, two motels and a Wal-Mart. Main Street retail activity was fairly slow when the Wal-Mart was constructed in the early 1990s and took what was left.

In 1993, the Cottage Grove Historic Downtown District, the area surrounding Main Street between the Coast Fork of the Willamette River and Ninth Street, was designated as a Local Historic District in the National Register of Historic Places. Some of the city's most valuable historic buildings were developed between 1875 and 1949 and represent significant architectural styles, such as Beaux Arts and Art Deco. Many of these properties are protected with a Historic Preservation Overlay District designation.

Industrial Development

Industrial development is located primarily south of downtown along Hwy. 99. The City has a new shovel-ready industrial park with direct access to Highway 99 at the south end of the city. The 31-acre master planned industrial park has lots ranging from 0.5 acres to 2.5 acres. There is also the opportunity to combine smaller lots in order to provide a larger piece of property for development. The lots all have sanitary sewer, storm sewer, water, gas and telecommunications available to them. All roads are developed and the park is zoned M-2, Heavy Industrial. The lots are for sale or can be leased.

Public Facilities and Services

The City of Cottage Grove owns and operates its water supply system. Since the late 1970s, the City has planned major improvements to its water production and storage facilities to ensure a continued water supply for the future. Through a \$2.8 million loan obtained from the Oregon Economic and Community Development Department Special Public Works Fund and an additional \$100,000 of water system reserve funds, the City completed the project as planned in September 2003. Revenue collected from water users will repay the loan over a 20-year period. Continued improvements include covering the reservoir to improve water quality and developing extra capacity and new intake facilities at the water treatment plant.

The City owns and operates its own wastewater treatment system. This system has numerous limitations, and storm water is contributing to inflow and infiltration problems. The treatment plant needs upgrades to accommodate growth. Currently, the City is pursuing the idea of a polishing treatment for its wastewater through the use of wetlands. This concept includes reusing the wastewater for irrigating Middlefield Village Golf Course, which is in City ownership. The City has received several grants to study the feasibility of this concept.

Electricity is provided by Pacific Power and Emerald People’s Utility District. Natural gas is provided by Northwest Natural Gas. Qwest is the local telephone service provider. Cottage Grove is a member of the Fibersouth Consortium, a cooperative effort among local governments to provide modern fiber optic services to their communities. There are two fiber optic lines installed along the railroad tracks running through town and both run just outside the City Industrial Park.

The South Lane School District provides education services to Cottage Grove students. The district operates six elementary schools, one middle school and one high school. In addition, the district provides alternative educational programs through the Blue Mountain School.

Cottage Grove maintains its own police force. The Cottage Grove/South Lane Rural Fire District provides fire protection, emergency medical response, and other special rescue services for the City of Cottage Grove and surrounding rural areas.

Cottage Grove includes part of the floodplain of the Coast Fork that flows north to the Willamette River and is situated just above the confluence of the Coast Fork and Row Rivers. The surrounding hillsides and waterways contribute to the attractiveness of the area. Cottage Grove area residents and visitors can choose from a variety of water-oriented and urban parks, ranging from pocket parks to regional parks and river greenway.

Transportation

Over the years, the city’s streets have developed primarily in a grid pattern. More recently, the City has begun to develop a beltway arterial along the outer edges of the city to facilitate ease of movement. Bicycle and pedestrian travel in Cottage Grove has been emphasized in local transportation planning for many years. A bike path system provides links to two regional parks within the city.

Greyhound Bus Service provides north/south routes through the Northwest, with a multiple daily stops in Cottage Grove. Public transit bus service is provided by Lane Transit District for commuters throughout its service area. A taxi service also provides local service in and around

the city. The Central Oregon and Pacific Railroad offers daily freight service. Cottage Grove is served by the Cottage Grove Airport, located on the northeast edge of the city.

Economic Development

By the end of the 19th century, Cottage Grove had begun developing its timber-based economy and its population grew quickly. Historically, the timber industry supported families in and around the city. Through the years, Cottage Grove diversified and expanded its lumber and wood products industry. Since the mid-1980s, this sector has been in decline. Agricultural activities currently play a minor role in the economy. Recreation and tourism have recently become more of a focus, partly due to the presence of six historic covered bridges in the area, as well as recreational opportunities available at Dorena and Cottage Grove Lakes.

The largest employment sectors in Cottage Grove are retail trade and services. Education is the next largest sector followed by other professional services and timber-related industries. Examples of small local manufacturing companies that have sought limited industrial space in Cottage Grove include panelized housing, model-building kits, and handmade hardwood crafts. As larger portion of workers in Cottage Grove commute to Eugene/Springfield, along Highway 99 and I-5.

As Cottage Grove works to diversify its local economy, new commercial, industrial and recreational sites are being developed. PeaceHealth has completed a new hospital, and the City and Lane County have formed the Cottage Grove South Lane County Enterprise Zone, which includes all industrial zoned land in the City, as well as land where hotels, motels and call centers are permitted. Cottage Grove has also worked on the development of the North Regional Park as a recreational/commercial site.

