



100 Portage Street Houghton, MI 49931

906-482-4810 • 800-562-7684 • Fax: 906-482-9799

February 27, 2023

Mr. John LaForest  
Director of Supply Chain and Facilities  
Upper Peninsula Power Company

**RE: WEST HOUGHTON SERVICE CENTER – FACILITIES UPDATE – COST ESTIMATE**

Dear Mr. Laforest,

At your request, U.P. Engineers and Architects, Inc. has been exploring a number of problem areas at the West Houghton Service Center, and the associated cost to remedy them. Working with you and your team, UPEA has identified a large number of updates/upgrades that are required to maintain a working and productive facility for the next 10 years. Categorically, general civil site work and architectural updates were explored independently. Environmental considerations have also been taken into account, but have not been assigned a dollar value. Below you will find a list of problem areas, and their need for replacement:

Civil Site Updates

1. HMA Parking Lot – Repair holes/ repave
  - Parking lot is in disrepair and has large potholes and slumping areas.
2. Connect to City Water/Sewer
  - Septic system is failing. Due to availability of public services adjacent to property, municipal hook up will likely be required.
3. Abandon Septic & Well
  - Transitory to hooking up to City services.
4. Shore Line Protection – Add Additional
  - Shoreline adjacent to building is slumping and showing signs of failure. To maintain property integrity, slope and shoreline protection is required.
5. Roof Drainage System – Add/Repair
  - Current drainage system shows signs of failure causing icing and storm drainage problem. Parts of the buildings do not have working roof drainage systems.
6. Floor Drains – Cut and Add (Wash Bay)
  - Current system drains into a collection tank that requires pumping. Redirecting system to city sewer will allow truck washing in bays.

### Architectural Improvements

1. Service Center Roof – Replace
  - Roof is past its life expectancy and showing signs of failure
2. Transformer Deck Roof – Replace
  - Both roof covering and roof structure are failing.
3. LED Lighting Upgrade
  - In efforts to minimize energy use and remain consistent with UPPCO building standards.
4. Flooring in Service Center – Replace
  - Flooring is stained, broken and in need of replacement.
5. Ceiling Tiles in Service Center – Replace
  - Cleaning are stained, broken and in disrepair
6. Windows in Service Center – Replace
  - Windows have begun failing – seals and openings are not operational. Additional energy saving measures can be applicable here.
7. Hopps Building Roof – Replace
  - Roof is past its life expectancy and showing signs of failure
8. Scrape & Paint – All buildings
  - Buildings exteriors are showing peeling paint - Lead protection protocol will need to be implemented on many structures during scraping.
9. Asbestos Abetment
  - Varying areas show signs of containing Asbestos – proper encapsulation or removal will be required.

### Environmental Considerations

1. Chemical containment
  - With presence of hazardous chemical in proximity to a Great Lake, additional measures should be taken to avoid interactions if spills were to take place.
2. Offsite Storage of Hazardous Material (Temporary & Permanent)
  - Even temporary storage of hazardous materials on site initiates a high risk for accidental soil, surface water, and groundwater contamination. Remedial needs for a spill of even small amounts of certain chemicals (PCB's) could be extensive and long lasting. Proximity to a large water body and extremely shallow water table exasperate these possibilities.

West\_Houghton\_Service\_Center-Facilities\_Update- Cost Estimate.docx  
p.3 of 3

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UPEA utilized construction and architectural estimating software to determine probable cost for each of the aforementioned items. Attached are the line item estimates for each of the tasks. The total estimated cost is approximately ~\$4.2 Million . This analysis is not exhaustive, and only based on a limited site exploration. Additional costs may be involved while digging into the project further.

It should be noted that the property may need to be annexed to the City of Houghton (as both neighbors are) in order to connect to City amenities. With that said, a tax evaluation would need to be performed. It is estimated that the tax rate would significantly increase comparatively.

Sincerely,

**U.P. Engineers & Architects, Inc.**



George A. Kiiskila, Jr, PE  
Principal



Gregory A. Putman  
Project Manager

## Cost Estimate Report

### UPPCO

Date: 11/01/2022

18494 Houghton Canal Rd  
Houghton, MI, 49931

### UPPCO Service Building Renovations

Prepared By: Aaron Janke UPEA

### Unit Detail Report

Year 2021

Unit Line Number	Description	Quantity	Unit	Total Incl. O&P	Ext. Total Incl. O&P
<b>Division 02 Existing Conditions</b>					
024113175010	Demolish, remove pavement & curb, remove bituminous pavement, up to, 3" thick, excludes hauling and disposal fees	5,000.00	S.Y.	\$10.64	\$53,200.00
024113175590	Demolish, remove pavement & curb, Canopy & Loading Dock, excludes hauling, foundation, minimum labor/equipment charge	3,800.00	S.F.	\$12.00	\$45,600.00
024113440600	Selective demolition, septic tanks and related components, precast septic tanks, 15,000 gal., 4 piece, excludes excavation	1.00	Ea.	\$20,000.00	\$20,000.00
028213430100	Bulk asbestos removal, from beams, W 10 x 19, includes disposable tools & 2 suits & 1 respirator filter/day/worker	2,400.00	L.F.	\$21.70	\$52,080.00
028213430600	Bulk asbestos removal, pipe insulation, air cell type, up to 4" diameter pipe, includes disposable tools & 2 suits & 1 respirator filter/day/worker	400.00	L.F.	\$9.40	\$3,760.00
028319230320	Encapsulation of lead-based paint, water based polymer coating, miscellaneous, brick, block or concrete, spray, 14 mil DFT	24,000.00	S.F.	\$5.00	\$120,000.00
<b>Division 02 Existing Conditions Subtotal</b>					<b>\$294,640.00</b>
<b>Division 08 Openings</b>					
080505201020	Window demolition, steel, to 25 S.F., remove old mesh	28.00	Ea.	\$200.00	\$5,600.00
085123201000	Windows, steel, custom units, double-hung, 2'-8" x 4'-6" opening, incl. frame, trim and insulated glass	18.00	Ea.	\$2,000.00	\$36,000.00
085123201600	Windows, steel, custom units, double-hung, commercial projected, 6'-9" x 4'-1" opening, incl. frame, trim and insulated glass	10.00	Ea.	\$2,500.00	\$25,000.00
<b>Division 08 Openings Subtotal</b>					<b>\$66,600.00</b>
<b>Division 09 Finishes</b>					



096519197000	Flooring, vinyl composition tile, 12" x 12" x 1/16"	8,000.00	S.F.	\$5.00	\$40,000.00
099113900580	Paints & coatings, walls, concrete masonry units (CMU), porous, first coat, latex, spray	24,000.00	S.F.	\$0.70	\$16,800.00
099113900590	Paints & coatings, walls, concrete masonry units (CMU), porous, second coat, latex, spray	24,000.00	S.F.	\$0.50	\$12,000.00
<b>Division 09 Finishes Subtotal</b>					<b>\$68,800.00</b>
<hr/>					
<b>Division 10 Specialties</b>					
107316209000	Canopies, minimum labor/equipment charge	3,800.00	S.F.	\$250.00	\$950,000.00
<b>Division 10 Specialties Subtotal</b>					<b>\$950,000.00</b>
<hr/>					
<b>Division 26 Electrical</b>					
265113551110	Interior LED fixtures, retrofit lamp, 60 watt, replaces three T8 lamp, incl lamps, mounting hardware and connections	1.00	Ea.	\$250,000.00	\$250,000.00
<b>Division 26 Electrical Subtotal</b>					<b>\$250,000.00</b>
<hr/>					
<b>Division 31 Earthwork</b>					
312316302200	Drilling and blasting rock, trenches, up to 1,500 C.Y.	400.00	B.C.Y.	\$250.00	\$100,000.00
313713100200	Rip-rap and rock lining, random, broken stone, 18" minimum thickness, machine placed for slope protection, not grouted	6,000.00	S.Y.	\$99.83	\$598,980.00
<b>Division 31 Earthwork Subtotal</b>					<b>\$698,980.00</b>
<hr/>					
<b>Division 32 Exterior Improvements</b>					
321123230100	Base course drainage layers, aggregate base course for roadways and large paved areas, stone base, compacted, 3/4" stone base, to 6" deep	5,000.00	S.Y.	\$10.00	\$50,000.00
321216140020	Asphaltic concrete paving, parking lots & driveways, 6" stone base, 2" binder course, 1" topping, no asphalt hauling included	45,000.00	S.F.	\$3.30	\$148,500.00
<b>Division 32 Exterior Improvements Subtotal</b>					<b>\$198,500.00</b>
<hr/>					
<b>Division 33 Utilities</b>					
333213132500	Packaged utility lift station, packaged sewage lift station, 200,000 GPD, excludes fencing or external piping	1.00	Ea.	\$301,474.50	\$301,474.50
<b>Division 33 Utilities Subtotal</b>					<b>\$301,474.50</b>
<hr/>					

<b>Subtotal</b>		<b>\$2,828,994.50</b>
<b>General Contractor's Markup on Subs</b>	<b>5.00%</b>	\$141,449.73
<b>Subtotal</b>		<b>\$2,828,994.50</b>
<b>General Conditions</b>	15.00%	\$424,349.18
<b>Subtotal</b>		\$3,394,793.40
<b>General Contractor's Overhead and Profit</b>	<b>7.00%</b>	\$237,635.54
<b>Unit Cost Total</b>		<b>\$3,632,428.94</b>

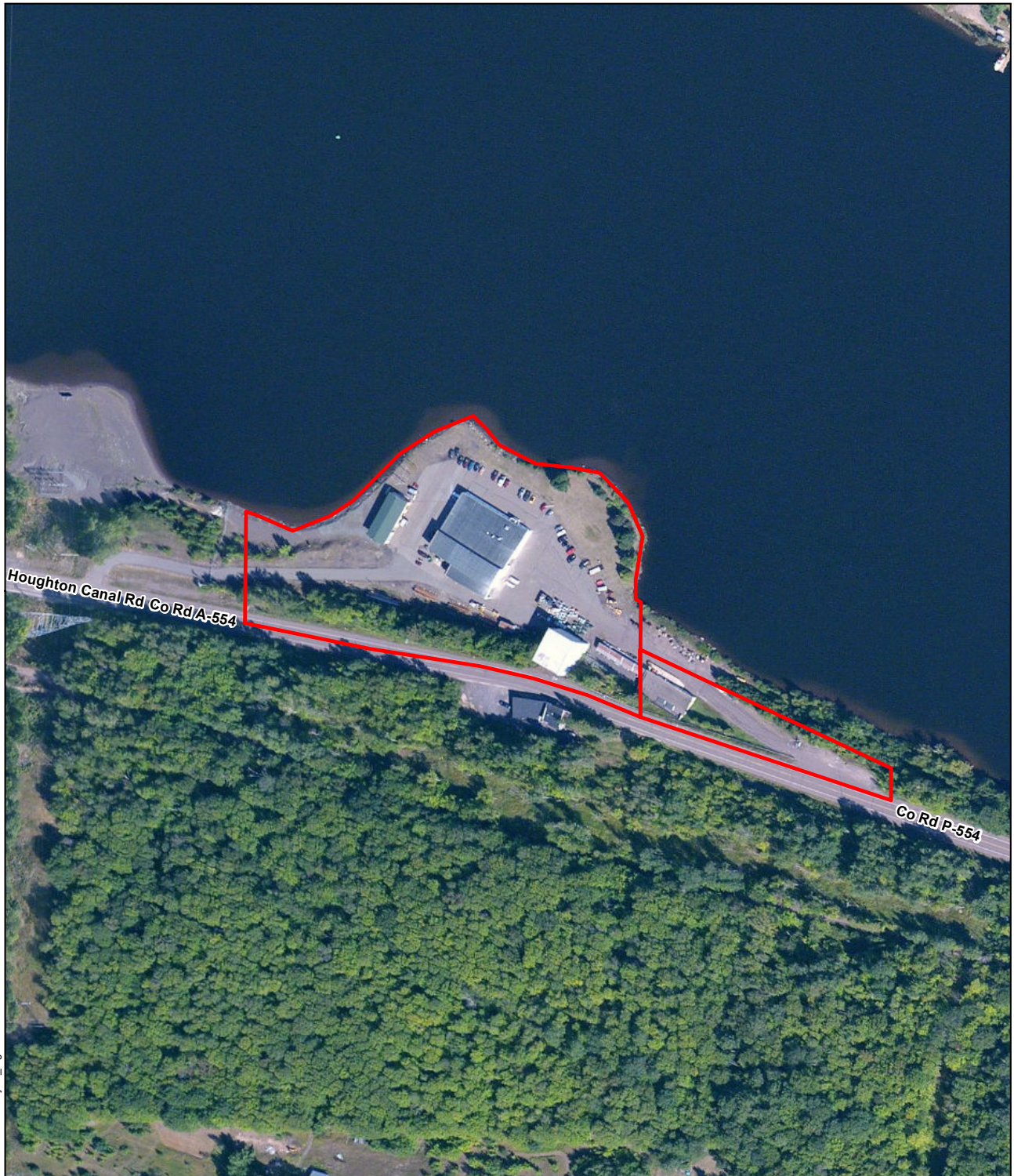
# Assembly Detail Report

Year 2021

Assembly Number	Description	Quantity	Unit	Total Incl. O&P	Ext. Total Incl.O&P
<b>B</b>					
B30101203400	Roofing, single ply membrane, EPDM, 60 mils, loosely laid, stone ballast	19,500.00	S.F.	\$10.00	\$195,000.00
B30101203400	Roofing, single ply membrane, EPDM, 60 mils, loosely laid, stone ballast	4,000.00	S.F.	\$10.00	\$40,000.00
B30101300350	Roofing, corrugated, aluminum, mill finish, .0320" thick, .552 PSF	4,750.00	S.F.	\$10.00	\$47,500.00
<b>B</b>					<b>\$282,500.00</b>
<b>C</b>					
C30302105900	Acoustic ceilings, 5/8" fiberglass board, 24" x 24" tile, tee grid, suspended support	8,000.00	S.F.	\$5.38	\$43,040.00
<b>C</b>					<b>\$43,040.00</b>
<b>G</b>					
G30101221150	Waterline, 6" MJ ductile iron, 4' deep, including common earth excavation, backfill, bedding & compaction	800.00	L.F.	\$125.00	\$100,000.00
G30201121400	Sewerline, 4" HDPE type S watertight, 4' deep, including common earth excavation, backfill, bedding & compaction	800.00	L.F.	\$50.00	\$40,000.00
<b>G</b>					<b>\$140,000.00</b>
<b>Subtotal</b>					<b>\$465,540.00</b>
<b>General Contractor's Markup on Subs</b>			<b>5.00%</b>		\$23,277.00
<b>Subtotal</b>					<b>\$465,540.00</b>
<b>General Conditions</b>			15.00%		\$70,529.31
<b>Subtotal</b>					<b>\$558,648.00</b>
<b>General Contractor's Overhead and Profit</b>			<b>7.00%</b>		\$39,105.36
<b>Assembly Cost Total</b>					<b>\$597,753.36</b>

Case No.: U-21555  
Exhibit: A-54 (JJB-4)  
Witness: Jason J. Brynick  
Page: 8 of 8  
\$4,230,182.30

**Grand Total**



**Legend**  
 Subject Property Boundary



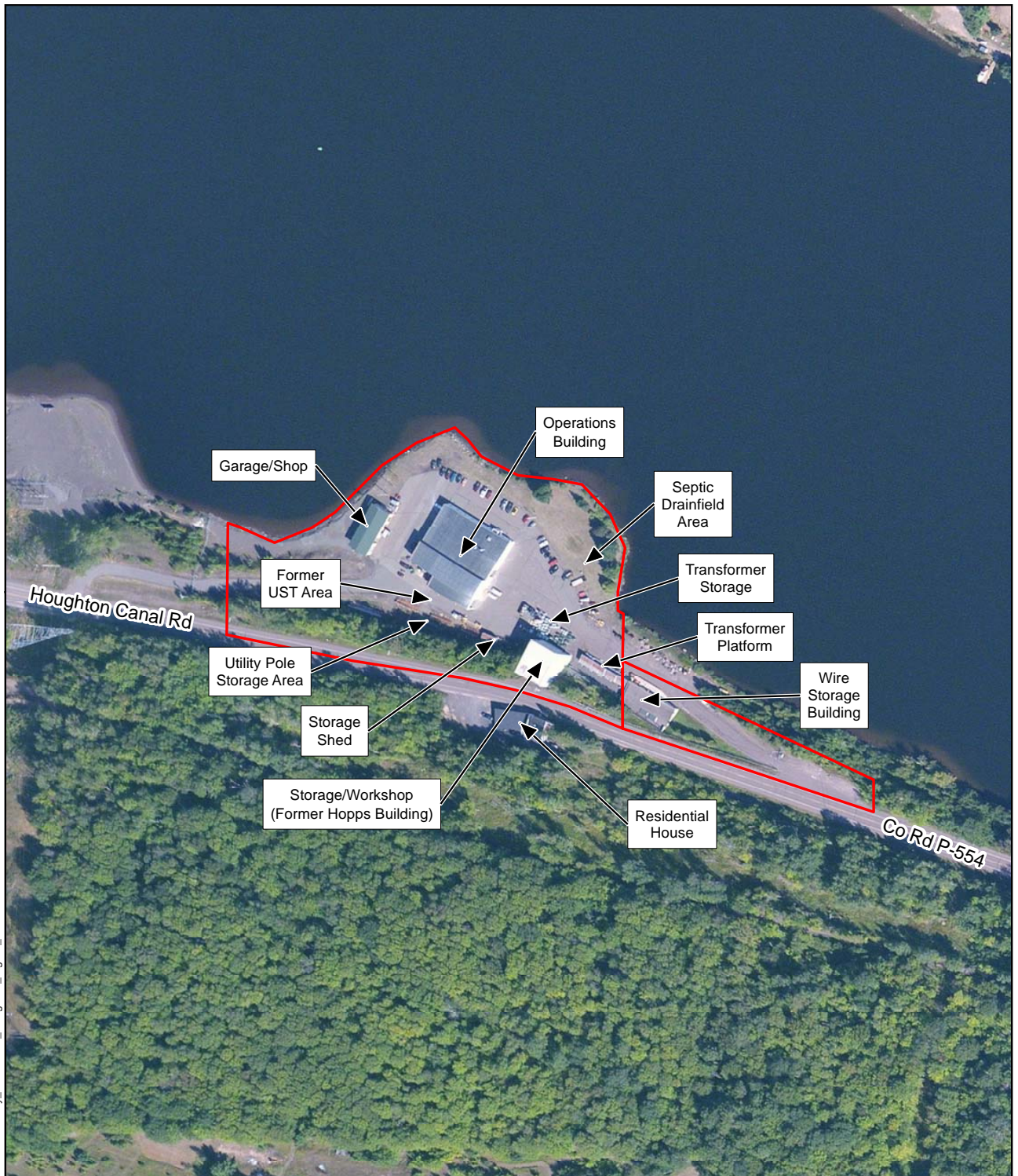
Project Lake  
 Figure 2: Aerial Photograph  
 WEST HOUGHTON  
 SERVICE CENTER

0 100 200 300  
 Feet



Aerial Photograph Date: 09/07/2011





# Legend

  Subject Property Boundary

Aerial Photograph Date: 09/07/2011



Project Lake  
 Figure 3: Site Plan  
 WEST HOUGHTON  
 SERVICE CENTER

0 100 200 300 400  
 Feet



Date: 3/7/2014



**Final Bid Responses**

	<b>Bidder</b>	<b>Base Bid</b>	<b>Conditions</b>	<b>Exclusions</b>
<b>1</b>	MJO Construction	\$ 11,643,000.00	Completion date extended to June 15, 2025	Does not include rock excavation, if required.
<b>2</b>	Moyle Construction	\$ 9,420,000.00	N/A	
<b>3</b>	Bayland Buildings	\$ 12,005,394.00	N/A	

**APPRAISAL REPORT  
OF**



18494 Canal Rd  
Houghton, MI 49931

**PREPARED FOR**

John P LaForest, Director of Supply Chain & Facilities  
Upper Peninsula Power Co  
500 N Washington St  
Ishpeming, MI 49849

**AS OF**

03/01/2023

**PREPARED BY**

SEATON APPRAISAL ASSOCIATES  
400 Quincy St, Ste 101  
Hancock, MI 49930



SEATON APPRAISAL ASSOCIATES  
400 Quincy St, Ste 101  
Hancock, MI 49930

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04/12/2023

Upper Peninsula Power Co  
500 N Washington St  
Ishpeming, MI 49849

RE: Upper Peninsula Power Co  
18494 Canal Rd  
Houghton, MI 49931  
File No. 23-0221A-C  
Case No.

