



Aviation Management  
Consulting Group

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# Airport Rent Study

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Humboldt County

*Rohnerville Airport*

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December 30, 2020



December 30, 2020

Cody Roggatz  
Director of Aviation  
Humboldt County  
3561 Boeing Ave  
McKinleyville, California 95519

RE: Airport Rent Study – Rohnerville Airport

Dear Mr. Roggatz:

This summary report conveys Aviation Management Consulting Group, Inc.'s (AMCG) opinion of market rent for certain land and improvements located at Rohnerville Airport which are currently leased or available for lease from Humboldt County.

AMCG acknowledges the current economic impacts of COVID-19. While the value of certain off-airport properties nationwide has been affected by COVID-19, a consistent and direct affect to rental rates for general aviation properties has not been identified by the AMCG team. Conversely, the AMCG team understands the majority of airports sponsors have elected to (1) not make adjustments to rental payments from lessees, (2) defer rental payments from lessees, (3) provide time limited rent abatement for lessees, and/or (4) postpone scheduled rent adjustments (based on an index or market analysis approach). The conclusions reached in this report reflect the current general aviation real estate market conditions.

AMCG is pleased to have been called on to conduct this study and provide an opinion of market rent. Please contact me if you have any questions pertaining to this analysis or the conclusions reached.

Helping your aviation management excellence,

A handwritten signature in blue ink that reads "David C. Benner". The signature is fluid and cursive, with the first name being the most prominent.

David C. Benner, C.M.  
Managing Consultant  
Aviation Management Consulting Group, Inc.

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**I. EXECUTIVE SUMMARY**

**Airport:** Rohnerville Airport  
2330 Airport Road  
Fortuna, California 95540

**Scope of Work:** This summary report conveys Aviation Management Consulting Group’s opinion of market rent for certain land and improvements (Subject Properties) located at Rohnerville Airport which are currently leased or available for lease from Humboldt County.

**Subject Properties:** The components of the Subject Properties include: Executive Hangar, Portable T-Hangar, Tiedown (Monthly), Storage, Aeronautical Land, and Apron.

**Date of Report:** December 30, 2020

**Effective Date:** June 28, 2020

**Methodology:** An opinion of market rent for the Subject Properties was developed based on an analysis of the information and data obtained for similar properties from national, regional, comparable, and competitive airports (which is summarized in Section VI. Study Findings).

**Rental Rate Conclusions:** Table 1 identifies the recommended rental rate for the Subject Properties.

**Table 1 – Rental Rate Conclusions**

Rental Rate Conclusions						
Lessee	Component	Identification	Number of Units	Size (SF)	Market Rent Opinion	
Multiple	Executive Hangar	#2	1	1,300	\$2.05	
		#3-5	3	1,300	\$3.00	
		#8	1	3,600	\$3.20	
		#9	1	1,350	\$3.00	
		#10	1	1,350	\$3.00	
		#11	1	3,600	\$3.55	
		#12-14, 16-17	5	1,200	\$3.00	
	Portable T-Hangar	#15, 18	2	1,200	\$2.25	
		#1	1	1,400	\$330.00	
		#6-7	2	1,074	\$235.00	
		Small Tiedown	Tail-in	20	N/A	\$55.00
Medium Tiedown	Tail-in	20	N/A	\$70.00		
	Large Tiedown	Tail-in	20	N/A	\$90.00	
FAA	Storage	FAA Building	1	900	\$2.60	
Multiple	Aeronautical Improved Land	N/A	N/A	Up to 49,999	\$0.33	
				50,000 - 249,999	\$0.30	
				250,000 - 999,999	\$0.33	
				1,000,000 and greater	\$0.20	
	Aeronautical Unimproved Land	N/A	N/A	N/A	Up to 49,999	\$0.23
					50,000 - 249,999	\$0.20
					250,000 - 999,999	\$0.25
					1,000,000 and greater	\$0.15
Cal Fire	Asphalt Apron	N/A	N/A	75,000	\$0.48	

Rental rates for T-Hangars and Tiedowns are “per unit per month” (pu/mo)  
All other rental rates are “per square foot per year” (psf/yr)

## II. INTRODUCTION

### A. Scope of Work

This summary report conveys Aviation Management Consulting Group's (AMCG's) opinion of market rent for certain land and improvements (Subject Properties) located at the Rohnerville Airport (Airport) which are currently leased or available for lease from Humboldt County (County).

The County is required, by the Federal Aviation Administration (FAA) *Airport Sponsor Assurances*, to “maintain a fee and rental structure for the facilities and services at the airport[s] which will make the airport[s] as self-sustaining as possible under the circumstances existing.” Further, FAA Regulation Identifier Number (RIN) 2120-AF90, *Policy Regarding Airport Rates and Charges*, states that “rates, fees, rentals, landing fees, and other service charges (‘fees’) imposed on aeronautical users for the aeronautical use of the airport (‘aeronautical fees’) must be fair and reasonable.” As such, the market rent opinion outlined in this *Airport Rent Study* is fair, reasonable, and can be consistently applied to the aeronautical-use improvements.

The FAA indicates that “reasonable methodologies may include, but are not limited to, historic cost valuation, direct negotiation with aeronautical users, or objective determinations of fair market value” which are further described below:

- Historic Cost Valuation – a historic cost valuation, as outlined in the *Policy Regarding Airport Rates and Charges*, “must allocate capital and operating costs among cost centers” in accordance with a reasonable, consistent, and transparent methodology as follows: (1) “costs of airfield facilities and services directly used by the aeronautical users may be fully included in the rate base” and (2) “costs of airport facilities and services used for both aeronautical and non-aeronautical uses (shared costs) may be included in the rate base if the facility or service in question supports the airfield activity reflected in that rate base”. The rate base is defined as the “total of all costs of providing airfield facilities and services to aeronautical users (which may include a share of public-use roadway costs allocated to the airfield in accordance with this policy [*Policy Regarding Airport Rates and Charges*]) that may be recovered from aeronautical users through fees charged for providing airfield aeronautical services and facilities.” While the historic cost valuation is an acceptable methodology from the FAA’s perspective (and typically applied to air carrier service providers), this approach may result in a rental rate unreflective of similar aeronautical-use improvements available at comparable and competitive airports. As such, this approach was not deemed most appropriate.

- Direct Negotiation – The *Policy Regarding Airport Rates and Charges* is non-descriptive in terms of the methodology for initiating and completing a negotiation process. A negotiation, by definition, is to confer with another party to arrive at a settlement of a matter; in this case, rental rates for aeronautical-use improvements. A negotiation process can result in a market transaction if (1) it is an open market, (2) the buyer (tenant) and seller (County) are acting prudently and knowledgeable, and (3) the price is not affected by undue stimulus. However, as stated in the *Airport Sponsor Assurances*, each tenant (commercial or non-commercial) “shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable” to other tenants for “the same or similar uses of such airport and utilizing the same or similar facilities.” For this reason, a direct negotiation methodology was not deemed most appropriate to determine a rental rate structure that is equitable for all similarly situated tenants of aeronautical-use improvements.
- Objective Determinations of Fair Market Value – Market value, as defined by *The Dictionary of Real Estate Appraisal*, is “the most probable price which a specified interest in real property is likely to bring under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, assuming the price is not affected by undue stimulus.” The use of value, from a real estate perspective, is typically representative of the cost to purchase or assume ownership of real property. Conversely, the purpose of this *Airport Rent Study* is to determine market rent. As such, an objective determination of fair market rent, as applicable to aeronautical-use improvements is typically determined in one of two manners:
  - An appraisal process, consistent with *The Dictionary of Real Estate Appraisal*, includes three approaches to value – cost approach, sales comparison approach, and income approach. Central to each approach is the principle of substitution, as an astute real estate investor will pay no more than the value of an equally desirable alternative property or investment. Upon completion of each appropriate approach, a final estimate of value is determined by considering the quality and quantity of data available under each approach and the inherent advantages and disadvantages of each approach is considered. Utilizing the final estimate of value (i.e., cost to purchase or assume ownership), airport sponsors typically utilize a rate of return (ranging from 3% to 15% for aeronautical properties) to determine an appropriate and reasonable rental rate.
  - A comparative rent analysis is a direct approach that utilizes the rental rates being charged for similar properties as the basis to establish an appropriate rental rate. As it pertains specifically to aeronautical-use land and improvements, the rental rates being charged for similar land and improvements at other similarly situated airports are adjusted (as appropriate) to establish rental rates.

