

## IDEAL MOBILE HOME COMMUNITY

750 East Stillwater Avenue  
Fallon, Nevada 89406

### APPRAISAL REPORT

Date of Report: July 20, 2022

Colliers File #: SMF220795

Client File #: 22-001625-001

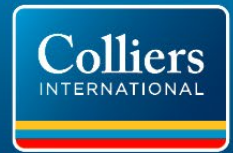


PREPARED FOR  
Michael Hall  
Columbia State Bank  
1301 A Street  
Tacoma, WA 98402

PREPARED BY  
**COLLIERS INTERNATIONAL**  
VALUATION & ADVISORY SERVICES

# LETTER OF TRANSMITTAL

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July 20, 2022

Michael Hall  
**Columbia State Bank**  
1301 A Street  
Tacoma, WA 98402

**RE: Ideal Mobile Home Community**

750 East Stillwater Avenue  
Fallon, Nevada 89406

Colliers File #: SMF220795

Client File #: 22-001625-001

Mr. Hall:

Pursuant with our engagement, the above captioned property was appraised utilizing best practice appraisal principles for this property type. This appraisal report satisfies the scope of work and requirements agreed upon by Columbia State Bank and Colliers International Valuation & Advisory Services.

The date of this report is July 20, 2022. At the request of the client, this appraisal is presented in an Appraisal Report format as defined by *USPAP* Standards Rule 2-2(a). Our appraisal format provides a detailed description of the appraisal process, subject and market data and valuation analyses.

The purpose of this appraisal is to develop opinions of the As-Is Market Value and Prospective Value Upon Stabilization of the subject property's leased fee interest. At the request of the client we have also completed an Insurable Replacement Cost Estimate. The following table conveys the final opinions of market value of the subject property that are developed within this appraisal report:

VALUE TYPE	INTEREST APPRAISED	DATE OF VALUE	VALUE
Market Value As-Is	Leased Fee	July 15, 2022	\$13,750,000
Prospective Value With Market Rents & Water Income	Leased Fee	July 15, 2024	\$17,710,000
<b>OTHER CONCLUSIONS</b>			<b>AS OF JULY 15, 2022</b>
Insurable Replacement Cost			\$539,146
Actual Cash Value (ACV)			\$269,573

The subject is a Manufactured Housing Community (All Age) totaling 197 homesites located on a 23.60-acre site at 750 East Stillwater Avenue in Fallon, Nevada. However, 10 of the 197-homesites are owned by the park tenants and are separate parcels, and will therefore, not be included in the overall collateral. It is noted that the 10 tenants do pay monthly maintenance fees (access to the common area amenities and an allocation of

maintenance fees). For the purposes of this analysis, we will use 187 spaces as the total spaces throughout this report (we also include the monthly maintenance fee income for the 10 tenant owned homesites). The improvements were built in 1980, are in average/good condition and have a remaining economic life of 30 years based on our estimate. The subject's common amenities include: Clubhouse, laundry room, swimming pool, spa and perimeter fence.

The subject property has a current occupancy level of 97.9%, which is consistent with the stabilized occupancy level estimate of 97% that was developed in this appraisal.

Research of the applicable public records, private data services and an interview of the current owner and/or broker revealed that the subject property has not transferred during the past three years of the effective date of value stated in this report. The subject property is under contract to sell for \$13,100,000 between Oakwood Place, LLC (Grantor) and The BoaVida Group LP (Grantee). It had been listed for sale at \$13,100,000. The contract provided to the appraiser contains no atypical terms or conditions. There are no reported seller concessions. This appears to be an arm's-length transaction. It is reported that the subject was placed on the open market for a short period (unknown length) but only received one offer (full-price) from the buyer. No concessions or discounts were reported. The buyer's broker is reported to be paid \$327,500 by the buyer through escrow in accordance with a separate agreement (not provided). Total consideration for the subject property as reported by the buyer, including broker fee, is \$13,427,500. The purchase price is similar to the As-Is Value.

The manufactured housing industry does not have a standard rating classification. Some in the industry reference a "star" rating system. This rating classification became defunct with the passage of the National Manufactured Housing Construction and Safety Standards Act, commonly known as the HUD Code. This act went into effect on June 15, 1976. Throughout this report, for comparison purposes, we utilize a classification system typical of most real estate asset classes. Class A properties are the highest quality properties, Class B are average/moderate quality properties, and Class C are lower quality properties. The subject is a Class C+ manufactured housing community (MHC).

The analyses, opinions and conclusions communicated within this appraisal report were developed based upon the requirements and guidelines of the current Uniform Standards of Professional Appraisal Practice (USPAP), the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute. The report is intended to conform to the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA) standards and the appraisal guidelines of Columbia State Bank.

The report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter. *USPAP* defines an Extraordinary Assumption as, "an assignment specific-assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions". *USPAP* defines a Hypothetical Condition as, "that which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis".

The Extraordinary Assumptions and/or Hypothetical Conditions that were made during the appraisal process to arrive at our opinions of value are fully discussed below. We advise the client to consider these issues carefully given the intended use of this appraisal, as their use might have affected the assignment results.

### **EXTRAORDINARY ASSUMPTIONS**

The buyer informed the appraiser that he will upgrade the water meters, in order to allow for metering tenant water usage and obtain water expense reimbursements from the tenants. New water meters will be installed in the first year of ownership totaling approximately \$60,000. It is an extraordinary assumption that the water meters

will be installed as indicated by the buyer so that he can stabilize the property to market rents and with water utility expense reimbursements.

No other Extraordinary Assumptions were made for this assignment.

### **HYPOTHETICAL CONDITIONS**

No Hypothetical Conditions were made for this assignment.

### **RELIANCE LANGUAGE**

The Appraisal is for the sole use of the Client; however, Client may provide only complete, final copies of the Appraisal report in its entirety (but not component parts) to third parties who shall review such reports in connection with loan underwriting or securitization efforts. Colliers International Valuation & Advisory Services is not required to explain or testify as to appraisal results other than to respond to the Client for routine and customary questions. Please note that our consent to allow the Appraisal prepared by Colliers International Valuation & Advisory Services or portions of such Appraisal, to become part of or be referenced in any public offering, the granting of such consent will be at our sole and absolute discretion and, if given, will be on condition that Colliers International Valuation & Advisory Services will be provided with an Indemnification Agreement and/or Non-Reliance letter, in a form and content satisfactory to Colliers International Valuation & Advisory Services, by a party satisfactory to Colliers International Valuation & Advisory Services. Colliers International Valuation & Advisory Services does consent to your submission of the reports to rating agencies, loan participants or your auditors in its entirety (but not component parts) without the need to provide Colliers International Valuation & Advisory Services with an Indemnification Agreement and/or Non-Reliance letter.

Colliers International Valuation & Advisory Services hereby expressly grants to Client the right to copy the Appraisal and distribute it to other parties in the transaction for which the Appraisal has been prepared, including employees of Client, other lenders in the transaction, and the borrower, if any.

Our opinion of value reflects current conditions and the likely actions of market participants as of the date of value. It is based on the available information gathered and provided to us, as presented in this report, and does not predict future performance. Changing market or property conditions can and likely will have an effect on the subject's value.

The signatures below indicate our assurance to the client that the development process and extent of analysis for this assignment adhere to the scope requirements and intended use of the appraisal. If you have any specific questions or concerns regarding the attached appraisal report, or if Colliers International Valuation & Advisory Services can be of additional assistance, please contact the individuals listed below.

Sincerely,

## COLLIERS INTERNATIONAL VALUATION & ADVISORY SERVICES



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Executive Vice President | Western US  
Certified General Real Estate Appraiser  
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**LETTER OF TRANSMITTAL**

<b>INTRODUCTION</b>	<b>1</b>
Executive Summary	1
Aerial Photograph	4
Subject Property Photographs	5
Identification of Appraisal Assignment	7
Scope of Work	10
<b>DESCRIPTIONS &amp; EXHIBITS</b>	<b>12</b>
Regional Map	12
Regional Analysis	13
Local Area Map	18
Local Area Analysis	19
Site Description	27
Plat Map	34
Flood Map	37
Assessment & Taxation	44
Zoning Analysis	53
Market Analysis	55
Highest & Best Use	74
<b>VALUATION</b>	<b>77</b>
Valuation Methods	77
Income Approach	79
Rent Comparable Summation Table	79
Rent Comparable Location Map	81
Rent Data Sheets	82
Rent Adjustment Grid	88
Income & Expense Analysis	90
Subject Operating Historicals	91
Other Income Analysis	92
Vacancy & Credit Loss	92
Expense Comparable Table	92
Conclusion of Operating Expenses	93
Investment Market Analysis	96
As-Is Direct Capitalization	100
Sales Comparison Approach	103
Sales Summation Table	104
Sales Location Map	105
Sales Data Sheets	106
Sales Comparison Approach Conclusion	114
Reconciliation of Value Conclusions	115

## **CERTIFICATION**

## **ASSUMPTIONS & LIMITING CONDITIONS**

## **ADDENDA**

Insurable Replacement Cost

Engagement Letter

P&L Statements

Rent Roll

Preliminary Title Report

Valuation Glossary

Qualifications of Appraisers

Qualifications of Colliers International Valuation & Advisory Services

**GENERAL INFORMATION**

<b>Property Name</b>	Ideal Mobile Home Community
<b>Property Type</b>	Manufactured Housing Community - All Age
<b>Address</b>	750 East Stillwater Avenue
<b>City</b>	Fallon
<b>State</b>	Nevada
<b>Zip Code</b>	89406
<b>County</b>	Churchill
<b>Market</b>	Churchill County
<b>Census Region</b>	West
<b>Census Subregion</b>	Mountain
<b>Longitude</b>	-118.766430
<b>Latitude</b>	39.469765
<b>Number Of Parcels</b>	190
<b>Assessor Parcels</b>	Multiple APNs
<b>Total Taxable Value</b>	\$198,816
<b>Census Tract Number</b>	9503.01

**SITE INFORMATION**

<b>Land Area</b>	<b>Acres</b>	<b>Square Feet</b>
Usable	23.60	1,028,016
Excess	0.00	0
<u>Surplus</u>	<u>0.00</u>	<u>0</u>
<b>Total</b>	<b>23.60</b>	<b>1,028,016</b>
<b>Topography</b>	Level at street grade	
<b>Shape</b>	Irregular	
<b>Access</b>	Average/Good	
<b>Exposure</b>	Average	
<b>Appeal</b>	Average/Good	
<b>Current Zoning</b>	General Commercial District (C-2)	
<b>Flood Zone</b>	Zone X (Unshaded) & Zone AE	
<b>Seismic Zone</b>	High Risk	

**IMPROVEMENT INFORMATION**

<b>Number Of Homesites</b>	187
<b>Development Density</b>	7.9 Units/Acre (187 Units / 23.60 Acres)
<b>Total Number Of Common Area Buildings</b>	2
<b>Number Of Stories</b>	1
<b>Year Built</b>	1980
<b>Property Class</b>	C+
<b>Quality</b>	Average/Good
<b>Condition</b>	Average/Good
<b>Marketability</b>	Average/Good
<b>Parking Type</b>	Homesite and Visitor
<b>Number Of Parking Spaces</b>	387
<b>Parking Spaces/Homesite</b>	2.1
<b>Project Amenities</b>	The subject's common amenities include: Clubhouse, laundry room, swimming pool, spa and perimeter fence.



**HIGHEST & BEST USE**

<b>As Vacant</b>	Development of a general commercial use as market conditions warrant
<b>As Improved</b>	Continued use as a manufactured housing community

**EXPOSURE TIME & MARKETING PERIOD**

<b>Exposure Time</b>	Three Months or Less
<b>Marketing Period</b>	Three Months or Less

**VALUATION SUMMARY**

<b>Current Occupancy</b>	97.9%
<b>Stabilized Occupancy</b>	97.0%
<b>Estimated Lease-Up Period</b>	36 Months
<b>Current Average Rent/Homesite</b>	\$410/Homesite
<b>Concluded Average Rent/Homesite</b>	\$500/Homesite
<b>Potential Gross Income (PGI)</b>	\$1,167,000
<b>Vacancy &amp; Credit Loss</b>	3.0%
<b>Effective Gross Income (EGI)</b>	\$1,133,340
<b>Total Expenses</b>	\$413,967
<b>Net Operating Income (NOI)</b>	\$719,373
<b>Capitalization Rate (OAR)</b>	5.00%

**VALUATION SUMMARY**

VALUATION INDICES	MARKET VALUE AS-IS	PROSPECTIVE VALUE WITH MARKET RENTS & WATER INCOME
<b>INTEREST APPRAISED</b>	LEASED FEE	LEASED FEE
<b>DATE OF VALUE</b>	JULY 15, 2022	JULY 15, 2024

**INCOME CAPITALIZATION APPROACH**

<b>Direct Capitalization</b>	<b>\$13,750,000</b>	<b>\$17,710,000</b>
Direct Capitalization \$/Homesite	\$73,529/Homesite	\$94,706/Homesite
Net Operating Income	\$719,373	-
NOI \$/Homesite	\$3,847/Homesite	-
Capitalization Rate	5.00%	-
<b>INCOME CONCLUSION</b>	<b>\$13,750,000</b>	<b>\$17,710,000</b>
Income Conclusion \$/Homesite	\$73,529/Homesite	\$94,706/Homesite

**SALES COMPARISON APPROACH**

<b>SALES CONCLUSION</b>	<b>\$14,030,000</b>	-
Sales Conclusion \$/Homesite	\$75,027/Homesite	-

**FINAL VALUE CONCLUSION**

<b>FINAL VALUE</b>	<b>\$13,750,000</b>	<b>\$17,710,000</b>
Final \$/Homesite	\$73,529/Homesite	\$94,706/Homesite

**OTHER CONCLUSIONS**

<b>Insurable Replacement Cost</b>	<b>\$539,146</b>
<b>Actual Cash Value (ACV)</b>	<b>\$269,573</b>

## SWOT ANALYSIS

SWOT is an acronym for the internal strengths and weaknesses of an asset and the environmental (external) opportunities and threats facing that property. Based on our analysis of the subject property we have identified the following strengths, weaknesses, opportunities and threats.

### SUMMARY OF STRENGTHS & WEAKNESSES OF SUBJECT ASSET

#### STRENGTHS

- High Occupancy in Recent Years (Avg. 95% to 100%)
- Large asset size/increase in efficiencies
- Low density, high Class A asset with strong appeal
- Public utilities
- Tight market vacancy promotes rent growth
- High Barrier to Entry due to lack of vacant land
- Limited similar sized product on the market at this time
- Units sell in place allowing for minimal turnover time/loss of rent
- Increased demand for affordable housing
- Affordable housing that does not rely upon government subsidies

#### OPPORTUNITIES

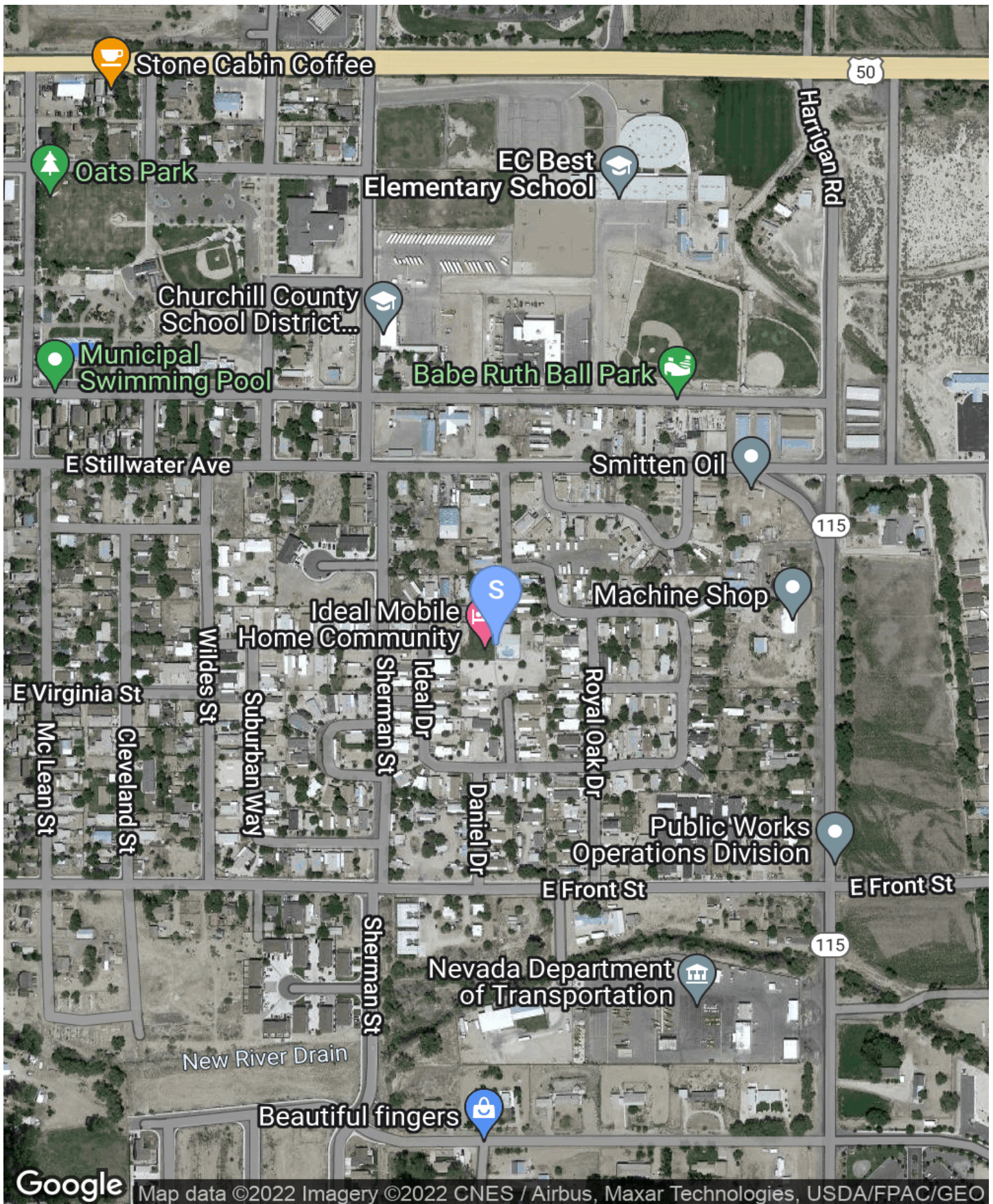
- Upside potential via rent increases
- Market conditions point toward increased demand for affordable housing
- Utility Pass Through / Sub-metering
- MHC investors in today's market place are aggressively pursuing large (approx. 100 spaces or more) communities with immediate upside

#### WEAKNESSES

- Minimal/Moderate Rent Growth in Recent Years has not kept up with market
- Units primarily built prior to 1976
- Located in residential area without major frontage or exposure
- Long distance to employment nodes
- Located in a flood zone

#### THREATS

- Economic downturn
- Capital Expenditures (infrastructure/amenities)
- Major renovation expenditures may become more frequent and extensive over time. This, of course, can be mitigated with professional management and an on-going maintenance and replacement program but could place a downward pressure on achievable net operating income due to high operating expenses





**SUBJECT SIGN**



**SUBJECT ENTRANCE**



**E STILLWATER AVENUE FACING WEST**



**E STILLWATER AVENUE FACING EAST**



**STREET SCENE**



**STREET SCENE**



**STREET SCENE**



**STREET SCENE**



**STREET SCENE**



**STREET SCENE**



**STREET SCENE**



**VACANT HOME SITE**

## PROPERTY IDENTIFICATION

The subject is a Manufactured Housing Community (All Age) property totaling 187 homesites. It is located on a 23.60-acre site at 750 East Stillwater Avenue in Fallon, Churchill County, Nevada. The assessor's parcel numbers are: Multiple APNs

The legal description of the subject property is as follows:

The land referred to herein is situated in the State of Nevada, County of CHURCHILL, described as follows:

Parcel One: Lots 1 through 5, 7, 8, 9 and 11 through 16, 18 through 22, 24, 25, 27 through 35, 37 through 49, 51 through 54, 56, 58 and 60 through 197, all as shown on the Map of IDEAL MOBILE HOME COMMUNITY, filed in the office of the Churchill County Recorder on June 17, 1980, File No. 173673, and as amended by Certificate of Amendment recorded November 8, 1982 in Book 213, Page 601, Document No. 192423, Churchill County Official Records.

Assessors Parcel No. 1-741-01 through 05, 7, 8, 9 and 11, through 16 and 18;  
1-742-01 through 04, 06, 07;  
1-743-01 through 08;  
1-744-01, 03 through 05, 07 through 16, 18 through 21, 23 and 25  
1-751-03 through 34  
1-752-01 through 10  
1-753-01 through 10  
1-754-01 through 10  
1-755-01 through 07  
1-761-01 through 08  
1-762-01 through 03  
1-763-01 through 37  
1-764-01 through 21

Parcel Two: Those Parcels labeled "PARK AREA" and "RV PARKING AREA" as shown on the Map of IDEAL MOBILE HOME COMMUNITY, filed in the office of the Churchill County Recorder on June 17, 1980, File No. 173673.

Assessors Parcel No. 001-744-06 and 001-751-02

Parcel Three: All roads on and within the boundaries as shown on the Map of IDEAL MOBILE HOME COMMUNITY, filed in the office of the Churchill County Recorder on June 17, 1980, File No. 173673

## CLIENT IDENTIFICATION

The client of this specific assignment is Columbia State Bank.

## PURPOSE

The purpose of this appraisal is to develop opinions of the As-Is Market Value and Prospective Value Upon Stabilization of the subject property's leased fee interest. At the request of the client we have also completed an Insurable Replacement Cost Estimate.

## INTENDED USE

The intended use of this assessment is for loan underwriting and/or credit decisions by Columbia State Bank and/or participants.

## INTENDED USERS

Intended users of this report include Columbia State Bank, its affiliates and/or assigns. Use of this report by third parties and other unintended users is not permitted. This report must be used in its entirety. Reliance on any portion of the report independent of others, may lead the reader to erroneous conclusions regarding the property values. Unless approval is provided by the authors no portion of the report stands alone.

## ASSIGNMENT DATES

Date of Report

July 20, 2022

Date of Inspection	July 15, 2022
Valuation Date – As-Is	July 15, 2022
Valuation Date – Prospective Upon Stabilization	July 15, 2024

## PERSONAL INTANGIBLE PROPERTY

The community owned homes (if any) are legally considered personal property and are not considered in this appraisal.

No personal property or intangible items are included in this valuation. Removable fixtures in the clubhouse (if any) such as the kitchen appliances and hot water heaters are considered to be real estate fixtures that are essential to the use and operation of the community.

## PROPERTY AND SALES HISTORY

### Current Owner

The subject title is currently recorded in the name of Oakwood Place, LLC, who acquired title to the property on April 28, 2004, as recorded in document number 360775 of the Churchill County Deed Records.

### Three-Year Sales History

Research of the applicable public records, private data services and an interview of the current owner and/or broker revealed that the subject property has not transferred during the past three years of the effective date of value stated in this report.

### Subject Sale Status

The subject property is under contract to sell for \$13,100,000 between Oakwood Place, LLC (Grantor) and The BoaVida Group LP (Grantee). It had been listed for sale at \$13,100,000. The contract provided to the appraiser contains no atypical terms or conditions. There are no reported seller concessions. This appears to be an arm's-length transaction. It is reported that the subject was placed on the open market for a short period (unknown length) but only received one offer (full price) from the buyer. No concessions or discounts were reported. The buyer's broker is reported to be paid \$327,500 by the buyer through escrow in accordance with a separate agreement (not provided). Total consideration for the subject property as reported by the buyer, including broker fee, is \$13,427,500. The purchase price is similar to the As-Is Value.

## DEFINITIONS

This section summarizes the definitions of value, property rights appraised, and value scenarios that are applicable for this appraisal assignment. All other applicable definitions for this assignment are located in the Valuation Glossary section of the Addenda.

## DEFINITIONS OF VALUE

Given the scope and intended use of this assignment, the following definition of value is applicable:

### Market Value

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 own 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.<sup>1</sup>

## PROPERTY RIGHTS APPRAISED

The property rights appraised constitute the leased fee interest.

### Leased Fee Interest

The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.<sup>2</sup>

## VALUE SCENARIOS

### As-Is Value

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.<sup>3</sup>

### Prospective Value

A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy.<sup>4</sup>

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<sup>1</sup> Interagency Appraisal and Evaluation Guidelines, December 10, 2010, Federal Register, Volume 75 Number 237, Page 77472

<sup>2</sup> The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022

<sup>3</sup> The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022

<sup>4</sup> The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022



## INTRODUCTION

The appraisal development and reporting processes requires gathering and analyzing information about those assignment elements necessary to properly identify the appraisal problem to be solved. The scope of work decision must include the research and analyses that are necessary to develop credible assignment results given the intended use of the appraisal. Sufficient information includes disclosure of research and analyses performed and might also include disclosure of research and analyses not performed. The scope of work for this appraisal assignment is outlined below:

- › The appraisers analyzed the regional and local area economic profiles including employment, population, household income, and real estate trends. The local area was further studied to assess the general quality and condition, and emerging development trends for the real estate market. The immediate market area was inspected and examined to consider external influences on the subject.
- › The appraisers confirmed and analyzed legal and physical features of the subject property including sizes of the site and improvements, flood plain data, seismic zone, zoning, easements and encumbrances, access and exposure of the site, and construction materials and condition of the improvements. This process also included estimating the remaining economic life of the improvements, analysis of the subject's site coverage and parking ratios compared to market standards, a process to identify deferred maintenance and a conclusion of the subject's overall functional utility.
- › The appraisers completed a manufactured housing market analysis that included national and market overviews. The Churchill County market and Fallon sub-market overviews analyzed supply/demand conditions using vacancy, absorption, supply change and rent change statistics. Conclusions were drawn regarding the subject property's competitive position given its physical and locational characteristics, the prevailing economic conditions and external influences.
- › The appraisers conducted a Highest and Best Use analysis, determining the highest and best use of the subject property As-Vacant and As-Improved. The analysis considered legal, locational, physical and financial feasibility characteristics of the subject property. Development of the Highest and Best Use As-Improved explored potential alternative treatments of the property including demolition, expansion, renovation, conversion, and continued use "as-is."
- › The appraisers confirmed and analyzed financial features of the subject property including historical and budgeted income/expense data, rent roll, and tax and assessment records. This information as well as trends established by confirmed market indicators was used to forecast performance of the subject property.
- › Selection of the valuation methods was based on the identifications required in USPAP relating to the intended use, intended users, definition and date of value, relevant property characteristics and assignment conditions. As a result, this appraisal developed the Income (Direct Capitalization) and Sales Comparison approaches to value. The resulting value indicators were reconciled within the Analysis of Value Conclusions section. The appraisal develops opinions of the As-Is Market Value and Prospective Value Upon Stabilization of the subject property's leased fee interest. At the request of the client we have also completed an Insurable Replacement Cost Estimate. The reasoning for including or excluding traditional approaches to value is developed within the Valuation Methodology section.
- › Reporting of this appraisal is in an Appraisal Report format as required in USPAP Standard 2. The appraiser's analysis and conclusions are fully described within this document.
- › We understand the Competency Rule of USPAP and the authors of this report meet the standards.
- › Jeffrey Shouse provided significant real property appraisal assistance to the appraisers signing the certification. Assistance included inspecting the subject property.

**SOURCES OF INFORMATION**

The following sources were contacted to obtain relevant information:

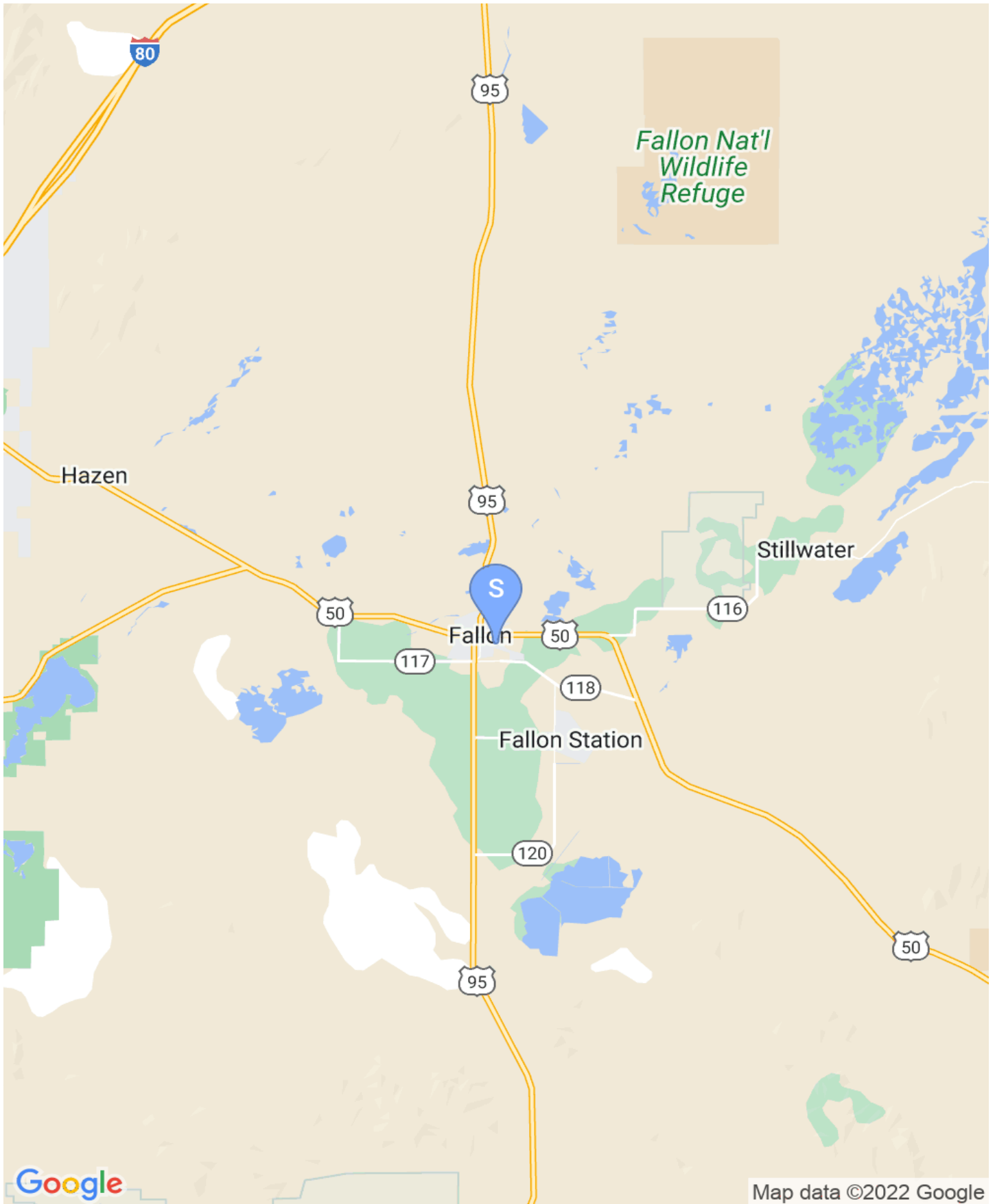
<b>SOURCES OF INFORMATION</b>	
<b>ITEM</b>	<b>SOURCE</b>
Tax Information	Churchill County Tax Assessor
Zoning Information	City of Fallon Zoning Code
Site Size Information	Churchill County Tax Assessor
Building Size Information	Churchill County Tax Assessor
New Construction	City of Fallon / Churchill County
Flood Map	InterFlood
Demographics	Pitney Bow es/Gadberry Group - GroundView®
Comparable Information	See Comparable Datasheets for details
Legal Description	Grant, Bargain, Sale Deed from Churchill County Recorder
Other Property Data	Churchill County Property Records
Rent Roll (Dated 05/01/2022)	Rachel Cunningham - The BoaVida Group
Income/Expense Statements	Rachel Cunningham - The BoaVida Group

**SUBJECT PROPERTY INSPECTION**

The following table illustrates the Colliers International professionals involved with this appraisal report and their status related to the property inspection.

<b>SUBJECT PROPERTY INSPECTION</b>			
<b>APPRAISER</b>	<b>INSPECTED</b>	<b>EXTENT</b>	<b>DATE OF INSPECTION</b>
Joe Esparza, MAI	No	-	July 15, 2022
Jeffrey Shouse, MAI, CRE	Yes	Interior/Exterior	July 15, 2022

The appraiser was not accompanied by anyone from the property on the inspection. The interiors of the community-owned common area buildings were inspected. No major items of deferred maintenance were noted at the time of our site inspection.



**INTRODUCTION**

Churchill County is in western Nevada. According to the 2020 census the population was 25,516. The county comprises the Fallon, NV Micropolitan Statistical Area. Churchill County is bordered by the counties of Pershing to the north, Lander to the east, Mineral to the south, and Lyon to the west. The county is home to several national protected areas, including Fallon National Wildlife Refuge and Humboldt State Wildlife Management Area. Highways serving the area include Interstate 80 and U.S. Route 50 and 95. The economy of the county is based on the professional/scientific/technical services, healthcare/social assistance, wholesale/retail trade, and public administration industries.



**DEMOGRAPHIC ANALYSIS**

The following is a demographic study of the region sourced by *Pitney Bowes/Gadberry Group - GroundView®*, an on-line resource center that provides information used to analyze and compare the past, present, and future trends of geographical areas. Demographic changes are often highly correlated to changes in the underlying economic climate. Periods of economic uncertainty necessarily make demographic projections somewhat less reliable than projections in more stable periods. These projections are used as a starting point, but we also consider current and localized market knowledge in interpreting them within this analysis. Please note that our demographics provider sets forth income projections in constant dollars which, by definition, reflect projections after adjustment for inflation. We are aware of other prominent demographic data providers that project income in current dollars, which do not account for inflation. A simple comparison of projections for a similar market area made under the constant and current dollar methodologies can and likely will produce data points that vary, in some cases, widely. Further, all forecasts, regardless of demographer methodology(ies), are subjective in the sense that the reliability of the forecast is subject to modeling and definitional assumptions and procedures.

**Population**

According to Pitney Bowes/Gadberry Group - GroundView®, a Geographic Information System (GIS) Company, Churchill County had a 2021 total population of 25,416 and experienced an annual growth rate of 0.2%, which was lower than the Nevada annual growth rate of 1.5%. The county accounted for 0.8% of the total Nevada population (3,184,226). Within the county the population density was 5 people per square mile compared to the higher Nevada population density of 29 people per square mile and the higher United States population density of 92 people per square mile.

POPULATION			
YEAR	US	NV	COUNTY
2010 Total Population	308,745,538	2,700,551	24,877
2021 Total Population	331,582,303	3,184,226	25,416
2026 Total Population	342,006,764	3,413,186	25,678
2010 - 2021 CAGR	0.7%	1.5%	0.2%
2021 - 2026 CAGR	0.6%	1.4%	0.2%

Source: Pitney Bowes/Gadberry Group - GroundView®

POPULATION DENSITY			
YEAR	US	NV	COUNTY
2021 Per Square Mile	92	29	5
2026 Per Square Mile	95	31	5

Source: Pitney Bowes/Gadberry Group - GroundView®

The 2021 median age for the county was 39.06, which was 1.15% older than the United States median age of 38.61 for 2021. The median age in the county is anticipated to grow by 0.51% annually, increasing the median age to 40.07 by 2026.

MEDIAN AGE			
YEAR	US	NV	COUNTY
2021	38.61	38.56	39.06
2026	39.39	39.27	40.07
CAGR	0.40%	0.37%	0.51%

Source: Pitney Bowes/Gadberry Group - GroundView®

## Education

Churchill County does not have any universities or colleges.

## Household Trends

The 2021 number of households in the county was 10,016. The number of households in the county is projected to grow by 0.2% annually, increasing the number of households to 10,121 by 2026. The 2021 average household size for the county was 2.51, which was 2.50% smaller than the United States average household size of 2.57 for 2021. The average household size in the county is anticipated to grow by 0.02% annually, increasing the average household size to 2.51 by 2026.

NUMBER OF HOUSEHOLDS			
YEAR	US	NV	COUNTY
2021	125,920,087	1,143,662	10,016
2026	130,248,641	1,213,315	10,121
CAGR	0.7%	1.2%	0.2%

Source: Pitney Bowes/Gadberry Group - GroundView®

AVERAGE HOUSEHOLD SIZE			
YEAR	US	NV	COUNTY
2021	2.57	2.75	2.51
2026	2.56	2.78	2.51
CAGR	(0.04%)	0.22%	0.02%

Source: Pitney Bowes/Gadberry Group - GroundView®

Churchill County had 35.08% renter occupied units, compared to the higher 41.50% in Nevada and the higher 35.17% in the United States.

HOUSING UNITS			
	US	NV	COUNTY
Owner Occupied	64.83%	58.50%	64.92%
Renter Occupied	35.17%	41.50%	35.08%

Source: Pitney Bowes/Gadberry Group - GroundView®

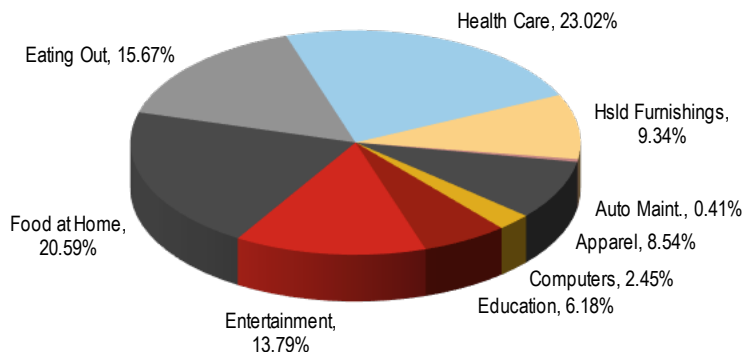
The 2021 median household income for the county was \$59,801, which was 9.9% lower than the United States median household income of \$66,358. The median household income for the county is projected to grow by 3.1% annually, increasing the median household income to \$69,753 by 2026.

According to the American Chamber of Commerce Researchers Association (ACCRA) Cost of Living Index, the County's cost of living is 108.5 compared to the national average score of 100. The ACCRA Cost of Living Index compares groceries, housing, utilities, transportation, health care and miscellaneous goods and services for over 300 urban areas.

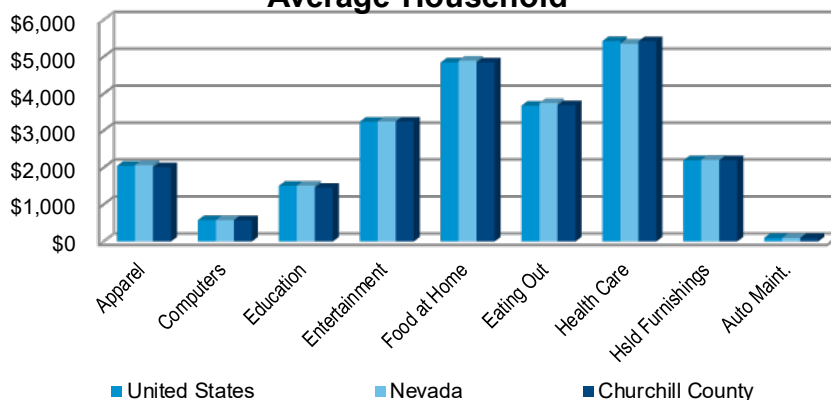
MEDIAN HOUSEHOLD INCOME			
YEAR	US	NV	COUNTY
2021	\$66,358	\$63,787	\$59,801
2026	\$80,318	\$76,870	\$69,753
CAGR	3.9%	3.8%	3.1%

Source: Pitney Bowes/Gadberry Group - GroundView®

**Consumer Spending Churchill County**



**Consumer Spending Comparison Average Household**



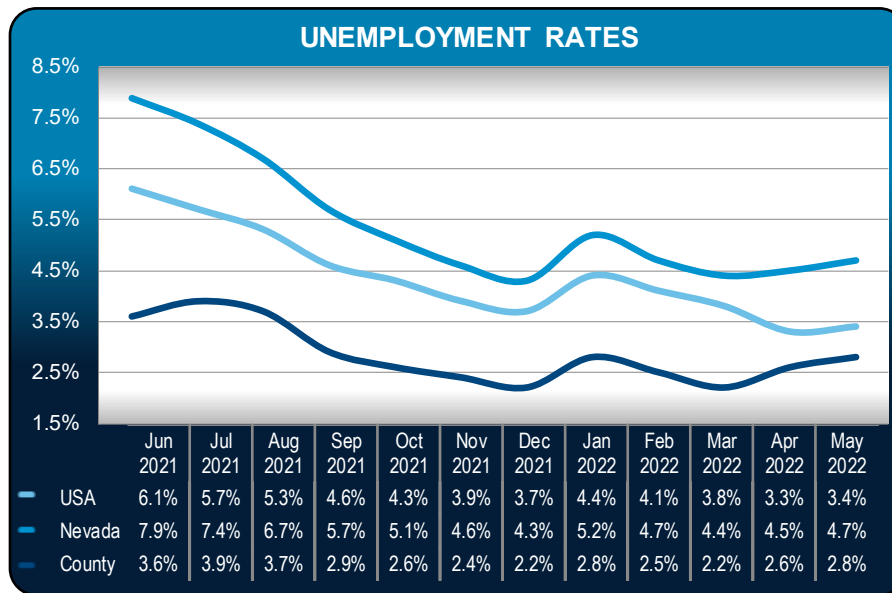
**EMPLOYMENT**

Total employment has increased annually over the past decade in the state of Nevada by 1.6% and increased annually by 1.2% in the county. From 2020 to 2021 unemployment decreased in Nevada by 6.3% and decreased by 2.2% in the county. In the state of Nevada and in the area unemployment has increased over the previous month by 0.2%.

**EMPLOYMENT & UNEMPLOYMENT STATISTICS 2012 - 2021**

Year	TOTAL EMPLOYMENT				UNEMPLOYMENT RATE		
	Nevada		Churchill County, NV		United States*	Nevada	Churchill County, NV
	Total	% Δ Yr Ago	Total	% Δ Yr Ago			
2012	1,207,733	2.4%	9,768	0.5%	8.1%	11.6%	11.4%
2013	1,234,021	2.2%	9,768	0.0%	7.4%	10.0%	9.8%
2014	1,267,424	2.7%	9,664	(1.1%)	6.2%	8.2%	8.0%
2015	1,301,094	2.7%	9,545	(1.2%)	5.3%	6.8%	7.1%
2016	1,332,390	2.4%	9,724	1.9%	4.9%	5.8%	5.6%
2017	1,372,022	3.0%	9,978	2.6%	4.4%	5.0%	4.5%
2018	1,427,371	4.0%	10,528	5.5%	3.9%	4.4%	3.8%
2019	1,479,777	3.7%	10,663	1.3%	3.7%	4.0%	3.6%
2020	1,299,640	(12.2%)	10,411	(2.4%)	8.1%	13.5%	5.7%
2021	1,395,939	7.4%	10,839	4.1%	5.3%	7.2%	3.5%
<b>CAGR</b>	<b>1.6%</b>	<b>-</b>	<b>1.2%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Source: U.S. Bureau of Labor Statistics \*Unadjusted Non-Seasonal Rate



The preceding chart depicts unemployment trends in the region, Nevada and the U.S. Overall levels of unemployment in the region experienced minor fluctuations throughout the past three months. By the end of May 2022, unemployment in the region was 1.9% lower than Nevada’s and 0.6% lower than the national average.

**TOP EMPLOYERS**

EMPLOYER NAME	EMPLOYEES	INDUSTRY
NAS-Fallon Military Personnel	1,135	Public Administration
Walmart Supercenter	250 to 499	Wholesale/Retail Trade
Banner Churchill Community Hospital	250 to 499	Healthcare/Social Assistance
Churchill County School District	250 to 499	Education
Churchill County	100 to 249	Public Administration
A & K Earthmovers	100 to 249	Construction
New Millennium Building System	100 to 249	Manufacturing
Super 8 by Wyndham	100 to 249	Accommodation/Food Services
Stockman's Casino	100 to 249	Arts/Entertainment/Recreation
City of Fallon	100 to 249	Public Administration

Source: <http://nv-churchillcounty.civicplus.com>

The preceding chart depicts the top employers in Churchill County. Principal employers are spread throughout diverse sectors, including public administration, wholesale/retail trade, and healthcare/social assistance. NAS-Fallon Military Personnel, with a workforce of approximately 1,100, is one of the largest employers. Another prominent employer is Walmart Supercenter, a multinational retail corporation that operates a chain of hypermarkets, discount department stores, and grocery stores. Banner Churchill Community Hospital, a 25-bed hospital in Fallon, is also among the largest employers in the county.

## AIRPORT STATISTICS

The following chart summarizes the local airport statistics.

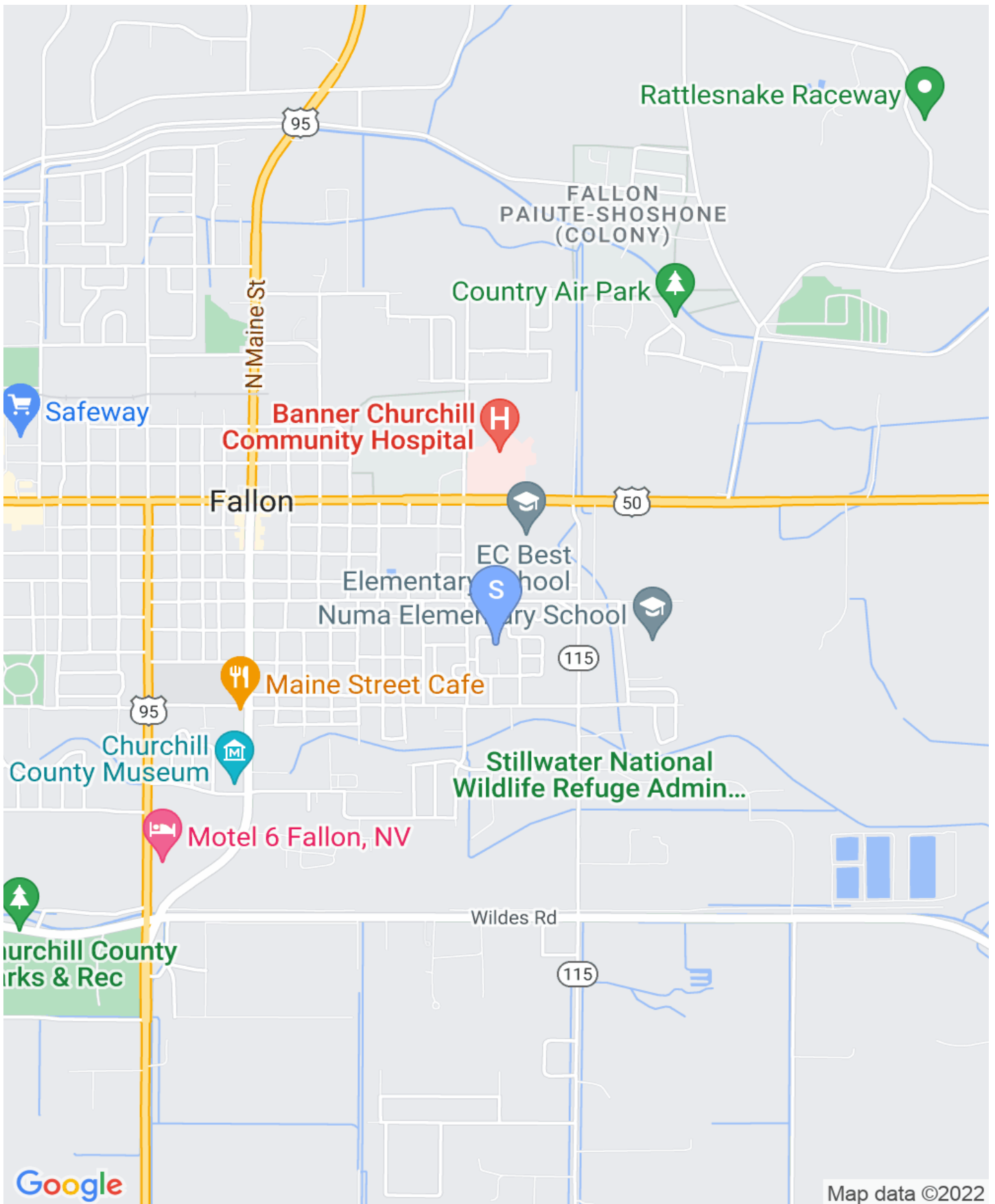
RENO/TAHOE INTERNATIONAL AIRPORT (RNO)		
YEAR	ENPLANED PASSENGERS	% CHG
2010	1,857,488	-
2011	1,821,051	(2.0%)
2012	1,685,333	(7.5%)
2013	1,671,926	(0.8%)
2014	1,611,572	(3.6%)
2015	1,669,863	3.6%
2016	1,771,864	6.1%
2017	1,953,028	10.2%
2018	2,048,916	4.9%
2019	2,162,250	5.5%
2020	976,937	(54.8%)

Source: U.S. Department of Transportation

## SUMMARY

Churchill County has a strategic location within the state of Nevada. The county has a strong economy supported by the public administration industry. Complementary areas, such as healthcare, provide opportunities for other sectors to develop. Churchill County's economy is stable, projected to experience growth across all analysis areas.





**INTRODUCTION**

In this section of the report, we provide details about the local area and describe the influences that bear on the real estate market as well as the subject property. A map of the local area is presented on the prior page. Below are insights into the local area based on fieldwork, interviews, demographic data and experience working in this market.

**LOCAL AREA PROFILE**

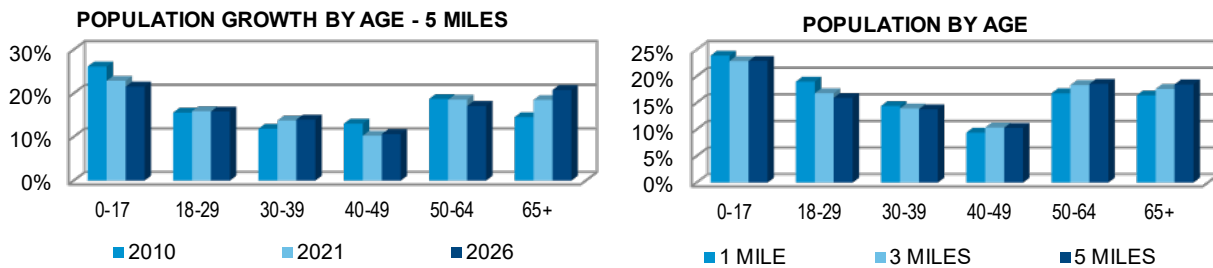
The subject property is in Fallon, Nevada, the seat of Churchill County. According to the 2020 census, the population was 9,327. The city is in the western portion of the county, approximately 28 miles east of Fernley and 63 miles east of Reno. U.S. Routes 50 and 95 intersect the city. Air transportation is provided by Fallon Municipal Airport, approximately two miles northeast of the city’s central business district.

**DEMOGRAPHIC PROFILE**

Below is a demographic study of the area, sourced by *Pitney Bowes/Gadberry Group - GroundView®*, an on-line resource center that provides information used to analyze and compare the past, present, and future trends of properties and geographical areas. Please note that our demographics provider sets forth income projections in constant dollars which, by definition, reflect projections after adjustment for inflation. We are aware of other prominent demographic data providers that project income in current dollars, which do not account for inflation. A simple comparison of projections for a similar market area made under the constant and current dollar methodologies can and likely will produce data points that vary, in some cases, widely. Further, all forecasts, regardless of demographer methodology(ies), are subjective in the sense that the reliability of the forecast is subject to modeling and definitional assumptions and procedures.

LOCAL AREA DEMOGRAPHICS							
DESCRIPTION	1 MILE	3 MILES	5 MILES	DESCRIPTION	1 MILE	3 MILES	5 MILES
<b>POPULATION</b>				<b>AVERAGE HOUSEHOLD INCOME</b>			
2000 Population	5,200	12,690	18,063	2021	\$48,366	\$70,591	\$75,507
2010 Population	5,524	13,585	18,785	2026	\$59,448	\$88,263	\$94,554
2021 Population	5,631	13,833	19,167	Change 2021-2026	22.91%	25.04%	25.23%
2026 Population	5,710	14,015	19,371	<b>MEDIAN HOUSEHOLD INCOME</b>			
Change 2000-2010	6.23%	7.05%	4.00%	2021	\$38,167	\$49,968	\$54,770
Change 2010-2021	1.94%	1.83%	2.03%	2026	\$41,291	\$59,031	\$65,780
Change 2021-2026	1.40%	1.32%	1.06%	Change 2021-2026	8.19%	18.14%	20.10%
<b>POPULATION 65+</b>				<b>PER CAPITA INCOME</b>			
2010 Population	808	1,963	2,733	2021	\$21,008	\$29,327	\$30,354
2021 Population	925	2,439	3,544	2026	\$25,788	\$36,608	\$37,979
2026 Population	1,044	2,779	4,027	Change 2021-2026	22.75%	24.82%	25.12%
Change 2010-2021	14.48%	24.25%	29.67%	<b>2021 HOUSEHOLDS BY INCOME</b>			
Change 2021-2026	12.86%	13.94%	13.63%	<\$15,000	16.8%	12.5%	10.3%
<b>NUMBER OF HOUSEHOLDS</b>				\$15,000-\$24,999	11.9%	8.0%	7.9%
2000 Households	2,219	4,992	6,782	\$25,000-\$34,999	17.1%	12.2%	12.6%
2010 Households	2,317	5,433	7,352	\$35,000-\$49,999	21.2%	17.3%	16.0%
2021 Households	2,428	5,671	7,641	\$50,000-\$74,999	17.3%	18.1%	17.7%
2026 Households	2,463	5,744	7,724	\$75,000-\$99,999	6.3%	12.3%	12.8%
Change 2000-2010	4.42%	8.83%	8.40%	\$100,000-\$149,999	7.9%	11.8%	13.1%
Change 2010-2021	4.79%	4.38%	3.93%	\$150,000-\$199,999	0.2%	3.6%	4.9%
Change 2021-2026	1.44%	1.29%	1.09%	\$200,000 or greater	1.4%	4.2%	4.6%
<b>HOUSING UNITS (2021)</b>				<b>MEDIAN HOME VALUE</b>			
Owner Occupied	1,054	3,190	4,593	\$124,425	\$172,651	\$188,516	
Renter Occupied	1,367	2,473	3,040	<b>AVERAGE HOME VALUE</b>			
<b>HOUSING UNITS BY YEAR BUILT</b>				\$137,354	\$194,495	\$217,806	
Built 2010 or later	78	97	129	<b>HOUSING UNITS BY UNITS IN STRUCTURE</b>			
Built 2000 to 2009	327	817	1,234	1, detached	1,331	3,755	5,114
Built 1990 to 1999	384	1,162	1,858	1, attached	52	194	291
Built 1980 to 1989	476	1,287	1,569	2	49	89	193
Built 1970 to 1979	516	1,298	1,596	3 or 4	185	426	427
Built 1960 to 1969	141	269	384	5 to 9	140	200	214
Built 1950 to 1959	71	188	208	10 to 19	47	62	62
Built 1940 to 1949	207	241	288	20 to 49	133	193	193
Built 1939 or earlier	227	312	374	50 or more	62	85	88
				Mobile home	413	649	1,039
				Boat, RV, van, etc.	8	10	12

Source: Pitney Bowes/Gadberry Group - GroundView®



**Transportation Routes**

Major traffic arteries are shown in the chart below:

MAJOR ROADWAYS & THOROUGHFARES			
HIGHWAY	DIRECTION	FUNCTION	DISTANCE FROM SUBJECT
U.S. Route 95	north-south	Local Highway	This is within one mile of the subject property.
U.S. Route 50	east-west	Local Highway	This is within a half mile of the subject property.
SURFACE STREETS	DIRECTION	FUNCTION	DISTANCE FROM SUBJECT
East Stillwater Avenue	east-west	Secondary Arterial	The subject property fronts this street.

Public transportation is not available near the subject property.

**Economic Factors**

Fallon is a regional hub for Churchill County. The city’s economy is based on the professional/scientific/technical services, healthcare, accommodation/food services, and wholesale/retail trade industries. Fallon is influenced by the public administration industry, with numerous government offices in the city. Fallon is home to most of the area’s largest employers, including Banner Churchill Community Hospital. Retail presence consists of restaurants, big-box stores, entertainment venues, lodging, and locally owned businesses.

**Community Services**

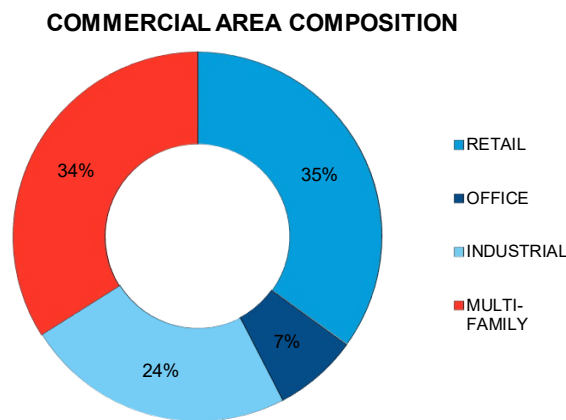
Community services and facilities are readily available in the surrounding area. These include public services such as fire stations, hospitals, police stations, and schools (all ages).

**IMMEDIATE AREA PROFILE**

This section discusses uses and development trends in the immediate area that directly impact the performance and appeal of the subject property.

**Predominant Land Uses**

Significant development in the immediate area consists of retail and industrial uses along major arterials that are interspersed with multi-family complexes and single-family residential development removed from arterials. The local area has a mix of commercial uses nearby and the composition is shown in the following graph.



©CoStar

### Residential Development

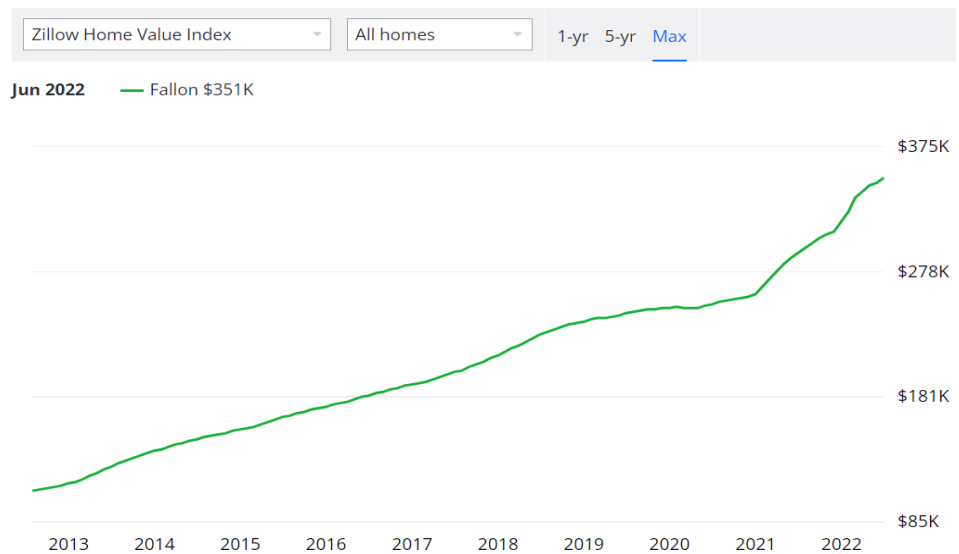
Residential users in the immediate area are primarily single-family residential. The typical home value of homes in Fallon is \$351,174. This value is seasonally adjusted and only includes the middle price tier of homes. Fallon home values have gone up 19.9% over the past year.

### Fallon Market Overview

Data through Jun 30, 2022

\$351,174 ZHVI

No data 1-yr forecast



### Multi-Family Development

The following chart shows a summary of multi-family data by type in the immediate area from CoStar.

