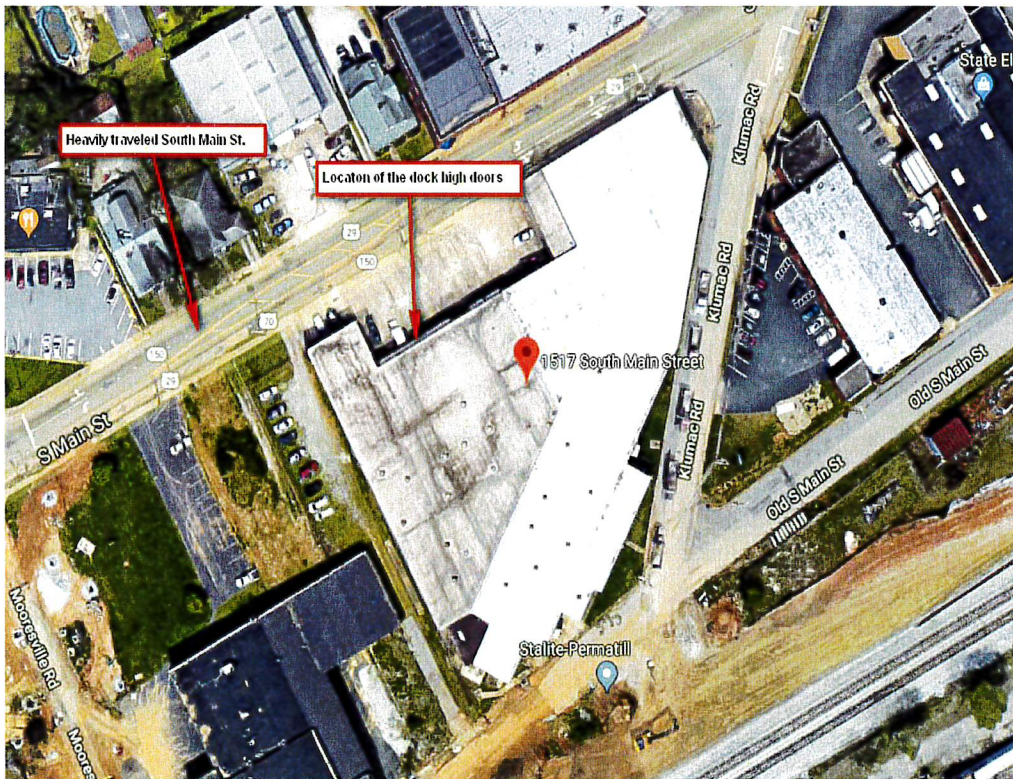


As a result, the subject is in overall average condition. The only item of deferred maintenance we observed was a small section of the chain linking fencing at the southwest portion of the building that needs to be repaired. The cost to cure this area of the fence is negligible. As a result, we will not apply a deduction for this from our value conclusions as shown later in the appraisal.

FUNCTIONAL UTILITY

Functional utility is “the ability of a property or building to be useful and to perform the function for which it is intended according to the current market tastes and standards; the efficiency of a building’s use in terms of architectural style, design and layout, traffic patterns, and the size and type of rooms.”⁵ Based on observations made at the time of the inspection and through our discussions with market participants, the subject suffers from some functional utility issues due to the location of the dock high doors along the portion of the building that fronts the heavily traveled South Main Street as shown in the following image:



As the image reveals, there is very little room for truck maneuverability in the concrete portion located in front of the building.

⁵ *The Dictionary of Real Estate Appraisal* (6th ed.). Chicago, IL: The Appraisal Institute. 2010. Page 97.