Dear Mr LaForest,

In accordance with your request, I have personally inspected and prepared an appraisal report of the real property located at:

18494 Canal Rd, Houghton, MI 49931

The purpose of this appraisal is to estimate the market value of the property described in the body of this appraisal report.

Enclosed, please find the appraisal report which describes certain data gathered during our investigation of the property. The methods of approach and reasoning in the valuation of the various physical and economic factors of the subject property are contained in this report.

An inspection of the property and a study of pertinent factors, including valuation trends and an analysis of neighborhood data, led the appraiser to the conclusion that the market value, as of 03/01/2023 is:

\$ 1,160,000

The opinion of value expressed in this report is contingent upon the limiting conditions attached to this report.

It has been a pleasure to assist you. If I may be of further service to you in the future, please let me know.

Respectfully submitted,

Signature:   
\_\_\_\_\_

David A Lucchesi  
State Certified Residential Real Estate Appraiser

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Seaton Appraisal Associates

File No. 23-0221A-C

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File No. 23-0221A-C

Seaton Appraisal Associates UNIFORM COMMERCIAL/INDUSTRIAL SUMMARY APPRAISAL REPORT - SMALL PROPERTY					
Client		Upper Peninsula Power Co		File Number	23-0221A-C
Property Use	<input checked="" type="checkbox"/> Office <input type="checkbox"/> Commercial <input checked="" type="checkbox"/> Industrial <input type="checkbox"/>				
Property Address	18494 Canal Rd		Map Reference	Commercial	
City	Houghton	County	Houghton	State	MI
Building Name	West Houghton Service Center		Zip Code	49931	
Owner/Occupant	Upper Peninsula Power Co		Census Tract	0009.00	
Typical Buyer	<input checked="" type="checkbox"/> Owner/User <input type="checkbox"/> Investor <input type="checkbox"/>	APN		001-134-004-00 & 010-384-002-00	
Property Rights Appraised	<input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leased Fee <input type="checkbox"/> Leasehold <input type="checkbox"/> Other				
Purpose of Appraisal	The purpose of this appraisal is to estimate the market value of the subject property for possible selling purposes				
<p>Intended Use of Report The Intended Use is to evaluate the subject property for possible sale, subject to the stated scope of work, purpose of the appraisal, reporting requirements of this appraisal report from and definition of market value.</p> <p>Scope of Work Appraiser has performed a visual inspection of the interior and exterior area of the subject property, as access provided. Because the appraiser is not an engineer, it is not within the scope of work for the assignment to perform a detailed structural, mechanical or environmental assessment of the subject property. It is to provide an overview of the subject's condition and how it pertains to its marketability and the opinion of value for said property.</p>					
<input type="checkbox"/> Complete Appraisal <input type="checkbox"/> Limited Appraisal due to the following departures from Standard 1					
<input checked="" type="checkbox"/> Summary Appraisal Report					
THREE YEAR OWNERSHIP HISTORY					
	Owner	Recording Reference	Date	Price Paid	Terms of Sale
Most Recent	UPPCO to ATC	Lbr/Pg: 155:481	08/01/2001	\$ 51,617	WD
Previous	Bosch to UPPCO		12/02/1975	\$ 110,000	
Previous				\$	
Previous				\$	
Current Contract	<input type="checkbox"/> Option <input type="checkbox"/>		Listing Price	\$ N/A	
Buyer			Contact Price	\$ N/A	
Seller			Closing Date	N/A	
Analysis/Comments: No sales known since 2001. A title search is recommended.					
NEIGHBORHOOD DESCRIPTION					
Boundaries: North: Portage Canal; South: Hwy M26; East: Hwy M26; West: Canal Rd					
Neighborhood Built Up: 75 % Land Use: Single Family 70 % Office % Multifamily % Industrial 5 % Retail % Vacant 25 % Undersupply Balanced Oversupply Vacancy			Location <input checked="" type="checkbox"/> Rural <input type="checkbox"/> Suburb <input type="checkbox"/> Urban Development Trend <input type="checkbox"/> Up <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Down Value Trend <input checked="" type="checkbox"/> Up <input type="checkbox"/> Stable <input type="checkbox"/> Down Vacancy Trend <input type="checkbox"/> Up <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Down Rental Demand <input checked="" type="checkbox"/> Up <input type="checkbox"/> Stable <input type="checkbox"/> Down		
Single Family <input checked="" type="checkbox"/> 0-5 % Multifamily <input type="checkbox"/> 0-5 % Office <input type="checkbox"/> 0-5 % Retail <input type="checkbox"/> 0-5 % Industrial <input type="checkbox"/> 0-5 %			Change in Land Use: <input type="checkbox"/> Unlikely <input checked="" type="checkbox"/> Likely <input type="checkbox"/> Taking Place From Industrial To Residential/Light Business Rental Rate Range (Exclude Extremes) for Subject Property Type: From \$ 1.00 /SF/Year To \$ 4.00 /SF/Year Age Rate Range (Exclude Extremes) for Subject Property Type: From 50 To 125		
Distance - CBD 0.50 Miles Distance - Freeway 0.50 Miles Distance - Public Transportation 0.50 Miles					
Neighboring Property Use: Mixed uses include single family, rental and business. The site is along the Portage Shipping Canal and maybe conducive to commercial, residential, mixed use or continued industrial use.					
Analysis/Comments: Industrial, commercial, residential are all likely uses of the site. Possibly a mix of these.					
SITE DESCRIPTION					
Legal Description Part of Govt Lots 3 & 4, Section 34, T55N-R34W, Adams & Portage Townships					<input checked="" type="checkbox"/> See Addenda
Environmental Problems Known or Suspected Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>					
Site Size 9.92 ac		Usable Land Area 9.92 ac		Excess Land Area 0 sf	
Site Dimensions Irregular-See Legal Descriptions					
Street Frontage 1245' ft Canal Rd.					

File No. 23-0221A-C

Seaton Appraisal Associates IMPROVEMENTS DESCRIPTION (continued)					
Building Description		Improvement Rating			
		Gd	Av	Fr	N/A
Foundation .....	Concrete				
Frame .....	Block, Concrete, Wood		<input checked="" type="checkbox"/>		
Floor/Cover .....	Lino, Concrete			<input checked="" type="checkbox"/>	
Ceiling .....	Drywall, Metal, Concrete		<input checked="" type="checkbox"/>		
Exterior Walls .....	Block, Steel, Concrete		<input checked="" type="checkbox"/>		
Interior Partitions .....	Drywall			<input checked="" type="checkbox"/>	
Roof Cover .....	Asphalt Shingle, Metal, Built-Up Sphalt			<input checked="" type="checkbox"/>	
Plumbing .....	Adequate		<input checked="" type="checkbox"/>		
Heating .....	Natural Gas Forced Air			<input checked="" type="checkbox"/>	
Air Condition .....	Central in Primary		<input checked="" type="checkbox"/>		
Electrical .....	Adequate		<input checked="" type="checkbox"/>		
Elevators .....	None				<input checked="" type="checkbox"/>
Parking .....	Adequate		<input checked="" type="checkbox"/>		
Insulation .....	Adequate			<input checked="" type="checkbox"/>	
Sprinkler .....	None				<input checked="" type="checkbox"/>
Roof Support .....	Appears adequate		<input checked="" type="checkbox"/>		
Lighting .....	Adequate				
Appeal/Appearance .....			<input checked="" type="checkbox"/>		
Floor/Plan Design .....				<input checked="" type="checkbox"/>	
Construction Quality .....			<input checked="" type="checkbox"/>		
Exterior Condition .....			<input checked="" type="checkbox"/>		
Interior Condition .....				<input checked="" type="checkbox"/>	
Roof Cover .....				<input checked="" type="checkbox"/>	
Plumbing .....			<input checked="" type="checkbox"/>		
Heating .....				<input checked="" type="checkbox"/>	
Air Conditioning .....			<input checked="" type="checkbox"/>		
Electrical .....			<input checked="" type="checkbox"/>		
Elevators .....					<input checked="" type="checkbox"/>
Parking Area .....			<input checked="" type="checkbox"/>		
Insulation .....				<input checked="" type="checkbox"/>	
Sprinkler .....					<input checked="" type="checkbox"/>
Landscaping .....			<input checked="" type="checkbox"/>		

Site Improvements: The property, as far as we can determine, has township water and a private septic.

Personal Property or Other Non-Really Interests included in Valuation: No ☒ Yes ☐

Analysis/Comments: SEE PAGE 12

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### HIGHEST AND BEST USE

HIGHEST AND BEST USE AS IF VACANT  
 Legally Permissible Uses: Zoned as Industrial. This would allow most any use.

Physically Possible Uses: The site is large enough to accomodate residential, industrial, business or a mixed purpose uses.

Financially Feasible Uses: Financially feasible uses can often be determined by new uses in the neighborhood. All of the recent nearby uses have been single or multiple family residential.

Maximal Productive Uses: Another term for maximally productive would be "most likely" use. The area has seen an increase in residential and commercial development, but the highest prices for commercial have been in the commercial districts within the city limits. Residential uses seem to produce the highest prices outside of the city.

Analysis/Comments: "As vacant" it is my opinion that residential, single or multi-family, would be the highest and best use of this site.

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HIGHEST AND BEST USE AS IMPROVED  
 Legally Permissible Uses: see below

Physically Possible Uses: see below

Financial Feasible Uses: see below

Maximal Productive Uses: see below

Analysis/Comments: The cost of excavating the existing buildings, particularly the 3-story structure, could be cost prohibitive. This is the reasoning for repurposing the improvements as the "most likely" use. Generally, as long as the improvements still add value to the land, the highest and best use will normally remain "as improved".



File No. 23-0221A-C

Seaton Appraisal Associates										
SITE DESCRIPTION (continued)										
Access.....	Gd	Av	Fr	Utility: Provided By:	Topography:					
Street Frontage.....	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Electricity.....	Level.....	<input checked="" type="checkbox"/> Mod Slope	<input checked="" type="checkbox"/> Steep Slope	<input checked="" type="checkbox"/>		
Shape.....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Gas.....	At Grade.....	<input type="checkbox"/> Above Grade	<input checked="" type="checkbox"/> Below Grade	<input type="checkbox"/>		
Function Utility.....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Water.....	<div style="display: flex; justify-content: space-between;"> <div> Corner Lot.....  Underground Utilities.....  Railroad Access.....  Earthquake Zone.....  Flood Hazard Area.....  Map # <u>No maps printed</u> Date <u>11/28/2022</u> </div> <div> <div style="display: flex; justify-content: space-between;"> <div>Yes</div> <div>No</div> </div> <div style="display: flex; justify-content: space-between;"> <div><input checked="" type="checkbox"/></div> <div><input type="checkbox"/></div> </div> <div style="display: flex; justify-content: space-between;"> <div><input type="checkbox"/></div> <div><input checked="" type="checkbox"/></div> </div> <div style="display: flex; justify-content: space-between;"> <div><input type="checkbox"/></div> <div><input checked="" type="checkbox"/></div> </div> <div style="display: flex; justify-content: space-between;"> <div><input type="checkbox"/></div> <div><input checked="" type="checkbox"/></div> </div> </div> </div>					
Visibility.....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Telephone.....						
Landscaping.....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>							
Drainage.....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>							
Adequacy of Utilities.....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Street Improvements: Describe:						
Traffic Pattern.....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Street Width.....	100'					
Traffic Volume.....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Street Paving.....	Asphalt					
				Sidewalks.....	None					
				Curbs & Gutters.....	None					
				Storm Sewers.....	None					
				Lighting.....	Some					
Soil Conditions <u>Appears adequate</u> Easements <u>Typical utility</u> Encroachments <u>Road ROW</u> Current Zoning <u>Portage Parcel: Industrial, Adams Township Parcel: B-3, General Business</u> Legally Conforming Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Zoning Change: Not Likely <input checked="" type="checkbox"/> Likely <input type="checkbox"/> To _____ Uses Allowed Under Current Zoning <u>Zoned Industrial. This will allow for most any use.</u>										
Analysis/Comments: <u>The site slopes from the road to the lakeshore, with level, useable parts.</u>										
ASSESSMENT AND TAXES										
Assessment Year	2022	APN	See Below	Tax Rate	Year	Taxes				
Total.....	\$	529,470	Total.....	51.21	Current Taxes.....	\$				
Land.....	\$	70,500	County.....		Estimated Taxes.....	2023	\$	27,116		
Building(s).....	\$	458,970	City.....		Tax Assessment.....		\$	0.65	/SF	
Other.....	\$		Other.....		Year Of Next Reassessment.....	2024				
Special Assessments: <u>APN: 001-134-004-00 &amp; 010-384-002-00</u>										
Reassessment Issues: <u>None noted.</u>										
Analysis/Comments: <u>The assessments seems reasonable.</u>										
IMPROVEMENT DESCRIPTION										
Property Type <u>Electrical Service Center</u>		Construction Type <u>Class B,S,D</u>		# Buildings <u>5</u>	# Stories <u>1-3</u>					
Building	Floor	Gross SF	*Net SF	Use Type	Net SF	Use %				
1	Primary	18,775	18,775	Office.....	5,852	14				
2	Storage	588	588	Retail.....						
3	Garage	3,240	3,240	Warehouse.....	27,125	65				
4	3 Story	12,182	12,182	Manufacturing/Garage.....	8,658	21				
5	Storage	6,850	6,850	Distribution.....						
Total.....		41,635	41,635	Research/Development.....						
*Usable Area <input type="checkbox"/>	Rentable Area <input checked="" type="checkbox"/>									
Year Built.....	1900-2018			Parking:	Yes	No	Industrial Only			
Building Efficiency Ratio.....	100 %			On Site.....	<input checked="" type="checkbox"/>	<input type="checkbox"/>	# Overhead Doors <u>6</u>			
Effective Age.....	35			Adequacy.....	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Floor Height <u>1</u> FT			
Total Economic Life.....	60			Covered.....	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Ceiling Height <u>10-15</u> FT			
Remaining Economic Life.....	25			Parking Garage.....	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Column Spacing			
Floor Area Ratio.....	13.00 %			Paved.....	<input checked="" type="checkbox"/>	<input type="checkbox"/>	FT x FT			
Ground Coverage Ratio.....	13.00 %			Number of Spaces.....	50	Railroad Spur				
				Spaces/1000 SFBA.....	15	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>				
Analysis/Comments: <u>SEE PAGE 12</u>										

Seaton Appraisal Associates

File No. 23-0221A-C

Seaton Appraisal Associates VALUATION METHODS SELECTED				
Cost Approach <input checked="" type="checkbox"/> Income Approach <input type="checkbox"/> Direct Sales Comparison Approach <input checked="" type="checkbox"/> Reasons for Excluding an Approach: <u>The subject is not currently or proposed as income producing</u>				
MARKET VALUE ESTIMATE OF NON-REALTY ITEMS				
Market Value of Personal Property .....		\$ N/A		
Market Value of Other Non-Realty Interests .....		\$ N/A		
Total Market Value of Non-Realty Interests .....		\$ 0		
Analysis/Comments: <u>No non-realty items included in this appraisal.</u>				
COMPARABLE SITE ANALYSIS				
Data Sheets      Alt <input type="checkbox"/> Location/Address Proximity to Subject Map Reference Deed Reference Date of Sale Exposure Time Data Source Site Size    SF <input type="checkbox"/> Acres <input checked="" type="checkbox"/> Frontage, Water Zoning Utilities Site Improvements	<b>Subject</b> 18494 Canal Rd  Commercial  Inspection 9.92 ac 1,388' Industrial Elec, Water None	<b>Comparable # 1</b> 00 Quarry Point  Baraga  06/03/2022 0 KMLS#50069900 21.00 ac 1,793' Residential-Recreational Elec None	<b>Comparable # 2</b> Lots A,B,C  Houghton  11/12/2021 26 KMLS#10065412 23.34 ac 2,672' Rural Residential Elec,W&S None	<b>Comparable # 3</b> Lot D  Houghton  07/30/2021 0 KMLS#10065452 5.56 ac 1,996' Rural Residential Elec,W&S None
Unit of Comparison .....	acres	21.00	23.34	5.56
Sales Price .....	\$	400,000	1,390,000	170,000
Price Per Unit .....	\$	19,048	59,554	30,576
Property Rights Conveyed .....		Fee Simple	Fee Simple	Fee Simple
Adjustment .....		0	0	0
Financing .....		Conventional	Other	Conventional
Adjustment .....		0	0	0
Conditions of Sale .....		Arm's Length	Arm's Length	Arm's Length
Adjustment .....		0	0	0
Market Conditions .....		Typical	Typical	Typical
Adjustment .....		0	0	0
Other Adjustments:				
Location .....		0.00	0.00	0.00
Topography .....		0	0	0
Shape/Utility .....		0	0	0
Utilities .....		0	0	0
Site Improvements .....		0.00	0.00	0.00
Total Adjustments .....		0.00	0.00	0.00
Indicated Value Per Unit .....	\$	19,048	59,554	30,576
Analysis/Comments: <u>All the Comps have lake-frontage and acreage. Comp 1 is in Baraga and is considered the least similar. Comps 2 &amp; 3 are nearby and considered the most similar. Comp 2 having about the similar useable area is weighted the most. We estimate the price per acre to be about \$50,000/acre.</u>				
Total Site Units:      Acres .....				
Unit Value .....		\$ 50,000		
Estimated Site Value .....		\$ 496,000		
EXCESS LAND				
Excess Land Area Units:      None .....		0		
Unit Value .....		\$ 0		
Estimated Excess Land Value .....		\$ 0		

**Seaton Appraisal Associates**  
**COST APPROACH**

<b>Cost Source     <u>Marshall Valuation Service</u></b>					
<b>Component</b>	<b>No.</b>	<b>Size</b>	<b>Unit Cost</b>		<b>Cost</b>
Office	1	5,852	\$ 78.00		\$ 456,456
Warehouse	1	27,125	\$ 43.00		\$ 1,166,375
Garage	1	8,658	\$ 55.00		\$ 476,190
			\$		\$ 0
			\$		\$ 0
			\$		\$
			\$		\$
Reproduction <input type="checkbox"/>	Replacement <input checked="" type="checkbox"/>	Cost of New Improvements			\$ 2,099,021
Plus: Indirect (Soft Costs) .....				%	\$ 0
Plus: Entrepreneurial Profit .....					\$ 2,099,021
Total Cost New .....					
			69 %	1,448,324	
Less: Physical Deterioration .....			0 %	0	
Less: Functional Obsolescence .....			0 %	0	
Less: External Obsolescence .....			0 %	0	
Total Accrued Depreciation (Deterioration & Obsolescence) .....					(\$ 1,448,324)
Depreciated Value of Building(s) .....					\$ 650,697
Plus: Contributing Value of Site Improvements .....					\$ 10,000
Depreciated Value of Improvements .....					\$ 660,697

Analysis/Comments: We estimate the buildings have an overall effective age of 45 years with a remaining economic life of 20 years. This equates to an 80% depreciation factor for physical depreciation. The replacement costs are estimated from the Marshall Valuation Service cost manual, Section 14, Pages 14, 23, 24 & 25

Estimated Site Value .....	\$ 496,000
Plus: Estimated Excess Land Value .....	0
Plus: Depreciated Value of Improvements .....	660,697
Plus: Market Value of Personal Property and Other Non-Realty Interests .....	0
Indicated Value Before Adjustment for Interest Appraised .....	\$ 1,156,697
Less: Adjustment for Interest Appraised .....	0
Value Indication-Cost Approach .....	\$ 1,156,697
Rounded .....	\$ 1,157,000

