

## SIERRA HOLIDAY MOBILE HOME PARK

200 Azimuth Drive  
Mammoth Lakes, California 93546

### APPRAISAL REPORT

Date of Report: December 1, 2022  
Colliers File #: SMF221292



PREPARED FOR  
Eddy Kangnavong  
PGIM Real Estate Agency Financing, LLC  
4350 North Fairfax Drive Suite 700  
Arlington, VA 22203

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

# LETTER OF TRANSMITTAL

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December 1, 2022

Eddy Kangnavong  
**PGIM Real Estate Agency Financing, LLC**  
4350 North Fairfax Drive Suite 700  
Arlington, VA 22203

**RE: Sierra Holiday Mobile Home Park**  
200 Azimuth Drive  
Mammoth Lakes, California 93546

Colliers File #: SMF221292

Mr. Kangnavong:

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 PGIM Real Estate Agency Financing, LLC and Colliers International Valuation & Advisory Services.

The date of this report is December 1, 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). My 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 an opinion of the As-Is Market Value 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 opinion of market value of the subject property that is developed within this appraisal report:

VALUE TYPE	INTEREST APPRAISED	DATE OF VALUE	VALUE
Market Value As-Is	Leased Fee	November 11, 2022	\$11,550,000
<b>OTHER CONCLUSIONS</b>			<b>AS OF NOVEMBER 11, 2022</b>
Insurable Replacement Cost			\$230,000

The subject is an all-age manufactured housing community totaling 83 homesites (77 currently rentable). The community is permitted to allow for a total of 83 sites, however five sites are designated for snow storage and one as a common area site. It is located on a 10.32-acre site at 200 Azimuth Drive in Mammoth Lakes, California. The improvements were built in 1972, are in average/good condition and have a remaining economic life of 30 years based on my estimate. The subject's common amenities include a clubhouse, pool, and spa. The subject includes a 0.35 acre parcel of vacant land, that is currently used for snow storage. The subject property's rentable

sites have a current occupancy level of 92.8%, which is below 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.

Pending Sale - The subject property is under contract to sell for \$11,500,000 between Sherwin View Park, Inc. and other entities described above (Grantor) and The BoaVida Group, LP (Grantee). The transaction is set to close on or before December 28, 2022. The pending purchase price is at the seller's asking price. The sale includes the real property of both parcels, a park-owned home on site 30 that is used as the office, a snow loader, and all other personal property used to operate the park. This appears to be an arm's-length transaction. Overall, in light of all the information presented our conclusion is reasonable and similar the contracted sales price.

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 B 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 Freddie Mac guidelines.

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 my opinion of value are fully discussed below. I 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**

No Extraordinary Assumptions were made for this assignment.

### **HYPOTHETICAL CONDITIONS**

No Hypothetical Conditions were made for this assignment.

### **RELIANCE LANGUAGE**

This report is for the use and benefit of, and may be relied upon by the following (collectively, the "Reliance Parties"):

- (a) PGIM Real Estate Agency Financing, LLC, such other persons and/or entities as may be designated by PGIM Real Estate Agency Financing, LLC and its respective subsidiaries, affiliates, successors and assigns, Freddie Mac and any successors and assigns (all of the foregoing individually and collectively referred to as “Lender”);
- (b) independent auditors, accountants, attorneys and other professionals acting on behalf of Lender;
- (c) governmental agencies having regulatory authority over Lender;
- (d) designated persons pursuant to an order or legal process of any court or governmental agency;
- (e) prospective purchasers of the Mortgage; and
- (f) with respect to any debt (or portion thereof) and/or securities secured, directly or indirectly, by the Property which is the subject of this report, the following parties and their respective successors and assigns:

- any placement agent or broker/dealer and any of their respective affiliates, agents and advisors;
- any initial purchaser or subsequent holder of such debt and/or securities;
- any Servicer or other agent acting on behalf of the holders of such debt and/or securities;
- any indenture trustee;
- any rating agency; and
- any institutional provider from time to time of any liquidity facility or credit support for such financings.

In addition, this report, or a reference to this report, may be included or quoted in any offering circular, information circular, offering memorandum, registration statement, private placement memorandum, prospectus or sales brochure (in either electronic or hard copy format) in connection with a securitization or transaction involving such debt (or portion thereof) and/or securities. The final report shall be the property of Lender, and Lender and the other Reliance Parties shall have the unfettered right to copy and distribute such report as they deem necessary or desirable; provided however that reliance on this report by persons other than the Reliance Parties shall be only with Consultant’s consent, which consent shall not be unreasonably withheld, conditioned or delayed.