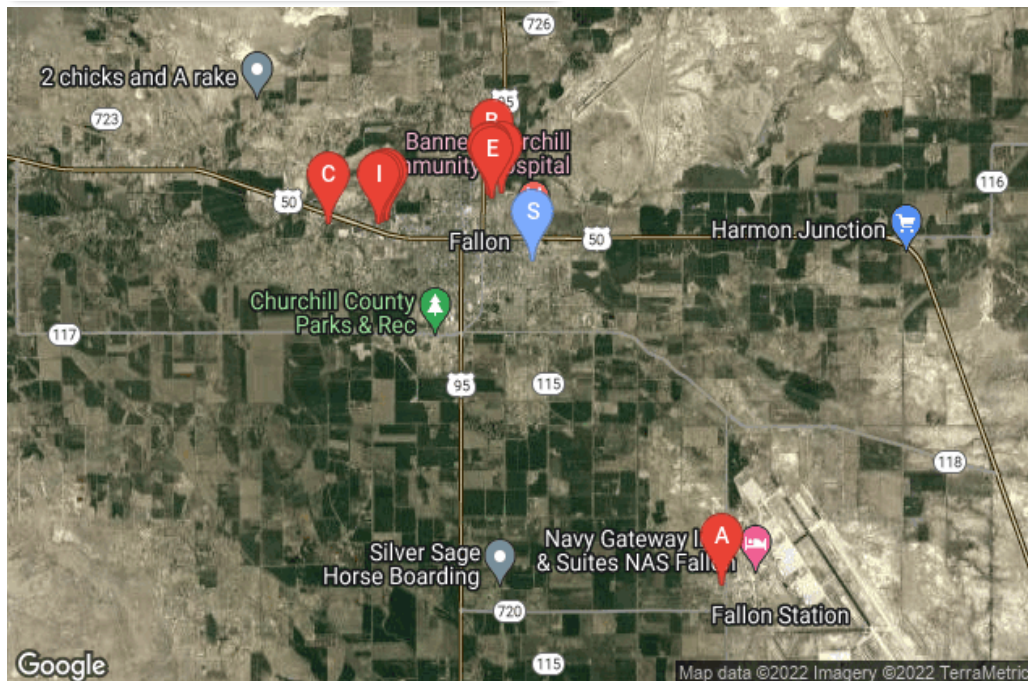
MULTI-FAMILY SUMMARY			
CLASS	PROPERTIES	NRA (SF)	AVG YR BLT
B	5	373,343	1993
C	33	375,265	1975
<b>TOTAL</b>	<b>38</b>	<b>748,608</b>	<b>1977</b>

Source: CoStar

The largest three multi-family properties are at 1000 Cottonwood Drive, 650 North Maine Street and 2255 Casey Road with an NRA of 325,000 SF, 73,200 SF and 36,210 SF, respectively. The closest large multi-family property in proximity to the subject is at 451 North Broadway Street with an NRA of 32,400 SF that was built in 1993. All of the properties were constructed before 2000. The following chart and map show the subject property and its location relative to the 10 largest multi-family properties in the immediate area from CoStar.

LARGEST MULTI-FAMILY PROPERTIES						
NAME	DISTANCE	MAP PIN	CLASS	NRA (SF)	STORIES	YEAR BUILT
Fallon NAS	4.1 Miles	A	B	325,000	1	-
Churchill Village	1.1 Miles	B	C	73,200	2	1981
Multi-family Building	2.3 Miles	C	C	36,210	1	1960
Stillwater Apartments	0.8 Miles	D	B	33,408	2	1995
Arborwood II Apartments	0.8 Miles	E	C	32,400	2	1993
Arborwood I Apartments	0.9 Miles	F	C	32,000	2	1991
Bellaire Apartments	1.7 Miles	G	C	17,600	2	1989
Desertwood	1.7 Miles	H	C	16,800	2	1986
Bellewood Apartments	1.8 Miles	I	C	16,800	2	1989
Arborwood III Apartments	0.9 Miles	J	C	14,400	1	1992

Source: CoStar



**Retail Development**

The following chart shows a summary of retail data by type in the immediate area from CoStar.

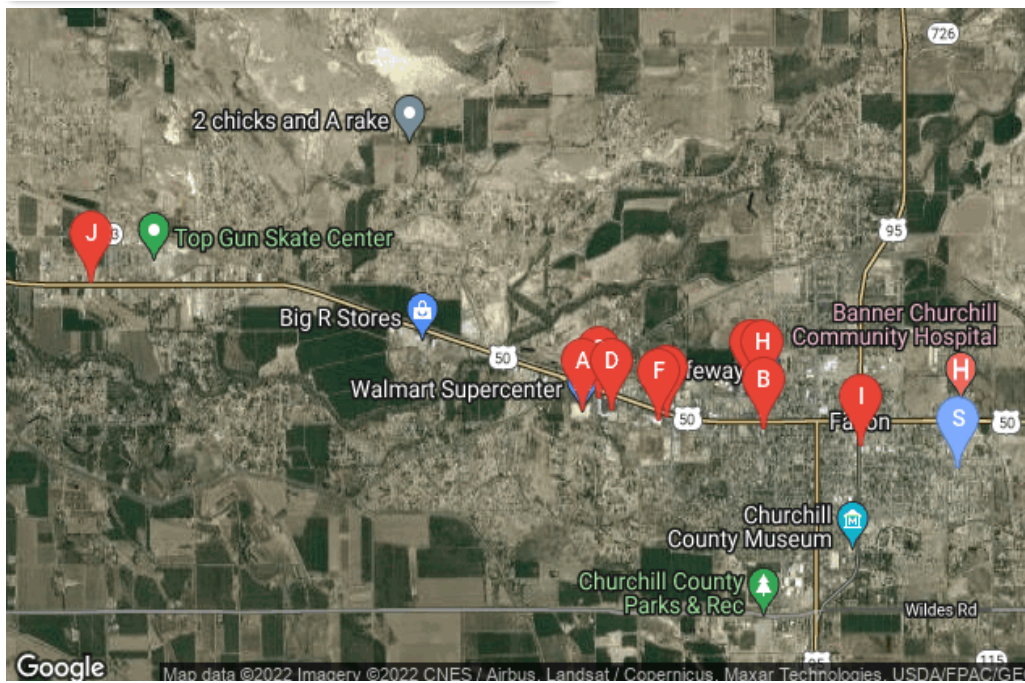
RETAIL SUMMARY					
TYPE	PROPERTIES	NRA (SF)	AVG YR BLT	OCCUPANCY	AVG RENT
General Retail	91	770,620	1978	97.8	-
<b>TOTAL</b>	<b>91</b>	<b>770,620</b>	<b>1978</b>	<b>97.8</b>	<b>\$0.00</b>

Source: CoStar

The largest three retail properties are at 2333 Reno Highway, 855 West Williams Avenue and 920 West Williams Avenue with an NRA of 186,162 SF, 105,000 SF and 100,372 SF, respectively. The closest large retail property in proximity to the subject is at 201 South Maine Street with an NRA of 32,185 SF that was built in 1920. The majority of properties were constructed before 2000. The following chart and map show the subject property and its location relative to the 10 largest retail properties in the immediate area from CoStar.

LARGEST SHOPPING CENTERS							
NAME	DISTANCE	MAP PIN	TYPE	NRA (SF)	% LEASED	YEAR BUILT	AVG RENT
Fallon Walmart Supercenter	2.1 Miles	A	Community Center	186,162	100.0	2005	N/Av
Old Fallon Center	1.1 Miles	B	General Retail	105,000	100.0	-	N/Av
Fallon Mall	1.2 Miles	C	General Retail	100,372	100.0	1996	N/Av
Stillwater Plaza Shopping Center	2.0 Miles	D	Neighborhood Center	62,565	52.1	1990	N/Av
Dodge Center	1.7 Miles	E	Neighborhood Center	49,258	100.0	1976	N/Av
Ace Hardware	1.7 Miles	F	General Retail	47,165	100.0	1978	N/Av
Retail Building	2.1 Miles	G	Neighborhood Center	43,300	100.0	1990	N/Av
Safeway	1.2 Miles	H	General Retail	43,228	100.0	-	N/Av
Retail Building	0.6 Miles	I	General Retail	32,185	100.0	1920	N/Av
Retail Building	5.0 Miles	J	General Retail	21,220	100.0	1958	N/Av

Source: CoStar



**Office Development**

The following chart shows a summary of office data by class in the immediate area from CoStar.

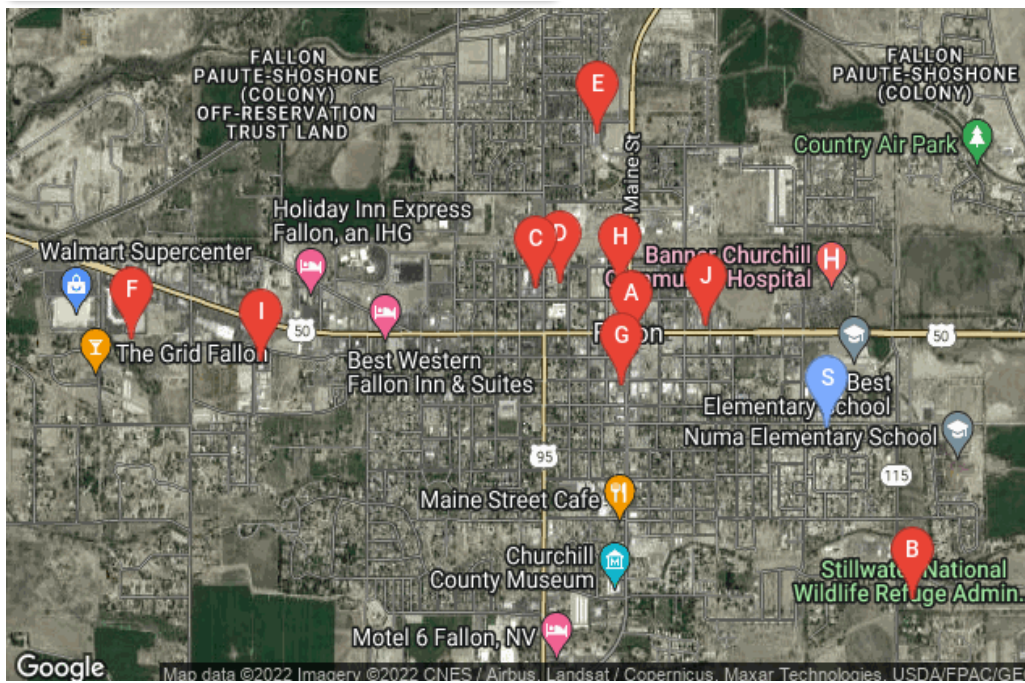
OFFICE SUMMARY					
CLASS	PROPERTIES	NRA (SF)	AVG YR BLT	OCCUPANCY	AVG RENT
B	6	40,721	2001	100.0	-
C	31	122,856	1961	100.0	-
<b>TOTAL</b>	<b>37</b>	<b>163,577</b>	<b>1967</b>	<b>100.0</b>	<b>\$0.00</b>

Source: CoStar

The largest three office properties are at 37 South Maine Street, 1020 New River Parkway and 155 North Taylor Street with an NRA of 20,400 SF, 15,766 SF and 12,924 SF that were built in 1926, 2007 and 1953, respectively. The closest large office property in proximity to the subject is at 295 East Williams Avenue with an NRA of 4,800 SF that was built in 1984. The majority of properties were constructed before 2000. The following chart and map show the subject property and its location relative to the 10 largest office properties in the immediate area from CoStar.

LARGEST OFFICE BUILDINGS							
NAME	DISTANCE	MAP PIN	CLASS	NRA (SF)	% LEASED	YEAR BUILT	AVG RENT
Office Building	0.6 Miles	A	C	20,400	100.0	1926	N/Av
Lahontan Valley Professional Suites	0.5 Miles	B	B	15,766	100.0	2007	N/Av
Office Building	0.9 Miles	C	C	12,924	100.0	1953	N/Av
Office Building	0.8 Miles	D	B	9,264	100.0	1984	N/Av
Office Building	1.0 Miles	E	C	9,100	100.0	1990	N/Av
Office Building	2.0 Miles	F	B	8,000	100.0	1999	N/Av
Office Building	0.6 Miles	G	C	8,000	100.0	1986	N/Av
Office Building	0.7 Miles	H	C	7,170	100.0	1974	N/Av
Office Building	1.6 Miles	I	C	7,000	100.0	1996	N/Av
Office Building	0.4 Miles	J	C	4,800	100.0	1984	N/Av

Source: CoStar



**Industrial Development**

The following chart shows a summary of industrial data by type in the immediate area from CoStar.

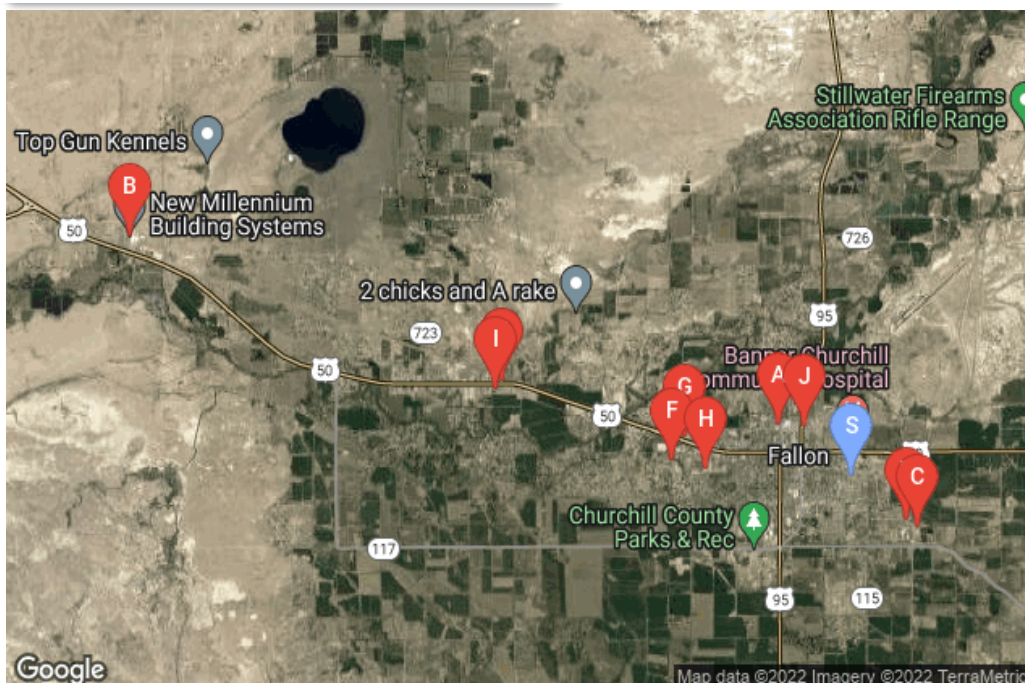
INDUSTRIAL SUMMARY					
TYPE	PROPERTIES	NRA (SF)	AVG YR BLT	OCCUPANCY	AVG RENT
Industrial	27	472,103	1974	100.0	-
Flex	6	49,989	1988	100.0	-
<b>TOTAL</b>	<b>33</b>	<b>522,092</b>	<b>1976</b>	<b>100.0</b>	<b>\$0.00</b>

Source: CoStar

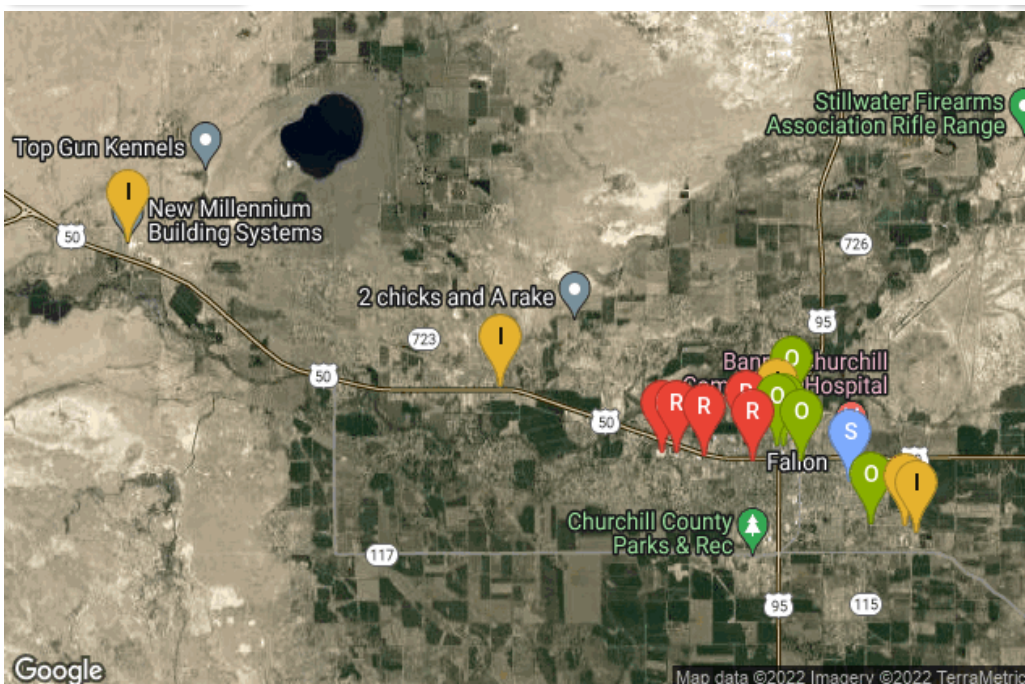
The largest three industrial properties are at 347 North Taylor Street, 8200 Woolery Way and 1400 New River Parkway with an NRA of 147,855 SF, 144,393 SF and 30,000 SF, respectively. The closest large industrial property in proximity to the subject is at 300 North Maine Street with an NRA of 8,940 SF that was built in 1943. The majority of properties were constructed before 2000. The following chart and map show the subject property and its location relative to the 10 largest industrial properties in the immediate area from CoStar.

LARGEST INDUSTRIAL PROPERTIES							
NAME	DISTANCE	MAP PIN	TYPE	NRA (SF)	% LEASED	YEAR BUILT	AVG RENT
Industrial Building	1.0 Miles	A	Industrial	147,855	100.0	1945	N/Av
Industrial Building	8.6 Miles	B	Industrial	144,393	100.0	1997	N/Av
Industrial Building	0.9 Miles	C	Industrial	30,000	100.0	-	N/Av
Industrial Building	0.8 Miles	D	Industrial	18,642	100.0	-	N/Av
Industrial Building	4.1 Miles	E	Flex	14,632	100.0	2008	N/Av
Industrial Building	2.0 Miles	F	Industrial	13,125	100.0	1982	N/Av
2030 & 2040 Reno Highway	1.9 Miles	G	Flex	11,312	100.0	1974	N/Av
Industrial Building	1.7 Miles	H	Industrial	10,800	100.0	2006	N/Av
Industrial Building	4.1 Miles	I	Industrial	10,400	100.0	1951	N/Av
A-Z Enterprises	0.8 Miles	J	Industrial	8,940	100.0	1943	N/Av

Source: CoStar



The following map shows the subject property and the five largest retail, office, and industrial properties in the immediate area from CoStar.



**SUBJECT PROPERTY ANALYSIS**

The following discussion draws context and analysis on how the subject property is influenced by the local and immediate areas.

**Subject Property Analysis**

The uses adjacent to the property are noted below:

- › **North** - East Stillwater Avenue, Ideal Drive, Oak Crest Way, Broadmore Street, Skyline Drive, Suburban Way, Fleetwood Court, Retail: Just in Time Heating & Air, 745 East Stillwater Avenue, Manufactured Housing Community: Stillwater Junction Mh Park, Vacant Land



- › **South** - East Front Street, Ideal Drive, Oak Crest Way, Broadmore Street, Skyline Drive, Suburban Way, Fleetwood Court, Manufactured Housing Community, Single-family Residential Neighborhood, Multifamily Residential Neighborhood
- › **East** - Ideal Drive, Art Lane, Royal Oak Drive, Oak Crest Way, Suburban Way, Fleetwood Court, Sherman Street, Manufactured Housing Community: Stillwater Junction Mh Park, Single-family Residential Neighborhood, Multifamily Residential Neighborhood, Industrial: Machine Shop
- › **West** - Sherman Street, Ideal Drive, Art Lane, Royal Oak Drive, Oak Crest Way, Daniel Drive, Suburban Way, Fleetwood Court, Wildest Street, Industrial: 730 East Stillwater Avenue, Vacant Land, Single-family Residential Neighborhood, Manufactured Housing Community

### **Subject Conclusion**

Trends in the local and immediate areas, adjacent uses and the property's specific location features indicate an overall typical external influence for the subject, which is concluded to have a good position in context of competing properties. Serving as the regional hub of Churchill County, Fallon is considered a competitive residential and commercial location. High rates of employment in public administration, retail, and healthcare are vital for the economy of the city. Fallon has a strategic location with convenient connections to well-traveled transportation networks.

**General Description** The subject site consists of 190 parcels. As noted below, the subject site has 1,028,016 SF (23.60 AC) of land area. The area is estimated based on the assessor's parcel map, and may change if a professional survey determines more precise measurements. Going forward, our valuation analyses will utilize the usable site area. The following discussion summarizes the subject site size and characteristics.

**Assessor Parcels** See Multiple Parcel Chart For Breakdown

**Number Of Parcels** 190

Land Area	Acres	Square Feet
Primary Parcel	23.60	1,028,016
Excess Land	0.00	0
<u>Surplus Land</u>	<u>0.00</u>	<u>0</u>
<b>Total Land Area</b>	<b>23.60</b>	<b>1,028,016</b>

**Shape** See Multiple Parcel Chart For Breakdown

**Topography** Level at street grade

**Zoning** General Commercial District (C-2)

**Drainage** Assumed Adequate

**Utilities** All available to the site, including public water and sewer

Street Improvements	Street	Direction	No. Lanes	Street Type	Curbs	Sidewalks	Streetlights	Center Lane	Gutters
East Stillwater Avenue	Secondary Street	two-way	two-lane	minor arterial	✓	✓	✓	✓	
Ideal Drive	Secondary Street	two-way	two-lane	minor arterial	✓		✓	✓	
Oak Crest Way	Secondary Street	two-way	two-lane	minor arterial	✓		✓	✓	
Royal Oak Drive	Secondary Street	two-way	two-lane	minor arterial	✓		✓	✓	

**Frontage** The subject has approximately 100 feet of frontage on East Stillwater Avenue.

**Accessibility** Average/Good - The subject is located within one-half mile of U.S. Route 50 and within one mile of U.S. Route 95. Access to the subject is offered through a full-access curb cut on East Stillwater Avenue, a full-access curb cut on Sherman Street, a full-access curb cut on Skyline Drive and three full-access curb cuts on East Front Street.

**Exposure** Average - The subject has adequate exposure at a signalized corner location on several arterials.

**Seismic** The subject is in a high risk zone.

**Flood Zone** The subject property is located in the following zones: Zone X (Unshaded) and Zone AE. This is referenced by Community Number 320002, Panel Number 32001C1734F, dated September 26, 2008. Zone X (unshaded) is a moderate and minimal risk area. Areas of moderate or minimal hazard are studied based upon

the principal source of flood in the area. However, buildings in these zones could be flooded by severe, concentrated rainfall coupled with inadequate local drainage systems. Local stormwater drainage systems are not normally considered in a community's flood insurance study. The failure of a local drainage system can create areas of high flood risk within these zones. Flood insurance is available in participating communities, but is not required by regulation in these zones. Nearly 25-percent of all flood claims filed are for structures located within these zones. Minimal risk areas outside the 1-percent and .2-percent-annual-chance floodplains. No BFEs or base flood depths are shown within these zones. (Zone X (unshaded) is used on new and revised maps in place of Zone C.) Zone AE is a High Risk Special Flood Hazard Area (SFHA). Special Flood Hazard Areas represent the area subject to inundation by 1-percent-annual chance flood. Structures located within the SFHA have a 26-percent chance of flooding during the life of a standard 30-year mortgage. Federal floodplain management regulations and mandatory flood insurance purchase requirements apply in these zones. Areas subject to inundation by the 1-percent-annual-chance flood event determined by detailed methods. BFEs are shown within these zones. (Zone AE is used on new and revised maps in place of Zones A1–A30.)

### MULTIPLE PARCEL SITE DESCRIPTION GRID

PARCEL	USABLE		TOTAL		SHAPE	ACCESS	EXPOSURE	FLOOD PLAIN
	SF	AC	SF	AC				
001-741-01	6,098	0.14	6,098	0.14	Rectangular	Average	Average	Zone X (Unshaded)
001-741-02	5,663	0.13	5,663	0.13	Rectangular	Average	Average	Zone X (Unshaded)
001-741-03	5,663	0.13	5,663	0.13	Rectangular	Average	Average	Zone X (Unshaded)
001-741-04	5,663	0.13	5,663	0.13	Irregular	Average	Average	Zone X (Unshaded)
001-741-05	5,227	0.12	5,227	0.12	Irregular	Average	Average	Zone X (Unshaded)
001-741-07	4,356	0.10	4,356	0.10	Irregular	Average	Average	Zone X (Unshaded)
001-741-08	4,792	0.11	4,792	0.11	Irregular	Average	Average	Zone X (Unshaded)
001-741-09	5,663	0.13	5,663	0.13	Irregular	Average	Average	Zone X (Unshaded)
001-741-11	4,792	0.11	4,792	0.11	Rectangular	Average	Average	Zone X (Unshaded)
001-741-12	9,148	0.21	9,148	0.21	Irregular	Average	Average	Zone X (Unshaded)
001-741-13	4,792	0.11	4,792	0.11	Irregular	Average	Average	Zone X (Unshaded)
001-741-14	3,920	0.09	3,920	0.09	Irregular	Average	Average	Zone X (Unshaded)
001-741-15	3,920	0.09	3,920	0.09	Rectangular	Average	Average	Zone X (Unshaded)
001-741-16	3,920	0.09	3,920	0.09	Rectangular	Average	Average	Zone X (Unshaded)
001-741-18	4,792	0.11	4,792	0.11	Irregular	Average	Average	Zone X (Unshaded)
001-742-01	4,356	0.10	4,356	0.10	Irregular	Average	Average	Zone X (Unshaded)
001-742-02	5,227	0.12	5,227	0.12	Rectangular	Average	Average	Zone X (Unshaded)
001-742-03	4,356	0.10	4,356	0.10	Irregular	Average	Average	Zone X (Unshaded)
001-742-04	4,356	0.10	4,356	0.10	Irregular	Average	Average	Zone X (Unshaded)
001-742-06	5,227	0.12	5,227	0.12	Irregular	Average	Average	Zone X (Unshaded)
001-742-07	6,098	0.14	6,098	0.14	Irregular	Average	Average	Zone X (Unshaded)
001-743-01	9,583	0.22	9,583	0.22	Square	Average	Average	Zone X (Unshaded)

001-743-02	7,405	0.17	7,405	0.17	Rectangular	Average	Average	Zone X (Unshaded)
001-743-03	4,356	0.10	4,356	0.10	Rectangular	Average	Average	Zone X (Unshaded)
001-743-04	4,356	0.10	4,356	0.10	Rectangular	Average	Average	Zone X (Unshaded)
001-743-05	3,920	0.09	3,920	0.09	Irregular	Average	Average	Zone X (Unshaded)
001-743-06	6,098	0.14	6,098	0.14	Rectangular	Average	Average	Zone X (Unshaded)
001-743-07	3,920	0.09	3,920	0.09	Rectangular	Average	Average	Zone X (Unshaded)
001-743-08	5,663	0.13	5,663	0.13	Rectangular	Average	Average	Zone X (Unshaded)
001-744-01	4,792	0.11	4,792	0.11	Irregular	Average	Average	Zone X (Unshaded)
001-744-03	4,792	0.11	4,792	0.11	Rectangular	Average	Average	Zone X (Unshaded)
001-744-04	4,792	0.11	4,792	0.11	Rectangular	Average	Average	Zone X (Unshaded)
001-744-05	4,792	0.11	4,792	0.11	Rectangular	Average	Average	Zone X (Unshaded)
001-744-06	51,401	1.18	51,401	1.18	Irregular	Average	Average	Zone X (Unshaded)
001-744-07	5,227	0.12	5,227	0.12	Rectangular	Average	Average	Zone X (Unshaded)
001-744-08	6,098	0.14	6,098	0.14	Rectangular	Average	Average	Zone X (Unshaded)
001-744-09	4,792	0.11	4,792	0.11	Rectangular	Average	Average	Zone X (Unshaded)
001-744-10	3,049	0.07	3,049	0.07	Irregular	Average	Average	Zone X (Unshaded)
001-744-11	3,920	0.09	3,920	0.09	Rectangular	Average	Average	Zone X (Unshaded)
001-744-12	3,920	0.09	3,920	0.09	Irregular	Average	Average	Zone X (Unshaded)
001-744-13	3,920	0.09	3,920	0.09	Irregular	Average	Average	Zone X (Unshaded)
001-744-14	3,485	0.08	3,485	0.08	Irregular	Average	Average	Zone X (Unshaded)
001-744-15	4,792	0.11	4,792	0.11	Rectangular	Average	Average	Zone X (Unshaded)
001-744-16	4,792	0.11	4,792	0.11	Rectangular	Average	Average	Zone X (Unshaded)
001-744-18	4,792	0.11	4,792	0.11	Irregular	Average	Average	Zone X (Unshaded)
001-744-19	4,792	0.11	4,792	0.11	Rectangular	Average	Average	Zone X (Unshaded)
001-744-20	3,049	0.07	3,049	0.07	Irregular	Average	Average	Zone X (Unshaded)
001-744-21	4,356	0.10	4,356	0.10	Irregular	Average	Average	Zone X (Unshaded)
001-744-23	5,227	0.12	5,227	0.12	Rectangular	Average	Average	Zone X (Unshaded)
001-744-25	5,227	0.12	5,227	0.12	Rectangular	Average	Average	Zone X (Unshaded)
001-751-02	23,958	0.55	23,958	0.55	Irregular	Average	Average	Zone X (Unshaded)
001-751-03	4,792	0.11	4,792	0.11	Irregular	Average	Average	Zone X (Unshaded)
001-751-04	4,792	0.11	4,792	0.11	Irregular	Average	Average	Zone X (Unshaded)
001-751-05	4,356	0.10	4,356	0.10	Rectangular	Average	Average	Zone X (Unshaded)
001-751-06	4,356	0.10	4,356	0.10	Rectangular	Average	Average	Zone X (Unshaded)
001-751-07	4,356	0.10	4,356	0.10	Rectangular	Average	Average	Zone X (Unshaded)
001-751-08	4,356	0.10	4,356	0.10	Rectangular	Average	Average	Zone X (Unshaded)
001-751-09	4,356	0.10	4,356	0.10	Rectangular	Average	Average	Zone X (Unshaded)
001-751-10	4,356	0.10	4,356	0.10	Rectangular	Average	Average	Zone X (Unshaded)
001-751-11	4,792	0.11	4,792	0.11	Rectangular	Average	Average	Zone X (Unshaded)
001-751-12	7,841	0.18	7,841	0.18	Irregular	Average	Average	Zone X (Unshaded)
001-751-13	9,583	0.22	9,583	0.22	Irregular	Average	Average	Zone X (Unshaded)
001-751-14	5,663	0.13	5,663	0.13	Irregular	Average	Average	Zone X (Unshaded)
001-751-15	4,356	0.10	4,356	0.10	Rectangular	Average	Average	Zone X (Unshaded)
001-751-16	4,356	0.10	4,356	0.10	Rectangular	Average	Average	Zone X (Unshaded)
001-751-17	4,356	0.10	4,356	0.10	Rectangular	Average	Average	Zone X (Unshaded)
001-751-18	4,356	0.10	4,356	0.10	Rectangular	Average	Average	Zone X (Unshaded)

001-751-19	4,356	0.10	4,356	0.10	Rectangular	Average	Average	Zone X (Unshaded)
001-751-20	4,356	0.10	4,356	0.10	Rectangular	Average	Average	Zone X (Unshaded)
001-751-21	4,356	0.10	4,356	0.10	Rectangular	Average	Average	Zone X (Unshaded)
001-751-22	4,356	0.10	4,356	0.10	Rectangular	Average	Average	Zone X (Unshaded)
001-751-23	4,792	0.11	4,792	0.11	Irregular	Average	Average	Zone X (Unshaded)
001-751-24	9,583	0.22	9,583	0.22	Irregular	Average	Average	Zone X (Unshaded)
001-751-25	5,663	0.13	5,663	0.13	Irregular	Average	Average	Zone X (Unshaded)
001-751-26	4,792	0.11	4,792	0.11	Rectangular	Average	Average	Zone X (Unshaded)
001-751-27	4,792	0.11	4,792	0.11	Irregular	Average	Average	Zone X (Unshaded)
001-751-28	3,920	0.09	3,920	0.09	Rectangular	Average	Average	Zone X (Unshaded)
001-751-29	3,920	0.09	3,920	0.09	Irregular	Average	Average	Zone X (Unshaded)
001-751-30	6,534	0.15	6,534	0.15	Rectangular	Average	Average	Zone X (Unshaded)
001-751-31	6,534	0.15	6,534	0.15	Rectangular	Average	Average	Zone X (Unshaded)
001-751-32	6,534	0.15	6,534	0.15	Irregular	Average	Average	Zone X (Unshaded)
001-751-33	5,663	0.13	5,663	0.13	Irregular	Average	Average	Zone X (Unshaded)
001-751-34	5,227	0.12	5,227	0.12	Irregular	Average	Average	Zone X (Unshaded)
001-752-01	3,920	0.09	3,920	0.09	Rectangular	Average	Average	Zone X (Unshaded)
001-752-02	5,663	0.13	5,663	0.13	Rectangular	Average	Average	Zone X (Unshaded)
001-752-03	5,663	0.13	5,663	0.13	Rectangular	Average	Average	Zone X (Unshaded)
001-752-04	5,663	0.13	5,663	0.13	Rectangular	Average	Average	Zone X (Unshaded)
001-752-05	6,534	0.15	6,534	0.15	Irregular	Average	Average	Zone X (Unshaded)
001-752-06	7,405	0.17	7,405	0.17	Irregular	Average	Average	Zone X (Unshaded)
001-752-07	4,356	0.10	4,356	0.10	Rectangular	Average	Average	Zone X (Unshaded)
001-752-08	4,792	0.11	4,792	0.11	Rectangular	Average	Average	Zone X (Unshaded)
001-752-09	4,792	0.11	4,792	0.11	Rectangular	Average	Average	Zone X (Unshaded)
001-752-10	4,792	0.11	4,792	0.11	Irregular	Average	Average	Zone X (Unshaded)
001-753-01	4,792	0.11	4,792	0.11	Irregular	Average	Average	Zone X (Unshaded)
001-753-02	4,792	0.11	4,792	0.11	Rectangular	Average	Average	Zone X (Unshaded)
001-753-03	4,792	0.11	4,792	0.11	Rectangular	Average	Average	Zone X (Unshaded)
001-753-04	4,792	0.11	4,792	0.11	Rectangular	Average	Average	Zone X (Unshaded)
001-753-05	6,534	0.15	6,534	0.15	Irregular	Average	Average	Zone X (Unshaded)
001-753-06	6,098	0.14	6,098	0.14	Irregular	Average	Average	Zone X (Unshaded)
001-753-07	4,792	0.11	4,792	0.11	Rectangular	Average	Average	Zone X (Unshaded)
001-753-08	4,792	0.11	4,792	0.11	Irregular	Average	Average	Zone X (Unshaded)
001-753-09	4,792	0.11	4,792	0.11	Irregular	Average	Average	Zone X (Unshaded)
001-753-10	4,356	0.10	4,356	0.10	Irregular	Average	Average	Zone X (Unshaded)
001-754-01	4,356	0.10	4,356	0.10	Irregular	Average	Average	Zone X (Unshaded)
001-754-02	5,663	0.13	5,663	0.13	Rectangular	Average	Average	Zone X (Unshaded)
001-754-03	5,663	0.13	5,663	0.13	Rectangular	Average	Average	Zone X (Unshaded)
001-754-04	5,663	0.13	5,663	0.13	Rectangular	Average	Average	Zone X (Unshaded)
001-754-05	5,663	0.13	5,663	0.13	Rectangular	Average	Average	Zone X (Unshaded)
001-754-06	5,663	0.13	5,663	0.13	Rectangular	Average	Average	Zone X (Unshaded)
001-754-07	5,663	0.13	5,663	0.13	Rectangular	Average	Average	Zone X (Unshaded)
001-754-08	5,663	0.13	5,663	0.13	Rectangular	Average	Average	Zone X (Unshaded)

001-754-09	5,663	0.13	5,663	0.13	Rectangular	Average	Average	Zone X (Unshaded)
001-754-10	6,534	0.15	6,534	0.15	Irregular	Average	Average	Zone X (Unshaded)
001-755-01	6,098	0.14	6,098	0.14	Rectangular	Average	Average	Zone X (Unshaded)
001-755-02	6,098	0.14	6,098	0.14	Rectangular	Average	Average	Zone X (Unshaded)
001-755-03	6,098	0.14	6,098	0.14	Rectangular	Average	Average	Zone X (Unshaded)
001-755-04	6,098	0.14	6,098	0.14	Rectangular	Average	Average	Zone X (Unshaded)
001-755-05	6,098	0.14	6,098	0.14	Rectangular	Average	Average	Zone X (Unshaded)
001-755-06	6,098	0.14	6,098	0.14	Rectangular	Average	Average	Zone X (Unshaded)
001-755-07	6,098	0.14	6,098	0.14	Irregular	Average	Average	Zone X (Unshaded)
001-761-01	5,227	0.12	5,227	0.12	Irregular	Average	Average	Zone X (Unshaded)
001-761-02	6,098	0.14	6,098	0.14	Rectangular	Average	Average	Zone X (Unshaded)
001-761-03	6,098	0.14	6,098	0.14	Rectangular	Average	Average	Zone X (Unshaded)
001-761-04	6,098	0.14	6,098	0.14	Rectangular	Average	Average	Zone X (Unshaded)
001-761-05	6,098	0.14	6,098	0.14	Rectangular	Average	Average	Zone X (Unshaded)
001-761-06	6,098	0.14	6,098	0.14	Rectangular	Average	Average	Zone X (Unshaded)
001-761-07	6,098	0.14	6,098	0.14	Rectangular	Average	Average	Zone X (Unshaded)
001-761-08	6,098	0.14	6,098	0.14	Irregular	Average	Average	Zone X (Unshaded)
001-762-01	4,356	0.10	4,356	0.10	Irregular	Average	Average	Zone X (Unshaded)
001-762-02	4,792	0.11	4,792	0.11	Irregular	Average	Average	Zone X (Unshaded)
001-762-03	5,227	0.12	5,227	0.12	Irregular	Average	Average	Zone X (Unshaded)
001-763-01	5,663	0.13	5,663	0.13	Irregular	Average	Average	Zone X (Unshaded)
001-763-02	4,356	0.10	4,356	0.10	Rectangular	Average	Average	Zone X (Unshaded)
001-763-03	4,356	0.10	4,356	0.10	Rectangular	Average	Average	Zone X (Unshaded)
001-763-04	4,356	0.10	4,356	0.10	Rectangular	Average	Average	Zone X (Unshaded)
001-763-05	4,356	0.10	4,356	0.10	Rectangular	Average	Average	Zone X (Unshaded)
001-763-06	3,920	0.09	3,920	0.09	Irregular	Average	Average	Zone X (Unshaded)
001-763-07	3,920	0.09	3,920	0.09	Rectangular	Average	Average	Zone X (Unshaded)
001-763-08	3,920	0.09	3,920	0.09	Rectangular	Average	Average	Zone X (Unshaded)
001-763-09	3,920	0.09	3,920	0.09	Rectangular	Average	Average	Zone X (Unshaded)
001-763-10	3,920	0.09	3,920	0.09	Rectangular	Average	Average	Zone X (Unshaded)
001-763-11	3,920	0.09	3,920	0.09	Rectangular	Average	Average	Zone X (Unshaded)
001-763-12	3,920	0.09	3,920	0.09	Rectangular	Average	Average	Zone X (Unshaded)
001-763-13	3,920	0.09	3,920	0.09	Rectangular	Average	Average	Zone X (Unshaded)
001-763-14	3,920	0.09	3,920	0.09	Rectangular	Average	Average	Zone X (Unshaded)
001-763-15	3,920	0.09	3,920	0.09	Rectangular	Average	Average	Zone X (Unshaded)
001-763-16	3,920	0.09	3,920	0.09	Rectangular	Average	Average	Zone X (Unshaded)
001-763-17	3,920	0.09	3,920	0.09	Rectangular	Average	Average	Zone X (Unshaded)
001-763-18	3,920	0.09	3,920	0.09	Irregular	Average	Average	Zone X (Unshaded)
001-763-19	5,663	0.13	5,663	0.13	Rectangular	Average	Average	Zone X (Unshaded)
001-763-20	5,663	0.13	5,663	0.13	Rectangular	Average	Average	Zone X (Unshaded)
001-763-21	5,663	0.13	5,663	0.13	Rectangular	Average	Average	Zone X (Unshaded)
001-763-22	5,663	0.13	5,663	0.13	Rectangular	Average	Average	Zone X (Unshaded)
001-763-23	3,920	0.09	3,920	0.09	Irregular	Average	Average	Zone X (Unshaded)
001-763-24	3,920	0.09	3,920	0.09	Rectangular	Average	Average	Zone X (Unshaded)

001-763-25	3,920	0.09	3,920	0.09	Rectangular	Average	Average	Zone X (Unshaded)
001-763-26	4,356	0.10	4,356	0.10	Irregular	Average	Average	Zone X (Unshaded)
001-763-27	4,356	0.10	4,356	0.10	Rectangular	Average	Average	Zone X (Unshaded)
001-763-28	4,356	0.10	4,356	0.10	Irregular	Average	Average	Zone X (Unshaded)
001-763-29	8,276	0.19	8,276	0.19	Irregular	Average	Average	Zone X (Unshaded)
001-763-30	6,534	0.15	6,534	0.15	Irregular	Average	Average	Zone X (Unshaded)
001-763-31	3,920	0.09	3,920	0.09	Rectangular	Average	Average	Zone X (Unshaded)
001-763-32	3,920	0.09	3,920	0.09	Rectangular	Average	Average	Zone X (Unshaded)
001-763-33	6,534	0.15	6,534	0.15	Irregular	Average	Average	Zone X (Unshaded)
001-763-34	7,841	0.18	7,841	0.18	Irregular	Average	Average	Zone X (Unshaded)
001-763-35	3,920	0.09	3,920	0.09	Irregular	Average	Average	Zone X (Unshaded)
001-763-36	4,356	0.10	4,356	0.10	Rectangular	Average	Average	Zone X (Unshaded)
001-763-37	4,356	0.10	4,356	0.10	Irregular	Average	Average	Zone X (Unshaded)
001-764-01	5,227	0.12	5,227	0.12	Irregular	Average	Average	Zone X (Unshaded)
001-764-02	6,098	0.14	6,098	0.14	Rectangular	Average	Average	Zone X (Unshaded)
001-764-03	4,356	0.10	4,356	0.10	Rectangular	Average	Average	Zone X (Unshaded)
001-764-04	4,356	0.10	4,356	0.10	Rectangular	Average	Average	Zone X (Unshaded)
001-764-05	4,356	0.10	4,356	0.10	Rectangular	Average	Average	Zone X (Unshaded)
001-764-06	4,356	0.10	4,356	0.10	Rectangular	Average	Average	Zone X (Unshaded)
001-764-07	4,356	0.10	4,356	0.10	Rectangular	Average	Average	Zone X (Unshaded)
001-764-08	4,356	0.10	4,356	0.10	Rectangular	Average	Average	Zone X (Unshaded)
001-764-09	4,356	0.10	4,356	0.10	Rectangular	Average	Average	Zone X (Unshaded)
001-764-10	4,356	0.10	4,356	0.10	Rectangular	Average	Average	Zone X (Unshaded)
001-764-11	4,356	0.10	4,356	0.10	Rectangular	Average	Average	Zone X (Unshaded)
001-764-12	3,920	0.09	3,920	0.09	Rectangular	Average	Average	Zone X (Unshaded)
001-764-13	9,583	0.22	9,583	0.22	Irregular	Average	Average	Zone X (Unshaded)
001-764-14	8,276	0.19	8,276	0.19	Irregular	Average	Average	Zone X (Unshaded)
001-764-15	5,227	0.12	5,227	0.12	Rectangular	Average	Average	Zone X (Unshaded)
001-764-16	4,792	0.11	4,792	0.11	Rectangular	Average	Average	Zone X (Unshaded)
001-764-17	4,792	0.11	4,792	0.11	Rectangular	Average	Average	Zone X (Unshaded)
001-764-18	4,792	0.11	4,792	0.11	Rectangular	Average	Average	Zone X (Unshaded)
001-764-19	4,792	0.11	4,792	0.11	Rectangular	Average	Average	Zone X (Unshaded)
001-764-20	4,792	0.11	4,792	0.11	Rectangular	Average	Average	Zone X (Unshaded)
001-764-21	4,356	0.10	4,356	0.10	Irregular	Average	Average	Zone X (Unshaded)
<b>TOTAL</b>	<b>1,028,016</b>	<b>23.60</b>	<b>1,028,016</b>	<b>23.60</b>				

## Easements

Based on the provided preliminary title report, and an on-site inspection, no adverse easements or encumbrances were noted. This appraisal assumes that there is no negative value impact on the subject improvements. If questions arise regarding easements, encroachments, or other encumbrances, further research is advised.

## Soils

A detailed soils analysis was not available for review. Based on the development of the subject, it appears the soils are stable and suitable for the existing improvements.

**Hazardous Waste**

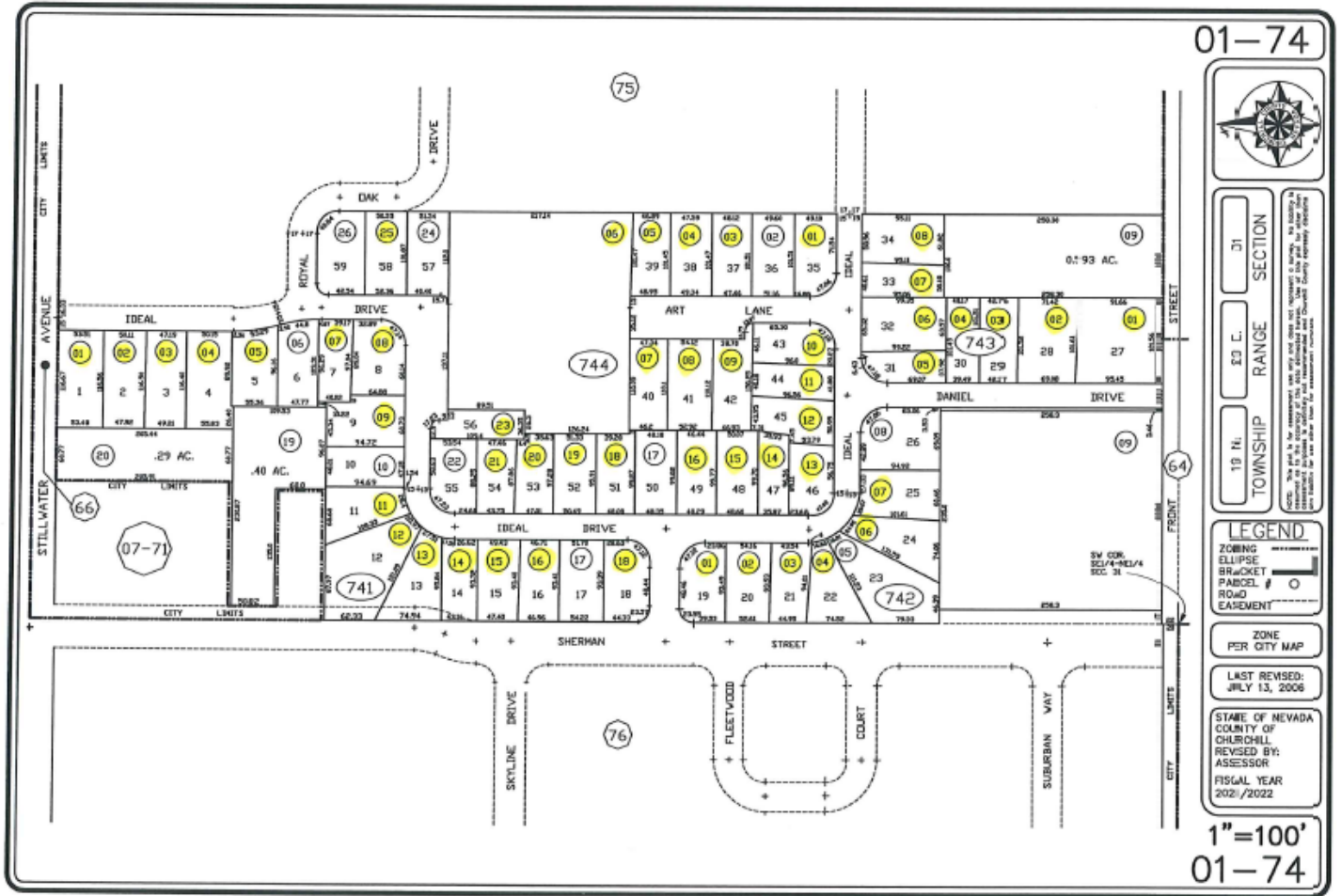
We have not conducted an independent investigation to determine the presence or absence of toxins on the subject property. If questions arise, the reader is strongly cautioned to seek qualified professional assistance in this matter. Please see the Assumptions and Limiting Conditions for a full disclaimer.

**Conclusion**

Overall, the subject site is considered an average residential site in terms of its location, exposure, and access to employment, education and shopping centers. All of these characteristics provide supporting uses for the subject site making it desirable for multifamily development. Overall there are no known factors that would limit the site's development according to its highest and best use.

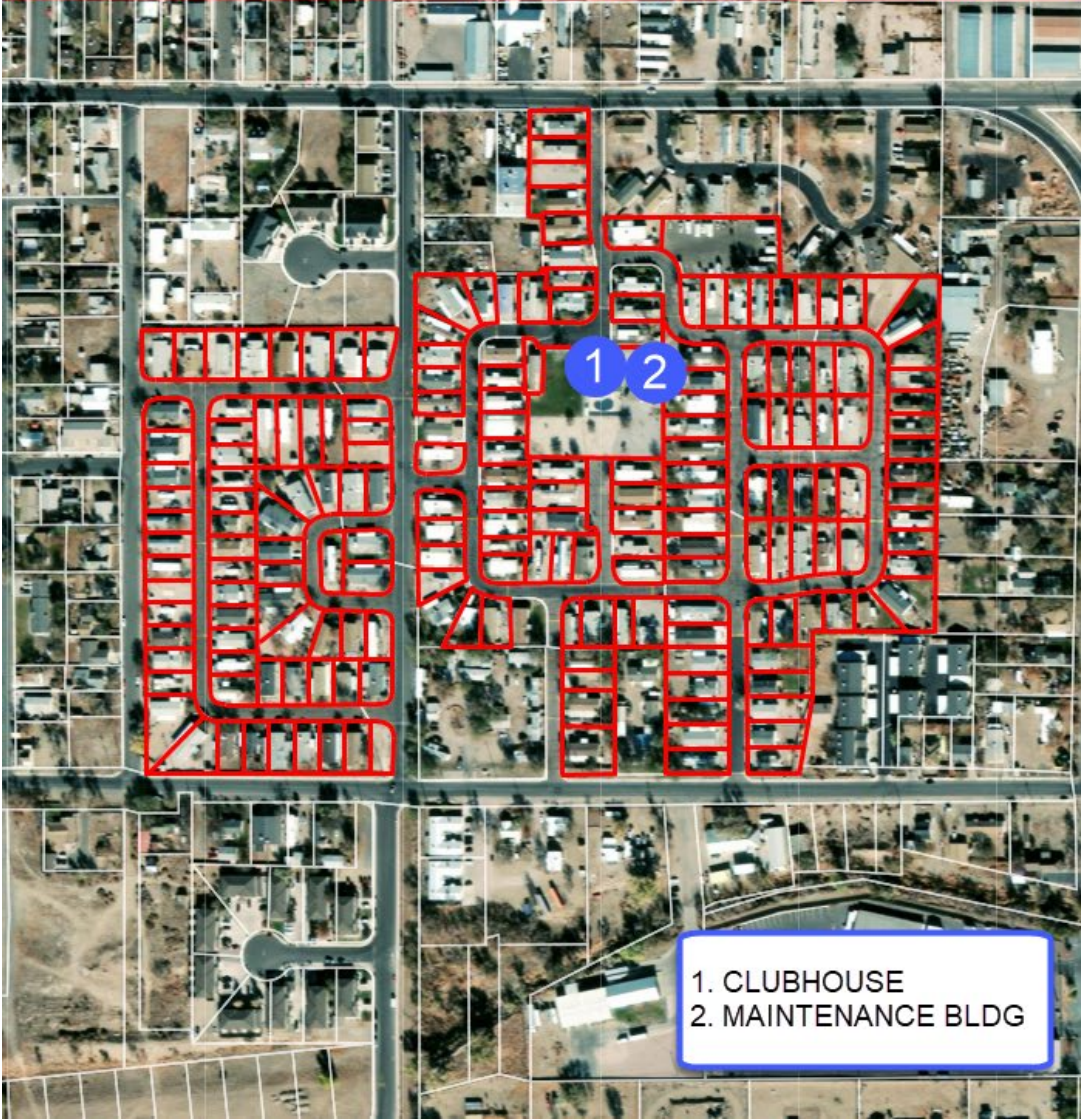


PARCEL MAP



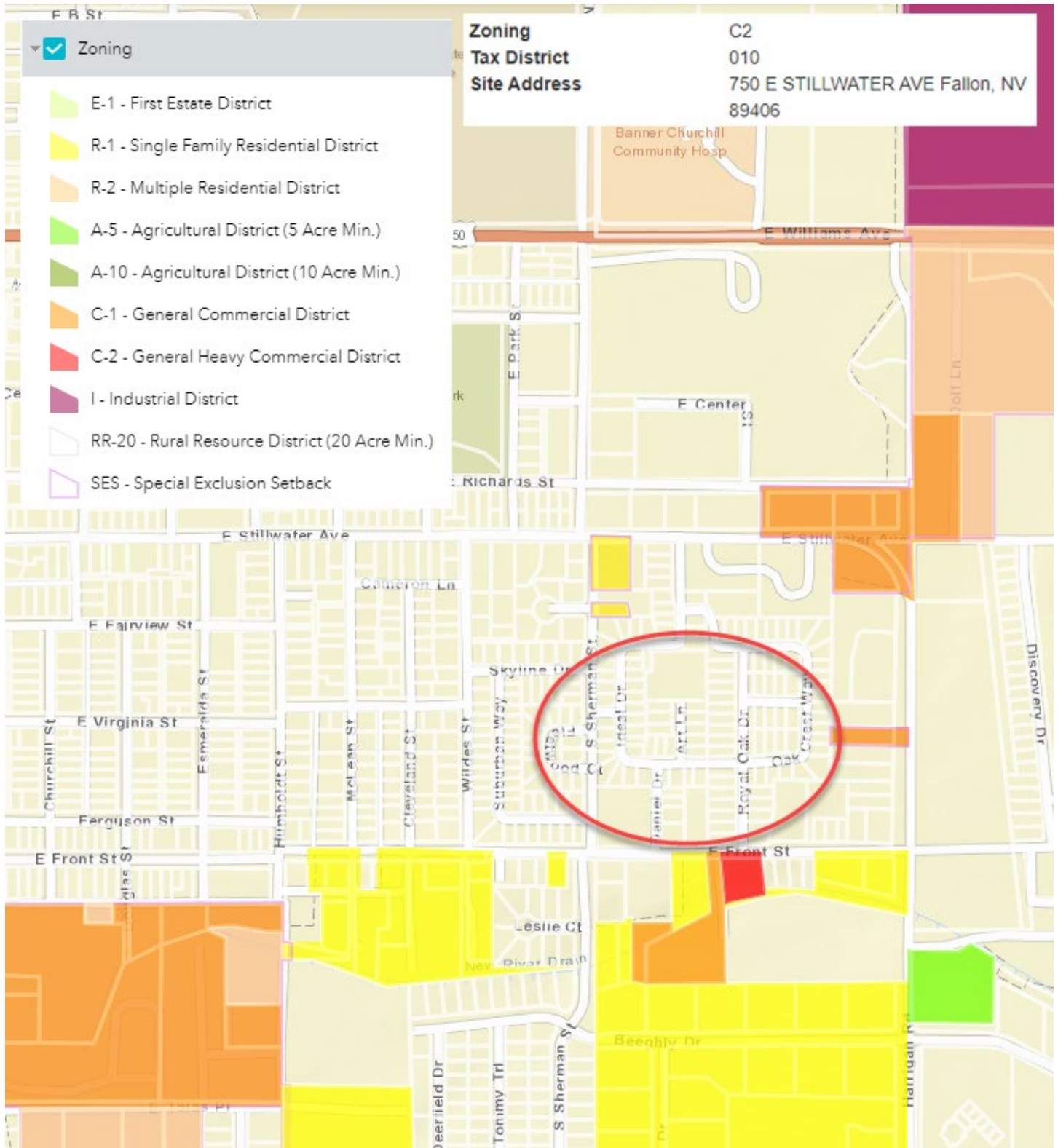
**SUBJECT**

1	001-741-01	28	001-743-07	55	001-751-06	82	001-751-33	109	001-754-06	136	001-763-05	163	001-763-32
2	001-741-02	29	001-743-08	56	001-751-07	83	001-751-34	110	001-754-07	137	001-763-06	164	001-763-33
3	001-741-03	30	001-744-01	57	001-751-08	84	001-752-01	111	001-754-08	138	001-763-07	165	001-763-34
4	001-741-04	31	001-744-03	58	001-751-09	85	001-752-02	112	001-754-09	139	001-763-08	166	001-763-35
5	001-741-05	32	001-744-04	59	001-751-10	86	001-752-03	113	001-754-10	140	001-763-09	167	001-763-36
6	001-741-07	33	001-744-05	60	001-751-11	87	001-752-04	114	001-755-01	141	001-763-10	168	001-763-37
7	001-741-08	34	001-744-06	61	001-751-12	88	001-752-05	115	001-755-02	142	001-763-11	169	001-764-01
8	001-741-09	35	001-744-07	62	001-751-13	89	001-752-06	116	001-755-03	143	001-763-12	170	001-764-02
9	001-741-11	36	001-744-08	63	001-751-14	90	001-752-07	117	001-755-04	144	001-763-13	171	001-764-03
10	001-741-12	37	001-744-09	64	001-751-15	91	001-752-08	118	001-755-05	145	001-763-14	172	001-764-04
11	001-741-13	38	001-744-10	65	001-751-16	92	001-752-09	119	001-755-06	146	001-763-15	173	001-764-05
12	001-741-14	39	001-744-11	66	001-751-17	93	001-752-10	120	001-755-07	147	001-763-16	174	001-764-06
13	001-741-15	40	001-744-12	67	001-751-18	94	001-753-01	121	001-761-01	148	001-763-17	175	001-764-07
14	001-741-16	41	001-744-13	68	001-751-19	95	001-753-02	122	001-761-02	149	001-763-18	176	001-764-08
15	001-741-18	42	001-744-14	69	001-751-20	96	001-753-03	123	001-761-03	150	001-763-19	177	001-764-09
16	001-742-01	43	001-744-15	70	001-751-21	97	001-753-04	124	001-761-04	151	001-763-20	178	001-764-10
17	001-742-02	44	001-744-16	71	001-751-22	98	001-753-05	125	001-761-05	152	001-763-21	179	001-764-11
18	001-742-03	45	001-744-18	72	001-751-23	99	001-753-06	126	001-761-06	153	001-763-22	180	001-764-12
19	001-742-04	46	001-744-19	73	001-751-24	100	001-753-07	127	001-761-07	154	001-763-23	181	001-764-13
20	001-742-06	47	001-744-20	74	001-751-25	101	001-753-08	128	001-761-08	155	001-763-24	182	001-764-14
21	001-742-07	48	001-744-21	75	001-751-26	102	001-753-09	129	001-762-01	156	001-763-25	183	001-764-15
22	001-743-01	49	001-744-23	76	001-751-27	103	001-753-10	130	001-762-02	157	001-763-26	184	001-764-16
23	001-743-02	50	001-744-25	77	001-751-28	104	001-754-01	131	001-762-03	158	001-763-27	185	001-764-17
24	001-743-03	51	001-751-02	78	001-751-29	105	001-754-02	132	001-763-01	159	001-763-28	186	001-764-18
25	001-743-04	52	001-751-03	79	001-751-30	106	001-754-03	133	001-763-02	160	001-763-29	187	001-764-19
26	001-743-05	53	001-751-04	80	001-751-31	107	001-754-04	134	001-763-03	161	001-763-30	188	001-764-20
27	001-743-06	54	001-751-05	81	001-751-32	108	001-754-05	135	001-763-04	162	001-763-31	189	001-764-21



1. CLUBHOUSE  
2. MAINTENANCE BLDG

# ZONING MAP



FLOOD MAPS

Prepared for: Colliers International

InterFlood by a la mode



MAP DATA

FEMA Special Flood Hazard Area: Yes  
 Map Number: 32001C1734F  
 Zone: AE  
 Map Date: September 26, 2008  
 FIPS: 32001

MAP LEGEND

- Areas inundated by 500-year flooding
- Areas inundated by 100-year flooding
- Velocity Hazard
- Protected Areas
- Floodway
- Subject Area

Powered by CoreLogic®



SITE PLAN



**Introduction**

The information presented below is a basic description of the existing improvements. This information is used in the valuation of the property. Reliance has been placed upon information provided by sources deemed dependable for this analysis. It is assumed that there are no hidden defects, and that all structural components are functional and operational, unless otherwise noted. If questions arise regarding the integrity of the improvements or their operational components, it may be necessary to consult additional professional resources.