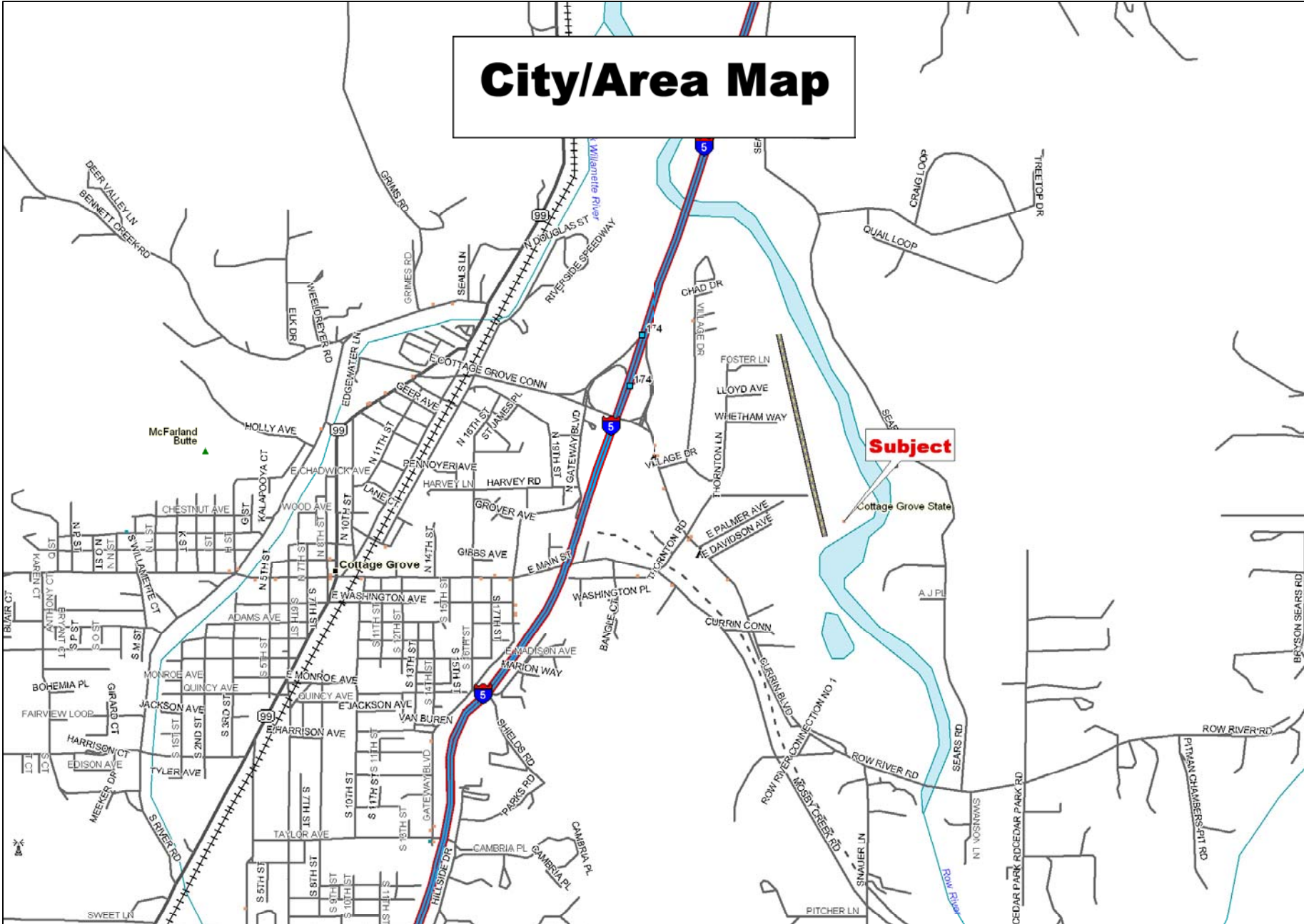
Development Trends

The City of Cottage Grove Urban Growth Boundary (UGB) contains a total of 2,814 acres, of which about 25% is undeveloped. The city's development-related goals for future land use involve the preservation of prime agricultural and forestlands while encouraging non-farm/forest uses to locate on marginal lands where environmental and development constraints are limited.

Additionally, the city plans to take advantage of its location within commuting distance of the Eugene/Springfield area by providing for residential development and commercial services for those desiring a metropolitan employment but a small town living environment. The City will work to attract industrial development by assuring first that Cottage Grove is a desirable place to work, live, shop and play.

Cottage Grove faces some challenges in the coming years to stimulate its economy. The city's pleasant, attractive neighborhoods and well-established infrastructure give it a good foundation upon which to build. Concerted efforts are underway to diversify and strengthen the economy in order to provide more opportunities for employment and to continue improving city services. Planned improvements in the water and wastewater systems are integral to continued development and renewal of Cottage Grove's commercial and industrial sectors. As the economy rejuvenates, the vision for the City of Cottage Grove is to emerge as a vibrant, independent, leading community in the Southern Willamette Valley region.

City/Area Map



PROPERTY DATA

Ownership

The subject property is owned by the State of Oregon and operated by the Oregon Department of Aviation (ODA).

Current Rental Rates

The current stated rates for the airport are \$0.13 per square foot for both commercial and non-commercial tenants. The ODA defines commercial tenants as any entity that is operating a business at the airport, in addition to the Fixed Base Operator (FBO). This includes owners of hangars that rent space to aircraft owners. This definition of commercial tenant is somewhat unusual in the market where commercial tenants are more commonly defined as those with commercial businesses on the field, primarily FBOs.

The ODA rent charges are based on the building footprint, plus a five-foot setback on the front, sides and rear of the building, which is typical in practice in the market. At some competing airports, however, a larger front setback than the sides and back is required to cover the size of the front apron. Some other airports do not require any setbacks and the lease area is based on the footprint of the building structure. In this analysis, the fair market rent for the subject property will be estimated based on five-foot setbacks on the front, sides and rear.

The ODA also currently offers a lower rate for undeveloped land area. The rental rate for undeveloped land is quoted as \$0.05 per square foot per year. The unimproved land lease rate will be addressed in a later section of the report.

SUBJECT PHOTOGRAPHS



Aerial photo of the subject property.



Street entrance from Palmer Avenue.



FBO.