As such, the opinion of market rent in this *Airport Rent Study* is based on a comparative analysis of similar land and improvements at national, regional, comparable, and competitive airports.

Consistent with the *Airport Sponsor Assurances*, each tenant should be subject to the same rental rates as are uniformly applicable to other tenants utilizing the same or similar land and improvements for aeronautical purposes. It is recognized that the size, access, amenities, and condition of the land and improvements (as applicable) may vary and as a result, the opinion of market rent may vary as well. However, the County will not charge unjustly discriminatory rental rates.

## **B. Market Rent Defined**

Market rent is defined as “the rental price in cash or its equivalent that the leasehold would have brought on the date of value on the open market, at or near the location of the property acquired, assuming reasonable time to find a tenant.”<sup>1</sup>

## **C. Project Approach**

To achieve the scope of work, AMCG completed the following work plan:

1. developed a profile of the Airport,
2. identified comparable and competitive airports utilizing the profile of the Airport,
3. obtained rental rates (and related information) for aeronautical uses from the Airport as well as comparable and competitive airports identified,
4. analyzed the data obtained from the Airport as well as comparable and competitive airports identified,
5. analyzed national and regional data; and
6. developed an opinion of market rents for the Subject Properties based on the preceding analysis in conjunction with the Limiting Conditions outlined in the Appendix.

In drawing opinions of market rent for the Subject Properties, consideration was given to those factors that typically affect market rents for on-airport, aeronautical properties (e.g., property use, attributes, restrictions, limitations, etc.). Beyond this, AMCG’s opinion of market rent for the Subject Properties has been formed based on a comparative analysis of current rents for aeronautical-use properties at national, regional, comparable, and competitive airports.

It is noteworthy that the rental rates currently charged for the Subject Properties by the County were not included in the national, regional, comparable, or competitive rent data but were utilized as a point of reference to derive the opinion of market rent conveyed in this report.

Market rents for off-airport properties were not utilized as this approach is highly problematic due to the different types of use. Off-airport properties and on-airport,

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<sup>1</sup> [Uniform Appraisal Standards for Federal Land Acquisitions](#), Section 1.5.4.1, Page 35.

aeronautical properties do not exhibit the same bundle of rights. It is very difficult, if not impossible, to determine the adjustment applied to unencumbered off-airport rental rates to reflect the constraints imposed by the Federal Aviation Administration (FAA), the airport sponsor, and others pertaining to the development and/or use of on-airport, aeronautical properties.

When rendering an opinion of market rent for on-airport, aeronautical properties, the cost of the real property (land and/or improvements) and desired rates of return are not typically considered. While these factors may be considered when rendering an opinion of market rents for off-airport properties or may be considered by real estate investors, these factors are generally not consistent with the realities of the prevailing market for on-airport, aeronautical properties. Since the Subject Properties are not considered new, AMCG's opinion of market rent was not based on the cost of real property or desired rates of return.

#### **D. Key Underlying Assumptions**

The market rent opinions conveyed in this summary report are based on the lessee having full and continued access to the Airport's airside and landside infrastructure. Additionally, the analysis was based on an evaluation of triple net lease rates<sup>2</sup> (as applicable to the Executive Hangars and Apron) as well as modified gross lease rates<sup>3</sup> (as applicable to the Portable T-Hangars and Tiedowns).

Market rents are driven by the amount a willing buyer (lessee) pays to a willing seller (lessor) to rent or lease a property. To the extent that local economic factors affect rental rates at the national, regional, comparable, and competitive airports, these economic factors will be reflected in the rental rate conclusions. As such, AMCG has identified and analyzed (on a comparative basis) the rents charged and paid for similar properties (by component) at a cross-section of airports that are considered most comparable to the Airport to derive the market rent opinions for the Subject Properties.

AMCG recognizes that there are differences between the Airport and the comparable airports. Some of the comparable airports exhibit superior characteristics and some exhibit inferior characteristics. To identify airports that were considered most comparable to the Airport and draw conclusions that reflect the conditions at the Airport, the comparable airports were compared with the Airport using aeronautical activity and infrastructure indicators, as well as economic variables.

The following report summarizes AMCG's findings and opinions.

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<sup>2</sup> Triple net lease rates, by definition, occur when the lessee is responsible for all maintenance, utilities, insurance, and taxes associated with the Subject Properties. Consistent with industry standards for general aviation improvements, the evaluation of "triple net lease rates" includes the airport sponsor paying for costs associated with major maintenance items (e.g., repair and/or replacement of hangar doors, roofing, super structure, HVAC, etc.).

<sup>3</sup> Modified gross lease rates, by definition, occur when the lessor pays for a portion of maintenance, utilities, insurance, and/or taxes associated with the Subject Properties.

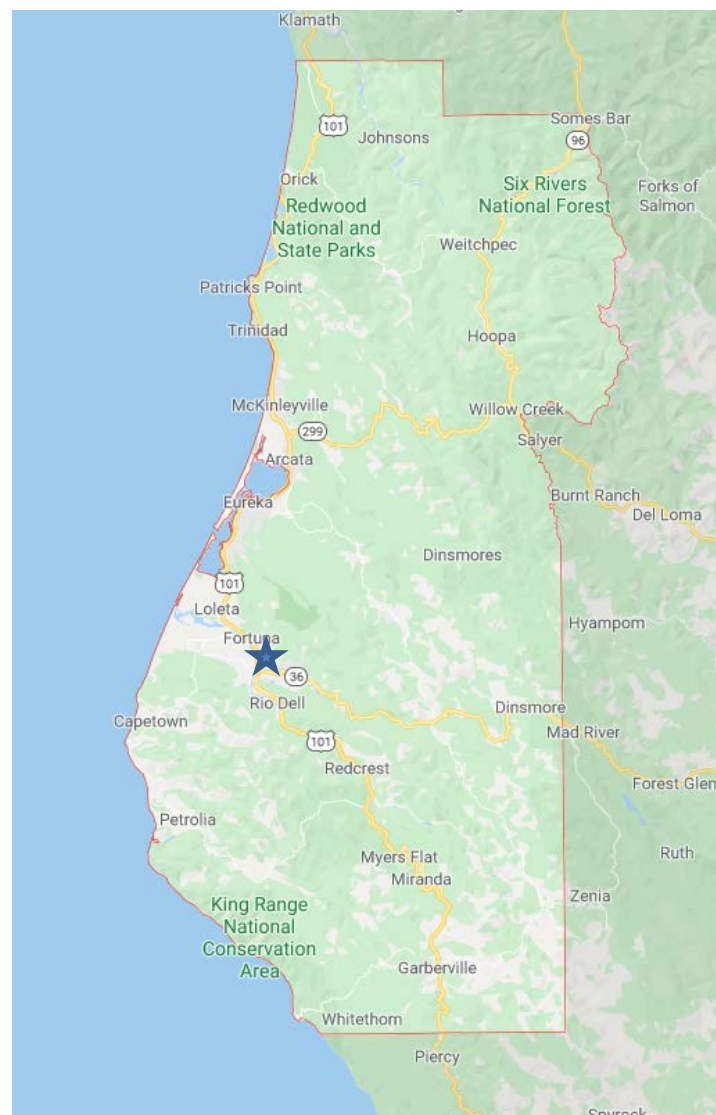
### III. COMMUNITY OVERVIEW

#### A. Geographic Location

The County is located on California’s northern Pacific Coast. The southern border of the County is 200 miles north of San Francisco, the closest major metropolitan city. The County encompasses 2.3 million acres, 80% of which is forestlands, protected redwoods, and recreational areas. The region is primarily mountainous except for an area of plains surrounding Humboldt Bay. The County seat is Eureka.