<b>Property Type</b>	Manufactured Housing Community - All Age
<b>Number of Homesites</b>	187
<b>Number Of Common Area Buildings</b>	2
<b>Year Built</b>	1980
<b>Age/Life Analysis</b>	
Actual Age	42 Years
Effective Age	30 Years
Economic Life	60 Years
Remaining Life	30 Years - Assuming regular maintenance and periodic capital improvements
<b>Quality</b>	Average/Good
<b>Condition</b>	Average/Good
<b>Appeal</b>	Average/Good
<b>Marketability</b>	Average/Good
<b>Density</b>	7.9 Sites/Acre (187 Sites / 23.60 Acres)
<b>Parking Total</b>	387
Homesite Parking Spaces	374 - Asphalt
On Street Parking Spaces	None Noted
Visitor Parking Spaces	13 - Scattered Throughout Park
Carport Parking Spaces	None Noted
Garage Parking Spaces	None Noted
Parking Spaces/Homesite	2.1
Parking Comment	Parking is adequate and is consistent with the other communities in the market

**Homesite Mix**

The chart below details the homesite mix at the subject property.

<b>HOMESITE MIX</b>		
<b>HOMESITE TYPES</b>	<b>NO. HOMESITES</b>	<b>% OF TOTAL</b>
Standard	187	100.0%
<b>TOTAL</b>	<b>187</b>	<b>100%</b>

**Common Area Buildings**

The chart below details the common area buildings at the subject property.

**BUILDING DESCRIPTION GRID**

BUILDING	ADDRESS	GBA	CONSTRUCTION	QUALITY	CONDITION
Clubhouse	750 E Stillwater Avenue	4,005	Wood Frame Construction, Asphalt Shingle Roofing	Average/Good	Average/Good
Maintenance Shed	750 E Stillwater Avenue	545	Wood Frame Construction, Asphalt Shingle Roofing	Average/Good	Average/Good
<b>TOTAL</b>		<b>4,550</b>			

**Project Amenities**

The subject's common amenities include: Clubhouse, laundry room, swimming pool, spa and perimeter fence.

**Clubhouses**

The subject property has one average/good quality clubhouse.





**Laundry**

The project offers common area laundry.



**Pools**

The subject property has one average quality pool and spa.



**Other Amenities**

The subject also has RV storage.



**Site Improvements**

Asphalt streets, curbs, gutters and streetlights

<b>Landscaping</b>	The subject has a typical amount of landscaping. There are mature plantings surrounding the property. Plantings throughout the property include trees, flowers, mowed lawn, shrubs and hedges.
<b>Deferred Maintenance</b>	Deferred maintenance is measured as the cost of repairing or restoring the item to new or reasonably new condition. Based on our interview with the property manager and the onsite inspection by the field appraiser, no observable deferred maintenance exists.
<b>Hazardous Materials</b>	This appraisal assumes that the improvements are constructed free of all hazardous waste and toxic materials, including (but not limited to) asbestos. Please refer to the Assumptions and Limiting Conditions section regarding this issue.
<b>ADA Compliance</b>	This analysis assumes that the subject complies with all ADA requirements. Please refer to the Assumptions and Limiting Conditions section regarding this issue.
<b>Conclusion</b>	The subject improvements are a Class C+ manufactured housing community in average/good condition for their age and for the surrounding neighborhood.

## INTRODUCTION

Assessment of real property is established by an assessor that is an appointed or elected official charged with determining the value of each property. The assessment is used to determine the necessary rate of taxation required to support the municipal budget. A property tax is a levy on the value of property that the owner is required to pay to the municipality in which it is situated. Multiple jurisdictions may tax the same property.

The subject property is located within Churchill County. The assessed value and property tax for the current year are summarized in the following table.

ASSESSMENT & TAXES						
Tax Year	2021-2022			Tax Rate	3.6600%	
Tax District	010			Taxes Current	Yes	
APN	LAND	IMPV	TOTAL	EXEMPTIONS	TAXABLE	BASE TAX
001-741-01	\$12,000	\$4,499	\$16,499	\$0	\$5,775	\$211
001-741-02	\$12,000	\$3,929	\$15,929	\$0	\$5,352	\$196
001-741-03	\$12,000	\$2,855	\$14,855	\$0	\$5,199	\$190
001-741-04	\$12,000	\$9,141	\$21,141	\$0	\$7,399	\$271
001-741-05	\$12,000	\$4,747	\$16,747	\$0	\$5,861	\$215
001-741-07	\$12,000	\$4,290	\$16,290	\$0	\$5,702	\$209
001-741-08	\$12,000	\$2,977	\$14,977	\$0	\$5,242	\$192
001-741-09	\$12,000	\$2,603	\$14,603	\$0	\$5,111	\$187
001-741-11	\$12,000	\$4,836	\$16,836	\$0	\$5,893	\$216
001-741-12	\$12,000	\$4,769	\$16,769	\$0	\$5,869	\$215
001-741-13	\$12,000	\$6,207	\$18,207	\$0	\$6,372	\$233
001-741-14	\$12,000	\$4,476	\$16,476	\$0	\$5,767	\$211
001-741-15	\$12,000	\$4,001	\$16,001	\$0	\$5,600	\$205
001-741-16	\$12,000	\$4,520	\$16,520	\$0	\$5,782	\$212
001-741-18	\$12,000	\$4,218	\$16,218	\$0	\$5,676	\$208
001-742-01	\$12,000	\$3,465	\$15,465	\$0	\$5,413	\$198
001-742-02	\$12,000	\$3,927	\$15,927	\$0	\$5,574	\$204
001-742-03	\$12,000	\$5,241	\$17,241	\$0	\$6,034	\$221
001-742-04	\$12,000	\$5,671	\$17,671	\$0	\$6,185	\$226
001-742-06	\$12,000	\$2,327	\$14,327	\$0	\$5,014	\$184
001-742-07	\$12,000	\$4,226	\$16,226	\$0	\$5,679	\$208
001-743-01	\$12,000	\$5,544	\$17,544	\$0	\$6,140	\$225
001-743-02	\$12,000	\$7,188	\$19,188	\$0	\$6,716	\$246
001-743-03	\$12,000	\$5,148	\$17,148	\$0	\$6,002	\$220
001-743-04	\$12,000	\$3,335	\$15,335	\$0	\$5,367	\$196
001-743-05	\$12,000	\$2,273	\$14,273	\$0	\$4,996	\$183
001-743-06	\$12,000	\$4,604	\$16,604	\$0	\$5,811	\$213
001-743-07	\$12,000	\$4,194	\$16,194	\$0	\$5,668	\$207
001-743-08	\$12,000	\$3,369	\$15,369	\$0	\$5,379	\$197
001-744-01	\$12,000	\$2,131	\$14,131	\$0	\$4,946	\$181
001-744-03	\$12,000	\$3,606	\$15,606	\$0	\$5,462	\$200
001-744-04	\$12,000	\$3,615	\$15,615	\$0	\$5,465	\$200
001-744-05	\$12,000	\$3,355	\$15,355	\$0	\$5,374	\$197
001-744-06	\$77,800	\$169,121	\$246,921	\$0	\$86,422	\$3,163
001-744-07	\$12,000	\$2,911	\$14,911	\$0	\$5,219	\$191
001-744-08	\$12,000	\$3,554	\$15,554	\$0	\$5,444	\$199
001-744-09	\$12,000	\$3,980	\$15,980	\$0	\$5,593	\$205
001-744-10	\$12,000	\$2,886	\$14,886	\$0	\$5,210	\$191

001-744-11	\$12,000	\$2,821	\$14,821	\$0	\$5,187	\$190
001-744-12	\$12,000	\$2,795	\$14,795	\$0	\$5,178	\$190
001-744-13	\$12,000	\$2,322	\$14,322	\$0	\$5,013	\$183
001-744-14	\$12,000	\$2,980	\$14,980	\$0	\$5,243	\$192
001-744-15	\$12,000	\$2,763	\$14,763	\$0	\$5,167	\$189
001-744-16	\$12,000	\$3,845	\$15,845	\$0	\$5,546	\$203
001-744-18	\$12,000	\$2,475	\$14,475	\$0	\$5,066	\$185
001-744-19	\$12,000	\$3,937	\$15,937	\$0	\$5,578	\$204
001-744-20	\$12,000	\$2,716	\$14,716	\$0	\$5,151	\$189
001-744-21	\$12,000	\$3,886	\$15,886	\$0	\$5,560	\$203
001-744-23	\$12,000	\$4,885	\$16,885	\$0	\$5,910	\$216
001-744-25	\$12,000	\$4,814	\$16,814	\$0	\$5,885	\$215
001-751-02	\$34,500	\$14,684	\$49,184	\$0	\$17,214	\$630
001-751-03	\$12,000	\$3,466	\$15,466	\$0	\$5,413	\$198
001-751-04	\$12,000	\$5,137	\$17,137	\$0	\$5,998	\$220
001-751-05	\$12,000	\$2,709	\$14,709	\$0	\$5,148	\$188
001-751-06	\$12,000	\$2,809	\$14,809	\$0	\$5,183	\$190
001-751-07	\$12,000	\$2,815	\$14,815	\$0	\$5,185	\$190
001-751-08	\$12,000	\$3,127	\$15,127	\$0	\$5,294	\$194
001-751-09	\$12,000	\$2,898	\$14,898	\$0	\$5,214	\$191
001-751-10	\$12,000	\$2,846	\$14,846	\$0	\$5,196	\$190
001-751-11	\$12,000	\$2,462	\$14,462	\$0	\$5,062	\$185
001-751-12	\$12,000	\$2,691	\$14,691	\$0	\$5,142	\$188
001-751-13	\$12,000	\$9,657	\$21,657	\$0	\$7,580	\$277
001-751-14	\$12,000	\$5,989	\$17,989	\$0	\$6,296	\$230
001-751-15	\$12,000	\$2,854	\$14,854	\$0	\$5,199	\$190
001-751-16	\$12,000	\$3,489	\$15,489	\$0	\$5,421	\$198
001-751-17	\$12,000	\$3,190	\$15,190	\$0	\$5,317	\$195
001-751-18	\$12,000	\$3,121	\$15,121	\$0	\$5,292	\$194
001-751-19	\$12,000	\$2,665	\$14,665	\$0	\$5,133	\$188
001-751-20	\$12,000	\$2,429	\$14,429	\$0	\$5,050	\$185
001-751-21	\$12,000	\$2,796	\$14,796	\$0	\$5,179	\$190
001-751-22	\$12,000	\$4,515	\$16,515	\$0	\$5,780	\$212
001-751-23	\$12,000	\$2,766	\$14,766	\$0	\$5,168	\$189
001-751-24	\$12,000	\$6,514	\$18,514	\$0	\$6,480	\$237
001-751-25	\$12,000	\$2,919	\$14,919	\$0	\$5,222	\$191
001-751-26	\$12,000	\$2,533	\$14,533	\$0	\$5,087	\$186
001-751-27	\$12,000	\$3,492	\$15,492	\$0	\$5,422	\$198
001-751-28	\$12,000	\$4,829	\$16,829	\$0	\$5,890	\$216
001-751-29	\$12,000	\$3,795	\$15,795	\$0	\$5,528	\$202
001-751-30	\$12,000	\$3,449	\$15,449	\$0	\$5,407	\$198
001-751-31	\$12,000	\$3,205	\$15,205	\$0	\$5,322	\$195
001-751-32	\$12,000	\$4,164	\$16,164	\$0	\$5,657	\$207
001-751-33	\$12,000	\$5,954	\$17,954	\$0	\$6,284	\$230
001-751-34	\$12,000	\$2,843	\$14,843	\$0	\$5,195	\$190
001-752-01	\$12,000	\$3,914	\$15,914	\$0	\$5,570	\$204
001-752-02	\$12,000	\$3,174	\$15,174	\$0	\$5,311	\$194
001-752-03	\$12,000	\$4,275	\$16,275	\$0	\$5,696	\$208
001-752-04	\$12,000	\$2,460	\$14,460	\$0	\$5,061	\$185
001-752-05	\$12,000	\$6,127	\$18,127	\$0	\$6,344	\$232
001-752-06	\$12,000	\$2,972	\$14,972	\$0	\$5,240	\$192
001-752-07	\$12,000	\$2,488	\$14,488	\$0	\$5,071	\$186
001-752-08	\$12,000	\$2,666	\$14,666	\$0	\$5,133	\$188

001-752-09	\$12,000	\$3,013	\$15,013	\$0	\$5,255	\$192
001-752-10	\$12,000	\$3,215	\$15,215	\$0	\$5,325	\$195
001-753-01	\$12,000	\$3,137	\$15,137	\$0	\$5,298	\$194
001-753-02	\$12,000	\$2,351	\$14,351	\$0	\$5,023	\$184
001-753-03	\$12,000	\$2,316	\$14,316	\$0	\$5,011	\$183
001-753-04	\$12,000	\$2,468	\$14,468	\$0	\$5,064	\$185
001-753-05	\$12,000	\$3,388	\$15,388	\$0	\$5,386	\$197
001-753-06	\$12,000	\$2,504	\$14,504	\$0	\$5,076	\$186
001-753-07	\$12,000	\$2,622	\$14,622	\$0	\$5,118	\$187
001-753-08	\$12,000	\$3,749	\$15,749	\$0	\$5,512	\$202
001-753-09	\$12,000	\$2,953	\$14,953	\$0	\$5,234	\$192
001-753-10	\$12,000	\$3,342	\$15,342	\$0	\$5,370	\$197
001-754-01	\$12,000	\$3,415	\$15,415	\$0	\$5,395	\$197
001-754-02	\$12,000	\$3,054	\$15,054	\$0	\$5,269	\$193
001-754-03	\$12,000	\$3,569	\$15,569	\$0	\$5,449	\$199
001-754-04	\$12,000	\$3,306	\$15,306	\$0	\$5,357	\$196
001-754-05	\$12,000	\$3,731	\$15,731	\$0	\$5,506	\$202
001-754-06	\$12,000	\$2,554	\$14,554	\$0	\$5,094	\$186
001-754-07	\$12,000	\$4,419	\$16,419	\$0	\$5,747	\$210
001-754-08	\$12,000	\$3,550	\$15,550	\$0	\$5,443	\$199
001-754-09	\$12,000	\$2,408	\$14,408	\$0	\$5,043	\$185
001-754-10	\$12,000	\$5,195	\$17,195	\$0	\$6,018	\$220
001-755-01	\$12,000	\$3,645	\$15,645	\$0	\$5,476	\$200
001-755-02	\$12,000	\$5,854	\$17,854	\$0	\$6,249	\$229
001-755-03	\$12,000	\$2,816	\$14,816	\$0	\$5,186	\$190
001-755-04	\$12,000	\$3,232	\$15,232	\$0	\$5,331	\$195
001-755-05	\$12,000	\$4,605	\$16,605	\$0	\$5,812	\$213
001-755-06	\$12,000	\$5,333	\$17,333	\$0	\$6,067	\$222
001-755-07	\$12,000	\$5,337	\$17,337	\$0	\$6,068	\$222
001-761-01	\$12,000	\$2,996	\$14,996	\$0	\$5,249	\$192
001-761-02	\$12,000	\$3,754	\$15,754	\$0	\$5,514	\$202
001-761-03	\$12,000	\$3,511	\$15,511	\$0	\$5,429	\$199
001-761-04	\$12,000	\$3,959	\$15,959	\$0	\$5,586	\$204
001-761-05	\$12,000	\$3,316	\$15,316	\$0	\$5,361	\$196
001-761-06	\$12,000	\$4,313	\$16,313	\$0	\$5,710	\$209
001-761-07	\$12,000	\$3,479	\$15,479	\$0	\$5,418	\$198
001-761-08	\$12,000	\$3,495	\$15,495	\$0	\$5,423	\$198
001-762-01	\$12,000	\$3,710	\$15,710	\$0	\$5,499	\$201
001-762-02	\$12,000	\$2,321	\$14,321	\$0	\$5,012	\$183
001-762-03	\$12,000	\$4,646	\$16,646	\$0	\$5,826	\$213
001-763-01	\$12,000	\$2,798	\$14,798	\$0	\$5,179	\$190
001-763-02	\$12,000	\$2,987	\$14,987	\$0	\$5,245	\$192
001-763-03	\$12,000	\$4,742	\$16,742	\$0	\$5,860	\$214
001-763-04	\$12,000	\$3,069	\$15,069	\$0	\$5,274	\$193
001-763-05	\$12,000	\$3,906	\$15,906	\$0	\$5,567	\$204
001-763-06	\$12,000	\$7,679	\$19,679	\$0	\$6,888	\$252
001-763-07	\$12,000	\$2,790	\$14,790	\$0	\$5,177	\$189
001-763-08	\$12,000	\$3,049	\$15,049	\$0	\$5,267	\$193
001-763-09	\$12,000	\$2,391	\$14,391	\$0	\$5,037	\$184
001-763-10	\$12,000	\$3,012	\$15,012	\$0	\$5,254	\$192
001-763-11	\$12,000	\$2,633	\$14,633	\$0	\$5,122	\$187
001-763-12	\$12,000	\$2,421	\$14,421	\$0	\$5,047	\$185
001-763-13	\$12,000	\$2,418	\$14,418	\$0	\$5,046	\$185

001-763-14	\$12,000	\$3,272	\$15,272	\$0	\$5,345	\$196
001-763-15	\$12,000	\$4,611	\$16,611	\$0	\$5,814	\$213
001-763-16	\$12,000	\$2,702	\$14,702	\$0	\$5,146	\$188
001-763-17	\$12,000	\$3,005	\$15,005	\$0	\$5,252	\$192
001-763-18	\$12,000	\$2,569	\$14,569	\$0	\$5,099	\$187
001-763-19	\$12,000	\$3,904	\$15,904	\$0	\$5,566	\$204
001-763-20	\$12,000	\$3,504	\$15,504	\$0	\$5,426	\$199
001-763-21	\$12,000	\$4,562	\$16,562	\$0	\$5,797	\$212
001-763-22	\$12,000	\$3,484	\$15,484	\$0	\$5,419	\$198
001-763-23	\$12,000	\$2,299	\$14,299	\$0	\$5,005	\$183
001-763-24	\$12,000	\$4,220	\$16,220	\$0	\$5,677	\$208
001-763-25	\$12,000	\$2,977	\$14,977	\$0	\$5,242	\$192
001-763-26	\$12,000	\$2,888	\$14,888	\$0	\$5,211	\$191
001-763-27	\$12,000	\$4,413	\$16,413	\$0	\$5,745	\$210
001-763-28	\$12,000	\$3,863	\$15,863	\$0	\$5,552	\$203
001-763-29	\$12,000	\$4,516	\$16,516	\$0	\$5,781	\$212
001-763-30	\$12,000	\$6,833	\$18,833	\$0	\$6,592	\$241
001-763-31	\$12,000	\$3,579	\$15,579	\$0	\$5,453	\$200
001-763-32	\$12,000	\$3,259	\$15,259	\$0	\$5,341	\$195
001-763-33	\$12,000	\$4,129	\$16,129	\$0	\$5,645	\$207
001-763-34	\$12,000	\$3,582	\$15,582	\$0	\$5,454	\$200
001-763-35	\$12,000	\$3,575	\$15,575	\$0	\$5,451	\$200
001-763-36	\$12,000	\$2,604	\$14,604	\$0	\$5,111	\$187
001-763-37	\$12,000	\$3,160	\$15,160	\$0	\$5,306	\$194
001-764-01	\$12,000	\$3,367	\$15,367	\$0	\$5,378	\$197
001-764-02	\$12,000	\$11,384	\$23,384	\$0	\$8,184	\$300
001-764-03	\$12,000	\$5,422	\$17,422	\$0	\$6,098	\$223
001-764-04	\$12,000	\$2,728	\$14,728	\$0	\$5,155	\$189
001-764-05	\$12,000	\$2,743	\$14,743	\$0	\$5,160	\$189
001-764-06	\$12,000	\$3,179	\$15,179	\$0	\$5,313	\$194
001-764-07	\$12,000	\$2,679	\$14,679	\$0	\$5,138	\$188
001-764-08	\$12,000	\$3,252	\$15,252	\$0	\$5,338	\$195
001-764-09	\$12,000	\$3,365	\$15,365	\$0	\$5,378	\$197
001-764-10	\$12,000	\$3,201	\$15,201	\$0	\$5,320	\$195
001-764-11	\$12,000	\$4,038	\$16,038	\$0	\$5,613	\$205
001-764-12	\$12,000	\$4,630	\$16,630	\$0	\$5,821	\$213
001-764-13	\$12,000	\$7,454	\$19,454	\$0	\$6,809	\$249
001-764-14	\$12,000	\$5,623	\$17,623	\$0	\$6,168	\$226
001-764-15	\$12,000	\$5,578	\$17,578	\$0	\$6,152	\$225
001-764-16	\$12,000	\$3,697	\$15,697	\$0	\$5,494	\$201
001-764-17	\$12,000	\$4,723	\$16,723	\$0	\$5,853	\$214
001-764-18	\$12,000	\$4,055	\$16,055	\$0	\$5,619	\$206
001-764-19	\$12,000	\$4,837	\$16,837	\$0	\$5,893	\$216
001-764-20	\$12,000	\$5,758	\$17,758	\$0	\$6,215	\$227
001-764-21	\$12,000	\$2,731	\$14,731	\$0	\$5,156	\$189
<b>Totals</b>	<b>\$420,000</b>	<b>\$148,042</b>	<b>\$568,042</b>	<b>\$0</b>	<b>\$198,816</b>	<b>\$41,594</b>
<b>Total/Homesite</b>	<b>\$2,246</b>	<b>\$792</b>	<b>\$3,038</b>	<b>\$0</b>	<b>\$1,063</b>	<b>\$222</b>

**TAX CREDIT**

**Parcel 001-744-06**

Abatement Cap						(\$370)
<b>Total Tax Credit</b>						<b>(\$370)</b>

ADDITIONAL TAX CHARGES	
001-741-01	\$8.17
001-741-02	\$8.17
001-741-03	\$8.17
001-741-04	\$8.17
001-741-05	\$8.17
001-741-07	\$8.17
001-741-08	\$8.17
001-741-09	\$8.17
001-741-11	\$8.17
001-741-12	\$8.17
001-741-13	\$8.17
001-741-14	\$8.17
001-741-15	\$8.17
001-741-16	\$8.17
001-741-18	\$8.17
001-742-01	\$8.17
001-742-02	\$8.17
001-742-03	\$8.17
001-742-04	\$8.17
001-742-06	\$8.17
001-742-07	\$8.17
001-743-01	\$8.17
001-743-02	\$8.17
001-743-03	\$8.17
001-743-04	\$8.17
001-743-05	\$8.17
001-743-06	\$8.17
001-743-07	\$8.17
001-743-08	\$8.17
001-744-01	\$8.17
001-744-03	\$8.17
001-744-04	\$8.17
001-744-05	\$8.17
001-744-06	\$14.27
001-744-07	\$8.17
001-744-08	\$8.17
001-744-09	\$8.17
001-744-10	\$8.17
001-744-11	\$8.17
001-744-12	\$8.17
001-744-13	\$8.17
001-744-14	\$8.17
001-744-15	\$8.17
001-744-16	\$8.17
001-744-18	\$8.17
001-744-19	\$8.17
001-744-20	\$8.17
001-744-21	\$8.17

001-744-23	\$8.17
001-744-25	\$8.17
001-751-02	\$8.17
001-751-03	\$8.17
001-751-04	\$8.17
001-751-05	\$8.17
001-751-06	\$8.17
001-751-07	\$8.17
001-751-08	\$8.17
001-751-09	\$8.17
001-751-10	\$8.17
001-751-11	\$8.17
001-751-12	\$8.17
001-751-13	\$8.17
001-751-14	\$8.17
001-751-15	\$8.17
001-751-16	\$8.17
001-751-17	\$8.17
001-751-18	\$8.17
001-751-19	\$8.17
001-751-20	\$8.17
001-751-21	\$8.17
001-751-22	\$8.17
001-751-23	\$8.17
001-751-24	\$8.17
001-751-25	\$8.17
001-751-26	\$8.17
001-751-27	\$8.17
001-751-28	\$8.17
001-751-29	\$8.17
001-751-30	\$8.17
001-751-31	\$8.17
001-751-32	\$8.17
001-751-33	\$8.17
001-751-34	\$8.17
001-752-01	\$8.17
001-752-02	\$8.17
001-752-03	\$8.17
001-752-04	\$8.17
001-752-05	\$8.17
001-752-06	\$8.17
001-752-07	\$8.17
001-752-08	\$8.17
001-752-09	\$8.17
001-752-10	\$8.17
001-753-01	\$8.17
001-753-02	\$8.17
001-753-03	\$8.17
001-753-04	\$8.17
001-753-05	\$8.17



001-753-06	\$8.17
001-753-07	\$8.17
001-753-08	\$8.17
001-753-09	\$8.17
001-753-10	\$8.17
001-754-01	\$8.17
001-754-02	\$8.17
001-754-03	\$8.17
001-754-04	\$8.17
001-754-05	\$8.17
001-754-06	\$8.17
001-754-07	\$8.17
001-754-08	\$8.17
001-754-09	\$8.17
001-754-10	\$8.17
001-755-01	\$8.17
001-755-02	\$8.17
001-755-03	\$8.17
001-755-04	\$8.17
001-755-05	\$8.17
001-755-06	\$8.17
001-755-07	\$8.17
001-761-01	\$8.17
001-761-02	\$8.17
001-761-03	\$8.17
001-761-04	\$8.17
001-761-05	\$8.17
001-761-06	\$8.17
001-761-07	\$8.17
001-761-08	\$8.17
001-762-01	\$8.17
001-762-02	\$8.17
001-762-03	\$8.17
001-763-01	\$8.17
001-763-02	\$8.17
001-763-03	\$8.17
001-763-04	\$8.17
001-763-05	\$8.17
001-763-06	\$8.17
001-763-07	\$8.17
001-763-08	\$8.17
001-763-09	\$8.17
001-763-10	\$8.17
001-763-11	\$8.17
001-763-12	\$8.17
001-763-13	\$8.17
001-763-14	\$8.17
001-763-15	\$8.17
001-763-16	\$8.17
001-763-17	\$8.17

001-763-18	\$8.17
001-763-19	\$8.17
001-763-20	\$8.17
001-763-21	\$8.17
001-763-22	\$8.17
001-763-23	\$8.17
001-763-24	\$8.17
001-763-25	\$8.17
001-763-26	\$8.17
001-763-27	\$8.17
001-763-28	\$8.17
001-763-29	\$8.17
001-763-30	\$8.17
001-763-31	\$8.17
001-763-32	\$8.17
001-763-33	\$8.17
001-763-34	\$8.17
001-763-35	\$8.17
001-763-36	\$8.17
001-763-37	\$8.17
001-764-01	\$8.17
001-764-02	\$8.17
001-764-03	\$8.17
001-764-04	\$8.17
001-764-05	\$8.17
001-764-06	\$8.17
001-764-07	\$8.17
001-764-08	\$8.17
001-764-09	\$8.17
001-764-10	\$8.17
001-764-11	\$8.17
001-764-12	\$8.17
001-764-13	\$8.17
001-764-14	\$8.17
001-764-15	\$8.17
001-764-16	\$8.17
001-764-17	\$8.17
001-764-18	\$8.17
001-764-19	\$8.17
001-764-20	\$8.17
001-764-21	\$8.17
<b>Total Additional Tax Charges</b>	<b>\$1,550</b>
<b>Total Additional Tax Charges Per Homesite</b>	<b>\$8</b>
<b>Total Base Tax &amp; Additional Tax Charges</b>	<b>\$43,007</b>
<b>Total Base Tax &amp; Additional Tax Charges Per Homesite</b>	<b>\$230</b>

Source: Churchill County Assessment & Taxation

**SUBJECT PROPERTY ANALYSIS**

The total taxable value for the subject property is \$198,816 or \$1,063/Homesite. There are no exemptions in place. Total taxes for the property are \$43,007 or \$230/Homesite.

As part of the scope of work, we researched assessment and tax information related to the subject property. The following are key factors related to local assessment and taxation policy. Real property in Churchill County is assessed at 35% of market value. Real property is reassessed every five years with an annual update as of July 1. The next scheduled reassessment date could not be confirmed. In addition to scheduled reassessments, properties in Churchill County are reassessed upon conversion, renovation or demolition.

According to the staff representative at the Churchill County treasurer's office, real estate taxes for the subject property are current as of the date of this report.

**TAX COMPARABLES**

To determine if the assessment and taxes on the subject property are reasonable, we considered historical information, as well as information from similar properties in the market. They are illustrated in the table below.

TAX COMPARABLES										
	SUBJECT	COMP 1	COMP 2	COMP 3	COMP 4	COMP 5	COMP 6	LOW	HIGH	AVG
Property Name	Ideal Mobile Home Community	Sage Valley RV & MHC	West Star MHP	Wagon Wheel MHP	Deluxe MHP	Montgomery MHP	South Main MHP			
Address	750 East Stillwater Avenue	4800 and 4910 Reno Highway	2000 Auction Road	125 West Front Street	301 Tolas Place	1205 South Maine Street	1055 South Maine Street Suite 17			
City, State	Fallon, NV	Fallon, NV	Fallon, NV	Fallon, NV	Fallon, NV	Fallon, NV	Fallon, NV			
APN	Multiple APNs	008-472-12, 008-472-14	008-361-01	001-472-09	007-731-08	001-462-03, 001-462-02, 001-462-01	007-731-09			
Year Built	1980	1986	1962	1922	1956	1977	1942			
Homesites	187	127	19	28	30	50	50			
<b>Taxable \$</b>	\$198,816	\$352,750	\$107,899	\$82,148	\$500,831	\$394,600	\$227,173	\$82,148	\$500,831	\$277,567
<b>Taxable \$/Site</b>	\$1,063	\$2,778	\$5,679	\$2,934	\$16,694	\$7,892	\$4,543	\$2,778	\$16,694	\$6,753
<b>Total Taxes</b>	\$43,007	\$10,889	\$2,789	\$3,021	\$1,813	\$14,974	\$6,549	\$1,813	\$14,974	\$6,672
<b>Taxes Per Site</b>	\$230	\$86	\$147	\$108	\$60	\$299	\$131	\$60	\$299	\$139

The comparable properties reflect taxes ranging from \$60 to \$299/Homesite with an average of \$139/Homesite. The taxes for the subject property are within this range.

**INTRODUCTION**

Zoning requirements typically establish permitted and prohibited uses, building height, lot coverage, setbacks, parking and other factors that control the size and location of improvements on a site. The zoning characteristics for the subject property are summarized below:

<b>ZONING SUMMARY</b>	
<b>Municipality Governing Zoning</b>	City of Fallon Planning & Zoning Department
<b>Current Zoning</b>	General Commercial District (C-2)
<b>Permitted Uses</b>	Uses including but not limited to: Trailer camps, wholesale business stores or shops, used or secondhand merchandise stores or shops, animal hospitals, billboards, bottling plants, dancehalls, feed and fuel sales, towel and linen services, and pawnshops.
<b>Prohibited Uses</b>	Uses similar but not limited to: Marijuana establishments.
<b>Current Use</b>	Manufactured Housing Community
<b>Is Current Use Legally Permitted?</b>	Yes
<b>Zoning Change</b>	Not Likely

<b>ZONING REQUIREMENTS</b>	
<b>Conforming Use</b>	The existing improvements represent a legal non-conforming use permitted via a special use permit within this zone
<b>Minimum Lot Area (Acres)</b>	3.00
<b>Minimum Open Space</b>	10% or a dollar amount per space
<b>Homesite Dimensions</b>	
<b>Minimum Homesite Area (SF)</b>	3,600
<b>Minimum Homesite Width (Feet)</b>	40
<b>Minimum Yard Setbacks (Homesites)</b>	
From Exterior Boundary Line (Feet)	20
From District Boundary Line(Feet)	20
From Street (Feet)	20
<b>Minimum Yard Setbacks</b>	
Front (Feet)	As determined on building setback map or not less than the average depth of the front yards immediately adjacent thereto on each side
Rear (Feet)	10
Side (Feet)	None
<b>Subject Density (Homesites/Acre)</b>	7.9
<b>Maximum Building Height (Feet)</b>	30
<b>Maximum Building Height (Stories)</b>	2

<b>SUBJECT PARKING REQUIREMENT</b>			
<b>Homesite Type</b>	<b>Homesites</b>	<b>Required Spaces/Site</b>	<b>Required Spaces</b>
Residents Parking	187	2.00	374
Guests Parking	187	0.33	62
<b>Required Parking Spaces</b>			<b>436</b>
<b>Parking Spaces Provided</b>			<b>387</b>

Source: City of Fallon Planning & Zoning Department

**ZONING CONCLUSIONS**

Based on the interpretation of the zoning ordinance, the subject property is a legal non-conforming use permitted via a special use permit specific to the subject development that could be rebuilt if unintentionally destroyed. The

current use is permitted for ongoing use, but is subject for review upon proposed major renovation and/or full redevelopment of the site.

Detailed zoning studies are typically performed by a zoning or land use expert, including attorneys, land use planners, or architects. The depth of our analysis correlates directly with the scope of this assignment, and it considers all pertinent issues that have been discovered through our due diligence. Please note that this appraisal is not intended to be a detailed determination of compliance, as that determination is beyond the scope of this real estate appraisal assignment.

## DEFINITIONS

As with all real estate, the manufactured housing industry has its own language. Market participants (buyers, sellers, lenders, and third parties such as brokers, inspectors, and appraisers) and community residents (those that live in manufactured housing communities) often use phrases such as Mobile Home Park or manufactured housing community, and mobile home or manufactured house interchangeably. The following provides definitions for key phrases and concepts in the industry.

### **Factory Built**

A factory built home is built off site under a controlled environment, and then located to the site. Some minimal finish may (and probably will) be required on-site.

### **Mobile Home**

By definition, a mobile home is a factory built housing unit built prior to June 15, 1976 before the Housing and Urban Development (HUD) code came into effect. Under this code, all homes are now built according to Federal Manufactured Home Construction and Safety Standards.

### **Manufactured Home**

A manufactured home is a factory built housing unit built to meet or exceed the HUD code that came into effect June 15, 1976. A manufactured home has (or should have unless it was removed) a metal tag certifying that it was built in compliance with the HUD Code affixed to the outside of the home.

### **Modular Home**

A modular home is a factory built home built after June 15, 1976 that is built in accordance with local (city, county, and/or state) building code requirements. Usually, a modular home is built to BOCA, UBC, or SEBC requirements. Theoretically, a factory built home could be built to both the HUD Code and another code—the home would be considered a manufactured home because it meets the HUD Code.

### **Manufactured Housing Community (MHC)**

A manufactured housing community is a residential community within which manufactured homes are sited. A MHC is sometimes called a mobile home park or a trailer park—these phrases are left over from the 1950s-1970s—current industry nomenclature prefers the phrase manufactured housing community. Typically, a MHC is also a land lease community where the residents own their home and pay a rent (usually monthly) for their site.

### **Single Section**

A factory built home that is delivered to the home site in one section is considered a single-sectional. This phrase is preferred to singlewide which is non-specific. Single section homes are typically 18 feet or less in width and 90 feet or less in length.

### **Multi-section**

A factory built home that is delivered to the home site in more than one section is considered a multi-sectional. This phrase is preferred to doublewide which is non-specific. Multi-section homes are twenty feet or more in width and are 90 feet or less in length.



SINGLE SECTION



MULTI-SECTION

## INTRODUCTION

The manufactured housing industry is unique in that it is a combination of individual home ownership and home site rental. The portion of the industry most relevant to the appraisal of the subject properties are the home site rental, as the interest typically appraised is the interest held by the community owner. The other portion (home ownership) is also relevant because the rental of the site is dependent on a potential tenant's ability to place a home on it. So while the value of the homes is not directly considered in the analysis, the ability of potential tenants to place homes on the sites is considered in the analysis. An in depth discussion of manufactured housing construction, sales, ownership and financing is presented below.

### Manufactured Housing History

The evolution of the manufactured housing community (MHC) began in the 1920s, when the first camping trailer was built in Michigan. Camping trailers adapted to other uses such as short term, transportable housing.

The need for short term housing, on-base housing during World War II resulted in the creation of house trailers. House trailers were the next generation of camping trailers. Post World War II, the need for short term, off-base housing emerged, due in part to large construction projects (dams, highways, pipelines, energy facilities) in undeveloped areas. House trailers were ideal for this type of housing. Post construction, the trailers could move to the next location. The trailers were expanded, refined, and improved, and became mobile homes in the 1960s. Mobile home parks were developments in which mobile homes were placed.

The phrase manufactured home came into being in the mid-1970s with the passage and enactment of the National Manufactured Housing Construction and Safety Standards Act, commonly known as the HUD Code. This act, and these standards, went into effect on June 15, 1976. The Act required that factory built homes be built in accordance with the HUD Code. (Factory built homes built after this date, constructed in accordance with a code other than the HUD Code, are known as modular homes.) Due to enactment of these standards, there has not been a *mobile home* built in the United States since June 15, 1976. Finally, on October 8, 1990, Congress enacted Public Law 96-399, officially changing the phrase "mobile home" to "manufactured home".

Improvements in the public perception of manufactured housing makes the manufactured homes more attractive to people who otherwise would not have considered it. Along with stricter building codes, the manufactured housing industry has been successful in banishing false concepts regarding construction of manufactured housing. Historically, manufactured homes had the reputation of being unsafe, as they were thought to be more prone to fire and wind than conventional housing. However, studies have shown that site built homes are more likely to experience a fire.

Regarding the “wind factor,” most homes are built to withstand winds of up to 70 miles per hour. Tornadoes usually have winds ranging from 112 to 200 miles per hour. Neither site built homes nor manufactured homes are designed to withstand these excessive winds. Manufactured homes have also had the perception of being a depreciating asset once purchased, much like a vehicle. Although age is a factor, the condition of the home is the most significant factor.

**KEY FACTORS**

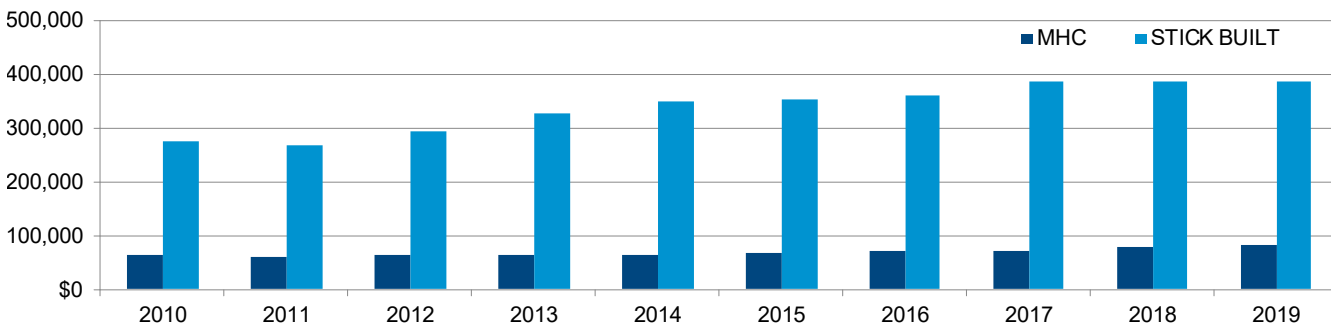
Location is the primary factor in the resale of a manufactured home. A permanently sited, well-maintained manufactured home may appreciate in value at the same rate as the surrounding neighborhood. A study conducted by Foremost Insurance Company, indicated that manufactured homes built since 1973 have appreciated on a nationwide basis.

Another study conducted by the University of Georgia, indicated the average life expectancy of a manufactured home is 55 years. In addition to better construction techniques and a higher quality product, manufactured homes have also increased in size, ranging from 700 to 2,400 square feet with up to five bedrooms.

The construction and design of manufactured housing has greatly improved and has proven more cost effective than conventional site-built housing. Factory built homes typically cost 33% to 50% of comparable site built houses. This lower cost is attributed to factors involved in the actual construction of manufactured housing, such as no weather delays, volume savings resulting from bulk purchases of materials, quality control at each step of construction, and assembly line construction. This difference in costs is attractive to first time homebuyers. The following chart details the cost of a manufactured home versus a single family residential home:

**HISTORICAL SALES PRICE**  
**STICK BUILT SINGLE-FAMILY-RESIDENTIAL VS. MANUFACTURED HOUSING COMMUNITY**

YEAR	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
MHC	\$62,800	\$60,500	\$61,900	\$64,000	\$65,300	\$68,000	\$70,600	\$71,900	\$78,500	\$81,900
STICK BUILT	\$272,900	\$267,900	\$292,200	\$324,500	\$347,700	\$352,700	\$360,900	\$384,900	\$385,000	\$383,900



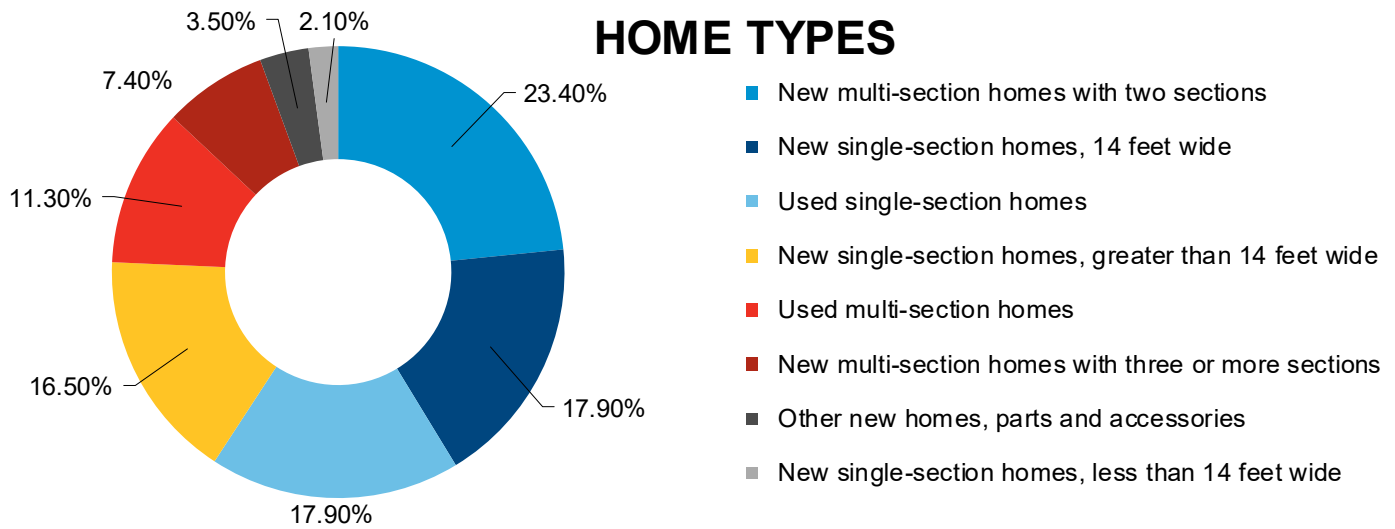
2020 data not yet released

Source: U.S. Commerce Department's Census Bureau via U.S. Department of Housing and Urban Development



MARKET SEGMENTS

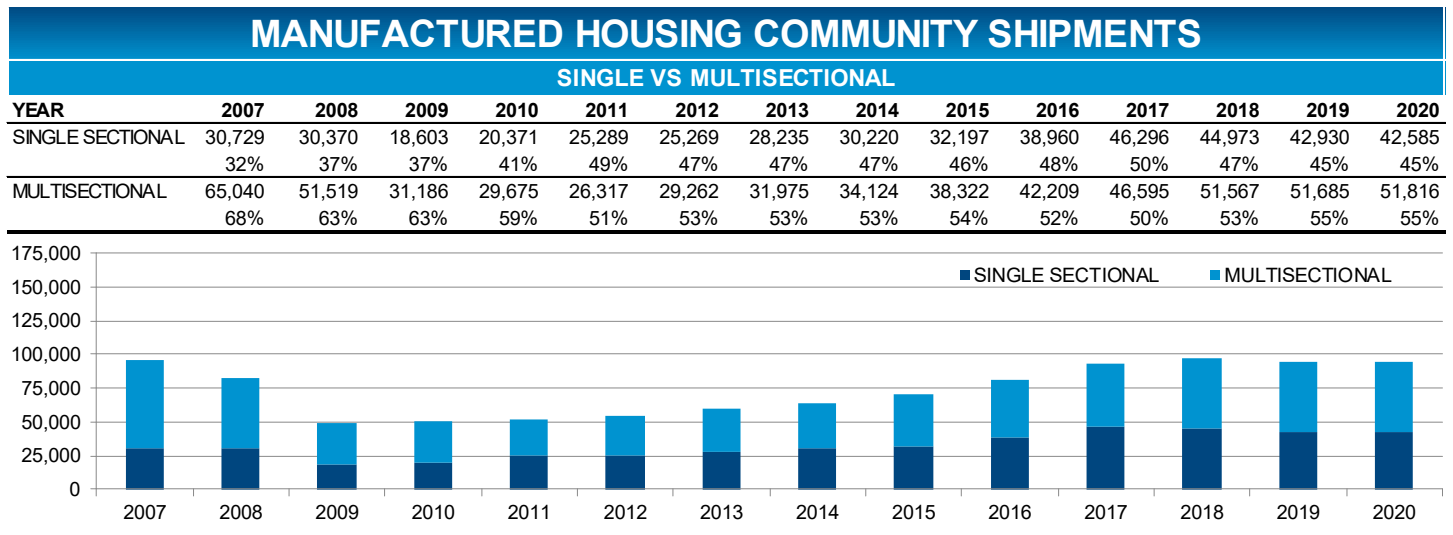
The following chart details the percentages for home sales according to type of home sold.



The largest product segment is new multi-section homes with two sections, which accounts for approximately 23.4% of revenue. Total new homes account for 67.3% of industry revenue. Used homes, which account for 29.3% of industry revenue, are obtained through trade-ins or repossessed homes purchased from or sold on a consignment basis for consumer finance companies. Multi-section homes account for approximately 78% of industry revenue compared with 61.2% in 1998. Higher demand for multi-section homes has been driven by a greater acceptance of manufactured homes as a variable housing alternative by higher-income buyers.

NEW HOME MIX

The following chart shows the distribution between single and multi-section homes in new home shipments over the past decade. The trend is toward a balance between single and multi-section homes.



Source: U.S. Commerce Department's Census Bureau via U.S. Department of Housing and Urban Development

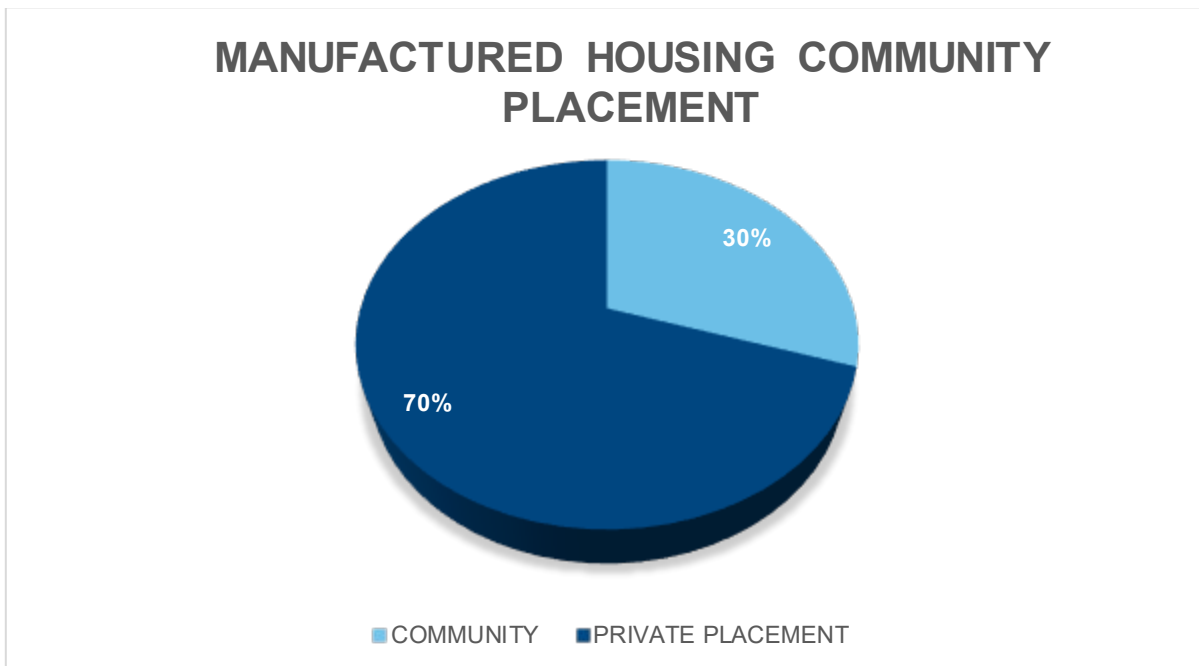
## MANUFACTURED HOUSING COMMUNITY OWNERSHIP (ALSO KNOWN AS LAND LEASE COMMUNITIES)

### Investors

Historically, the typical manufactured home community investor was a small partnership or individuals. However, as the communities have improved in design and image, as well as proven to be low risk investments, REITs, pension funds or national investment groups have begun including them in their portfolios.

### Barriers To Entry

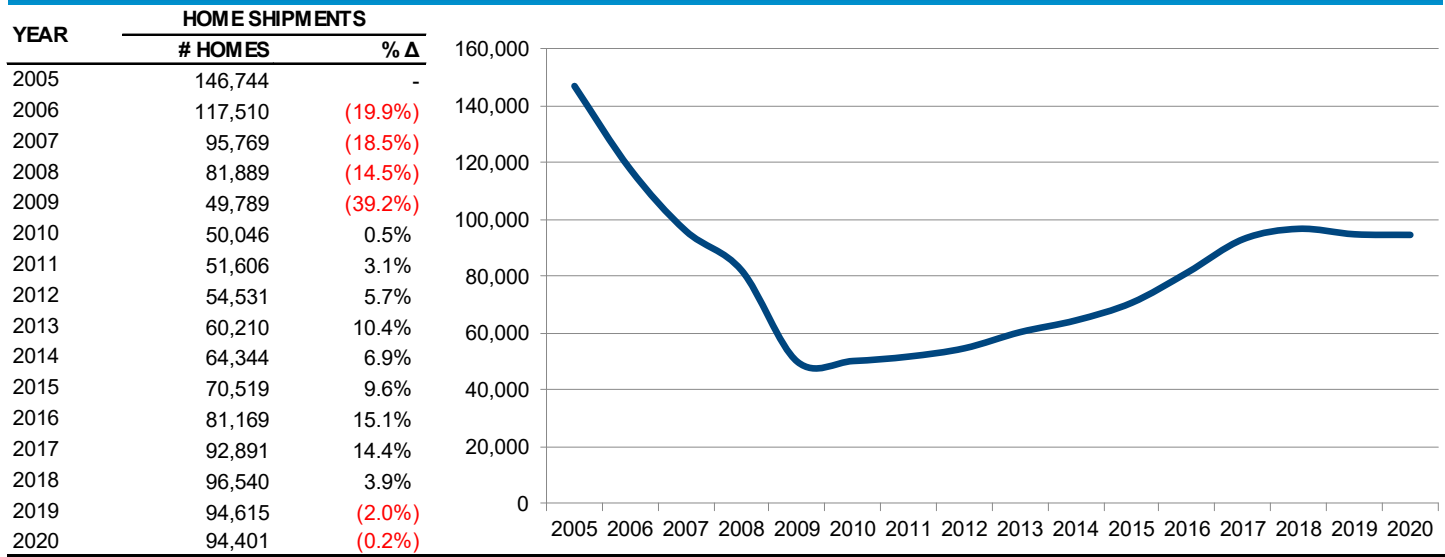
Generally, barriers to entry are considered to be significant across the US. It may be costly to purchase suitable land to begin operations. This varies between regions and is generally dependent on existing populations, infrastructure, facilities, transport, and development. Zoning is the biggest barrier to new construction. This is generally due to a negative public perception of these facilities. Additionally, it may take several years to achieve high occupancy rates, which can hinder revenue growth.



## MANUFACTURED HOME SHIPMENTS

Manufactured home shipments steadily increased from 1991 to 1998, according to the Manufactured Housing Institute (MHI). The peak of the market was 1998 when nearly 373,000 new units were delivered to the market. This growth trend was primarily fueled by a combination of economics and demographics. The following chart shows trends in the shipment of homes over the past eight years.

## MANUFACTURED HOME SHIPMENTS



\*Annualized through November

During 2006, industry revenue continued to rise as interest rates increased and demand for low-cost housing grew. The inventory of unsold site-built homes reached a historically high peak in the second half of 2006. This continued to quell demand for manufactured housing.

In 2007, the large supply of available, moderately priced, site-built homes continued to suppress revenue growth in the industry. Average Monthly Manufactured Housing Shipments per year are estimated to have declined by 18.5% in 2007. This trend of declining shipments continued through 2009 before trending back upward through 2017, when it reached pre-recessions levels. Shipment trends appear to have generally leveled out over the past three years.

### CLASSIFICATIONS/QUALITY RATINGS

#### Types of Communities

The first distinction that can be made between communities is between lifestyle and affordable housing. Lifestyle communities typically have newer, higher quality homes and community amenities. Affordable housing communities have a higher percentage of older used homes and few if any amenities. Ultimately most manufactured housing communities are “affordable” housing. However, these communities are geared toward lower income families than the typical single family community. Investors in manufactured housing typically specialize in one type of community and there are distinct investment philosophies that are tied to each type.

The next distinction that can be made is between all age and senior or age restricted (55+) communities. The all age community is the largest segment representing ±60% of the market. Operators of these sites provide leases for vacant lots within an established manufactured home community for all ages. These leases are usually on a month-by-month basis or for an entire year. Families and first-time homebuyers are large users of these manufactured home sites. This is due to these facilities providing a more affordable means of home ownership, an increase in popularity of manufactured home sites for families and as holiday homes. All-age communities are typically a mix of affordable and lifestyle.

The age restricted or 55+ communities generally provide more facilities and services for occupants, who tend to stay for longer periods of time than the family and first home buyers segments. This segment has increased in popularity for retirees. These communities are primarily lifestyle communities.

**Rating System**

A star rating system is a common system with an origin in the Woodall Rating Guide. The guide ceased to be published in the early 1970s and most of the highest rated communities in existence today were constructed since 1980, at least a decade after the guide ceased publication. There is no standard rating system. Many have their own rating criteria that they reference.

In this appraisal we utilize an alphabetic classification system. The highest classified buildings are Class A. Quality but slightly inferior assets are Class B. Class C buildings are the oldest buildings, lowest quality, and often have no amenities. These are still functional assets in fair to average condition. Assets that are not functional and in poor condition are not classified. This system reflects industry standards and can be translated to both industry vernacular and standards used in other related real estate industries, most notably apartment complexes. The following chart shows our classification overview.

<b>MANUFACTURED HOUSING COMMUNITIES RATING GUIDE</b>				
<b>CATEGORY</b>	<b>CLASS A</b>	<b>CLASS B</b>	<b>CLASS C</b>	<b>UNRATABLE</b>
<b>Density</b>	Low (4-7 sites/acre)	Medium (10 sites/acre or less)	High (15 sites/acre or less)	High (15+ sites per acre)
<b>Age</b>	Built Since 1980	Built Since 1970	Built Prior to 1980	Built Prior to 1980
<b>Amenities</b>	Resort Style	Standard to None (if high enough quality)	Few to none	None
<b>Quality/Layout</b>	Subdivision Quality	High Quality grid or curvilinear layout	Medium to Low Quality/ Typical Grid Layout	Grid Layout
<b>Roads</b>	Asphalt or Concrete	Asphalt or Concrete	Mostly Asphalt or Concrete (Some Gravel & Dirt)	All Gravel & Dirt
<b>Utilities</b>	Public Utilities	Usually Public Utilities	Mix of Public and Private	Mix of Public and Private
<b>Parking</b>	2 Off-Street per Site	1 to 2 Off Street per Site	Mix of Off Street and On Road	On Road Parking Only
<b>Homes (Quality)</b>	Excellent	Good to Excellent	Average to Good	Fair
<b>Homes (Age)</b>	Built After 1980	Majority Built after 1980	Built after 1976	Built before 1976
<b>Homes (Mix)</b>	Mostly Multi-Section	Single and Multisection	Primarily Single Sectional	Primarily Single Sectional
<b>COMPARISON TO STAR RATING</b>				
<b>Star Rating (Non-Woodall)</b>	Five Star	Three to Four Star	Two to Three Star	One Star or Unratable
<b>Star Rating (Woodall)</b>	N/A	N/A	N/A	N/A

## DEMAND FACTORS

### Demographics

For each of the two types of communities previously detailed there are differing demographic bases. All-Age communities typically serve low income earners and first time home owners. Senior (55+) communities serve low to high middle income retirees. There are also some higher income retirees who see manufactured housing as an option to maintain multiple residences.

Location aspects desired by residents in All-Age communities include proximity to employment, shopping, and major traffic arteries. Affordable housing community residents are employed primarily in industrial parks and retail centers rather than in offices. For those with children, school districts play a major role in choice of location. Manufactured housing can offer an entry point to a high quality school district for an affordable monthly payment.

Location aspects for Senior (55+) communities are different. Important to these residents are community amenities, climate, proximity to family, along with medical and retail support services. For some these homes are an affordable second home.

Another factor is the ease of relocation. For people who work in jobs that require regular geographic relocation, manufactured home sites provide an affordable and easy way to move between states as required for employment or personal reasons.

### The Economy

Manufactured housing follows shifts in the economy as does other forms of residential real estate, but it often works at counter cycles.

Several factors have combined to increase the demand for manufactured housing communities over the last few years, specifically, the declining homeownership and household formation rates. Since the collapse of the housing bubble, both people and banks have become more averse to financial risk, especially for mortgages. Homeownership became harder to obtain and coupled with the sharp increase in foreclosures, many renters were back in the market for manufactured housing communities. Job losses, decreased incomes, reduced asset values and other financial hits that occurred as a result of the Great Recession forced others to downsize as well. Another wave of former homeowners may be entering the rental market soon as a recent Inspector General report indicates that nearly half of the mortgages modified in 2009 under the Home Affordable Modification Program (HAMP) are in default again.

Homeownership rates have steadily declined from a historical high of 69.2% in 4Q 2004 to a low of 63.7% in 4Q 2016. Since then, homeownership rates have inched back upward to 65.8% in 4Q 2020. For each one percentage point decline in homeownership, there is a shift of approximately 1.1 million households to the rental market. Interest rates remain at all-time lows, resulting in a surge in single-family sales as fence-sitters move in to the market. Single-family home prices rose 13.0% from last year as builders are unable to put homes up fast enough to keep up with residential demand.