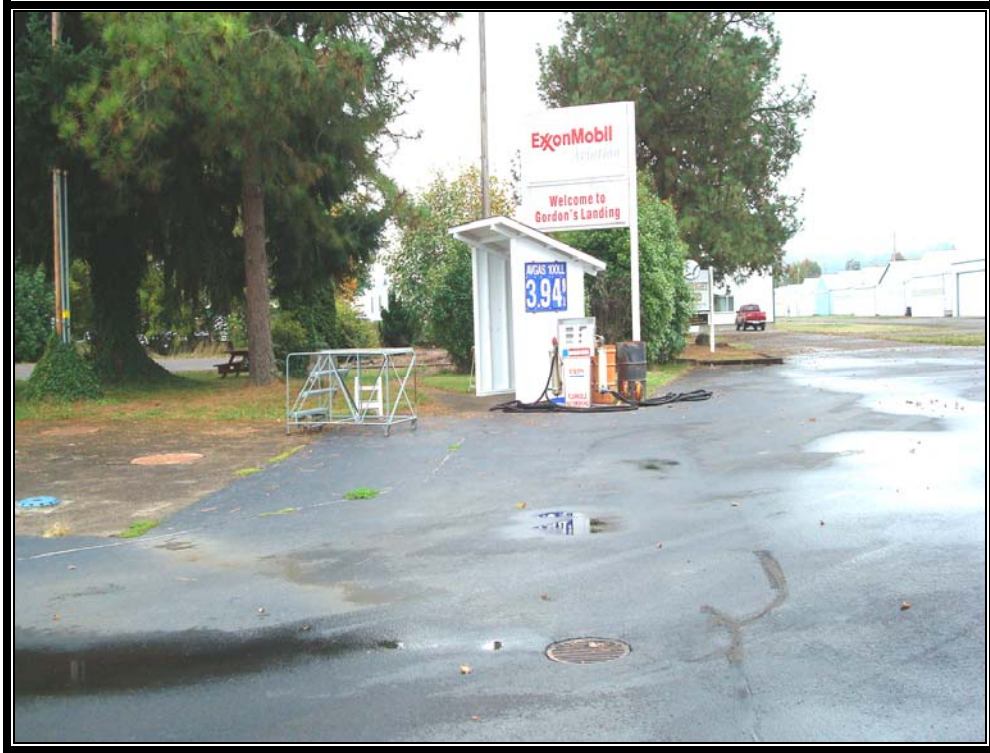
Viewing west toward the row of hangars on the western portion of the property.



Viewing east toward the row of hangars from the west end of the property. There is vacant land available for development along the south side of the taxiway.



Viewing the taxiway and runway access from the ramp area.



Self service fueling station.

SUBJECT DESCRIPTION

Airport Classification

Airports are categorized according to their function in the State and National airport systems. Below, the State and Federal classifications systems are summarized. The chart below presents the five functional categories for the State of Oregon, their significant function and designation criteria. The Federal Aviation Administration’s (FAA) National Plan of Integrated Airports Systems (NPIAS) classifications follow.

OREGON AIRPORT FUNCTIONAL CATEGORIES

Category²	Significant Function³	Designation Criteria⁴
1	Commercial Service Airports	Accommodate scheduled major/national or regional/commuter commercial air carrier service.
2	Business or High Activity General Aviation Airports	Accommodate corporate aviation activity, including business jets, helicopters, and other general aviation activities.
3	Regional General Aviation Airports	Accommodate a wide range of general aviation users for large service areas in outlying parts of Oregon. Many also accommodate seasonal regional fire response activities with large aircraft.
4	Community General Aviation Airports	Accommodate general aviation users and local business activities.
5	Low Activity General Aviation Airports	Accommodate limited general aviation use in smaller communities and remote areas of Oregon. Provide emergency and recreational use function.

Source: Oregon Aeronautics Oregon Aviation Plan, Page 18, Exhibit III-3

Cottage Grove State Airport is classified as a Category 4, Community General Aviation Airport. Category 4 airports accommodate general aviation users and local business activities. The airports have the airfield facilities, navigational aids, lighting and basic services necessary to accommodate general aviation users. Community airports serve locally-based business and general aviation users in addition to aircraft visiting the local area. Category 4 airports are designed to accommodate light single and multi-engine aircraft weighing 12,500 pounds and less. Basic services such as aviation fuel, aircraft maintenance, and pilot/passenger facilities are

2. Category 1 airports are divided into two groups based on the level of air service provided and the forecast design aircraft.
3. “Significant Function” identifies the most demanding function associated with each airport. Most airports have multiple functions. It is recognized that in addition to the highest primary function identified, each airport also provides many of the functions identified in the subsequent categories.
4. Activity breakdowns or thresholds listed in the “Criteria” column reflect existing distributions among Oregon airports. Among Oregon’s 101 public-use airports, only 22 have more than 30,000 annual operations; nearly half of Oregon’s 101 public-use airports have less than 2,500 annual aircraft operations and ten or fewer based aircraft.

generally available at Category 4 airports. Airfield facilities, lighting and services capable of accommodating general aviation users are generally provided, along with runway-taxiway systems, lighting, and navigational aids to accommodate basic general aviation activities.

Publicly owned community general aviation airports are typically included in the FAA's National Plan of Integrated Airports System (NPIAS). Airports are also classified by their role within the NPIAS system. The Airport and Airway Improvements Act of 1982 established the Airport Improvement Program (AIP) and required the publication of the National Plan of Integrated Airport Systems (NPIAS). The NPIAS, published by the FAA, was established to aid in the development of the national airport system. The NPIAS identifies an airport role as one of four basic service levels for public use airports throughout the U.S. The four basic service levels identified in the NPIAS, include (P) Commercial Service-Primary, (CS) Commercial Service-Non-Primary, (R) Reliever, and (GA) General Aviation.

Cottage Grove State Airport is classified in the NPIAS as a (GA) General Aviation facility. The airport roles are summarized below.

(P) Commercial Service-Primary—Commercial service airports are defined as public airports receiving scheduled passenger service and having 2,500 or more enplaned passengers per year. Primary airports are grouped into four categories: large, medium, and small hubs, and non-hub airports. The FAA uses the term “hub” to identify very busy commercial service airports.

(CS) Commercial Service-Non-Primary—Commercial service airports that have from 2,500 to 10,000 annual passenger enplanements are categorized as non-primary commercial service airports. There are 135 of these airports in the NPIAS, and they account for 0.1 percent of all enplanements. These airports are used mainly by general aviation and have an average of 38 based aircraft.

(R) Reliever—Due to different operating requirements between small general aviation aircraft and large commercial aircraft, general aviation pilots often find using a congested commercial service airport can be difficult. In recognition of this, the FAA has encouraged the development of high capacity general aviation airports in major metropolitan areas. These specialized airports, called relievers, provide pilots with attractive alternatives to using congested hub airports. They also provide general aviation access to the surrounding area. To be eligible for reliever designation, these airports must have 100 or more based aircraft or 25,000 annual itinerant operations. The 274 reliever airports have an average of 232 based aircraft, which is 29 percent of the nation's general aviation fleet. All airports that are designated as relievers by FAA are in the NPIAS.