## INCOME APPROACH/RENTAL COMPARABLE BUILDING ANALYSIS

Alt <input type="checkbox"/>	Subject	Comparable # 1	Comparable # 2	Comparable # 3
Data Sheets	18494 Canal Rd			
Address				
Proximity to Subject				
Map Reference	Commercial			
Year Built				
Gross Building Area	41,635			
Number of Stories				
Current Vacancy %				
Construction Type	Class B,C,D			
Construction Quality	Average			
Condition	Avg/Fair			
Parking	Adequate			
Date of Rent Survey				
Asking Rent				
Lease Period				
Tenant Improvement Allowance				
Concessions				
Tenant Name				
Beginning Date				
Term				
Lease Type*				
Tenant Size (SF)				
Rent Per SF	\$	\$	\$	\$
Rent Concessions Adj.				
Adjusted Rent Per SF	\$	\$	\$	\$
Adjustment for				
Market Conditions				
Adjusted Rent Per SF	\$	\$	\$	\$



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Seaton Appraisal Associates							
INCOME APPROACH/COMPARABLE BUILDING ANALYSIS (continued)							
Location							
Quality							
Condition							
Total Adjustments							
Indicated Market Rent	\$	\$	\$	\$			
*Lease Types: Gross Lease (G), Net Lease (N), Triple Net Lease (TN), Modified Gross (MG), Expense Passsthroughs (P), Sales Overage Rents (O), Common Area Maintenance (C), Renewal Options (R)							
Analysis/Comments:							
SUMMARY OF SUBJECT LEASES							
Tenant Name	Rented Area (SF)	Beginning Date	Term	Lease Types	Current Month Rent	Effective Rent/SF	Estimated Market Rent/SF
Analysis/Comments:							
INCOME AND EXPENSE HISTORY AND FORECAST							
Income:		Actual			Stabilized		
From	to				\$		
Gross Potential Income					\$		
Vacancy and Collection					\$		
Loss %					\$		
Other Income					\$		
Effective Gross Income					\$		
Expenses:							
Property Taxes	\$				\$		
Insurance	\$				\$		
Property Management	\$				\$		
Utilities	\$				\$		
Janitorial	\$				\$		
Maintenance	\$				\$		
Reserve	\$				\$		
Total Expenses	\$				\$		
Net Operating Income (NOI)	\$				\$		
		Expense/SF \$			Expense Ratio %		
Analysis/Comments:							
DIRECT CAPITALIZATION							
Overall Rate Range		to		Equity Dividend Rate Range		to	
Overall Rate (RO)		=		Mortgage		x	
				Equity		x	
				Overall Rate (RO)		=	
NOI (Ro)		Estimated Value		NOI (Ro)		Estimated Value	
\$ / = \$				\$ / = \$		NA	
Analysis/Comments: N/A							



Seaton Appraisal Associates

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Seaton Appraisal Associates YIELD CAPITALIZATION				
Cash Flow Analysis in Addenda		Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	
Forecast Holding Period .....				Market Rent Scenario
Beginning NOI .....				Contract Rent Scenario
NOI Pattern .....				
Reversion Assumption .....				
Yield Rate .....				
Value Estimate .....				
Analysis/Comments: N/A				
ADJUSTMENT FOR INTEREST APPRAISED				
Value Estimate - Market Rent Scenario .....				\$ 0
Value Estimate - Contract Rent Scenario .....				\$ 0
Difference (Adjustments for Interest Appraised) .....				\$ 0
Analysis/Comments: N/A				
Value Indicated by Direct Capitalization/Yield Analysis (excluding excess land) .....				\$ 0
Plus: Estimated Excess Land Value .....				\$ 0
Value Indication - Income Approach .....				\$ 0
Rounded .....				\$ 0
DIRECT SALES COMPARISON APPROACH/COMPARABLE BUILDING ANALYSIS				
Comp Sheets	Att <input type="checkbox"/>	Subject	Comparable # 1	Comparable # 2
Address		18494 Canal Rd	650 W US41	623 Circle Dr
Proximity to Subject			61.39 miles SE	92.52 miles SE
Map Reference		Commercial	Ishpeming	Iron Mountain
Data Source		Inspection	MLS#10070337	MLS#10069826
Gross Building Area		41,635	41,461	21,600
Net Building Area		41,635	41,461	21,600
Site Size: SF <input type="checkbox"/> Acres <input checked="" type="checkbox"/>		9.92 ac	5.50 ac	3.70 ac
Land-to-Building Ratio		10:1	6:1	7:1
Year Built		1900/2018	1997	1981
Construction Type		Class B,C,D	Class B	Class B
Construction Quality		Average	Average	Average
Condition		Avg/Fair	Average	Average
Parking		Adequate	Adequate	Adequate
Other		None	None	None
Sale Price		\$1,099,000	\$425,000	\$475,000
Sales Price per square foot	\$		\$ 26.51	\$ 19.68
Date of Sale			07/19/2021	05/14/2021
Exposure Time			69	753
Property Rights Conveyed		Fee Simple	Fee Simple	Fee Simple
Adjustment				
Financing			Cash	Conventional
Adjustment				
Conditions of Sale		Normal	Normal	Normal
Adjustment				
xxxxxxxxxxxxite Size		9.92 ac	5.50 ac	3.70 ac
Adjustment				
xxxxxxxxxxxxxxxxxxxx Bldg Size		41,635 sf	41,461 sf	21,600 sf
Adjustment				
CE/Terms Adjusted Price / SqFt	\$		\$ 26.51	\$ 19.68
Other Adjustments:				
Market Conditions		3/16/3023	07/19/2021	05/14/2021
Adjustment			5.30	3.94
Location		Average	Average	Average
Adjustment				
Quality		Average	Average	Average
Adjustment				
Condition / Age		70	35	42
Adjustment				
Other				
Adjustment				
Total Other Adjustments			+5.30	+3.94
Indicated Value				
Per Square Foot	\$		\$ 31.81	\$ 23.62
				\$ 19.98

Seaton Appraisal Associates

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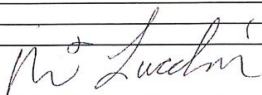
Seaton Appraisal Associates			
DIRECT SALES COMPARISON APPROACH/COMPARABLE BUILDING ANALYSIS (continued)			
<p>Analysis/Comments: Values for residential properties have risen 20% since 2021 and 30% since 2020. Lacking good data for commercial properties during this time period, I used the residential figures for the time adjustments in my calculations. Comparable 1 is closest to the subject in GBA and site size. Comparable 2 is the most similar. Comp 3 is the closest geographically. The price range after adjustments is \$19.98 - \$31.81 per square foot. The median price is \$23.62 and the average is \$25.14. Comp 1 is the most similar in site size, building size, and is the most recent sale. Giving Comp 1 the most weight, I have calculated a weighted average shown on page 13, resulted in a weighted price of \$27.81 for the subject. Therefore: 41,635 sf x \$27.81/sf = \$1,157,869, which I will round to \$1,160,000, for the final value per the sales comparison approach.</p>			
FEE SIMPLE OR LEASED FEE OPERATING DATA AND RATIOS			
	Comparable # 1	Comparable # 2	Comparable # 3
Fee Simple or Leased Fee .....	N/A	N/A	N/A
Gross Potential Income .....	\$ .....	\$ .....	\$ .....
Vacancy and Collection Loss % .....	.....	.....	.....
Effective Gross Income .....	\$ .....	\$ .....	\$ .....
Operating Expenses .....	\$ .....	\$ .....	\$ .....
Expenses/SF Gross Building Area .....	\$ .....	\$ .....	\$ .....
Expenses Ratio .....	.....	.....	.....
Net Operating Income .....	\$ .....	\$ .....	\$ .....
EGIM .....	.....	.....	.....
Overall Rate .....	.....	.....	.....
Equity Dividend Rate .....	.....	.....	.....
<p>Analysis/Comments: N/A</p>			
Building Units .....	NA		
Value Per Unit .....	\$ NA /Unit		
Value Estimate .....	\$ 1,160,000		
Effective Gross Income .....	\$ N/A		
Effective Gross Income Multiplier (EGIM) .....	x N/A		
Value Estimate .....	\$ N/A		
<p>Analysis/Comments: No gross income multiplier was used in our analysis.</p>			
Value Indicated by Direct Sales Comparison Approach (excluding excess land) .....	\$ 1,160,000		
Plus: Estimated Excess Land Value .....	\$ 0		
Plus: Adjustment for Interest Appraised .....	\$ 0		
Value Indication - Direct Sales Comparison Approach .....	\$ 1,160,000		
Rounded .....	\$ 1,160,000		
RECONCILIATION AND FINAL VALUE ESTIMATES			
Cost Approach Indication .....	\$ 1,157,000		
Income Approach Indication .....	\$ NA		
Direct Sales Comparison Approach Indication .....	\$ 1,160,000		
<p>Reconciliation: Most weight is given the sales comparison analysis because it shows market reaction to similar alternatives. The cost approach is used to show the contributory value of the improvements and the effects of physical, functional, and external depreciations. Due to the amount of estimated depreciation, the cost approach is given minimal consideration. The income was not developed because of limited data for market rents for this type of building in the area.</p>			
<p>Estimated Exposure Time: Based upon sales found in the U.P. Board of Realtors MLS we estimate exposure time for commercial properties to typically be 3 to 6 months.</p>			
<p>Extraordinary Assumptions, Hypothetical Conditions, and Limiting Conditions: The property was inspected by Tim Seaton and David Lucchesi on 11/18/2022. This report is subject to the extraordinary assumption that the overall condition of the property on the date of valuation, 03/01/2023, was substantially similar to the condition as of the date of inspection.</p>			
Estimated Market Value "As Is" .....	\$ 1,160,000		
Effective Date of Valuation .....	03/01/2023		
Market Value of Personal Property Included in Appraisal .....	\$ 0		
Market Value of Other Non-Realty Interests Included in Appraisal .....	\$ 0		



File No. 23-0221A-C

RECONCILIATION AND FINAL VALUE ESTIMATES (continued)			
<b>Appraiser #1</b> Signature: <i>David A. Lucchesi</i> Name: <u>David A. Lucchesi</u> Certification No.: <u>1204078446</u> State: <u>MI</u> Exp. Date: <u>07/31/2024</u>		Property Inspected Date: <u>04/12/2023</u> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
<b>Appraiser #2</b> Signature: <i>Timothy E. Seaton</i> Name: <u>Timothy E. Seaton, MAI, SRA</u> Certification No.: <u>1205000262</u> State: <u>MI</u> Exp. Date: <u>07/31/2023</u>		Date: <u>04/12/2023</u> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
CONTENTS OF ADDENDA			
Legal Description ..... <input checked="" type="checkbox"/> Subject Photographs ..... <input checked="" type="checkbox"/> Area Map ..... <input checked="" type="checkbox"/> Neighborhood Map ..... <input type="checkbox"/> Zoning Map ..... <input type="checkbox"/> Flood Zone Map ..... <input checked="" type="checkbox"/> Topographic Map ..... <input type="checkbox"/> Site Sketch ..... <input checked="" type="checkbox"/> Site Plan ..... <input checked="" type="checkbox"/> Building Plans ..... <input type="checkbox"/> Tax Assessment Card ..... <input type="checkbox"/> Land Sales Data Sheets ..... <input type="checkbox"/> Land Sales Map ..... <input checked="" type="checkbox"/>	Land Lease ..... <input type="checkbox"/> Segregated Cost Sheet ..... <input type="checkbox"/> Soils Survey Map ..... <input type="checkbox"/> Subject Leases ..... <input type="checkbox"/> Rental Comparable Data Sheets ..... <input type="checkbox"/> Rent Location Map ..... <input type="checkbox"/> DCF Analysis ..... <input type="checkbox"/> Improved Property Sales Data Sheets ..... <input type="checkbox"/> Building Sales Location Map ..... <input checked="" type="checkbox"/> Copy of Deed ..... <input type="checkbox"/> Contract of Sale ..... <input type="checkbox"/> Construction Cost Contract ..... <input type="checkbox"/> Support for Personal Property Valuation ..... <input type="checkbox"/>	Support for Non-Realty Interest Valuation ..... <input type="checkbox"/> Support for Adjustment for Interest Appraised ..... <input type="checkbox"/> Copy of Easement ..... <input type="checkbox"/> Appraiser Qualifications ..... <input checked="" type="checkbox"/>	
DEFINITION OF MARKET VALUE			
<p>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 of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and acting in what they consider their best interests; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.</p>			
ASSUMPTIONS AND LIMITING CONDITIONS			
<ol style="list-style-type: none"> <li>As agreed upon with the client prior to the preparation of this appraisal, unless otherwise indicated, this is a Limited Appraisal because it invokes the Departure Provision of the Uniform Standards of Professional Appraisal Practice. As such, information pertinent to the valuation has not been considered and/or the full valuation process has not been applied. Depending on the type and degree of limitations, the reliability of the value conclusion provided herein may be reduced.</li> <li>Unless otherwise indicated, this is a Summary Appraisal 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 Appraisal Report. As such, it might not include full discussions of the data, reasoning and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, and analyses is retained in the appraiser's file. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report.</li> <li>No responsibility is assumed for legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated in this report.</li> <li>The property is appraised free and clear of any or all liens and encumbrances unless otherwise stated in this report.</li> <li>Responsible ownership and competent property management are assumed unless otherwise stated in this report.</li> <li>The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.</li> <li>All engineering is assumed to be correct. Any plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.</li> <li>It is assumed that 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.</li> <li>It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated in this report.</li> <li>It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in this appraisal report.</li> <li>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 value estimates contained in this report are based.</li> <li>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.</li> <li>It is assumed that utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless otherwise stated in this report.</li> </ol>			
(Continued)			

File No. 23-0221A-C

Seaton Appraisal Associates <b>ASSUMPTIONS AND LIMITING CONDITION (continued)</b>	
<p>14. The appraiser is not qualified to detect hazardous waste and/or toxic materials. Any comment by the appraiser that might 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 any other potentially hazardous materials may affect the value of the property. The appraiser's value estimate is predicted on the assumption that 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 appraiser descriptions and resulting comments are the result of the routine observations made during the appraisal process.</p> <p>15. Unless otherwise stated in this report, the subject property is appraised without a specific compliance survey having been conducted to determine if the property is or is not in conformance with the requirements of the Americans with Disabilities Act. The presence of architectural and communications barriers that are structural in nature that would restrict access by disabled individuals may adversely affect the property's value, marketability or utility.</p> <p>16. Any proposed improvements are assumed to be completed in accordance with the submitted plans and specifications.</p> <p>17. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.</p> <p>18. 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, and in any event, only with proper written qualification and only in its entirety.</p> <p>19. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news sales, or other media without prior written consent and approval of the appraiser.</p>	<p><b>INTENDED USER AND INTENDED USE:</b>  <u>The intended user of this appraisal report is the Client. The intended use is to evaluate the property that is the subject of this appraisal for possible selling purposes, subject to the stated scope of work, purpose of the appraisal, reporting requirements of this appraisal report form, and definition of market value. No additional intended users are identified by the appraiser.</u></p> <p><b>SUBJECT SERVICE HISTORY:</b>  <u>I have not performed services as an appraiser or in any other capacity, regarding the subject property within the five-year period immediately preceding acceptance of this assignment.</u></p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p>
<b>CERTIFICATION</b>	
<p>I certify that, to the best of my knowledge and belief:</p> <ol style="list-style-type: none"> <li>1. The statements of fact contained in this report are true and correct.</li> <li>2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, unbiased professional analyses, opinions and conclusions.</li> <li>3. I have no present or prospective interest in the property that is the subject of this report and I have no personal interest with respect to the parties involved.</li> <li>4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.</li> <li>5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.</li> <li>6. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.</li> <li>7. This appraisal was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.</li> <li>8. My analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the edition of the Uniform Standards of Professional Appraisal Practice current as of the date of this appraisal.</li> <li>9. Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.</li> <li>10. No one provided significant professional assistance to the person signing this report, unless otherwise indicated.</li> </ol> <p><u>"APPRAISERS ARE REQUIRED TO BE LICENSED AND ARE REGULATED BY THE MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS, P.O. BOX 30018, LANSING, MI 48909"</u></p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p>	
<p>Appraiser's Signature <u></u></p>	<p>Date <u>04/12/2023</u></p>
<p>State Certification # <u>1204078446</u></p>	

Seaton Appraisal Associates  
 DESCRIPTION OF IMPROVEMENTS

File No. 23-0221A-C

Borrower	Upper Peninsula Power Co				
Property Address	18494 Canal Rd				
City	Houghton	County	Houghton	State	MI
				Zip Code	49931
Lender/Client	Upper Peninsula Power Co		Address 500 N Washington St, Ishpeming, MI 49849		

The subject was purchased by the Bosch Brewing Company from the Union Brewing Company in 1899 and run as a brewery until 1973, when the last keg of beer was delivered to Schmidts Corner Bar in Houghton. The subject was purchased in 1975 by UPPCO and is currently purposed as a company service center. The primary building was built about 70 years ago, with and addition in 1983. It is block construction with a flat roof and is showing some deferred maintenance. This structure is of average quality and has: offices, garage space, storage area and a loading dock. Off the office area is a bath/shower area with lockers (Class "C" Construction, Average Condition). The 14' x 42' Storage Shed was built in 2018 and is used for cold storage, with no deferred maintenance noted (Class "D" Construction, Average/Good Condition). The 5-Bay Garage was built in 1999, is heated and of block construction. It is showing some deferred maintenance (Class "C" Construction, Average Condition). The 3-story original brew building is concrete & cement block with a flat roof. It is purposed for cold storage and appears to have been a quality build for the day. However the repurposing of this building is limited by its original intention. It is showing deferred maintenance (Class "B" Construction, Average/Fair Condition). The last building, with the covered shed is about 100 years old and used for storage. It is unheated and showing much deferred maintenance (Class "C" Construction, Fair Condition).