The City of Fortuna (City) is in the western portion of the County. The City is 200 miles northwest of Sacramento, 215 miles northwest of San Francisco, and approximately 95 miles south of the Oregon border. The Airport is located 3 miles southeast of the City’s Central Business District as indicated in Figure 1.

**Figure 1 – Geographic Location**



**B. History**

The County was founded by gold seekers in the 1850's. The miners and early settlers conflicted with the native populations, resulting in massacre, the building of government forts, and resettlement. Timber soon proved to be as valuable as gold and the lumber camps in the area grew. The shipping industry followed to move the supply of local wood. The rich land and moderate climate also brought farmers to the area where sheep, dairy, and fruit industries flourished.

**C. Demographics**

The population of the City has increased a total of 3% which results in a compounded annual increase of 0.4% from 11,926 in 2010 to 12,280 in 2018 (U.S. Census Bureau estimate).

The population of the County has increased a total of 2.0% which results in a compounded annual increase of 0.3% from 133,058 in 2010 to 135,768 in 2018 (U.S. Census Bureau estimate).

**D. Business and Industry**

The largest employment sectors of the City and County are (1) educational services, health care, and social assistance, (2) retail trade, and (3) arts, entertainment, recreation, and accommodation and food services. These employment sectors account for approximately 51.8% of the employment in the City and approximately 52% of the employment in the County.

**E. Economic Factors**

The labor force of the City has decreased from 8,901 in 2010 to 7,900 in 2018 (U.S. Census Bureau). This represents a total decrease of 11.2% and a compounded annual decrease of 1.5%.

The labor force of the County has decreased from 66,742 in 2010 to 66,356 in 2018 (U.S. Census Bureau). This represents a total decrease of 0.6% and a compounded annual decrease of 0.1%.

As identified by the U.S. Bureau of Labor Statistics, the unemployment rate was preliminarily estimated at 4.9% for the Eureka-Arcata-Fortuna Micropolitan area and preliminarily estimated at 4.9% for the County (for March 2020) as compared with the U.S. national unemployment rate which was approximately 4.4%

**IV. SUBJECT AIRPORT OVERVIEW**

**A. Airport Description**

The Airport, which consists of approximately 541 acres of land, has one runway, as follows:

- Runway 11/29: 4,005 feet long and 100 feet wide, grooved asphalt in good condition.

The Airport does not have an Air Traffic Control Tower and is served by multiple non-precision approaches (VOR and GPS). The Airport is designated a General Aviation Airport in the *FAA National Plan of Integrated Airports System (NPIAS)* and a Basic Airport in the *FAA General Aviation Airports: A National Asset* study.

**B. Aircraft Operations**

Total aircraft operations at the Airport were approximately 25,000 in 2017, as reported by the FAA Master Record 5010. Total general aviation operations consisted of approximately 15,000 local operations (or approximately 60%) and approximately 10,000 itinerant operations (or approximately 40%).

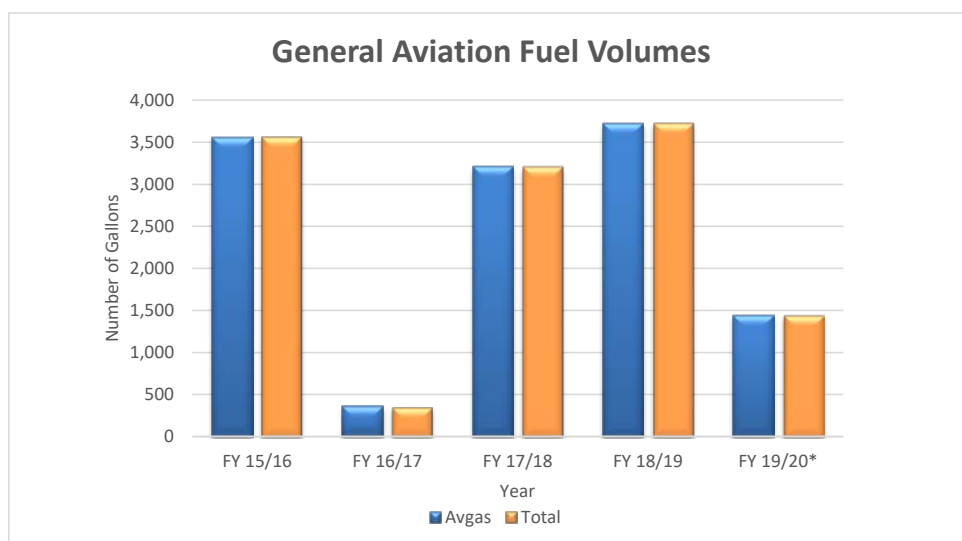
**C. Based Aircraft**

There are approximately 3 aircraft currently based at the Airport, as reported by the FAA Master Record 5010. Total based aircraft consist of approximately 3 single-engine aircraft.

**D. Fuel Volumes**

Figure 2 depicts total general aviation fuel volumes at the Airport from Fiscal Year (FY) 2015/2016 to FY 2019/2020 (year to date through March 2020), as reported by Airport management.

**Figure 2 – General Aviation Fuel Volumes**



**V. SUBJECT PROPERTIES OVERVIEW**

**A. Subject Properties**

The Subject Properties consists of certain land and improvements located at the Airport that are leased or available for lease from the County.

The Subject Properties are summarized in Table 2. Maps and a photographic survey of the Subject Properties are provided in the Appendix.

**Table 2 – Subject Properties Overview**

Subject Properties Overview			
Component	Number of Units	Size (SF)	
		Per Unit	Total
Executive Hangar	15	1,200-3,600	23,500
Portable T-Hangar	3	1,074-1,400	3,548
Tiedown	20	N/A	N/A
Storage	1	900	900
Aeronautical Improved Land	N/A	N/A	Various
Aeronautical Unimproved Land	N/A	N/A	Various
Asphalt Apron	N/A	N/A	Various

**1. Executive Hangar**

There is approximately 23,500 square feet of Executive Hangar included in the Subject Properties. The property details of the Executive Hangar are outlined in Table 3.

**Table 3 – Executive Hangar Summary**

Executive Hangar Summary								
Identification	Number of Units	Size (SF)	Door		Access	Amenities	Condition	
			Width (FT)	Height (FT)				
#2	1	1,300	40	12	Fair	Poor	Poor	
#3-5	3	1,300	40	10, 12	Fair	Fair	Poor	
#8	1	3,600	60	18	Fair	Fair	Average	
#9	1	1,350	40	10	Fair	Fair	Poor	
#10	1	1,350	40	10	Fair	Fair	Poor	
#11	1	3,600	60	20	Fair	Fair	Poor	
#12-14, 16-17	5	1,200	40	9	Fair	Fair	Poor	
#15, 18	2	1,200	40	9	Fair	Poor	Poor	
<b>Total</b>	<b>15</b>	<b>23,500</b>						

- Executive Hangar #2 is clear span, with a metal exterior, wood frame interior, no door, fluorescent lighting, and a concrete floor surface.
- Executive Hangars #3 – #5 are clear span, with a metal exterior, wood frame interior, 4-panel sliding metal doors, fluorescent lighting, and a concrete floor surface.
- Executive Hangar #8 is clear span, has a metal exterior, wood frame interior, 6-panel sliding metal doors, fluorescent lighting, and a concrete floor surface.
- Executive Hangar #9 is clear span, with a metal exterior, wood frame interior, metal overhead door, fluorescent lighting, and a concrete floor surface.
- Executive Hangar #10 is clear span, with a metal exterior, wood frame interior, 4-panel metal folding door, fluorescent lighting, and a concrete floor surface.
- Executive Hangar #11 is clear span, has a metal exterior, steel frame interior, 6-panel sliding metal doors, fluorescent lighting, and a concrete floor surface.