(GA) General Aviation—Communities that do not receive scheduled commercial service or that do not meet the criteria for classification as a commercial service airport may be included in the NPIAS as sites for general aviation airports if they account for enough activity (usually at least 10 locally based aircraft) and are at least 20 miles from the nearest NPIAS airport. The activity criterion may be relaxed for remote locations or in other mitigating circumstances. The 2,574 general aviation airports in the NPIAS tend to be distributed on a one-per-county basis in rural areas and are often located near the county seat. These airports, with an average of 33 based aircraft, account for 40 percent of the nation's general aviation fleet. They are the most convenient source of air transportation for about 19 percent of the population and are particularly important to rural areas.

The facilities and navigation aides for the Cottage Grove State Airport are summarized below.

Airside Facilities

There is one asphalt-paved runway (15/33), which is 3,188 feet long and 60 feet wide. The taxiways are also asphalt-paved and appear to be adequately designed for efficient use. The FBO area is located adjacent to an extended ramp area improved with tie downs.

Navigation Aids

The subject has a Precision Approach Path Indicator (PAPI). The runway has medium intensity lights. There are no other navigation aids.

Landside Facilities

Landside facilities refer to all areas not included in the runway and taxiway system. These facilities include the FBO, hangars, taxiways, utility services and vehicular access.

In regard to the FBO, Cottage Grove is served by one at this time. Air Affairs is an aircraft maintenance operation providing no other services (except fuel). There is no pilot's lounge or seller of supplies. Fuel is available via a card-lock system 24 hours per day. The FBO supervises the fuel system and ramp. The FBO building is owned by another party and is leased to the maintenance and repair operation. The ramp area is available for open use at no charge. There are no other aviation businesses on the field.

In regard to hangars, there is one taxiway at the west side of the field that serves hangars on both the north and south sides. There is an additional T-hanger building on the south side of the ramp near the FBO building. There is vacant land area to accommodate several more hangars along the west taxiway. There are approximately 42 aircraft based on the field.

The airport is served by public electricity. Water, telephone and gas are available to hangars on the south side of the hangar lane and the vacant land available for future development. All utility extension is at the cost of the tenant. Costs are prohibitive to extend across the taxi-lane.

Cottage Grove State Airport is a basic low-use field with a minimal level of activity and services on the field, other than fuel and aircraft maintenance. There was formerly an FBO on the field that provided fuel, flight training, pilot's supplies and a lounge, however, the operator shut down and moved the building off the field. There have been two new hangars constructed within the last few years at the south side of the west taxiway area. Regarding planned projects, phase 1 of an environmental assessment and design for improvements to runway 15/33 safety area was initiated during 2006.

AIRPORT GROUND LEASE SURVEY

Cottage Grove State Airport is classified as a Category 4, Basic Utility Airport. The most similar airports providing the best ground rent comparables would be other publicly-owned airports with a similar classification near towns the size of Cottage Grove. Creswell and Albany, which are city-owned airports, offer the most similar facilities and locations as compared to the subject. Other competing airports in Lane and Douglas Counties were also surveyed and included in this analysis.

Unit of Comparison

Airport land in the Pacific Northwest is typically leased on a per-square-foot basis with the lease amount based on the building footprint area plus setback areas around the building, typically five feet. The tenants are not charged for the taxi lanes or taxi-ways. The exception is Fixed Base Operators (FBOs) which typically have a ramp area in front of their buildings for outside storage of aircraft and for transient aircraft use. The FBOs typically lease that area as well, however, it is common the FBO is in control of more ramp area than is actually leased. This is due to the nature of small airports where the FBO is often also the airport manager. At state airports the FBOs are not required to lease the ramp area in the typical fashion according to current lease agreements. They are required to manage the ramp and pay a percentage of the tie down income to the State as rent. Tie down income at small airports is negligible. This arrangement is more favorable for the FBO and, depending on how much ramp area is under control, effectively reduces the FBO rent. In this analysis the ground rent will be estimated based on the five-foot setbacks on each side.

Ground leases are typically based on a triple net expense structure where the tenant is responsible for all expenses relating to the leased area. The structure on the site is the property of the tenant and is maintained by the tenant. Airports are typically publicly owned and are not subject to ad valorem taxation, therefore the airport does not have a tax expense associated with the land. The exceptions are state airports and airports owned by municipalities or ports serving large metropolitan areas. ORS 307.112 states, "Real property owned or leased by a municipality or port is exempt from taxation to the extent that the property is used as an airport owned by and serving a municipality of less than 300,000 inhabitants. Property owned or leased by the municipality or port is used as an airport if the proceeds of the lease or rental are used exclusively for purposes of maintenance and operation of the airport". The result of the statute is that tenants at State airports must pay real estate taxes on the land area whereas tenants at municipal airports do not, except municipal or port-owned airports serving municipalities with populations over 300,000. The statute was written in the 1950s and appears to have been directed at providing economic incentive for locating on municipal airports.

Ground lease terms are typically very long, usually an initial term of 10 years or more with extension clauses. Lease rates are most commonly escalated based on the Consumer Price Index at one, three or five year intervals. However, some airports have more cumbersome re-evaluation procedures before rates can be increased. In addition, there are often political considerations to setting and increasing lease rates. As a result, the lease rates often lag behind market trends.

On the following pages, the data researched from the most comparable airports is presented. For each comparable there is a brief description of the facilities State Functional Category, the FAA's NPIAS role, services available and the lease rate. In addition, a photograph of the facility is provided. Following the presentation of the data is a ground lease comparable tabulation chart summarizing the data. A regional map, showing the location of each comparable, is also presented.

RENT COMPARABLE 1



Name & Location:

Hobby Field
Creswell, Oregon

FAA Identifier:

77S

Oregon Functional Category:

4

Service Level:

Community general aviation.

NPIAS Role:

General aviation.