## COMPETITION

There are two types of competition for a manufactured housing community. The first is the most obvious; a community must directly compete with other manufactured housing communities in the market for residents. The second is the indirect competition the properties have from single family homes and from apartments:

### Direct

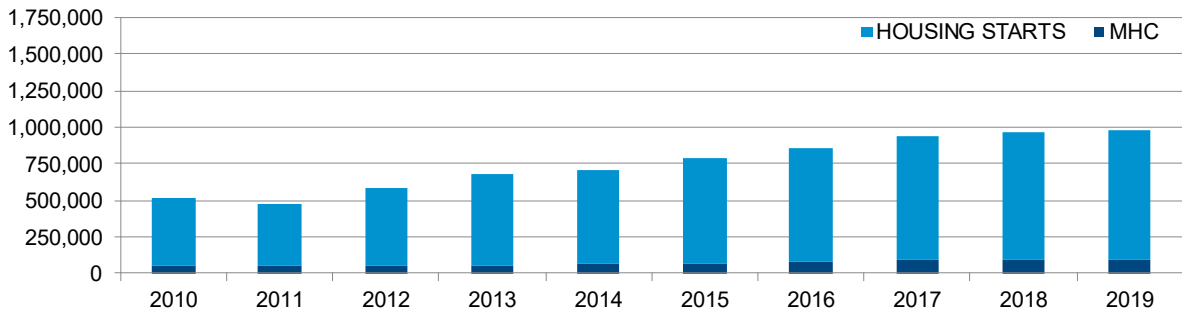
There are several factors that influence a customer's decision to lease a site within a particular manufactured home community, including

- › **Homes** - As with single family residential residents want the quality of the homes in their community to be as good if not better than their own. The quality of manufactured homes has improved significantly in recent years. So communities with a higher percentage of newer homes are more attractive.
- › **Amenities** - Most manufactured home communities offer a wide range of community facilities, such as swimming pools, clubhouses, cable television services, golf courses and others. Particularly for retirees or those who intend to utilize the facilities provided, the quality and condition of amenities can be very important.
- › **Quality** - Factors that go into the quality of a community include the streets, homes, lighting, amenities, and parking. These all contribute to the overall “feel” of the community. The previous discussion on lifestyle versus affordable housing bears repeating here. Lifestyle communities tend to be higher quality communities. However, simply because a community is an affordable housing option does not necessarily mean it is a low quality community. A well located affordable housing community may well be better maintained and have a higher occupancy than a competing lifestyle community.
- › **Management/Reputation** - If a manufactured home community, or the operating company, has a poor reputation for quality of facilities, resident noise, or lack of service, this can result in lost revenues and residents. Well maintained, friendly, and clean communities are more likely to be preferable to potential and existing residents. The impact of management is hard to overlook. A competent manager, with experience in selling and financing homes or with renting in a primarily rental home community, is invaluable. They can be the difference between maintaining or increasing occupancy and losing residents. Likewise the ability of a management company to provide homes for sales and financing is equally important. This is one reason for recent consolidation that has taken place in the industry. Smaller owner/operators are increasingly having difficulty in this area.
- › **Costs** - Costs include the purchase and finance of a home, rents, and utilities. This again has been an issue for smaller owner/operators. A community located in an area with high utility costs may have to offer much lower rent to attract residents from the lower utility cost areas in the market.
- › **Location** - For people looking to live within a particular region, or close to family, relatives or friends, the location of a manufactured home community may be the most important consideration. For an established manufactured home community with a high occupancy rate, a lack of good quality lots in a good position can deter new residents. Similarly, if a site is located near an undesirable feature, such as electricity towers or a freeway, this may be difficult to lease out.

### Indirect

Manufactured housing sits somewhere between apartments and single family residential on the spectrum of home ownership. Residents typically own their own home but rent the land. In retirement areas and in many lifestyle communities the relationship to other components of the residential market more closely resembles single family residential. However, for affordable housing communities and for communities with a high percentage of community owned rental homes the relationship more closely resembles apartments. The following chart details the percentages of new housing starts to manufactured housing shipments:

HOUSING STARTS VS. SHIPMENTS										
YEAR	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
MHC	50,046	51,618	54,881	60,228	64,331	70,544	81,136	92,902	96,555	94,615
HOUSING STARTS	471,000	431,000	535,000	618,000	648,000	715,000	782,000	849,000	876,000	888,000
TOTAL	521,046	482,618	589,881	678,228	712,331	785,544	863,136	941,902	972,555	954,873
MHC (% of Total)	10%	11%	9%	9%	9%	9%	9%	10%	10%	10%



2020 data not yet released

Source: U.S. Commerce Department's Census Bureau via U.S. Department of Housing and Urban Development

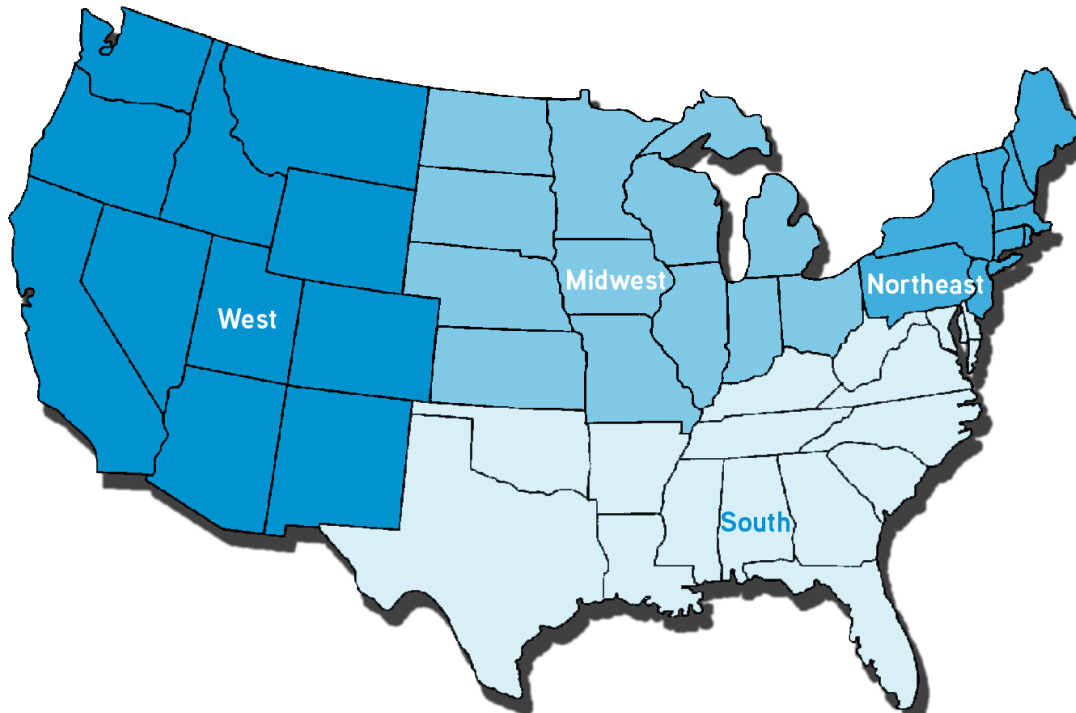
You can see the relationship between manufactured housing demonstrates the relationship overall between single family residential and manufactured housing. During the height off the housing bubble the number of shipments decreased significantly relative to new housing starts. This was also a period of declining occupancy in many communities. The crash of single family markets resulted in an increase (relative to new housing starts) in the percentage of shipments to housing starts. Below are some factors that impact potential residents decision-making regarding living in manufactured housing communities.

- › **The total price of a manufactured home and lot rent.** The purchase of a manufactured home and rent of a community lot is generally considerably more affordable than a traditional home and land package. For this reason, manufactured home communities are popular with the over 55 years of age group, first home buyers, families, and low income groups. Community owners generally try to get the cost of the home and the lot rent to equal less than the average rent of a comparable 2 to 3 bedroom apartment in the property's area.
- › **The level of interest rates and mortgage defaults.** During periods of low mortgage interest rates, demand for manufactured home sites decreases as people feel they can afford a traditional home and land, apartment or condominium. However, as interest rates increase, mortgage defaults can result in stronger demand for more affordable alternatives.
- › **Attractiveness of manufactured homes.** Newer homes are more comparable to single family or site built homes.
- › **The social status of living in a manufactured home community.** The lower costs are often offset by a perceived lower level of social status. This has been reduced somewhat by improvements in the public perception of manufactured homes. In the past, manufactured home communities had a negative image of poor, unkempt housing, with dilapidated cars parked in the yards, creating an eyesore for neighboring property owners. Fortunately, for the manufactured home industry, the "trailer park" image is giving way to a newer concept; well designed and groomed communities which closely resemble conventional subdivisions.

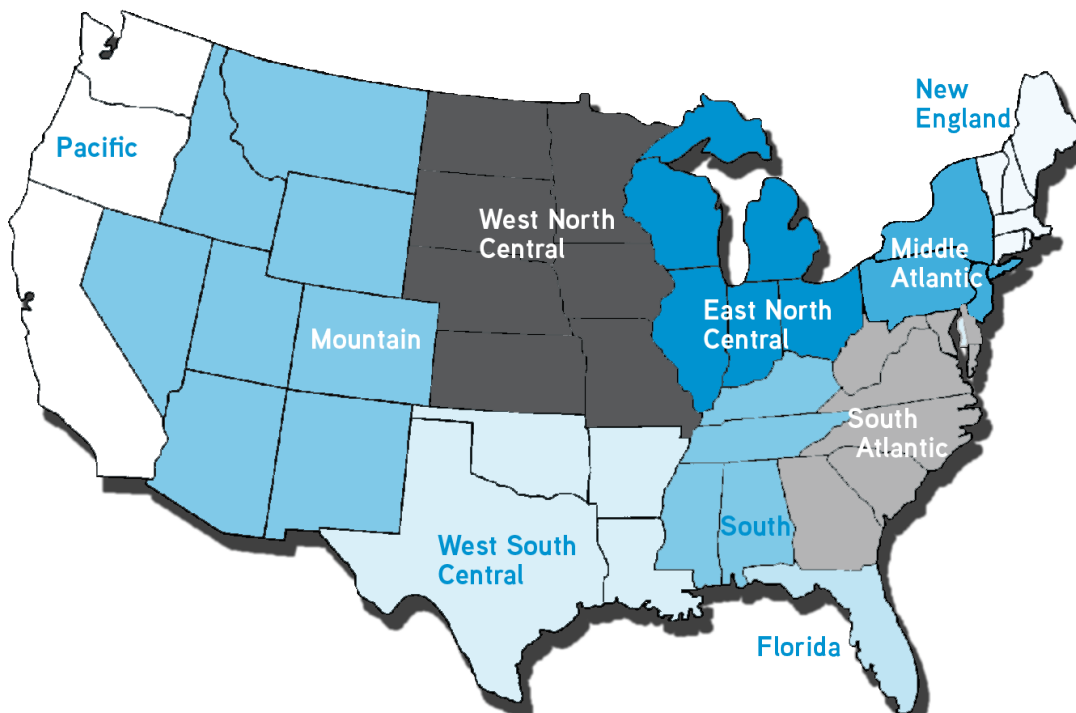
**REGIONAL ANALYSIS**

National MHC data was available from state governments, manufactured housing industry groups, and the federal government. The Census Bureau identifies four major regions in the country which are further subdivided into nine “sub”-regions. For the purpose of analysis an additional “sub”-region is added. Florida is a unique enough state that it is separated from the “South Atlantic” sub-region and analyzed separately. The following maps show the delineation of the regions and sub regions.

**Regions**

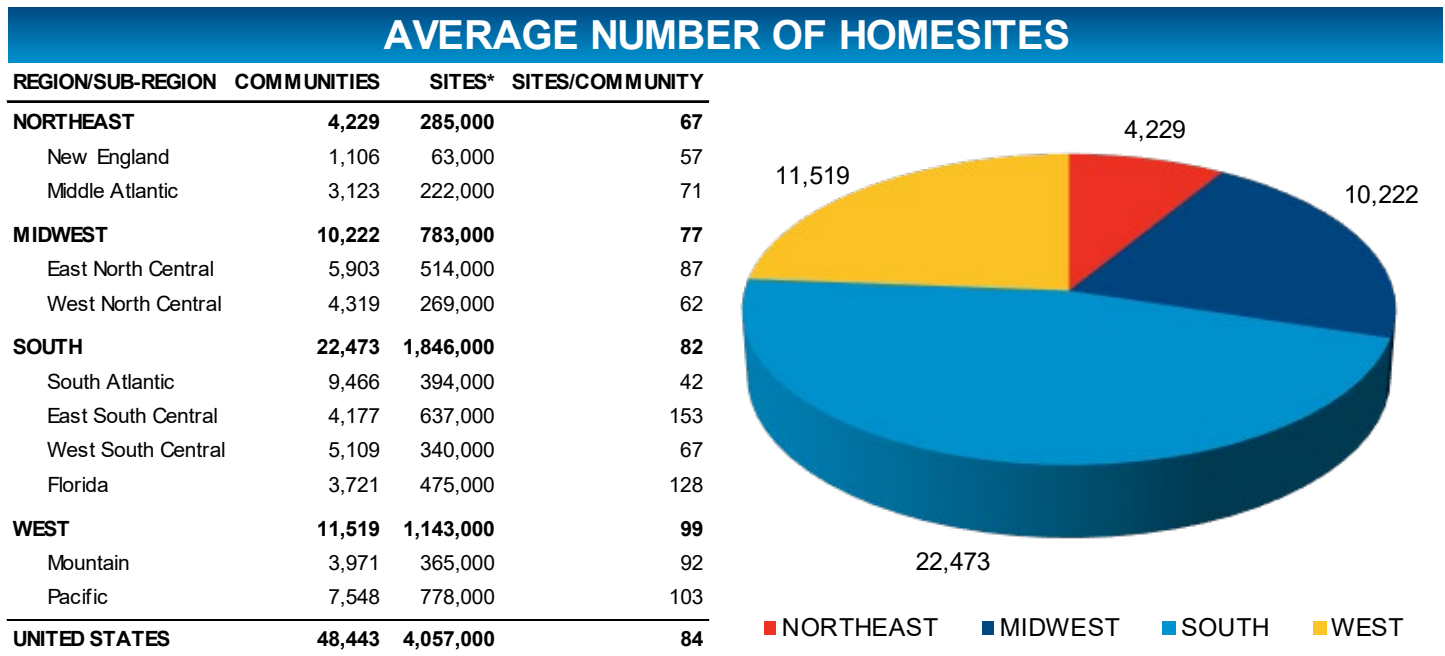


**Sub-Regions**





The following chart shows the different regions and sub-regions and identifies the number of communities and homesites in each area.



The northeast is the smallest region and the South is the largest. The Pacific sub-region is the largest sub-region, while the New England sub-region is the smallest. The East South Central has the largest communities (on average) with the Florida having the second largest. The South Atlantic has the smallest communities with an average of 42 sites per property. The following paragraphs examine each region separately.

**Northeast**

New York and Pennsylvania have the most communities with just under 1,500 homesites each. New Jersey, Massachusetts, and Connecticut have the largest communities with average community sizes of 151, 146, and 124 respectively.

**Midwest**

Michigan has the most homesites in the Midwest with nearly 200,000 homesites. This is mostly the result of larger properties. Michigan communities have most homesites per community in the Midwest, with an average of 155 homesites per community. Ohio has the most communities but with much fewer sites per community at 68.

**South**

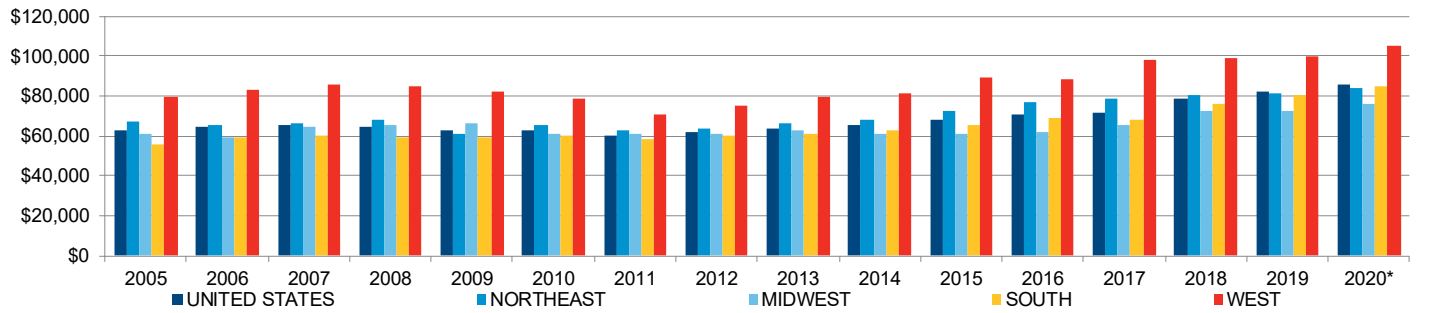
Florida has more homesites than any other state by a significant margin with over 400,000 homesites. North Carolina has ±4,100 communities but they have an average size of just 30 homesites per community.

**West**

California has the most homesites of any state in the country and consequently in the west as well. It has over 560,000 sites in nearly 4,000 communities. The average number of homesites in California’s communities is 151. Other states with many communities include Arizona (±1,000), Colorado (±1,100), Oregon, (±1,400), and Washington (±2,100).

The following chart shows the average home price by region in the United States. The Western region has the highest priced homes with the Pacific sub-region having the highest cost of living overall.

AVERAGE SALES PRICE OF NEW MANUFACTURED HOMES BY REGION & SIZE OF HOME																
YEAR	UNITED STATES			NORTHEAST			MIDWEST			SOUTH			WEST			
	TOTAL	SINGLE	DOUBLE	TOTAL	SINGLE	DOUBLE	TOTAL	SINGLE	DOUBLE	TOTAL	SINGLE	DOUBLE	TOTAL	SINGLE	DOUBLE	
2005	\$62,600	\$34,100	\$68,700	\$67,000	\$40,400	\$75,700	\$60,600	\$35,800	\$66,500	\$55,700	\$32,700	\$64,700	\$79,900	\$38,900	\$76,400	
2006	\$64,300	\$36,100	\$71,300	\$65,300	\$40,500	\$73,100	\$59,100	\$35,900	\$67,400	\$58,900	\$35,400	\$68,700	\$83,400	\$41,200	\$79,600	
2007	\$65,400	\$37,300	\$74,200	\$66,100	\$43,300	\$75,200	\$64,900	\$39,200	\$72,700	\$59,900	\$36,100	\$71,100	\$85,500	\$41,300	\$84,800	
2008	\$64,700	\$38,000	\$75,800	\$68,400	\$46,100	\$77,700	\$65,700	\$39,400	\$74,500	\$59,600	\$36,900	\$72,700	\$84,900	\$42,700	\$87,100	
2009	\$63,100	\$39,600	\$74,500	\$61,400	\$44,200	\$69,300	\$66,200	\$41,100	\$75,700	\$59,400	\$38,700	\$72,800	\$82,100	\$44,500	\$83,300	
2010	\$62,800	\$39,500	\$74,500	\$65,700	\$44,000	\$76,900	\$60,600	\$41,400	\$74,500	\$60,100	\$38,600	\$72,700	\$78,600	\$42,100	\$82,000	
2011	\$60,500	\$40,600	\$73,900	\$62,700	\$41,600	\$75,800	\$60,800	\$42,800	\$76,500	\$58,400	\$40,000	\$71,900	\$70,600	\$41,800	\$80,200	
2012	\$62,200	\$41,100	\$75,700	\$63,400	\$41,300	\$76,400	\$60,900	\$43,300	\$77,300	\$60,100	\$40,700	\$73,600	\$75,300	\$41,500	\$84,200	
2013	\$64,000	\$42,200	\$78,600	\$66,500	\$44,300	\$79,600	\$62,900	\$43,300	\$80,000	\$61,200	\$41,700	\$76,500	\$79,100	\$44,600	\$86,600	
2014	\$65,358	\$45,050	\$82,058	\$68,258	\$47,483	\$84,900	\$61,100	\$46,425	\$80,742	\$63,000	\$44,175	\$79,617	\$81,017	\$48,308	\$91,050	
2015	\$68,058	\$45,550	\$86,700	\$72,533	\$50,125	\$91,158	\$60,708	\$46,433	\$83,808	\$65,133	\$44,575	\$82,642	\$88,800	\$47,108	\$102,158	
2016	\$70,658	\$46,850	\$89,458	\$76,900	\$48,925	\$99,508	\$61,700	\$46,383	\$86,417	\$68,625	\$45,667	\$86,392	\$88,225	\$55,058	\$100,242	
2017	\$71,983	\$48,283	\$92,808	\$78,608	\$52,442	\$97,775	\$65,108	\$47,733	\$87,142	\$68,300	\$47,883	\$88,592	\$97,900	\$50,658	\$111,333	
2018	\$78,600	\$52,592	\$99,542	\$80,008	\$53,567	\$101,492	\$72,308	\$53,658	\$96,933	\$75,875	\$51,692	\$96,717	\$99,133	\$57,900	\$111,958	
2019	\$82,033	\$53,158	\$104,042	\$80,975	\$54,017	\$106,317	\$72,100	\$53,883	\$98,567	\$80,725	\$52,833	\$102,167	\$99,600	\$52,617	\$113,258	
2020*	\$86,020	\$55,910	\$107,920	\$83,720	\$56,090	\$106,700	\$76,090	\$56,330	\$103,040	\$84,800	\$55,240	\$106,600	\$104,670	\$61,700	\$117,130	



\*Through October

Source: U.S. Commerce Department's Census Bureau via U.S. Department of Housing and Urban Development

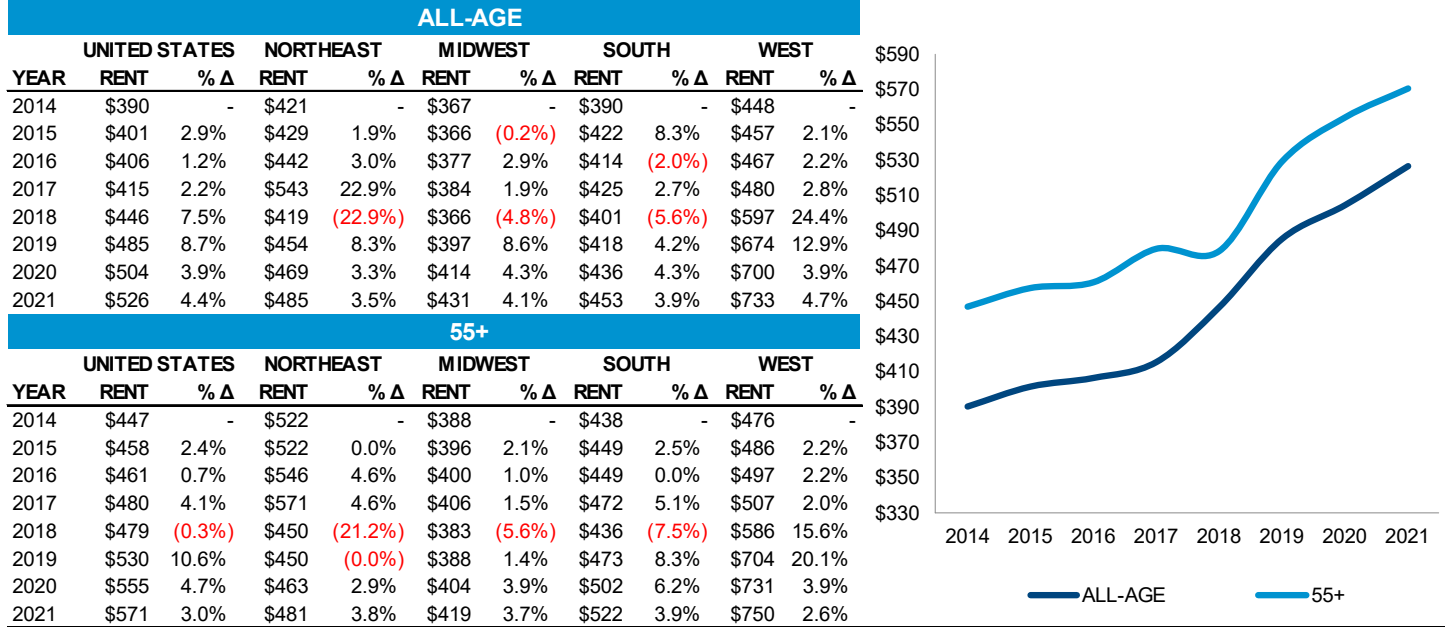
### NATIONAL RENT & OCCUPANCY TRENDS

JLT & Associates performs an annual survey of seventy-one major markets throughout the United States and includes 751 “55+” communities with 197,936 homesites and 1,285 “All Ages” communities with 362,936 homesites. These surveys include rent and occupancy trends.

#### Rent Trends

The following chart details rent trends in the different regions and nationally. The rents are also categorized by all-age versus age-restricted (55+) communities. Generally speaking age-restricted communities command higher rents. Rents have been increasing steadily over the past several years.

## NATIONAL RENT TRENDS

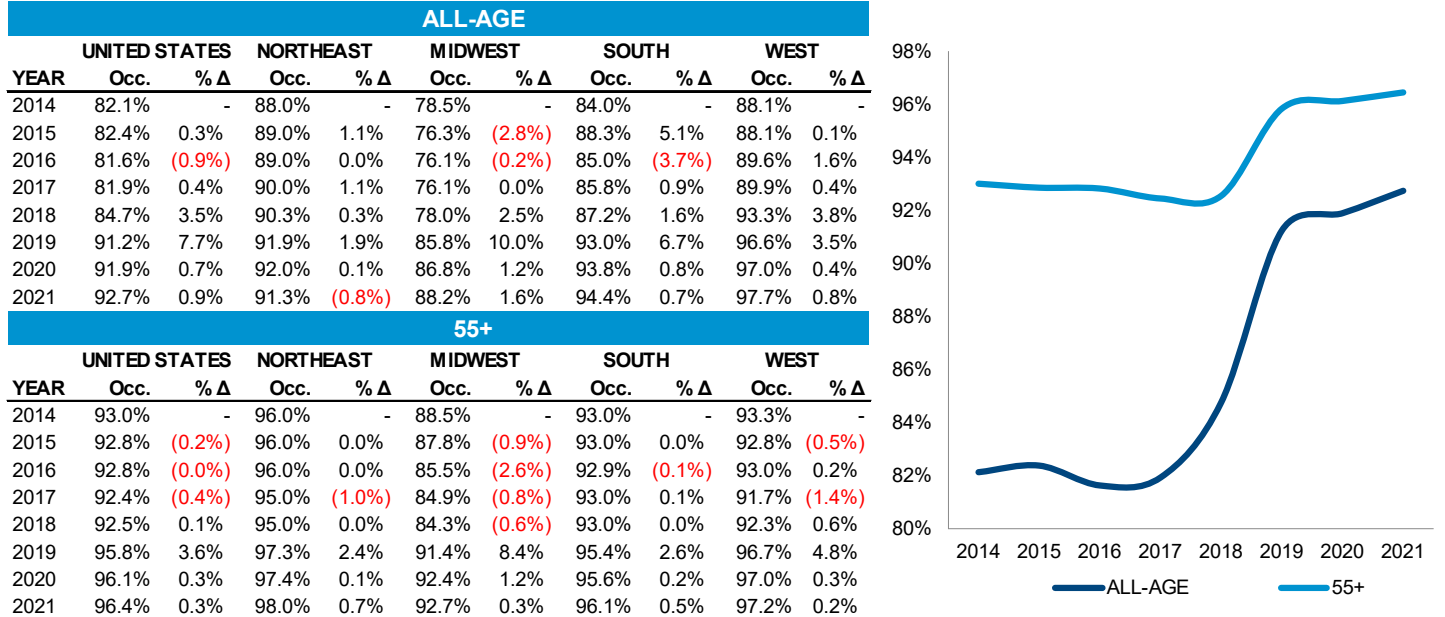


Source: JLT & Associates

### Occupancy Trends

The following chart details occupancy trends over the past couple of years both regionally and nationally. The rents are also categorized by all-age versus age-restricted (55+) communities. Generally speaking age-restricted communities are better occupied.

## NATIONAL OCCUPANCY TRENDS



Source: JLT & Associates

### SUBJECT'S MARKET AREA

This section of the report provides an overview of market trends that influence demand for manufactured home communities in the subject's market area and surrounding areas. The major factors requiring consideration are the supply and demand conditions that influence multi-family development. The following paragraphs discuss

existing supply and potential inventory. Demand will also be analyzed by examining vacancy, rent levels, and absorption rates.

### JLT & Associates Data

JLT & Associates Data does not include the subject's marketplace.

## SUPPLY

### Existing Supply

The majority of existing supply in the subject's immediate neighborhood has been constructed in the 1970s and earlier. The market vacancy survey includes manufactured home communities within five miles of the subject. The communities included in the vacancy survey range in size from 20 sites to 187 sites. The following chart presents manufactured home community developments that are considered to compete with the subject.

VACANCY SURVEY AS OF JULY 2022				
PROJECT	YEAR BUILT	HOMESITES	VACANT HOMESITES	VACANCY
<b>Ideal Mobile Home Community</b>	<b>1980</b>	<b>187</b>	<b>4</b>	<b>2.1%</b>
South Maine MHP	1964	40	3	7.5%
Fallon RV Park	1968	59	4	6.8%
Rewana MHP	1975	28	10	35.7%
Silver Springs MHP	1965	36	0	0.0%
Sage Valley RV Park	1975	52	4	7.7%
Five Star MP	1972	20	0	0.0%
<b>TOTAL/AVG</b>	<b>1971</b>	<b>422</b>	<b>25</b>	<b>5.9%</b>

Source: Colliers International Valuation & Advisory Services

### Proposed & Potential Supply

According to the City of Fallon Planning Department, there are no manufactured home communities planned or proposed in the immediate market area. No additional communities are anticipated in the subject's general area due to zoning restrictions, land costs, and difficulty in obtaining construction financing.

### Governmental Considerations

Local governmental jurisdictions have historically viewed manufactured home communities as less desirable land uses. However, as communities are being encouraged to provide affordable housing options to receive certain funding from State and Federal sources, their need for manufactured home communities to be maintained and located in their jurisdictions has increased.

### Rent Levels

Property managers in the subject's market area indicate that rents have increased annually over the past few years. Typical rent increases are based on anniversary dates and can range from \$15 to \$45/space. According to our recent survey, no concessions are currently offered in the market and have been historically rare throughout the area. The buyer indicated that rents at the subject have increased annually and were most recently increased on July 1, 2022, by \$15/space. The buyer plans on increasing rents in the next couple years by approximately \$45/space.

### Affordability

Manufactured housing communities often provide affordable housing option, thereby creating a sustained demand for this housing type. In order to determine the affordability of owning a manufactured home in the subject property (leasing a homesite), several housing options are analyzed below. They include owning a manufactured home at the subject property, purchasing a single-family home or renting an apartment. These various housing options are evaluated to estimate the subject property's competitive 'position' in the housing market. The following table illustrates the housing comparison.

## AFFORDABILITY ANALYSIS

COMPARISON/HOUSING TYPE	MH IN SUBJECT PROPERTY	SINGLE-FAMILY HOME	APARTMENTS
Bedroom/Bath Count	2/1 - 3/2 BR/BA	2/1 - 4/2 BR/BA	2 BR - 3 BR
Purchase Price	\$80,000	\$351,174	-
Down Payment or Deposit	\$4,000	\$70,235	One Months Rent
Amount Financed	\$76,000	\$280,939	-
Rate	7.50%	3.50%	-
Term (Years)	20	30	-
Monthly Mortgage Payment	\$612	\$1,262	-
Taxes	\$244	\$1,071	-
Insurance	\$25	\$60	-
Site Rent	\$500	--	-
<b>TOTAL MONTHLY PAYMENT*</b>	<b>\$1,381</b>	<b>\$2,393</b>	<b>\$1,800 - \$2,500</b>

\* Excludes maintenance and utilities.

### Manufactured Homes in the Subject Property

The costs for purchasing a manufactured home in the subject property include the costs of the home (down payment, monthly mortgage payments), taxes, insurance, and the monthly homesite rent. The purchase price utilized is based upon the typical price of homes recently listed/sold at the subject property. The homes that are located in the community would typically include seller or bank financing. Seller financing typically has higher rates with shorter terms than traditional bank financing. The taxes and insurance estimates are made based on typical rates. These costs are added to the current average site rent at the subject property. The indicated monthly expense is displayed in the table above.

### Apartment

The asking rents at apartment complexes within or near the subject's neighborhood and surrounding areas were researched for this analysis. The city has a good mix of one, two and three bedroom units. The total cost of renting sites at the subject property is below the range of rents at apartment complexes in the subject's immediate area. Therefore, in comparison to renting an apartment the subject's rents are considered reasonable.

### Single Family

The costs for purchasing a single-family home includes the price of the home (down payment and monthly mortgage payment), real estate taxes, and insurance. The purchase price is based upon the current average price of single-family homes in the subject's area (based on Census Data). The finance rates are based upon current financing options for single-family homes. The taxes are based upon information provided by the county. The insurance for these homes is based on typical insurance rate for single-family rates in the subject area. The total monthly expense is presented in the table above. The total cost of renting a site at the subject property is below the total cost of owning a home in the subject's immediate area. Therefore, in comparison to home ownership the subject's rents are considered reasonable.

### Conclusion

Renting an apartment is considered to be the least similar to purchasing a manufactured home in the subject property. Many of the amenities are often inferior; in addition, apartments have common walls and no yards. Renting a manufactured home site at the subject property is considered to be most similar to purchasing a single-family home; however, the monthly cost for a manufactured home is much lower than the cost of purchasing a single-family home in the area. Overall, the monthly housing costs discussed above demonstrate the affordability of purchasing a manufactured home.

### DEMAND

The projects listed in the supply section (including the subject) indicate 5.9% adjusted vacancy in the subject's market area at the current time. According to the majority of managers who participated in our market survey,

occupancy is typically above 98%. Overall vacancy rates have historically remained stable, in spite of changing economic conditions over the past few years. This is in part due to a stable resident base. Generally, when a resident wants to move out of the community, the manufactured home is sold in place with nominal rent loss or vacancy occurring in the community. In addition, the resident sometimes has a significant financial commitment in site improvements. The historically low vacancy rates for established communities continue to stimulate investment demand.

### **SUBJECT MARKETABILITY**

The subject is an average/good quality park in average/good condition, appears to have been regularly well-maintained over the years, and has above average appeal compared to the typical market supply. The subject's stable, quality income stream further enhances the subject's marketability. Overall, the subject has average to good marketability. The subject would likely attract a local or regional investor experienced in manufactured housing community ownership.

### **TRANSACTION TRENDS**

#### **Most Probable Buyer Profile/Activity**

In the open market, the subject property type would command most interest from national and regional buyers that are actively pursuing similar small investment properties. There is currently steady buyer demand for substitute properties of the subject based on the volume of sale transactions and reports by buyers, sellers and other market participants during confirmation of market transactions. The most probable buyer is a national and regional investor.

#### **General Vacancy Conclusion**

Based on the subject's size, location and appeal, the competitive set analysis warrant primary consideration. The competitive set analysis indicated a current vacancy rate for directly competitive properties of 5.9%. As of the effective date of this appraisal, the subject property has a current vacancy rate of 2.1%. According to the majority of managers who participated in our market survey, occupancy is typically at or near 98%. Based on our analysis of supply/demand trends and considering the subject's actual performance, a general vacancy rate of 3.0% is concluded.

#### **Absorption**

Another indication of demand is the recent absorption rates of new communities. Manufactured housing community development state-wide has slowed significantly in the last 20 years providing limited current absorption data. Based on conversations with on-site managers at communities in the subject's area, vacant spaces are leased quickly. This is primarily due to the affordability of living in a manufactured housing community within the subject's market area. Based on the area's consistently high occupancy, most of the manufactured home communities surveyed reported any significant absorption recently.

### **SUMMARY OF MARKET ANALYSIS**

The subject's and market's consistently high, stable occupancy rates, lack of new supply, and overall affordability of manufactured home sites will continue to enhance the value of the subject. The current market vacancy rate indicates good demand for existing manufactured home sites. No major changes in supply and demand are anticipated in the market area.

The subject is an average/good quality community in average/good condition, appears to have been regularly well-maintained over the years, and has above average appeal compared to the typical market supply. The subject's stable, quality income stream further enhances the subject's marketability. In the open market, the subject property type would command most interest from national and regional buyers that are actively pursuing similar small investment properties. There is currently steady buyer demand for substitute properties of the

subject based on the volume of sale transactions and reports by buyers, sellers and other market participants during confirmation of market transactions. The most probable buyer is a national and regional investor.

### EXPOSURE TIME & MARKETING PERIOD

Exposure time is defined as "An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal." (The Dictionary of Real Estate Appraisal, Appraisal Institute, 2022). Reasonable exposure time is impacted by the aggressiveness and effectiveness of a property's exposure to market participants, availability and cost of financing, and demand for similar investments. Exposure time is best established based the recent history of marketing periods for comparable sales, discussions with market participants and information from published surveys.

The following information was taken into consideration to develop estimates of exposure time and marketing period for the subject property:

EXPOSURE TIMES	
MARKET DATA/YEAR	TIME ON THE MARKET
Average Exposure Time for 2021	Under 1 Month
Average Exposure Time for 2020	Under 1 Month
Average Exposure Time for 2019	Under 1 Month
Average Exposure Time for 2018	1.2 Months
Average Exposure Time for 2017	2.8 Months
Average Exposure Time for 2016	2.9 Months
Average Exposure Time for 2015	3.1 Months
Average Exposure Time for 2014	2.8 Months
Average Exposure Time for 2013	3.7 Months
Average Exposure Time for 2012	4.5 Months
Chris Busby, Broker - Park Placed Advisors - Overall Market Opinion	Under 1 Month
Andrew Whinery, Broker - Marcus & Milichap - Overall Market Opinion	Under 1 Month
John Grant, Broker - Park Brokerage - Overall Market Opinion	Under 1 Month
Frank Rogers, Broker - Marcus & Milichap - Overall Market Opinion	Under 1 Month

*Colliers Data*

The availability of acquisition financing factors into exposure time. In recent quarters, financing has been available for well-positioned commercial real estate, particularly for stabilized assets within core MSAs and owner/user deals. For second tier or marginal properties, financing has been available but subject to more stringent requirements. Based on review of the local capital market, we conclude that adequate financing options would have been available to consummate a sale of the property on the date of value.

#### Exposure Time Conclusion

The parks listed in the table above indicate exposure times ranging from immediately (not on the market) to seven months with an average of about three months. Based upon the previous information and considering the physical characteristics (quality, condition, and appeal), and location of the subject property, as well as current economic conditions, a reasonable estimate of exposure time for the subject property is three months or less.

#### Marketing Period Conclusion

Marketing period is very similar to exposure time but reflects a projected time period to sell the property, rather than a retrospective estimate. We have reviewed open listings and discussed the market with local participants,

and given the nature of the subject property, we feel that a time period of three months or less is supported for the subject's marketing period.



## INTRODUCTION

The highest and best use of an improved property is defined as that reasonable and most probable use that will support its highest present value. The highest and best use, or most probable use, must be legally permissible, physically possible, financially feasible, and maximally productive. This section develops the highest and best use of the subject property As-Vacant and As-Improved.

## AS-VACANT ANALYSIS

### Legal Factors

The legal factors that possibly influence the highest and best use of the subject site are discussed in this section. Private restrictions, zoning, building codes, historic district controls, and environmental regulations are considered, if applicable to the subject site. The zoning characteristics for the subject property are summarized below:

ZONING SUMMARY	
<b>Municipality Governing Zoning</b>	City of Fallon Planning & Zoning Department
<b>Current Zoning</b>	General Commercial District (C-2)
<b>Permitted Uses</b>	Uses including but not limited to: Trailer camps, wholesale business stores or shops, used or secondhand merchandise stores or shops, animal hospitals, billboards, bottling plants, dancehalls, feed and fuel sales, towel and linen services, and pawnshops.
<b>Prohibited Uses</b>	Uses similar but not limited to: Marijuana establishments.
<b>Current Use</b>	Manufactured Housing Community
<b>Is Current Use Legally Permitted?</b>	Yes
<b>Zoning Change</b>	Not Likely

Additional comments. The potential use that meets the requirements of the legal permissibility test is a manufactured housing community.

### Physical & Locational Factors

Regarding physical characteristics, the subject site is irregular in shape and has level topography with average/good access and average exposure. The uses adjacent to the property are noted below:

- › **North** - East Stillwater Avenue, Ideal Drive, Oak Crest Way, Broadmore Street, Skyline Drive, Suburban Way, Fleetwood Court, Retail: Just In Time Heating & Air, 745 East Stillwater Avenue, Manufactured Housing Community: Stillwater Junction Mh Park, Vacant Land
- › **South** - East Front Street, Ideal Drive, Oak Crest Way, Broadmore Street, Skyline Drive, Suburban Way, Fleetwood Court, Manufactured Housing Community, Single-Family Residential Neighborhood, Multifamily Residential Neighborhood
- › **East** - Ideal Drive, Art Lane, Royal Oak Drive, Oak Crest Way, Suburban Way, Fleetwood Court, Sherman Street, Manufactured Housing Community: Stillwater Junction Mh Park, Single-Family Residential Neighborhood, Multifamily Residential Neighborhood, Industrial: Machine Shop
- › **West** - Sherman Street, Ideal Drive, Art Lane, Royal Oak Drive, Oak Crest Way, Daniel Drive, Suburban Way, Fleetwood Court, Wildest Street, Industrial: 730 East Stillwater Avenue, Vacant Land, Single-Family Residential Neighborhood, Manufactured Housing Community

Given the subject's location and surrounding uses, physical and locational features best support development of a general commercial use as market conditions warrant for the site's highest and best use as-vacant.

### Feasibility Factors

The financial feasibility of those uses that meet the legal and physical tests discussed is analyzed further in this section. Supply and demand conditions affect the financial feasibility of possible uses. Indicators of feasibility, which typically indicate favorable or non-favorable supply and demand conditions, include construction financing and proposed projects. Financial feasibility factors generally support long term hold prior to development of development of the subject site.

### As-Vacant Conclusion

Based on the previous discussion, the subject's highest and best use as-vacant is concluded to be development of a general commercial use as market conditions warrant.

## AS-IMPROVED ANALYSIS

### Legal Factors

The subject's Manufactured Housing Community use (as-improved) is currently zoned General Commercial District (C-2). The existing improvements represent a legal non-conforming use permitted via a special use permit within this zone. Additional comments. The legal factors influencing the highest and best use of the property support the subject's use as-improved.

### Physical & Locational Factors

The physical and location characteristics of the subject improvements have been previously discussed in this report. In summary, the subject's improvements were constructed in 1980 and have a remaining economic life of 30 years based on our estimate. The project is of average/good quality construction and in average/good condition, with adequate service amenities. The subject improvements as-improved are sufficiently supported by site features including its irregular shape, level topography, average/good access and average exposure. Further, the subject's location support the subject improvements as-improved with similar and homogeneous developments present in the subject's immediate market area. Physical and location factors influencing the highest and best use of the property support the subject's use as-improved.

### Alternative Uses & Feasibility Factors

In addition to legal and physical considerations, analysis of the subject property as-improved requires the treatment of two important issues: 1) consideration of alternative uses for the property; and 2) the marketability of the most probable use. The five possible alternative treatments of the property are demolition, expansion, renovation, conversion, and the subject's use as-improved.

- › **Demolition** The subject improvements contribute significant value above the current land value. Therefore, demolition is not applicable in this case.
- › **Expansion** The subject property comprises approximately 23.60 acres (1,028,016 SF) and is improved with a manufactured housing community (all age). The subject site does not contain additional site area for expansion; therefore, expansion of the subject is not considered a viable option.
- › **Renovation** The subject property is approximately, 42 years old and is in average/good condition with on-going maintenance and upgrades. Renovation, in the form of capital expenditures, would not increase the rent levels or value appreciably. For this reason, renovation is not appropriate.
- › **Conversion** Taking the subject property's manufactured housing community (all age) use and converting it to another use is neither appropriate nor applicable to this property.
- › **Continued Use "As-Is"** The final option is the continued use of the property 'As-Is'. This is legal, physically possible, and financially feasible. Therefore, continued use, as a manufactured housing community (all age), is considered appropriate.

Among the five alternative uses, the subject's use as-improved is supported to be its Highest and Best Use.

**Marketability Factors**

As previously indicated in the Market Analysis, the subject property has average/good marketability. The condition of the property reflects average/good maintenance and appeal. In general, Manufactured Housing Community supply/demand conditions and immediate market area trends support viable short and long-term operations of the subject's use as-improved.

**As-Improved Conclusion**

Legal, physical, and market considerations have been analyzed to evaluate the highest and best use of the property. This analysis is presented to evaluate the type of use that will generate the greatest level of future benefits possible from the property. Based on the previous discussion, the highest and best use of the subject property as-improved is concluded to be continued use as a manufactured housing community.

## INTRODUCTION

The following presentation of the appraisal process deals directly with the valuation of the subject property. The following paragraphs describe the standard approaches to value that were considered for this analysis.

## INCOME APPROACH

The Income Approach is based on the premise that properties are purchased for their income producing potential. It considers both the annual return on the invested principal and the return of the invested principal. This valuation technique entails careful consideration of contract rents currently in place, projected market rents, other income sources, vacancy allowances, and projected expenses associated with the efficient operation and management of the property. The relationship of these income estimates to property value, either as a single stream or a series of projected streams, is the essence of the income approach. The three fundamental methods of this valuation technique include Direct Capitalization, Discounted Cash Flow and Effective Gross Income Multiplier.

- **Direct Capitalization**

This method analyzes the relationship of one year's stabilized net operating income to total property value. The stabilized net operating income is capitalized at a rate that implicitly considers expected growth in cash flow and growth in property value over a buyer's investment horizon. The implied value may be adjusted to account for non-stabilized conditions or required capital expenditures to reflect an as is value. **The Direct Capitalization Method is actively used by buyers, sellers, brokers, and lenders of MHC properties. Many market participants state that the Direct Capitalization method is the primary or sole valuation metric.**

- **Discounted Cash Flow (DCF)**

The DCF analysis models a property's performance over a buyer's investment horizon from the date of acquisition through the projected sale of the property at the end of the holding period. Net cash flows from property operations and the reversion are discounted at a rate reflective of the property's economic and physical risk profile. **DCF analysis is utilized in MHC valuation but is typically applied to communities with below market rent, long term leases, or other issues which constrain or significantly impact cash flows over the typical holding period.**

- **Effective Gross Income Multiplier**

Also known as the EGIM, this method is appropriate within the Income Approach because it is recognized that purchasers are concerned with the income-producing ability of the property. The EGIM is derived by dividing the effective gross annual income of each comparable into the sales price. The EGIM has the advantages of simplicity and easy calculation. It is based on the premise that rents and sales prices move in the same direction and, essentially, in the same proportion as do net income and sales prices. The EGIM is typically used without adjustments. The final selection of an effective income multiplier is based upon the applicability of each comparable and a range is established. **Multipliers are rarely utilized by investors to value MHC properties but are sometimes required by certain lenders.**

Development of the Income Approach is a specific scope requirement of this assignment. Characteristics specific to the subject property warrant that this valuation technique is developed. The subject is an investment property; therefore, the Income Approach represents the decision making process of knowledgeable buyers and sellers of this property type. The Direct Capitalization method is used in this analysis. Neither the Discounted Cash Flow analysis, nor the EGIM method contribute substantially to estimating value beyond the direct capitalization method and is not used in this analysis.

## SALES COMPARISON APPROACH

The Sales Comparison Approach is based on the principle of substitution, which asserts that no one would pay more for a property than the value of similar properties in the market. This approach analyzes comparable sales by applying transactional and property adjustments in order to bracket the subject property on an appropriate unit value comparison. The sales comparison approach is applicable when sufficient data on recent market transactions is available. Alternatively, this approach may offer limited reliability because many properties have unique characteristics that cannot be accounted for in the adjustment process. **The Sales Comparison Approach is sometimes given primary emphasis by less sophisticated investors; typically, it is given secondary emphasis as a check of the value indicated by the Income Approach.**

Development of the Sales Comparison Approach is a specific scope requirement of this assignment. Characteristics specific to the subject property warrant that this valuation technique to be developed. Sufficient sales data is available to provide a credible value estimate by the Sales Comparison Approach. Based on this reasoning, the Sales Comparison Approach is presented within this appraisal.

## LAND VALUATION

Development land in the subject marketplace is most often valued utilizing the Sales Comparison Approach. Development of the subject site value is a specific scope requirement of this assignment. Characteristics specific to the subject property do not warrant that a site value is developed.

## COST APPROACH

The Cost Approach is a set of procedures through which a value indication is derived for the fee simple estate by estimating the current cost to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial incentive or profit; deducting depreciation from the total cost; and adding the estimated land value. Adjustments may then be made to the indicated value of the fee simple estate in the subject property to reflect the value of the property interest being appraised. For investment properties, this valuation technique is most often relied upon as a test of financial feasibility for proposed construction.

Development of the Cost Approach is not a specific scope requirement of this assignment. Characteristics specific to the subject property do not warrant that this valuation technique is developed. The Cost Approach has limited applicability due to the age of the improvements and lack of market based data to support an estimate of accrued depreciation. Based on the preceding information, the Cost Approach will not be presented.

## RECONCILIATION OF VALUE CONCLUSIONS

The Income (Direct Capitalization) and Sales Comparison approaches are used to value the subject property, which will be reconciled into the final opinions of market value in the Analysis of Value Conclusions section.

## INTRODUCTION

As previously discussed within the Valuation Methods section, the Direct Capitalization method is used in this analysis, and Discounted Cash Flow analysis is not developed.

### Subject Income History

There is a total of 187 manufactured home sites at the subject with a current occupancy of 97.9%. The rents are all at \$410/site per month. The chart below details the rent history at the subject property.

SUBJECT LEASING INFORMATION					AS OF MAY 2022		
HOMESITE TYPE	HOMESITE SUMMARY			HOMESITE PERCENT OF TOTAL	% OCCUPIED	ACTUAL RENT	
	OCC	VAC	TOT			PER SITE AVERAGE	TOTAL \$/MO
Standard	183	4	187	100.0%	97.9%	\$410	\$76,670
<b>TOTAL/AVG</b>	<b>183</b>	<b>4</b>	<b>187</b>	<b>100%</b>	<b>97.9%</b>	<b>\$410</b>	<b>\$76,670</b>

We were provided a rent roll dated July 1, 2022. The rent roll included charges for the tenants. It is noted that the rent listed includes base rent only. Water and sewer is included in the monthly rent. A more complete outline of the subject's utility structure is listed below

### Subject Utility Structure

- › **Water** - Included in the rent
- › **Sewer** - Included in the rent
- › **Garbage** - Not included in the rent - directly billed from utility company
- › **Gas** - Not included in the rent - directly billed from utility company
- › **Electricity** - Not included in the rent - directly billed from utility company
- › **Cable** - Not included in the rent - directly billed from utility company

## ANALYSIS OF RENT COMPARABLES

### Unit of Comparison

The analysis is conducted on a rent per month basis, reflecting market behavior. This unit of comparison is predominantly used in this market.

### Selection of Comparables

A complete search of the area was conducted in order to find the most comparable communities in terms of age, appeal, condition, number of homesites, and amenities. The rent comparables are located in the subject's local area. The subject is in average/good condition with average/good appeal for the market area considering its vintage. Some communities do not have active management that is available to confirm rent and occupancy levels and were not included as rent comparables because we were unable to contact management and verify rent / occupancy. We then expanded our search to include communities located further from the subject property in communities located in/near Fallon, Fernely and Silver Springs, NV. Overall, the comparables selected in this analysis are similar properties to the subject property.

### Concessions

None of the comparables were offering concessions at the time of survey. Please see the data sheets for full details.

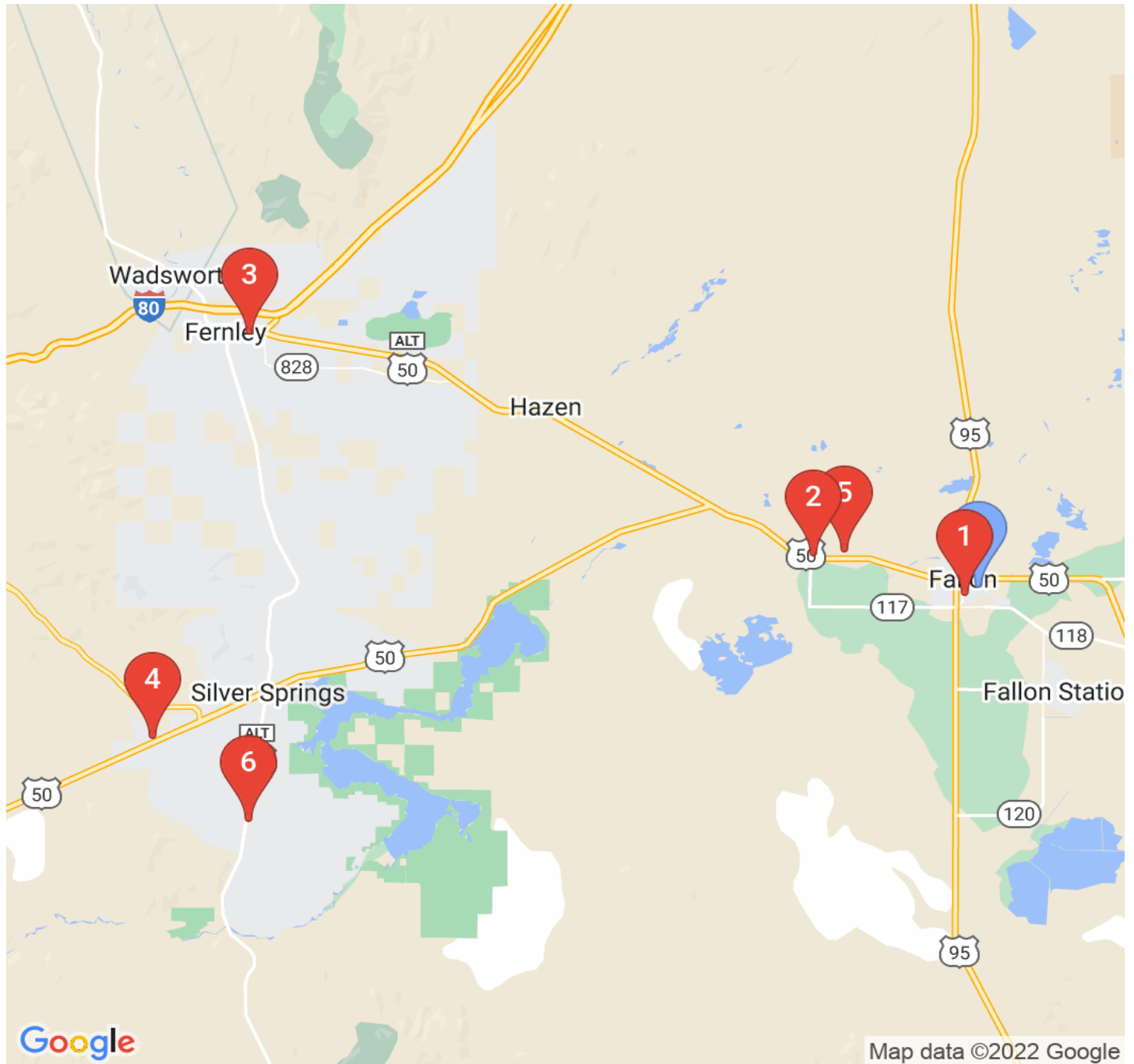
### Presentation

The following presentation summarizes the comparables most similar to the subject property. A Rent Comparable Summation Table, Rent Comparable Location Map, Data Sheets, and analysis of the rent comparables is presented on the following pages.

**RENT SUMMATION TABLE**

COMPARABLE	SUBJECT	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3	COMPARABLE 4	COMPARABLE 5	COMPARABLE 6
<b>Name</b>	Ideal Mobile Home Community	South Maine MHP	Fallon RV Park	Rewana MHP	Silver Springs MHP	Sage Valley RV Park	Five Star MP
<b>Address</b>	750 East Stillwater Avenue	1055 S Maine St	5787 Reno Highway	595 E	4515 U.S. 50	4800 Reno Hwy	1340 5th Street
<b>City</b>	Fallon	Fallon	Fallon	Fernley	Silver Springs	Fallon	Silver Springs
<b>State</b>	NV	NV	NV	NV	NV	NV	NV
<b>Zip</b>	89406	89406	89406	89408	89429	89406	89429
PHYSICAL INFORMATION							
<b>Resident Type</b>	All Age	All Age	All Age	All Age	All Age	All Age	All Age
<b>Homesites</b>	187	40	59	28	36	52	20
<b>Year Built</b>	1980	1964	1968	1975	1965	1975	1972
<b>Location</b>	Average	Average	Average	Average/Good	Fair/Average	Average	Fair/Average
<b>Appeal</b>	Average/Good	Average	Average	Fair/Average	Average	Fair/Average	Fair/Average
<b>Quality</b>	Average/Good	Average	Average	Fair/Average	Average	Average	Fair/Average
<b>Condition</b>	Average/Good	Average	Average	Average	Average	Average	Fair/Average
RENT INFORMATION							
<b>Occupancy</b>	97.9%	92.5%	93.2%	64.3%	100.0%	92.3%	100.0%
<b>\$/Homesite Avg</b>	\$410	\$415	\$550	\$500	\$385	\$500	\$380

RENT COMPARABLE LOCATION MAP



COMPARABLE KEY

COMP	DISTANCE	NAME	ADDRESS	OCC %	\$/SITE AVG
SUBJECT	-	Ideal Mobile Home Community	750 East Stillwater Avenue, Fallon, NV	97.9%	\$410
No. 1	0.6 Miles	South Maine MHP	1055 S Maine St, Fallon, NV	92.5%	\$415
No. 2	5.8 Miles	Fallon RV Park	5787 Reno Highway, Fallon, NV	93.2%	\$550
No. 3	26.6 Miles	Rewana MHP	595 E, Fernley, NV	64.3%	\$500
No. 4	28.9 Miles	Silver Springs MHP	4515 U.S. 50, Silver Springs, NV	100.0%	\$385
No. 5	4.8 Miles	Sage Valley RV Park	4800 Reno Hwy, Fallon, NV	92.3%	\$500
No. 6	26.5 Miles	Five Star MP	1340 5th Street, Silver Springs, NV	100.0%	\$380



## COMPARABLE 1

### LOCATION INFORMATION

Name South Maine MHP  
 Address 1055 S Maine St  
 City, State, Zip Code Fallon, NV, 89406  
 MSA Reno, NV MSA

### PHYSICAL INFORMATION

Project Design Manufactured Housing  
 Number of Units 40  
 Year Built 1964  
 Resident Type All Age  
 Location Average  
 Quality Average  
 Condition Average  
 Appeal Average  
 Street Construction Asphalt



### SOUTH MAINE MHP

#### OCCUPANCY

Vacant Units 3  
 Occupancy Rate 93%

#### CONFIRMATION

Name Patricia  
 Source Manager  
 Date 7/19/2022  
 Phone Number +1 775 217 2693

Amenities Laundry Room, Perimeter Fence

UTILITIES	INCL. IN RENT	NOT INCL. IN RENT
Electricity		✓
Water	✓	
Sewer	✓	
Garbage	✓	
Gas		✓
Cable/Satellite		✓

#### REMARKS

South Maine MHP is an all age park that is in average condition for its age. There are a total of 40 spaces in the park, currently with 3 vacancies. The rent averages at \$415, which includes water, sewer and trash.

### UNIT MIX

DESCRIPTION	SITES	LOW	HIGH	AVG RENT
Standard	40	\$415	\$415	\$415

## COMPARABLE 2

### LOCATION INFORMATION

Name Fallon RV Park  
 Address 5787 Reno Highway  
 City, State, Zip Code Fallon, NV, 89406

### PHYSICAL INFORMATION

Project Design RV Park  
 Number of Units 59  
 Year Built 1968  
 Resident Type All Age  
 Location Average  
 Quality Average  
 Condition Average  
 Appeal Average  
 Street Construction Asphalt



### FALLON RV PARK

#### OCCUPANCY / ABSORPTION

Vacant Units 4  
 Occupancy Rate 93%

#### CONFIRMATION

Name Manager  
 Source Fallon RV Park  
 Date 3/23/2022  
 Phone Number +1 775 867 2332

Amenities None

UTILITIES	INCL. IN RENT	NOT INCL. IN RENT
Electricity		✓
Water	✓	
Sewer	✓	
Garbage	✓	
Gas		✓
Cable/Satellite		✓

#### REMARKS

The property has a country store This is an RV Park which offers both daily/weekly rentals (\$48/day or \$329/week) and monthly stays (\$550/mo). The community is in average condition for its age.