My 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 signature below indicates my 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**

A handwritten signature in black ink that reads "Scott Shouse". The signature is fluid and cursive, with a long horizontal stroke at the end.

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Certified General Real Estate Appraiser  
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Insurable Replacement Cost

Engagement Letter

P&L Statements

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Valuation Glossary

Qualifications of Appraiser

Qualifications of Colliers International Valuation & Advisory Services

**GENERAL INFORMATION**

<b>Property Name</b>	Sierra Holiday Mobile Home Park
<b>Property Type</b>	Manufactured Housing Community - All Age
<b>Address</b>	200 Azimuth Drive
<b>City</b>	Mammoth Lakes
<b>State</b>	California
<b>Zip Code</b>	93546
<b>County</b>	Mono
<b>Market</b>	Mono County
<b>Census Region</b>	West
<b>Census Subregion</b>	Pacific
<b>Longitude</b>	-118.970861
<b>Latitude</b>	37.638634
<b>Number Of Parcels</b>	2
<b>Assessor Parcels</b>	035-250-002-000, 035-200-028-000
<b>Total Taxable Value</b>	\$1,738,566
<b>Census Tract Number</b>	0002.02

**SITE INFORMATION**

<b>Land Area</b>	<b>Acres</b>	<b>Square Feet</b>
Usable	10.32	449,616
Excess	0.00	0
<u>Surplus</u>	<u>0.00</u>	<u>0</u>
<b>Total</b>	<b>10.32</b>	<b>449,616</b>
<b>Topography</b>	Level at street grade	
<b>Shape</b>	Rectangular	
<b>Access</b>	Average	
<b>Exposure</b>	Average	
<b>Appeal</b>	Average/Good	
<b>Current Zoning</b>	Mobile Home Park District (MHP)	
<b>Flood Zone</b>	Zone X (Unshaded)	
<b>Seismic Zone</b>	Highest Risk	

**IMPROVEMENT INFORMATION**

<b>Number Of Homesites</b>	83
<b>Development Density</b>	8.0 Units/Acre (83 Units / 10.32 Acres)
<b>Total Number Of Common Area Buildings</b>	2
<b>Number Of Stories</b>	1
<b>Year Built</b>	1972
<b>Property Class</b>	B
<b>Quality</b>	Average
<b>Condition</b>	Average/Good
<b>Marketability</b>	Average/Good
<b>Parking Type</b>	Homesite and Visitor
<b>Number Of Parking Spaces</b>	176
<b>Parking Spaces/Homesite</b>	2.1
<b>Project Amenities</b>	The subject's common amenities include a clubhouse and pool.



**HIGHEST & BEST USE**

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

**EXPOSURE TIME & MARKETING PERIOD**

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

**VALUATION SUMMARY**

<b>Current Occupancy</b>	92.8%
<b>Stabilized Occupancy</b>	97.0%
<b>Current Average Rent/Homesite</b>	\$965/Homesite
<b>Concluded Average Rent/Homesite</b>	\$1,000/Homesite
<b>Potential Gross Income (PGI)</b>	\$1,019,600
<b>Vacancy &amp; Credit Loss</b>	3.0%
<b>Effective Gross Income (EGI)</b>	\$919,880
<b>Total Expenses</b>	\$388,054
<b>Net Operating Income (NOI)</b>	\$531,826
<b>Capitalization Rate (OAR)</b>	4.75%

**VALUATION SUMMARY**

<b>VALUATION INDICES</b>	<b>MARKET VALUE AS-IS</b>
<b>INTEREST APPRAISED</b>	<b>LEASED FEE</b>
<b>DATE OF VALUE</b>	<b>NOVEMBER 11, 2022</b>

**INCOME CAPITALIZATION APPROACH**

<b>Direct Capitalization</b>	<b>\$11,550,000</b>
Direct Capitalization \$/Homesite	\$139,157/Homesite
Net Operating Income	\$531,826
NOI \$/Homesite	\$6,408/Homesite
Capitalization Rate	4.75%
<b>Effective Gross Income Multiplier</b>	<b>\$11,620,000</b>
EGIM \$/Homesite	\$140,000/Homesite
<b>INCOME CONCLUSION</b>	<b>\$11,550,000</b>
Income Conclusion \$/Homesite	\$139,157/Homesite