Land Lease Rate:

\$0.15-\$0.18/sf/year, depending on size with smaller private sites paying the higher rates. The larger sites are T-hangar building sites operated as investments with multiple units being separately leased. The airport requires a 5-foot setback on the sides and rear with a larger setback in the front, typically 15 to 20 feet. The front setbacks are larger than many airports and results in an effectively higher rent. To adjust to the same basis as the subject (a 5-foot setback) the rent would be approximately \$0.16 to \$0.20 per square foot per year. Tenants do not pay property taxes on the land, however, the city assesses hangar owners a maintenance fee at a rate of \$20 per \$1,000 of building value in lieu of typical property taxes that would be paid on the land. The additional assessment varies with the size and quality of the building.

Increases:	Periodic review.
Security:	Fenced with gated access.
Utilities:	Electricity only.
FBOs:	One partial-service owned and operated by the City of Creswell, including self-service fuel, pilot lounge and supplies.
Facilities:	One runway (3,101 feet x 60 feet). Beacon. No control tower. Precision Approach Path Indicator (PAPI). Paved taxiways.
Aircraft Based on Field:	110
Average Aircraft Operations:	105 per day as of 6/05.
Comments:	Located approximately 8 miles north of the subject. Serves the Eugene/Springfield area. Owned by the City of Creswell. There has been a moratorium on building at the airport due to the lack a fire protection. The moratorium is anticipated to be lifted within the next few years when funding becomes available fire protection. There is a waiting list for new hangars.

Comparison to the Subject

This comparable similar to the subject in terms of the service level, role, facilities and general location in the Eugene/Springfield metro area. This comparable is superior in terms of its closer proximity to Eugene/Springfield and superior FBO services available. Creswell Hobby Field is the most convenient field, other than Mahlon Sweet, for Eugene and Springfield small plane owners. Cottage Grove is a 10-minute longer drive and has less activity and services at this time. For Cottage Grove to be competitive with Hobby Field for the Eugene area aircraft owners, the lease rate must be lower. Overall, this comparable is a high indicator for the subject.

RENT COMPARABLE 2



Name & Location: Mahlon Sweet Airport
Eugene, Oregon

FAA Identifier: EUG

Oregon Functional Category: 1
Service Level: Commercial service airport.
NPIAS Role: Primary commercial service.

Land Lease Rates:
Private: \$0.30/sf/year.
Commercial: \$0.32/sf/year.
The land area is based on the building footprint only. For private hangars the rent would be approximately 25% less (\$0.23/sf) if typical setbacks were included in the land area. For the FBOs the difference is minimal due to the large amount of ramp area.

Increases: Every 3 years based on independent market survey.

Security: Fenced, with gated access.

Utilities: Full service.

- FBOs:** One full-service (Flightcraft) including fuel, aircraft maintenance, pilot lounge, supplies, charter service and rental planes. There are two limited-service FBOs
- Facilities:** Two runways (8,009 feet x 150 feet and 6,000 feet x 150 feet). Control tower. Instrument landing system (ILS), Precision Approach Path Indicator (PAPI), Visual Approach Slope Indicator (VASI), High Intensity Approach Lighting (ALSF2) on larger runway, Omnidirectional Approach Lighting System (ODALS) on larger runway, Medium Intensity Approach Lighting System (MALS) on smaller runway. Paved and lighted taxiways. Full and self-service fuel.
- Aircraft Based on Field:** More than 170.
- Average Aircraft Operations:** 291 per day as of 4/07.
- Comments:** Served by Horizon Air, United, US Airways and Delta. Located approximately 25 miles northwest of the subject. Serves the Eugene/Springfield area. Owned by the City of Eugene. Good level of demand for general aviation use. There is approximately 100 acres reserved for general aviation development. Several new private hangars have been constructed. A new cargo facility is currently under construction.

Comparison to the Subject

This comparable is similar to the subject in terms of the general location in the Eugene/Springfield metropolitan area, but it is superior in terms of the closer proximity to Eugene where there is more demand for general aviation services, as well as its service level, facilities and available FBO services. Overall, this comparable is a high indicator for the subject.

RENT COMPARABLE 3



Name & Location: Albany Municipal Airport
Albany, Oregon

FAA Identifier: S12

Oregon Functional Category: 4
Service Level: Community general aviation.
NPIAS Role: General aviation.

Land Lease Rates: \$0.195/sf/year. The land area is based on the building footprint only. The rent would be approximately 25% less (\$0.15/sf) if typical setbacks were applied. The current rate policy was set several years ago based on a survey of competing airports.

Increases: \$0.01 per year for two years followed by annual CPI increases.

Security: Fenced. Coded key entry.

Utilities: Full service in some older areas. New tenants desiring full utilities must work with the city and pay whatever costs the city requires.

FBOs: One full-service (Reliant Aviation) including a lounge, supplies, flight instruction and aircraft maintenance.

Facilities: One runway (3,004 feet x 75 feet). Beacon. Visual Approach Slope Indicator (VASI). No control tower. Self-service fuel station.

Aircraft Based on Field: 72

Average Aircraft Operations: 62 per day (as of 5/05).

Comments: Located approximately 58 miles north of the subject. Owned by the City of Albany. Tenants do not pay real estate taxes on the land. There has been good demand for new hangars in recent years. Three new hangars were built within the last year. An additional new hangar is anticipated to be constructed next year.

Comparison to Subject

This comparable is similar to the subject in terms of service level, role, facilities and general location, but superior regarding available FBO services. The rent appears to be slightly below market as rates were set several years ago. Overall, this comparable is a reasonable indicator for the subject.

RENT COMPARABLE 4



Name & Location: **Roseburg Regional Airport**
Roseburg, Oregon

Oregon Functional Category: 2
Service Level: Business or high activity general aviation.
NPIAS Role: General aviation.

Land Lease Rates: \$0.19/sf for both commercial and private. The current rate was set at \$0.25/sf by an appraisal in 2005, however, there was differing public opinion about the conclusion of the new rate. Therefore, the new rate is being phased in over the next few years. The rate will be subject to annual CPI adjustments in the coming years capped at 3% per year. The land area is the building plus 5 foot setbacks on the sides and rear and a larger setback in the front. Adjusting to the same basis as the subject indicates a rental rate of approximately \$0.21/sf.

Increases: Periodic re-evaluation.

Security: Fenced with gated access.

Utilities: Full service.

