Additional Leased Fee Value of

The Noted Billboard Pad Lease

As noted previously, a tenant - CBS Outdoor currently leases a small pad along the subject‘s I-5 frontage on west side of TL 6200. This lease begin in March 1994, and is currently in the midst of a 10-year lease renewal which provides for additional contractual income to the owner. The contract rent is fixed at $5,400 per year (payable annual in advance) for the current 10-year period ending March 31, 2025. A copy of this lease renewal is provided in the Addenda of this report.

The periodic (annual) receipt of the contract rent over the term of the lease (through March 31, 2025) was brought back to a present value based on a 6.0% discount rate (beginning of period payments). This is considered a reasonable rate to account for the relatively low risk associated with this tenant and the short-term nature of the associated pad lease.

Based on the preceding, the present value of the leased fee interest in the **billboard pad lease** is concluded to be roughly **$\_\_\_,000**, as shown in the following chart.



Final Concluded As Is Market Value – Leased Fee

By adding the PV of the billboard pad lease income to the stabilized fee simple value, it is the appraiser’s opinion that the **final concluded as is market value** of the leased fee interest in the **subject property**, as of ${eff\_date\_value}, is as follows:

|  |  |
| --- | --- |
|  |  |
| Stabilized Market Value – Fee Simple | $\_\_\_\_\_,000 |
| Add: PV Billboard Lease Income | $\_\_,000 |
| **Concluded As Is Market Value – Leased Fee:** | **$\_\_\_\_\_,000** |