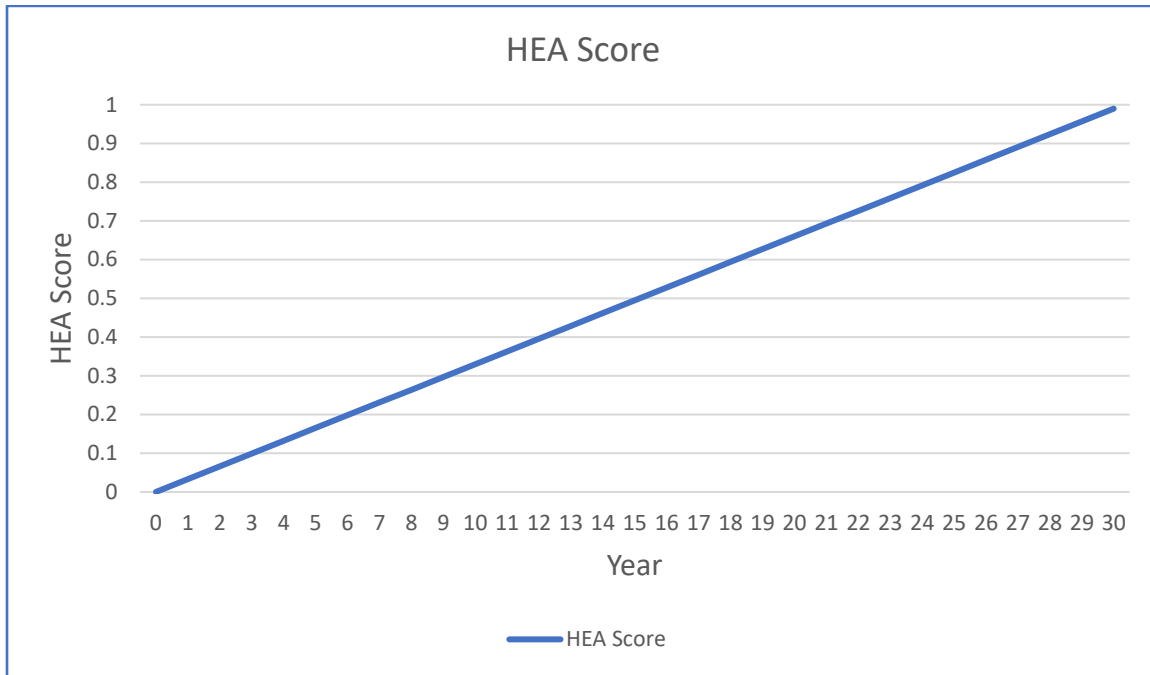
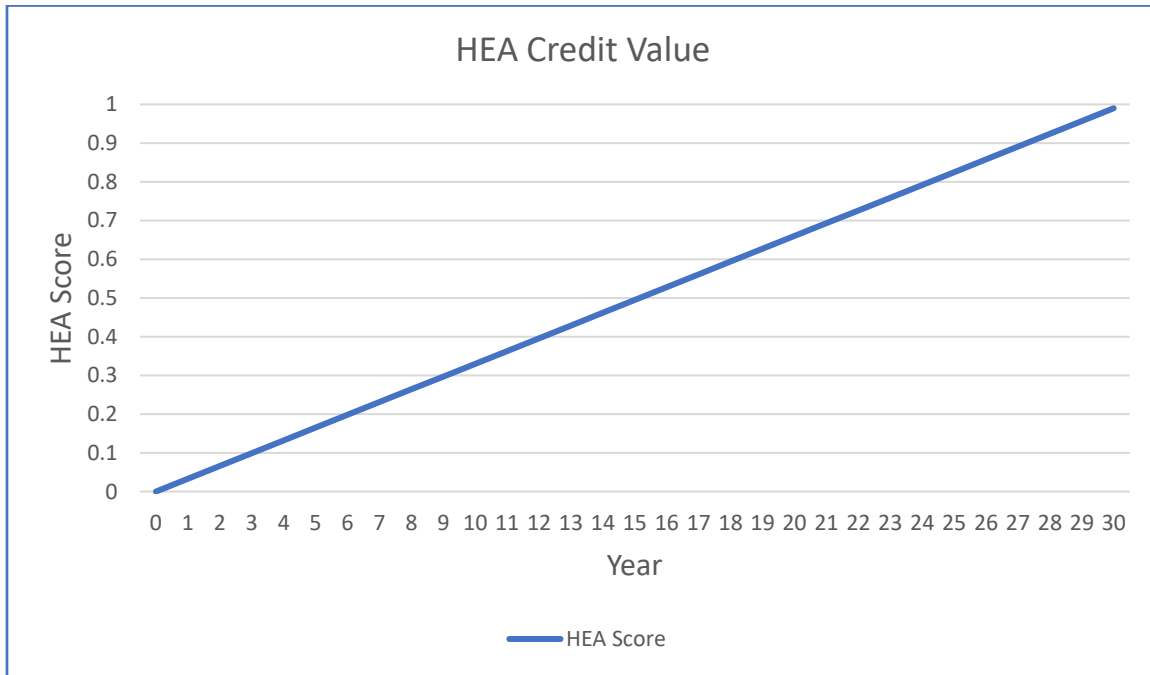


Habitat Equivalency Analysis (HEA) Score and DSAY Value Over 30-Year Recovery at 3% Discount Rate



AR = 0.033 DR¹ = 0.033 PV = AR / DR PV = 0.033/0.033² PV = 1 DSAY = PV * 1-Acre = 1



1 HEA Credit Value (DSAY) = \$75,000.00 AR = \$2,500.00 DR = 0.033

Present Value (PV) Equals Annual Return (AR) Divided by Discount Rate (DR) Method

PV = AR / DR PV = 0.033/0.033 PV = 1 DSAY = 1 * 1-Acre = 1
 PV = AR / DR PV = \$2,500 / .033 PV = \$75,000.00

Present Value (PV) Equals Delta HEA (DH) Divided by Discount Rate (DR) Method³

PV = DH / DR PV = 1.0/0.033 PV = 30 DSAY = 30 * 1-Acre = 30
 PV = DH / DR PV = \$75,000 / .033 PV = \$2,250,000.00

¹ Discount Rate (DR) is considered here as the equivalent of the Time Loss Interest Penalty (TLIP).
² More Precise Results Requires Expressing the DR Term to at Least the Sixth Decimal Place.
³ This is the method used by the Portland Harbor Mitigation and Conservation Banks that is in question.