FBOs: One full service (Ocean Air Aviation). Services include pilot's lounge, supplies, charter service, aircraft maintenance, hangar rentals and flight instruction.

Facilities: One runway (4,602 feet x 100 feet). No control tower. Visual Approach Slope Indicator (VASI). Beacon. Lighted runway. Paved taxiways. Self-service and assisted self-service fuel.

Aircraft Based on Field: 96

Average Aircraft Operations: 87 per day as of 8/05.

Comments: Located approximately 45 miles southwest of the subject. Serves the Douglas County area. Owned by the City of Roseburg. Demand for hangars has been increasing. The city is currently constructing two new T-hangar buildings and there have been a few new private hangars constructed recently.

Comparison to the Subject

This comparable is similar to the subject in role as a general aviation facility, but superior in terms of service level, facilities, available FBO services and location in a larger community with greater demand for aviation services. Overall, this comparable is a high indicator for the subject.

RENT COMPARABLE 5



Name & Location: Florence Municipal Airport
Florence, Oregon

FAA Identifier: 6S2

Oregon Functional Category: 4

Service Level: Community general aviation.

NPIAS Role: General aviation.

Land Lease Rates: \$0.19/sf/year. The land area is the building plus 5-foot setbacks.

Increases: Periodic reevaluation.

Security: Fenced. Coded key entry.

Utilities: Electricity only.

FBOs: One partial-service (Florence Aviation) including fuel, flight instruction and pilot supplies.

Facilities: One runway (2,916 feet x 60 feet). No control tower. Beacon. Automated Weather Observation System (AWOS). Precision Approach Path Indicator (PAPI) lights. Paved taxiways. Self-service fuel.

Aircraft Based on the Field: 31

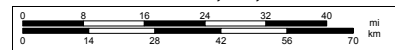
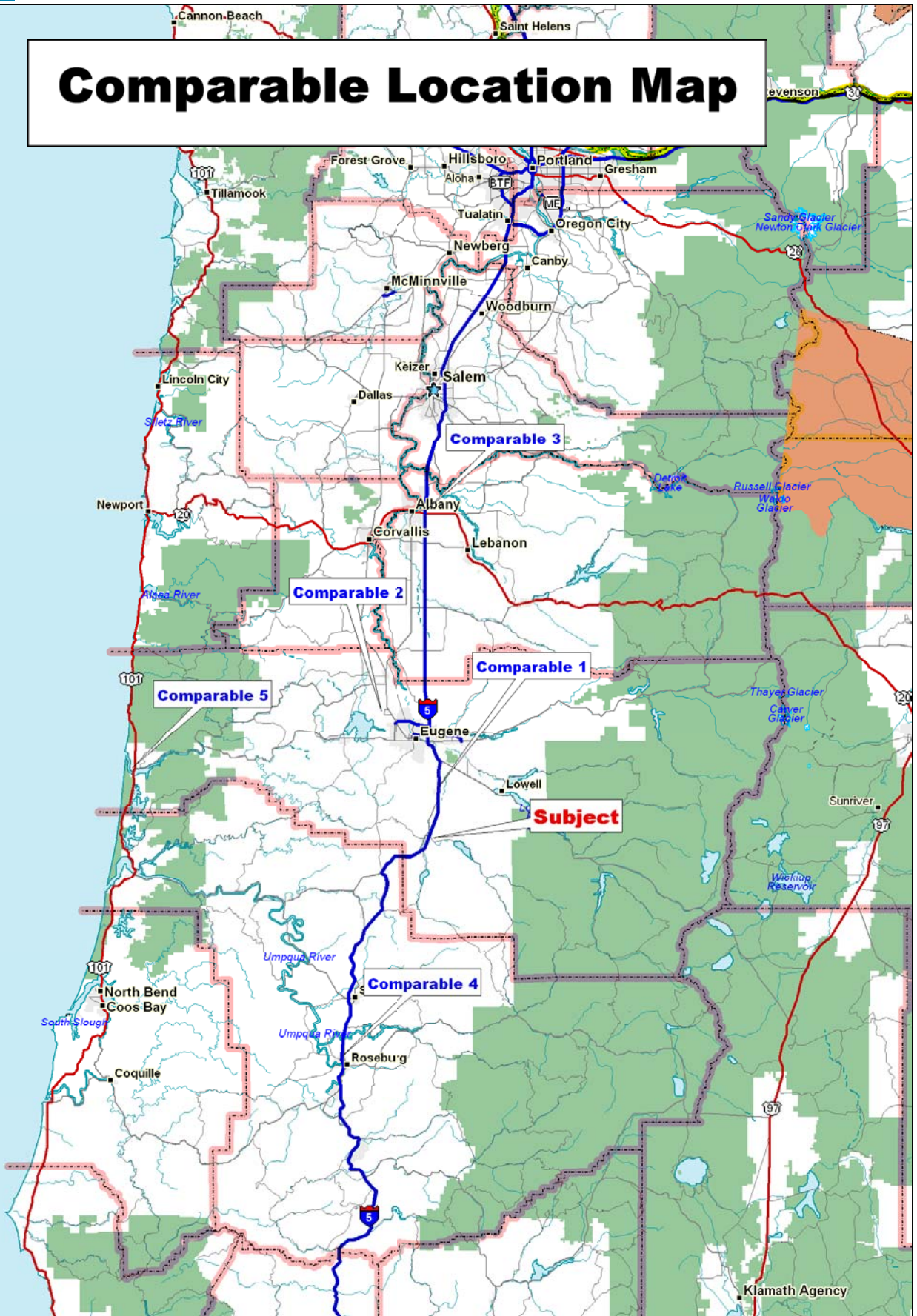
Average Aircraft Operations: 134 per week as of 7/05.

Comments: Located approximately 55 miles northwest of the subject. Serves Florence and the coastal Lane County area. Owned by the City of Florence. There has been good demand for hangar sites in recent years. Four new hangars have been built within the last two years. The City of Florence is also planning on constructing a new multi-unit T-hangar building to be owned and managed by the City.

Comparison to the Subject

This comparable is similar to the subject in terms of the service level, role and facilities, but superior regarding available FBO services and general location considering the higher demand for general aviation facilities. Overall, this comparable is a high indicator for the subject.