### UNIT MIX

DESCRIPTION	UNITS	LOW	HIGH	AVG RENT
Standard	59	\$550	\$550	\$550

**COMPARABLE 3**

**LOCATION INFORMATION**

Name Rew ana MHP  
 Address 595 E  
 City, State, Zip Code Fernley, NV, 89408  
 MSA Reno, NV MSA

**PHYSICAL INFORMATION**

Project Design Manufactured Housing  
 Number of Units 28  
 Year Built 1975  
 Resident Type All Age  
 Location Average/Good  
 Quality Fair/Average  
 Condition Average  
 Appeal Fair/Average  
 Street Construction Asphalt

Amenities Perimeter Fence



**REWANA MHP**

**OCCUPANCY / ABSORPTION**

Vacant Units 10  
 Occupancy Rate 64%

**CONFIRMATION**

Name Owner  
 Source Rew ana  
 Date 7/19/2022  
 Phone Number +1 775 294 1653

**UTILITIES** INCL. IN RENT NOT INCL. IN RENT

Electricity		✓
Water	✓	
Sewer	✓	
Garbage	✓	
Gas		✓
Cable/Satellite		✓

**REMARKS**

Rew ana MHP is located in Fernley, NV off of Main Street. Rew ana MHP is an all age park that is in fair to average condition for its age. There are a total of 28 spaces in the park, 10 of which are currently vacant. The rent in the park averages at \$500, with the on site manager noting that rent will increase to \$525 in Jan. of 2023. Rent includes water, sewer, and trash.

**UNIT MIX**

<u>DESCRIPTION</u>	<u>UNITS</u>	<u>LOW</u>	<u>HIGH</u>	<u>AVG RENT</u>
Standard	28	\$500	\$500	\$500

## COMPARABLE 4

### LOCATION INFORMATION

Name Silver Springs MHP  
 Address 4515 U.S. 50  
 City, State, Zip Code Silver Springs, NV, 89429

### PHYSICAL INFORMATION

Project Design Manufactured Housing  
 Number of Units 36  
 Year Built 1965  
 Resident Type All Age  
 Location Fair/Average  
 Quality Average  
 Condition Average  
 Appeal Average  
 Street Construction Asphalt

Amenities None



### SILVER SPRINGS MHP

#### OCCUPANCY / ABSORPTION

Vacant Units 0  
 Occupancy Rate 100%

#### CONFIRMATION

Name Jennifer  
 Source Silver Springs MHP  
 Date 3/21/2022  
 Phone Number +1 775 577 2775

UTILITIES	INCL. IN RENT	NOT INCL. IN RENT
-----------	---------------	-------------------

Electricity		✓
Water		✓
Sewer		✓
Garbage		✓
Gas		✓
Cable/Satellite		✓

#### REMARKS

Silver Springs MHP is located along Highway 50 in Silver Springs, NV. It has 36 spaces and is in average condition in comparison to the subject. It rents homesites for \$385/homesite. It does not have any amenities.

### UNIT MIX

DESCRIPTION	UNITS	LOW	HIGH	AVG RENT
Standard	36	\$385	\$385	\$385

## COMPARABLE 5

### LOCATION INFORMATION

Name Sage Valley RV Park  
 Address 4800 Reno Hwy  
 City, State, Zip Code Fallon, NV, 89406  
 MSA Reno, NV MSA

### PHYSICAL INFORMATION

Project Design Manufactured Housing  
 Number of Units 52  
 Year Built 1975  
 Resident Type All Age  
 Location Average  
 Quality Average  
 Condition Average  
 Appeal Fair/Average  
 Street Construction Asphalt

Amenities Laundry Room, Perimeter Fence



### SAGE VALLEY RV PARK

#### OCCUPANCY / ABSORPTION

Vacant Units 4  
 Occupancy Rate 92%

#### CONFIRMATION

Name Paul  
 Source Sage Valley RV Park  
 Date 7/19/2022  
 Phone Number +1 775 867 3636

### UTILITIES

#### INCL. IN RENT

#### NOT INCL. IN RENT

Electricity		✓
Water		✓
Sewer		✓
Garbage		✓
Gas		✓
Cable/Satellite		✓

### REMARKS

Sage Valley RV & MHC is an all age park that is in average condition for its age. There are a total of 52 spaces in the park, mixed between mobile homes and RV's, 4 of those spaces are currently vacant. The rent in the park averages at \$500.

### UNIT MIX

DESCRIPTION	UNITS	LOW	HIGH	AVG RENT
Standard	52	\$500	\$500	\$500

**COMPARABLE 6**

**LOCATION INFORMATION**

Name Five Star MP  
 Address 1340 5th Street  
 City, State, Zip Code Silver Springs, NV, 89429

**PHYSICAL INFORMATION**

Project Design Manufactured Housing  
 Number of Units 20  
 Year Built 1972  
 Resident Type All Age  
 Location Fair/Average  
 Quality Fair/Average  
 Condition Fair/Average  
 Appeal Fair/Average  
 Street Construction Asphalt

Amenities Perimeter Fence



**FIVE STAR MP**

**OCCUPANCY / ABSORPTION**

Vacant Units 0  
 Occupancy Rate 100%

**CONFIRMATION**

Name Manager  
 Source Five Star MP  
 Date 7/19/2022  
 Phone Number +1 775 301 9014

**UTILITIES**

	<u>INCL. IN RENT</u>	<u>NOT INCL. IN RENT</u>
Electricity		✓
Water	✓	
Sewer	✓	
Garbage	✓	
Gas		✓
Cable/Satellite		✓

**REMARKS**

Five Star MP is an all age park that is in average condition for its age. There are a total of 20 spaces in the park, none of which are currently vacant. The rent in the park averages at \$380, and that includes water, sewer, and trash.

**UNIT MIX**

<u>DESCRIPTION</u>	<u>UNITS</u>	<u>LOW</u>	<u>HIGH</u>	<u>AVG RENT</u>
Standard	20	\$380	\$380	\$380

**DISCUSSION OF RENTAL ADJUSTMENTS**

Adjustments for differences between the subject property and the comparables can be made quantitatively or qualitatively. Adjustments for some differences can be derived from the market and are addressed below. Other items for which dollar adjustments are more difficult to derive are addressed in the Qualitative Adjustments paragraph.

**Adjustments**

The subject property and the comparables vary to some degree in terms of physical characteristics, project amenities, parking, and utilities. The following grid illustrates the quantitative adjustments applied to the comparables (when necessary) in order to make the comparables similar to the subject in terms of these features.

<b>RENT COMPARABLE ADJUSTMENT TABLE</b>														
	\$ ADJ.	SUBJECT	COMP 1	COMP 2	COMP 3	COMP 4	COMP 5	COMP 6						
<b>PHYSICAL PROJECT FEATURES</b>														
Location	-	Average	Average	Average	Average/Good	Fair/Average	Average	Fair/Average						
Appeal	-	Average/Good	Average	Average	Fair/Average	Average	Fair/Average	Fair/Average						
Condition	-	Average/Good	Average	Average	Average	Average	Average	Average						
<b>Physical Subtotal Adjustment</b>			\$0	\$0	\$0	\$0	\$0	\$0						
<b>PROJECT AMENITIES</b>														
Clubhouse	\$5	1	0	\$5	0	\$5	0	\$5	0	\$5	0	\$5	0	\$5
Pool	\$5	1	0	\$5	0	\$5	0	\$5	0	\$5	0	\$5	0	\$5
<b>Project Amenities Subtotal Adjustment</b>			\$10	\$10	\$10	\$10	\$10	\$10						
<b>UTILITIES INCLUDED IN RENT</b>														
Electricity	\$40	No	No	\$0	No	\$0	No	\$0	No	\$0	No	\$0	No	\$0
Water	\$25	Yes	Yes	\$0	Yes	\$0	Yes	\$0	No	\$25	No	\$25	Yes	\$0
Sewer	\$25	Yes	Yes	\$0	Yes	\$0	Yes	\$0	No	\$25	No	\$25	Yes	\$0
Garbage	\$25	No	Yes	(\$25)	Yes	(\$25)	Yes	(\$25)	No	\$0	No	\$0	Yes	(\$25)
Gas	\$25	No	No	\$0	No	\$0	No	\$0	No	\$0	No	\$0	No	\$0
Cable	\$10	No	No	\$0	No	\$0	No	\$0	No	\$0	No	\$0	No	\$0
<b>Utilities Subtotal Adjustment</b>			(\$25)	(\$25)	(\$25)	(\$25)	\$50	\$50						(\$25)
<b>TOTAL ADJUSTMENTS</b>			(\$15)	(\$15)	(\$15)	(\$15)	\$60	\$60						(\$15)

**RENT COMPARABLE ADJUSTMENT GRID**

The following tables adjust the comparables to the subject property quantitatively.

<b>RENT COMPARABLE ADJUSTMENT SUMMARY</b>								
	NO.	EFF. RENT	ADJUSTMENTS				TOTAL	ADJUSTED
COMPARABLE 1	HOMESITES	\$/HOMESITE	PHYSICAL	PROJECT	PARKING	UTILITES	ADJ	\$/HOMESITE
Standard	40	\$415	\$0	\$10	\$0	(\$25)	(\$15)	\$400
<b>COMPARABLE 2</b>								
Standard	59	\$550	\$0	\$10	\$0	(\$25)	(\$15)	\$535
<b>COMPARABLE 3</b>								
Standard	28	\$500	\$0	\$10	\$0	(\$25)	(\$15)	\$485
<b>COMPARABLE 4</b>								
Standard	36	\$385	\$0	\$10	\$0	\$50	\$60	\$445
<b>COMPARABLE 5</b>								
Standard	52	\$500	\$0	\$10	\$0	\$50	\$60	\$560
<b>COMPARABLE 6</b>								
Standard	20	\$380	\$0	\$10	\$0	(\$25)	(\$15)	\$365

**MARKET RENT ANALYSIS**

The following tables summarize the various indicators of market rent, and provide the market rent analysis and conclusions for the subject property.

<b>STANDARD HOMESITE CONCLUSION</b>				
COMP	HOMESITE TYPE	RENT/MONTH	ADJUSTED RENT/MONTH	NET
		\$/HOMESITE	\$/HOMESITE	ADJUSTMENT %
6	Standard	\$380	\$365	-4.1%
1	Standard	\$415	\$400	-3.8%
4	Standard	\$385	\$445	13.5%
3	Standard	\$500	\$485	-3.1%
2	Standard	\$550	\$535	-2.8%
5	Standard	\$500	\$560	10.7%
<b>LOW</b>		\$380	\$365	-4.1%
<b>HIGH</b>		\$550	\$560	13.5%
<b>AVERAGE</b>		\$455	\$465	1.7%
<b>MEDIAN</b>		\$458	\$465	-2.9%
<b>SUBJECT ANALYSIS &amp; CONCLUSIONS</b>				
HOME SITES	HOMESITE TYPE	ACTUAL RENT		CONCLUDED RENT
		\$/HOMESITE		\$/HOMESITE
187	Standard	\$410		\$500

The rent comparables unadjusted rent per month ranges from \$380 to \$550 with an average rent of \$455. The rent comparables adjusted rent per month ranges from \$365 to \$560 with an average rent of \$465. There are 187 subject units for this unit type. The comparables presented bracket the subject's rents. It was reported by the buyer that the occupancy trend over the last 12 months has been steady (97% - 100) with only one eviction due to non-payment in 18 years. All spaces are on month-to-month or 1-year leases. Rent increases occur annually on the anniversary date. Most recently, rents increased by \$15/space on July 7, 2022. Future rent increases are scheduled for July 2023 by \$40/space and again in 2024 by \$40/space. All things considered, the comparables are all inferior in quality and condition to the comparables and Comparables 4 and 6 have **inferior** to the subject property. Market rent is concluded to be \$500/space. Our conclusion is based on the market rent level of \$500/space. To address this, we will employ a rent loss in this analysis.

**POTENTIAL RENTAL INCOME**

The gross rental income equals the total gross income based the rent conclusions presented previously and is summarized in the following table.

<b>POTENTIAL GROSS INCOME</b>							
HOMESITE TYPE	HOME-SITES	\$/SITE (MO.)	ACTUAL RENT		CONCLUDED MARKET RENT		
			MONTH	ANNUAL	\$/SITE (MO.)	MONTH	ANNUAL
Standard	187	\$410	\$76,670	\$920,040	\$500	\$93,500	\$1,122,000
<b>TOTAL</b>	<b>187</b>	<b>\$410</b>	<b>\$76,670</b>	<b>\$920,040</b>	<b>\$500</b>	<b>\$93,500</b>	<b>\$1,122,000</b>



**INCOME & EXPENSE ANALYSIS**

The preceding section addressed potential risks associated with the cash flow of the subject property. Having addressed potential risks, it is appropriate to analyze historical revenues and operating expenses. Operating expenses include those items necessary to maintain the subject property and generate income at the forecasted level. Expenses associated with debt financing, depreciation, or other accounting items are disregarded. Expenses are estimated based on one or more of the following sources: (1) historical or projected operation of the subject; (2) comparable expense properties; (3) published operating sources; or (4) individual suppliers. The expense comparables reflect varying accounting methods with respect to individual line items and reserves for replacement expenses. On a line-item basis, due to the variances in accounting and classification, their applicability is diminished. The following section provides supporting information and discusses the individual expense conclusions for the subject property. Also included on the table are the first year revenue and projected revenue on a stabilized basis:

## SUBJECT OPERATING HISTORICALS

YEAR	2019		2020		2021		ANN. 3 MO.		BUDGET 2023		COLLIERS FORECAST			
	TOTAL	\$/SITE	TOTAL	\$/SITE	TOTAL	\$/SITE	TOTAL	\$/SITE	TOTAL	\$/SITE	DCF YR 1	DCF YR 2	DCF YR 3	DCF YR 4
<b>INCOME ITEMS</b>														
Potential Rental Income	\$739,378	\$3,954	\$778,475	\$4,163	\$832,969	\$4,454	\$877,704	\$4,694	\$920,040	\$4,920	\$1,122,000	\$6,000	\$1,237,005	\$6,615
<b>TOTAL RENTAL INCOME</b>	\$739,378	\$3,954	\$778,475	\$4,163	\$832,969	\$4,454	\$877,704	\$4,694	\$920,040	\$4,920	\$1,122,000	\$6,000	\$1,237,005	\$6,615
<b>OTHER INCOME</b>														
Miscellaneous Income	\$30,464	\$163	\$61,724	\$330	\$41,102	\$220	\$45,116	\$241	\$23,940	\$128	\$45,000	\$241	\$47,741	\$255
Water Income	\$0	-	\$0	-	\$0	-	\$0	-	\$43,226	\$231	\$0	-	\$84,756	\$453
<b>TOTAL OTHER INCOME</b>	\$30,464	\$163	\$61,724	\$330	\$41,102	\$220	\$45,116	\$241	\$67,166	\$359	\$45,000	\$241	\$132,497	\$709
<b>POTENTIAL GROSS INCOME (PGI)</b>	\$769,842	\$4,117	\$840,199	\$4,493	\$874,071	\$4,674	\$922,820	\$4,935	\$987,206	\$5,279	\$1,167,000	\$6,241	\$1,369,502	\$7,324
Vacancy	\$0	-	\$0	-	\$0	-	\$0	-	(\$46,002)	(\$246)	(\$33,660)	(\$180)	(\$37,110)	(\$198)
<b>EFFECTIVE GROSS INCOME (EGI)</b>	\$769,842	\$4,117	\$840,199	\$4,493	\$874,071	\$4,674	\$922,820	\$4,935	\$941,204	\$5,033	\$1,133,340	\$6,061	\$1,332,392	\$7,125
<b>EXPENSE ITEMS</b>														
Real Estate Taxes	(\$42,461)	(\$227)	(\$42,446)	(\$227)	(\$43,110)	(\$231)	(\$43,110)	(\$231)	(\$47,421)	(\$254)	(\$41,827)	(\$224)	(\$41,827)	(\$224)
Additional Tax Charges	\$0	-	\$0	-	\$0	-	\$0	-	\$0	-	(\$1,550)	(\$8)	(\$1,550)	(\$8)
Property Insurance	(\$13,180)	(\$70)	(\$13,034)	(\$70)	(\$11,645)	(\$62)	\$0	-	(\$12,000)	(\$64)	(\$11,600)	(\$62)	(\$12,306)	(\$66)
Gas & Electricity	(\$6,690)	(\$36)	(\$8,071)	(\$43)	(\$6,990)	(\$37)	(\$8,232)	(\$44)	(\$7,130)	(\$38)	(\$7,000)	(\$37)	(\$7,426)	(\$40)
Water & Sewer	(\$156,522)	(\$837)	(\$167,021)	(\$893)	(\$167,916)	(\$898)	(\$162,408)	(\$868)	(\$171,274)	(\$916)	(\$168,000)	(\$898)	(\$178,231)	(\$953)
Trash Removal	(\$168)	(\$1)	(\$857)	(\$5)	(\$840)	(\$4)	(\$780)	(\$4)	(\$857)	(\$5)	(\$800)	(\$4)	(\$849)	(\$5)
Repairs & Maintenance	(\$60,904)	(\$326)	(\$51,330)	(\$274)	(\$42,045)	(\$225)	(\$13,540)	(\$72)	(\$29,700)	(\$159)	(\$28,050)	(\$150)	(\$29,759)	(\$159)
Off-Site Management	\$0	-	\$0	-	\$0	-	\$0	-	(\$28,236)	(\$151)	(\$34,000)	(\$182)	(\$46,634)	(\$249)
On-Site Management	(\$85,228)	(\$456)	(\$80,509)	(\$431)	(\$80,953)	(\$433)	(\$80,035)	(\$428)	(\$56,160)	(\$300)	(\$80,000)	(\$428)	(\$84,872)	(\$454)
General & Administrative	(\$38,230)	(\$204)	(\$64,146)	(\$343)	(\$57,763)	(\$309)	(\$33,852)	(\$181)	(\$5,227)	(\$28)	(\$33,660)	(\$180)	(\$35,710)	(\$191)
Reserves	\$0	-	\$0	-	\$0	-	\$0	-	\$0	-	(\$7,480)	(\$40)	(\$7,480)	(\$40)
<b>TOTAL EXPENSES</b>	(\$403,384)	(\$2,157)	(\$427,414)	(\$2,286)	(\$411,262)	(\$2,199)	(\$341,957)	(\$1,829)	(\$358,005)	(\$1,914)	(\$413,967)	(\$2,214)	(\$446,644)	(\$2,388)
<b>NET OPERATING INCOME (NOI)</b>	\$366,458	\$1,960	\$412,785	\$2,207	\$462,809	\$2,475	\$580,863	\$3,106	\$583,199	\$3,119	\$719,373	\$3,847	\$885,748	\$4,737

**OTHER INCOME**

In the following section, we analyzed and made conclusions for the other income items of the subject property.

**OTHER INCOME ANALYSIS & CONCLUSIONS****MISCELLANEOUS INCOME**

YEAR	SUBJECT			ANALYSIS
	TOTAL	\$/HOMESITE	%EGI	
2019	\$30,464	\$163	4.0%	The concluded amount is all miscellaneous inclusive of income associated with late fees, NSF, laundry, application fees, RV storage etc. The historicals have been inconsistent. It is noted that this category includes the utility/HOA income charged to the 10 tenant-owned spaces. Therefore, the conclusion is based on the Annualized historical income (rounded).
2020	\$61,724	\$330	7.3%	
2021	\$41,102	\$220	4.7%	
ANN. 3 MO.	\$45,116	\$241	4.9%	
BUDGET 2023	\$23,940	\$128	2.5%	
DCF YR 1	\$45,000	\$241	4.0%	
DCF YR 3	\$47,741	\$255	3.6%	
<b>CONCLUSION</b>	<b>\$45,000</b>	<b>\$241</b>	<b>4.0%</b>	

**WATER INCOME**

YEAR	SUBJECT			ANALYSIS
	TOTAL	\$/HOMESITE	%EGI	
2019	\$0	-	0.0%	The concluded amount is all inclusive of income associated with water income. It is noted that the subject does not collect for water/sewer at this time. The buyer plans on adding water meters and submetering all water expenses (1/2 in the first year and 100% by the end of year 2). The As-Is conclusion is based on the current collection \$0 for water income.
2020	\$0	-	0.0%	
2021	\$0	-	0.0%	
BUDGET 2023	\$43,226	\$231	4.6%	
DCF YR 1	\$0	-	0.0%	
DCF YR 3	\$84,756	\$453	6.4%	
<b>CONCLUSION</b>	<b>\$0</b>	<b>-</b>	<b>0.0%</b>	

**Vacancy and Credit Loss**

This category was discussed in depth in the market analysis section of this report. Please reference that discussion for a full analysis. Our conclusions follow:

INCOME LOSS	
Vacancy Rate Conclusion	3.0%
<b>TOTAL</b>	<b>3.0%</b>

**Effective Gross Income (EGI) Conclusion**

Effective gross income equals the potential gross income less vacancy and credit loss, and is stated as follows:

EFFECTIVE GROSS INCOME (EGI)					ANALYSIS
YEAR	TOTAL	\$/HOMESITE	%EGI	Δ CHG	
2019	\$769,842	\$4,117	100.0%	-	The concluded EGI is reflecting an amount higher than the historical EGI due to the increased rent conclusion as the actual rents. The reader is reminded that the subject's rents are below market levels. The concluded EGI is based on the market-supported rents of \$500/space (rounded) and vacancy which is also supported by comparables in the market. The concluded EGI is considered supported and utilized for this analysis.
2020	\$840,199	\$4,493	100.0%	9.1%	
2021	\$874,071	\$4,674	100.0%	4.0%	
ANN. 3 MO.	\$922,820	\$4,935	100.0%	5.6%	
BUDGET 2023	\$941,204	\$5,033	100.0%	2.0%	
DCF YR 1	\$1,133,340	\$6,061	100.0%	20.4%	
DCF YR 3	\$1,332,392	\$7,125	100.0%	17.6%	

**Analysis of Operating Expenses**

Expenses are estimated based on one or more of the following sources: (1) historical or projected operation of the subject; (2) comparable expense properties; (3) published operating sources; or (4) individual suppliers. The expense comparables reflect varying accounting methods with respect to individual line items and reserves for replacement expenses. On a line-item basis, due to the variances in accounting and classification, their applicability is diminished. The following section provides supporting information and discusses the individual

expense conclusions for the subject property. The operating expenses for the subject property were presented previously. The following chart summarizes comparable expenses.

EXPENSE COMPARABLES									
COMPARABLE	COMP 1	COMP 2	COMP 3	COMP 4	COMP 5	COMP 6	LOW	HIGH	AVG
Expense Year	2021 (Ann. 10 Mos)	2021 (Ann. 11 Mos)	2021 (Ann. 10 Mos)	T12 (Sept 2020)	2021	T12 (Dec'20-Nov'21)	2021	2021	2021
Actual/Budget	Actual	Actual	Actual	Actual	Actual	Actual	-	-	-
Homesites	92	78	105	54	170	66	54	170	94
Year Built	1970	1970	1971	1963	1974	1958	1958	1974	1968
Rental Income	\$7,014	\$5,629	\$9,617	\$4,727	\$7,840	\$5,058	\$4,727	\$9,617	\$6,648
Miscellaneous Income	\$525	\$747	\$1,803	\$1,312	\$859	\$248	\$248	\$1,803	\$916
Miscellaneous Income % EGI	7.0%	11.7%	15.8%	21.7%	9.9%	4.7%	4.7%	21.7%	11.8%
<b>EGI (\$/HOMESITE)</b>	<b>\$7,539</b>	<b>\$6,376</b>	<b>\$11,420</b>	<b>\$6,039</b>	<b>\$8,699</b>	<b>\$5,306</b>	<b>\$5,306</b>	<b>\$11,420</b>	<b>\$7,563</b>
EXPENSE ITEMS	\$/HOMESITE	\$/HOMESITE	\$/HOMESITE	\$/HOMESITE	\$/HOMESITE	\$/HOMESITE	LOW	HIGH	AVG
Real Estate Taxes	\$642	\$270	\$675	\$285	\$993	\$303	\$270	\$993	\$528
Additional Tax Charges	-	-	-	-	-	-	\$0	\$0	-
Property Insurance	\$168	\$108	\$278	\$41	\$106	\$94	\$41	\$278	\$133
Gas & Electricity	\$445	\$859	\$425	\$1,453	\$1,276	\$302	\$302	\$1,453	\$793
Water & Sewer	\$872	\$3	\$1,019	\$586	Incl. Above	-	\$3	\$1,019	\$620
Trash Removal	\$247	\$255	\$454	\$256	Incl. Above	\$189	\$189	\$454	\$280
Repairs & Maintenance	\$632	\$1,496	\$838	\$368	\$630	\$380	\$368	\$1,496	\$724
Off-Site Management	\$294	\$276	\$337	\$398	\$383	\$180	\$180	\$398	\$311
%EGI	3.9%	4.3%	3.0%	6.6%	4.4%	3.4%	3.0%	6.6%	4.3%
On-Site Management	\$1,121	\$602	\$1,057	\$308	\$822	\$819	\$308	\$1,121	\$788
General & Administrative	\$114	\$332	\$196	\$71	\$176	\$215	\$71	\$332	\$184
Reserves	\$40	\$40	\$40	\$40	\$40	\$40	\$40	\$40	\$40
<b>TOTAL EXPENSES (\$/HOMESITE)</b>	<b>\$4,575</b>	<b>\$4,241</b>	<b>\$5,319</b>	<b>\$3,806</b>	<b>\$4,426</b>	<b>\$2,522</b>	<b>\$2,522</b>	<b>\$5,319</b>	<b>\$4,148</b>

Reserves for replacements are not typical cash expenditures, but rather the annualized cost of major expense in the future. Typical expenses range from \$20 - \$60/site. The comparables did not include an allocation for reserves; therefore, for this analysis, an amount of \$40/site is utilized for comparison purposes.

**Conclusion of Operating Expenses**

In the following section we discuss the individual expense conclusions for the subject property.

**EXPENSE ANALYSIS & CONCLUSIONS**

REAL ESTATE TAXES							ANALYSIS
YEAR	SUBJECT			EXPENSE COMPS			The conclusion is based on the current taxes of the subject. Please refer to the Assessments and Taxes section for additional details.
	TOTAL	\$/HOMESITE	%EGI	COMP	\$/HOMESITE	%EGI	
2019	\$42,461	\$227	5.5%	1	\$642	5.0%	The concluded taxes are based on the current taxes of the subject. Please refer to the Assessments and Taxes section for additional details.
2020	\$42,446	\$227	5.1%	2	\$270	3.7%	
2021	\$43,110	\$231	4.9%	3	\$675	3.1%	
ANN. 3 MO.	\$43,110	\$231	4.7%	4	\$285	4.7%	
BUDGET 2023	\$47,421	\$254	5.0%	5	\$993	7.7%	
DCF YR 1	\$41,827	\$224	3.7%	6	\$303	5.7%	
DCF YR 3	\$41,827	\$224	3.1%				
<b>CONCLUSION</b>	<b>\$41,827</b>	<b>\$224</b>	<b>3.7%</b>	<b>AVG</b>	<b>\$528</b>	<b>5.0%</b>	

ADDITIONAL TAX CHARGES							ANALYSIS
YEAR	SUBJECT			EXPENSE COMPS			The conclusion is based on the current taxes of the subject. Please refer to the Assessments and Taxes section for additional details.
	TOTAL	\$/HOMESITE	%EGI	COMP	\$/HOMESITE	%EGI	
2019	\$0		0.0%	1	-	-	The concluded taxes are based on the current taxes of the subject. Please refer to the Assessments and Taxes section for additional details.
2020	\$0		0.0%	2	-	-	
2021	\$0		0.0%	3	-	-	
ANN. 3 MO.	\$0		0.0%	4	-	-	
BUDGET 2023	\$0		0.0%	5	-	-	
DCF YR 1	\$1,550	\$8	0.1%	6	-	-	
DCF YR 3	\$1,550	\$8	0.1%				
<b>CONCLUSION</b>	<b>\$1,550</b>	<b>\$8</b>	<b>0.1%</b>	<b>AVG</b>	<b>-</b>	<b>-</b>	

PROPERTY INSURANCE						
YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/HOMESITE	%EGI	COMP	\$/HOMESITE	%EGI
2019	\$13,180	\$70	1.7%	1	\$168	1.0%
2020	\$13,034	\$70	1.6%	2	\$108	1.9%
2021	\$11,645	\$62	1.3%	3	\$278	2.4%
ANN. 3 MO.	\$0		0.0%	4	\$41	0.7%
BUDGET 2023	\$12,000	\$64	1.3%	5	\$106	2.7%
DCF YR 1	\$11,600	\$62	1.0%	6	\$94	1.8%
DCF YR 3	\$12,306	\$66	0.9%			
<b>CONCLUSION</b>	<b>\$11,600</b>	<b>\$62</b>	<b>1.0%</b>	<b>AVG</b>	<b>\$133</b>	<b>1.7%</b>

**ANALYSIS**

This expense includes all premiums and costs incurred for insurance covering structures, public liability, rental value, and equipment. The historical expense has been generally consistent since 2019. Therefore, the conclusion is based in the 2021 and buyer's budget historical statements (rounded).

GAS & ELECTRICITY						
YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/HOMESITE	%EGI	COMP	\$/HOMESITE	%EGI
2019	\$6,690	\$36	0.9%	1	\$445	9.7%
2020	\$8,071	\$43	1.0%	2	\$859	0.8%
2021	\$6,990	\$37	0.8%	3	\$425	0.7%
ANN. 3 MO.	\$8,232	\$44	0.9%	4	\$1,453	15.9%
BUDGET 2023	\$7,130	\$38	0.8%	5	\$1,276	0.8%
DCF YR 1	\$7,000	\$37	0.6%	6	\$302	5.7%
DCF YR 3	\$7,426	\$40	0.6%			
<b>CONCLUSION</b>	<b>\$7,000</b>	<b>\$37</b>	<b>0.6%</b>	<b>AVG</b>	<b>\$793</b>	<b>5.6%</b>

**ANALYSIS**

This expense includes all gas and electricity costs for the common areas of the subject. The reader is reminded that the residents are direct billed for these utilities. The historicals have been consistent. The comparables reflect varying utility structures. As this expense item is property-specific, the conclusion is based on the 2021 historical expense (rounded).

WATER & SEWER						
YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/HOMESITE	%EGI	COMP	\$/HOMESITE	%EGI
2019	\$156,522	\$837	20.3%	1	\$872	1.9%
2020	\$167,021	\$893	19.9%	2	\$3	16.0%
2021	\$167,916	\$898	19.2%	3	\$1,019	12.7%
ANN. 3 MO.	\$162,408	\$868	17.6%	4	\$586	6.4%
BUDGET 2023	\$171,274	\$916	18.2%	5	Incl. Above	16.5%
DCF YR 1	\$168,000	\$898	14.8%	6	-	0.0%
DCF YR 3	\$178,231	\$953	13.4%			
<b>CONCLUSION</b>	<b>\$168,000</b>	<b>\$898</b>	<b>14.8%</b>	<b>AVG</b>	<b>\$620</b>	<b>8.9%</b>

**ANALYSIS**

This category includes water and sewer expenses for the subject. The reader is reminded that the water & sewer expenses are included in the monthly rent. The comparables reflect varying utility structures. As this expense item is property-specific, the conclusion is based on the 2021 historicals (rounded).

TRASH REMOVAL						
YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/HOMESITE	%EGI	COMP	\$/HOMESITE	%EGI
2019	\$168	\$1	0.0%	1	\$247	2.0%
2020	\$857	\$5	0.1%	2	\$255	0.2%
2021	\$840	\$4	0.1%	3	\$454	7.9%
ANN. 3 MO.	\$780	\$4	0.1%	4	\$256	2.8%
BUDGET 2023	\$857	\$5	0.1%	5	Incl. Above	5.2%
DCF YR 1	\$800	\$4	0.1%	6	\$189	3.6%
DCF YR 3	\$849	\$5	0.1%			
<b>CONCLUSION</b>	<b>\$800</b>	<b>\$4</b>	<b>0.1%</b>	<b>AVG</b>	<b>\$280</b>	<b>3.6%</b>

**ANALYSIS**

This category includes trash removal expenses for the subject's common area. The reader is reminded that the residents are direct-billed for this expense. The historicals have been generally consistent. Therefore, the conclusion is based on the 2021 and budget expense (rounded).

REPAIRS & MAINTENANCE						
YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/HOMESITE	%EGI	COMP	\$/HOMESITE	%EGI
2019	\$60,904	\$326	7.9%	1	\$632	1.2%
2020	\$51,330	\$274	6.1%	2	\$1,496	3.9%
2021	\$42,045	\$225	4.8%	3	\$838	1.9%
ANN. 3 MO.	\$13,540	\$72	1.5%	4	\$368	6.1%
BUDGET 2023	\$29,700	\$159	3.2%	5	\$630	4.4%
DCF YR 1	\$28,050	\$150	2.5%	6	\$380	7.2%
DCF YR 3	\$29,759	\$159	2.2%			
<b>CONCLUSION</b>	<b>\$28,050</b>	<b>\$150</b>	<b>2.5%</b>	<b>AVG</b>	<b>\$724</b>	<b>4.1%</b>

**ANALYSIS**

This expense covers the cost of all routine maintenance and repairs. Typical expenses for this category range from \$200 to \$500/homesite. It is noted that the historical expenses fall within this typical range, with exception to 2019 which included cap ex items not broken out while the budget is slightly below the typical range. The conclusion is based on the expense comparable range (rounded), with support from the typical range.

OFF-SITE MANAGEMENT						
YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/HOMESITE	%EGI	COMP	\$/HOMESITE	%EGI
2019	\$0		0.0%	1	\$294	3.9%
2020	\$0		0.0%	2	\$276	4.3%
2021	\$0		0.0%	3	\$337	3.0%
ANN. 3 MO.	\$0		0.0%	4	\$398	6.6%
BUDGET 2023	\$28,236	\$151	3.0%	5	\$383	4.4%
DCF YR 1	\$34,000	\$182	3.0%	6	\$180	3.4%
DCF YR 3	\$46,634	\$249	3.5%			
<b>CONCLUSION</b>	<b>\$34,000</b>	<b>\$182</b>	<b>3.0%</b>	<b>AVG</b>	<b>\$311</b>	<b>4.3%</b>

**ANALYSIS**  
This expense reflects the professional management service for the subject. Management services in the market typically range from 3% to 5% of EGI. This expense considers the size of the subject property and the comparable ranges and is supported by the typical range, as well as the expense comparable range.

ON-SITE MANAGEMENT						
YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/HOMESITE	%EGI	COMP	\$/HOMESITE	%EGI
2019	\$85,228	\$456	11.1%	1	\$1,121	3.2%
2020	\$80,509	\$431	9.6%	2	\$602	9.6%
2021	\$80,953	\$433	9.3%	3	\$1,057	4.6%
ANN. 3 MO.	\$80,035	\$428	8.7%	4	\$308	3.6%
BUDGET 2023	\$56,160	\$300	6.0%	5	\$822	6.6%
DCF YR 1	\$80,000	\$428	7.1%	6	\$819	15.4%
DCF YR 3	\$84,872	\$454	6.4%			
<b>CONCLUSION</b>	<b>\$80,000</b>	<b>\$428</b>	<b>7.1%</b>	<b>AVG</b>	<b>\$788</b>	<b>7.2%</b>

**ANALYSIS**  
This expense represents any free space rent given to on-site personnel. Typically communities will offer one to three free space rents depending on the size of the community and amount of personnel needed. Therefore, the conclusion is based on free space rent for on-site personnel which is typical for parks this size.

GENERAL & ADMINISTRATIVE						
YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/HOMESITE	%EGI	COMP	\$/HOMESITE	%EGI
2019	\$38,230	\$204	5.0%	1	\$114	1.2%
2020	\$64,146	\$343	7.6%	2	\$332	2.9%
2021	\$57,763	\$309	6.6%	3	\$196	3.1%
ANN. 3 MO.	\$33,852	\$181	3.7%	4	\$71	2.7%
BUDGET 2023	\$5,227	\$28	0.6%	5	\$176	1.7%
DCF YR 1	\$33,660	\$180	3.0%	6	\$215	4.1%
DCF YR 3	\$35,710	\$191	2.7%			
<b>CONCLUSION</b>	<b>\$33,660</b>	<b>\$180</b>	<b>3.0%</b>	<b>AVG</b>	<b>\$184</b>	<b>2.6%</b>

**ANALYSIS**  
This expense includes office supplies, accounting, legal fees, other professional fees, advertising, and all other administrative costs. Typical expenses for this category range from \$100/homesite to \$300/homesite. The historical expenses fall within the indicated range and the expense comparable range. Therefore, the conclusion is based on the middle of the expense comparable range (rounded) on a per space basis.

RESERVES						
YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/HOMESITE	%EGI	COMP	\$/HOMESITE	%EGI
2019	\$0		0.0%	1	\$40	0.2%
2020	\$0		0.0%	2	\$40	0.7%
2021	\$0		0.0%	3	\$40	0.4%
ANN. 3 MO.	\$0		0.0%	4	\$40	0.4%
BUDGET 2023	\$0		0.0%	5	\$40	0.6%
DCF YR 1	\$7,480	\$40	0.7%	6	\$40	0.8%
DCF YR 3	\$7,480	\$40	0.6%			
<b>CONCLUSION</b>	<b>\$7,480</b>	<b>\$40</b>	<b>0.7%</b>	<b>AVG</b>	<b>\$40</b>	<b>0.5%</b>

**ANALYSIS**  
Reserves for replacements are not typical cash expenditures, but rather the annualized cost of major expense in the future. Typical expenses range from \$20 - \$60/site. For this analysis, an amount of \$40/site is concluded considering the lack of common area improvements and overall age of the subject.

TOTAL EXPENSES	LOW	HIGH
SUBJECT HISTORICAL \$/HOMESITE	\$1,829	\$2,286
EXPENSE COMPARABLES \$/HOMESITE	\$2,522	\$5,319
SALE COMPARABLE \$/HOMESITE	\$1,303	\$3,611
SUBJECT HISTORICAL %EGI	37.1%	52.4%
EXPENSE COMPARABLES %EGI	46.6%	66.5%
SALE COMPARABLES %EGI	22.9%	45.1%
TOTAL EXPENSES \$/HOMESITE	\$2,214	
TOTAL EXPENSES %EGI	36.5%	
<b>TOTAL EXPENSES</b>	<b>\$413,967</b>	

**CONCLUSION**  
The subject's concluded expenses fall within the range of the expense comparables on a per space and percentage basis. They also fall within the sales comparable range on a percentage basis. They are, therefore, appropriate for the subject property and they are used in this analysis.

**INVESTMENT MARKET ANALYSIS**

**Development of Capitalization Rate**

The going-in capitalization rate, also known as overall rate (OAR), can be determined using several sources and methods. In developing our opinion of OAR, the following techniques were used:

- › Comparable Sales (Sales Comparison Approach)
- › Investor Surveys
- › Band of Investment Technique

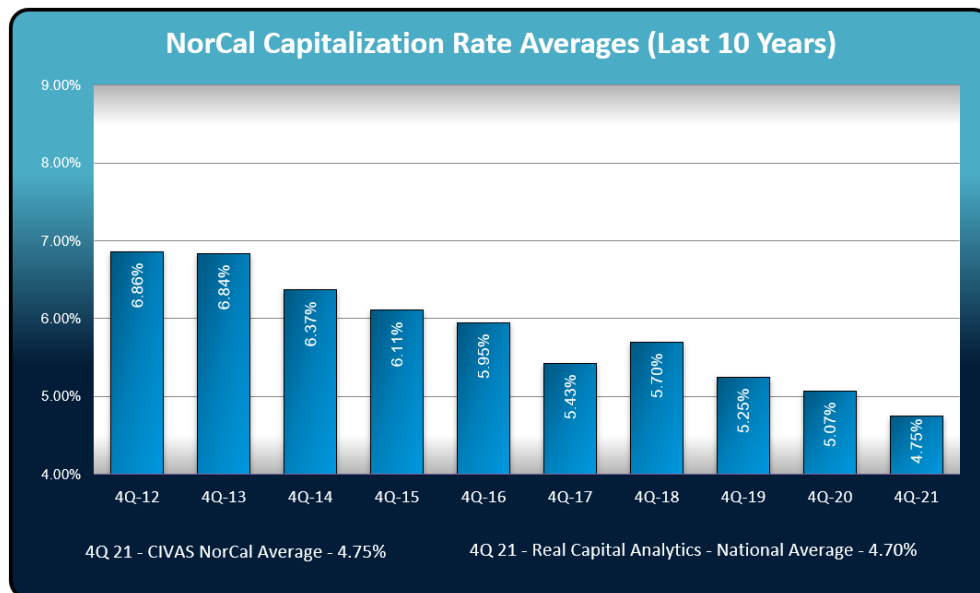
**Comparable Sales**

The following table presents a summary of the comparable sales used ahead in the Sales Comparison Approach, and the capitalization rates from each of those sales.

CAPITALIZATION RATE COMPARABLES (OAR)										
NAME	CITY	ST	SALE DATE	YR BLT	OCC	HOMESITES	\$/HOMESITE	SALE PRICE	NOI/HOMESITE	CAP RATE
1 Pleasant Valley MHC	Chico	CA	December 30, 2021	1972	100.0%	119	\$114,286	\$13,600,000	\$4,387	3.84%
2 Virginia City RV Park	Virginia City	NV	June 15, 2022	1987	98.2%	56	\$71,429	\$4,000,000	\$5,070	7.10%
3 Travelier Mobile Home Park	Reno	NV	February 10, 2021	1942	96.4%	239	\$89,749	\$21,450,000	\$3,374	3.76%
4 Villa de Oro	Las Vegas	NV	February 9, 2022	1967	100.0%	15	\$88,333	\$1,325,000	\$4,116	4.66%
5 Bonanza Terrace RV Park	Reno	NV	June 7, 2021	1979	30.0%	79	\$65,823	\$5,200,000	\$3,809	5.79%
6 Los Robles Estates	Redding	CA	April 30, 2021	1989	98.9%	84	\$86,310	\$7,250,000	\$4,395	4.55%
<b>LOW</b>									\$3,374	<b>3.76%</b>
<b>HIGH</b>									\$5,070	<b>7.10%</b>
<b>AVERAGE</b>									\$4,192	<b>4.95%</b>
<b>MEDIAN</b>										<b>4.61%</b>
<b>SUBJECT</b>	Fallon	NV		1980	98%	187			\$3,847	
<b>INDICATED CAPITALIZATION RATE (OAR)</b>										<b>5.00%</b>

Capitalization rates range from 3.76% to 7.10% and average 4.95%. The subject’s concluded NOI/site of \$3,847 is slightly lower than the average of the comparables at \$4,192/site. The subject property has an average location and an average/good appeal. Overall, the subject has a low-risk profile. In light of these factors, a rate toward the middle of the range is considered reasonable.

Below is a chart presenting the California MHC Capitalization Rate Averages since 2012:

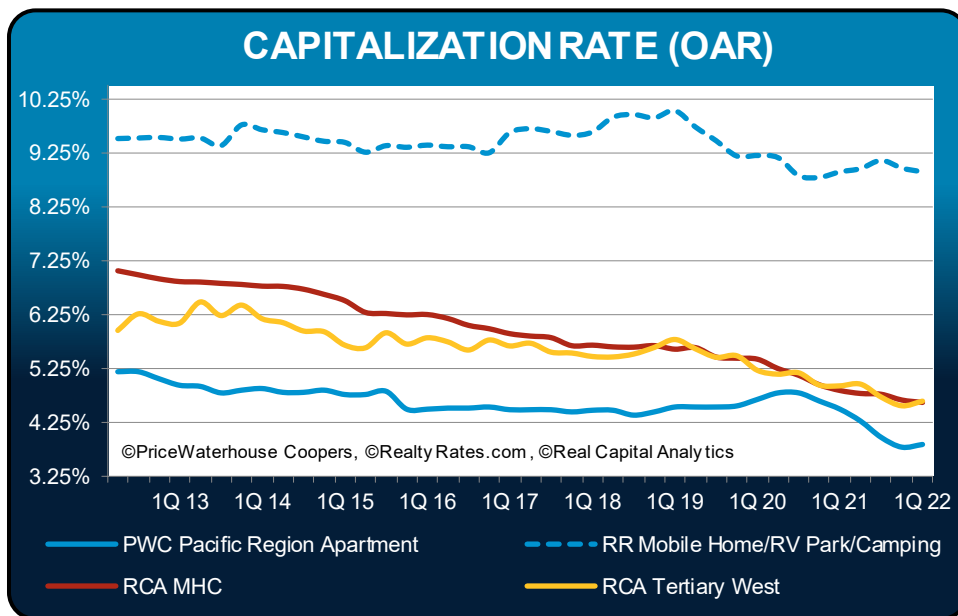


As illustrated above, MHC capitalization rates were the lowest between 2020 and 2021. In the years leading up to 2012, very few parks with good income potential were sold. Demand for higher performing parks has increased in recent years especially over the last six months. This is due to favorable financing and an influx of capital in the market. Due to the subject’s overall location, quality, condition, size, and overall appeal a capitalization rate slightly lower than the California average is appropriate.

**Investor Surveys**

The potential investor pool for the subject asset includes national, regional and local investors. While all of these groups place emphasis on local cap rates, regional and national investors would also strongly consider national cap rate trends from investor surveys due to the potential to invest in other regions that are offering competitive rates of return.

The following graph provides a historical illustration of capitalization rate statistics as surveyed by investors that we considered to be relevant to the subject property.



Capitalization rates have stayed relatively stable over the last few years. There was a peak in capitalization rates in the years of 2009 and 2010. PwC Apartment rate data is primarily based on Class A and higher quality Class B properties. As such, the capitalization rate data indicated would be expected to be lower than what would be appropriate for the subject. Realty Rates manufactured housing capitalization rate data in this study is largely based on lower quality properties. As such, the capitalization rate data indicated would be expected to be higher than what would be appropriate for the subject.

**Risk Factors**

To further refine the capitalization rate selection, the following factors are summarized below as they relate to the subject property.



**FACTORS IMPACTING CAPITALIZATION RATE SELECTION**

<b>DOWNWARD PRESSURE</b>	<b>UPWARD PRESSURE</b>
<ul style="list-style-type: none"> <li>• High Occupancy in Recent Years (Avg. 95% to 100%)</li> <li>• Large asset size/increase in efficiencies</li> <li>• Low density, high Class A asset with strong appeal</li> <li>• Public utilities</li> <li>• Tight market vacancy promotes rent growth</li> <li>• High Barrier to Entry due to lack of vacant land</li> <li>• Limited similar sized product on the market at this time</li> <li>• Units sell in place allowing for minimal turnover time/loss of rent</li> <li>• Increased demand for affordable housing</li> <li>• Affordable housing that does not rely upon government subsidies</li> <li>• Upside potential via rent increases</li> <li>• Market conditions point toward increased demand for affordable housing</li> <li>• Utility Pass Through / Sub-metering</li> <li>• MHC investors in today's market place are aggressively pursuing large (approx. 100 spaces or more) communities with immediate upside</li> </ul>	<ul style="list-style-type: none"> <li>• Minimal/Moderate Rent Growth in Recent Years has not kept up with market</li> <li>• Units primarily built prior to 1976</li> <li>• Located in residential area without major frontage or exposure</li> <li>• Long distance to employment nodes</li> <li>• Located in a flood zone</li> <li>• Economic downturn</li> <li>• Capital Expenditures (infrastructure/amenities)</li> <li>• Major renovation expenditures may become more frequent and extensive over time. This, of course, can be mitigated with professional management and an on-going maintenance and replacement program but could place a downward pressure on achievable net operating income due to high operating expenses</li> </ul>

**Overall Capitalization Rate Sustainability**

Based on our conversations with the brokers listed above and market participants, overall manufactured housing community capitalization rates have been either flat or trending downward 25 to 50 bps per year. Capitalization rates are anticipated to continue a slightly downward trend or flatten out in the foreseeable future due to the increasing interest rates over the last few months.

**Band of Investment Technique**

Because most properties are purchased with debt and equity capital, the overall capitalization rate must satisfy the market return requirements of both investment positions. Lenders must anticipate receiving a competitive interest rate commensurate with the perceived risk of the investment or they will not make funds available. Lenders also require that the principal amount of the loan be repaid through amortization payments. Similarly, equity investors must anticipate receiving a competitive equity cash return commensurate with the perceived risk or they will invest their funds elsewhere.

To analyze the capitalization rate from a financial position, the Band of Investment Technique is used. Available financing information indicates the following terms:

<b>BAND OF INVESTMENT ASSUMPTIONS</b>	
Loan Amortization Period	30 Years
Interest Rate	5.50%
Loan-to-Value (LTV) Ratio	60%
Mortgage Constant	6.81%

Equity dividend rates vary depending upon motivations of buyers and financing terms. The previous terms and an appropriate equity dividend rate are used in the Band of Investments calculations, which are presented on the following chart.

<b>BAND OF INVESTMENT CALCULATION</b>				
Mortgage Component	60%	x	6.81%	= 4.088%
Equity Component	40%	x	6.50%	= 2.600%
Indicated Capitalization Rate				<u>6.688%</u>
<b>INDICATED CAPITALIZATION RATE</b>				<b>6.69%</b>

**Capitalization Rate Conclusion**

Taking all factors into consideration, the following table summarizes the various capitalization rate indicators and provides the final capitalization rate conclusion.

CAPITALIZATION RATE CONCLUSION (OAR)				
SOURCE	QUARTER	RANGE		AVG
Comparable Sales		3.76%	to 7.10%	4.95%
Investor Surveys	1Q 22	3.88%	to 7.25%	5.17%
Andrew Whinery	2Q 22	4.50%	to 5.50%	5.00%
John Grant	2Q 22	5.00%	to 6.00%	5.50%
Chris Busby - Broker	2Q 22	5.00%	to 6.00%	5.50%
CVAS NorCal Survey	4Q 21			4.75%
Real Capital Analytics - National Avg.	4Q 21			4.70%
Band of Investment Technique				6.69%
<b>AVERAGE</b>		4.43%	to 6.37%	5.30%
<b>CAPITALIZATION CONCLUSION</b>				<b>5.00%</b>

Based on our conversations with the brokers listed above and market participants, overall manufactured housing community capitalization rates have begun to flatten out over the last six months. Based on the data available for this analysis, a cap rate between **4.5% and 5.5%** is best supported for the subject property. However, the following items are noted:

Item	Factor	Appeal to Investors	Impact on Cap Rate
Rent Control	The subject property is not subject to rent control. This is more appealing to MHC investors.	Neutral	➡ No Net Impact
Occupancy	The subject generally operates at or near 100% occupied. This is more appealing to MHC investors.	Neutral	➡ No Net Impact
Market Vacancy	As previously discussed, there is little to no vacancy in this market (5.9% adjusted market vacancy).	Neutral	➡ No Net Impact
Rent Analysis	The subject's rental rates fall near the low-end of the adjusted rent comparable range.	Increases	⬇ Downward Pressure
Water & Sewer	The subject is serviced by city services.	Neutral	➡ No Net Impact
Environmental Factors	Property is in a Flood Plain	Decreases	⬆ Upward Pressure
Utility Pass Through	There may be potential for utility (water) pass-through.	Increases	⬇ Downward Pressure
<b>Overall Impact</b>	<b>Overall the subject property is attractive to investors.</b>	-	⬇ <b>Downward Pressure</b>

Overall, a capitalization rate in the middle of the range, or **5.0%**, is concluded for this analysis.

**AS-IS DIRECT CAPITALIZATION**

This method analyzes the relationship of one year's stabilized net operating income to total property value. The stabilized net operating income is capitalized at a rate that implicitly considers expected growth in cash flow and growth in property value over a buyer's investment horizon. The implied value may be adjusted to account for non-stabilized conditions or required capital expenditures to reflect an as is value.

The following table summarizes our opinion of market value via direct capitalization for the subject property's As-Is Value as of July 15, 2022.

<b>DIRECT CAPITALIZATION SUMMATION TABLE (YEAR 1)</b>				
<b>INCOME ITEMS</b>	<b>%PGI</b>	<b>%EGI</b>	<b>\$/HOMESITE</b>	<b>TOTAL</b>
Potential Rental Income			\$6,000	\$1,122,000
<b>TOTAL RENTAL INCOME</b>			<b>\$6,000</b>	<b>\$1,122,000</b>
<b>OTHER INCOME</b>				
Miscellaneous Income			\$241	\$45,000
Water Income			-	\$0
<b>TOTAL OTHER INCOME</b>			<b>\$241</b>	<b>\$45,000</b>
<b>POTENTIAL GROSS INCOME (PGI)</b>			<b>\$6,241</b>	<b>\$1,167,000</b>
<b>INCOME LOSS</b>				
Vacancy	(3.0%)		(\$180)	(\$33,660)
<b>TOTAL INCOME LOSS</b>	<b>(2.9%)</b>		<b>(\$180)</b>	<b>(\$33,660)</b>
<b>EFFECTIVE GROSS INCOME (EGI)</b>	<b>97.1%</b>		<b>\$6,061</b>	<b>\$1,133,340</b>
<b>EXPENSE ITEMS</b>				
Real Estate Taxes	(3.6%)	(3.7%)	(\$224)	(\$41,827)
Additional Tax Charges	(0.1%)	(0.1%)	(\$8)	(\$1,550)
Property Insurance	(1.0%)	(1.0%)	(\$62)	(\$11,600)
Gas & Electricity	(0.6%)	(0.6%)	(\$37)	(\$7,000)
Water & Sewer	(14.4%)	(14.8%)	(\$898)	(\$168,000)
Trash Removal	(0.1%)	(0.1%)	(\$4)	(\$800)
Repairs & Maintenance	(2.4%)	(2.5%)	(\$150)	(\$28,050)
Off-Site Management	(2.9%)	(3.0%)	(\$182)	(\$34,000)
On-Site Management	(6.9%)	(7.1%)	(\$428)	(\$80,000)
General & Administrative	(2.9%)	(3.0%)	(\$180)	(\$33,660)
Reserves	(0.6%)	(0.7%)	(\$40)	(\$7,480)
<b>TOTAL EXPENSES</b>	<b>(35.5%)</b>	<b>(36.5%)</b>	<b>(\$2,214)</b>	<b>(\$413,967)</b>
<b>NET OPERATING INCOME (NOI)</b>	<b>61.6%</b>	<b>63.5%</b>	<b>\$3,847</b>	<b>\$719,373</b>
Capitalization Rate				5.00%
Capitalized Value				\$14,387,457
<b>INDICATED VALUE</b>			<b>\$76,952</b>	<b>\$14,390,000</b>
One Time Adjustment for Rent Loss	(54.8%)	(56.5%)		(\$640,000)
<b>AS-IS MARKET VALUE</b>			<b>\$73,529</b>	<b>\$13,750,000</b>

Rounded to nearest \$10,000

**DIRECT CAPITALIZATION – PROSPECTIVE VALUE WITH MARKET RENTS & WATER INCOME**

This method analyzes the relationship of one year's stabilized net operating income to total property value. The stabilized net operating income is capitalized at a rate that implicitly considers expected growth in cash flow and growth in property value over a buyer's investment horizon. The implied value may be adjusted to account for non-stabilized conditions or required capital expenditures to reflect an as is value.

It's important to note that the subject's rents are below market levels by approximately \$90/space. Therefore, we have implemented a rent loss in the Year 3 Stabilized Direct Cap Table below. The reader is also reminded that the buyer plans on upgrading the water meters in order to allow for metering tenant water usage and obtain water expense reimbursements from the tenants. New water meters will be installed in the first year of ownership totaling approximately \$60,000. This cost is deducted in the table below, as well.

The subject property is expected to attain Prospective Value with Market Rents and Water Income in year 3. The following table summarizes our opinion of market value for the subject property via Direct Capitalization including the Prospective Value Upon Stabilization (Capitalized Value) in year 3 as of July 15, 2024.

**DIRECT CAPITALIZATION SUMMATION TABLE (YEAR 3)**

INCOME ITEMS	%PGI	%EGI	\$/HOMESITE	TOTAL
Potential Rental Income			\$6,615	\$1,237,005
<b>TOTAL RENTAL INCOME</b>			<b>\$6,615</b>	<b>\$1,237,005</b>
<b>OTHER INCOME</b>				
Miscellaneous Income			\$255.30	\$47,741
Water Income			\$453.24	\$84,756
<b>TOTAL OTHER INCOME</b>			<b>\$708.54</b>	<b>\$132,497</b>
<b>POTENTIAL GROSS INCOME (PGI)</b>			<b>\$7,324</b>	<b>\$1,369,502</b>
<b>INCOME LOSS</b>				
Vacancy	(2.7%)		(\$198)	(\$37,110)
<b>TOTAL INCOME LOSS</b>	<b>(2.7%)</b>		<b>(\$198)</b>	<b>(\$37,110)</b>
<b>EFFECTIVE GROSS INCOME (EGI)</b>	<b>97.3%</b>		<b>\$7,125</b>	<b>\$1,332,392</b>
Real Estate Taxes	(3.1%)	(3.1%)	(\$224)	(\$41,827)
Additional Tax Charges	(0.1%)	(0.1%)	(\$8)	(\$1,550)
Property Insurance	(0.9%)	(0.9%)	(\$66)	(\$12,306)
Gas & Electricity	(0.5%)	(0.6%)	(\$40)	(\$7,426)
Water & Sewer	(13.0%)	(13.4%)	(\$953)	(\$178,231)
Trash Removal	(0.1%)	(0.1%)	(\$5)	(\$849)
Repairs & Maintenance	(2.2%)	(2.2%)	(\$159)	(\$29,759)
Off-Site Management	(3.4%)	(3.5%)	(\$249)	(\$46,634)
On-Site Management	(6.2%)	(6.4%)	(\$454)	(\$84,872)
General & Administrative	(2.6%)	(2.7%)	(\$191)	(\$35,710)
Reserves	(0.5%)	(0.6%)	(\$40)	(\$7,480)
<b>TOTAL EXPENSES</b>	<b>(32.6%)</b>	<b>(33.5%)</b>	<b>(\$2,388)</b>	<b>(\$446,644)</b>
<b>NET OPERATING INCOME (NOI)</b>	<b>64.7%</b>	<b>66.5%</b>	<b>\$4,737</b>	<b>\$885,748</b>
Capitalization Rate				5.00%
Capitalized Value				\$17,714,963
<b>PROSPECTIVE VALUE WITH MARKET RENTS &amp; WATER INCOME</b>			<b>\$94,706</b>	<b>\$17,710,000</b>
<b>Lease- Up Costs</b>				
Rent Loss	(21.2%)	(21.8%)		(\$290,000)
Total Lease-Up Costs	(21.2%)	(21.8%)		(\$290,000)
Entrepreneurial Profit	(25.9%)	(26.6%)		(\$354,200)
<b>TOTAL LEASE-UP COSTS</b>	<b>(47.0%)</b>	<b>(48.3%)</b>		<b>(\$644,200)</b>
<b>PROSPECTIVE VALUE UPON COMPLETION</b>			<b>\$91,283</b>	<b>\$17,070,000</b>
WATER METER INSTALLATION FEE	(4.4%)	(4.5%)		(\$60,000)
<b>AS-IS MARKET VALUE</b>			<b>\$90,963</b>	<b>\$17,010,000</b>

Rounded to nearest \$10,000

## INTRODUCTION

The Sales Comparison Approach is based on the principle of substitution, which asserts that a buyer would not pay more for a property than the value of similar properties in the market. This approach analyzes comparable sales by applying transactional and property adjustments to bracket the subject property within an appropriate unit value comparison.

## UNIT OF COMPARISON

The most relevant unit of comparison is the price per homesite. This indicator best reflects the analysis used by buyers and sellers in this market for improved properties with similar design and utility.

## COMPARABLE SELECTION

We completed a thorough search for similar improved sales in terms of property type, location, physical characteristics, and date of sale. In selecting comparables, emphasis was placed on confirming recent improved sales of properties that match the highest and best use, and buyer/seller profile of the subject property. Overall, the sales selected represent the best comparables available for this analysis.

## ADJUSTMENT PROCESS

Quantitative adjustments are made to the comparable sales. The following adjustments or general market trends were considered for the basis of valuation.