In this report, the buildings will be referred to as 1-5:

- #1 Building: Primary Office and Garage/Storage Structure
- #2 Building: 14' x 42' Storage Shed
- #3 Building: 5-Bay Garage
- #4 Building: 3-Story Storage Structure(Original Brewing Building)
- #5 Building: 1-Story Storage with Covered Shed Structure



Seaton Appraisal Associates  
 WEIGHTED AVERAGE CALCULATIONS

File No. 23-0221A-C

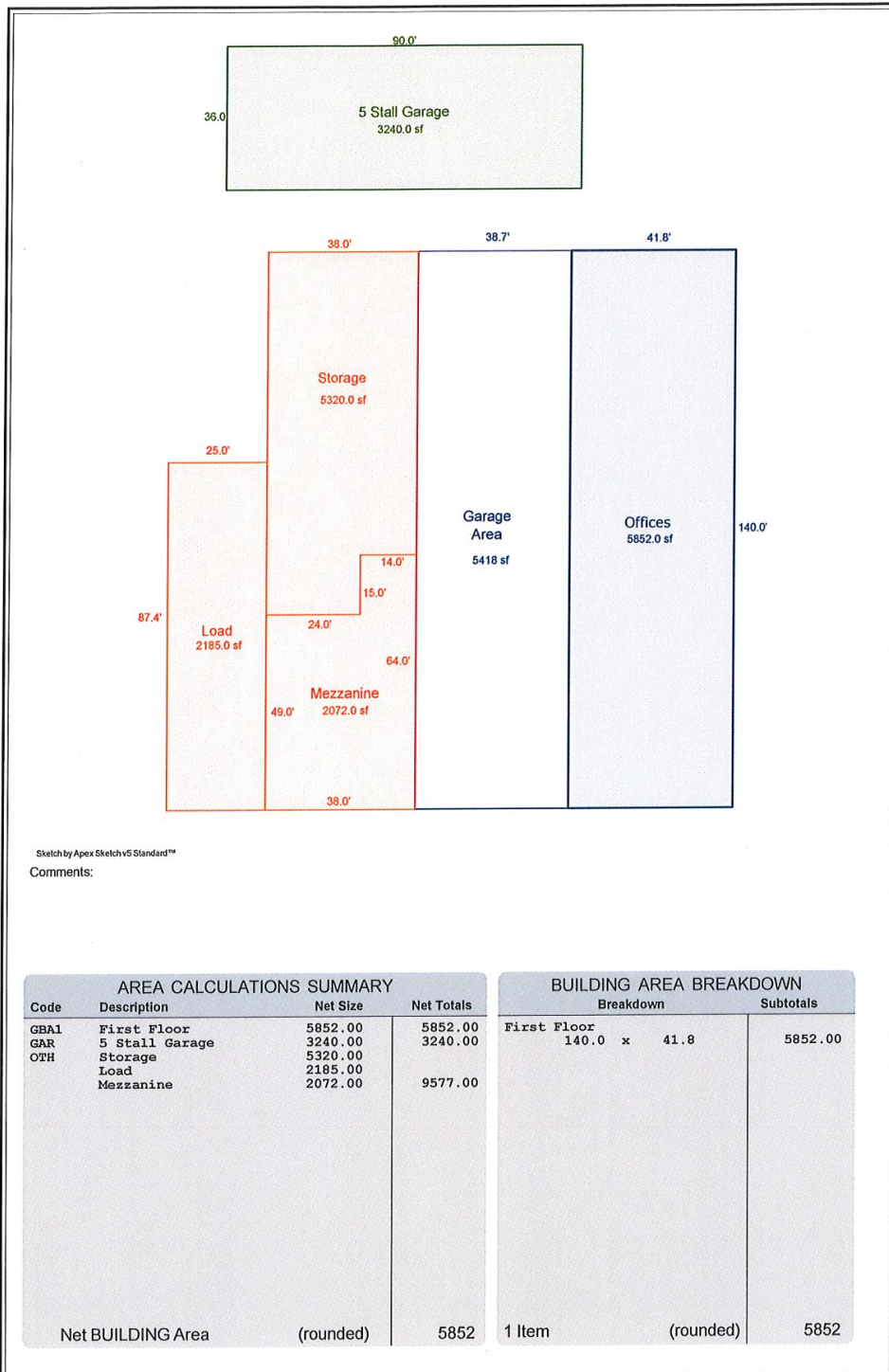
Borrower Upper Peninsula Power Co  
 Property Address 18494 Canal Rd  
 City Houghton County Houghton State MI Zip Code 49931  
 Lender/Client Upper Peninsula Power Co Address 500 N Washington St, Ishpeming, MI 49849

	<u>Adjusted Price/SqFt</u>	x	<u>Weight</u>	=	<u>Weighted Price</u>
Comp 1	\$ 31.81		60%		\$ 19.09
Comp 2	\$ 23.62		20%		\$ 4.72
Comp 3	\$ 19.98		20%		\$ 4.00
Comp 7	\$ -		0%		\$ -
Total			100%		\$ 27.81

Seaton Appraisal Associates  
**SKETCH ADDENDUM**

File No. 23-0221A-C

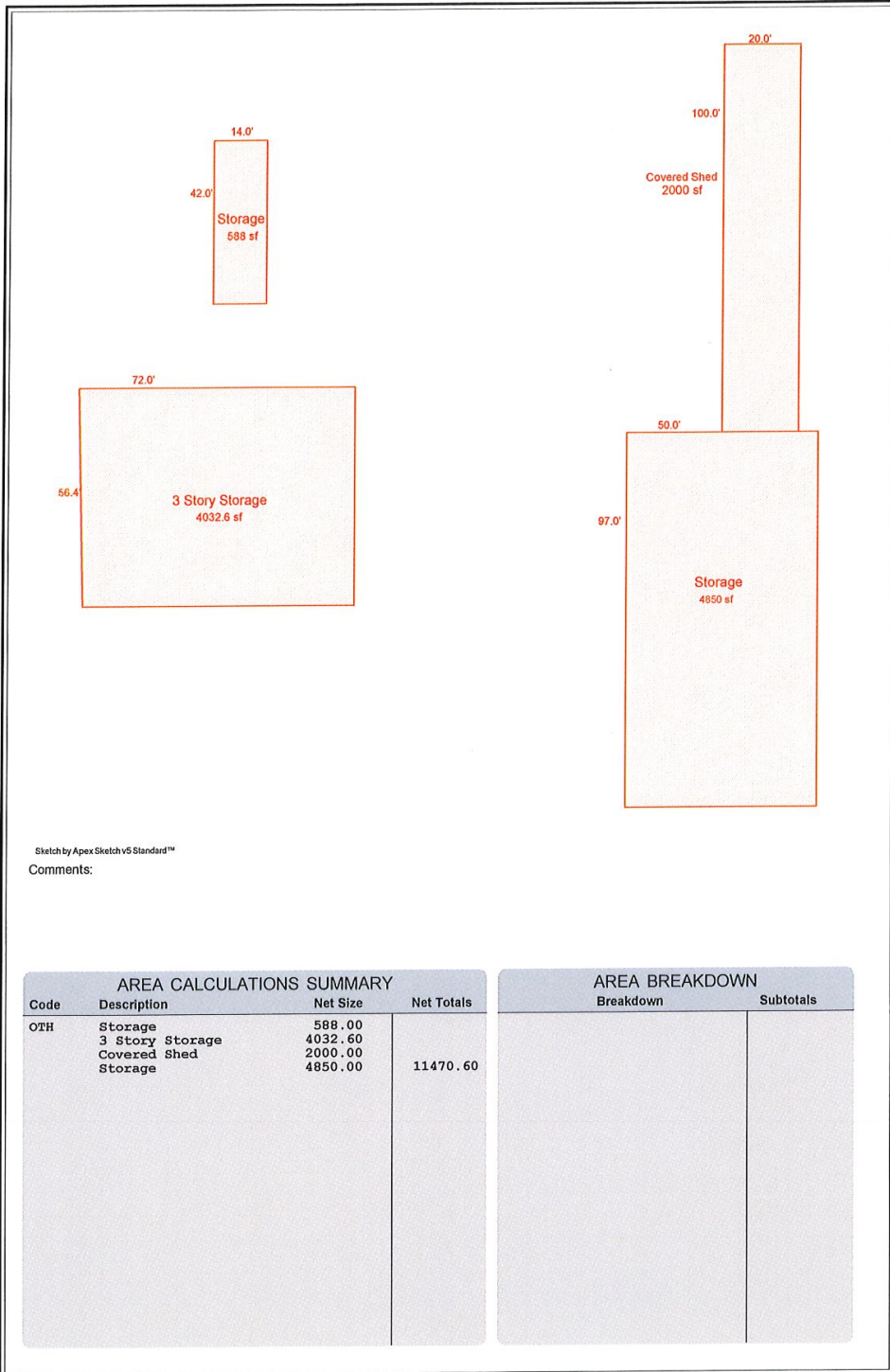
Borrower Upper Peninsula Power Co  
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Seaton Appraisal Associates  
**SKETCH ADDENDUM**

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Seaton Appraisal Associates  
**SUBJECT PHOTO ADDENDUM**

File No. 23-0221A-C

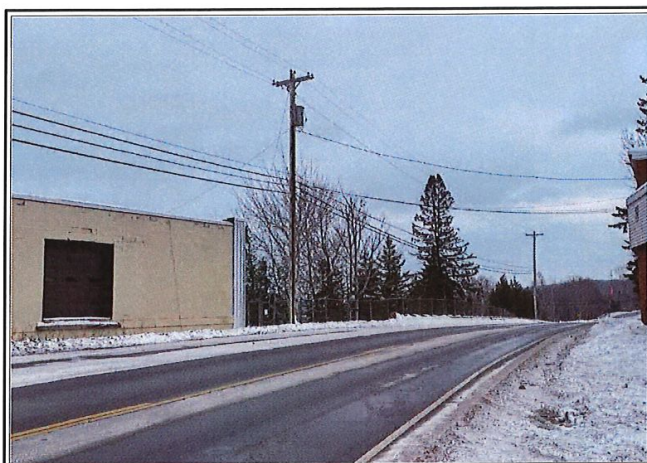
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Lender/Client	Upper Peninsula Power Co		Address	500 N Washington St, Ishpeming, MI 49849			



**FRONT OF  
SUBJECT PROPERTY**  
18494 Canal Rd  
Houghton, MI 49931



**REAR OF  
SUBJECT PROPERTY**

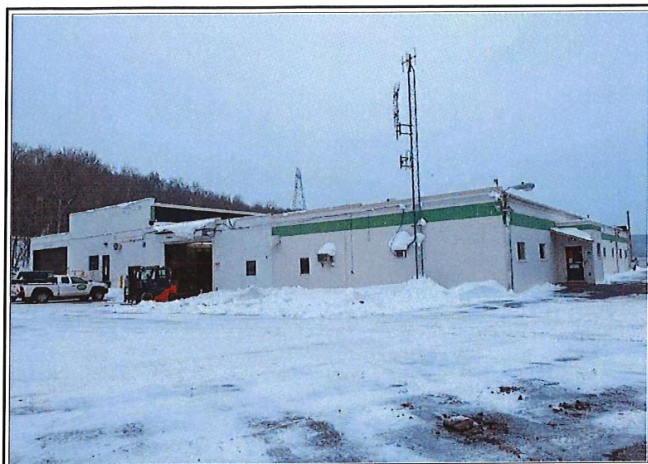


**STREET SCENE**  
Canal Rd., East View

Seaton Appraisal Associates  
SUBJECT PHOTO ADDENDUM

File No. 23-0221A-C

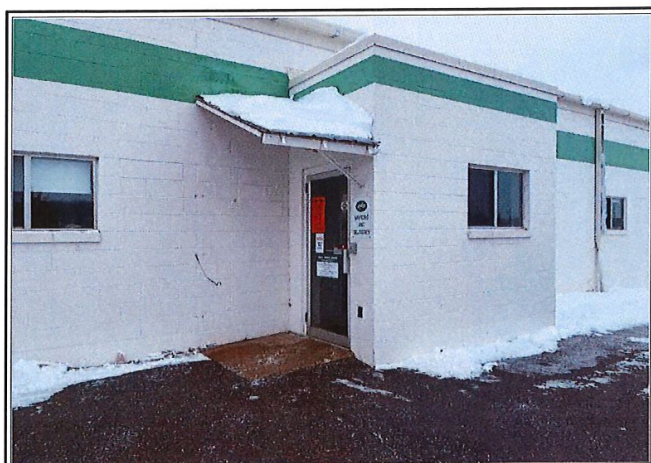
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Front View  
Primary Building



Rear View  
Primary Building



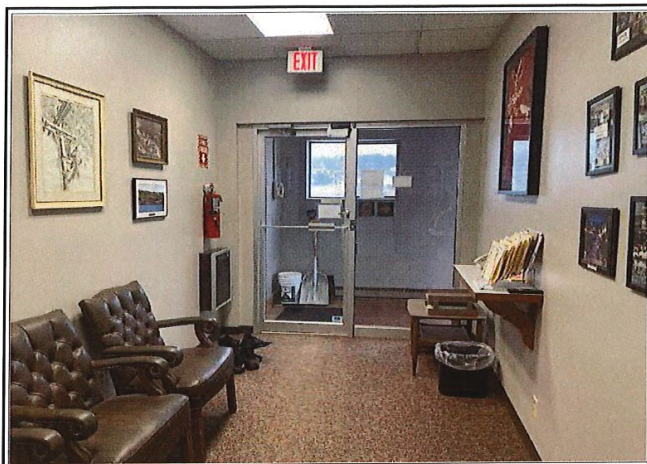
Office Entrance  
Primary Building



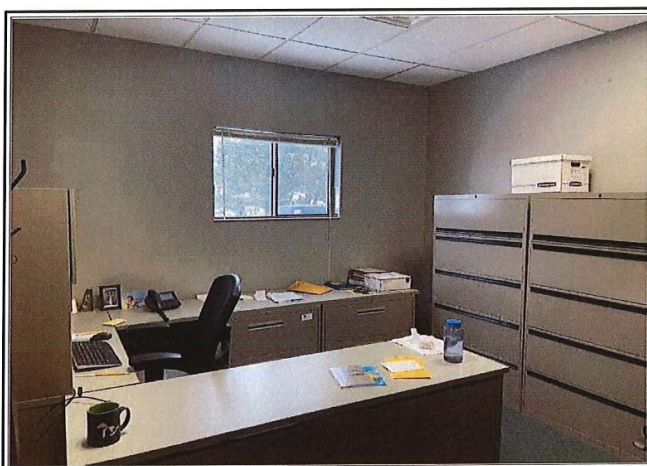
Seaton Appraisal Associates  
SUBJECT PHOTO ADDENDUM

File No. 23-0221A-C

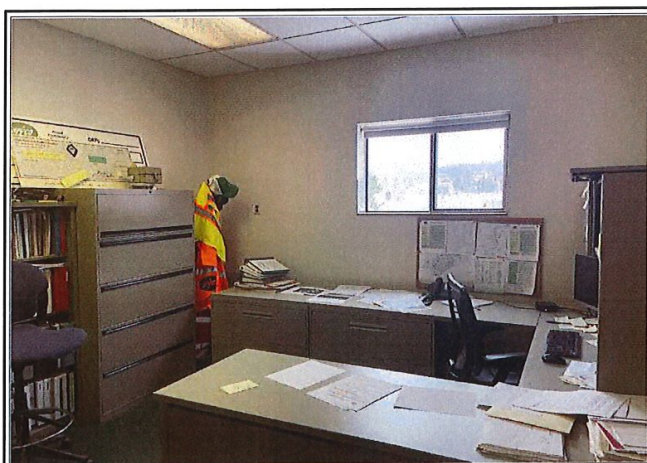
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Waiting Area  
Primary Building



Office Space  
Primary Building

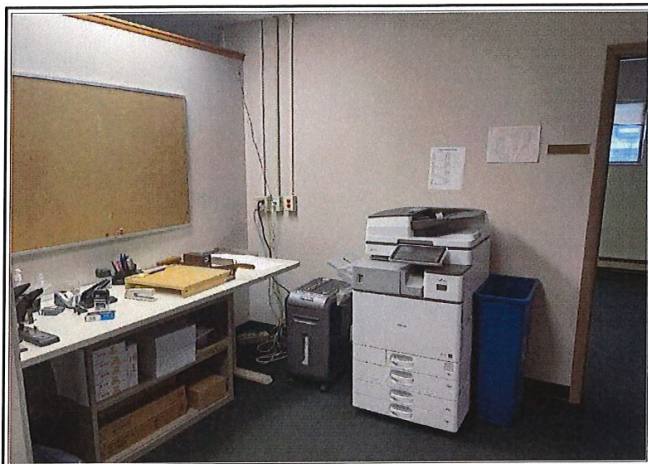


Office Space  
Primary Building

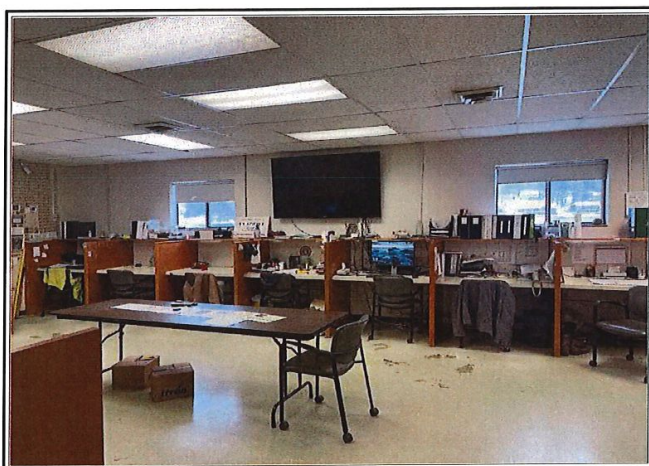
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Office Space  
Primary Building



Office Space  
Primary Building



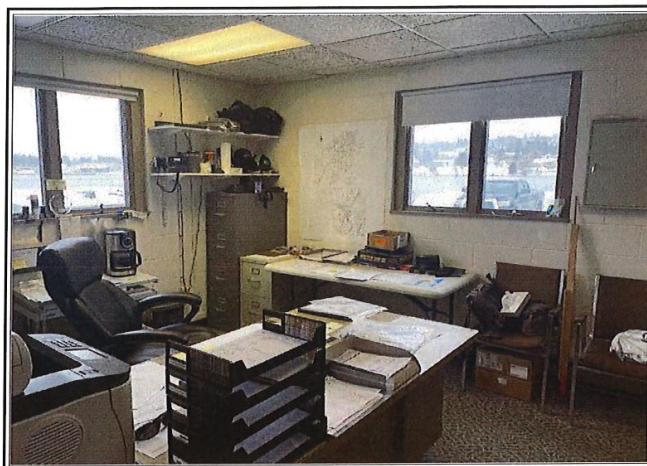
Office Space  
Primary Building



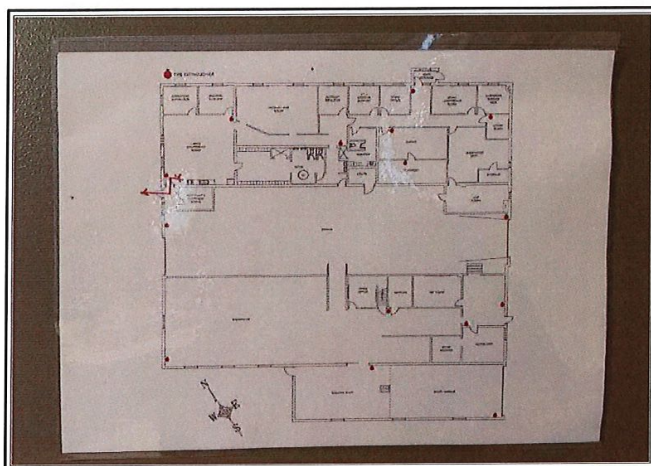
Seaton Appraisal Associates  
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Office Space  
 Primary Building



Building Layout  
 Primary Building



Bathroom/Locker Area  
 Primary Building

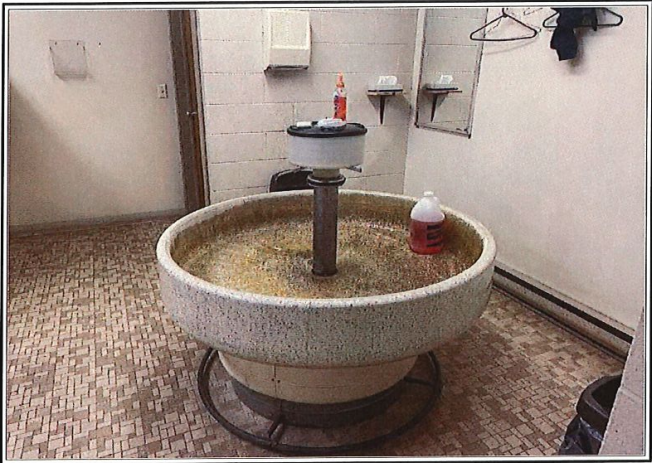
Seaton Appraisal Associates  
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Lender/Client	Upper Peninsula Power Co		Address 500 N Washington St, Ishpeming, MI 49849			