**SALES COMPARISON APPROACH**

<b>SALES CONCLUSION</b>	<b>\$11,560,000</b>
Sales Conclusion \$/Homesite	\$139,277/Homesite

**FINAL VALUE CONCLUSION**

<b>FINAL VALUE</b>	<b>\$11,550,000</b>
Final \$/Homesite	\$139,157/Homesite

**LAND VALUATION**

<b>LAND VALUE (VACANT PARCEL 035-200-028-000)</b>	<b>\$350,000</b>
Value/Acre	\$1,000,000

**OTHER CONCLUSIONS**

<b>Insurable Replacement Cost</b>	<b>\$230,000</b>
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## 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

- Highly desirable area
- High occupancy in recent years (Avg. 95% to 100%)
- Large asset size/increase in efficiencies
- Public utilities
- Within commuting distance to employment nodes
- Tight market vacancy promotes rent growth
- High barrier to entry due to lack of vacant land
- Limited similar sized product on the market (only one competing park)
- 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

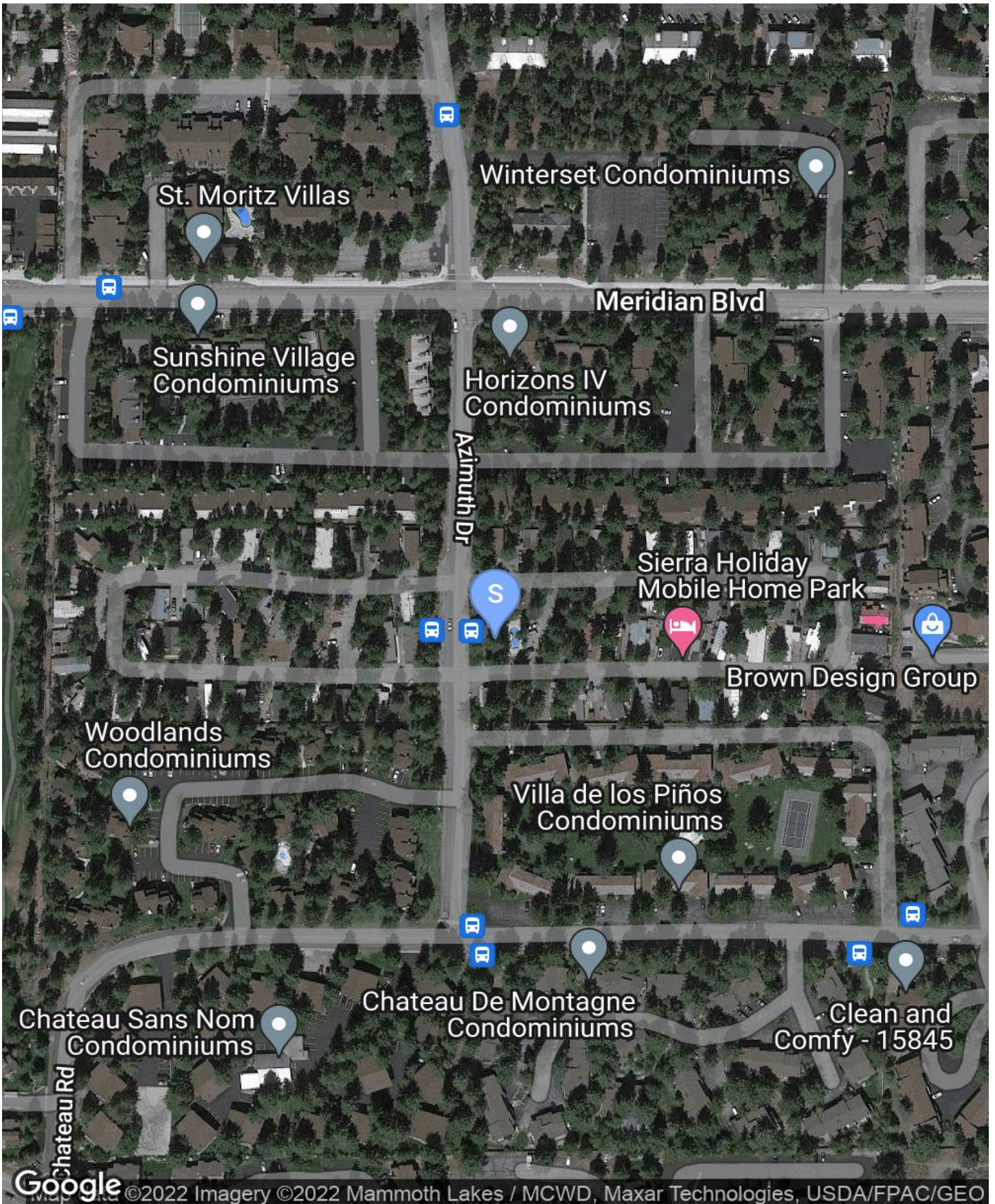
- Upside potential via rent increases
- Market conditions point toward increased demand for affordable housing
- Utility Pass Through
- Upside potential via increased occupancy
- Expansion due to vacant land