### Transactional Adjustments

Dollar adjustments to the comparable sales were considered and made when warranted for transactional adjustments in the sequence shown below:

Property Rights Transferred	The valuation of the subject site was completed on a leased fee basis. If warranted, leased fee, leasehold and/or partial interest sales were adjusted accordingly.
Financing Terms	The subject property was valued on a cash equivalent basis. Adjustments were made to the comparables involving financing terms atypical of the marketplace.
Conditions of Sale	This adjustment accounts for extraordinary motivation on the part of the buyer or seller often associated with distressed sales.
Expenditures After Purchase	Adjustments were applied if physical conditions warranted expenditures on the part of the buyer to bring the comparable up to functional standards. Most often this adjustment accounts for costs associated with deferred maintenance.
Market Conditions	Market conditions adjustments were based on a review of historical sale data, market participant interviews and review of current versus historical pricing. Based on our research, the following table summarizes the market conditions adjustment applied in this analysis.

### MARKET CONDITIONS ADJUSTMENT

Per Year As Of	July 2022	(As-Is)	3%
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The analysis applies an upward market conditions adjustment of 3% annually reflecting the conditions between the oldest comparable sale date up through the effective valuation date.

### Property Adjustments

Quantitative percentage adjustments are also made for location and physical characteristics such as size, age, site and parking ratios, access, exposure, quality and condition, as well as other applicable elements of

comparison. Where possible the adjustments applied are based on paired data or other statistical analysis. It should be stressed that the adjustments are subjective in nature and are meant to illustrate our logic in deriving a value opinion for the subject property.

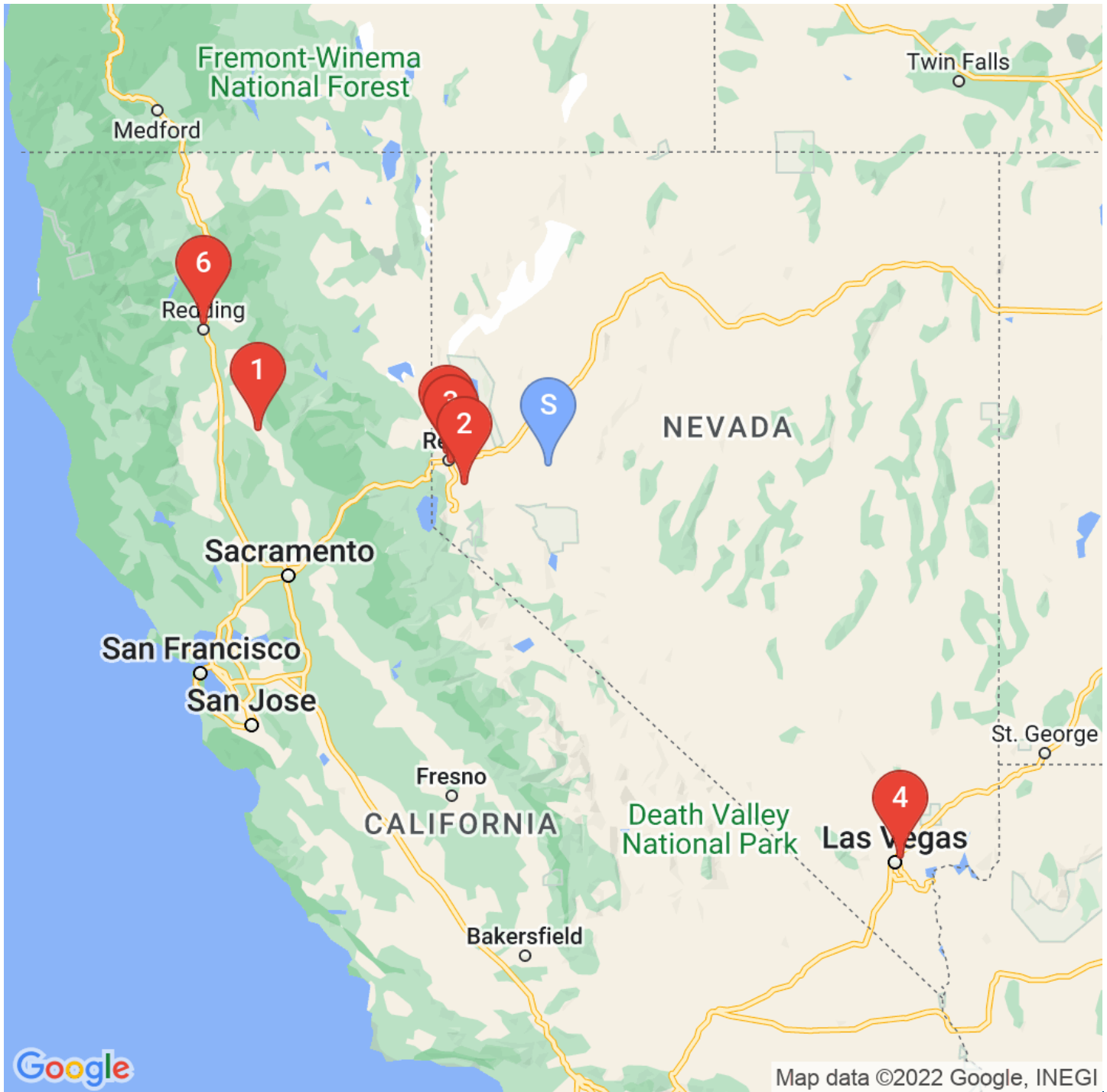
## PRESENTATION

The following Sales Summation Table, Location Map and data sheets summarize the improved sales data. Following these items, the comparable sales are adjusted for applicable elements of comparison and the opinion of value by the Sales Comparison Approach is concluded.

### IMPROVED SALES SUMMATION TABLE

COMPARABLE	SUBJECT	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3	COMPARABLE 4	COMPARABLE 5	COMPARABLE 6
<b>Name</b>	Ideal Mobile Home Community	Pleasant Valley MHC	Virginia City RV Park	Travelier Mobile Home Park	Villa de Oro	Bonanza Terrace RV Park	Los Robles Estates
<b>Address</b>	750 East Stillwater Avenue	1675 Manzanita Avenue	355 F Street	777 Gentry Way	4541 East Owens Avenue	4800 Stoltz Rd	875 Butternut Trl
<b>City</b>	Fallon	Chico	Virginia City	Reno	Las Vegas	Reno	Redding
<b>State</b>	NV	CA	NV	NV	NV	NV	CA
<b>Zip</b>	89406	95926	89440	89502	89110	89506	96003
<b>County</b>	Churchill	Butte	Storey	Washoe	Clark	Washoe	Shasta
PHYSICAL INFORMATION							
<b>Project Design</b>	All Age	Manufactured	RV Park	Manufactured	Manufactured	Manufactured	Manufactured
<b>Homesites</b>	187	119	56	239	15	79	84
<b>Density</b>	7.9	7.8	16.0	12.0	6.2	16.6	1.8
<b>Land Area (AC)</b>	23.6	15.3	3.5	19.9	2.4	4.8	47.3
<b>Land Area (SF)</b>	1,028,016	665,597	152,896	865,973	104,980	206,910	2,060,824
<b>Year Built</b>	1980	1972	1987	1942	1967	1979	1989
<b>Location</b>	Average	Average/Good	Average	Average/Good	Good	Average/Good	Average
<b>Quality</b>	Average/Good	Good	Average/Good	Average	Average	Average	Good
<b>Condition</b>	Average/Good	Good	Average/Good	Average	Good	Average	Good
<b>Appeal</b>	Average/Good	Good	Average/Good	Average	Average	Average	Good
SALE INFORMATION							
<b>Date</b>		12/30/2021	6/15/2022	2/10/2021	2/9/2022	6/7/2021	4/30/2021
<b>Status</b>		Recorded	Pending	Recorded	Recorded	Recorded	Recorded
<b>Rights Transferred</b>		Leased Fee	Fee Simple	Leased Fee	Leased Fee	Leased Fee	Leased Fee
<b>Transaction Price</b>		\$13,600,000	\$4,000,000	\$21,450,000	\$1,325,000	\$5,200,000	\$7,250,000
<b>Transaction \$/Homesite</b>		\$114,286	\$71,429	\$89,749	\$88,333	\$65,823	\$86,310
<b>Analysis Price</b>		\$13,600,000	\$4,000,000	\$21,450,000	\$1,325,000	\$5,200,000	\$7,250,000
<b>Expenses % PGI</b>		22%	35%	-	-	39%	43%
<b>Expenses % EGI</b>		23%	36%	-	-	41%	45%
<b>NOI/Unit</b>	\$3,847	\$4,387	\$5,070	\$3,374	\$4,116	\$3,809	\$4,395
<b>Occupancy</b>	97.9%	100.0%	98.2%	96.4%	100.0%	30.0%	98.9%
<b>Capitalization Rate</b>		3.84%	7.10%	3.76%	4.66%	5.79%	4.55%
<b>PGIM</b>		19.53	8.70	-	-	9.80	10.39
<b>EGIM</b>		20.09	9.00	-	-	10.26	10.78

SALES LOCATION MAP



COMPARABLE KEY

COMP	DISTANCE	NAME	ADDRESS	OCC.	SALE DATE	OAR	\$/SITE
SUBJECT	-	Ideal Mobile Home Communit	750 East Stillwater Avenue, Fallon, NV	97.9%	-	-	-
No. 1	163.1 Miles	Pleasant Valley MHC	1675 Manzanita Avenue, Chico, CA	100.0%	12/30/2021	3.84%	\$114,286
No. 2	48.2 Miles	Virginia City RV Park	355 F Street, Virginia City, NV	98.2%	6/15/2022	7.10%	\$71,429
No. 3	54.5 Miles	Travelier Mobile Home Park	777 Gentry Way, Reno, NV	96.4%	2/10/2021	3.76%	\$89,749
No. 4	303.2 Miles	Villa de Oro	4541 East Owens Avenue, Las Vegas, N	100.0%	2/9/2022	4.66%	\$88,333
No. 5	57.1 Miles	Bonanza Terrace RV Park	4800 Stoltz Rd, Reno, NV	30.0%	6/7/2021	5.79%	\$65,823
No. 6	207.0 Miles	Los Robles Estates	875 Butternut Trl, Redding, CA	98.9%	4/30/2021	4.55%	\$86,310



**COMPARABLE 1**

**LOCATION INFORMATION**

Name	Pleasant Valley MHC
Address	1675 Manzanita Avenue
City, State, Zip Code	Chico, CA, 95926
County	Butte
MSA	Chico, CA
APN	015-520-057-000

**SALE INFORMATION**

Buyer	Sean O'Malley
Seller	John Holden
Transaction Date	12/30/2021
Transaction Status	Recorded
Transaction Price	\$13,600,000
Recorded Date	12/30/2021
Recorded Price	\$13,600,000
Rights Transferred	Leased Fee
Conditions of Sale	Assumed Arms-Length



**PLEASANT VALLEY MHC**

**PHYSICAL INFORMATION**

Project Type	Manufactured Housing
Homesites	119
Year Built	1972
Quality / Condition	Good / Good
Appeal	Good
Site Size	15.3 Acres (665,597 SF)
Zoning	U
Street Construction	Asphalt

**OPERATING INCOME**

	<u>PER HOMESITE</u>	<u>TOTAL</u>
Rent Income	\$5,405	\$643,150
Other Income	\$447	\$53,184
Gross Income	\$5,852	\$696,334
Vacancy @ 3.0%	(\$162)	(\$19,294)
Effective Gross Income	\$5,689	\$677,039
Expenses	(\$1,303)	(\$155,029)
Net Operating Income	\$4,387	\$522,010
Occupancy at Sale		100.0%
Expense % of PGI / EGI	22%	23%

**ANALYSIS INFORMATION**

Price/Homesite	\$114,285.71
Adjusted Price/Homesite	\$87,428.57
Capitalization Rate	3.84%
PGIM / EGIM	19.53      20.09

**CONFIRMATION**

Name	Broker
Company	Derek Harris
Source	Seller's Broker
Date / Phone Number	03/15/2022    +1 602 803 6227

Amenities                      Laundry Room, Clubhouse (1) and Pool (1)

**UNIT MIX**

<u>DESCRIPTION</u>	<u>NO. HOMESITES</u>
Standard	119

**REMARKS**

This property was built in 1972. There are 119 total spaces according to the onsite manager. No change in last couple years in rent or occupancy. Rents were increased in September 2021. This property was sold on December 3, 2020 for an undisclosed amount. According to the broker (Derek Harris), the property sold again on December 30, 2021 for \$13,600,000 (\$114,286/space). This property was built in 1972. There are 118 total spaces according to the onsite manager. No change in last couple years in rent or occupancy. Rents were increased in September 2021. This property was sold on December 3, 2020 for an undisclosed amount. According to the broker (Derek Harris), the property sold again on December 30, 2021 for \$13,600,000 (\$114,286/space).

**COMPARABLE 2**

**LOCATION INFORMATION**

Name	Virginia City RV Park
Address	355 F Street
City, State, Zip Code	Virginia City, NV, 89440
County	Storey
MSA	Reno, NV
APN	001-161-01, 001-162-07

**SALE INFORMATION**

Buyer	Cosimo Investments, LLC
Seller	Virginia City RV Park, LLC
Transaction Date	06/15/2022
Transaction Status	Pending
Transaction Price	\$4,000,000
Recorded Date	07/7/2022
Analysis Price	\$4,000,000
Rights Transferred	Fee Simple
Financing	Conventional
Conditions of Sale	Arms-Length

**PHYSICAL INFORMATION**

Project Type	RV Park
Homesites	56
Year Built	1987
Quality / Condition	Average/Good / Average/Good
Appeal	Average/Good
Site Size	3.5 Acres (152,896 SF)
Zoning	CR
Street Construction	Asphalt

Amenities	Laundry Room
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**UNIT MIX**

<u>DESCRIPTION</u>	<u>NO. HOMESITES</u>
Standard	56



**VIRGINIA CITY RV PARK**

**OPERATING INCOME**

	<u>PER HOMESITE</u>	<u>TOTAL</u>
Rent Income	\$5,736	\$321,229
Other Income	\$2,479	\$138,800
Gross Income	\$8,215	\$460,029
Vacancy @ 0.0%	(\$282)	(\$15,767)
Effective Gross Income	\$7,933	\$444,262
Expenses	(\$2,864)	(\$160,359)
Net Operating Income	\$5,070	\$283,903
Occupancy at Sale		98.2%
Expense % of PGI / EGI	35%	36%

**ANALYSIS INFORMATION**

Price/Homesite	\$71,428.57
Adjusted Price/Homesite	\$71,428.57
Capitalization Rate	7.10%
PGIM / EGIM	8.70 / 9.00

**CONFIRMATION**

Name	Confidential
Company	Confidential
Source	Appraisal Document
Date / Phone Number	05/25/2022 Confidential

**REMARKS**

52 full hookup RV sites and 4 cabin cottages (park models). Projected income based on current rent roll and historical trend (daily/weekly income from approx 17 RV sites, net store sales, electricity reimbursements, and miscellaneous income).

**COMPARABLE 3**

**LOCATION INFORMATION**

Name                      Travelier Mobile Home Park  
 Address                   777 Gentry Way  
 City, State, Zip Code    Reno, NV, 89502  
 County                    Washoe

**SALE INFORMATION**

Transaction Date         02/10/2021  
 Transaction Status       Recorded  
 Transaction Price        \$21,450,000  
 Recorded Date            02/9/2021  
 Recorded Price           \$21,450,000  
 Analysis Price           \$21,450,000  
 Recording Number        5140170  
 Rights Transferred       Leased Fee  
 Conditions of Sale       Arms-Length

**PHYSICAL INFORMATION**

Project Type             Manufactured Housing  
 Homesites               239  
 Year Built                1942  
 Quality / Condition     Average / Average  
 Appeal                    Average  
 Site Size                 19.9 Acres (865,973 SF)  
 Zoning                    GC  
 Street Construction     Asphalt

Amenities                Laundry Room, Perimeter Fence

**UNIT MIX**

<u>DESCRIPTION</u>	<u>NO. HOMESITES</u>
Standard	239



**TRAVELIER MOBILE HOME PARK**

**OPERATING INCOME**

	<u>PER HOMESITE</u>	<u>TOTAL</u>
Rent Income	\$0	\$0
Other Income	\$0	\$0
Gross Income	\$0	\$0
Vacancy @ 0.0%	\$0	\$0
Effective Gross Income	\$0	\$0
Expenses	\$0	\$0
Net Operating Income	\$3,374	\$806,400
Occupancy at Sale		96.4%
Expense % of PGI / EGI	-	-

**ANALYSIS INFORMATION**

Price/Homesite	\$89,748.95
Adjusted Price/Homesite	\$107,339.75
Capitalization Rate	3.76%
PGIM / EGIM	-

**CONFIRMATION**

Name	Confidential
Company	Confidential
Source	Confidential
Date / Phone Number	Confidential    Confidential

**REMARKS**

Travelier Mobile Home Park is a 239-space mobile home park that was originally constructed in 1942. It is in average condition for its age. This comparable represents the sale of an all-age MHC located in Reno, NV. The cap rate presented reflects the underwritten NOI per RCA records. Occupancy was reported to be 94% at the time of sale.

**COMPARABLE 4**

**LOCATION INFORMATION**

Name Villa de Oro  
 Address 4541 East Owens Avenue  
 City, State, Zip Code Las Vegas, NV, 89110  
 County Clark

**SALE INFORMATION**

Buyer Owens 110 LLC  
 Seller The NW Company of Nevada, LLC  
 Transaction Date 02/9/2022  
 Transaction Status Recorded  
 Transaction Price \$1,325,000  
 Recorded Date 04/27/2022  
 Recorded Price \$1,325,000  
 Analysis Price \$1,325,000  
 Recording Number 22021001396  
 Rights Transferred Leased Fee  
 Conditions of Sale Arms-Length  
 Marketing Time 13 Months

**PHYSICAL INFORMATION**

Project Type Manufactured Housing  
 Homesites 15  
 Year Built 1967  
 Quality / Condition Average / Good  
 Appeal Average  
 Site Size 2.4 Acres (104,980 SF)

Amenities None

**UNIT MIX**

<u>DESCRIPTION</u>	<u>NO. HOMESITES</u>
Standard	15



**VILLA DE ORO**

**OPERATING INCOME**

	<u>PER HOMESITE</u>	<u>TOTAL</u>
Rent Income	\$0	\$0
Other Income	\$0	\$0
Gross Income	\$0	\$0
Vacancy @ 0.0%	\$0	\$0
Effective Gross Income	\$0	\$0
Expenses	\$0	\$0
Net Operating Income	\$4,116	\$61,745
Occupancy at Sale		100.0%
Expense % of PGI / EGI	-	-

**ANALYSIS INFORMATION**

Price/Homesite	\$88,333.33
Adjusted Price/Homesite	\$71,373.33
Capitalization Rate	4.66%
PGIM / EGIM	-

**CONFIRMATION**

Name Nolan Julseth-White  
 Company SVN/The Equity Group  
 Source Seller's Broker  
 Date / Phone Number 04/27/2022 Confidential

**REMARKS**

This comparable was reportedly 100% occupied. The cap rate presented reflects the broker's estimate of in-place NOI at the time of sale.

**COMPARABLE 5**

**LOCATION INFORMATION**

Name	Bonanza Terrace RV Park
Address	4800 Stoltz Rd
City, State, Zip Code	Reno, NV, 89506
County	Washoe
MSA	Reno, NV MSA
APN	082-534-07

**SALE INFORMATION**

Transaction Date	06/7/2021
Transaction Status	Recorded
Transaction Price	\$5,200,000
Analysis Price	\$5,200,000
Recording Number	4400865
Rights Transferred	Leased Fee
Financing	Conventional
Conditions of Sale	Arms-Length

**PHYSICAL INFORMATION**

Project Type	Manufactured Housing
Homesites	79
Year Built	1979
Quality / Condition	Average / Average
Appeal	Average
Site Size	4.8 Acres (206,910 SF)
Zoning	MF-14/MH

Amenities                      Parking Driveway

**UNIT MIX**

<u>DESCRIPTION</u>	<u>NO. HOMESITES</u>
Standard	79



**BONANZA TERRACE RV PARK**

**OPERATING INCOME**

	<u>PER HOMESITE</u>	<u>TOTAL</u>
Rent Income	\$6,019	\$475,486
Other Income	\$695	\$54,900
Gross Income	\$6,714	\$530,386
Vacancy @ 5.0%	(\$301)	(\$23,774)
Effective Gross Income	\$6,413	\$506,612
Expenses	(\$2,604)	(\$205,740)
Net Operating Income	\$3,809	\$300,872
Occupancy at Sale		30.0%
Expense % of PGI / EGI	39%	41%

**ANALYSIS INFORMATION**

Price/Homesite	\$65,822.78
Adjusted Price/Homesite	\$67,797.46
Capitalization Rate	5.79%
PGIM / EGIM	9.80      10.26

**CONFIRMATION**

Name	Confidential
Company	Confidential
Source	Confidential
Date / Phone Number	Confidential      Confidential

**REMARKS**

This property is located just off NV-365 and is minutes from downtown Reno, which is famous for resorts and casinos. There is a bus stop just outside the park making travel to nearby attractions easy and convenient.

**COMPARABLE 6**

**LOCATION INFORMATION**

Name	Los Robles Estates
Address	875 Butternut Trl
City, State, Zip Code	Redding, CA, 96003
County	Shasta
MSA	Redding, CA MSA
APN	113-300-029-000

**SALE INFORMATION**

Transaction Date	04/30/2021
Transaction Status	Recorded
Transaction Price	\$7,250,000
Recorded Date	06/29/2022
Analysis Price	\$7,250,000
Recording Number	2021-0018291
Rights Transferred	Leased Fee
Financing	Conventional
Conditions of Sale	Arms-Length

**PHYSICAL INFORMATION**

Project Type	Manufactured Housing
Homesites	84
Year Built	1989
Quality / Condition	Good / Good
Appeal	Good
Site Size	47.3 Acres (2,060,824 SF)
Zoning	RM9/OS

Amenities	Clubhouse, Exercise Facilities, Game Room, Parking Driveway, Parking Garage, RV Storage, Street Lights, Swimming Pool, Clubhouse (1) and Pool (1)
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**UNIT MIX**

<u>DESCRIPTION</u>	<u>NO. HOMESITES</u>
Standard	84



**LOS ROBLES ESTATES**

**OPERATING INCOME**

	<u>PER HOMESITE</u>	<u>TOTAL</u>
Rent Income	\$7,472	\$627,626
Other Income	\$833	\$70,000
Gross Income	\$8,305	\$697,626
Vacancy @ 0.0%	(\$299)	(\$25,105)
Effective Gross Income	\$8,006	\$672,521
Expenses	(\$3,611)	(\$303,312)
Net Operating Income	\$4,395	\$369,209
Occupancy at Sale		98.9%
Expense % of PGI / EGI	43%	45%

**ANALYSIS INFORMATION**

Price/Homesite	\$86,309.52
Adjusted Price/Homesite	\$71,809.52
Capitalization Rate	4.55%
PGIM / EGIM	10.39 10.78

**CONFIRMATION**

Name	Confidential
Company	Confidential
Source	Appraiser
Date / Phone Number	10/15/2021 Confidential

**REMARKS**

Los Robles Estates provides pit set homes with stick built garages. The property is located on the north side of Redding. There are approved maps for an additional 90 spaces, with plans already drawn up for 58 spaces. The seller had not previously not developed the spaces because of the slow economy at the time. The sales price includes a premium paid for the excess land of an estimated \$710,000. The buyer obtained new conventional financing from PNC Bank.

## IMPROVED SALES ADJUSTMENT TABLE

COMPARABLE	SUBJECT	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3	COMPARABLE 4	COMPARABLE 5	COMPARABLE 6
<b>Address</b>	750 East Stillwater Avenue	1675 Manzanita Avenue	355 F Street	777 Gentry Way	4541 East Owens Avenue	4800 Stoltz Rd	875 Butternut Trl
<b>City, State</b>	Fallon, NV	Chico, CA	Virginia City, NV	Reno, NV	Las Vegas, NV	Reno, NV	Redding, CA
<b>Units</b>	187	119	56	239	15	79	84
<b>Density</b>	7.9	7.8	16.0	12.0	6.2	16.6	1.8
<b>Land Area (AC)</b>	23.6	15.3	3.5	19.9	2.4	4.8	47.3
<b>Land Area (SF)</b>	1,028,016	665,597	152,896	865,973	104,980	206,910	2,060,824
<b>Year Built</b>	1980	1972	1987	1942	1967	1979	1989
<b>Location</b>	Average	Average/Good	Average	Average/Good	Good	Average/Good	Average
<b>Quality</b>	Average/Good	Good	Average/Good	Average	Average	Average	Good
<b>Condition</b>	Average/Good	Good	Average/Good	Average	Good	Average	Good
<b>Appeal</b>	Average/Good	Good	Average/Good	Average	Average	Average	Good
SALE INFORMATION							
<b>Date</b>		12/30/2021	6/15/2022	2/10/2021	2/9/2022	6/7/2021	4/30/2021
<b>Status</b>		Recorded	Pending	Recorded	Recorded	Recorded	Recorded
<b>Rights Transferred</b>		Leased Fee	Fee Simple	Leased Fee	Leased Fee	Leased Fee	Leased Fee
<b>Occupancy</b>	97.9%	100.0%	98.2%	96.4%	100.0%	30.0%	98.9%
<b>Capitalization Rate</b>		3.8%	7.1%	3.8%	4.7%	5.8%	4.6%
<b>NOI/Homesite</b>		\$4,387	\$5,070	\$3,374	\$4,116	\$3,809	\$4,395
<b>Transaction Price</b>		\$13,600,000	\$4,000,000	\$21,450,000	\$1,325,000	\$5,200,000	\$7,250,000
<b>Analysis Price</b>		\$13,600,000	\$4,000,000	\$21,450,000	\$1,325,000	\$5,200,000	\$7,250,000
<b>\$/Homesite</b>		\$114,286	\$71,429	\$89,749	\$88,333	\$65,823	\$86,310
TRANSACTIONAL ADJUSTMENTS							
<b>Market Conditions<sup>1</sup></b>		2%	0%	4%	1%	3%	4%
<b>Subtotal Transactional Adj Price</b>		\$116,571	\$71,429	\$93,339	\$89,217	\$67,797	\$89,762
PROPERTY ADJUSTMENTS							
<b>Location</b>		-10%	0%	-10%	-20%	-10%	0%
<b>Quality</b>		-5%	0%	5%	5%	5%	-5%
<b>Condition</b>		-5%	0%	5%	-5%	5%	-5%
<b>Age</b>		0%	0%	10%	5%	0%	0%
<b>Number Of Homesites</b>		-5%	-5%	5%	-5%	-5%	-5%
<b>Density</b>		0%	5%	0%	0%	5%	-5%
<b>Amenities</b>		0%	0%	0%	0%	0%	0%
<b>Subtotal Property Adjustment</b>		-25%	0%	15%	-20%	0%	-20%
<b>TOTAL ADJUSTED \$/HOMESITE</b>		\$87,429	\$71,429	\$107,340	\$71,373	\$67,797	\$71,810
STATISTICS	UNADJUSTED	ADJUSTED					
<b>LOW</b>	\$65,823	\$67,797					
<b>HIGH</b>	\$114,286	\$107,340					
<b>MEDIAN</b>	\$87,321	\$71,619					
<b>AVERAGE</b>	\$85,988	\$79,530					

<sup>1</sup> Market Conditions Adjustment - 3%

Date of Value (for adjustment calculations): 7/15/22

## SALES COMPARABLE ANALYSIS

### Introduction

The comparable sales indicate an adjusted value range from \$67,797 to \$107,340/Homesite, with a median of \$71,619/Homesite and an average of \$79,530/Homesite. The range of total gross adjustment applied to the comparables was from 10% to 41%, with an average gross adjustment across all comparables of 29%. The level of total adjustment applied to the comparables is considered minimal, an indication that the dataset is applicable to the subject and increases the credibility of the analysis. The adjustment process for each comparable sale is discussed in the following paragraphs.

### Discussion of Adjustments

Comparable 1 (\$87,429/Homesite as adjusted) required a total upward transaction adjustment of 2%. This property sold during a time when the market for manufactured housing communities was weaker and this sale is adjusted upward. This comparable required a total downward adjustment of -25% for property characteristics. This property is considered to be superior to the subject property in terms of quality and is adjusted downward. This property has been better maintained than the subject property and is adjusted downward for this superior attribute. Larger communities have more sites to spread expenses across. As such this community is adjusted downward for its superior size. The total gross adjustment applied to this comparable was 27%. The moderate level of gross adjustments required for this comparable indicates that it can be adequately relied upon for valuation of the subject. This comparable is given primary consideration as a value indicator for the subject.

Comparable 2 (\$71,429/Homesite as adjusted) did not require any transaction adjustments. This comparable required adjustments for property characteristics, however these resulted in a net adjustment of 0%. Larger communities have more sites to spread expenses across. As such this community is adjusted downward for its superior size. This property has an inferior density and is adjusted upward. The total gross adjustment applied to this comparable was 10%. The moderate level of gross adjustments required for this comparable indicates that it can be adequately relied upon for valuation of the subject. This comparable is given primary consideration as a value indicator for the subject.

Comparable 3 (\$107,340/Homesite as adjusted) required a total upward transaction adjustment of 4%. This property sold during a time when the market for manufactured housing communities was weaker and this sale is adjusted upward. This comparable required a total upward adjustment of 15% for property characteristics. This property is considered to be inferior to the subject property in terms of quality and is adjusted upward. This property has not been as well maintained as the subject property and is adjusted upward. This property is older than the subject property and is adjusted upward for its inferior age. Small communities have less homesites to spread expenses across. This community is adjusted upward for its inferior size. The total gross adjustment applied to this comparable was 39%. The substantial level of gross adjustments required for this comparable was justified due to the comparable's varying attributes. Considering these factors, this comparable is given secondary consideration as a value indicator for the subject.

Comparable 4 (\$71,373/Homesite as adjusted) required a total upward transaction adjustment of 1%. This property sold during a time when the market for manufactured housing communities was weaker and this sale is adjusted upward. This comparable required a total downward adjustment of -20% for property characteristics. This property is considered to be inferior to the subject property in terms of quality and is adjusted upward. This property has been better maintained than the subject property and is adjusted downward for this superior attribute. This property is older than the subject property and is adjusted upward for its inferior age. Larger communities have more sites to spread expenses across. As such this community is adjusted downward for its superior size. The total gross adjustment applied to this comparable was 41%. The substantial level of gross adjustments required for this comparable was justified due to the comparable's varying attributes. Considering these factors, this comparable is given secondary consideration as a value indicator for the subject.



Comparable 5 (\$67,797/Homesite as adjusted) required a total upward transaction adjustment of 3%. This property sold during a time when the market for manufactured housing communities was weaker and this sale is adjusted upward. This comparable required adjustments for property characteristics, however these resulted in a net adjustment of 0%. This property is considered to be inferior to the subject property in terms of quality and is adjusted upward. This property has not been as well maintained as the subject property and is adjusted upward. Larger communities have more sites to spread expenses across. As such this community is adjusted downward for its superior size. This property has an inferior density and is adjusted upward. The total gross adjustment applied to this comparable was 33%. The moderate level of gross adjustments required for this comparable indicates that it can be adequately relied upon for valuation of the subject. This comparable is given primary consideration as a value indicator for the subject.

Comparable 6 (\$71,810/Homesite as adjusted) required a total upward transaction adjustment of 4%. This property sold during a time when the market for manufactured housing communities was weaker and this sale is adjusted upward. This comparable required a total downward adjustment of -20% for property characteristics. This property is considered to be superior to the subject property in terms of quality and is adjusted downward. This property has been better maintained than the subject property and is adjusted downward for this superior attribute. Larger communities have more sites to spread expenses across. As such this community is adjusted downward for its superior size. This property has a superior density and is adjusted downward. The total gross adjustment applied to this comparable was 24%. The moderate level of gross adjustments required for this comparable indicates that it can be adequately relied upon for valuation of the subject. This comparable is given primary consideration as a value indicator for the subject.

### SALES COMPARISON APPROACH CONCLUSION

The comparable sales indicate an adjusted value range from \$67,797 to \$107,340/Homesite, with a median of \$71,619/Homesite and an average of \$79,530/Homesite. Based on the results of the preceding analysis, Comparable 1 (\$87,429/Homesite adjusted), Comparable 2 (\$71,429/Homesite adjusted), Comparable 5 (\$67,797/Homesite adjusted) and Comparable 6 (\$71,810/Homesite adjusted) are given primary consideration for the subject's opinion of value.

The following table summarizes the analysis of the comparables, reports the reconciled price per Homesite value conclusion, and presents the concluded value of the subject property.

SALES COMPARISON APPROACH CONCLUSION (\$/HOMESITE)									
COMP	ANALYSIS		ADJUSTMENT			NET ADJ %	GROSS ADJ %	WEIGHT GIVEN	
	PRICE	TRANSACTIONAL <sup>1</sup>	ADJUSTED	PROPERTY <sup>2</sup>	FINAL				
1	\$114,286	2%	\$116,571	-25%	\$87,429	-23%	27%	PRIMARY	
2	\$71,429	0%	\$71,429	0%	\$71,429	0%	10%	PRIMARY	
3	\$89,749	4%	\$93,339	15%	\$107,340	20%	39%	SECONDARY	
4	\$88,333	1%	\$89,217	-20%	\$71,373	-19%	41%	SECONDARY	
5	\$65,823	3%	\$67,797	0%	\$67,797	3%	33%	PRIMARY	
6	\$86,310	4%	\$89,762	-20%	\$71,810	-17%	24%	PRIMARY	
<b>LOW</b>	<b>\$67,797</b>						<b>AVERAGE</b>		<b>\$79,530</b>
<b>HIGH</b>	<b>\$107,340</b>						<b>MEDIAN</b>		<b>\$71,619</b>
			<b>SUBJECT HOMESITES</b>		<b>\$/HOMESITE CONCLUSION</b>				<b>VALUE</b>
<b>AS-IS MARKET VALUE</b>			<b>187</b>	<b>x</b>	<b>\$75,000</b>	<b>=</b>			<b>\$14,030,000</b>

<sup>1</sup>Cumulative <sup>2</sup>Additive

Rounded to nearest \$10,000

## INTRODUCTION

The Reconciliation of Value Conclusions is the final step in the appraisal process and involves the weighing of the individual valuation techniques in relationship to their substantiation by market data, and the reliability and applicability of each valuation technique to the subject property. Understanding the profiles of potential buyers and their typical reliance on each approach to value strongly influences the weighting process.

As previously discussed, the **Cost Approach** was not presented in this analysis. The exclusion of the Cost Approach does not diminish the credibility of the value conclusion.

The price per unit method has been presented in the **Sales Comparison Approach**. There have been a few recent MHC sales of properties similar to the subject in the market area in the current market conditions, which decreases the validity of this approach. Recognizing the shifting market conditions, investors would typically give secondary weight to the Sales Comparison Approach in determining value. Therefore, supporting weight is given to the Sales Comparison Approach in this analysis.

The **Income Approach** to value is generally considered to be the best and most accurate measure of the value of income-producing properties. In this analysis, the Direct Capitalization and Effective Gross Income Multiplier methods were developed and reconciled into a final Income Approach value. The value estimate by this approach best reflects the analysis that knowledgeable buyers and sellers carry out in their decision-making processes regarding this type of property. Sufficient market data was available to reliably estimate gross income, vacancy, expenses and capitalization rate for the subject property. The Income Approach is given primary emphasis in the analysis.

In the open market, the subject property type would command most interest from national and regional buyers that are actively pursuing similar small investment properties. There is currently steady buyer demand for substitute properties of the subject based on the volume of sale transactions and reports by buyers, sellers and other market participants during confirmation of market transactions. The most probable buyer is a national and regional investor.

## PRESENTATION OF VALUE CONCLUSIONS

Our opinion of value reflects current conditions and the likely actions of market participants as of the date of value. It is based on the available information gathered and provided to us, as presented in this report, and does not predict future performance. Changing market or property conditions can and likely will have an effect on the subject's value.

The following table summarizes our final opinions of the As-Is Market Value and Prospective Value Upon Stabilization of the subject property's leased fee interest. At the request of the client we have also completed an Insurable Replacement Cost Estimate.

## ANALYSIS OF VALUE CONCLUSIONS

VALUATION INDICES	MARKET VALUE AS-IS	PROSPECTIVE VALUE WITH MARKET RENTS & WATER INCOME
<b>INTEREST APPRAISED</b>	LEASED FEE	LEASED FEE
<b>DATE OF VALUE</b>	JULY 15, 2022	JULY 15, 2024
Sales Comparison Approach	\$14,030,000	-
Income Approach	\$13,750,000	\$17,710,000
<b>FINAL VALUE CONCLUSION</b>	<b>\$13,750,000</b>	<b>\$17,710,000</b>
\$/Homesite	\$73,529/Homesite	\$94,706/Homesite
Exposure Time	Three Months or Less	
Marketing Period	Three Months or Less	
<b>OTHER CONCLUSIONS</b>	<b>AS OF JULY 15, 2022</b>	
Insurable Replacement Cost	\$539,146	
Actual Cash Value (ACV)	\$269,573	

We certify that, to the best of our knowledge and belief:

- › The statements of fact contained in this report are true and correct.
- › The reported analyses, opinions, and conclusions of the signers are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- › The signers of this report have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- › Joe Esparza, MAI has performed no services, as an appraiser or in any other capacity regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment. Jeffrey Shouse, MAI, CRE has performed no services, as an appraiser or in any other capacity regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- › The signers are not biased with respect to the property that is the subject of this report or to the parties involved with this assignment.
- › The engagement in this assignment was not contingent upon developing or reporting predetermined results.
- › The 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.
- › The reported analysis, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice* and the *Code of Professional Ethics and Standards of Professional Appraisal Practice* of the Appraisal Institute.
- › Joe Esparza, MAI did not inspect the property that is the subject of this report. Jeffrey Shouse, MAI, CRE inspected the property that is the subject of this report. Daniel Torgersen did not inspect the property that is the subject of this report.
- › Jeffrey Shouse provided significant real property appraisal assistance to the appraisers signing the certification. Assistance included inspecting the subject property.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

As of the date of this report Joe Esparza, MAI and Jeffrey Shouse, MAI, CRE completed the continuing education program for Designated Members of the Appraisal Institute. As of the date of this report Jeffrey Shouse, MAI, CRE has completed the Standards and Ethics Education Requirement for Practicing Affiliates of the Appraisal Institute.



July 20, 2022

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Joe Esparza, MAI  
 Senior Valuation Services Director  
 Certified General Real Estate Appraiser  
 State of Nevada License #0  
 +1 916 724 5582  
 joe.esparza@colliers.com

Date



July 20, 2022

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Jeffrey Shouse, MAI, CRE  
 Executive Vice President | Western US  
 Certified General Real Estate Appraiser  
 State of California License #A.0206645-CG  
 +1 916 724 5531  
 jeffrey.shouse@colliers.com

Date

This appraisal is subject to the following assumptions and limiting conditions:

- › The appraisers may or may not have been provided with a survey of the subject property. If further verification is required, a survey by a registered surveyor is advised.
- › We assume no responsibility for matters legal in character, nor do we render any opinion as to title, which is assumed to be marketable. All existing liens, encumbrances, and assessments have been disregarded, unless otherwise noted, and the property is appraised as though free and clear, under responsible ownership, and competent management.
- › The exhibits in this report are included to assist the reader in visualizing the property. We have made no survey of the property and assume no responsibility in connection with such matters.
- › Unless otherwise noted herein, it is assumed that there are no encroachments, zoning, or restrictive violations existing in the subject property.
- › The appraisers assume no responsibility for determining if the property requires environmental approval by the appropriate governing agencies, nor if it is in violation thereof, unless otherwise noted herein.
- › Information presented in this report has been obtained from reliable sources, and it is assumed that the information is accurate.
- › This report shall be used for its intended purpose only, and by the party to whom it is addressed. Possession of this report does not include the right of publication.
- › The appraisers may not be required to give testimony or to appear in court by reason of this appraisal, with reference to the property in question, unless prior arrangements have been made therefore.
- › The statements of value and all conclusions shall apply as of the dates shown herein.
- › There is no present or contemplated future interest in the property by the appraisers which is not specifically disclosed in this report.
- › Without the written consent or approval of the authors neither all, nor any part of, the contents of this report shall be conveyed to the public through advertising, public relations, news, sales, or other media. This applies particularly to value conclusions and to the identity of the appraisers and the firm with which the appraisers are connected.
- › This report must be used in its entirety. Reliance on any portion of the report independent of others, may lead the reader to erroneous conclusions regarding the property values. Unless approval is provided by the authors no portion of the report stands alone.
- › The valuation stated herein assumes professional management and operation of the buildings throughout the lifetime of the improvements, with an adequate maintenance and repair program.
- › The liability of Colliers International Valuation & Advisory Services, its principals, agents, and employees is limited to the client. Further, there is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions. The appraisers are in no way responsible for any costs incurred to discover or correct any deficiency in the property.
- › The appraisers are not qualified to detect the presence of toxic or hazardous substances or materials which may influence or be associated with the property or any adjacent properties, has made no investigation or analysis as to the presence of such materials, and expressly disclaims any duty to note the degree of fault. Colliers International Valuation & Advisory Services and its principals, agents, employees, shall not be liable for any costs, expenses, assessments, or penalties, or diminution in value,

property damage, or personal injury (including death) resulting from or otherwise attributable to toxic or hazardous substances or materials, including without limitation hazardous waste, asbestos material, formaldehyde, or any smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids, solids or gasses, waste materials or other irritants, contaminants or pollutants.

- › The appraisers assume no responsibility for determining if the subject property complies with the *Americans with Disabilities Act (ADA)*. Colliers International Valuation & Advisory Services, its principals, agents, and employees, shall not be liable for any costs, expenses, assessments, penalties or diminution in value resulting from non-compliance. This appraisal assumes that the subject meets an acceptable level of compliance with *ADA* standards; if the subject is not in compliance, the eventual renovation costs and/or penalties would negatively impact the present value of the subject. If the magnitude and time of the cost were known today, they would be reduced from the reported value conclusion.
- › An on-site inspection of the subject property was conducted. No evidence of asbestos materials on-site was noted. A Phase 1 Environmental Assessment was not provided for this analysis. This analysis assumes that no asbestos or other hazardous materials are stored or found in or on the subject property. If evidence of hazardous materials of any kind occurs, the reader should seek qualified professional assistance. If hazardous materials are discovered and if future market conditions indicate an impact on value and increased perceived risk, a revision of the concluded values may be necessary.
- › A detailed soils study was not provided for this analysis. The subject's soils and sub-soil conditions are assumed to be suitable based upon a visual inspection, which did not indicate evidence of excessive settling or unstable soils. No certification is made regarding the stability or suitability of the soil or sub-soil conditions.
- › This analysis assumes that the financial information provided for this appraisal, including rent rolls and historical income and expense statements; accurately reflect the current and historical operations of the subject property.

Insurable Replacement Cost

Engagement Letter

P&L Statements

Rent Roll

Preliminary Title Report

Valuation Glossary

Qualifications of Appraisers

Qualifications of Colliers International Valuation & Advisory Services



## INSURABLE REPLACEMENT COST

At the client's request, we have included an estimate of the insurable replacement cost estimate of the subject improvements, which represents the replacement cost new of the subject improvements, exclusive of land value and profit, and the costs associated with excavation, site work, foundations and architects fees. Insurance coverage is usually specific to a given project. We have not been provided with the specific policy requirements, which limit the reliability of the conclusion. Insurable replacement cost is a matter of underwriting as opposed to valuation. Users of this report should not construe the conclusion of insurable value to be an indication of market value. The insurable estimate is made using base costs and multiplier adjustments for market conditions and location from *Marshall Valuation Service*, which is assumed to accurately reflect replacement cost of the subject. We assume no liability as to the subject's insurable replacement cost and recommend that an estimate from a reputable insurance company be obtained if further assurance is required.

The following chart summarizes the insurable replacement cost estimate:

## Replacement Cost Value Worksheet

**PROPERTY:** Ideal Mobile Home Community  
**LOCATION/ADDRESS:** 750 East Stillwater Avenue, Fallon, NV 89406  
**PROPERTY DESCRIPTION:** Mobile Home Community

**DATE OF REPLACEMENT COST VALUE CALCULATIONS:** July 15, 2022

**REPLACEMENT COST VALUE CALCULATIONS:**

**Disclaimer: This form is provided as an aid to the client in determining a general estimate of the replacement cost of the improvements and is not intended as an equivalent of the services that could be provided by a professional cost estimator.**

<b>Building # (or MSI Number):</b>	750 East Stillwater Avenue, Fallon, NV 89406	750 East Stillwater Avenue, Fallon, NV 89406		
<b>Building Identifier (Address or Identifier and Source):</b>	Clubhouse	Maintenance Bldg		
<b>Building Size (SF):</b>	4,005	545		
<b>Source of Building Size (SF):</b>	Appraiser Measurements	Appraiser Measurements		
<b>Building/Structure Class:</b>	D	D		
<b>TYPE (Quality of Construction):</b>	Average	Average		
<b>Marshall &amp; Swift Section/Page (or source reference):</b>	11/30	18/21		
<b>Base Cost PSF:</b>	\$ 103.00	\$ 52.50		
<b>Additions/(Subtractions) (PSF)</b>				
<b>Subtotal:</b>	\$ 103.00	\$ 52.50	\$ -	\$ -
<b>Multipliers (default is 1)</b>				
<b>Number of Stories Multiplier:</b>	1.000	1.000		
<b>Height Per Story Multiplier:</b>	1.000	1.000		
<b>Floor Area Multiplier:</b>	1.000	1.000		
<b>Current Cost Multiplier:</b>	1.260	1.260		
<b>Local Multiplier:</b>	0.970	0.970		
<b>Adjusted Cost PSF:</b>	\$ 125.89	\$ 64.17	\$ -	\$ -
<b>Estimated Replacement Cost Value of Bldg./Structure*:</b>	\$504,176	\$34,970	\$0	\$0

\* Do not round numbers

<b>Sum of Individual Building RCVs</b>	<b>\$539,146</b>
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### Actual Cash Value Worksheet

<b>PROPERTY:</b>	Ideal Mobile Home Community		
<b>LOCATION/ADDRESS:</b>	750 East Stillwater Avenue, Fallon, NV 89406		
<b>PROPERTY DESCRIPTION:</b>	Mobile Home Community		
<b>DATE OF ACTUAL CASH VALUE CALCULATIONS:</b>	July 15, 2022		
<b>ACTUAL CASH VALUE CALCULATIONS:</b>			

Disclaimer: This form is provided as an aid the client in determining a general estimate of the actual cash value of the improvements for flood insurance purposes and is not intended as an equivalent of the services that could be provided by a professional cost estimator.

<b>Building # (or MSI Number):</b>	750 East Stillwater Avenue, Fallon, NV 89406	750 East Stillwater Avenue, Fallon, NV 89406		
<b>Building Identifier (Address or Identifier and Source):</b>	Clubhouse	Laundry Bldg		
<b>Estimated Replacement Cost Value of Bldg./Structure (from RCV Worksheet):</b>	<b>\$504,176</b>	<b>\$34,970</b>		
<b>Property Condition:</b>	Average	Average		
<b>Estimated Effective Age of the Building/Structure:</b>	<b>30</b>	<b>30</b>		
Source for Est. Effective Age of the Structure. Click on Box to the right	<b>Inspection</b>	<b>Inspection</b>		
<b>Estimated Physical Life of the Structure (Life Expectancy Guidelines in Marshall &amp; Swift):</b>	<b>60</b>	<b>60</b>		
Source for Est. Physical Life of the Structure. Click on Box to the right	<b>Inspection</b>	<b>Inspection</b>		
<b>Estimated % of Physical Depreciation:</b>	<b>50.00%</b>	<b>50.00%</b>		
Source for Est. Physical Depreciation of the Structure. Click on Box to the right	<b>Marshall &amp; Swift</b>	<b>Marshall &amp; Swift</b>		
<b>Estimated Physical Depreciation:</b>	<b>\$252,088</b>	<b>\$17,485</b>	<b>\$0</b>	<b>\$0</b>
<b>Estimated Actual Cash Value (see definition of the Building/Structure)*</b>	<b>\$252,088</b>	<b>\$17,485</b>	<b>\$0</b>	<b>\$0</b>
<b>Personal Property/FF&amp;E:</b>				
<b>Comments on Sources or other items (if applicable):</b>				
<small>* Do not round numbers</small>				
<b>Sum of Individual Building ACVs</b>	<b>\$269,573</b>			



## LETTER OF ENGAGEMENT - COMMERCIAL/AGRICULTURAL

Client hereby engages Appraiser to complete an appraisal assignment as follows:

**DATE OF AGREEMENT:** 06/21/2022

### PARTIES TO AGREEMENT:

#### CLIENT

**Client Name** Michael Hall  
**Client Company** Columbia State Bank  
**Coordinator Name** Alisha Putz  
**Phone** 360-284-5960  
**Email** MHall@columbiabank.com  
**Address** 1301 A Street  
**City** Tacoma  
**State** WA  
**Zip** 98402

#### APPRAISER:

**Appraiser Name** Joe Esparza  
**Appraiser Company** Colliers International  
**Address** 1508 Eureka Road, Suite 250  
**City** Roseville  
**State** CA  
**Zip** 95661  
**Phone**  
**Email** Joe.esparza@colliers.com

#### SUBJECT PROPERTY:

**Borrower Name** TBD  
**Property Address** 750 E Stillwater Ave  
**Property City** Fallon  
**Property State** NV  
**Property Zip Code** 89406  
**Property Type** Multi-family  
**Loan Type** Purchase  
**Loan Number**  
**Job Number** 22-001625-001  
**Project Name** Ideal Mobile Home Park  
**APN** 001-741-01 through 05,07,08,09, 001-741-11 through 16 and 18, 1-742-01 through 04,06,07, 1-743-01 through 08, 001-744-01, 03 through 05, 001-744-06; 001-751-02, 001-744-07 through 16, 001-744-18 through 21,23 and 25, 001-751-03 through 34, 001-752-01 through 10, 001-753-01 through 10, 001-754-01 through 10, 001-755-01 through 07, 001-761-01 through 08, 001-762-01 through 03, 001-763-01 through 37, 001-764-01 through 21  
**Land Area** 45 Acres  
**Excess Land**  
**Surplus Land**  
**# of Appraisal Hard Copies** 0

#### ASSIGNMENT INFORMATION:

**Delivery Date** 07/19/2022  
**Delivery Method** EDR's Collateral360 via www.parcelplatform.com  
**Payment to Appraiser** 5750.00 USD

#### SCOPE OF SERVICES:

**Intended Use** The intended use of this assessment is for loan underwriting and/or credit decisions by the Bank and/or participants

<b>Intended Users</b>	Columbia Bank Affiliates and/or Assigns
<b>Inspection Requirements</b>	An interior and exterior inspection of the subject property in sufficient detail to understand the physical features of the property.
<b>Approaches to Value</b>	Income Approach, Sales Approach
<b>Report Format</b>	Narrative
<b>Report Type</b>	Appraisal
<b>Comments</b>	We are currently soliciting bids for the following service to be completed in accordance with Columbia Bank requirements for real estate appraisal services. Prior to accepting an assignment, and if discovered at any time during the assignment, an appraiser must disclose to the client and in the report certification: any services regarding the subject property performed by the appraiser within the prior three years, as an appraiser or in any other capacity.

The property represents 187 mobile home park lots in the Ideal Mobile Home Park in Fallon, NV. There are a total of 197 spaces in the park. 10 of the 197 spaces are owned by the park tenants and are separate parcels, and will therefore not be included in the collateral. However, the 10 tenants do pay monthly HOA-like fees to the owner/borrower for park upkeep and maintenance. Park amenities include a pool, clubhouse, and laundry. The account officer reported there are no park owned homes on the subject lots. Please advise if found to be different. As of May 2022 rent roll the park has 125 double wides, 50 single wides, 18 RVs, and 4 vacancies.

As proposed, the pending purchaser will upgrade the water meters, in order to allow for metering tenant water usage and obtain water expense reimbursements from the tenants. New water meters will be installed in the first year of ownership totaling approximately \$60,000 (paid by borrower). We are requesting an As-Is Value, Stabilized Value considering the installation of the water meters and water utility expense reimbursement, which the borrower will implement within the first two years in order to stabilize the property to market rents and with water utility expense reimbursement. NOTE: Property is located in a special flood hazard area (SFHA) per flood determination that will be provided. Please provide individual depreciated replacement cost of each improvement per instructions provided in file manager.

If available please provide a current time and fee and along with a rush time and fee quote.

All appraisal reports or addenda provided to the Bank in connection with the Services must at a minimum include the following if applicable and available:

Affirmative statement that the report conforms to all requirements of Section 1 of the Master Services Agreement.

A copy of the Engagement Contract.

A copy of the appraisal license for each appraiser signing the appraisal certification.

Signing appraiser(s) must be certified by the State in which the property to be appraised is located.

Resume/Qualifications of the appraiser(s).

The engaged appraiser must sign the report. Inspection of the subject property must be completed by the engaged appraiser or at a minimum a certified general appraiser with sufficient experience appraising the subject property type. Person(s) inspecting the subject property must sign the report and at a minimum: 1) inspect both the interior and the exterior of the subject property, or the exterior of the subject property if an interior inspection is not required; 2) inspect the exterior of the comparable sales, unless otherwise approved by the Appraisal Officer; 3) the appraiser engaged must also be present during the interview with the property representative.

Photographs of the subject property, interior and exterior, or exterior only if an interior inspection was not requested.

Photographs of the exterior of the comparable properties used in the report.

Plat map; site plan if available; building sketch; floor plans and elevations if proposed construction.

A full legal description, in addition to the parcel numbers.

Neighborhood, site and comparable maps.

Description of the subjects accessibility to transportation.

Breakdown of the subject building areas.

Description of the subjects functional utility.

Estimated remaining economic life (preferably in the improvement description).

Details of the existing, under construction, and proposed supply of competitive properties in the market.

A discussion of the positive and negative risk factors associated with the subject property and its

**Comments**

environs.  
 Transaction and property details for each comparable. The contact information of confirmation sources is required upon request.  
 As-is value for the subject property in its actual physical condition, use, and zoning designation as of the effective date of the evaluation/appraisal.  
 All prospective value estimates must include the future effective date of value.  
 One or more approaches to value may be excluded from the appraisal if its exclusion: 1) is supported by market evidence, 2) does not result in a misleading or confusing appraisal report, 3) is explained to and approved by the Appraisal Officer.  
 Additional Commercial Appraisal Requirements:  
 Description of the subjects parking requirements and number of spaces provided.  
 Description and analysis of the subjects competitive market including occupancies, rental rates, concessions, and TI allowances for competitive properties.  
 Explanation of whether the capitalization rates from the comparable sales are based on actual income or projected income.  
 Separate values for any fixtures, personal property, and/or business enterprise value/intangible assets at the subject property in compliance with Applicable Law.

PDF report security setting should allow comments, highlighting, and copying text.

One hard copy of the report should be delivered to the coordinators attention unless otherwise discussed.

When inspecting the interior of the property, it is important to make sure you have open and professional conversations with the property contact in terms of any preventative measures that will be taken. If the borrower has stated that they are uncomfortable with a full interior inspection, please reach out to the Appraisal Coordinator or Appraisal Review Officer right away for accommodations. Based on the recent public health guidance, we no longer require appraisers to wear a mask while conducting property inspections. Masks are still welcome for those who choose to wear them and clients may still ask appraisers to wear a mask. You may want to reassure the property contact that while you are not currently ill, you are taking preventative measures to ensure both of your safety. Most importantly, if you are sick please do not do any interior inspections. Call us right away if you need us to re-assign the appraisal or if you need the inspection to be modified to accommodate your illness.

**CONTACT FOR PROPERTY ACCESS, IF APPLICABLE:**

**Name** Rachel Cunningham  
**Phone** 781-799-7225  
**Email** cunningham@theboavidagroup.com

**Valuation Scenario**

Valuation Scenario			
Premise	Type	Interest	Comment
Market Value	As Is	Leased Fee	
Prospective Market Value	At Stabilization	Leased Fee	with water meters installed and water reimbursements
Depreciated Replacement Cost	As Is	Leased Fee	Individual Replacement for each building. See File Manager for instructions.



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The appraiser named in this contract **MUST inspect** both the interior and exterior of the subject property as well as the exterior of the comparable sales, be present for the interview with the property representative, and sign the appraisal, unless otherwise agreed to by client.

## **COMMENTS / SPECIAL ISSUES**

All correspondence should reference the Columbia Bank Appraisal Number with Attention to the appraisal coordinator.

## **PROPERTY INFORMATION**

Please make arrangements with the designated property contact for access to all necessary property information. Call the borrower/property contact and/or appraisal department within 5 days for information that is not enclosed or attached to this agreement that is required for assignment. You must contact us no later than two weeks prior to the delivery date if any necessary subject information has not been provided or if you have any difficulty in scheduling an appointment for an inspection of the property. If you do not contact us by this time we will assume you have all the necessary subject information and an appointment, and there will be no delays in delivering the appraisal report. **The Engagement Contract is to be included in the addendum of the appraisal report along with the appraiser's license.**

## **LATE FEES**

A late fee of \$100 per day may be charged if the report is not delivered by the agreed delivery date. Late fees are not penalties but are designed to compensate Columbia Bank and its subsidiaries for administrative costs and damage to our customer relations caused by late appraisals.

**Please also email your invoice for payment to Concur Invoice Capture:  
Columbia\_BankInvoiceCapture@concursolutions.com**

**Coordinators name above MUST be included on invoice.**

## **CONTRACT TERMS**

The Firm agrees to perform the appraisal described above in accordance with the terms and conditions of this Engagement Agreement and the Master Services Agreement, the terms of which are incorporated by reference. The Firm acknowledges that it has read, understands and agrees to the Master Service Agreement, the Vendor Privacy Agreement, Special Issues & Instructions and Property Information responsibilities. The Firm acknowledges that both it and the appraiser named above are unbiased and competent to perform the assignment and have no direct or indirect interest financial or otherwise in the property or the transaction aside from the fee to be paid by the Bank upon successful completion of the appraisal. The Firm represents and promises that prior to accepting this assignment, and if discovered at any time during the assignment, The Firm must disclose to the client and in the report certification any services regarding the subject property performed by the appraiser within the prior three years, as an appraiser or in any other capacity.

**By Client:**



\_\_\_\_\_  
Alisha Putz

*On Behalf Of Michael Hall - VP, Appraisal Review Manager*

**By Appraiser:**

\_\_\_\_\_



**Project Information:**

**Report Delivery Date** Jul 29th, 2022 5PM PDT  
**Borrower** TBD  
**Job Number** 22-001625-001  
**Project Name** Ideal Mobile Home Park  
**# of Appraisal Hard Copies** 0

**Property Information:**

**Property Address 1** 750 E Stillwater Ave  
**City** Fallon  
**State** Nevada  
**Zip** 89406  
**County** CHURCHILL  
**Country** US  
**Loan Type** Purchase  
**Longitude** -118.765460  
**Latitude** 39.470551  
**Land Area** 45 Acres  
**Sq Footage** 2000  
**Parcel Numbers (APN)** 001-741-01 through 05,07,08,09, 001-741-11 through 16 and 18, 1-742-01 through 04,06,07, 1-743-01 through 08, 001-744-01, 03 through 05, 001-744-06; 001-751-02, 001-744-07 through 16, 001-744-18 through 21,23 and 25, 001-751-03 through 34, 001-752-01 through 10, 001-753-01 through 10, 001-754-01 through 10, 001-755-01 through 07, 001-761-01 through 08, 001-762-01 through 03, 001-763-01 through 37, 001-764-01 through 21

**Property Description**

The property represents 187 mobile home park lots in the Ideal Mobile Home Park in Fallon, NV. There are a total of 197 spaces in the park. 10 of the 197 spaces are owned by the park tenants and are separate parcels, and will therefore not be included in the collateral. However, the 10 tenants do pay monthly HOA-like fees to the owner/borrower for park upkeep and maintenance. Park amenities include a pool, clubhouse, and laundry. The account officer reported there are no park owned homes on the subject lots. Please advise if found to be different.

As of May 2022 rent roll the park has 125 double wides, 50 single wides, 18 RV's, and 4 vacancies.