- Executive Hangars #12 – #14, #16, and #17 are fully divided, with a metal exterior, wood frame interior, 2-panel sliding metal doors, fluorescent lighting, and an asphalt floor surface.
- Executive Hangars #15 and #18 are fully divided, with a metal exterior, wood frame interior, no doors, fluorescent lighting, and an asphalt floor surface.

**2. Portable T-Hangar**

There are three Portable T-Hangars included in the Subject Properties. As outlined in the Appendix, a Medium Portable T-Hangar is not permanently affixed to the associated apron and typically ranges from 1,000 square feet up to 1,300 square feet with a door width ranging from 40 feet to 45 feet and a door height which can accommodate most light multi-engine piston-powered aircraft. A Large Portable T-Hangar is not permanently affixed to the associated apron and typically ranges from 1,300 square feet up to 2,000 square feet with a door width ranging from 45 feet up to 55 feet and a door height which can accommodate most multi-engine piston-powered aircraft and similarly sized turbine-powered aircraft. The property details of the Portable T-Hangar are outlined in Table 4.

**Table 4 – Portable T-Hangar Summary**

Portable T-Hangar Summary							
Identification	Number of Units	Size (SF)	Door		Access	Amenities	Condition
			Width (FT)	Height (FT)			
#1	1	1,400	46	13	Fair	Average	Average
#6-7	2	1,074	42	10	Fair	Average	Average
<b>Total</b>	<b>3</b>	<b>3,548</b>					

**3. Tiedown**

There are approximately 20 Tiedowns (Tail-in) included in the Subject Properties which have been analyzed as Small, Medium, and Large Tiedowns as defined in the Appendix. The property details of the Tiedown are outlined in Table 5.

**Table 5 – Tiedown Summary**

Tiedown Summary			
Identification	Number of Units	Access	Condition
Tail-in	20	Fair	Average
<b>Total</b>	<b>20</b>		

**4. Storage**

There is approximately 900 square feet of Storage included in the Subject Properties. The property details of the Storage are outlined in Table 6.

**Table 6 – Tiedown Summary**

Storage Summary					
Lessee	Identification	Size (SF)	Access	Amenities	Condition
FAA	FAA Building	900	Fair	Average	Good
	<b>Total</b>	<b>900</b>			

**5. Aeronautical Land**

Aeronautical Land is included in the Subject Properties which is available for lease from the County. The Aeronautical Land includes both improved and unimproved land which are defined in the Appendix as:

- Improved Land is Airport land having access (airside and landside) and utilities to the property boundary.
- Unimproved Land is Airport Land without airside and/or landside access and/or utilities to the property boundary.

**6. Asphalt Apron**

There is approximately 75,000 square feet of Asphalt Apron included in the Subject Properties. The property details of the Asphalt Apron are outlined in Table 7.

**Table 7 – Asphalt Apron Summary**

Asphalt Apron Summary			
Lessee	Size (SF)	Access	Condition
Cal Fire	75,000	Average	Average
<b>Total</b>	<b>75,000</b>		

**VI. STUDY FINDINGS**

Information and data from similar properties at the Airport and national, regional, comparable, and competitive airports was analyzed to derive an opinion of market rent for the Subject Properties. The results of the analysis are summarized in this section. Definitions of the Minimum, Maximum, Mean, Standard Deviation, Median, and Range (utilized in the following tables) are provided in the Appendix.

**A. National Data**

As a supplement to the comparable airport data, rents obtained from more than 700 airports located throughout the United States were analyzed. A summary and statistical analysis of the findings for national airports is provided in Table 8.

**Table 8 – National Airport Data Summary**

National Airport Data Summary						
Component	Minimum	Maximum	Mean	Standard Deviation	Median	Range
Executive Hangar	\$0.05	\$11.04	\$3.40	\$2.10	\$3.07	\$10.99
Portable T-Hangar	\$49.00	\$546.00	\$149.89	\$107.40	\$105.00	\$497.00
Small Tiedown	\$10.00	\$162.00	\$56.00	\$28.85	\$50.00	\$152.00
Medium Tiedown	\$20.00	\$297.00	\$77.02	\$50.87	\$65.00	\$277.00
Large Tiedown	\$30.00	\$1,500.00	\$267.14	\$348.77	\$116.00	\$1,470.00
Storage	\$0.16	\$4.34	\$2.54	\$0.94	\$2.86	\$4.18
Aeronautical Improved Land	\$0.01	\$1.19	\$0.26	\$0.19	\$0.21	\$1.18
Aeronautical Unimproved Land	\$0.01	\$0.70	\$0.20	\$0.14	\$0.16	\$0.69
Asphalt Apron	\$0.01	\$2.08	\$0.43	\$0.35	\$0.35	\$2.07

Rental rates for T-Hangars and Tiedowns are “per unit per month” (pu/mo)  
 All other rental rates are “per square foot per year” (psf/yr)

**B. Regional Data (FAA Western-Pacific Region)**

As an additional supplement to the comparable airport data, rents obtained from more than 125 airports in the FAA Western-Pacific Region (consisting of Arizona, California, Hawaii, and Nevada)<sup>4</sup> were analyzed. A summary and statistical analysis of the findings for regional airports is provided in Table 9.

**Table 9 – Regional Airport Data Summary**

Regional Airport Data Summary						
Component	Minimum	Maximum	Mean	Standard Deviation	Median	Range
Executive Hangar	\$0.15	\$9.83	\$4.06	\$2.08	\$3.62	\$9.68
Portable T-Hangar	\$49.00	\$546.00	\$141.53	\$117.45	\$105.00	\$497.00
Small Tiedown	\$20.00	\$297.00	\$62.68	\$51.09	\$50.00	\$277.00
Medium Tiedown	\$25.00	\$284.00	\$74.73	\$52.20	\$62.00	\$259.00
Large Tiedown	\$30.00	\$1,119.00	\$349.11	\$333.65	\$209.00	\$1,089.00
Storage	\$0.16	\$4.34	\$2.59	\$0.94	\$2.87	\$4.18
Aeronautical Improved Land	\$0.06	\$1.89	\$0.32	\$0.28	\$0.22	\$1.83
Aeronautical Unimproved Land	\$0.02	\$0.64	\$0.23	\$0.15	\$0.24	\$0.62
Asphalt Apron	\$0.03	\$2.75	\$0.65	\$0.57	\$0.60	\$2.72

Rental rates for T-Hangars and Tiedowns are “per unit per month” (pu/mo)  
 All other rental rates are “per square foot per year” (psf/yr)

<sup>4</sup> While American Samoa, Commonwealth of the Northern Mariana Islands, and Guam are included in the FAA Western-Pacific Region, rents from airports in these territories were not included or analyzed.

**C. Comparable Airport Data**

The first step in identifying comparable airports is developing an accurate profile of the Airport. The profile was developed based on data available from various sources, including the FAA, state, and local agencies. The Airport profile provided the basis for establishing the criteria and parameters for identifying comparable airports.

The selection of comparable airports was based on aeronautical activity and infrastructure criteria including historic activity levels, total based aircraft, runway length, total airport acreage, and FAA NPIAS and General Aviation Asset Study classification. Parameters were then established in each of these areas to facilitate the selection process.

While a total of 12 airports were considered comparable to the Airport, rental rates and related information from 5 airports were obtained and analyzed, as shown in Table 10.