Bathroom/Locker Area  
Primary Building



Bathroom/Locker Area  
Primary Building



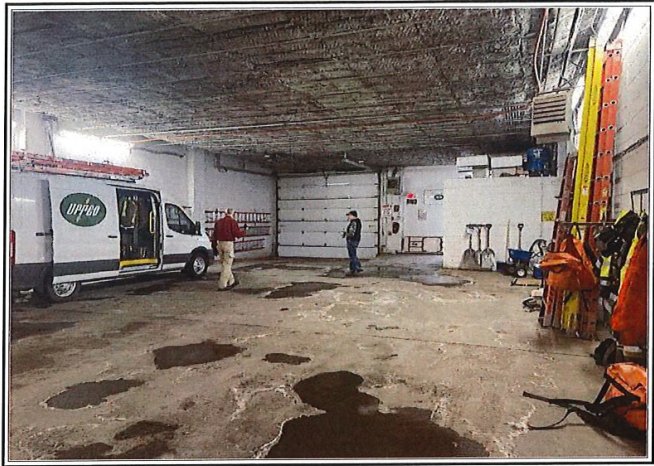
Bathroom/Locker Area  
Primary Building



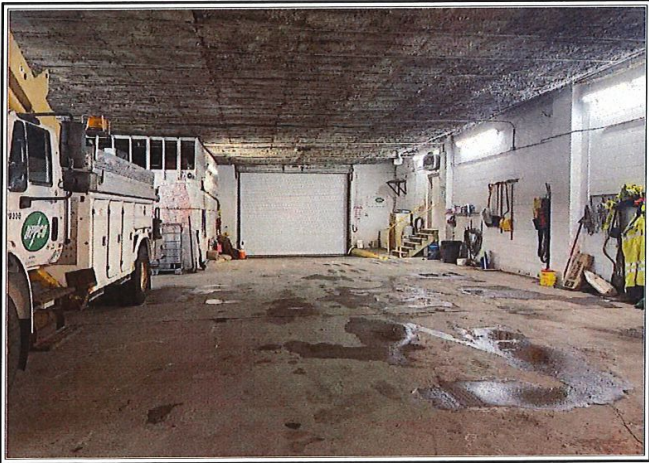
Seaton Appraisal Associates  
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Garage  
Primary Building



Garage  
Primary Building



Electrical Service  
Primary Building

Seaton Appraisal Associates  
 SUBJECT PHOTO ADDENDUM

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Lender/Client	Upper Peninsula Power Co		Address 500 N Washington St, Ishpeming, MI 49849			



Storage  
 Primary Building



Mezzanine in Storage Area  
 Primary Building



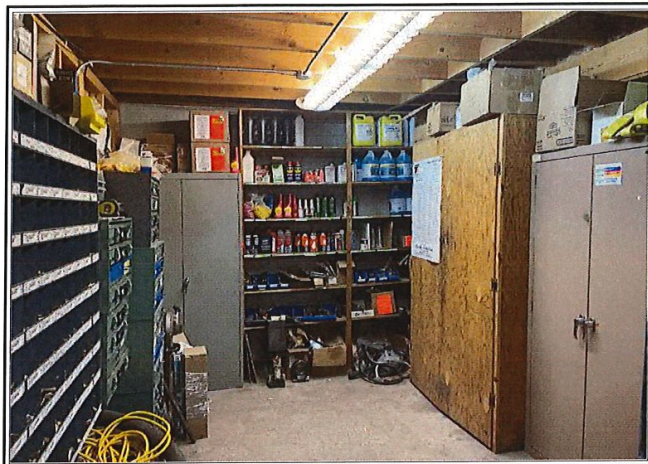
Mezzanine  
 Primary Building



Seaton Appraisal Associates  
 SUBJECT PHOTO ADDENDUM

File No. 23-0221A-C

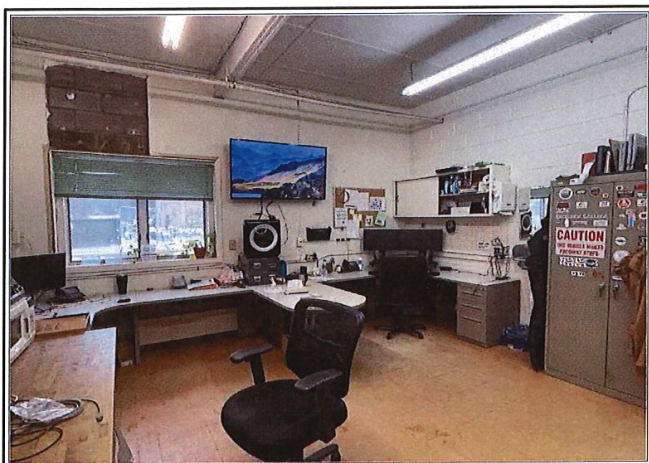
Borrower	Upper Peninsula Power Co					
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Mezzanine Storage  
 Primary Building



Generator  
 Primary Building



Office Space  
 Primary Building

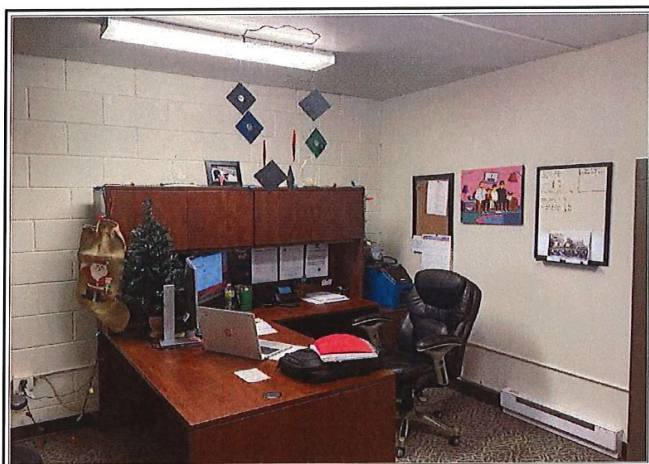
Seaton Appraisal Associates  
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Office Space  
 Primary Building



Office Space  
 Primary Building



Loading Dock/Storage Area  
 Primary Building



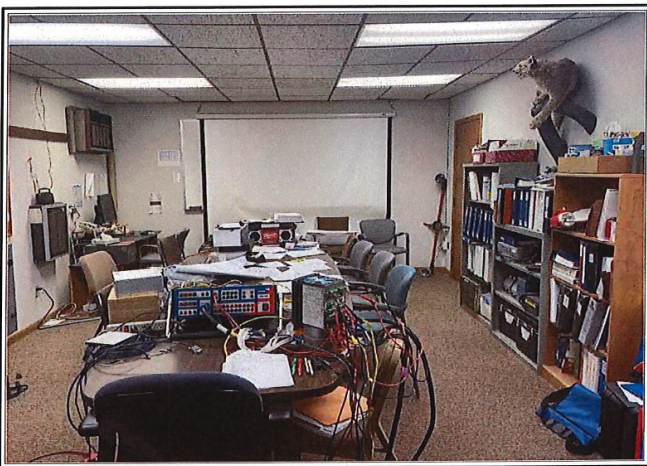
Seaton Appraisal Associates  
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Lender/Client	Upper Peninsula Power Co		Address				500 N Washington St, Ishpeming, MI 49849



Loading Dock/Storage Area  
Primary Building



Office Space  
Primary Building

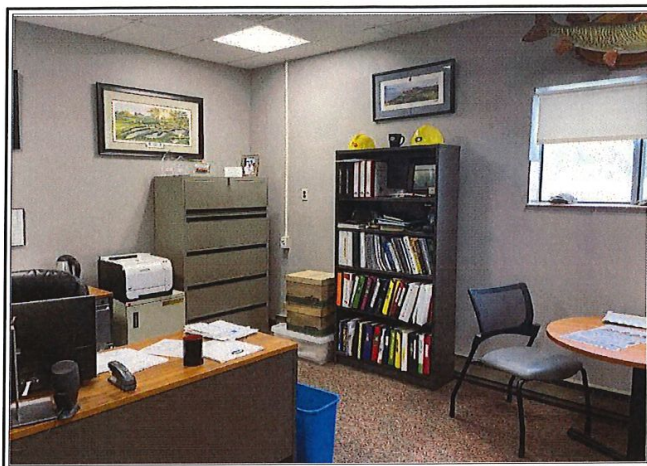


Office Space  
Primary Building

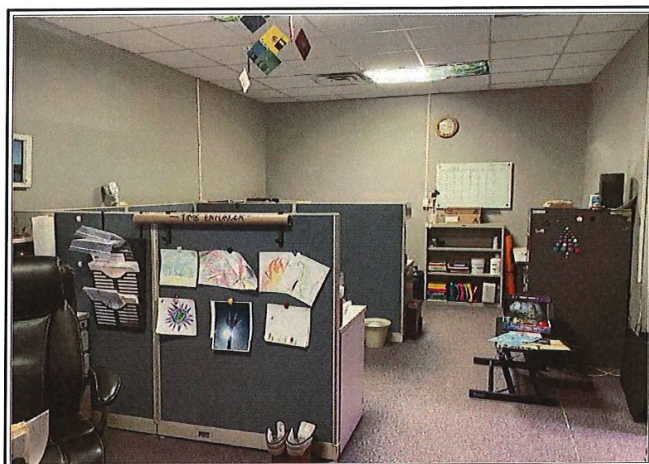
Seaton Appraisal Associates  
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Office Space  
 Primary Building



Office Space  
 Primary Building



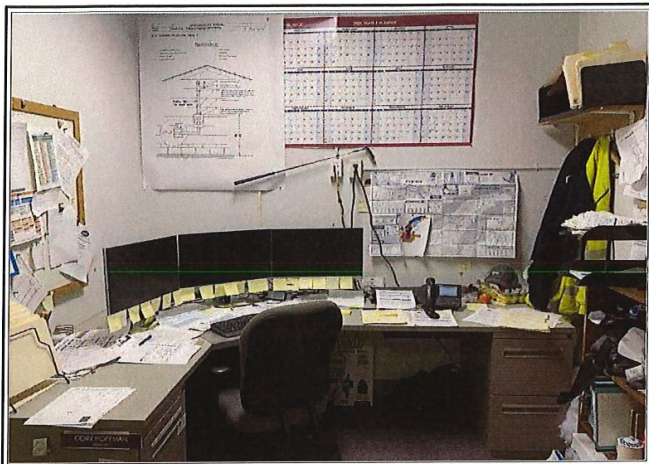
Office Space  
 Primary Building



Seaton Appraisal Associates  
SUBJECT PHOTO ADDENDUM

File No. 23-0221A-C

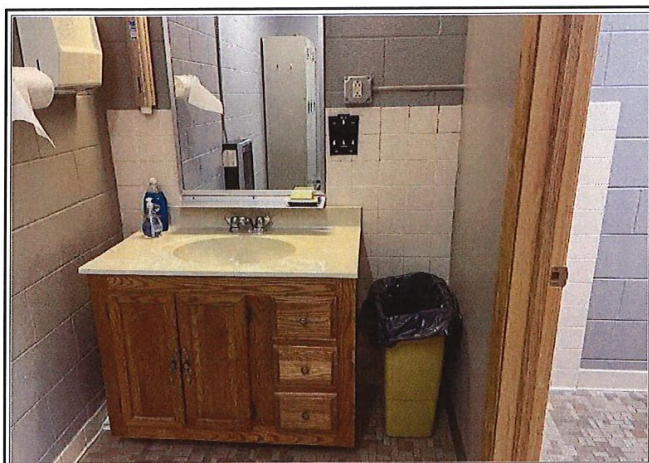
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Lender/Client	Upper Peninsula Power Co		Address				500 N Washington St, Ishpeming, MI 49849



Office Space  
Primary Building



Women's Bathroom  
Primary Building



Additional View Women's Bathroom  
Primary Building

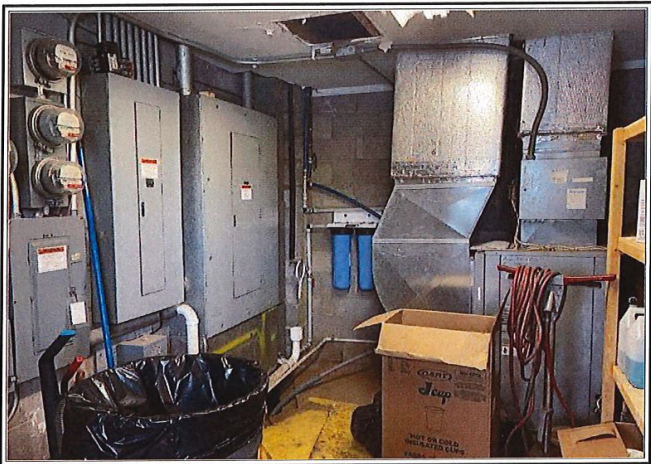
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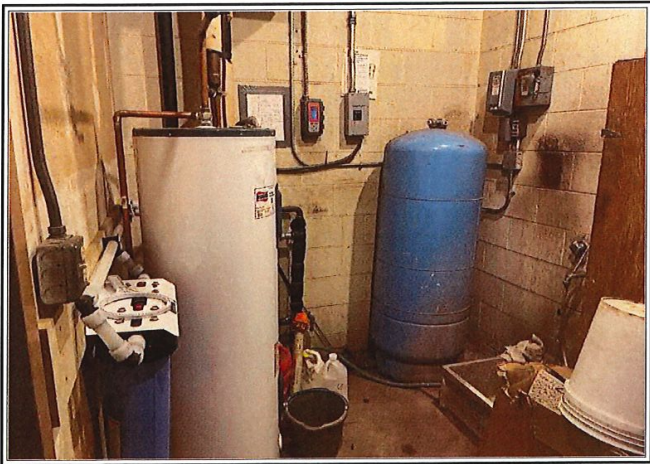
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Additional View Women's Bathroom  
Primary Building



Mechanical Room  
Primary Building



Mechanical Room  
Primary Building



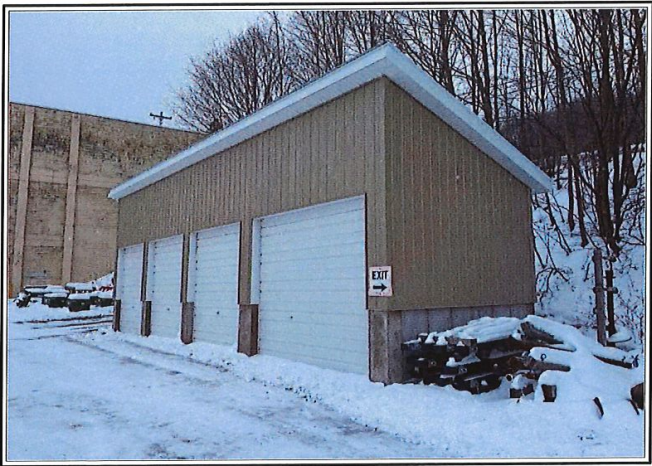
Seaton Appraisal Associates  
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Mechanical Room  
Primary Building



14' x 42' Storage Shed, Front View

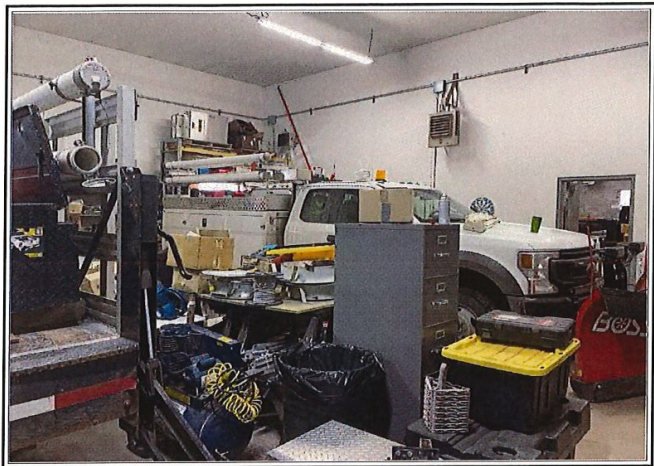


5 Bay Garage, Front

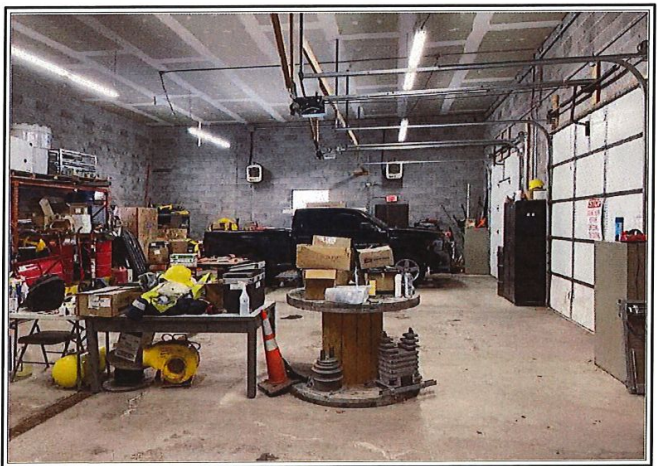
Seaton Appraisal Associates  
SUBJECT PHOTO ADDENDUM

File No. 23-0221A-C

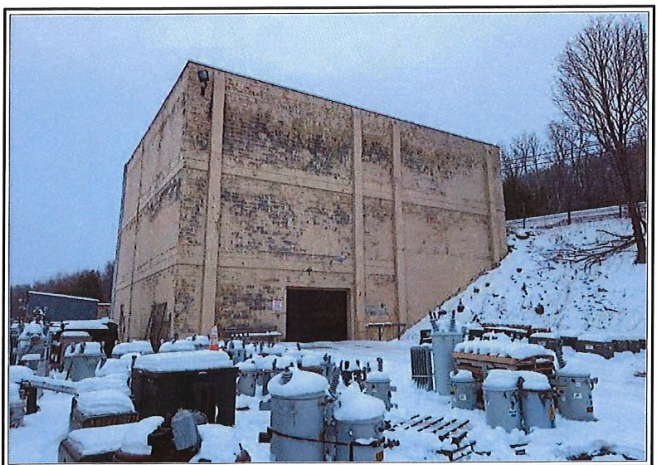
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Interior View  
5 Bay Garage



Interior View  
5 Bay Garage



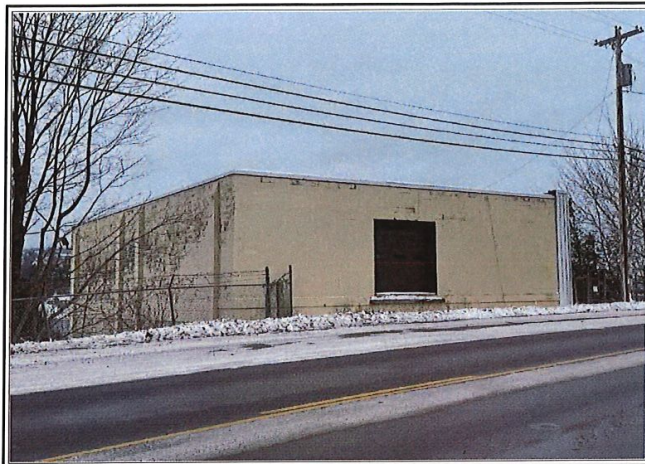
3 Story Storage Building, Front View



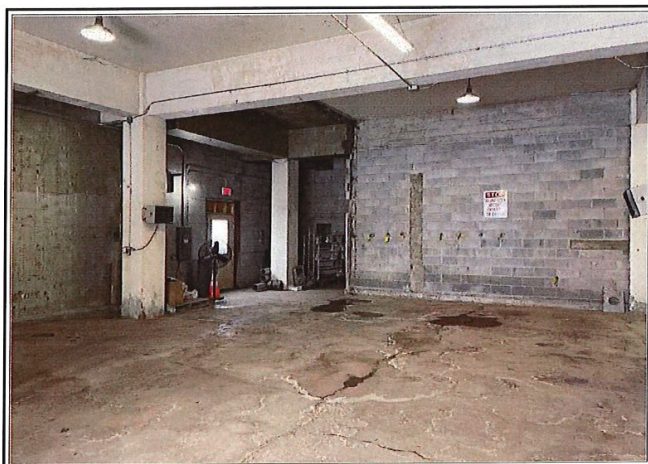
Seaton Appraisal Associates  
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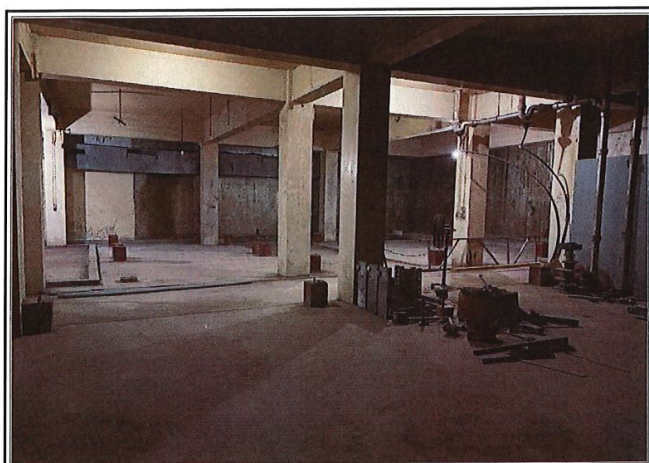
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3 Story Storage Building Rear View