As proposed, the pending purchaser will upgrade the water meters, in order to allow for metering tenant water usage and obtain water expense reimbursements from the tenants. New water meters will be installed in the first year of ownership totaling approximately \$60,000 (paid by borrower).

We are requesting an As-Is Value, Stabilized Value considering the installation of the water meters and water utility expense reimbursement, which the borrower will implement within the first two years in order to stabilize the property to market rents and with water utility expense reimbursement.

RUSH BIDS REQUESTED.

**Property Type** Multi-family - Manufactured Home Park

**Scope of Services:**

<b>Intended Use</b>	Loan Underwriting
<b>Intended User(s)</b>	Columbia Bank Affiliates and/or Assigns
<b>Inspection Requirements</b>	Full Inspection
<b>Approaches to Value</b>	Income Approach, Sales Approach
<b>Report Type</b>	Appraisal
<b>Report Format</b>	Narrative

**Scope of Services (continued):****RFP Comments**

We are currently soliciting bids for the following service to be completed in accordance with Columbia Bank requirements for real estate appraisal services. Prior to accepting an assignment, and if discovered at any time during the assignment, an appraiser must disclose to the client and in the report certification: any services regarding the subject property performed by the appraiser within the prior three years, as an appraiser or in any other capacity.

**The property represents 187 mobile home park lots in the Ideal Mobile Home Park in Fallon, NV. There are a total of 197 spaces in the park. 10 of the 197 spaces are owned by the park tenants and are separate parcels, and will therefore not be included in the collateral. However, the 10 tenants do pay monthly HOA-like fees to the owner/borrower for park upkeep and maintenance. Park amenities include a pool, clubhouse, and laundry. The account officer reported there are no park owned homes on the subject lots. Please advise if found to be different. As of May 2022 rent roll the park has 125 double wides, 50 single wides, 18 RV's, and 4 vacancies.**

**As proposed, the pending purchaser will upgrade the water meters, in order to allow for metering tenant water usage and obtain water expense reimbursements from the tenants. New water meters will be installed in the first year of ownership totaling approximately \$60,000 (paid by borrower). We are requesting an As-Is Value, Stabilized Value considering the installation of the water meters and water utility expense reimbursement, which the borrower will implement within the first two years in order to stabilize the property to market rents and with water utility expense reimbursement. NOTE: Property is located in a special flood hazard area (SFHA) per flood determination that will be provided. Please provide individual depreciated replacement cost of each improvement per instructions provided in file manager.**

**If available please provide a current time and fee and along with a rush time and fee quote.**

All appraisal reports or addenda provided to the Bank in connection with the Services must at a minimum include the following if applicable and available:

- \* Affirmative statement that the report conforms to all requirements of Section 1 of the Master Services Agreement.
- \* A copy of the Engagement Contract.
- \* A copy of the appraisal license for each appraiser signing the appraisal certification.
- \* Signing appraiser(s) must be certified by the State in which the property to be appraised is located.
- \* Resume/Qualifications of the appraiser(s).
- \* The engaged appraiser must sign the report. Inspection of the subject property must be completed by the engaged appraiser or at a minimum a certified general appraiser with sufficient experience appraising the subject property type. Person(s) inspecting the subject property must sign the report and at a minimum: 1) inspect both the interior and the exterior of the subject property, or the exterior of the subject property if an interior inspection is not required; 2) inspect the exterior of the comparable sales, unless otherwise approved by the Appraisal Officer; 3) the appraiser engaged must also be present during the interview with the property representative.
- \* Photographs of the subject property, interior and exterior, or exterior only if an interior inspection was not requested.
- \* Photographs of the exterior of the comparable properties used in the report.
- \* Plat map; site plan if available; building sketch; floor plans and elevations if proposed construction.
- \* A full legal description, in addition to the parcel numbers.
- \* Neighborhood, site and comparable maps.
- \* Description of the subject's accessibility to transportation.
- \* Breakdown of the subject building areas.
- \* Description of the subject's functional utility.
- \* Estimated remaining economic life (preferably in the improvement description).
- \* Details of the existing, under construction, and proposed supply of competitive properties in the market.

- \* A discussion of the positive and negative risk factors associated with the subject property and its environs.
- \* Transaction and property details for each comparable. The contact information of confirmation sources is required upon request.
- \* As-is value for the subject property in its actual physical condition, use, and zoning designation as of the effective date of the evaluation/appraisal.
- \* All prospective value estimates must include the future effective date of value.
- \* One or more approaches to value may be excluded from the appraisal if its exclusion: 1) is supported by market evidence, 2) does not result in a misleading or confusing appraisal report, 3) is explained to and approved by the Appraisal Officer.

**Additional Commercial Appraisal Requirements:**

- \* Description of the subject's parking requirements and number of spaces provided.
- \* Description and analysis of the subject's competitive market including occupancies, rental rates, concessions, and TI allowances for competitive properties.
- \* Explanation of whether the capitalization rates from the comparable sales are based on actual income or projected income.
- \* Separate values for any fixtures, personal property, and/or business enterprise value/intangible assets at the subject property in compliance with Applicable Law.

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**Attachments**

Flood Replacement Cost - Commercial Properties.docx  
 Master Services Agreement.pdf

**Valuation Scenarios:**

1	Market Value	As Is	Leased Fee	None entered
2	Prospective Market Value	At Stabilization	Leased Fee	with water meters installed and water reimbursements
3	Depreciated Replacement Cost As Is		Leased Fee	Individual Replacement for each building. See File Manager for instructions.

**Vendor Selection:**

**Response Due**

Jun 20th, 2022 5PM PDT

**Oakwood Place LLC**  
**Profit and Loss Statement 2022**

<u>Item</u>	<b>Total</b>	<b>%</b>
<b>Income</b>		
Permanent Space	\$219,426	
Condo Fees	\$6,270	
Storage Fees	\$800	
Late Fees	\$1,460	
Miscellaneous	\$2,749	
Total Income	<u>\$230,705</u>	<u>100.0%</u>
Payroll	\$10,315	
Payroll Taxes/Insu	\$3,453	
Contract Labor	\$6,241	
Water	\$6,459	
Water Treatment	\$13,353	
Sewer	\$20,790	
Gas	\$1,125	
Sanitation	\$195	
Electricity	\$933	
Maintenance/Repa	\$3,335	
Maintenance/Repa	\$0	
Maintenance/Land	\$50	
Maintenance/Pool	\$0	
Property Insurance	\$0	
Real Estate Taxes	\$21,407	
Professional Fees	\$3,236	
Advertising	\$0	
Promotion	\$300	
Dues/Unit Fees	\$764	
Fuel/Oil	\$661	
Office Supplies	\$751	
Shop Supplies	\$1,021	
Bank Charges	\$0	
Lodging	\$0	
Travel	\$0	
Meals	\$0	
Postage	\$0	
Training/Seminars	\$205	
Taxes/Licenses/Pe	\$240	
Telephone	\$741	
Contingency	\$0	
Miscellaneous	\$1,710	

**Oakwood Place LLC**  
**Profit and Loss Statement 2021**

Item	January	February	March	April	May	June	July	August	September	October	November	December	Total	%
<b>Income</b>														
Permanent Space	\$68,041	\$68,309	\$75,245	\$64,990	\$71,839	\$63,523	\$77,340	\$70,960	\$78,433	\$58,570	\$70,565	\$65,156	\$832,969	
Condo Fees	\$3,500	\$1,750	\$1,190	\$1,225	\$1,695	\$1,330	\$1,330	\$1,900	\$1,710	\$1,140	\$1,900	\$1,330	\$20,000 >> omitted	
Storage Fees	\$250	\$270	\$220	\$220	\$220	\$220	\$230	\$250	\$240	\$200	\$220	\$170	\$2,710	
Late Fees	\$310	\$245	\$400	\$110	\$70	\$150	\$75	\$290	\$145	\$320	\$225	\$205	\$2,545	
Miscellaneous	\$5,595	\$1,169	\$1,139	\$550	\$1,330	\$691	\$517	\$1,041	\$1,933	\$275	\$782	\$825	\$15,847	
<b>Total Income</b>	<b>\$77,696</b>	<b>\$71,743</b>	<b>\$78,194</b>	<b>\$67,095</b>	<b>\$75,153</b>	<b>\$65,914</b>	<b>\$79,492</b>	<b>\$74,441</b>	<b>\$82,460</b>	<b>\$60,505</b>	<b>\$73,692</b>	<b>\$67,686</b>	<b>\$874,070</b>	<b>100.0%</b>
<b>Expenses</b>														
<b>Personnel</b>														
Payroll	\$5,669	\$3,779	\$3,779	\$3,779	\$3,779	\$1,754	\$5,322	\$3,548	\$3,162	\$3,901	\$3,901	\$5,853	\$48,226	
Payroll Taxes/Insurance	\$533	\$1,474	\$2,117	\$1,659	\$983	\$524	\$1,231	821	\$821	\$790	\$1,175	\$1,763	\$13,890	
Contract Labor	\$1,399	\$581	\$584	\$1,180	\$1,858	\$2,390	\$2,328	\$1,785	\$1,965	\$2,007	\$1,203	\$1,557	\$18,837	
<b>Total Personnel</b>	<b>\$7,601</b>	<b>\$5,834</b>	<b>\$6,480</b>	<b>\$6,618</b>	<b>\$6,620</b>	<b>\$4,668</b>	<b>\$8,881</b>	<b>\$6,154</b>	<b>\$5,948</b>	<b>\$6,698</b>	<b>\$6,279</b>	<b>\$9,173</b>	<b>\$80,953</b>	<b>9.3%</b>
<b>Utilities</b>														
Water	\$2,263	\$2,121	\$2,197	\$2,328	\$2,266	\$2,312	\$2,981	\$2,798	\$4,211	\$2,840	\$2,620	\$2,407	\$31,344	
Water Treatment	\$4,451	\$4,451	\$4,451	\$4,451	\$4,451	\$4,451	\$4,451	\$4,451	\$4,451	\$4,451	\$4,451	\$4,451	\$53,412	
Sewer	\$6,930	\$6,930	\$6,930	\$6,930	\$6,930	\$6,930	\$6,930	\$6,930	\$6,930	\$6,930	\$6,930	\$6,930	\$83,160	
Gas	\$232	\$198	\$186	\$199	\$109	\$155	\$142	\$110	\$143	\$144	\$145	\$181	\$1,944	
Sanitation	\$83	\$83	\$62	\$62	\$83	\$83	\$62	\$62	\$65	\$65	\$65	\$65	\$840	
Electricity	\$378	\$290	\$353	\$304	\$382	\$437	\$448	\$275	\$938	\$893	\$146	\$202	\$5,046	
<b>Total Utilities</b>	<b>\$14,337</b>	<b>\$14,073</b>	<b>\$14,179</b>	<b>\$14,274</b>	<b>\$14,221</b>	<b>\$14,368</b>	<b>\$15,014</b>	<b>\$14,626</b>	<b>\$16,738</b>	<b>\$15,323</b>	<b>\$14,357</b>	<b>\$14,236</b>	<b>\$175,746</b>	<b>20.1%</b>
<b>Maintenance</b>														
Maintenance/Repair	\$1,185	\$2,969	\$277	\$664	\$4,793	\$3,804	\$829	\$1,071	\$1,441	\$392	\$545	\$4,753	\$22,723	
Maintenance/Repair Street													\$0	
Maintenance/Landscape	\$1,904	\$3,407	\$728	\$100	\$1,303	\$250	\$166	\$1,802		\$850			\$10,510	
Maintenance/Pool					\$407	\$1,304	\$596	\$3,154	\$2,180	\$320	\$851		\$8,812	
<b>Total Maintenance</b>	<b>\$3,089</b>	<b>\$6,376</b>	<b>\$1,005</b>	<b>\$764</b>	<b>\$6,503</b>	<b>\$5,358</b>	<b>\$1,591</b>	<b>\$6,027</b>	<b>\$3,621</b>	<b>\$1,562</b>	<b>\$1,396</b>	<b>\$4,753</b>	<b>\$42,045</b>	<b>4.8%</b>
<b>Various</b>														
Property Insurance				\$11,645									\$11,645	
Real Estate Taxes	\$10,710		\$10,629	\$75				\$11,041	\$10,655				\$43,110	
Professional Fees	\$1,343	\$2,701	\$445	\$1,167	\$3,677		\$1,906	\$3,345	\$644	\$1,274	\$1,291	\$954	\$18,747	
Advertising							\$50						\$50	
Promotion	\$671	\$116	\$100	\$143	\$100	\$229	\$100	\$120	\$100	\$100	\$100	\$275	\$2,154	
Dues/Unit Fees						\$249	\$3,279	\$734	\$2,431	\$670			\$8,163	
Fuel/Oil	\$89	\$112	\$102	\$59	\$114	\$207	\$80	\$220	\$195	\$182	\$238	\$465	\$2,063	
Office Supplies	\$833	\$435	\$261	\$1,503	\$156	\$901	\$378	\$175	\$103	\$85	\$1,514	\$492	\$6,836	
Shop Supplies	\$169	\$663	\$59		\$47		\$101	\$217	\$1,016	\$389	\$259	\$511	\$3,431	
Bank Charges							\$91		\$30				\$121	
Lodging													\$0	
Travel	\$723			\$1,039			\$792					\$1,298	\$3,852	
Meals		\$22				\$69		\$29					\$120	
Postage													\$0	
Training/Seminars	\$100							\$195					\$295	
Taxes/Licenses/Permits	\$144												\$144	
Telephone	\$218	\$313	\$303	\$323	\$303	\$218	\$208	\$346	\$254	\$218	\$222	\$346	\$3,272	
Contingency													\$0	
Miscellaneous	\$1,862	\$353	\$303	\$214	\$442	\$514	\$398	\$370	\$287	\$350	\$11,946	\$131	\$17,170	
<b>Total Various</b>	<b>\$16,862</b>	<b>\$4,715</b>	<b>\$12,202</b>	<b>\$16,168</b>	<b>\$4,839</b>	<b>\$2,387</b>	<b>\$7,383</b>	<b>\$16,792</b>	<b>\$15,715</b>	<b>\$3,268</b>	<b>\$15,570</b>	<b>\$5,272</b>	<b>\$121,173</b>	<b>13.9%</b>
<b>Total Operating Expenses</b>	<b>\$41,889</b>	<b>\$30,998</b>	<b>\$33,866</b>	<b>\$37,824</b>	<b>\$32,183</b>	<b>\$26,781</b>	<b>\$32,869</b>	<b>\$43,599</b>	<b>\$42,022</b>	<b>\$26,851</b>	<b>\$37,602</b>	<b>\$33,434</b>	<b>\$419,917</b>	<b>48.0%</b>
<b>Net Operating Income</b>	<b>\$35,807</b>	<b>\$40,745</b>	<b>\$44,328</b>	<b>\$29,271</b>	<b>\$42,970</b>	<b>\$39,133</b>	<b>\$46,623</b>	<b>\$30,842</b>	<b>\$40,438</b>	<b>\$33,654</b>	<b>\$36,090</b>	<b>\$34,252</b>	<b>\$454,154</b>	<b>52.0%</b>
<b>Units Leased</b>	<b>190</b>	<b>190</b>	<b>190</b>	<b>190</b>	<b>192</b>	<b>192</b>	<b>192</b>	<b>192</b>	<b>192</b>	<b>192</b>	<b>191</b>	<b>191</b>		

**Oakwood Place LLC**  
**2020 Profit and Loss Statement**

Item	Total	%
<b>Income</b>		
Permanent Space	\$778,475	
Condo Fees	\$18,345	
Storage Fees	\$2,643	
Late Fees	\$4,284	
Miscellaneous	\$36,452	
<b>Total Income</b>	<b>\$840,198</b>	<b>100.0%</b>
Payroll	\$46,978	
Payroll Taxes/Insurance	\$16,901	
Contract Labor	\$16,630	
Water	\$30,449	
Water Treatment	\$53,412	
Sewer	\$83,160	
Gas	\$2,329	
Sanitation	\$857	
Electricity	\$5,742	
Maintenance/Repair	\$27,849	
Maintenance/Repair Street	\$199	
Maintenance/Landscape	\$21,897	
Maintenance/Pool	\$1,385	
Property Insurance	\$13,034	
Real Estate Taxes	\$42,446	
Professional Fees	\$30,692	
Advertising	\$123	
Promotion	\$1,702	
Dues/Unit Fees	\$6,729	
Fuel/Oil	\$1,256	
Office Supplies	\$5,571	
Shop Supplies	\$2,807	
Bank Charges	\$14	
Lodging	\$591	
Travel	\$3,646	
Meals	\$198	
Postage	\$236	
Training/Seminars	\$195	
Taxes/Licenses/Permits	\$264	
Telephone	\$3,452	
Contingency	\$0	
Miscellaneous	\$14,395	
	<b>\$435,139</b>	



**Oakwood Place LLC**  
**2019 Profit and Loss Statement**

<b>Item</b>	<b>Total</b>	<b>%</b>
<b>Income</b>		
Permanent Space	\$739,378	
Condo Fees	\$17,515	
Storage Fees	\$2,655	
Late Fees	\$7,715	
Miscellaneous	\$2,579	
<b>Total Income</b>	<b>\$769,842</b>	<b>100.0%</b>
Payroll	\$59,468	
Payroll Taxes/Insurance	\$15,159	
Contract Labor	\$10,601	
Water	\$29,434	
Water Treatment	\$53,412	
Sewer	\$73,676	
Gas	\$2,200	
Sanitation	\$168	
Electricity	\$4,490	
Maintenance/Repair	\$48,053	
Maintenance/Repair Street	\$630	
Maintenance/Landscape	\$7,747	
Maintenance/Pool	\$4,474	
Property Insurance	\$13,180	
Real Estate Taxes	\$42,461	
Professional Fees	\$12,063	
Advertising	\$537	
Promotion	\$1,758	
Dues/Unit Fees	\$5,801	
Fuel/Oil	\$3,456	
Office Supplies	\$7,033	
Shop Supplies	\$1,802	
Bank Charges	\$49	
Lodging	\$0	
Travel	\$3,778	
Meals	\$24	
Postage	\$279	
Training/Seminars	\$390	
Taxes/Licenses/Permits	\$1,102	
Telephone	\$3,680	
Contingency	\$0	
Miscellaneous	\$6,470	

	B	C	D	E	F	G	H	I
1	<b>IDEAL HOME COMMUNITY * Tenant Information</b>							
2								
3								
4	Space	Name	Type	Current Monthly Rent	Last Increase	Next Increase	New Monthly Rent	Type of Lease
5	1	Kitchens, Cheryl	D	\$395	5/1/21	7/1/22	\$410	MTM
6	2	Greco, Susan	D	\$395	9/1/21	7/1/22	\$410	MTM
7	3	Chandler, Chris	S	\$395	5/1/21	7/1/22	\$410	MTM
8	4	Hedden, Cynthia	D	\$395	5/1/21	7/1/22	\$410	MTM
9	5	Sherman, Bill	S	\$395	5/1/21	7/1/22	\$410	MTM
10	<b>6</b>	<b>Wornek, Dan</b>	<b>D</b>	<b>\$190</b>	5/1/21	7/1/22	<b>\$210</b>	
11	7	Petagno, Neil	D	\$395	5/1/21	7/1/22	\$410	MTM
12	8	Sloan, Florence	D	\$395	5/1/21	7/1/22	\$410	MTM
13	9	Nelson, Eric	S	\$395	5/1/21	7/1/22	\$410	MTM
14	<b>10</b>	<b>Fanning, Tiffany</b>	<b>D</b>	<b>\$190</b>	5/1/21	7/1/22	<b>\$210</b>	
15	11	Baratone/Scatchard	D	\$395	5/1/21	7/1/22	\$410	MTM
16	12	Bauer, Margo	D	\$395	5/1/21	7/1/22	\$410	MTM
17	13	Nelson, Lisa	S	\$395	5/1/21	7/1/22	\$410	MTM
18	14	Householder, Elaine	D	\$395	5/1/21	7/1/22	\$410	MTM
19	15	Owens, Bill	D	\$395	5/1/21	7/1/22	\$410	MTM
20	16	Nickols/Hooper	S	\$395	11/1/21	7/1/22	\$410	MTM
21	<b>17</b>	<b>Riggs, Jerry</b>	<b>D</b>	<b>\$190</b>	5/1/21	7/1/22	<b>\$210</b>	
22	18	Kelly, Claggett	D	\$395	5/1/21	7/1/22	\$410	MTM
23	19	Apicella, Mike	S	\$395	5/1/21	7/1/22	\$410	MTM
24	20	Green/Tinker	D	\$395	5/1/21	7/1/22	\$410	MTM
25	21	Gardiner, Jackie	D	\$395	5/1/21	7/1/22	\$410	MTM
26	22	Dodd, Vince	RV	\$395	5/1/21	7/1/22	\$410	MTM
27	<b>23</b>	<b>Teats, Bruce</b>	<b>D</b>	<b>\$190</b>	5/1/21	7/1/22	<b>\$210</b>	
28	24	Reed, Darrell	D	\$395	5/1/21	7/1/22	\$410	MTM
29	25	Cosper, Bob	D	\$395	5/1/21	7/1/22	\$410	MTM
30	<b>26</b>	<b>Bradley, Kevin</b>	<b>D</b>	<b>\$190</b>	5/1/21	7/1/22	<b>\$210</b>	
31	27	Baley, Diane	D	\$395	5/1/21	7/1/22	\$410	MTM
32	28	Jones, Christine	D	\$395	5/1/21	7/1/22	\$410	MTM
33	29	Zappa, Julie	RV	\$410			\$410	1 year
34	30	Akau, Claudia	S	\$395	5/1/21	7/1/22	\$410	MTM
35	31	Pickens, Joseph	S	\$395	5/1/21	7/1/22	\$410	MTM
36	32	Russ, Megan	D	\$395	5/1/21	7/1/22	\$410	MTM
37	33	Sanderson, Rita	S	\$395	5/1/21	7/1/22	\$410	MTM
38	34	Henderson, Marilyn	RV	\$395	5/1/21	7/1/22	\$410	MTM
39	35	Webb, Darren	S	\$395	5/1/21	7/1/22	\$410	MTM
40	<b>36</b>	<b>Hyatt, Sandra</b>	<b>S</b>	<b>\$190</b>	5/1/21	7/1/22	<b>\$210</b>	
41	37	Cord, Michael	D	\$395	5/1/21	7/1/22	\$410	MTM
42	38	Friel, Edward	S	\$395	5/1/21	7/1/22	\$410	MTM
43	39	Murphy, Darcie	S	\$395	5/1/21	7/1/22	\$410	MTM
44	40	Marohn, Thomas	S	\$395	5/1/21	7/1/22	\$410	MTM
45	41	Rivera, Louis	S	\$395	5/1/21	7/1/22	\$410	MTM

	B	C	D	E	F	G	H	I
46	42	Elizalde/Navarro	D	\$395	5/1/21	7/1/22	\$410	MTM
47	43	Godfrey, Bill	D	\$395	5/1/21	7/1/22	\$410	MTM
48	44	Andregg, Arthur	S	\$395	5/1/21	7/1/22	\$410	MTM
49	45	Pate, William	RV	\$395	9/1/21	7/1/22	\$410	MTM
50	46	Stolle, Myrna	D	\$395	5/1/21	7/1/22	\$410	MTM
51	47	Duong, Kim	RV	\$395		12/1/22	\$410	MTM
52	48	VanMeter, Dave	D	\$395	5/1/21	7/1/22	\$410	MTM
53	49	Beghtel, Ken	D	\$395	5/1/21	7/1/22	\$410	MTM
54	<b>50</b>	<b>Pardick, Patti</b>	<b>D</b>	<b>\$190</b>	5/1/21	7/1/22	<b>\$210</b>	
55	51	Stephens, Rhiannon	S	\$395	5/1/21	7/1/22	\$410	MTM
56	52	Catron, Lauren	D	\$395	5/1/21	7/1/22	\$410	MTM
57	53	Cosper, McCoy	S	\$395	5/1/21	7/1/22	\$410	MTM
58	54	Kajans, Lollie	S	\$395	10/1/21	7/1/22	\$410	MTM
59	<b>55</b>	<b>Miller, Kelly</b>	<b>D</b>	<b>\$190</b>	5/1/21	7/1/22	<b>\$210</b>	
60	56	Olsen, Jorn	S	\$395	12/1/21	7/1/22	\$410	MTM
61	<b>57</b>	<b>Beghtel T</b>	<b>S</b>	<b>\$190</b>	5/1/21	7/1/22	<b>\$210</b>	
62	58	Andrews, Glenn	S	\$395	5/1/21	7/1/22	\$410	MTM
63	<b>59</b>	<b>Jones, Jim</b>	<b>S</b>	<b>\$190</b>	5/1/21	7/1/22	<b>\$210</b>	
64	60	Daniels, Mary	D	\$395	5/1/21	7/1/22	\$410	MTM
65	61	Owens, Joann	S	\$395	5/1/21	7/1/22	\$410	MTM
66	62	Parsons, Darryl	RV	\$395		2/1/23	\$410	MTM
67	63	DeAloia, Joe	S	\$395	5/1/21	7/1/22	\$410	MTM
68	64	Medeiros, Kenneth	S	\$395	5/1/21	7/1/22	\$410	MTM
69	65	Carollo, Frank	S	\$395	5/1/21	7/1/22	\$410	MTM
70	66	Menchaca, Stephaine	D	\$395	5/1/21	7/1/22	\$410	MTM
71	67	Alanis, Adrian	D	\$395	5/1/21	7/1/22	\$410	MTM
72	68	Jones, Tarin	D	\$395	5/1/21	7/1/22	\$410	MTM
73	69	Vacant	Vacant					
74	70	Wiese, Jim	S	\$395	5/1/21	7/1/22	\$410	MTM
75	71	Burke, Jennilyn	D	\$395	5/1/21	7/1/22	\$410	MTM
76	72	Morgan, Heather	RV	\$395	5/1/21	7/1/22	\$410	MTM
77	73	Pond, Roger	S	\$395	5/1/21	7/1/22	\$410	MTM
78	74	Aguirre, Richard	S	\$395	5/1/21	7/1/22	\$410	MTM
79	75	Perez-Tapia, Salvador	D	\$395	5/1/21	7/1/22	\$410	MTM
80	76	Kearney, Jay	D	\$395	5/1/21	7/1/22	\$410	MTM
81	77	Dianda, Edna	D	\$395	5/1/21	7/1/22	\$410	MTM
82	78	Sepulveda, Martha	S	\$395	5/1/21	10/1/22	\$410	
83	79	Marquez/Gomez	D	\$395	12/1/21	7/1/22	\$410	MTM
84	80	Mello, Wendy	D	\$395	5/1/21	7/1/22	\$410	MTM
85	81	Lee, M	D	\$395	5/1/21	7/1/22	\$410	MTM
86	82	Duenas, Francisco	D	\$395	5/1/21	7/1/22	\$410	MTM
87	83	Gray, Kevin	D	\$395	5/1/21	7/1/22	\$410	MTM
88	84	VanHorn, Mayemma	D	\$395	5/1/21	7/1/22	\$410	MTM
89	85	Jones, Threasa	D	\$395	5/1/21	7/1/22	\$410	MTM
90	86	Tompkins, Deborah	D	\$395	5/1/21	7/1/22	\$410	MTM
91	87	Krake, Larry	D	MANAGER				

	B	C	D	E	F	G	H	I
92	88	Chipp, Betty	D	\$395	5/1/21	7/1/22	\$410	MTM
93	89	Hacker, Stanley	D	\$395	5/1/21	7/1/22	\$410	MTM
94	90	Costa/Elliott	D	\$395	5/1/21	7/1/22	\$410	MTM
95	91	Young, June	S	\$395	5/1/21	7/1/22	\$410	MTM
96	92	Mendoza, Juan	S	\$395	9/1/21	7/1/22	\$410	MTM
97	93	Nash, Sylvia	D	\$395	5/1/21	7/1/22	\$410	MTM
98	94	Glaesman, Mary	S	\$395	5/1/21	7/1/22	\$410	MTM
99	95	Letourneau, Roger	D	\$395	5/1/21	7/1/22	\$410	MTM
100	96	Wright, Dolly	D	\$395	5/1/21	7/1/22	\$410	MTM
101	97	Cain, Pat	D	\$395	5/1/21	7/1/22	\$410	MTM
102	98	Walmsley, Cassie	S	\$395		11/1/22	\$410	1 year
103	99	Gissel, Mary	S	\$395	5/1/21	7/1/22	\$410	MTM
104	100	Stark, Irv & Sandra	D	\$395		9/1/22	\$410	1 year
105	101	Tarver, Glen	D	\$395	11/1/21	7/1/22	\$410	MTM
106	102	Waltrip, Debbie	D	\$395		10/1/22	\$410	1 year
107	103	Gonzales, Lois	S	\$395	5/1/21	7/1/22	\$410	MTM
108	104	Humes, C. Lee	S	\$395	5/1/21	7/1/22	\$410	MTM
109	105	Godfrey, Cady	D	\$395	5/1/21	7/1/22	\$410	MTM
110	106	Baker, Deborah	D	\$395		9/1/22	\$410	1 year
111	107	McCoy, Carole	D	\$395	5/1/21	7/1/22	\$410	MTM
112	108	Escalante, Daniel	S	\$395	5/1/21	7/1/22	\$410	MTM
113	109	Brooks, Lorelee	D	\$395	1/1/22	7/1/22	\$410	MTM
114	110	Heckert, Rick	D	\$395	5/1/21	7/1/22	\$410	MTM
115	111	Draughon, Judy	D	\$395	5/1/21	7/1/22	\$410	MTM
116	112	Fagg, Mark	RV	\$395		10/1/22	\$410	1 year
117	113	Nevers, Kathy	D	\$395	5/1/21	7/1/22	\$410	MTM
118	114	Musick, Virginia	D	\$395	5/1/21	7/1/22	\$410	MTM
119	115	Pomeroy, Dixie	RV	\$410			\$410	1 year
120	116	Davenport, James	D	\$395	5/1/21	7/1/22	\$410	MTM
121	117	Smirnes, Deanna	S	\$395	5/1/21	7/1/22	\$410	MTM
122	118	Quillen, James	D	\$395	5/1/21	7/1/22	\$410	MTM
123	119	Lopez, Alejandro	D	\$395	5/1/21	7/1/22	\$410	MTM
124	120	McMindes, Albert	RV	\$395	5/1/21	7/1/22	\$410	MTM
125	121	Naylor, Steve	D	\$395	5/1/21	7/1/22	\$410	MTM
126	122	Plummer, Linda	D	\$395	5/1/21	7/1/22	\$410	MTM
127	123	Trevino, Rudy	D	\$395	5/1/21	7/1/22	\$410	MTM
128	124	Muscato, Robin	D	\$395	5/1/21	7/1/22	\$410	MTM
129	125	Leyva, Perla	D	\$395	5/1/21	7/1/22	\$410	MTM
130	126	Schwanke, Robert	D	\$395	5/1/21	7/1/22	\$410	MTM
131	127	Bracken, Roulon	S	\$395	5/1/21	7/1/22	\$410	MTM
132	128	Tarplee, Diana	D	\$395	5/1/21	7/1/22	\$410	MTM
133	129	White, Becky	D	\$395	5/1/21	7/1/22	\$410	MTM
134	130	Eaton, Jim	D	\$395	5/1/21	7/1/22	\$410	MTM
135	131	O'Day, Richard	D	\$395	5/1/21	7/1/22	\$410	MTM
136	132	Corchado/Davis	D	\$395	5/1/21	7/1/22	\$410	MTM
137	133	Uhl/Proch, Ken & Barb	D	\$395		10/1/22	\$410	1 year

	B	C	D	E	F	G	H	I
138	134	Hansberry, Janice	D	\$395	11/21/21	7/1/22	\$410	MTM
139	135	McElhiney, James	D	\$395	5/1/21	7/1/22	\$410	MTM
140	136	Haverly/Hutchcraft	D	\$395	5/1/21	7/1/22	\$410	MTM
141	137	Blackwater, Julie	D	\$395	5/1/21	7/1/22	\$410	MTM
142	138	Meier, Lucille	D	\$395	5/1/21	7/1/22	\$410	MTM
143	139	Kaufman, Dick	D	\$395	5/1/21	7/1/22	\$410	MTM
144	140	Prinz, Laura	RV	\$395	5/1/21	7/1/22	\$410	MTM
145	141	Walkup, Carly	S	\$395	5/1/21	7/1/22	\$410	MTM
146	142	Kuras, David	S	\$395	9/1/21	7/1/22	\$410	MTM
147	143	Norris, Stephen	S	\$395	5/1/21	7/1/22	\$410	MTM
148	144	Sexton, Connie	RV	\$410			\$410	1 year
149	145	Peoples, Thomas	RV	\$395			5/1/21	7/1/22
150	146	Walker, Doris	D	\$395	10/1/21	7/1/22	\$410	MTM
151	147	Sannella, Patrick	D	\$395	5/1/21	7/1/22	\$410	MTM
152	148	Morris, Glenda	RV	\$395	5/1/21	7/1/22	\$410	MTM
153	149	Briggs, John	D	\$395	5/1/21	7/1/22	\$410	MTM
154	150	Jessen, Richard	D	\$395	5/1/21	7/1/22	\$410	MTM
155	151	Leon, Teresa	D	\$395	5/1/21	7/1/22	\$410	MTM
156	152	Thomas, Clara	D	\$395	5/1/21	7/1/22	\$410	MTM
157	153	Cox/Gallegos	D	\$395	1/1/22	7/1/22	\$410	MTM
158	154	Shaffer, Tom	D	\$395	5/1/21	7/1/22	\$410	MTM
159	155	Tavares, Laura	D	\$395	5/1/21	7/1/22	\$410	MTM
160	156	Locke, Janet	D	\$395	5/1/21	7/1/22	\$410	MTM
161	157	Vacant	Vacant					
162	158	Johnson, Phillip	D	\$395	1/1/22	7/1/22	\$410	MTM
163	159	Pettit, Josephine	D	\$395	5/1/21	7/1/22	\$410	MTM
164	160	King, Pat & Don	D	\$395	5/1/21	7/1/22	\$410	MTM
165	161	Dotta, Catherine	D	\$395	5/1/21	7/1/22	\$410	MTM
166	162	Wallin, Jane	D	\$395	5/1/21	7/1/22	\$410	MTM
167	163	Edge, Genny	S	\$395	5/1/21	7/1/22	\$410	MTM
168	164	Heidinger, Robert	S	\$395	5/1/21	7/1/22	\$410	MTM
169	165	Thomas, Robert	D	\$395	5/1/21	7/1/22	\$410	MTM
170	166	Slaugh, Diane	D	\$395	5/1/21	7/1/22	\$410	MTM
171	167	Hawkins, Kim	D	\$395	5/1/21	7/1/22	\$410	MTM
172	168	McKinnon, George	RV	\$395	5/1/21	7/1/22	\$410	MTM
173	169	Walters, Joanna	D	\$395	5/1/21	7/1/22	\$410	MTM
174	170	Felix, Nancy	D	\$395	11/1/21	7/1/22	\$410	MTM
175	171	Petty, Carey	RV	\$395	5/1/21	7/1/22	\$410	MTM
176	172	Williams, Gary	RV	\$395	5/1/21	7/1/22	\$410	MTM
177	173	Sweitzer/Liesch	D	\$395	5/1/21	7/1/22	\$410	MTM
178	174	Chrismer/Bradley	D	\$395	5/1/21	7/1/22	\$410	MTM
179	175	Budell, Ken	RV	\$395	10/1/21	7/1/22	\$410	MTM
180	176	Bui	S	OWNER			\$410	MTM
181	177	Russell, John	S	\$395	5/1/21	7/1/22	\$410	MTM
182	178	Medlock, Deana	D	\$395	5/1/21	7/1/22	\$410	MTM
183	179	Gillis, Karen	S	\$395	5/1/21	7/1/22	\$410	MTM



**REAL ESTATE PURCHASE AGREEMENT AND  
JOINT ESCROW INSTRUCTIONS**

**May 5, 2022**

The BoaVida Group LP, a Delaware limited partnership, and/or assignee, ("Buyer"), will deposit within five days of Acceptance the sum of **One Hundred Fifty Thousand Dollars (\$150,000)** as a deposit (the "Deposit") on account of the purchase price of **Thirteen Million One Hundred Thousand Dollars (\$13,100,000)** for that certain real property (as per the legal description to be provided in escrow) and personal property (defined below) including park-owned mobile homes (if any), known as **Ideal Mobile Home Park** assessor parcel numbers **TBD** located at **750 E Stillwater Ave, Fallon, NV 89406**, (the "Property") from **Seller Entity TBD**, ("Seller").

**TERMS OF SALE:**

- 1. Deposit:** Upon opening of escrow the Deposit shall be placed in escrow by said company in an interest bearing bank account for the account of Buyer. Deposit to be applicable to purchase price upon close of escrow.
- 2. Purchase Price:** The Purchase Price shall be paid to the Seller all cash at the close of escrow. The Purchase Price shall be made by Buyer as follows:
  - a. Down Payment: Approximately 35% or more as needed for loan approval.
  - b. Financing: This transaction is contingent on Buyer obtaining satisfactory financing as detailed in Paragraph 3 of this Agreement.
- 3. Contingency Period(s):** This Agreement is contingent upon Buyer inspecting the Property and obtaining financing acceptable in its sole discretion within the time stated below. All dates shall be counted from the date of mutual execution of this offer ("Acceptance"). Buyer to remove the Physical Inspection Contingency (defined below) within **30** days of Acceptance ("Inspection Period"). Buyer to remove the Financing Contingency (defined below) within **60** days of Acceptance ("Finance Period"). By the end of the time(s) specified in this paragraph, Buyer shall deliver to Seller a removal of the applicable contingency or a cancellation of this Agreement, in which event this Agreement shall terminate, the Escrow Agent shall promptly refund Deposit to the Buyer and neither party shall have any further obligations or liability under this Agreement except as expressly provided herein. If, by the time specified in this Agreement, Buyer does not deliver to Seller a removal of the applicable contingency or cancellation of this Agreement, then Seller, after first delivering to Buyer a Notice to Buyer to Perform Within 5 Days ("Notice"), may cancel this Agreement after 5 days of said delivery if Buyer has not subsequently performed. In such event, Escrow Agent shall promptly refund Deposit to the Buyer.

**Physical Inspection Contingency:** Buyer shall have the Inspection Period to ascertain, in Buyer's sole and exclusive discretion and judgment, whether the Property is suitable for Buyer's intended development, use, and/or investment objectives. Buyer shall have reasonable access to the Property to conduct Buyer's investigations provided that Buyer shall coordinate with Seller prior to entering the Property, shall not interfere with any tenants on the Property, and shall repair any damage to the Property caused by its investigations. No invasive testing, drilling, or boring shall be performed without Seller's prior written approval, in its sole discretion. Buyer will be responsible to indemnify and hold Seller free and harmless from any loss, cost, liability, or expense arising as a result of Buyer's entry on the Property for purposes of conducting Buyer's investigations. Buyer's right to inspect shall continue to exist through close of escrow.

**Financing Contingency:** Buyer(s) agrees to use Buyer(s) best efforts, at Buyer(s) expense, to obtain a new first loan in the amount of **\$8,600,000**, at best available prevailing rate and terms. Said loan shall be secured by a new first mortgage or deed of trust on the Property. Buyer(s) shall submit a written application to obtain said loan within **30** calendar days of Acceptance and shall authorize said lender to confirm in writing to Seller(s) that lender has received said application. Seller(s) and

Buyer(s) agree that the lender's production of loan documents shall satisfy the financing contingency.

**4. LIQUIDATED DAMAGES:** (THIS LIQUIDATED DAMAGES PARAGRAPH IS APPLICABLE ONLY IF INITIALED HERE BY BOTH PARTIES). BUYER AND SELLER AGREE THAT UPON BUYER'S DEFAULT NOT CAUSED BY SELLER'S BREACH IT WOULD BE IMPRACTICABLE OR EXTREMELY DIFFICULT TO FIX, PRIOR TO SIGNING THIS CONTRACT, THE ACTUAL DAMAGES WHICH WOULD BE SUFFERED BY SELLER IF BUYER FAILS TO PERFORM ITS OBLIGATIONS UNDER THIS CONTRACT. THEREFORE, IF AFTER THE SATISFACTION OR WAIVER OF ALL CONTINGENCIES PROVIDED FOR BUYER'S BENEFIT, BUYER BREACHES THIS CONTRACT, SELLER SHALL BE ENTITLED TO TERMINATE THIS AGREEMENT AND TO LIQUIDATED DAMAGES IN THE AMOUNT OF THE DEPOSIT(S). UPON PAYMENT OF THE LIQUIDATED DAMAGES AMOUNT TO SELLER, BUYER SHALL BE RELEASED FROM ANY FURTHER LIABILITY TO SELLER FOR SPECIFIC PERFORMANCE OR OTHERWISE.

BUYER(S) INITIALS \_\_\_\_\_

SELLER(S) INITIALS \_\_\_\_\_

**5. Title Insurance** Within 10 days after Acceptance, Seller shall have delivered to Buyer a preliminary title report. Buyer shall then have 15 days to disapprove any exceptions and submit this to Seller who will respond within 10 days as to whether Seller will remove said exception at Seller's expense or give Buyer the option to purchase the property subject to those exceptions. If Buyer does not accept Seller's option to purchase the property subject to those exceptions to which Buyer disapproved, then this purchase Agreement shall be null and void, and the Deposit shall be returned to Buyer, and neither party shall have any further obligation to the other.

**6. Escrow and Closing:** Within 5 days of Acceptance, an escrow shall be created at **Fidelity National Title** (the "Escrow Agent") to consummate this purchase as specified herein, which escrow shall close on or before **30** days following the expiration of the Financing Contingency. The parties agree to execute additional escrow instructions that are not inconsistent with these instructions as escrow may reasonably request. Buyer shall pay endorsements to title policy, recording of trust deed, and ½ of the escrow fee. Seller shall pay standard title insurance policy, deed transfer tax, recording of deed, and ½ of the escrow fee. All other costs shall be split as per escrow custom between Buyer and Seller.

Seller shall deliver to escrow for closing: grant deed conveying marketable title to the Property executed and acknowledged by Seller, a standard title insurance policy subject to the Exceptions approved by Buyer, an affidavit in accordance with Internal Revenue code 1445 certifying that Seller is not a foreign person subject to the withholding rules of the Foreign Investment in Real Property Tax Act, a Bill of Sale conveying the personal property to Buyer, and, if desired by Buyer, an assignment of leases and service contracts assigning to Buyer all of the leases and service contracts for the Property. Buyer shall deliver to escrow for closing: the balance of the purchase price, any sales taxes on the personal property, and the signed assignment.

**7. Prorations:** Escrow to prorate all prepaid rents, the current monthly rents, utilities, miscellaneous income, taxes, operating expenses, interest, and prepaid laundry contract fees based on a 30 day month. Any delinquent rents owed to Seller at the close of escrow to be paid by Buyer to Seller if collected. Any delinquent rents paid by tenants after the close of escrow to first be applied against the current rent and utilities owed, and any amount above the current monthly rent and utilities, to be applied against the delinquent rent owed to Seller and be paid by Buyer to Seller. All deposits to be assigned and credited to Buyer in full. The amount of any bond or assessment which is a lien and not customarily paid with real property taxes shall be paid in full by Seller at the close of escrow.

**8. Assignment:** Without being relieved of any liability under this Agreement resulting from Seller's acceptance hereof, Buyer shall have the right to assign this agreement and Buyer's right under it to an entity owned or controlled by Buyer, and provided assignee assumes all of the obligations of Buyer in writing and agrees to execute all documents that Buyer is obligated to execute and that Buyer remains liable hereunder.



**9. Prior Agreements:** The agreement resulting from Seller's acceptance hereof supersedes any and all agreements between the Buyer and Seller hereto regarding the Property which are prior in time to this agreement. Neither Buyer nor Seller shall be bound by any understanding, agreement, promise, representation, or warranty, expressed or implied, not specified in this agreement. Buyer has investigated the property and Seller and Broker are hereby released from all responsibility regarding the valuation thereof.

**10. Exchange:** In the event either Buyer or Seller desires to effect a 1031 or 1033 tax-deferred exchange, which will not delay the closing or cause additional expense or liability to the cooperating party, the Buyer's and/or Seller's rights and obligations under this agreement may be assigned to a qualified intermediary for the purpose of completing the exchange. Buyer and Seller agree to cooperate with each other and the qualified intermediary in a manner necessary to complete the exchange.

**11. Personal Property:** Personal Property includes the right, title and interest, if any, in and to all of the following items (except as otherwise noted herein); Seller's interest in all park-owned homes, notes receivable and installment contracts in effect as of Closing, all furniture, fixtures, equipment and tools used in the operation of or to maintain the Property including those that are present at the time of Physical Inspection, and all intangible property including, but not limited to: (i) licenses, permits, surveys, drawings and plans relating to the operation and ownership of the Improvements, (ii) all rights of Seller in and to the trade names of the park, websites, domains, urls, telephone numbers, advertising, marketing campaigns and materials developed for the park, and all usernames and passwords associated with the foregoing. Within 10 days of Acceptance, Seller shall provide a list of the Personal Property described herein.

**12. Seller Disclosures:**

- A. **Natural and Environmental Disclosures:** Seller shall, within the time specified in paragraph 18, if required by Law: (i) Deliver to Buyer earthquake guides and environmental hazards booklet; (ii) even if exempt from the obligation to provide an NHD, disclose if the Property is located in a Special Flood Hazard Area; Potential Flooding (Inundation) Area; Very High Fire Hazard Zone; State Fire Responsibility Area; Earthquake Fault Zone; Seismic Hazard Zone; and (iii) disclose any other zone as required by Law and provide any other information required for those zones.
- B. **Additional Disclosures:** Within 5 days of Acceptance, Seller shall Deliver to Buyer, in writing, the following disclosures, documentation and information:
- a. **Rental Service Agreements:** (i) All current leases, rental agreements, service contracts, and other agreements pertaining to the operation of the Property; (ii) a rental statement including names of tenants, rental rates, period of rental, date of last rent increase, security deposits, rental concessions, rebates, or other benefits, if any, and a list of delinquent rents and their duration; and (iii) a list of any rent to own contracts or seller carryback loans with balance and payment detail. Seller represents that no tenant is entitled to any concession, rebate, or other benefit, except as set forth in these documents.
  - b. **Income and Expense Statements:** The books and records, including a statement of income and expense for the 24 months preceding Acceptance. Seller represents that the books and records are those maintained in the ordinary and normal course of business and used by Seller in the computation of federal and state income tax returns.
  - c. **Permits:** If in Seller's possession, copies of all permits and approvals concerning the Property, obtained from any governmental entity, including, but not limited to, certificates of occupancy, conditional use permits, development plans, and licenses and permits pertaining to the operation of the Property.
  - d. **Miscellaneous Items:** Any of the following, if actually known to Seller: (i) any current pending lawsuit(s), investigation(s), inquiry(ies), action(s), or other proceeding(s) affecting the Property, or the right to use and occupy it; (ii) any unsatisfied mechanic's or materialman's lien(s) affecting the Property; and (iii) any notice of violations of any law filed or issued against the Property.

*ACBri*

**13. Possession:** Possession of the Property shall be delivered to Buyer at Closing subject to the rights of tenants in possession.

**14. Warranty of Authority:** The persons executing this Agreement on behalf of Buyer and Seller represent and warrant that each has full power and authority to execute and deliver this Agreement and all documents contemplated hereby and to take all other actions necessary or desirable to complete this transaction on behalf of Buyer or Seller, as applicable, all of which shall be valid and binding on Buyer or Seller, as applicable, without the approval of any person or entity, including any bankruptcy or probate court, or the taking of any other action.

**15. Seller's Representations and Warranties:** Buyer is relying solely upon Buyer's inspection as to the condition of the Property. Except as set forth below, Seller is not making, has not made, and expressly disclaims any representations or warranties, express or implied, with respect to any aspect, feature or condition of the Property, including, without limitation, the existence of hazardous waste, the suitability of the Property for Buyer's intended use or any representation or warranty, express or implied, as to the personal property, including without limitation, any warranty of merchantability or fitness for a particular purpose. Buyer shall independently verify all information or reports regarding any aspects or features of the Property provided by Seller. Seller does not guarantee the accuracy of any information or reports provided by Seller, its agents or consultants. Buyer is purchasing the Property in "AS IS" and "WHERE-IS" condition with all faults, including both latent and patent defects. Subject to the foregoing, Seller hereby represents and warrants, to Seller's actual knowledge, as follows:

- a. Seller agrees to maintain the Property until close of escrow in substantially the same physical condition which property was in at time of Acceptance. Seller agrees to repair any items that are damaged or become in need of repair during the course of escrow.
- b. During escrow, Seller shall not rent spaces on any terms or conditions other than the current rent schedule and lease agreements without obtaining Buyer's consent and shall not enter into any lease or vendor agreement that is not cancelable with a 30-day notice. Seller shall not terminate any existing lease or occupancy agreement and will not enter into any sales contracts, rent to own contracts, owner financing contracts or any other similar types of contracts without obtaining Buyer's consent thereto.
- c. Except as disclosed in any environmental assessment or report delivered by Seller to Buyer, Seller has no knowledge that: 1) any real property within 2,000 feet of the perimeter of the Property contain any hazardous, toxic or polluting materials ("Hazardous Materials") which requires remediation pursuant to any federal, state or local laws governing Hazardous Materials; (2) any person or entity (including Seller) has used, generated, manufactured, stored, treated, discharged, released or disposed of Hazardous Materials on, into, over or under the Property; and (3) the Property contains any underground treatment or storage tanks or water, gas or oil wells or any other underground improvements (unless septic tanks and leech lines are used for sewage disposal).
- d. Seller has no knowledge of any pending condemnation proceedings on the Property, special taxes or special assessments being contemplated by any governmental body, or that the Property is in violation of any law, ordinance, rule or regulation to which the Property is subject.
- e. There are no unrecorded contracts, leases (other than any tenant leases with a term no longer than 31 days), mechanics liens or other liens, easements, or other agreements related to the Property except as disclosed in writing to Buyer.
- f. Seller has no knowledge of pending or threatened legal actions with regard to the Property.

**16. Default by Seller:** In the event of a default by Seller in the performance or observance of any of Seller's duties or obligations herein contained, then Buyer may elect to either (i) enforce this Agreement by an action for specific performance, or (ii) terminate the Agreement and receive an immediate refund of the Deposit.

**17. Notice and Cure Period:** Notwithstanding anything contained herein to the contrary, in the event either party

is in default of any provision hereof, the non-defaulting party, as a condition precedent to the exercise of its remedies, shall be required to give the defaulting party written notice of the same. The defaulting party shall have 3 business days from the receipt of such notice to cure the default. If the defaulting party timely cures the default, then the default shall be deemed waived and this Agreement shall continue in full force and effect. If the defaulting party does not timely cure such default, the non-defaulting party shall be entitled to pursue its remedies as set forth in this Agreement.

### 18. Arbitration of Disputes:

- a. Arbitration Requirement. Any dispute between the parties relating to the interpretation and enforcement of the rights and obligations under this Agreement shall be resolved solely by arbitration in accordance with the provisions of this Section.
- b. Arbitration Procedures. Any such dispute between the parties shall be resolved by arbitration conducted by the Judicial Arbitration and Mediation Services ("JAMS") in accordance with their commercial arbitration rules then in effect, except as provided below. Any such arbitration shall be held and conducted before one (1) arbitrator who shall be selected by mutual agreement of the parties; provided further that, if an agreement is not reached on the selection of an arbitrator within ten (10) days after a party's written request for arbitration, then such arbitrator shall be appointed by the Presiding Judge of the Superior Court of the County in which the Property is located and where such arbitration is to be conducted. The provisions of the commercial arbitration rules of JAMS shall govern such arbitration subject, however, to the following:
  - i. Any demand for arbitration shall be in writing and must be made within sixty (60) days after the claim, dispute or other matter in question has arisen. In no event shall the demand for arbitration be made after the date that institution of legal or equitable proceedings based upon such claim, dispute, or other matter, would be barred by the applicable statute of limitations;
  - ii. The arbitrator shall prepare in writing and provide to the parties factual findings and the reasons on which the decision of the arbitration is based;
  - iii. Final decision by the arbitrator must be made within sixty (60) days from the date the arbitration proceedings are initiated;
  - iv. The award or decision of the arbitrator which may include equitable relief shall be final and judgment may be entered on it in accordance with applicable law in any court having jurisdiction over the matter.
- c. Exceptions to Arbitration Requirements. The following matters are excluded from arbitration hereunder: (i) a judicial or nonjudicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or real property sales Agreement; (ii) actions for injunctive relief; (iii) an unlawful detainer action; (iv) the filing or enforcement of a mechanic's lien; or (v) any matter which is within the jurisdiction of a probate court.
- d. No Waiver of Arbitration Rights. The filing of a judicial action shall not constitute a waiver of the right to arbitrate under this Section, if in filing an action, the party at the same time presents to the court an application that the action be stayed pending the arbitration of any dispute claimed to be arbitrable and which is relevant to the action. Moreover, the filing of a judicial action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a waiver of the right to arbitrate under this Section.

**NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY STATE LAW AND YOU ARE GIVING**

UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE STATE CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS "ARBITRATION OF DISPUTES" PROVISION IS VOLUNTARY.

WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION TO NEUTRAL ARBITRATION.

BUYER(S) INITIALS \_\_\_\_\_

SELLER(S) INITIALS                     DKB                    

**19. Risk of Loss:** In the event of any material loss, damage or taking of the Property prior to Closing, Buyer may, within ten (10) business days after Buyer receives notice of such loss, damage or taking, cancel this Agreement and have any deposits returned to Buyer. In the case of either (a) loss, damage or taking of the Property, prior to the Closing, which is not material; or (b) material loss, damage or taking of the Property, prior to Closing, where Buyer does not timely cancel this Agreement in accordance with the first sentence of this section, Buyer and Seller shall proceed to consummate the Purchase and Sale Transaction in accordance with this Agreement, and Seller shall, at Closing and as a condition precedent thereto, pay to Buyer or apply against the Purchase Price the amount of any insurance or condemnation proceeds attributable thereto which have been received by Seller, and assign to Buyer as of Closing all rights or claims to such proceeds payable thereafter. For purposes of this section, a loss, damage or taking shall be deemed material if it results in the permanent loss of use of ten percent (10%) or more of the Property.

**20. No Assumption of Seller's Liabilities:** Buyer is acquiring only the Property from Seller and is not the successor of Seller. Buyer does not assume or agree to pay and shall not indemnify Seller or any other person against, any liability, obligation or expense of Seller or relating in any way to the Property except to the extent, if any, expressly and specifically provided for in this Agreement. Seller agrees to pay all utility bills associated with the Property for expenses incurred through close of escrow and shall reimburse Buyer for any outstanding amounts Buyer is required to pay to utility agencies so that Buyer is able to obtain continued service.

**21. General Provisions:**

- a. Time of the Essence. Time is hereby expressly made of the essence of this Agreement and failure to comply with this provision shall be a material breach of this Agreement. In the event the last date for performance of any obligation or for giving any notice hereunder falls on a Saturday, Sunday or legal holiday of the State where the property is located, then the time of such period shall be extended to the next day which is not a Saturday, Sunday or legal holiday.
- b. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which counterparts together shall constitute one and the same instrument.
- c. Construction. This Agreement shall in all respects be interpreted, enforced, and governed by and under the laws and judicial decisions of the state the Property is situated applicable to agreements made and to be performed in that state. This Agreement is in all respects intended by each party hereto to be deemed and construed to have been jointly prepared by the parties and the parties hereby expressly agree that any uncertainty or ambiguity existing herein shall not be interpreted against either of them. Except as expressly limited by this paragraph, all of the applicable rules of interpretation of Agreement shall govern the interpretation of any uncertainty or ambiguity.

Buyer —                     DKB                      
Seller

- d. **Binding on Successors.** This Agreement and each and every covenant, condition, and other provisions herein contained shall apply to, be binding upon, and inure to the burden and benefit as may be the case of the respective heirs, administrators, executors, legal representatives, assignees, successors, and agents of the parties hereto.
- e. **Entire Agreement.** This Agreement sets forth the entire agreement of the parties hereto with respect to the subject matter hereof and may be modified or amended only by a written instrument executed by all of the parties hereto.
- f. In the event of any litigation (including Arbitration) with respect to this Agreement, the party hereto who does not prevail shall be responsible for all reasonable costs (e.g., court costs, attorney's fees including upon appeal(s), damages, etc.) incurred by the prevailing party.
- g. **Email and Facsimile Copies Acceptable.** Buyer and Seller agree that signed email and facsimile copies shall be binding as though original documents.
- h. **Possession.** Possession of the Property shall be delivered to Buyer on the closing date.
- i. **Severability.** If any provision of this Agreement or its application to any person or situation, to any extent, shall be held invalid or unenforceable, the remainder of this Agreement, and the application of such provision to persons or situations other than those to which it shall have been held invalid or unenforceable, shall not be affected thereby, but shall continue valid and enforceable to the fullest extent permitted by law.

**22. Broker: HARRIS** is the "Broker" of the property that is the subject of this transaction and will be paid by the Buyer through escrow in accordance with a separate agreement.

**23. Acceptance and Effective Date:** Buyer's signature constitutes an offer to Seller(s) to purchase the Property on the terms and conditions set forth in this Agreement. Unless acceptance is made by Seller(s) execution of this Agreement and delivery of a fully executed copy to Buyer, either in person or at the address shown below, or by facsimile or e-mail, on or before **5/13/2022**, this offer shall be null and void, and neither Seller(s) nor Buyer(s) shall have any further rights or obligations under this Agreement. All timeframes in this Agreement shall commence upon receipt of a fully executed copy of this Agreement by both Buyer and Seller ("Acceptance").

**Other.**

Buyer and Seller acknowledge that Derek Harris, Harri5, LLC is an investor in various investments of The BoaVida Group.

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The Buyer hereby agrees to purchase the Property upon the terms and conditions herein stated.

BUYER: The BoaVida Group, LP,  
a Delaware Limited Partnership

 Date 5/5/2022

PHONE: (530) 400-2354

BY: The BoaVida Group GP, LLC,  
a Delaware Limited Liability Company  
its general partner,

EMAIL: eli@boavidacommunities.com

Buyer —  Seller

Name: Elias Weiner, Manager

CC: alan@theboavidagroup.com

ADDRESS: 1910 Terracina Drive  
Sacramento, CA 95834

The undersigned Seller accepts and acknowledges the receipt of the foregoing offer and hereby agrees to sell the Property on the terms and conditions set forth herein.

BY: Douglas C Bui Date \_\_\_\_\_

PHONE: (650) 387-6395

NAME: DOUGLAS C BUI

EMAIL: dougbui@pacbell.net

TITLE: OWNER

ADDRESS: P.O. Box 1568  
CHESTER, CA 96020



**First American Title™**

# ALTA Commitment for Title Insurance

ISSUED BY

**First American Title Insurance Company**

## Commitment

### COMMITMENT FOR TITLE INSURANCE

Issued By

**FIRST AMERICAN TITLE INSURANCE COMPANY**

#### NOTICE

**IMPORTANT—READ CAREFULLY:** THIS COMMITMENT IS AN OFFER TO ISSUE ONE OR MORE TITLE INSURANCE POLICIES. ALL CLAIMS OR REMEDIES SOUGHT AGAINST THE COMPANY INVOLVING THE CONTENT OF THIS COMMITMENT OR THE POLICY MUST BE BASED SOLELY IN CONTRACT.

THIS COMMITMENT IS NOT AN ABSTRACT OF TITLE, REPORT OF THE CONDITION OF TITLE, LEGAL OPINION, OPINION OF TITLE, OR OTHER REPRESENTATION OF THE STATUS OF TITLE. THE PROCEDURES USED BY THE COMPANY TO DETERMINE INSURABILITY OF THE TITLE, INCLUDING ANY SEARCH AND EXAMINATION, ARE PROPRIETARY TO THE COMPANY, WERE PERFORMED SOLELY FOR THE BENEFIT OF THE COMPANY, AND CREATE NO EXTRACTIONAL LIABILITY TO ANY PERSON, INCLUDING A PROPOSED INSURED.

THE COMPANY'S OBLIGATION UNDER THIS COMMITMENT IS TO ISSUE A POLICY TO A PROPOSED INSURED IDENTIFIED IN SCHEDULE A IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THIS COMMITMENT. THE COMPANY HAS NO LIABILITY OR OBLIGATION INVOLVING THE CONTENT OF THIS COMMITMENT TO ANY OTHER PERSON.