**Table 10 – Comparable Airports**

Comparable Airports		
Airport	Identifier	Location
Cambridge-Dorchester Regional Airport	CGE	Cambridge, Maryland
La Porte Municipal Airport	T41	La Porte, Texas
Lake Wales Municipal Airport	X07	Lake Wales, Florida
Owosso Community Airport	RNP	Owosso, Michigan
Warren County Memorial Airport	RNC	McMinnville, Tennessee

Table 11 provides a summary and statistical analysis of the findings for the comparable airports.

**Table 11 – Comparable Airport Data Summary**

Comparable Airport Data Summary						
Component	Minimum	Maximum	Mean	Standard Deviation	Median	Range
Executive Hangar	N/A	N/A	N/A	N/A	N/A	N/A
Portable T-Hangar	N/A	N/A	N/A	N/A	N/A	N/A
Small Tiedown	\$25.00	\$60.00	\$47.50	\$12.16	\$50.00	\$35.00
Medium Tiedown	\$100.00	\$100.00	\$100.00	\$0.00	\$100.00	\$0.00
Large Tiedown	N/A	N/A	N/A	N/A	N/A	N/A
Storage	N/A	N/A	N/A	N/A	N/A	N/A
Aeronautical Improved Land	\$0.26	\$0.27	\$0.26	\$0.01	\$0.26	\$0.01
Aeronautical Unimproved Land	N/A	N/A	N/A	N/A	N/A	N/A
Asphalt Apron	N/A	N/A	N/A	N/A	N/A	N/A

Rental rates for T-Hangars and Tiedowns are “per unit per month” (pu/mo)  
 All other rental rates are “per square foot per year” (psf/yr)

**D. Competitive Airport Data**

Typically, an airport is considered competitive if located in proximity to the Airport and serves a similar market. Each airport identified is then compared to the Airport based on (1) infrastructure and (2) available products, services, and facilities.

For the purposes of this study, airports within 50 nautical miles of the Airport were identified as being potentially competitive airports. It is significant to note that while five airports owned by the County (California Redwood Coast – Humboldt County Airport, Dinsmore Airport, Garberville Airport, Kneeland Airport, and Murray Field Airport) are located within the competitive area, the relevant and useable data obtained from these Airports was not included in the findings to ensure the County’s existing rental rates did not have an undue influence on the results of this study.

While a total of 6 airports were considered competitive to the Airport, no rental rates or related information was obtained.

**VII. RENTAL RATE SUMMARY**
**A. Rental Rate Conclusions (By Component)**

Table 13 identifies AMCG’s opinion of market rent for the Subject Properties. The rental rate conclusions (effective June 28, 2020) which is consistent with the date of property inspection) are based on the analysis of the Subject Properties and the rents being charged for similar properties at the Airport and national, regional, comparable, and competitive airports. The market rental rate conclusions are conveyed on a “per square foot per year” (psf/yr) or “per unit per month” (pu/mo) basis.

**Table 12 – Rental Rate Conclusions**

Rental Rate Conclusions					
Lessee	Component	Identification	Number of Units	Size (SF)	Market Rent Opinion
Multiple	Executive Hangar	#2	1	1,300	\$2.05
		#3-5	3	1,300	\$3.00
		#8	1	3,600	\$3.20
		#9	1	1,350	\$3.00
		#10	1	1,350	\$3.00
		#11	1	3,600	\$3.55
		#12-14, 16-17	5	1,200	\$3.00
	Portable T-Hangar	#15, 18	2	1,200	\$2.25
		#1	1	1,400	\$330.00
		#6-7	2	1,074	\$235.00
Small Tiedown	Tail-in	20	N/A	\$55.00	
Medium Tiedown	Tail-in	20	N/A	\$70.00	
Large Tiedown	Tail-in	20	N/A	\$90.00	
FAA	Storage	FAA Building	1	900	\$2.60
Multiple	Aeronautical Improved Land	N/A	N/A	Up to 49,999	\$0.33
				50,000 - 249,999	\$0.30
				250,000 - 999,999	\$0.33
				1,000,000 and greater	\$0.20
	Aeronautical Unimproved Land	N/A	N/A	Up to 49,999	\$0.23
				50,000 - 249,999	\$0.20
				250,000 - 999,999	\$0.25
				1,000,000 and greater	\$0.15
Cal Fire	Asphalt Apron	N/A	N/A	75,000	\$0.48

Rental rates for T-Hangars and Tiedowns are “per unit per month” (pu/mo)  
 All other rental rates are “per square foot per year” (psf/yr)

The average national, regional, comparable, and competitive rental rates are representative of airport properties with the following attributes (as applicable):

- average airside and landside access,
- average amenities, and
- average condition.

Each of these attributes is rated using the following descriptors: poor, fair, average, good, and excellent. Once a base rental rate was derived for the Airport, specific conclusions were estimated for each component of the Subject Properties based on size, access, amenities, and condition (as applicable). For the purposes of this analysis, size adjustments were developed, where appropriate, based on an analysis of AMCG’s proprietary industry database (for all airports nationally). This process included an analysis of more than 4,500 data points correlating size ranges to existing rental rates compared to the national average rental rate.

**1. Executive Hangar**

The results of the study indicate that the average rental rates for Executive Hangar range from \$3.40 psf/yr at national airports to \$4.06 psf/yr at regional airports. No usable or relevant data was available from comparable or competitive airports.

**Based on analyzing all available data, a base rental rate of \$3.75 psf/yr was derived.**

The average rental rate for an Executive Hangar exhibits the following size adjustments compared to the national average rental rate.

**Table 13 – Executive Hangar Rental Rate Adjustments**

Rental Rate Adjustments	
Range (square feet)	Adjustment (based on size)
Up to 2,999	0%
3,000 – 4,999	+5%

Utilizing the base rental rate and predicated on adjustments for size, access, amenities, and condition, the estimated rental rate conclusions are outlined in Table 14.

**Table 14 – Executive Hangar Conclusions Summary**

Executive Hangar Conclusions Summary								
Identification	Size (SF)	Base Rental Rate	Adjustments				Calculated Result	Market Rent Opinion
			Size	Access	Amenities	Condition		
#2	1,300	\$3.75	0%	-5%	-20%	-20%	\$2.06	\$2.05
#3-5	1,300		0%	-5%	-5%	-10%	\$3.00	\$3.00
#8	3,600		5%	-5%	-5%	-10%	\$3.19	\$3.20
#9	1,350		0%	-5%	-5%	-10%	\$3.00	\$3.00
#10	1,350		0%	-5%	-5%	-10%	\$3.00	\$3.00
#11	3,600		5%	-5%	-5%	0%	\$3.56	\$3.55
#12-14, 16, 17	1,200		0%	-5%	-5%	-10%	\$3.00	\$3.00
#15, 18	1,200		0%	-5%	-15%	-20%	\$2.25	\$2.25

All rental rates are "per square foot/year" (psf/yr)

**2. Portable T-Hangar**

The results of the study indicate that the average rental rates for Portable T-Hangar range from \$141.53 psf/yr at regional airports to \$149.89 psf/yr at national airports. No usable or relevant data was available from comparable or competitive airports. The current established rates for Small Portable T-Hangar as approved by the Board for FY 2019-2020 ranges from \$270.00 pu/mo to \$288.00 pu/mo.

Portable T-Hangars that are owned and leased by the airport sponsor are not common at airports, as such, a comparative analysis of data in the national airport database was conducted. This analysis included airports where Portable T-Hangars and T-Hangars are both leased. Through this analysis, it was determined that an adjustment of -25% from similarly sized T-Hangars for Portable T-Hangars exists at such airports.

It is important to note Medium T-Hangars are not leased by the County at the Airport. As such, a base rental rate for Medium T-Hangars was developed based on the relationship to Executive Hangars. Utilizing the base rental rate for Executive Hangars (\$3.75 psf/yr) would result in a base rental rate for Medium T-Hangars of \$335.00 pu/mo.