Comparable Location Map



LAND LEASE RATE COMPARABLE TABULATION CHART

No.	Airport	Lease Rates	Comments
1.	Creswell Hobby Field Creswell	\$0.16 - \$0.20* (plus maintenance charge)	Community general aviation airport. No control tower. Navaids. High indicator.
2.	Mahlon Sweet Field Eugene	\$0.23*	Commercial air service facility. Served by Horizon, United, Delta and US Airways. Tower and control. Superior. High indicator.
3.	Albany Municipal Albany	\$0.15*	Community general aviation airport. No control tower. Navaids. Below market rent. Reasonable indicator.
4.	Roseburg Regional Roseburg	\$0.21*	Business or high activity general aviation airport. No control tower. Navaids. Superior. High indicator.
5.	Florence Municipal Florence	\$0.19	Community general aviation. No tower or control. Navaids. High indicator.

**Lease rate adjusted for setback areas.*

Conclusions

The comparables indicate a range of ground lease rates from \$0.15 to \$0.23 per square foot per year. The rents for comparables 1, 2, 3 and 4 were adjusted as necessary for typical setback areas as compared to the subject. Comparables 2 and 3 are based on the building footprint only, which equates to an effectively lower rate as compared to the subject, which has typical 5 foot setbacks. Comparables 1 and 4 were adjusted upward to reflect larger front setback areas.

Of the comparables presented, comparables 1 and 3, at \$0.15 to \$0.20 per square foot offer the most similar facilities and locations as compared to the subject. Both of these comparables are, however, superior regarding available FBO services and demand for general aviation services. In the case of the subject, there is not enough activity to support a full-service FBO. Creswell is also superior in location, due to its closer proximity to the Eugene/Springfield metro area. Therefore, the rate for the subject property would be expected to fall at the lower end of the \$0.15 to \$0.20 per square foot range.

The remaining comparables include the Mahlon Sweet Field in Eugene and Roseburg Regional Airport, which are Category 2 facilities that are generally superior to the subject in terms of location, facilities and available FBO services. The Florence airport is similar to the subject in terms of the service level, role and facilities, but superior regarding available FBO services and general location considering the higher demand for general aviation facilities. These comparables will be given secondary emphasis in the analysis.

The tenants at State-owned airports may also be assessed real estate taxes on the land, which effectively reduces the amount of market rent that could be achieved versus airports that are exempt from taxation. A review of the assessment data for Cottage Grove airport, however, indicates Lane County is not currently assessing the land at the airport. Therefore, no adjustment for property taxes is necessary as none of the tenants at the comparable airports pay real estate taxes on the leased land area. Tenants at Creswell, however, are assessed a maintenance fee by the city of Creswell based on the hangar building value in lieu of paying property taxes on the

land. The additional assessment varies with the size and quality of the building, but could substantially add to the cost of operating a hangar at Creswell. If Lane County begins assessing the land area an adjustment may be necessary to the concluded fair market rate conclusion to arrive at the equivalent rent the ODA could charge after the tenant pays the real estate taxes.

Based on the above analysis, with primary emphasis given to comparables 1 and 3, the fair market ground lease rate for both commercial and private tenants at Cottage Grove State Airport, as of October 12, 2007 was concluded to be:

\$0.15 Per Square Foot Annually*

**The conclusion of market rent above assumes a periodic escalation based on the Consumer Price Index. Each of the comparables utilized in concluding the fair market rental rate for the subject have provisions for periodic increases.*

Marketing/Exposure Time

Marketing and exposure time for the subject property is estimated to be six to twelve months.

Unimproved Land Lease Rate

Per the request of the ODA, the issue of lease rates for undeveloped land will be discussed. The ODA currently quotes a rate of \$0.05 per square foot for undeveloped land. Undeveloped land is generally defined as areas not served by airport infrastructure.

The previously concluded rate of \$0.15 per square foot per year reflects the fair market rental rate for runway access land at the airport. In general terms, it is our opinion there is only one fair market lease rate for runway access land area at Cottage Grove State Airport, which is the previously concluded rate of \$0.15/sf. The runway access land would represent the areas currently in use for airport operations or areas that are anticipated to be developed for airport operations in the near future. In the interest of equity, a tenant who wishes to lease runway access land at the airport and control it should pay the same rate as other tenants. Unimproved land areas represent the future expansion area of the airport in regard to on-field hangars and Cottage Grove currently has a waiting list for hangar sites. It is not equitable or efficient for one tenant to tie up land at a lower rental rate while there is demand for the land at the market rental rate.

If there were, however, an abundant amount of undeveloped surplus land at the airport that was not currently needed to satisfy demand for new hangar site development or expansion of other airport operations, and was not generating income for the ODA, it may be prudent to lease the land area with some level of discount on an interim basis until such time that the area is needed for airport expansion. Such an arrangement would maximize income to the ODA in the interim, while not tying up future airport expansion land for a long-term at a below market rate. The most obvious example would be for an agricultural use on a tract that would not interfere with airport operations. Other interim uses could also be possible on a case by case basis depending on the amount of land available and the expansion plans for the airport. Ground lease rates are typically based on a 6% to 8% return on the market value of the site. If a larger tract of undeveloped land was leased for an alternate interim use, an appropriate rate should be reflective of the terms of the lease, the impact on the land area from that particular interim use, as well as the affect on the future expansion plans for the airport. Therefore, the appropriate rate for any unimproved surplus land outside of the area currently in airport use should be determined on a case by case basis.

CERTIFICATION

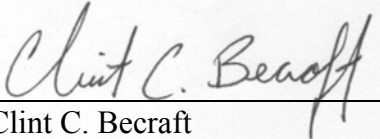
We, Richard J. Duncan, MAI, SRA, and Clint C. Becraft, do hereby certify that:

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 our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
4. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
8. Clint C. Becraft made a personal inspection of the property that is the subject of this report.
9. No one provided significant professional assistance to the persons signing this report.
10. As of the date of this report, Richard J. Duncan, MAI, SRA has completed the requirements of the continuing education program of the Appraisal Institute.
11. This appraisal report has been made in conformity with and is subject to the requirements of the Code of Professional Ethics and Standards of Professional Conduct of the Appraisal Institute.
12. We have had a level of training and experience considered necessary for the formulation of a reliable opinion of value of the subject property.
13. The use of this report is subject to the requirements of the Appraisal Institute relating to its duly authorized representatives.