Garage 1st Floor  
3 Story Storage Building

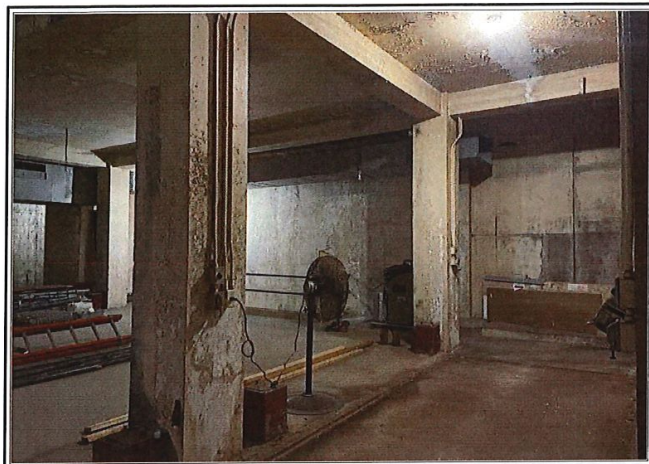


2nd Floor  
3 Story Storage Building

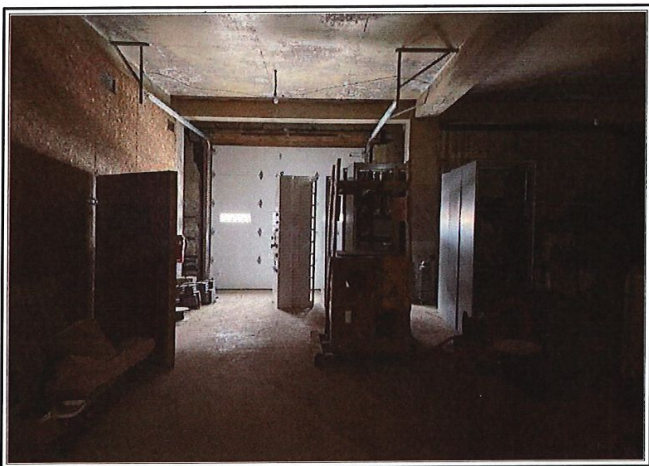
Seaton Appraisal Associates  
SUBJECT PHOTO ADDENDUM

File No. 23-0221A-C

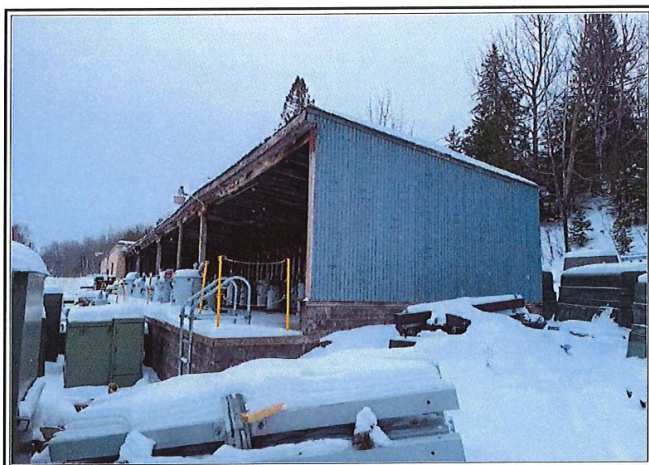
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3rd Floor  
3 Story Storage Building



3rd Floor Garage Door to Canal Rd  
3 Story Storage Building



Covered Shed  
3 Story Storage Building



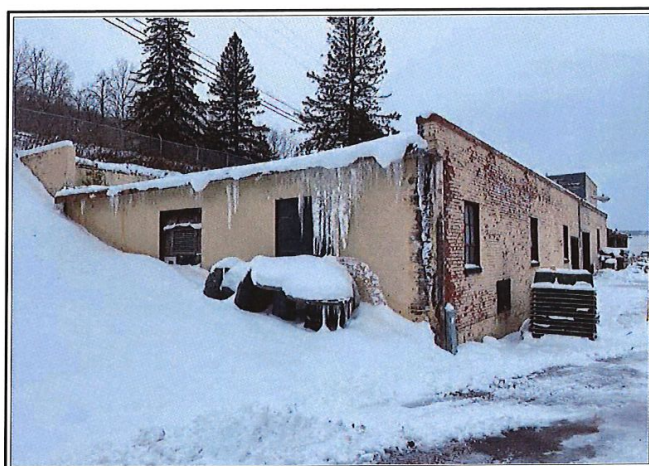
Seaton Appraisal Associates  
 SUBJECT PHOTO ADDENDUM

File No. 23-0221A-C

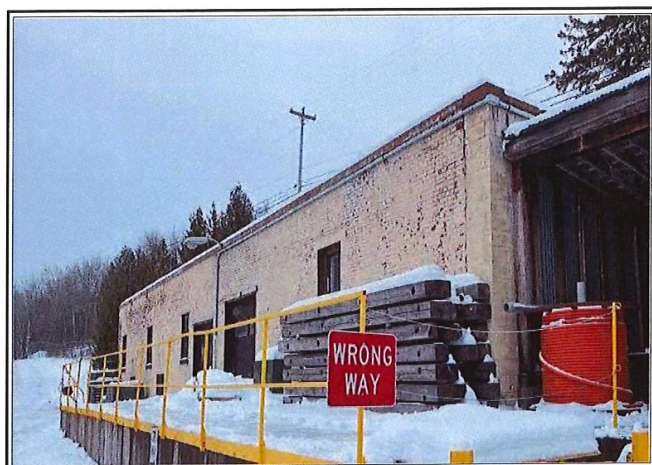
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Covered Shed Interior  
 1 Story Storage with Covered Shed



One Story Storage, Front View  
 1 Story Storage with Covered Shed

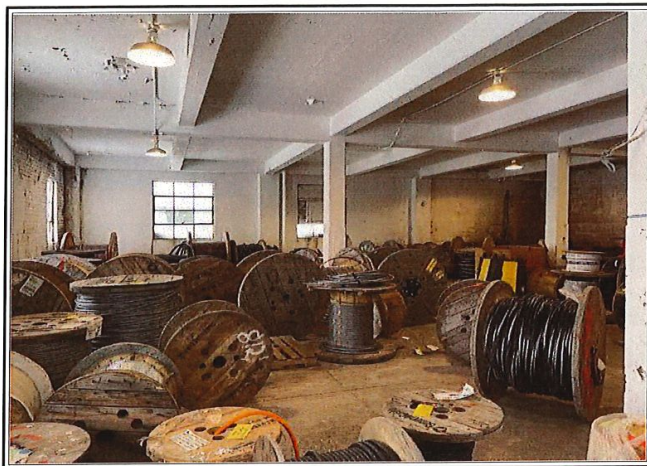


Additional Front View, 1 Story Storage  
 1 Story Storage with Covered Shed

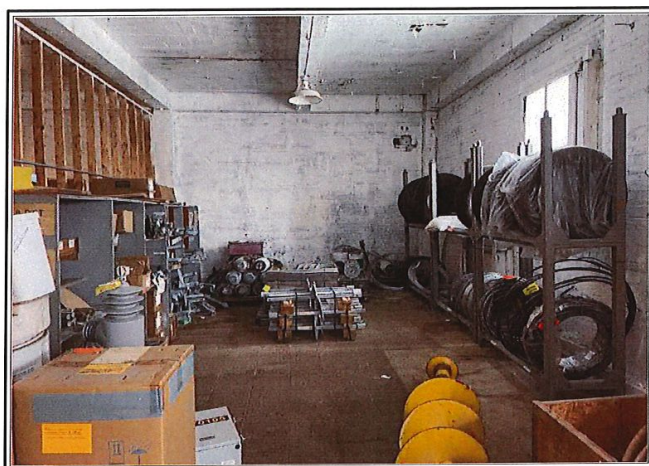
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Interior View  
 1 Story Storage with Covered Shed



Interior View  
 1 Story Storage with Covered Shed



Loading Dock  
 1 Story Storage with Covered Shed



Seaton Appraisal Associates  
SUBJECT PHOTO ADDENDUM

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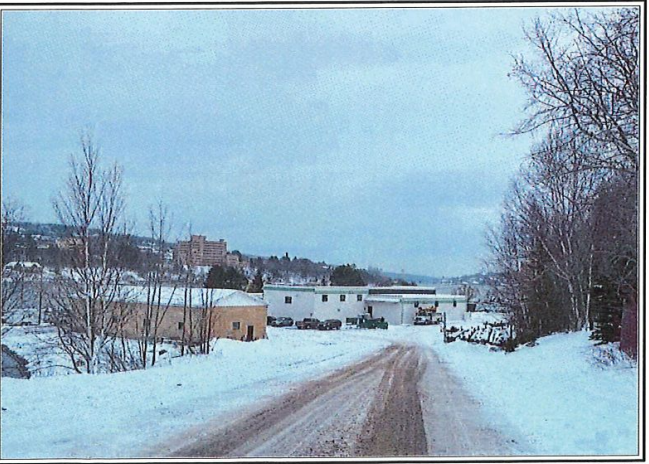
Borrower	Upper Peninsula Power Co					
Property Address	18494 Canal Rd					
City	Houghton	County	Houghton	State	MI	Zip Code 49931
Lender/Client	Upper Peninsula Power Co		Address 500 N Washington St, Ishpeming, MI 49849			



West Driveway to Canal Rd



East Driveway to Canal Rd



Overview From top of West Driveway

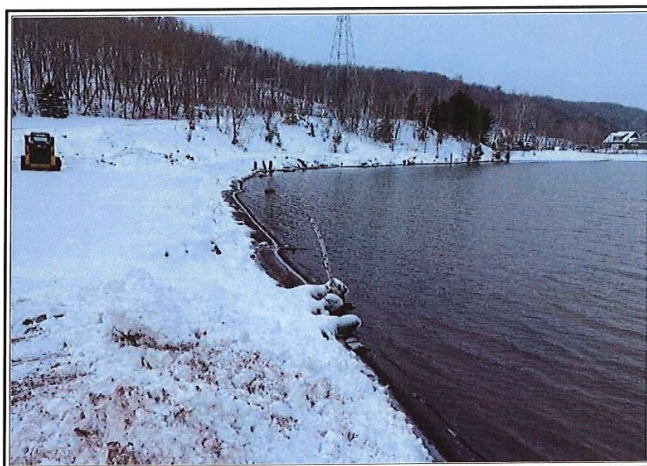
Seaton Appraisal Associates  
SUBJECT PHOTO ADDENDUM

File No. 23-0221A-C

Borrower	Upper Peninsula Power Co					
Property Address	18494 Canal Rd					
City	Houghton	County	Houghton	State	MI	Zip Code 49931
Lender/Client	Upper Peninsula Power Co		Address	500 N Washington St, Ishpeming, MI 49849		



Shoreline, West Area



Shoreline, West Area



Shoreline Middle Area



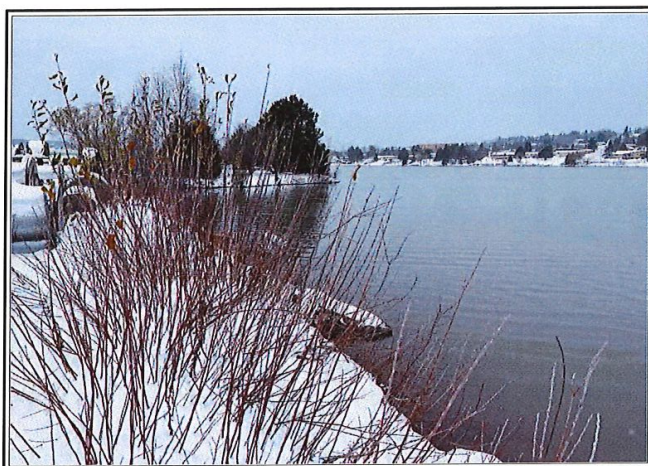
Seaton Appraisal Associates  
SUBJECT PHOTO ADDENDUM

File No. 23-0221A-C

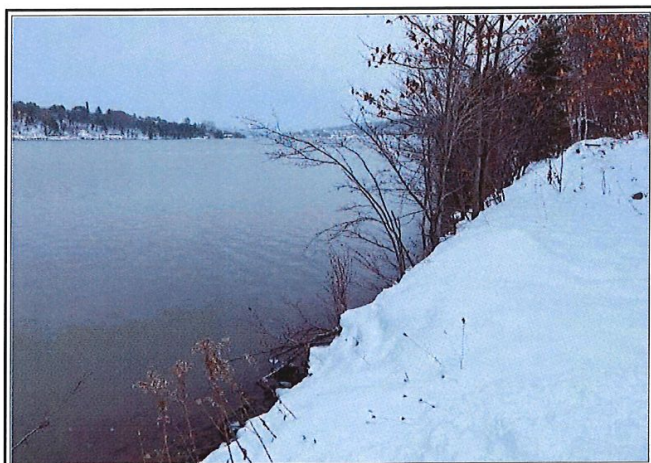
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Level Area Near Shore



Shoreline, East Area



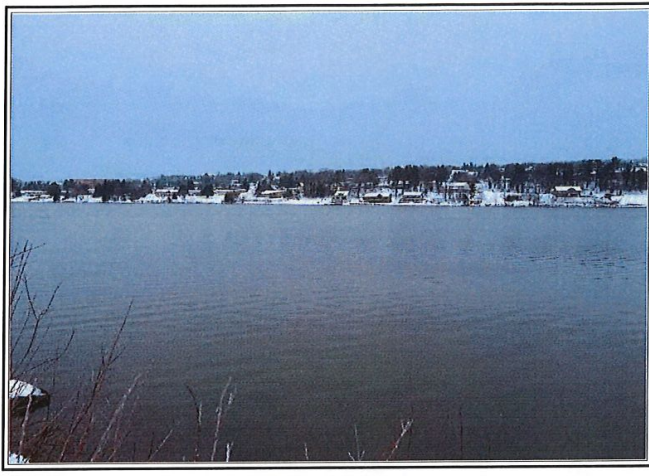
Shoreline, East Area  
Portage Township



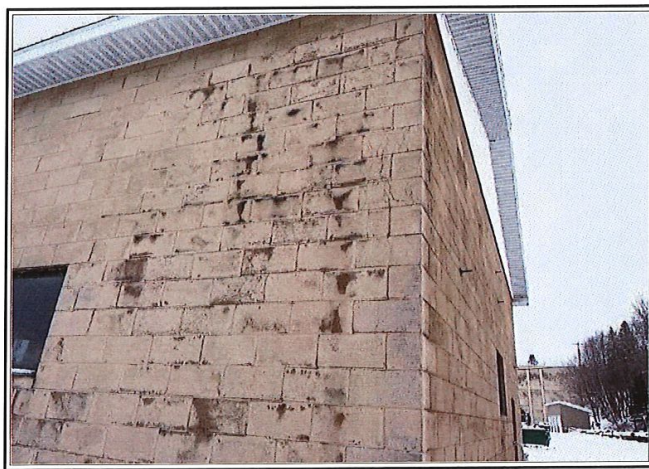
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SUBJECT PHOTO ADDENDUM

File No. 23-0221A-C

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Lender/Client	Upper Peninsula Power Co		Address 500 N Washington St, Ishpeming, MI 49849			



View of Hancock & Portage Canal  
From Shoreline



Peeling paint  
5-Bay Garage



Cracking Block  
5-Bay Garage

Seaton Appraisal Associates  
SUBJECT PHOTO ADDENDUM

File No. 23-0221A-C

Borrower	Upper Peninsula Power Co					
Property Address	18494 Canal Rd					
City	Houghton	County	Houghton	State	MI	Zip Code 49931
Lender/Client	Upper Peninsula Power Co		Address	500 N Washington St, Ishpeming, MI 49849		



Joint Crack  
Primary Building



Water Roof Discoloration  
Primary Building



Cracking Concrete Finishing  
Primary Building



Seaton Appraisal Associates  
SUBJECT PHOTO ADDENDUM

File No. 23-0221A-C

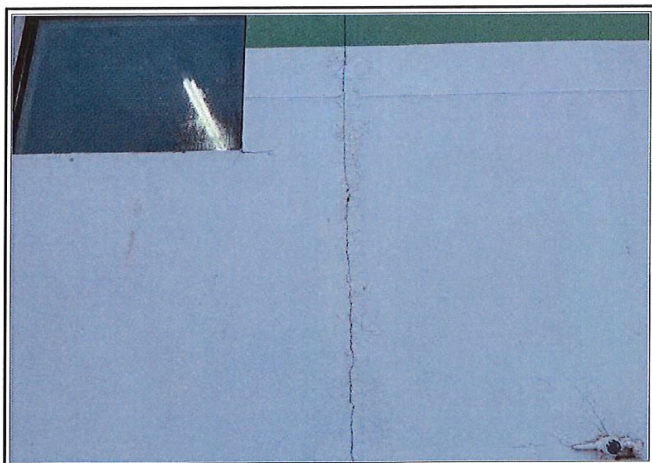
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Property Address	18494 Canal Rd					
City	Houghton	County	Houghton	State	MI	Zip Code 49931
Lender/Client	Upper Peninsula Power Co		Address 500 N Washington St, Ishpeming, MI 49849			



Peeling Paint  
Primary Building



Cracking Concrete Finishing  
Primary Building



Joint Crack  
Primary Building



Seaton Appraisal Associates  
 SUBJECT PHOTO ADDENDUM

File No. 23-0221A-C

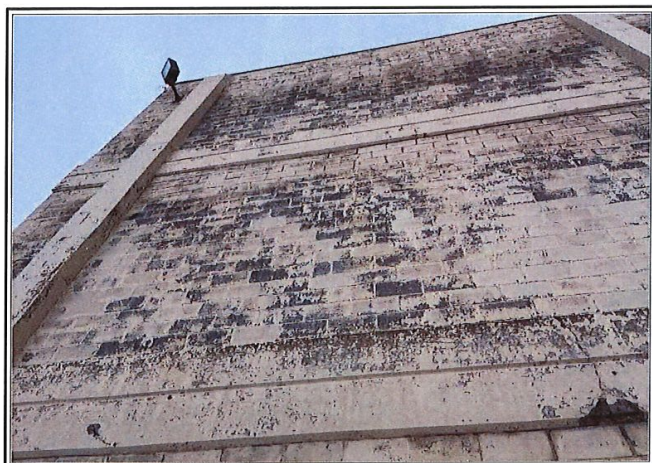
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Lender/Client	Upper Peninsula Power Co		Address	500 N Washington St, Ishpeming, MI 49849		



Peeling Paint  
 Primary Building



Peeling Paint/Cracking Concrete  
 3-Story Storage Building

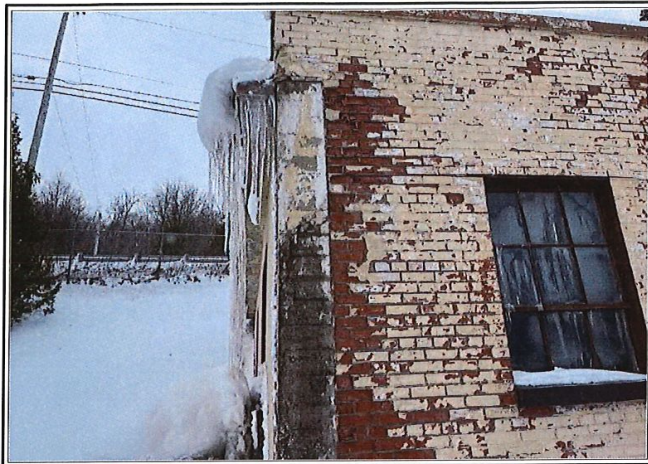


Peeling Paint/Cracking Concrete  
 3-Story Storage Building

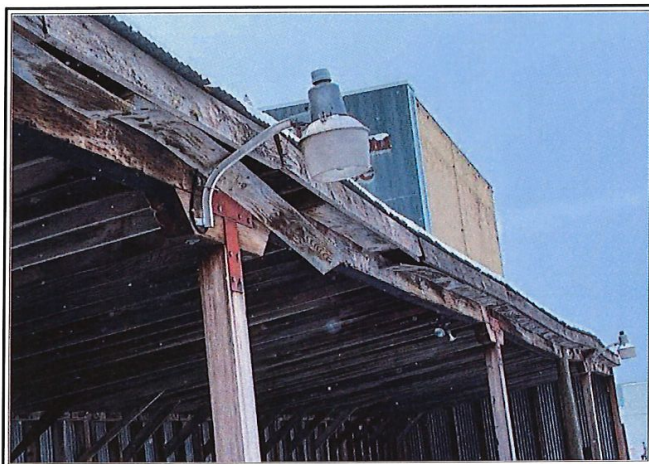
Seaton Appraisal Associates  
SUBJECT PHOTO ADDENDUM