**Based on analyzing all available data, a base rental rate of \$335.00 pu/mo was derived for units 6 and 7.**

Utilizing a base rental rate of \$335.00 pu/mo for the Medium T-Hangars (1,074 square feet) would result in a base rental rate for Large T-Hangars (1,400 square feet) of \$436.69 pu/mo.

**Based on analyzing all available data, a base rental rate of \$440.00 pu/mo was derived for unit 1.**

Utilizing the base rental rate and predicated on adjustments for type, access, amenities, and condition, the estimated rental rate conclusions are outlined in Table 15.

**Table 15 – Portable T-Hangar Conclusions Summary**

Portable T-Hangar Conclusions Summary									
Identification	Size (SF)	Base Rental Rate	Adjustments				Calculated Result	Market Rent Opinion	
			Type	Access	Amenities	Condition			
#1	1,400	\$440.00	-25%	-5%	5%	0%	\$330.00	\$330.00	
#6-7	1,074	\$335.00	-25%	-5%	0%	0%	\$234.50	\$235.00	

All rental rates are “per unit per month” (pu/mo)

**3. Small Tiedown**

The results of the study indicate that the average rental rates for Small Tiedown range from \$47.50 pu/mo at comparable airports to \$62.68 pu/mo at regional airports. The average rental rate at national airports was \$56.00 pu/mo. No usable or relevant data was available from competitive airports. It is significant to note the rental rates for Small Tiedown (tail-in) range from a minimum of \$25.00 pu/mo to a maximum of \$60.00 at comparable airports. The current established rate for Tiedown (with a wingspan of less than 40 feet) as identified on the 2019-2020 Humboldt County Schedule of Fees and Charges is \$64.60 pu/mo.

**Based on analyzing all available data, a base rental rate of \$60.00 pu/mo was derived.**

Utilizing the base rental rate and predicated on adjustments for access and condition, the estimated rental rate conclusions are outlined in Table 16.

**Table 16 – Small Tiedown Conclusions Summary**

Small Tiedown Conclusions Summary					
Identification	Base Rental Rate	Adjustments		Calculated Result	Market Rent Opinion
		Access	Condition		
Tail-in	\$60.00	-5%	0%	\$57.00	\$55.00

All rental rates are “per unit per month” (pu/mo)

**4. Medium Tiedown**

The results of the study indicate that the average rental rates for Medium Tiedown range from \$74.73 pu/mo at regional airports to \$100.00 pu/mo at comparable airports. The average rental rate at national airports was \$77.02 pu/mo. No usable or relevant data was available from competitive airports. The current established rate for Tiedown (with a wingspan from 40 feet to 50 feet) as identified on the 2019-2020 Humboldt County Schedule of Fees and Charges is 81.80 pu/mo.

**Based on analyzing all available data, a base rental rate of \$75.00 pu/mo was derived.**

Utilizing the base rental rate and predicated on adjustments for access and condition, the estimated rental rate conclusions are outlined in Table 17.

**Table 17 – Medium Tiedown Conclusions Summary**

Medium Tiedown Conclusions Summary					
Identification	Base Rental Rate	Adjustments		Calculated Result	Market Rent Opinion
		Access	Condition		
Tail-in	\$75.00	-5%	0%	\$71.25	\$70.00

All rental rates are “per unit per month” (pu/mo)

**5. Large Tiedown**

The results of the study indicate that the average rental rates for Large Tiedown range from \$267.14 pu/mo at national airports to \$349.11 pu/mo at regional airports. No usable or relevant data was available from comparable or competitive airports. The current established rate for Tiedown (with a wingspan of 50 feet and larger) as identified on the 2019-2020 Humboldt County Schedule of Fees and Charges is \$93.90 pu/mo.

**Based on analyzing all available data, a base rental rate of \$95.00 pu/mo was derived.**

Utilizing the base rental rate and predicated on adjustments for access and condition, the estimated rental rate conclusions are outlined in Table 18.

**Table 18 – Large Tiedown Conclusions Summary**

Large Tiedown Conclusions Summary					
Identification	Base Rental Rate	Adjustments		Calculated Result	Market Rent Opinion
		Access	Condition		
Tail-in	\$95.00	-5%	0%	\$90.25	\$90.00

All rental rates are “per unit per month” (pu/mo)

**6. Storage**

The results of the study indicate that the average rental rates for Storage range from \$2.54 psf/yr at national airports to \$2.59 psf/yr at regional airports. No usable or relevant data was available from comparable or competitive airports.

**Based on analyzing all available data, a base rental rate of \$2.55 psf/yr was derived.**

Utilizing the base rental rate and predicated on adjustments for size, access, amenities, and condition, the estimated rental rate conclusions are outlined in Table 19.

**Table 19 – Storage Conclusions Summary**

Storage Conclusions Summary								
Name	Size (SF)	Base Rental Rate	Adjustments			Calculated Result	Market Rent Opinion	
			Size	Access	Amenities			Condition
FAA Building	900	\$2.55	2.5%	-5%	0%	5%	\$2.61	\$2.60

All rental rates are “per square foot/year” (psf/yr)

### 7. *Aeronautical Improved Land*

The results of the study indicate that the average rental rates for Aeronautical Improved Land range from \$0.26 psf/yr at comparable and national airports to \$0.32 psf/yr at regional airports. No usable or relevant data was available from competitive airports. It is significant to note the rental rates for Aeronautical Improved Land range from a minimum of \$0.26 psf/yr to a maximum of \$0.27 at comparable airports. However, due to the Aeronautical Improved Land data available for regional airports, a conclusion above the comparable range was deemed appropriate.

**Based on analyzing all available data, a base rental rate of \$0.35 psf/yr was derived.**

The average rental rate for Aeronautical Land up to 49,999 square feet in the national database exhibits an adjustment of approximately -5% (based on size) while the average rental rate for Aeronautical Land ranging from 50,000 square feet to 249,999 square feet in the national database exhibit an adjustment of approximately -10% (based on size) compared to the national average rental rate. The average rental rate for Aeronautical Land ranging from 250,000 square feet to 999,999 square feet in the national database exhibits no adjustment (based on size) while the average rental rate for Aeronautical Land greater than 1,000,000 square feet in the national database exhibit an adjustment of approximately -35% (based on size) compared to the national average rental rate.

Utilizing the base rental rate and predicated on adjustments for size and access, the estimated rental rate conclusions are outlined in Table 20.

**Table 20 – Aeronautical Improved Land Conclusions Summary**

Aeronautical Improved Land Conclusions Summary					
Size (SF)	Base Rental Rate	Adjustments		Calculated Result	Market Rent Opinion
		Size	Access		
Up to 49,999	\$0.35	-5%	-5%	\$0.32	\$0.33
50,000 - 249,999		-10%		\$0.30	\$0.30
250,000 - 999,999		0%		\$0.33	\$0.33
1,000,000 and greater		-35%		\$0.21	\$0.20

All rental rates are “per square foot/year” (psf/yr)

### 8. *Aeronautical Unimproved Land*

The results of the study indicate that the average rental rates for Aeronautical Unimproved Land range from \$0.20 psf/yr at national airports to \$0.23 psf/yr at regional airports. No usable or relevant data was available from comparable or competitive airports.

In addition to the above findings, a comparative analysis of data in the national airport database was conducted. This analysis included airports where Aeronautical Improved Land and Aeronautical Unimproved Land are both leased. Through this analysis, it was determined that an adjustment of -30.0% for Aeronautical Unimproved Land exists at such airports. Applying this adjustment to the Aeronautical Improved Land base rental rate (\$0.35 psf/yr) would yield an Aeronautical Unimproved Land rental rate of \$0.25 psf/yr.