14. In our opinion, the fair market ground rental rate for runway access land as of October 12, 2007, was:

\$0.15 Per Square Foot Annually*

**The conclusion of market rent above assumes a periodic escalation based on the Consumer Price Index. Each of the comparables utilized in concluding the fair market rental rate for the subject have provisions for periodic increases.*



Clint C. Becraft

Certification No. C000856
Expiration 4/30/08



Richard J. Duncan, MAI, SRA

Certification No. C000106
Expiration 7/31/09

QUALIFICATIONS OF CLINT C. BECRAFT

APPRAISAL EDUCATION

Appraisal Institute

Apartment Appraisal (Course 330)	2006
National Uniform Standards of Professional Appraisal Practice Update	2006
Advanced Income Capitalization (Course 510)	2005
Highest and Best Use and Market Analysis (Course 520)	2005
Basic Income Capitalization (Course 310)	2003
State of the Valuation Profession	2001
National Uniform Standards of Professional Appraisal Practice	1999
Foundations of Real Estate Appraisal	1993
Appraising the Single Family Residence	1993
National Uniform Standards of Professional Appraisal Practice	1993

College Courses

Real Estate Taxation and Exchange, Lane Community College	2002
Real Estate Investments, Lane Community College	2001
Real Estate Appraisal II, Chemeketa Community College	1994
Real Estate Law, Real Estate School of Oregon	1992
Real Estate Finance, Real Estate School of Oregon	1992
Real Estate Practice, Real Estate School of Oregon	1992

Continuing Education Courses

Board of Property Tax Appeals Training, Oregon Department of Revenue	2004
Magistrate Training, Oregon Department of Revenue	2004
Non-USPAP Regulatory Compliance, Bob Keith Appraiser Seminars	2004
National USPAP (15 Hour), American College of Appraisal	2004
National USPAP Update, American College of Appraisal	2003
Model Appraisal Report, Oregon Department of Revenue	2002
Real Estate Law, American College of Real Estate	2000
Mass Appraisal Principles, Oregon Department of Revenue	2000
Introduction to Review Appraisal, McKissock Data Systems	1998

FORMAL EDUCATION

Associate of Arts Degree	1998
Lane Community College	
Eugene, Oregon	

LICENSES

Certified General Appraiser – State of Oregon, 2006	Certificate No. C000856
Licensed Residential Appraiser – State of Oregon, 1996-2006	License No. L000980

PROFESSIONAL EXPERIENCE

General Appraiser Duncan & Brown Real Estate Analysts	2006 – Present
Appraiser Assistant Duncan & Brown Real Estate Analysts	2005 – 2006
General/Residential Appraiser Lane County Department of Assessment & Taxation	2000 – 2005
Residential Appraiser Becraft Appraisal Service	1999 – 2000
Residential Appraiser R. H. Timpe Real Estate Appraisers	1996 – 1999
Appraiser Assistant R. H. Timpe Real Estate Appraisers	1994 – 1996

QUALIFICATIONS OF RICHARD J. DUNCAN, MAI, SRA

PROFESSIONAL DESIGNATIONS

SRA – Appraisal Institute	1991
MAI – Appraisal Institute, Certificate No. 7961	1988
Eugene Planning Commissioner	

FORMAL EDUCATION

Graduate Study in Real Estate University of Oregon, Eugene, Oregon	1978
Master Degree Business Administration – Quantitative Methods University of Oregon, Eugene, Oregon	1975
Bachelor of Science Degree Business Administration – Marketing University of Nebraska at Lincoln	1973

APPRAISAL EDUCATION

University Courses

Real Estate Principles and Practice
Real Estate Economics
Real Estate Investment Analysis
Real Estate Appraising
Real Estate Finance
Property Taxation
Land Use Planning

Appraisal Institute

Easement Valuation
Standards of Professional Practice
Wetlands Valuation
Litigation and Court Preparation
Developments in Income Property Valuation
Argus Software Training
Contemporary Issues of Appraisal Theory
Management of an Appraisal Office
Subdivision Analysis
Limited Appraisals & Reporting Options
Uniform Standards of Professional Appraisal Practices
High-Tech Appraisal Office
Internet and Appraising
Litigation Skills for the Appraiser
Automated Valuation Models
Standards of Professional Appraisal Practice, Part B
Special Purpose Properties-Greater Oregon Chapter
Partial Interest Valuation

Appraisal Institute, cont'd

Standards of Professional Appraisal Practice – Part A
Industrial Search Strategies for R.E. Appraisers
Feasibility, Market Value, Investment Timing: Option Value
Valuation of Detrimental Condition
Standards of Professional Appraisal Practice – Part B
Analyzing Operating Expenses
Uniform Appraisal Standards for Federal Land
Small Hotel/Motel Valuation
Appraisal Scope of Work: Burden or Blessing
Income Capitalization – Advanced

Appraiser Certification & Licensing Board

Administrative Rule Overview

American Institute of Real Estate Appraisers

Course 1A – Principles of Appraising
Capitalization A&B
Capitalization – Theory and Techniques
Depreciation Analysis
Highest and Best Use Analysis
Case Studies in Real Estate Valuation
Standards of Professional Practice
Valuation Analysis and Report Writing
Cash Equivalency
Analyzing Cash Flows
R/E Investment and Discounted Cash Flow Analysis
Feasibility Analysis – Non-Residential Properties

Society of Real Estate Appraisers

Appraising Residential Condominiums
Income Property Valuation – Course 201/202
Contemporary Appraising of Income Property
Investment Feasibility Analysis
Appraisal Office Management

American Society of Farm Managers and Rural Appraisers

Fractional Interest Seminar
Appraising Undivided Interests in Real Estate

USGA Regional Green Section Conference

Golf Course Construction

EXPERT WITNESS

Lane County Circuit Court
Federal Bankruptcy Court
Lane County District Court