#### COMMITMENT TO ISSUE POLICY

Subject to the Notice; Schedule B, Part I—Requirements; Schedule B, Part II—Exceptions; and the Commitment Conditions, **First American Title Insurance Company**, a Nebraska Corporation (the "Company"), commits to issue the Policy according to the terms and provisions of this Commitment. This Commitment is effective as of the Commitment Date shown in Schedule A for each Policy described in Schedule A, only when the Company has entered in Schedule A both the specified dollar amount as the Proposed Policy Amount and the name of the Proposed Insured.

If all of the Schedule B, Part I—Requirements have not been met within six months after the Commitment Date, this Commitment terminates and the Company's liability and obligation end.

#### **First American Title Insurance Company**

Dennis J. Gilmore, President

Jeffrey S. Robinson, Secretary

If this jacket was created electronically, it constitutes an original document.

*This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.*

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## COMMITMENT CONDITIONS

### 1. DEFINITIONS

- (a) "Knowledge" or "Known": Actual or imputed knowledge, but not constructive notice imparted by the Public Records.
- (b) "Land": The land described in Schedule A and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is to be insured by the Policy.
- (c) "Mortgage": A mortgage, deed of trust, or other security instrument, including one evidenced by electronic means authorized by law.
- (d) "Policy": Each contract of title insurance, in a form adopted by the American Land Title Association, issued or to be issued by the Company pursuant to this Commitment.
- (e) "Proposed Insured": Each person identified in Schedule A as the Proposed Insured of each Policy to be issued pursuant to this Commitment.
- (f) "Proposed Policy Amount": Each dollar amount specified in Schedule A as the Proposed Policy Amount of each Policy to be issued pursuant to this Commitment.
- (g) "Public Records": Records established under state statutes at the Commitment Date for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge.
- (h) "Title": The estate or interest described in Schedule A.

2. If all of the Schedule B, Part I—Requirements have not been met within the time period specified in the Commitment to Issue Policy, this Commitment terminates and the Company's liability and obligation end.

3. The Company's liability and obligation is limited by and this Commitment is not valid without:

- (a) the Notice;
- (b) the Commitment to Issue Policy;
- (c) the Commitment Conditions;
- (d) Schedule A;
- (e) Schedule B, Part I—Requirements;
- (f) Schedule B, Part II—Exceptions; and
- (g) a counter-signature by the Company or its issuing agent that may be in electronic form.

### 4. COMPANY'S RIGHT TO AMEND

The Company may amend this Commitment at any time. If the Company amends this Commitment to add a defect, lien, encumbrance, adverse claim, or other matter recorded in the Public Records prior to the Commitment Date, any liability of the Company is limited by Commitment Condition 5. The Company shall not be liable for any other amendment to this Commitment.

### 5. LIMITATIONS OF LIABILITY

- (a) The Company's liability under Commitment Condition 4 is limited to the Proposed Insured's actual expense incurred in the interval between the Company's delivery to the Proposed Insured of the Commitment and the delivery of the amended Commitment, resulting from the Proposed Insured's good faith reliance to:
  - (i) comply with the Schedule B, Part I—Requirements;
  - (ii) eliminate, with the Company's written consent, any Schedule B, Part II—Exceptions; or
  - (iii) acquire the Title or create the Mortgage covered by this Commitment.
- (b) The Company shall not be liable under Commitment Condition 5(a) if the Proposed Insured requested the amendment or had Knowledge of the matter and did not notify the Company about it in writing.
- (c) The Company will only have liability under Commitment Condition 4 if the Proposed Insured would not have incurred the expense had the Commitment included the added matter when the Commitment was first delivered to the Proposed Insured.
- (d) The Company's liability shall not exceed the lesser of the Proposed Insured's actual expense incurred in good faith and described in Commitment Conditions 5(a)(i) through 5(a)(iii) or the Proposed Policy Amount.
- (e) The Company shall not be liable for the content of the Transaction Identification Data, if any.
- (f) In no event shall the Company be obligated to issue the Policy referred to in this Commitment unless all of the Schedule B, Part I—Requirements have been met to the satisfaction of the Company.
- (g) In any event, the Company's liability is limited by the terms and provisions of the Policy.

*This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.*

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**6. LIABILITY OF THE COMPANY MUST BE BASED ON THIS COMMITMENT**

- (a) Only a Proposed Insured identified in Schedule A, and no other person, may make a claim under this Commitment.
- (b) Any claim must be based in contract and must be restricted solely to the terms and provisions of this Commitment.
- (c) Until the Policy is issued, this Commitment, as last revised, is the exclusive and entire agreement between the parties with respect to the subject matter of this Commitment and supersedes all prior commitment negotiations, representations, and proposals of any kind, whether written or oral, express or implied, relating to the subject matter of this Commitment.
- (d) The deletion or modification of any Schedule B, Part II—Exception does not constitute an agreement or obligation to provide coverage beyond the terms and provisions of this Commitment or the Policy.
- (e) Any amendment or endorsement to this Commitment must be in writing and authenticated by a person authorized by the Company.
- (f) When the Policy is issued, all liability and obligation under this Commitment will end and the Company's only liability will be under the Policy.

**7. IF THIS COMMITMENT HAS BEEN ISSUED BY AN ISSUING AGENT**

The issuing agent is the Company's agent only for the limited purpose of issuing title insurance commitments and policies. The issuing agent is not the Company's agent for the purpose of providing closing or settlement services.

**8. PRO-FORMA POLICY**

The Company may provide, at the request of a Proposed Insured, a pro-forma policy illustrating the coverage that the Company may provide. A pro-forma policy neither reflects the status of Title at the time that the pro-forma policy is delivered to a Proposed Insured, nor is it a commitment to insure.

**9. ARBITRATION**


The Policy contains an arbitration clause. All arbitrable matters when the Proposed Policy Amount is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Proposed Insured as the exclusive remedy of the parties. A Proposed Insured may review a copy of the arbitration rules at <http://www.alta.org/arbitration>.

*This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.*

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 <b>First American Title™</b>	<b>ALTA Commitment for Title Insurance</b>
	ISSUED BY <b>First American Title Insurance Company</b>
<b>Schedule A</b>	

**Transaction Identification Data for reference only:**

Issuing Agent: **Western Nevada Title Company**  
Issuing Office's ALTA® Registry ID: **1035106**  
Commitment No.: **05-44774-22**

Issuing Office: **2258 Reno Highway, Ste. A, Fallon, NV 89406**  
Loan ID No.:  
Issuing Office File No.: **05-44774-22**  
Title Officer: **Rachelle Lunger**  
Escrow Officer: **Only Title**

Property Address: **750 E. Stillwater Avenue, Fallon, NV**  
Revision No.:

**SCHEDULE A**

1. Commitment Date: **May 16, 2022 at 7:30 A.M.**
2. Policy to be issued:
  - (a)  **ALTA® Standard Owners** Policy  
Proposed Insured: **The Boa Vida Group**  
Proposed Policy Amount: **\$13,100,000.00**
  - (b)  **ALTA® Extended Lenders** Policy  
Proposed Insured: **To Be Determined**  
Proposed Policy Amount: **\$ 8,600,000.00**
  - (c)  **ALTA®** Policy  
Proposed Insured:  
Proposed Policy Amount: \$
3. The estate or interest in the Land described or referred to in this Commitment is **Fee Simple**
4. The Title is, at the Commitment Date, vested in: **Oakwood Place LLC, a Nevada LLC**
5. The land referred to in this Commitment is situated in the County of Churchill, State of Nevada and is described as follows:

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Parcel One

Lots 1 through 5, 7, 8, 9 and 11 through 16, 18 through 22, 24, 25, 27 through 35, 37 through 49, 51 through 54, 56, 58 and 60 through 197, all as shown on the Map of Ideal Mobile Home Community recorded June 17, 1980, as File No. 173673 and as amended by Certificate of Amendment recorded November 8, 1982 in Book 213, Page 601, Document No. 192423, Official Records, Churchill County, Nevada.

Parcel Two

Those parcels labeled "Park Area" and "RV Parking Area" as shown on the Map of Ideal Mobile Home Community recorded June 17, 1980, as File No. 173673 and as amended by Certificate of Amendment recorded November 8, 1982 in Book 213, Page 601, Document No. 192423, Official Records, Churchill County, Nevada.

Parcel Three

All roads on and within the boundaries as shown on the Map of Ideal Mobile Home Community recorded June 17, 1980, as File No. 173673 and as amended by Certificate of Amendment recorded November 8, 1982 in Book 213, Page 601, Document No. 192423, Official Records, Churchill County, Nevada.

**FIRST AMERICAN TITLE INSURANCE COMPANY**

By:




\_\_\_\_\_  
**Authorized Signatory**

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 <b>First American Title™</b>	<b>ALTA Commitment for Title Insurance</b>
	ISSUED BY <b>First American Title Insurance Company</b>
<b>Schedule BI &amp; BII</b>	

Commitment No.: **05-44774-22**

**SCHEDULE B, PART I  
Requirements**


All of the following Requirements must be met:

1. The Proposed Insured must notify the Company in writing of the name of any party not referred to in this Commitment who will obtain an interest in the Land or who will make a loan on the Land. The Company may then make additional Requirements or Exceptions.
2. Pay the agreed amount for the estate or interest to be insured.
3. Pay the premiums, fees, and charges for the Policy to the Company.
4. Documents satisfactory to the Company that convey the Title or create the Mortgage to be insured, or both, must be properly authorized, executed, delivered, and recorded in the Public Records.
5. Commercial Owners Affidavit
6. High Liability Approval
7. Title Only Indemnity
8. With respect to Oakwood Place, LLC, a Nevada limited liability company, the following must be submitted prior to the close of escrow.
  - 1) A copy of its articles of organization and any amendments.
  - 2) A copy of the Operating Agreement and any amendments.
  - 3) A Certificate of Limited Liability Company Status and Authority
  - 4) If it is a foreign limited liability company, a copy of its registration certified by the Secretary of State for the State of Nevada.
  - 5) Other requirements which the Company may impose following its review of the material required herein, and other information which the Company may require.
9. Entity Documents for The Boa Vida Group
10. Should extended owner coverage be requested an ALTA/NSPS survey of recent date, which complies with the current minimum standard detail requirements for ALTA/NSPS land title surveys, must be submitted to the company for review. This Commitment will then be subject to such further exceptions and/or requirements as may be deemed necessary.

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	ALTA Commitment for Title Insurance
	ISSUED BY <b>First American Title Insurance Company</b>
<b>Schedule BI &amp; BII</b>	

Commitment No.: **05-44774-22**

**SCHEDULE B, PART II**

**Exceptions**

THIS COMMITMENT DOES NOT REPUBLISH ANY COVENANT, CONDITION, RESTRICTION, OR LIMITATION CONTAINED IN ANY DOCUMENT REFERRED TO IN THIS COMMITMENT TO THE EXTENT THAT THE SPECIFIC COVENANT, CONDITION, RESTRICTION, OR LIMITATION VIOLATES STATE OR FEDERAL LAW BASED ON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, GENDER IDENTITY, HANDICAP, FAMILIAL STATUS, OR NATIONAL ORIGIN.

The Policy will not insure against loss or damage resulting from the terms and provisions of any lease or easement identified in Schedule A, and will include the following Exceptions unless cleared to the satisfaction of the Company:

**Exceptions 2-7 will be omitted on extended coverage policies**

1. Any defect, lien, encumbrance, adverse claim, or other matter that appears for the first time in the Public Records or is created, attaches, or is disclosed between the Commitment Date and the date on which all of the Schedule B, Part I—Requirements are met.
2. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
3. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
4. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
5. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
6. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
7. Any lien or right to a lien for services, labor or material not shown by the Public Records.
  
8. Water rights, claims or title to water, whether or not shown by the public record.
9. Any taxes that may be due, but not assessed, in the Office of the Churchill County Assessor, per Nevada Revised Statute 361.4725.
10. Taxes for the fiscal year 2021-2022 are paid in full. Amounts may be furnished upon request.
11. Any portion of said lands within the lines of public roads as now established.
12. Right of way for any existing roads, trails, canals, ditches, drain ditches, pipe, pole or transmission lines traversing said lands.
13. Easements, rights of way and any and all matters as disclosed or dedicated on the Subdivision Map for Ideal Mobile Home Community, recorded June 17, 1980, under File No. 173673, and Certificate of Amendment recorded November 8, 1982 in Book 213, Page 601 under File No. 192423, Official Records, Churchill County, Nevada.

14. Covenants, conditions and restrictions in an instrument recorded June 23, 1980 in Book 177, Page 514, as Document No. 173795 of Official Records, Churchill County, Nevada.

... but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c), of the United States Code.

Said covenants, conditions and restrictions have been modified by an instrument recorded July 16, 1980 in Book 179, Page 99, as Document No. 174216 of Official Records, Churchill County, Nevada.

Said covenants, conditions and restrictions have been modified by an instrument recorded July 12, 1996, as Document No. 299132 of Official Records, Churchill County, Nevada.

Said covenants, conditions and restrictions have been modified by an Agreement to Terminate Association and Third Amendment of Declaration of Protective Covenants, Conditions and Restrictions for Ideal Mobile Home Community Association recorded October 19, 2007, as Document No. 395809 of Official Records, Churchill County, Nevada.

Said covenants, conditions and restrictions have been modified by a Fourth Amendment of Declaration of Protective Covenants, Conditions and Restrictions for Ideal Mobile Home Community Association recorded August 2, 2013, as Document No. 436174 of Official Records, Churchill County, Nevada.

15. Matters as contained in the Easement and Obligations for Road and Park Area recorded October 19, 2007, as Document No. 395808, Official Records, Churchill County, Nevada.

Matters as contained in the First Amendment to Easement and Obligations for Road and Park Area recorded August 2, 2013, as Document No. 436173, Official Records, Churchill County, Nevada.

16. Rights of any third parties in possession.

17. A deed of trust to secure an original indebtedness of \$2,400,000.00, and any other amounts or obligations secured thereby, recorded February 28, 2014, as Document No. 439463 of Official Records, Churchill County, Nevada.

Dated: February 19, 2014  
Trustor: Oakwood Place, LLC, a Nevada LLC  
Trustee: Western Nevada Title Company  
Beneficiary: Umpqua Bank

Matters as contained in the Assignment of Rents dated February 19, 2014, by and between Oakwood Place, LLC, a Nevada LLC and Umpqua Bank, recorded February 28, 2014, as Document No. 439464, Official Records, Churchill County, Nevada.

18. The fact that this Commitment for Title Insurance is based on real property and does not include any personal property. Upon issuance of Title Insurance, the coverage of said policy extends only to the real property described herein and does not include coverage as to any personal property involved in the transfer of title; specifically, the mobile home referred to therein.

NOTE: The following matter pertaining to the Buyer needs to be considered and/or cleared prior to close of Escrow: (none)

NOTE: According to the public records, there have been no Deeds conveying the land described herein within a period of 24 months prior to the date of this Report, except as follows:  
(none)

NOTE: This report is preparatory to the issuance of an ALTA Policy of Title Insurance. We have no knowledge of any fact that would preclude the issuance of said ALTA Policy with Endorsements 8.1, 9.10 and 22 attached.

There is located on said land A MOBILE HOME PARK known as 750 E. Stillwater Avenue, Fallon, NV.

NOTE: This report makes no representations as to water, water rights, minerals or mineral rights and no reliance can be made upon this report or a resulting title policy for such rights or ownership.

NOTE:

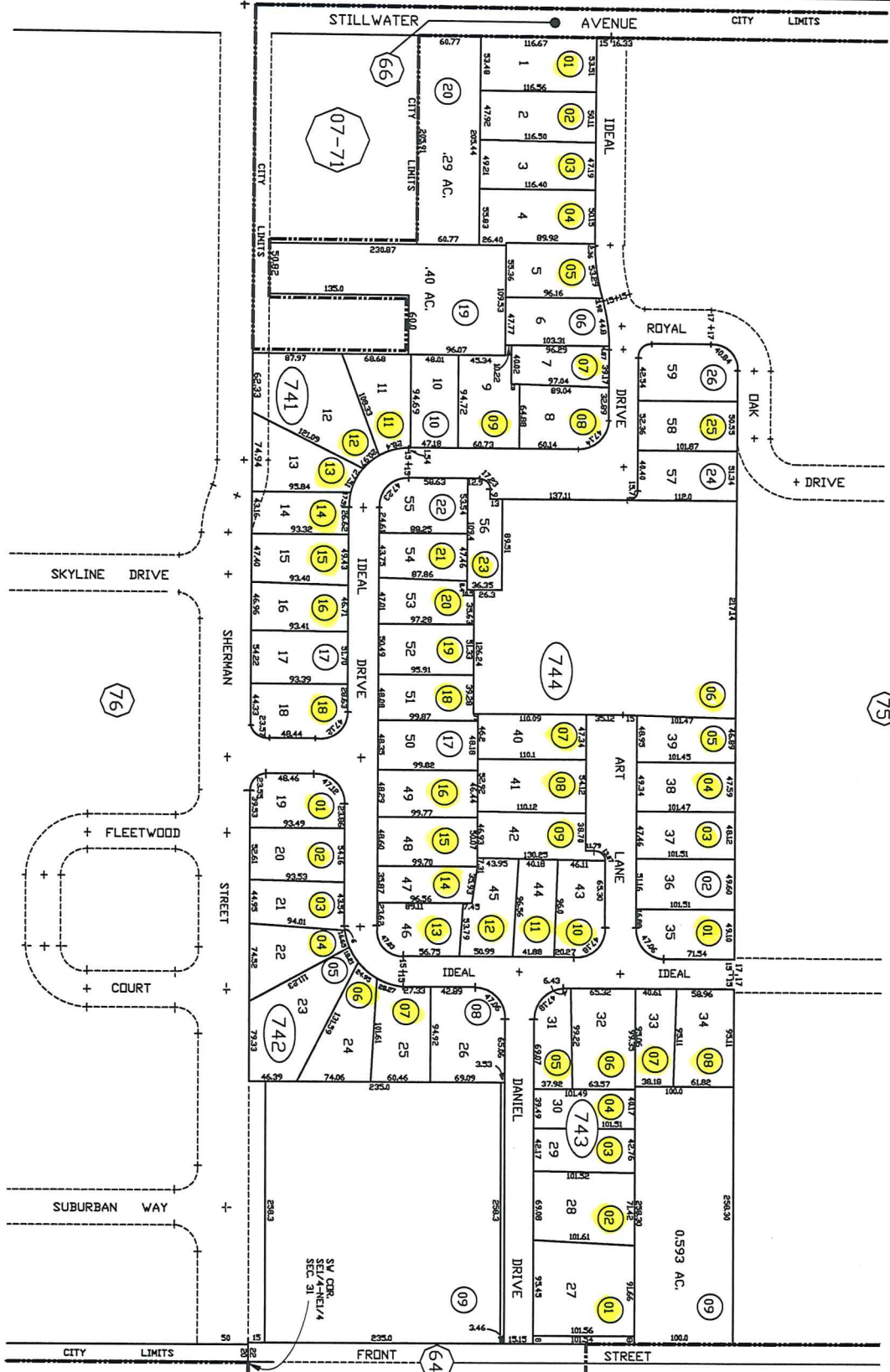
The map attached, if any, may or may not be a survey of the land depicted thereon. Western Nevada Title Company expressly disclaims any liability for loss or damage which may result from reliance on this map except to the extent coverage for such loss or damage is expressly provided by the terms and provision of the title insurance policy, if any, to which this map is attached.

*The foregoing Title Commitment has been read and approved as to form and content:*

The Boa Vida Group

Oakwood Place LLC





1"=100'  
01-74

STATE OF NEVADA  
COUNTY OF CHURCHILL  
REMOVED BY:  
ASSESSOR  
FISCAL YEAR  
2021/2022

LAST REVISED:  
JULY 13, 2006

PER CITY MAP  
ZONE MAP

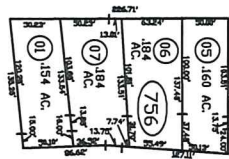
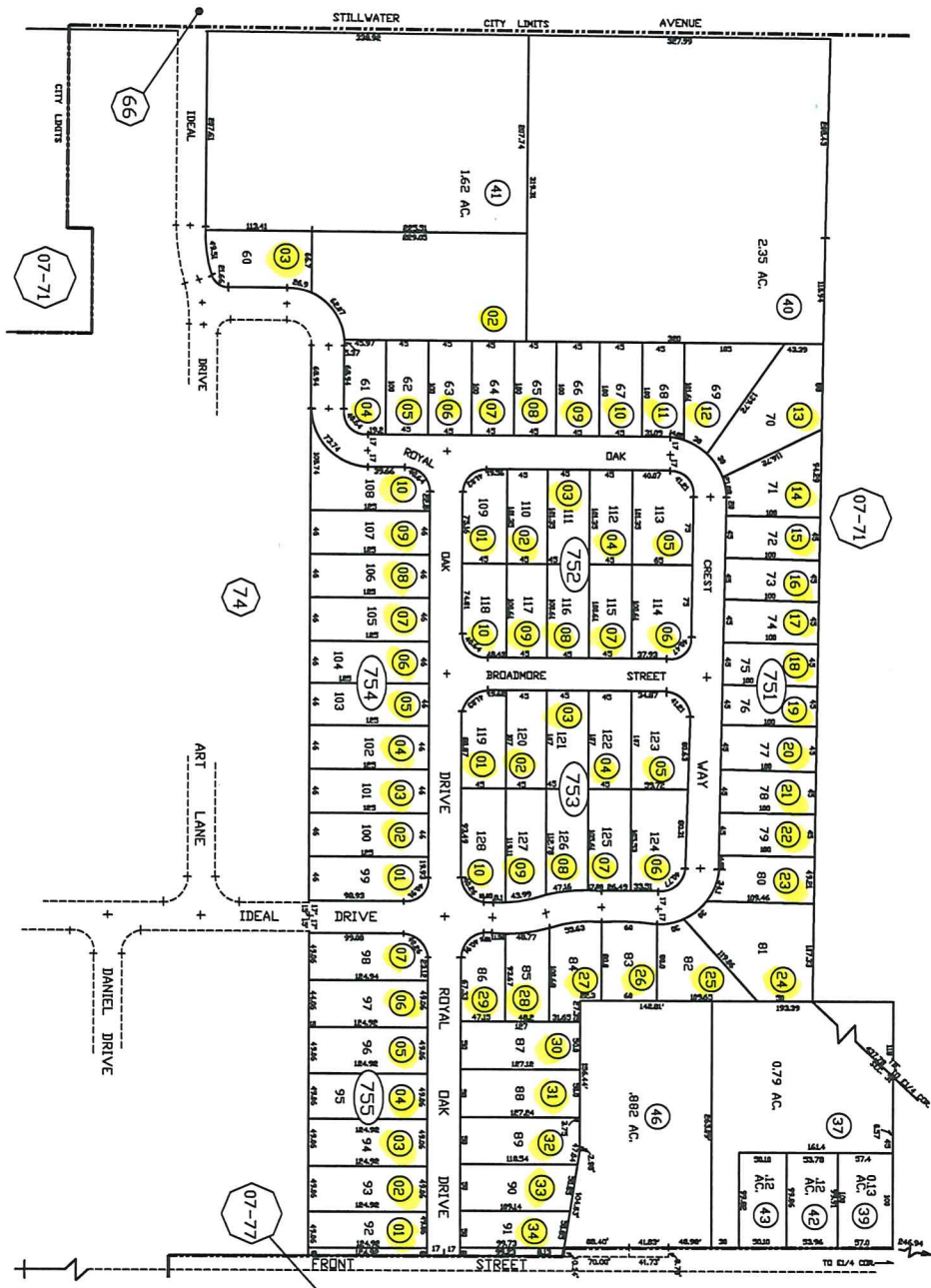
**LEGEND**  
ZONING  
ELIPSE  
BRACKET  
PARCEL #  
ROAD  
EASEMENT

19 N. TOWNSHIP  
29 E. RANGE  
31 SECTION



NOTE: This plot is for assessment use only and does not represent a survey. No liability is assumed as to the accuracy of the data delineated hereon. Use of this plot for other than assessment purposes is definitely not recommended and Churchill County expressly disclaims any liability for use other than for assessment purposes.

01-74



01-75



19 N.	29 E.	31
TOWNSHIP	RANGE	SECTION

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**LEGEND**

ZONING \_\_\_\_\_

ELLIPSE \_\_\_\_\_

BRACKET # \_\_\_\_\_

PARCEL # \_\_\_\_\_

ROAD \_\_\_\_\_

EASEMENT \_\_\_\_\_

ZONE MAP

PER CITY MAP

LAST REVISED: DECEMBER 27, 2007

STATE OF NEVADA

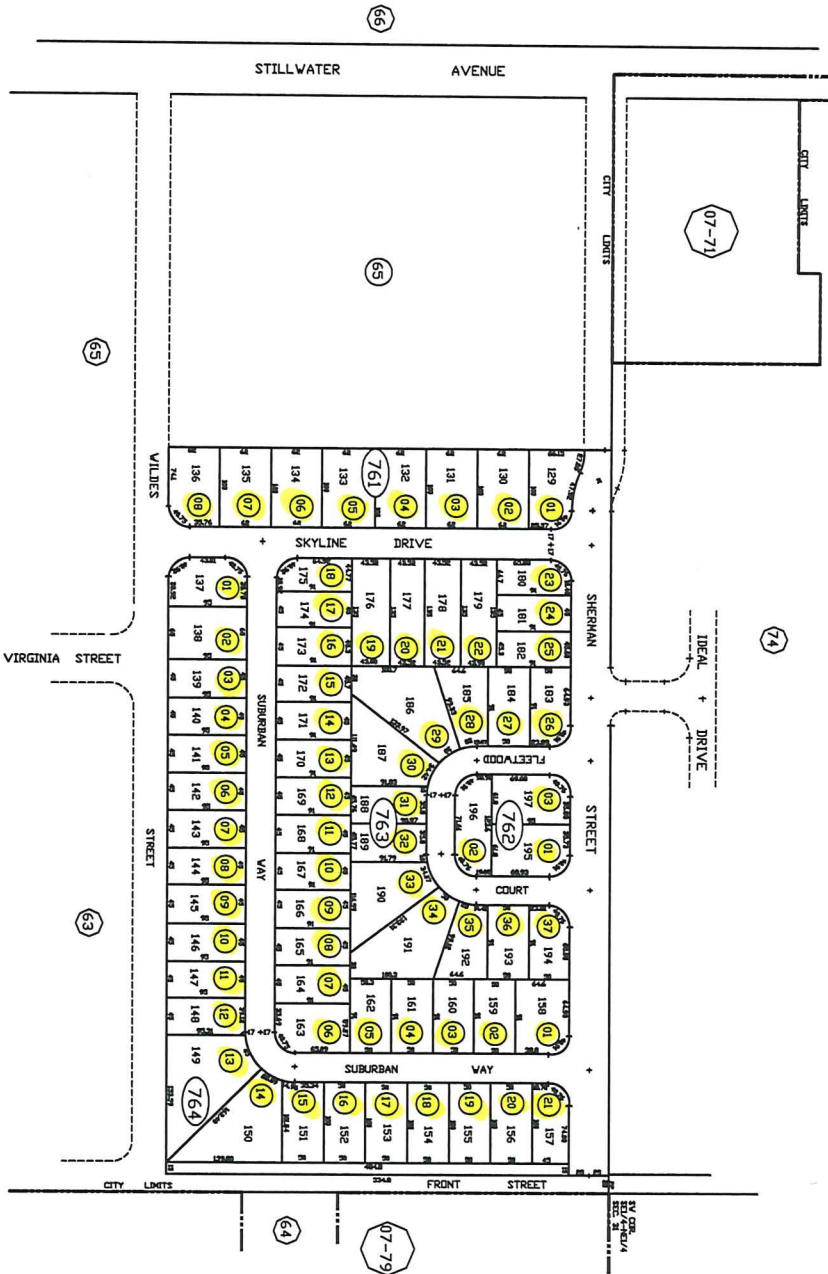
COUNTY OF CHURCHILL

REVISED BY: ASSESSOR

FISCAL YEAR 2021/2022

1"=125'

01-75



1"=150'  
01-76

STATE OF NEVADA  
COUNTY OF CHURCHILL  
REVISED BY:  
ASSESSOR  
FISCAL YEAR  
2021/2022

LAST REVISED:  
JULY 13, 2006

ZONE  
PER CITY MAP

**LEGEND**

ZONING  
ELIPSE  
BRACKET  
PARCEL #  
ROAD  
EASEMENT

19 N.  
TOWNSHIP

29 E.  
RANGE

31  
SECTION

NOTE: This plot is for assessment use only and does not represent a survey. No liability is assumed as to the accuracy of the data delineated herein. Use of this plot for other than assessment purposes is definitely not recommended and Churchill County expressly disclaims any liability for use other than for assessment purposes.



01-76



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
12/01/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Aon Reed Stenhouse Inc.  401 West Georgia Street, Suite 1200 Vancouver, BC V6B 5A1	1-604-443-3363  <b>CONTACT NAME:</b> Julie McIntosh <b>PHONE (A/C. No. Ext):</b> 1-604-443-3363 <b>E-MAIL ADDRESS:</b> julie.mcintosh@aon.ca <b>FAX (A/C. No):</b>
<b>INSURED</b> Colliers International Valuation & Advisory Services, LLC  9820 Willow Creek Road, Suite 300 San Diego, CA 92131	<b>INSURER(S) AFFORDING COVERAGE</b> <b>INSURER A:</b> Liberty Mutual Insurance Company  <b>INSURER B:</b> <b>INSURER C:</b> <b>INSURER D:</b> <b>INSURER E:</b> <b>INSURER F:</b>

**COVERAGES**

CERTIFICATE NUMBER: 63872074

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	<b>GENERAL LIABILITY</b> <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y/N If yes, describe under DESCRIPTION OF OPERATIONS below						<input type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Professional Liability			PLVAABP3RJ004	12/01/21	12/01/22	Primary Layer USD 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

**CERTIFICATE HOLDER****CANCELLATION**

To Whom It May Concern	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE  <i>Aon Reed Stenhouse Inc</i>

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ACORD 25 (2010/05)

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63872074

## Valuation Glossary 2022

Unless specified otherwise, these definitions were extracted from the following sources or publications:

The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022 (Dictionary).

Uniform Standards of Professional Appraisal Practice, 2020-2022 Edition (USPAP).

The Appraisal of Real Estate, Fifteenth Edition, Appraisal Institute, Chicago, Illinois, 2020 (15th Edition).

### Absolute Net Lease

A lease in which the tenant pays all expenses including structural maintenance, building reserves, and management; often a long-term lease to a credit tenant. *(Dictionary)*

### Ad Valorem Tax

A real estate tax based on the assessed value of the property, which is not necessarily equivalent to its market value. *(15th Edition)*

### Arm's-length Transaction

A transaction between unrelated parties who are each acting in his or her own best interest. *(Dictionary)*

### As-Is Market Value

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date. *(Dictionary)*

### Assessed Value

The value of a property according to the tax rolls in ad valorem taxation; may be higher or lower than market value, or based on an assessment ratio that is a percentage of market value. *(Dictionary)*

### Average Daily Room Rate (ADR)

In the lodging industry, the net rooms revenue derived from the sale of guest rooms divided by the number of paid occupied rooms. *(Dictionary)*

### Band of Investment

A technique in which the capitalization rates attributable to components of an investment are weighted and combined to derive a weighted-average rate attributable to the total investment. *(Dictionary)*

### Cash-Equivalent Price

The sale price of a property that is equivalent to what a cash buyer would pay. *(Dictionary)*

### Common Area

The total area within a property that is not designed for sale or rental but is available for common use by all owners, tenants, or their invitees, e.g., parking and its appurtenances, malls, sidewalks, landscaped areas, recreation areas, public toilets, truck and service facilities. *(Dictionary)*

### Contract Rent

The actual rental income specified in a lease. *(15th Edition)*

### Cost Approach

A set of procedures through which a value indication is derived for the fee simple estate by estimating the cost new as of the effective date of the appraisal to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial incentive; deducting depreciation from the total cost; and adding the estimated land value. The contributory value of any site improvements that have not already been considered in the total cost can be added on a depreciated-cost basis. Adjustments may then be made to the indicated value of the fee simple estate in the subject property to reflect the value of the property rights being appraised. *(Dictionary)*

### Curable Functional Obsolescence

An element of depreciation; a curable defect caused by a flaw involving the structure, materials, or design, which can be practically and economically corrected. *(Dictionary)*

### Debt Coverage Ratio (DCR)

The ratio of net operating income to annual debt service, which measures the relative ability of a property to meet its debt service out of net operating income; also called *debt service coverage ratio (DSCR)*. *(Dictionary)*

### Deferred Maintenance

Items of wear and tear on a property that should be fixed now to protect the value or income-producing ability of a property. *(Dictionary)*

### Depreciation

In appraisal, a loss in the value of improvements from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the value of the improvement on the same date. *(Dictionary)*

### Direct Costs

Expenditures for the labor and materials used in the construction of improvements; also called *hard costs*. *(Dictionary)*

### **Discounted Cash Flow (DCF) Analysis**

The procedure in which a discount rate is applied to a set of projected income streams and a reversion. The analyst specifies the quantity, variability, timing, and duration of the income streams and the quantity and timing of the reversion, and discounts each to its present value at a specified yield rate. *(Dictionary)*

### **Discount Rate**

A rate of return on capital used to convert future payments or receipts into present value. *(Dictionary)*

### **Disposition Value**

The most probable price that a specified interest in property should bring under the following conditions:

1. Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider their best interests.
7. An adequate marketing effort will be made during the exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. 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.

This definition can also be modified to provide for valuation with specified financing terms. *(Dictionary)*

### **Easement**

The right to use another's land for a stated purpose. Access or right-of-way easements may be acquired by private parties or public utilities. Governments may be the beneficiaries of easements placed on privately owned land that is dedicated to conservation, open space, or preservation. *(15th Edition)*

### **Economic Life**

The period over which improvements to real estate contribute to property value. *(Dictionary)*

### **Effective Age**

The age of property that is based on the amount of observed deterioration and obsolescence it has sustained, which may be different from its chronological age. *(Dictionary)*

### **Effective Date**

The date on which the appraisal or review opinion applies (SVP) *(Dictionary)*

### **Effective Gross Income (EGI)**

The anticipated income from all operations of the real estate after an allowance is made for vacancy and collection losses and an addition is made for any other income. *(Dictionary)*

### **Effective Gross Income Multiplier (EGIM)**

The ratio between the sale price (or value) of a property and its effective gross income. *(Dictionary)*

### **Effective Rent**

The total base rent, or minimum rent stipulated in a lease, over the specified lease term minus rent concessions - e.g. free rent, excessive tenant improvements, moving allowances, lease buyouts, cash allowances, and other lease incentives. *(15th Edition)*

### **Eminent Domain**

The right of government to take private property for public use upon the payment of just compensation. The Fifth Amendment of the U.S. Constitution, also known as the *takings clause*, guarantees payment of just compensation upon appropriation of private property. *(Dictionary)*

### **Entrepreneurial Incentive**

The amount an entrepreneur expects or wants to receive as compensation for providing coordination and expertise and assuming the risks associated with the development of a project. Entrepreneurial incentive is the expectation of future reward as opposed to the profit actually earned on the project. *(Dictionary)*

### **Entrepreneurial Profit**

A market-derived figure that represents the amount an entrepreneur received for his or her contribution to a past project to compensate for his or her time, effort, knowledge, and risk; the difference between the total cost of a property (cost of development) and its market value (property value after completion), which represents the entrepreneur's compensation for the risk and expertise associated with development. An entrepreneur is motivated by the prospect of future value enhancement (i.e., the entrepreneurial incentive). An entrepreneur who successfully creates value through new development, expansion, renovation, or an innovative change of use is rewarded by entrepreneurial profit. Entrepreneurs may also fail and suffer losses. *(Dictionary)*

### **Excess Land**

Land that is not needed to serve or support the existing use. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land has the potential to be sold separately and is valued separately. *(Dictionary)*

### **Excess Rent**

The amount by which contract rent exceeds market rent at the time of the appraisal; created by a lease favorable to the lessor and may reflect superior management, a lease execution in an earlier, stronger rental market, or an agreement of the parties. Due to the higher risk inherent in the receipt of excess rent, it may be calculated separately and capitalized or discounted at a higher rate in the income capitalization approach. *(15th Edition)*

### **Expense Stop**

A clause in a lease that limits the landlord's expense obligation, which results in the lessee paying any operating expenses above a stated level or amount. *(Dictionary)*

### **Exposure Time**

An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. *(USPAP)*

### **Extraordinary Assumption**

An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions. Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or the integrity of data used in an analysis. An extraordinary assumption may be used in an assignment only if:

- It is required to properly develop credible opinions and conclusions;
- The appraiser has a reasonable basis for the extraordinary assumption;
- Use of the extraordinary assumption results in a credible analysis; and
- The appraiser complies with the disclosure requirements set forth in USPAP for extraordinary assumptions. *(USPAP)*

### **External Obsolescence**

A type of depreciation; a diminution in value caused by negative external influences and generally incurable on the part of the owner, landlord, or tenant. The external influence may be either temporary or permanent. There are two forms of external obsolescence: economic and locational. *(Dictionary)*

### **Fair Market Value**

In nontechnical usage, a term that is equivalent to the contemporary usage of *market value*.

As used in condemnation, litigation, income tax, and property tax situations, a term that is similar in concept to market value but may be defined explicitly by the relevant agency or interpreted differently by court precedent. *(Dictionary)*

### **Feasibility Analysis**

A study of the cost-benefit relationship of an economic endeavor. *(USPAP)*

### **Fee Simple Estate**

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat. *(Dictionary)*

### **Floor Area Ratio (FAR)**

The relationship between the above-ground floor area of a building, as described by the zoning or building code, and the area of the plot on which it stands; in planning and zoning, often expressed as a decimal, e.g., a ratio of 2.0 indicates that the permissible floor area of a building is twice the total land area. *(Dictionary)*

### **Functional Obsolescence**

The impairment of functional capacity of improvements according to market tastes and standards. *(Dictionary)*

### **Functional Utility**

The ability of a property or building to be useful and to perform the function for which it is intended according to 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. *(Dictionary)*

### **Furniture, Fixtures, and Equipment (FF&E)**

Business trade fixtures and personal property, exclusive of inventory. *(Dictionary)*

### **Going-concern**

An established and operating business having an indefinite future life. *(Dictionary)*

### **Going-concern Value**

An outdated label for the market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the *market value of the going concern* or *market value of the total assets of the business*. *(Dictionary)*

### **Gross Building Area (GBA)**

Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved. *(Dictionary)*

### **Gross Leasable Area (GLA)**

Total floor area designed for the occupancy and exclusive use of tenants, including basements and mezzanines; measured from the center of joint partitioning to the outside wall surfaces. *(Dictionary)*

### **Gross Living Area (GLA)**

Total area of finished, above-grade residential space area; calculated by measuring the outside perimeter of the structure and includes only finished, habitable, above-grade living space. (Finished basements and attic areas are not generally included in total gross living area. Local practices, however, may differ.) *(Dictionary)*

### **Highest & Best Use**

The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid (IVS). *(Dictionary)*

### **Hypothetical Condition**

A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. *(USPAP)*

### **Income Capitalization Approach**

In the income capitalization approach, an appraiser analyzes a property's capacity to generate future benefits and capitalizes the income into an indication of present value. The principle of anticipation is fundamental to this approach. Techniques and procedures from this approach are used to analyze comparable sales data and to measure obsolescence in the cost approach. *(15th Edition)*

### **Incurable Functional Obsolescence**

An element of depreciation; a defect caused by a deficiency or superadequacy involving the structure, materials, or design that cannot be practically or economically corrected as of the effective date of the appraisal. *(Dictionary)*

### **Indirect Costs**

Expenditures or allowances for items other than labor and materials that are necessary for construction, but are not typically part of the construction contract. Indirect costs may include administrative costs, professional fees, financing

costs and the interest paid on construction loans, taxes and the builder's or developer's all-risk insurance during construction, and marketing, sales, and lease-up costs incurred to achieve occupancy or sale. Also called *soft costs*. *(Dictionary)*

### **Interim Use**

The use contemplated by the market participants that the subject real estate can be put to while waiting for certain subsequent factors to occur. *(Dictionary)*

### **Investment Value**

The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market. *(Dictionary)*

### **Leased Fee Interest**

The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversion right when the lease expires. *(Dictionary)*

### **Leasehold Estate**

The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease. *(Dictionary)*

### **Legal Nonconforming Use**

A use that was lawfully established and maintained, but no longer conforms to the use regulations of its current zoning; sometimes known as a legally nonconforming use. *(Dictionary)*

### **Liquidation Value**

The most probable price that a specified interest in property should bring under the following conditions:

1. Consummation of a sale within a short time period.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under extreme compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. A normal marketing effort is not possible due to the brief exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. 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.

This definition can also be modified to provide for valuation with specified financing terms. *(Dictionary)*



### Market Area

The geographic region from which a majority of demand comes and in which the majority of competition is located. Depending on the market, a market area may be further subdivided into components such as primary, secondary, and tertiary market areas, or the competitive market area may be distinguished from the general market area. *(Dictionary)*

### Market Rent

The most probable rent that a property should bring in a competitive and open market under all conditions requisite to a fair lease transaction, the lessee and lessor each acting prudently and knowledgeably, and assuming the rent is not affected by undue stimulus. *(Dictionary)*

### Market Study

An analysis of the market conditions of supply, demand, and pricing for a specific property type in a specific area. *(Dictionary)*

### Market Value (Most Common Non-FRT)

The most probable price, as of a specific date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue distress. *(Dictionary)*

### Market Value (Interagency Guidelines)

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 own 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. (Interagency Appraisal and Evaluation Guidelines, December 10, 2010, Federal Register, Volume 75 Number 237, Page 77472)

### Marketability Analysis

The study of how a specific property is expected to perform in a specific market. A marketability analysis expands on a market analysis by addressing a specific property. *(Dictionary)*

### Neighborhood Analysis

The objective analysis of observable or quantifiable data indicating discernible patterns of urban growth, structure, and change that may detract from or enhance property values; focuses on four sets of considerations that influence value: social, economic, governmental, and environmental factors. *(Dictionary)*

### Net Net Net Lease

An alternative term for a type of net lease. In some markets, a net net net lease is defined as a lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management. Also called *NNN lease, triple net lease, or fully net lease*. *(Dictionary)*

### Net Operating Income (NOI)

The actual or anticipated net income that remains after all operating expenses are deducted from effective gross income but before mortgage debt service and book depreciation are deducted. Note: This definition mirrors the convention used in corporate finance and business valuation for EBITDA (earnings before interest, taxes, depreciation, and amortization). *(15th Edition)*

### Obsolescence

One cause of depreciation; an impairment of desirability and usefulness caused by new inventions, changes in design, improved processes for production, or external factors that make a property less desirable and valuable for a continued use; may be either functional or external. *(Dictionary)*

### Off-site Costs

Costs incurred in the development of a project excluding on-site costs such as grading and construction of the building and other improvements; also called *common costs* or *off-site improvement costs*. *(Dictionary)*

### On-site Costs

Costs incurred for the actual construction of buildings and improvements on a particular site. *(Dictionary)*

### Overage Rent

The percentage rent paid over and above the guaranteed minimum rent or base rent; calculated as a percentage of sales in excess of a specified breakeven sales volume. *(15th Edition)*

### **Overall Capitalization Rate (OAR)**

The relationship between a single year's net operating income expectancy and the total property price or value. *(Dictionary)*

### **Parking Ratio**

The ratio of parking area or parking spaces to an economic or physical unit of comparison. Minimum required parking ratios for various land uses are often stated in zoning ordinances. *(Dictionary)*

### **Potential Gross Income (PGI)**

The total income attributable to property at full occupancy before vacancy and operating expenses are deducted. *(Dictionary)*

### **Potential Gross Income Multiplier (PGIM)**

The ratio between the sale price (or value) of a property and its annual potential gross income. *(Dictionary)*

### **Present Value (PV)**

The value of a future payment or series of future payments discounted to the current date or to time period zero. *(Dictionary)*

### **Prospective Opinion of Value**

A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not achieved sellout or a stabilized level of long-term occupancy. *(Dictionary)*

### **Qualitative Adjustment**

An indication that one property is superior, inferior, or similar to another property. Note that the common usage of the term is a misnomer in that an adjustment to the sale price of a comparable property is not made. Rather, the indication of a property's superiority or inferiority to another is used in relative comparison analysis, bracketing, and other forms of qualitative analysis. *(Dictionary)*

### **Quantitative Adjustment**

In the application of the sales comparison and income capitalization approaches, a numerical (dollar or percentage) adjustment to the sale price, rent, or expense amount of a comparable property to account for the effect on value of a difference between each comparable property and the subject property. *(Dictionary)*

### **Rentable Area**

The amount of space on which the rent is based; calculated according to local practice. *(Dictionary)*

### **Replacement Cost**

The estimated cost to construct, at current prices as of a specific date, a substitute for a building or other improvements, using modern materials and current standards, design, and layout. *(Dictionary)*

### **Replacement Cost for Insurance Purposes**

The estimated cost, at current prices as of the effective date of valuation, of a substitute for the building being valued, using modern materials and current standards, design and layout for insurance coverage purposes guaranteeing that damaged property is replaced with a new property (i.e., depreciation is not deducted). *(Dictionary)*

### **Reproduction Cost**

The estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same or similar materials, construction standards, design, layout, and quality of workmanship and embodying all the deficiencies, superadequacies, and obsolescence of the subject building. *(Dictionary)*

### **Retrospective Value Opinion**

A value opinion effective as of a specified historical date. The term *retrospective* does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion." *(Dictionary)*

### **Sales Comparison Approach**

The process of deriving a value indication for the subject property by comparing sales of similar properties to the property being appraised, identifying appropriate units of comparison, and making adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison. The sales comparison approach may be used to value improved properties, vacant land, or land being considered vacant when an adequate supply of comparable sales is available. *(Dictionary)*

### **Scope of Work**

The type and extent of research and analysis in an appraisal or appraisal review assignment. Scope of work includes, but is not limited to:

The extent to which the property is identified;

The extent to which tangible property is inspected;

The type and extent of data researched; and

The type and extent of analysis applied to arrive at opinions or conclusions. *(USPAP)*

## Shopping Center Types

**Neighborhood Shopping Center:** The smallest type of shopping center, generally with a gross leasable area of between 30,000 and 100,000 square feet. Typical anchors include supermarkets. Neighborhood shopping centers offer convenience goods and personal services and usually depend on a market population support of 3,000 to 40,000 people.

**Community Shopping Center:** A shopping center of 100,000 to 400,000 square feet that usually contains one junior department store, a variety store, discount or department store. A community shopping center generally has between 20 and 70 retail tenants and a market population support of 40,000 to 150,000 people.

**Regional Shopping Center:** A shopping center of 300,000 to 900,000 square feet that is built around one or two full-line department stores of approximately 200,000 square feet each plus small tenant spaces. This type of center is typically supported by a minimum population of 150,000 people.

**Super-Regional Center:** A large center of 600,000 to 2.0 million square feet anchored by three or more full-line department stores. This type of center is typically supported by a population area of 300,000 people. *(15th Edition)*

### Sum of the Retail Values

The sum of the separate and distinct market value opinions for each of the units in a condominium; subdivision development, or portfolio of properties, as of the date of valuation. The aggregate of retail values does not represent the value of all the units as sold together in a single transaction; it is simply the total of the individual market value conclusions. An appraisal has an effective date, but summing the sales prices of multiple units over an extended period of time will not be the value on that one day unless the prices are discounted to make the value equivalent to what another developer or investor would pay for the bulk purchase of the units. Also called the *aggregate of the retail values* or *aggregate retail selling price*. *(Dictionary)*

### Superadequacy

An excess in the capacity or quality of a structure or structural component; determined by market standards. *(Dictionary)*

### Surplus Land

Land that is not currently needed to support the existing use but cannot be separated from the property and sold off for another use. Surplus land does not have an independent highest and best use and may or may not contribute value to the improved parcel. *(Dictionary)*

## Tenant Improvements (TIs)

1. Fixed improvements to the land or structures installed for use by a lessee.
2. The original installation of finished tenant space in a construction project; subject to periodic change for succeeding tenants. *(Dictionary)*

### Usable Area

The area that is actually used by the tenants measured from the inside of the exterior walls to the inside of walls separating the space from hallways and common areas. *(Dictionary)*

### Useful Life

The period of time over which a structure or a component of a property may reasonably be expected to perform the function for which it was designed. *(Dictionary)*

### Vacancy and Collection Loss

A deduction from potential gross income (*PGI*) made to reflect income deductions due to vacancies, tenant turnover, and nonpayment of rent; also called *vacancy and credit loss* or *vacancy and contingency loss*. *(Dictionary)*

### Yield Capitalization

A method used to convert future benefits into present value by (1) discounting each future benefit at an appropriate yield rate, or (2) developing an overall rate that explicitly reflects the investment's income pattern, holding period, value change, and yield rate. *(Dictionary)*



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United States

## Joe Esparza, MAI

### Area of Expertise

Joe Esparza is a Senior Valuation Services Director in the Valuation & Advisory Services Group's Roseville office in the Northern California Region. Mr. Esparza's primary geographical area of expertise is the greater Northern California region including the Sacramento area, Central Valley, Bay Area, and Lake Tahoe area. Mr. Esparza is a certified general appraiser and is a member of the Appraisal Institute. He holds a California State Certified General Appraiser license.

### Affiliations or Memberships

Member – Appraisal Institute

California Office of Real Estate Appraisers, Certified General Appraiser License ID #AG031186

### Professional Background

For the past six years, Mr. Esparza has specialized in the valuation of commercial properties including office, retail, net leased investment, industrial, land and multifamily. Prior to joining Colliers International Valuation & Advisory Services, Mr. Esparza worked as a Senior Appraiser for CBRE in Sacramento, CA.

### Representative Clients and Projects

- Citibank
- Bank of America
- Chase
- Wells Fargo
- Farmers & Merchants
- Bank of the West
- Community West Bank
- Cathay Bank
- East West Bank

Appraisal experience includes the following types of assignments throughout Northern and Central California

- Office Buildings
- Medical Office Buildings
- Commercial Land
- Anchored Retail Centers
- Cold Storage
- Residential Land
- Industrial Buildings
- Residential Subdivisions
- Shopping Centers
- Industrial Land
- Apartment Complexes
- Mobile Home Parks

### Education or Qualifications

Bachelor of Arts Degree

In Economics

California State University at  
Sacramento

### State Certifications

California

Nevada



**Joe Esparza, MAI**

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**Significant Assignments**

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**Office**

- Hall of Justice | 42,000 SF | Class C Office
- Bradshaw Business Park | 335,000 SF | Class C Flex Office
- Prospect Park | 123,000 SF | Class A Office Building
- One Capital Center | 19,000 SF | Class A Building
- 3300 Zinfandel Drive | 127,000 SF | Class B mid rise

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**Retail**

- Dublin Place | 190,000 SF | Anchored Retail Center
- Sierra Center | 75,000 SF | Class B 3-story
- Marketplace at Birdcage | 300,000 SF | Anchored Shopping Center
- Kohl's | 76,000 SF | Department Store

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**Multifamily**

- North Pointe Apartments | 312 Units | Class A garden complex
- Mesa Verde | 144 Units | Class B garden complex
- Lake Pointe | 232 Units | Class A garden complex

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**Industrial**

- Lathrop Industrial Park | 375,000 SF | Warehouse/Distribution Center
- Northbay Logistics Center | 838,000 SF | Distribution Center
- Beard Industrial Park | 131,000 SF | Distribution/Warehouse
- Western Unified Grocers | 890,000 SF | Cold Storage Warehouse/Distribution Center

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**Land**


- Mather Project | 639 Raw Acres | Residential mixed-use development
- Sycamore Creek Estates | 87 Acres | Residential Subdivision
- Lone Project | 134 Acres | Residential Finished Lots

# APPRAISER CERTIFICATE

## STATE OF NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY REAL ESTATE DIVISION

**Change** A change in the name of the business or the location of an office must be made to the Division within ten days after any change has been made. Attach this certificate, pocket card and original intern registrations, if any, to a completed change form (536) and location of records form (555).

**Renewal** As a courtesy, the Real Estate Division will send a renewal notice to your business address approximately 45 days prior to your renewal date. Renewal information is online at [red.nv.gov](http://red.nv.gov).

	Nevada Department of Business and Industry Real Estate Division
CERTIFIED GENERAL APPRAISER	
JOE A ESPARZA	
Certificate Number A 0207846-CG	Expiration Date January 31, 2023
Certificate Location COLLIERS INTERNATIONAL VALUATION & ADVISORY SERVICES 1508 EUREKA RD, SUITE 250 ROSEVILLE, CA 95661	
Void Unless Signed in Ink	

# APPRAISER CERTIFICATE

## STATE OF NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY

NOT TRANSFERABLE REAL ESTATE DIVISION NOT TRANSFERABLE

This is to Certify That : JOE A ESPARZA

Certificate Number: A.0207846-CG

Is duly authorized to act as a CERTIFIED GENERAL APPRAISER from the issue date to the expiration date at the business address stated here in, unless the certificate is sooner revoked, cancelled, withdrawn, or invalidated.

Issue Date: January 28, 2021

Expire Date: January 31, 2023

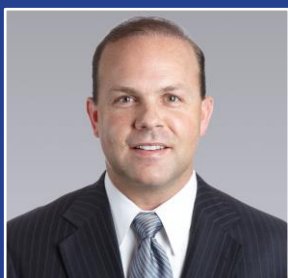
In witness whereof, THE DEPARTMENT OF BUSINESS AND INDUSTRY, REAL ESTATE DIVISION, by virtue of the authority vested in Chapter 645C of the Nevada Revised Statutes, has caused this Certificate to be issued with its Seal printed thereon. This certificate must be conspicuously displayed in place of business.

FOR: COLLIERS INTERNATIONAL  
VALUATION & ADVISORY SERVICES  
1508 EUREKA RD, SUITE 250  
ROSEVILLE, CA 95661

REAL ESTATE DIVISION

SHARATH CHANDRA  
*Administrator*





Executive Managing Director  
National Practices  
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United States

## Jeffrey R. Shouse, MAI, CRE

### Area of Expertise

Jeffrey R. Shouse joined Colliers International Valuation & Advisory Services in January 1998. His primary focus is on the valuation of mobile home parks, self-storage facilities, and multifamily developments. Over the last several years, Jeff has appraised these property types in all 50 states. His clients include lenders, developers, owners, attorneys, insurance companies, and redevelopment groups.

Jeff was raised in Sacramento, California. After high school graduation, he attended Utah Valley State College where he received an associate degree. He then attended Brigham Young University and California State University, Sacramento, receiving a bachelor's degree.

Jeff is currently the Executive Managing Director for Northern California (Sacramento, Fresno, San Francisco, and San Jose), Nevada (Reno), and the Mountain States (Denver and Salt Lake City).

Jeff is also the National Practice Leader for the Self-Storage Group. His national team consists of 25 senior appraisers strategically aligned throughout the country. The Self-Storage team was able to complete 2800 assignments over the last three years, including several Feasibility Studies and consulting assignments.

Jeff has had several speaking assignments with the different Self-Storage Associations including the NYSSA, SSA Conference in Orlando, FL, and the CSSA in Napa, CA this year based on his knowledge and experience of the Self-Storage industry.

### Affiliations or Memberships

Designated Member of the Appraisal Institute

CRE Designation - Counselors of Real Estate

Boy Scouts of America

Sacramento-Sierra Chapter of the Appraisal Institute

Western Manufactured Housing Communities Association (WMA)

National Manufactured Housing Congress (NMHC)

California Self Storage Association (CSSA)

Self-Storage Association (SSA)

Inside Self Storage (ISS)

Terry Gardner Spirit Award (2008)

Top Producer (2010)

Colliers International Innovation Award  
Innovation Award (2012)

### Education or Qualifications

Bachelor of Science Degree,  
California State University,  
Sacramento

Utah Valley State College

Brigham Young University

### State Certifications

California

Idaho

Nevada

Texas

Utah

Virginia

**APPRAISER CERTIFICATE**  
**STATE OF NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY**  
**REAL ESTATE DIVISION**

**Change** A change in the name of the business or the location of an office must be made to the Division within **ten days** after any change has been made. Attach this certificate, pocket card and original intern registrations, if any, to a completed change form (536) and location of records form (555).

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Nevada Department of Business and Industry  
Real Estate Division

CERTIFIED GENERAL APPRAISER  
JEFFREY ROBERT SHOUSE

Certificate Number                      Expiration Date  
A.0206645-CG                              November 30, 2022

Certificate Location  
COLLIERS INTERNATIONAL VALUATION &  
ADVISORY SERVICES  
1508 EUREKA RD STE 250  
ROSEVILLE, CA 95661

Void Unless  
Signed in Ink

**APPRAISER CERTIFICATE**

**STATE OF NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY**

NOT TRANSFERABLE                      REAL ESTATE DIVISION                      NOT TRANSFERABLE

**This is to Certify That :** JEFFREY ROBERT SHOUSE                      **Certificate Number:** A.0206645-CG

**Is duly authorized to act as a CERTIFIED GENERAL APPRAISER from the issue date to the expiration date at the business address stated here in, unless the certificate is sooner revoked, cancelled, withdrawn, or invalidated.**

**Issue Date:** December 29, 2020

**Expire Date:** November 30, 2022

**In witness whereof, THE DEPARTMENT OF BUSINESS AND INDUSTRY, REAL ESTATE DIVISION, by virtue of the authority vested in Chapter 645C of the Nevada Revised Statutes, has caused this Certificate to be issued with its Seal printed thereon. This certificate must be conspicuously displayed in place of business.**

**FOR:** COLLIERS INTERNATIONAL  
VALUATION & ADVISORY SERVICES  
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**REAL ESTATE DIVISION**

**SHARATH CHANDRA**  
*Administrator*



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# Valuation & Advisory Services

## Services Offered

- Single Asset Valuation
- Portfolio Valuation
- Institutional Asset Valuation
- Loan Pool Valuation
- Appraisal Review
- Appraisal Management
- Lease and Cost Analysis
- Insurance Valuation
- Arbitration & Consulting
- Feasibility Studies
- Investment Analysis
- Highest and Best Use Studies
- Tax Appeals
- Litigation Support
- Segregated-Cost Analysis

## Experience That Counts

- Office
- Industrial
- Retail
- Multifamily
- Mixed-Use Properties
- Senior Housing
- Land
- Self-Storage
- Manufactured Housing
- Agriculture
- Net Lease
- Hospitality
- Health Care
- Subdivisions
- Embassies & Consulates
- GSA Properties
- Special Use Properties
- Telecommunications
- Easements
- Life Science

Real estate valuations play a pivotal role in today's business climate. An accurate and well supported opinion of property value can mean the difference between reaching a critical goal—securing a loan, closing a sale, reporting to investors, choosing the best asset—or failing to achieve it altogether.

Colliers Valuation & Advisory Services' reports are designed to deliver insight into a property's fundamentals, its competition and the overall market dynamics affecting value. A solid valuation report can be a strategic asset for investors, lenders and owners, provided that it addresses both a property's unique characteristics and the most current market conditions.

Commitment to high-end client service, coupled with Colliers' unparalleled market intelligence and resources, differentiates us as the firm of choice in the real estate industry.

## Professionals

Our professionals share a commitment to deliver the highest level of service and consistent results. We go the extra mile for our clients, whether this means meeting a tight deadline or working with a complex and challenging property.

## Technology

Our unmatched report creation technology speeds appraisals through the pipeline. This secure, centralized production system generates a wide range of reports and high volume portfolio orders without delays.

## Information

Today's business climate places valuation in a more pivotal position than ever before. All our appraisals are evaluated and approved by an experienced review team to ensure our clients receive concise and timely appraisals. With clear, prompt reporting and a comprehensive, big picture approach, Colliers International's Valuation and Advisory reports give our clients the information they need to make better business decisions.

# Valuation & Advisory Services National Leadership



## US Leadership

**Jeremy Walling, MAI, MRICS**  
President | US  
Jeremy.Walling@colliers.com  
+1 312 371 4920

## Client Relations & Service

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