**Based on analyzing all available data, a base rental rate of \$0.25 psf/yr was derived.**

The average rental rate for Aeronautical Land up to 49,999 square feet in the national database exhibits an adjustment of approximately -5% (based on size) while the average rental rate for Aeronautical Land ranging from 50,000 square feet to 249,999 square feet in the national database exhibit an adjustment of approximately -10% (based on size) compared to the national average rental rate. The average rental rate for Aeronautical Land ranging from 250,000 square feet to 999,999 square feet in the national database exhibits no adjustment (based on size) while the average rental rate for Aeronautical Land greater than 1,000,000 square feet in the national database exhibit an adjustment of approximately -35% (based on size) compared to the national average rental rate.

Utilizing the base rental rate and predicated on adjustments for size and access, the estimated rental rate conclusions are outlined in Table 21.

**Table 21 – Aeronautical Unimproved Land Conclusions Summary**

Aeronautical Unimproved Land Conclusions Summary					
Size (SF)	Base Rental	Adjustments		Calculated Result	Market Rent
		Size	Access		
Up to 49,999	\$0.25	-5%	-5%	\$0.23	\$0.23
50,000 - 249,999		-10%		\$0.21	\$0.20
250,000 - 999,999		0%		\$0.24	\$0.25
1,000,000 and greater		-35%		\$0.15	\$0.15

All rental rates are “per square foot/year” (psf/yr)

**9. Asphalt Apron**

The results of the study indicate that the average rental rates for Asphalt Apron range from \$0.43 psf/yr at national airports to \$0.65 psf/yr at regional airports. No usable or relevant data was available from comparable or competitive airports.

In addition to the above findings, a comparative analysis of data in the national airport database was conducted. This analysis included airports where Asphalt Apron and Commercial Improved Land are both leased. Through this analysis, it was determined that an adjustment of +30% for Asphalt Apron exists at such airports. Applying this adjustment to the Aeronautical Improved Land base rental rate (\$0.35 psf/yr) would yield an Asphalt Apron rental rate of \$0.46 psf/yr.

**Based on analyzing all available data, a base rental rate of \$0.45 psf/yr was derived.**

The average rental rate for Asphalt Apron exhibits the following size adjustments compared to the national average rental rate.

**Table 22 – Asphalt Apron Rental Rate Adjustments**

Rental Rate Adjustments	
Range (square feet)	Adjustment (based on size)
Up to 99,999	-2.5%
Greater than 100,000	0%

Utilizing the base rental rate and predicated on adjustments for size, access, and condition, the estimated rental rate conclusions are outlined in Table 23.

**Table 23 – Asphalt Apron Conclusions Summary**

Asphalt Apron Conclusions Summary							
Identification	Size (SF)	Base Rental Rate	Adjustments			Calculated Result	Market Rent Opinion
			Size	Access	Condition		
Cal Fire	75,000	\$0.45	-2.5%	5%	5%	\$0.48	\$0.48

All rental rates are “per square foot/year” (psf/yr)

**B. Rental Rate Conclusions Summary**

Based on the preceding analysis and analysis of the rents being charged for similar properties at the Airports and national, regional, comparable and competitive airports, the conclusions of AMCG’s opinion of market rent for the Subject Properties are outlined in Table 24.

**Table 24 – Rental Rate Conclusions Summary**

Rental Rate Conclusions						
Lessee	Component	Identification	Number of Units	Size (SF)	Market Rent Opinion	
Multiple	Executive Hangar	#2	1	1,300	\$2.05	
		#3-5	3	1,300	\$3.00	
		#8	1	3,600	\$3.20	
		#9	1	1,350	\$3.00	
		#10	1	1,350	\$3.00	
		#11	1	3,600	\$3.55	
		#12-14, 16-17	5	1,200	\$3.00	
	#15, 18	2	1,200	\$2.25		
	Multiple	Portable T-Hangar	#1	1	1,400	\$330.00
			#6-7	2	1,074	\$235.00
Small Tiedown		Tail-in	20	N/A	\$55.00	
Medium Tiedown		Tail-in	20	N/A	\$70.00	
	Large Tiedown	Tail-in	20	N/A	\$90.00	
FAA	Storage	FAA Building	1	900	\$2.60	
Multiple	Aeronautical Improved Land	N/A	N/A	Up to 49,999	\$0.33	
				50,000 - 249,999	\$0.30	
				250,000 - 999,999	\$0.33	
	Aeronautical Unimproved Land	N/A	N/A	1,000,000 and greater	\$0.20	
				Up to 49,999	\$0.23	
				50,000 - 249,999	\$0.20	
				250,000 - 999,999	\$0.25	
				1,000,000 and greater	\$0.15	
Cal Fire	Asphalt Apron	N/A	N/A	75,000	\$0.48	

Rental rates for T-Hangars and Tiedowns are “per unit per month” (pu/mo)

All other rental rates are “per square foot per year” (psf/yr)

## VIII. APPENDIX

### A. Limiting Conditions

This report is subject to the following conditions and to other specific and limiting conditions as described by Aviation Management Consulting Group, Inc. (AMCG) in this report.

1. AMCG assumes no responsibility for matters legal in nature affecting the Subject Properties, nor does AMCG render any opinion as to the title of the Subject Properties, which are assumed to be good and marketable. All existing liens and encumbrances, if any, have been designated and the Subject Properties have been analyzed as though free and clear and held under responsible ownership and competent management.
2. Information, estimates, and opinions furnished to AMCG and contained in this report were obtained from sources considered to be reliable and are believed to be true and correct. However, AMCG assumes no responsibility for their accuracy.
3. Although dimensions were taken from a source considered reliable, this should not be construed as a survey. The exact size of the Subject Properties and legal description (as appropriate) should be verified by a licensed engineer or surveyor.
4. Sketches presented in this report may show approximate dimensions and are included to assist the reader in visualizing the Subject Properties. AMCG assumes no responsibility for their accuracy and has not conducted a survey of the Subject Properties.
5. Unless noted in this report, the conclusions do not include contributory value of any personal property, furniture, fixtures, equipment, or on-going business value.
6. It is assumed that the utilization of the Subject Properties is within the boundaries or property lines and that there is no encroachment or trespass unless noted in this report.
7. This report is prepared for the sole, exclusive use of the client. No third parties are authorized to rely on this report without the prior written consent of AMCG.
8. It is assumed that all applicable zoning and use regulations have been complied with unless a non-conformity was stated, defined, and considered in this report.
9. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or federal government or private entity or organization have been or can be obtained or renewed for any use on which the conclusions are based.
10. Full compliance with all applicable federal, state, and local environmental regulations and laws is assumed unless noncompliance is stated, defined, and considered in this report.
11. AMCG does not have any knowledge of the existence of potentially hazardous material, gases, toxic waste, or mold on or in the Subject Properties. To AMCG's knowledge, the presence of potentially hazardous waste, materials, or gases has not been detected, or if they have been detected, it has been determined that the amount or level is considered to be safe according to standards established by the Environmental Protection Agency (EPA). However, AMCG is not qualified to detect such substances and does not make any guarantees or warranties that the Subject Properties have been tested for the presence of potentially hazardous waste material or gases, if tested, that the tests were conducted pursuant to EPA-approved procedures. The existence of any potentially hazardous material, gases, toxic waste, or mold may have an effect on the conclusions. An expert in this field should be retained by the client if desired.