File No. 23-0221A-C

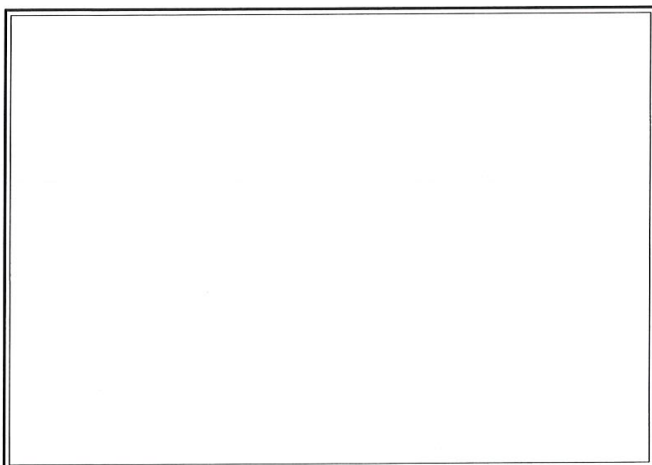
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Exterior Deterioration  
1-Story Storage with Covered Shed



Eave/Roof Deterioration  
3-Story Storage Building

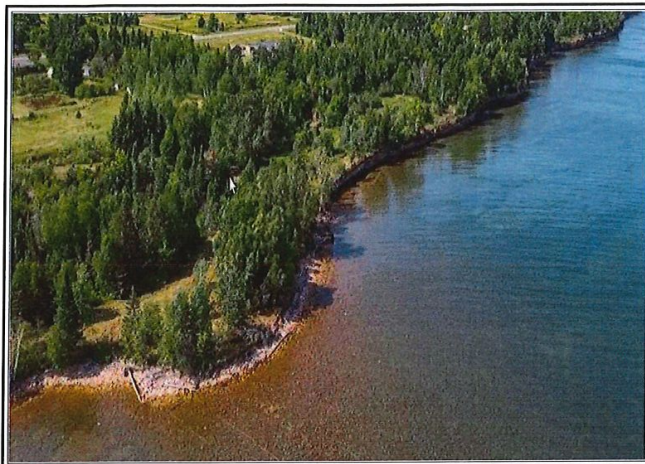




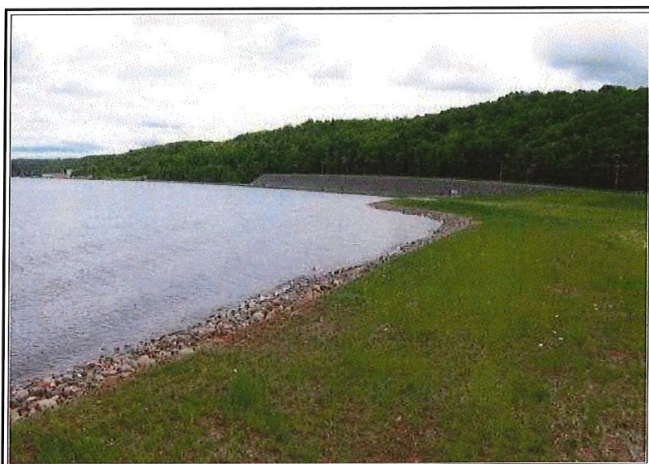
Seaton Appraisal Associates  
 PHOTOS VACANT LAND COMPARABLES

File No. 23-0221A-C

Borrower	Upper Peninsula Power Co					
Property Address	18494 Canal Rd					
City	Houghton	County	Houghton	State	MI	Zip Code 49931
Lender/Client	Upper Peninsula Power Co		Address	500 N Washington St, Ishpeming, MI 49849		



00 Quarry Rd  
 Pelkie, MI 49958



Lots A,B,C  
 Houghton, MI 49931



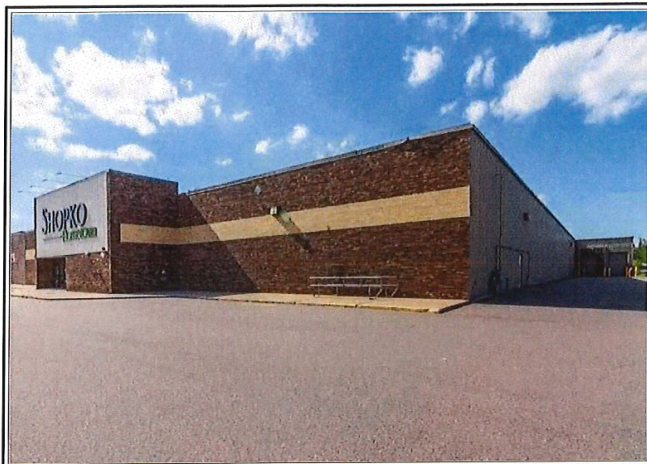
Lot D  
 Houghton, MI 49931



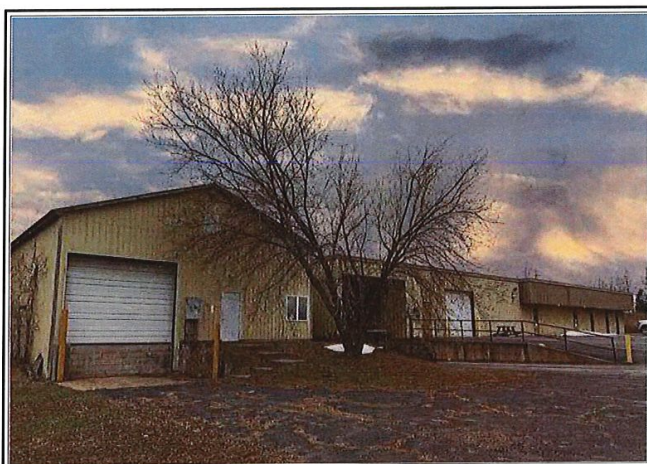
Seaton Appraisal Associates  
 COMPARABLES 1-2-3

File No. 23-0221A-C

Borrower	Upper Peninsula Power Co					
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**COMPARABLE SALE # 1**  
 650 W US41  
 Ishpeming, MI 49849



**COMPARABLE SALE # 2**  
 623 Circle Dr  
 Iron Mountain, MI 49801



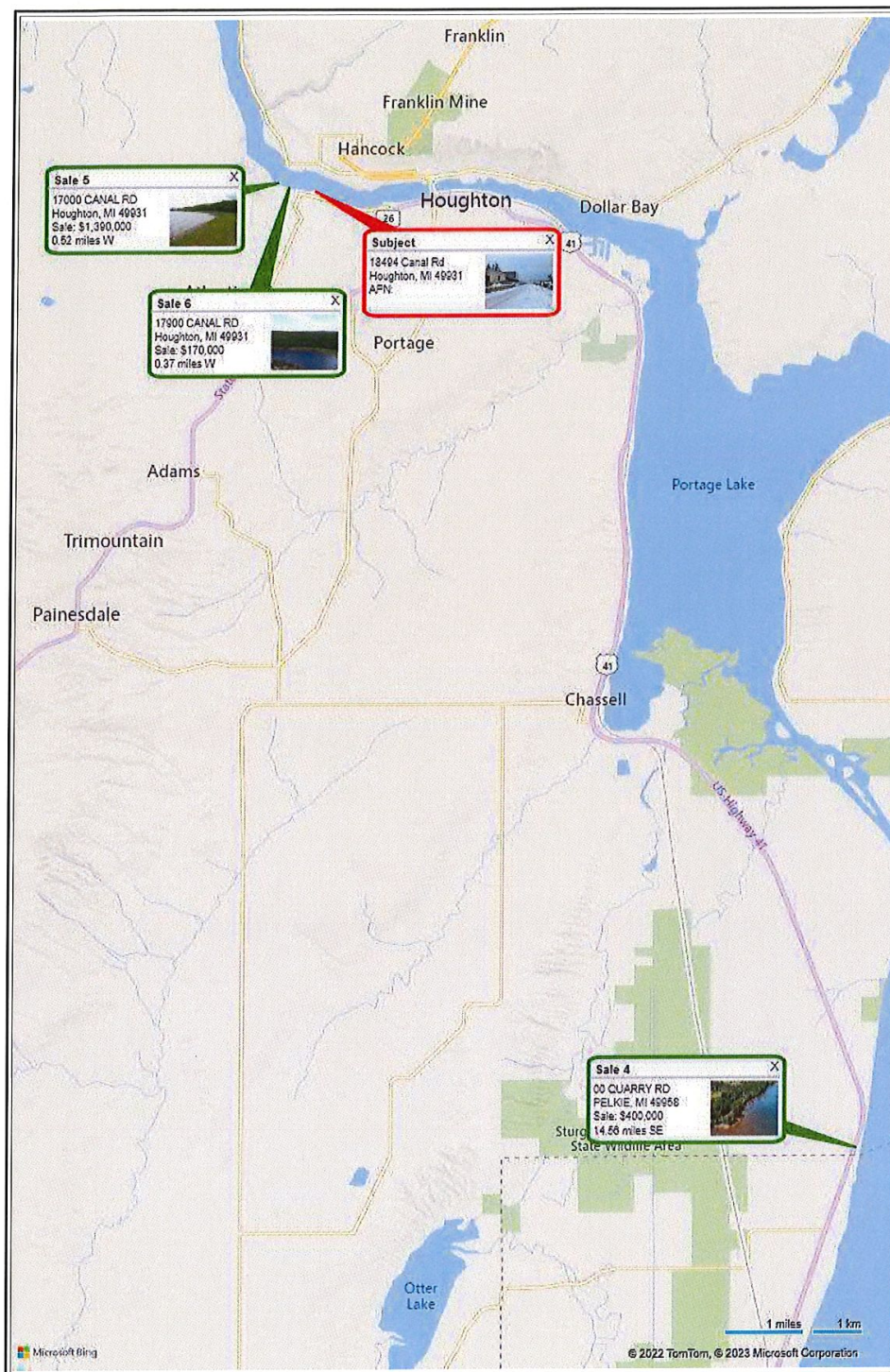
**COMPARABLE SALE # 3**  
 23390 Airpark Blvd  
 Calumet, MI 49913



Seaton Appraisal Associates  
**LOCATION MAP ADDENDUM**  
 VACANT LAND SALES

File No. 23-0221A-C

Borrower	Upper Peninsula Power Co					
Property Address	18494 Canal Rd					
City	Houghton	County	Houghton	State	MI	Zip Code 49931
Lender/Client	Upper Peninsula Power Co		Address	500 N Washington St, Ishpeming, MI 49849		

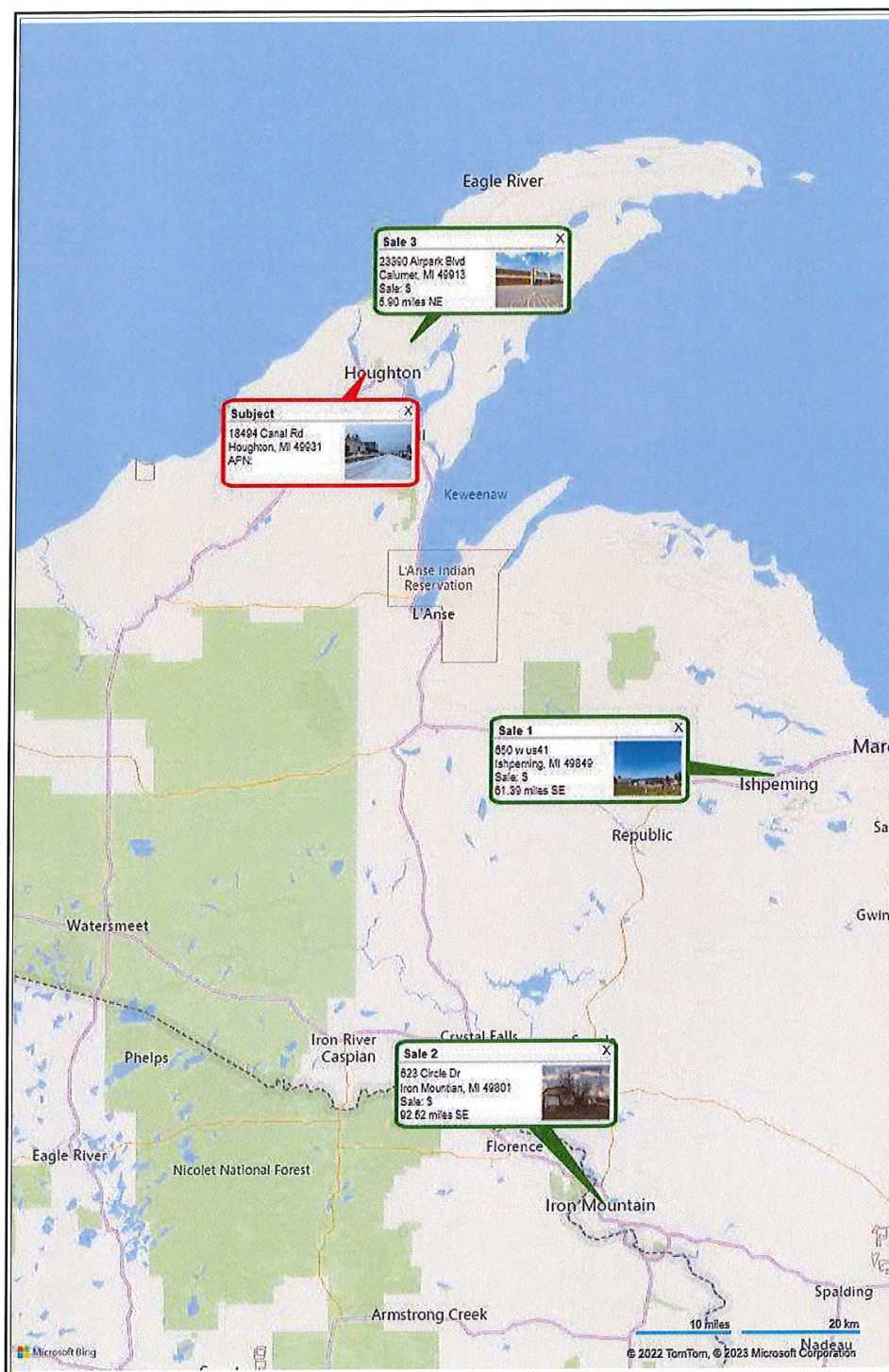




Seaton Appraisal Associates  
**LOCATION MAP ADDENDUM**  
 BUILDING SALES

File No. 23-0221A-C

Borrower	Upper Peninsula Power Co					
Property Address	18494 Canal Rd					
City	Houghton	County	Houghton	State	MI	Zip Code 49931
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AERIAL VIEW

File No. 23-0221A-C

Borrower Upper Peninsula Power Co					
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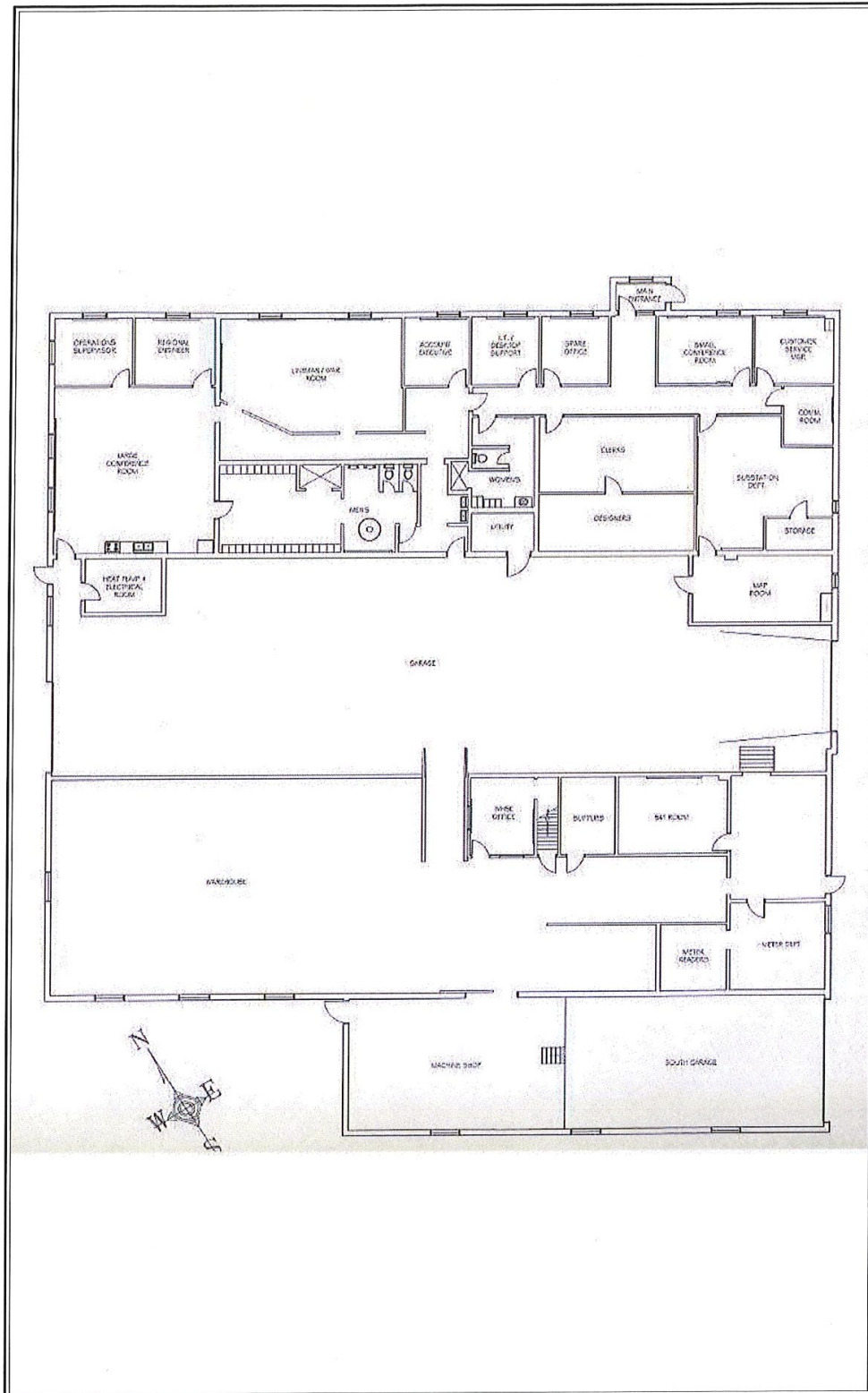




PRIMARY BUILDING LAYOUT

File No. 23-0221A-C

Borrower Upper Peninsula Power Co					
Property Address 18494 Canal Rd					
City Houghton	County	Houghton	State MI	Zip Code	49931
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Seaton Appraisal Associates  
LEGAL DESCRIPTIONS

File No. 23-0221A-C

Borrower	Upper Peninsula Power Co					
Property Address	18494 Canal Rd					
City	Houghton	County	Houghton	State	MI	Zip Code 49931
Lender/Client	Upper Peninsula Power Co		Address 500 N Washington St, Ishpeming, MI 49849			