12. AMCG is not a property or environmental inspector. The AMCG team has provided an opinion of rent. This report does not guarantee that the Subject Properties are free of defects of environmental issues. AMCG has performed an inspection of the visible and accessible areas only. AMCG is not qualified to determine the existence of mold, the cause of mold, the type of mold, or whether, if any, mold exists, the mold might pose any risk to the Subject Properties or its inhabitants. Mold may be present in areas of the Subject Properties, including areas AMCG could not see. A professional property inspector or environmental inspection is recommended.
13. It is assumed the Subject Properties will have an adequate supply of energy in the future.
14. The American with Disabilities Act (ADA) became effective January 26, 1992. AMCG has not made a specific compliance survey and analysis of the Subject Properties to determine if the Subject Properties are in conformity with the various detailed analysis of the requirements of the ADA. It is possible that a compliance survey of the Subject Properties together with a detailed analysis of the requirements of the ADA could reveal that the Subject Properties are not in compliance with one or more of the requirements of the ADA. If so, this fact could have a negative impact on the conclusions. Since AMCG has no direct evidence relating to this issue, possible noncompliance with the requirements of the ADA was not considered in the analysis.
15. AMCG assumes there are no hidden or unapparent conditions of the Subject Properties, subsoil, or structures that would render the Subject Properties more or less valuable. AMCG assumes no responsibility for such conditions or for engineering that might be required to discover such factors.
16. No requirements shall be made of AMCG to give testimony or appear in court by reason of this report of the Subject Properties in question, unless arrangements have been made previously. If any courtroom or administrative testimony is required in connection with this report, additional fees and expenses shall be charged for those services.
17. Possession of this report, or copy hereof, does not carry with it the right of publication nor may it be used for any purpose whatsoever by any entity but the client without the prior written consent of AMCG and the client.
18. Neither all nor any part of the contents of this report shall be disseminated to the public through advertising media or public means of communication without the prior written consent of AMCG and the client.
19. AMCG's inspection of the site shall in no way be constructed as an engineering inspection for structural soundness, physical condition, or for the condition of the mechanical systems.

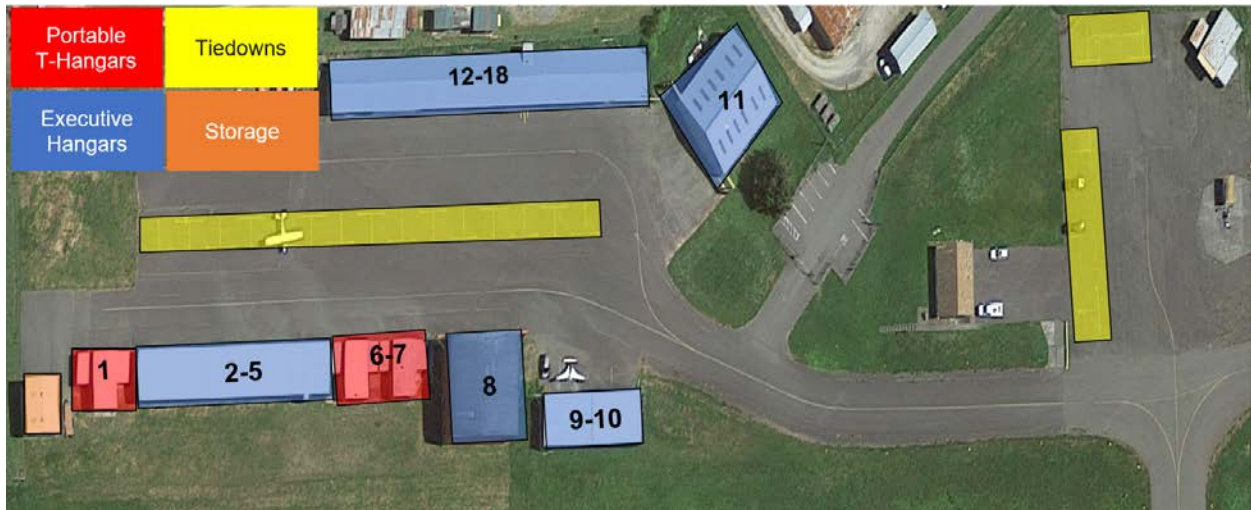
## B. Definitions and Acronyms

- Commercial – An activity undertaken with the intent to generate and/or secure earnings, income, or compensation (including exchange or barter of goods or services), and/or profit, whether or not such objectives are accomplished.
- Executive Hangar – A square or rectangular-shaped hangar designed to accommodate the proprietary aircraft operations of a single company or individual. Executive Hangars (typically ranging in size from 50 feet by 50 feet to upwards of 100 feet by 100 feet) are typically larger than T-Hangars, smaller than Community Hangars, and may have associated shop, office, and storage areas.
- GPS – Global positioning system.
- Improved Land – Airport land having access (airside and landside) and utilities to the property boundary.
- Itinerant – Aircraft operations terminated at an airport which (1) arrive from outside the airport area or (2) depart the airport and leave the airport area.
- Local – Aircraft operations which (1) remain in the local traffic pattern, (2) execute simulated instrument approaches or low passes at an airport, or (3) operate to or from an airport and a designated practice area within a 20-mile radius of the Air Traffic Control Tower.
- Maximum – Maximum value present in the data range.
- Mean – Arithmetic average of all data in the data range.
- Median – Value wherein half of the data points in the number series are below while half of the data points in the number series are above.
- Minimum – Minimum value present in the data range.
- Non-Commercial – Not for the purpose of securing earnings, income, compensation (including exchange or barter of goods and services), and/or profit.
- Portable Hangar – A hangar that is square, rectangular-shaped, or “T” shaped and is not permanently affixed to associated apron area and the Portable Hangar can be reasonably removed or is designed to be removed.
  - Small Portable Hangar – Typically up to 1,000 square feet with a door width up to 40 feet and a door height which can accommodate most single-engine piston-powered aircraft.
  - Medium Portable Hangar – Typically ranges from 1,000 square feet up to 1,300 square feet with a door width ranging from 40 feet up to 45 feet and a door height which can accommodate most light multi-engine piston-powered aircraft.
  - Large Portable Hangar – Typically ranges from 1,300 square feet up to 2,000 square feet with a door width ranging from 45 feet up to 55 feet and a door height which can accommodate most multi-engine piston-powered aircraft and similarly sized turbine-powered aircraft.
- Range – Mathematical difference between the maximum and minimum values of the data range.
- RNAV – GPS – Area navigation-global positioning system.
- Standard Deviation – Statistical method designed to mathematically measure the variability in a set of data points. The calculated figure for standard deviation is indicative of the relative distance between the mean and every data point. For a normally distributed data range, approximately 68% of the data points would fall within one standard deviation of the mean, as illustrated by a normal bell curve. Similarly, approximately 95% of the data points would fall within two standard deviations, while approximately 99.7% of the data points would fall within three standard deviations of the mean. Assuming the data points from the airports are representative of the population and the population follows a normal bell curve, the calculated standard deviation values would illustrate the relative variability in data points (i.e., how close these data points are to the mean).
- Tiedown – An aircraft parking area typically signified by a painted “T” and equipped with three-point tiedown anchors to secure the aircraft wingtips and tail.
  - Small Tiedown – Utilization of a Tiedown by most single-engine piston-powered aircraft with an overall width up to 40 feet.

- Medium Tiedown – Utilization of a Tiedown by most light multi-engine piston-powered aircraft with an overall width from 40 feet up to 45 feet.
- Large Tiedown – Utilization of a Tiedown by most multi-engine piston-powered aircraft and similarly sized turbine-powered aircraft with an overall width from 45 feet up to 55 feet.
- Unimproved Land – Airport land without airside and/or landside access and/or utilities to the property boundary.
- VOR – Very high frequency omnidirectional range.

**C. Subject Properties Identification Map**

Figure 3 – Subject Properties



For reference purposes only

**D. Subject Properties Photographic Survey**



Executive Hangar #9



Executive Hangar #9 and #10



Executive Hangar #2



Executive Hangar #11



Executive Hangar #8



Portable T-Hangar #6



Portable T-Hangar #6



Tiedown



Tiedown



Tiedown



Tiedown



Tiedown



Storage



Storage



Asphalt Apron



Asphalt Apron