**PARCEL # 001-134-004-00, ADAMS TOWNSHIP, ASSESSED;\$522,120**

SEC 34 T55N R34W PT OF GOV'T LOT 4 SEC 34 T55N R34W D/F; COMM AT THE CENTER OF SEC, TH N 89 DEG 46' W ALG E & W C/L OF SD SEC 728.1', THN 0 DEG 46' E 848.1', TH N 0 DEG 46' E 80.9' TO C/L OF CO RD POB, TH N 0 DEG 46' E 599.1' TO SHORE OF PORTAGE LK, TH SE'LY ALG SD SHORE TO N & S C/L OF SD SEC, TH S 0 DEG 46' W ALG SD C/L 220' M/L TO C/L OF AFOREMENTIONED CO RD, TH W'LY ALG SD RD 748' TO POB. 8.94 ACRES (Property address: 18494 CANAL RD

**PARCEL 010-384-002-00, PORTAGE TOWNSHIP, ASSESSED;\$7,350**

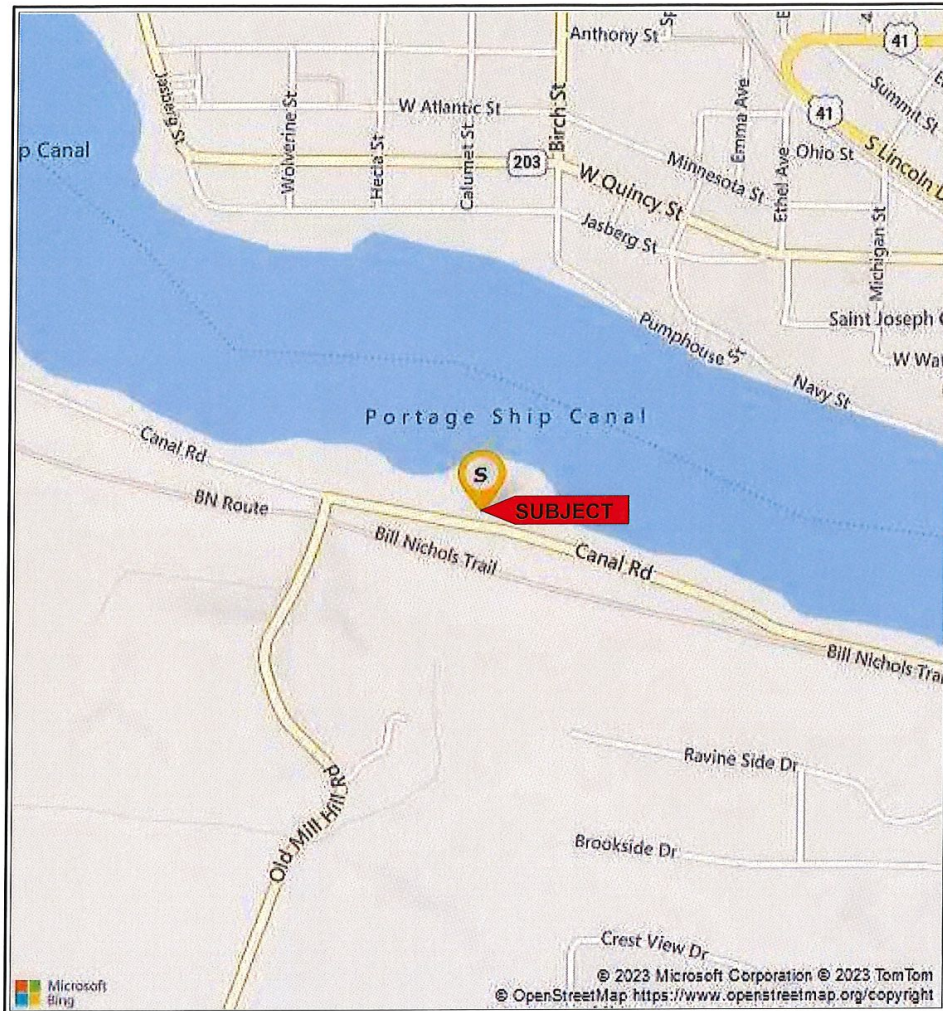
SEC 34 T55N R34W PART OF GOV'T LOT 5 COM @ CTR SEC 34; THN 762' TO POB ON N SIDE OF HOUGHTON CANA RD IN LN W FRONT SIDE OF BREWERY BLDG & 65' FROM SE COR OF BLDG; TH N 120'; TH S64 DEG 38' E 518'; TH DUE S 60'; TH N 70DEG 59' W 497' TO POB. 0.98 A M/L



Seaton Appraisal Associates  
**FLOOD MAP ADDENDUM**

File No. 23-0221A-C

Borrower	Upper Peninsula Power Co				
Property Address	18494 Canal Rd				
City	Houghton	County	Houghton	State	MI
				Zip Code	49931
Lender/Client	Upper Peninsula Power Co		Address 500 N Washington St, Ishpeming, MI 49849		



**Flood Map Legends**

- Flood Zones**
- Areas inundated by 100-year flooding
  - Areas inundated by 500-year flooding
  - Areas of undetermined but possible flood hazards
  - Floodway areas with velocity hazard
  - Floodway areas
  - COBRA zone

**Flood Zone Determination**

In Special Flood Hazard Area (Flood Zone):	Out
Within 250 ft. of multiple flood zones?	Not within 250 feet
Community:	261598
Community Name:	ADAMS, TOWNSHIP OF
Map Number:	N/A
Zone:	N
Panel:	26061C 0001N
Panel Date:	11/18/2022
FIPS Code:	26061
Census Tract:	0009.00

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Seaton Appraisal Associates  
 Dave Lucchesi - Qualifications

File No. 23-0221A-C

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Lender/Client	Upper Peninsula Power Co				
	Address 500 N Washington St, Ishpeming, MI 49849				

David Lucchesi Qualifications 2022

Formal Education:

Michigan Technological University  
 Bachelor of Science 1983

Professional Memberships:

Certified Real Estate Appraiser #1204078446, Expires 07/31/2024  
 Member of the Upper Peninsula Association of Realtors  
 Member of the Keweenaw MLS

Work Experience:

Appraiser, Seaton Appraisal Associates, Hancock, MI, 2018 - Present  
 Owner, Bruno's Motors, Hancock, MI, 1991 - 2018  
 General Manager, Bruno's Motors, Hancock, MI, 1984 - 1991  
 Teller and Loan Processing, 1st of America Bank, Houghton, MI, 1981-1983  
 Service Station Manager, Range Oil & Gas, South Range, MI, 1979 - 1981

Professional Classes:

McKissock

Advanced Residential Applications & Case Studies-2021  
 Appraisal Subject Matters Electives-2022  
 Statistics, Modeling & Finance 2021  
 2020-21 USPAP update - 2020  
 Michigan Appraisal Law - 2020  
 Divorce and Estate Appraisal: Elements of Non-Lender Work - 2019  
 Residential Appraiser Site Valuation and Cost Approach - 2018  
 Residential Sales Comparison and Income Approaches - 2018  
 Residential Market Analysis and Highest Best Use - 2018  
 Residential Report Writing and Case Studies - 2018  
 National USPAP Course - 2018  
 Realtor Code of Ethics - 2018  
 Basic Appraisal Procedures - 2018  
 Basic Appraisal Principles - 2018  
 Supervisor - Trainee Course for Michigan - 2018  
 Divorce & Estate Appraisal: Elements of Non-Lender Work-2019  
 Advanced Residential Applications and Case Studies 2021  
 Appraisal Subject Matters 2022  
 Statistics, Modeling and Finance 2022  
 Michigan Appraisal Law 2022  
 2022-2023 7-Hour National USPAP Update Course



Seaton Appraisal Associates  
**Timothy E. Seaton - Qualifications**

File No. 23-0221A-C

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Lender/Client	Upper Peninsula Power Co				
	Address 500 N Washington St, Ishpeming, MI 49849				

**Formal Education:**

Alma College, Alma, Michigan  
 Bachelor of Science, 1975

**Professional Memberships and Affiliations:**

Appraisal Institute, SRA (1988), SRPA (1990) and MAI (2000) designations  
 Certified General Real Estate Appraiser, State of Michigan #1205000262, Expires 7/31/2023  
 Licensed Real Estate Broker, State of Michigan #6501233432, Expires 10/31/2025  
 Member of the Upper Peninsula, Michigan and National Association of Realtors  
 Member of the Keweenaw Multiple Listing Service

**Experience:**

Owner, Seaton Appraisal Associates, Hancock, 1992 - Present  
 Chief Appraiser, D&N Bank, fsb, Hancock, 1988-92  
 Residential Appraisal Mgr. U.P. Operations, D&N Savings Bank, Marquette, 1984-88  
 Branch Manager, D&N Savings, Marquette, 1982-84  
 A'sst. Branch Manager, D&N Savings, Marquette, 1981-82  
 Appraiser, Detroit & Northern Savings and Loan, Warren, Flint, and Marquette, MI, 1978-81

**Professional Classes & Seminars (partial list):**

Appraiser eLearning  
 How to Excel for Appraisers - 2023  
 Measuring with ANSI - 2022  
 USPAP Update - 2021

George Dell & Valuemetrics  
 Stats, Graphs, & Data Science - 2021

**Appraisal Institute**

Business Practices & Ethics - 2022  
 Appraising Condos, Co-ops, & PUDs - 2021  
 Introduction to Appraising Green Buildings: Principles & Concepts - 2019  
 Case Studies in Appraising Green Residential Buildings - 2019  
 Business Practices and Ethics - 2016  
 Discounted Cash Flow Analysis - 2013  
 Reviewing Residential Appraisals - 2013  
 Subdivision Valuation - 2013  
 Valuation of Conservation Easements - 2008  
 ERC - Relocation Training Program - 2007  
 Uniform Standards of Professional Appraisal Practice Update- 2007  
 Uniform Appraisal Standards for Federal Land Acquisitions - 2006  
 Analyzing Distressed Real Estate - 2005  
 Eminent Domain and Condemnation - 2005  
 Scope of Work - 2002  
 Intangible Property Component Segregation and Analysis Overview - 2001  
 Timberland Valuation Seminar - 2001  
 Supporting Sales Comparison Grid Adjustments - 2001  
 Appraisal of Non-Conforming Uses - 2000  
 Real Estate Econometrics - 1999  
 Appraising Manufactured Housing Seminar - 1999  
 Appraising High Value and Historic Homes Seminar - 1998  
 Highest and Best Use Applications - 1996  
 Appraising the Tough Ones Seminar - 1995  
 Environmental Risk and the Real Estate Appraisal Process - 1994  
 Accrued Depreciation Seminar - 1994  
 Appraising the Small Multi-Family Property Seminar - 1993

**Working RE**

How to Support & Prove Your Adjustments - 2018

**American Institute of Real Estate Appraisers**

Discounted Cash Flow Seminar - 1989  
 Business Valuation Seminar - 1989

**Society of Real Estate Appraisers**

Standards of Professional Practice - 1991  
 Applied Income Property Valuation, Course 202 - 1988  
 Principles of Income Property Valuation, Course 201 - 1979  
 Introduction to Appraising Real Property, Course 101 - 1978

EXHIBIT A-58 (JJB-8)  
FULLY CONFIDENTIAL  
A REDACTED VERSION IS NOT BEING PROVIDED



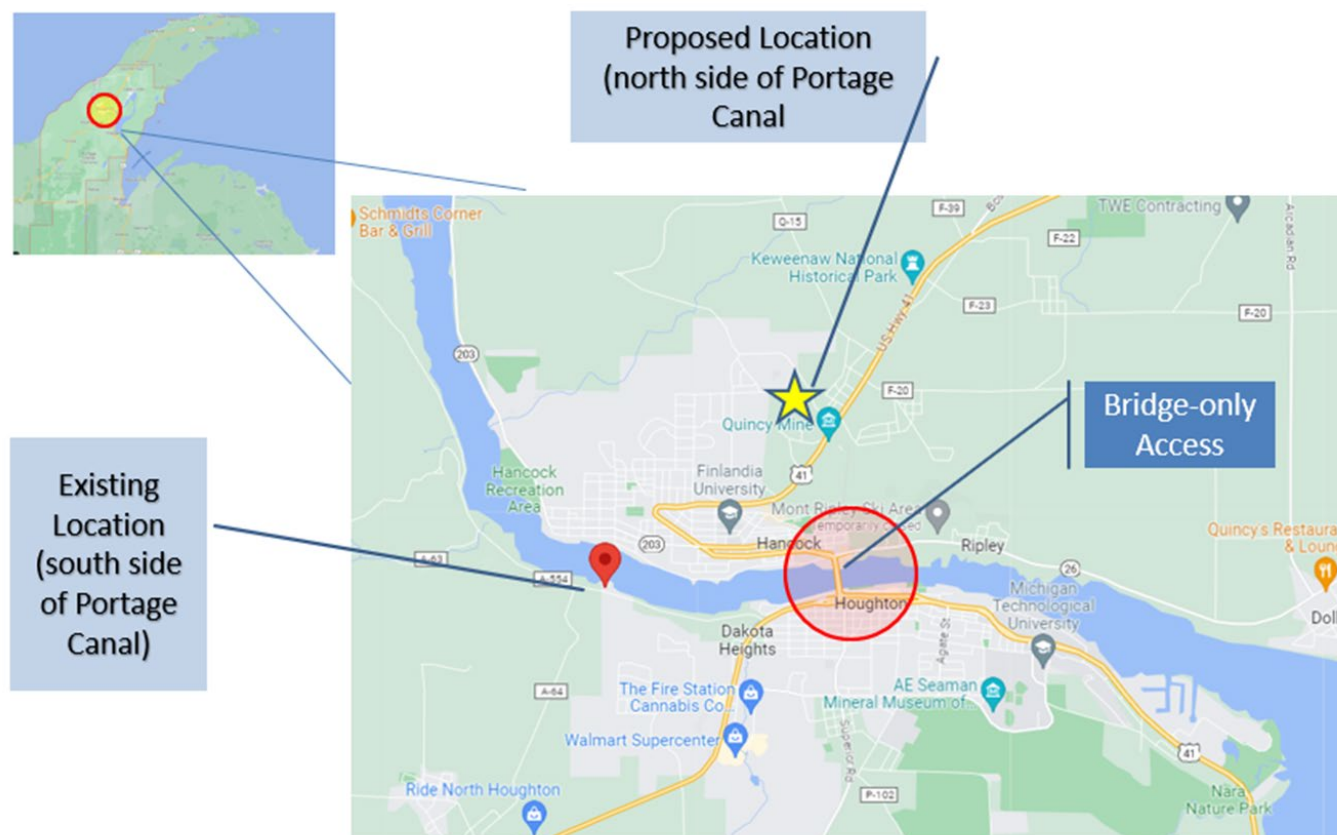
<b><u>Quicy Hill Project Cost Analysis</u></b>		
		<b><u>Costs</u></b>
<b>Land</b>	\$	<b>335,000</b>
<b>Development Budget Estimate</b>	\$	<b>367,000</b>
<b>Construction Estimate</b>	\$	<b>9,420,000</b>
Controls Adder	\$	<b>109,344</b>
Add'l Mech/Elec System Work - Electrification	\$	<b>71,000</b>
<b>Project Oversight/Management</b>	\$	<b>150,000</b>
<b>Furniture/Apprentices/Moving</b>	\$	<b>150,000</b>
<b>Contingency (~10%)</b>	\$	<b>1,000,000</b>
<b>Market Value of current property</b>		
<b>Total</b>	\$	<b>11,602,344</b>

<b><u>Quicy Hill Project Net Cost Analysis</u></b>			
	<b><u>Costs</u></b>	<b><u>Benefits</u></b>	<b><u>Net</u></b>
<b>Land</b>	\$ 335,000		
<b>Development Budget Estimate</b>	\$ 367,000		
<b>Construction Estimate</b>	\$ 9,420,000		
Controls Adder	\$ 109,344		
Add'l Mech/Elec System Work - Electrification	\$ 71,000		
<b>Project Oversight/Management</b>	\$ 150,000		
<b>Furniture/Apprentices/Moving</b>	\$ 150,000		
<b>Contingency (~10%)</b>	\$ 1,000,000		
<b>Market Value of current property</b>		\$ (1,160,000)	
<b>Avoided Costs</b>			
Needed Houghton Improvements		\$ (4,291,908)	
Includes: demo, paving, slope stabalization, asbestos removal, lead paint abatement, energy efficient windows, flooring, painting, new canopy, new lighting, needed sewage improvements, new roof, needed waterline improvements, new ceiling.			
<b>Total</b>	\$ 11,602,344	\$ (5,451,908)	\$ 6,150,436





# Regional Map of Houghton Operations



Category	Description	YR 1	YR 2	YR 3	YR 4	YR 5	YR 6	YR 7	YR 8	YR 9	YR 10	Total
Architectural	Administration Building Roof Replacement											\$247,650
Task 1 - Stripping/Removal of Existing Roof					\$74,295							
Task 2 - Roofing, Single Ply membrane, Stone Ballast					\$173,355							
Architectural	Storage Building Roof Replacement											\$50,800
Task 1 - Stripping/Removal of Existing Roof					\$15,240							
Task 2 - Roofing, Single Ply membrane, Stone Ballast					\$35,560							
Architectural	All Buildings LED Lighting Upgrade											\$317,500
Task 1 - Fixture removal								\$79,375				
Task 2 - Wiring updates, Installation of Fixtures and Connections								\$238,125				
Architectural	Administration Building Flooring Replacement											\$50,800
Task 1 - Existing Carpet, Composite, Tile floor removal								\$25,400				
Task 2 - Vinyl floor Installation - 12x12								\$25,400				
Architectural	Administration Building Ceiling Tile Replacement											\$54,661
Task 1 - Acoustic Tile Removal and Replacement									\$54,661			
Architectural	Administration Building Window Replacement											\$84,582
Task 1 - Window Demo. Including mesh.							\$7,112					
Task 2 - Office & Shop Window Installation							\$77,470					
Architectural	Transformer Storage Replacement											\$1,324,737
Task 1 - Structure Demo and Disposal				\$57,912								
Task 2 - Construction of new canopy - Concrete and roof included (3,800 SF)				\$1,266,825								
Architectural	All Buildings Painting & Lead Paint Abetment											\$188,976
Task 1 - Interior Encapsulation - Painting Interior										\$21,336		
Task 2 - Exterior Lead Removal + Painting for Encapsulation										\$167,640		
Architectural	Asbestos Abetment (All Projects)											\$70,917
Task 1 - Abetment							\$70,917					
Civil	Parking Lot Repair											\$319,659
Task 1 - Demo, Remove Pavement, Curb - Excluded Hauling		\$67,564										
Task 2 - Base Course for Roadways - 6" Deep		\$63,500										
Task 3 - Asphaltic Concrete Paving- Hauling Excluded		\$188,595										
Civil	Connect to City Water & Sewer											\$687,673
Task 1 - Drilling & Blasting Rock for Pipe Installation		\$127,000										
Task 2 - Install packaged Utility Lift Station - Sewage		\$382,873										
Task 3 - Install Sewer line - 4" HDPE, 800 LF		\$50,800										
Task 4 - Install Waterline - 6" MJ ductile iron, 800 LF		\$127,000										
Civil	Abandon Well & Septic											\$27,686
Task 1 - Disconnect and Demo Existing Septic Tanks			\$25,400									
Task 2 - Fill Excavated Area with clean sand			\$2,286									
Civil	Shoreline Protection											\$760,705
Task 1 - Stabilize and Install Heavy Rip-Rap, Un-grouted , 6,000 SY			\$760,705									
Civil	Administration Building Roof Drain Replacement											\$55,880
Task 1 - Remove & Replace New Heated Scuppers Drain System					\$55,880							
Civil	Garage Floor Drain & Wash Bay Addition											\$49,682
Task 1 - Cut and Floor area, Install Pipe network					\$21,742							
Task 2 - Drain and Concrete Installation					\$27,940							
TOTAL COST												\$4,291,900