#### WEAKNESSES

- High density asset with limited pad/lot size limiting size and type of replacement units
- High density development has lower tenant appeal
- Snowy winter climate requiring some additional maintenance
- Some sites are un-rentable due to the need for snow storage

#### THREATS

- Economic downturn
- Capital Expenditures (infrastructure/amenities)
- Major renovation may become more frequent and extensive over time.





**SUBJECT SIGN**



**SUBJECT ENTRANCE**



**AZIMUTH DRIVE FACING SOUTH**



**AZIMUTH DRIVE FACING NORTH**



**STREET SCENE**



**STREET SCENE**



**STREET SCENE**



**STREET SCENE**



**STREET SCENE**



**STREET SCENE**



**STREET SCENE**



**STREET SCENE**

## PROPERTY IDENTIFICATION

The subject is a Manufactured Housing Community (All Age) property totaling 83 homesites. It is located on a 10.32-acre site at 200 Azimuth Drive in Mammoth Lakes, Mono County, California. The assessor's parcel numbers are: 035-250-002-000, 035-200-028-000.

The legal description of the subject property is as follows:

**PARCEL NO. 4 in the County of Mono, State of California as per map recorded in Book 7, Page 28 of Parcel Maps in the office of the County Recorder of Mono County.**

## CLIENT IDENTIFICATION

The client of this specific assignment is PGIM Real Estate Agency Financing, LLC.

## PURPOSE

The purpose of this appraisal is to develop an opinion of the As-Is Market Value 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 appraisal is to assist the client with a potential loan that would be collateralized by this asset.

## INTENDED USERS

PGIM Real Estate Agency Financing, LLC is the only intended user of this report. 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	December 1, 2022
Date of Inspection	November 11, 2022
Valuation Date – As-Is	November 11, 2022

## 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 various entities.

The mobile home park and improvements on parcel 035-250-002-000 are owned by the following three trusts:  
The Langley Trust Dated May 23, 1990, restated on August 6, 2007, Amended March 5, 2018;  
John G. Camphouse Trust Dated 29, 2018;  
Cameron Family Trust Dated April 19, 2011

The adjacent vacant parcel 035-200-028-000 and operating corporation are owned by:

Sherwin View Park, Inc.(C/O John G. Camphouse, C/O Patricia C. Cameron, & C/O Nancy Coleman

### 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 \$11,500,000 between Sherwin View Park, Inc. and other entities described above (Grantor) and The BoaVida Group, LP (Grantee). The transaction is set to close on or before December 28, 2022. The pending purchase price is at the seller's asking price. The sale includes the real property of both parcels, a park-owned home on site 30 that is used as the office, a snow loader, and all other personal property used to operate the park. This appears to be an arm's-length transaction. Overall, in light of all the information presented our conclusion is reasonable and similar the contracted sales price.

## 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>

<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

**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>

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<sup>3</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 appraiser 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 appraiser 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 appraiser completed a manufactured housing market analysis that included national and market overviews. The Mono County market overview 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 appraiser 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 appraiser 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 & EGIM) and Sales Comparison approaches to value. The resulting value indicators were reconciled within the Analysis of Value Conclusions section. The appraisal develops an opinion of the As-Is Market Value 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.
- › I understand the Competency Rule of USPAP and the author of this report meets the standards.
- › Dylan Campbell provided significant real property appraisal assistance to the appraisers signing the certification. Assistance included gathering, analyzing and reporting regional, local area, zoning, and tax information, confirming some of the comparable data, and assisting with portions of the valuation analysis. Mr. Campbell also performed an inspection of the subject property.

## SOURCES OF INFORMATION

The following sources were contacted to obtain relevant information:

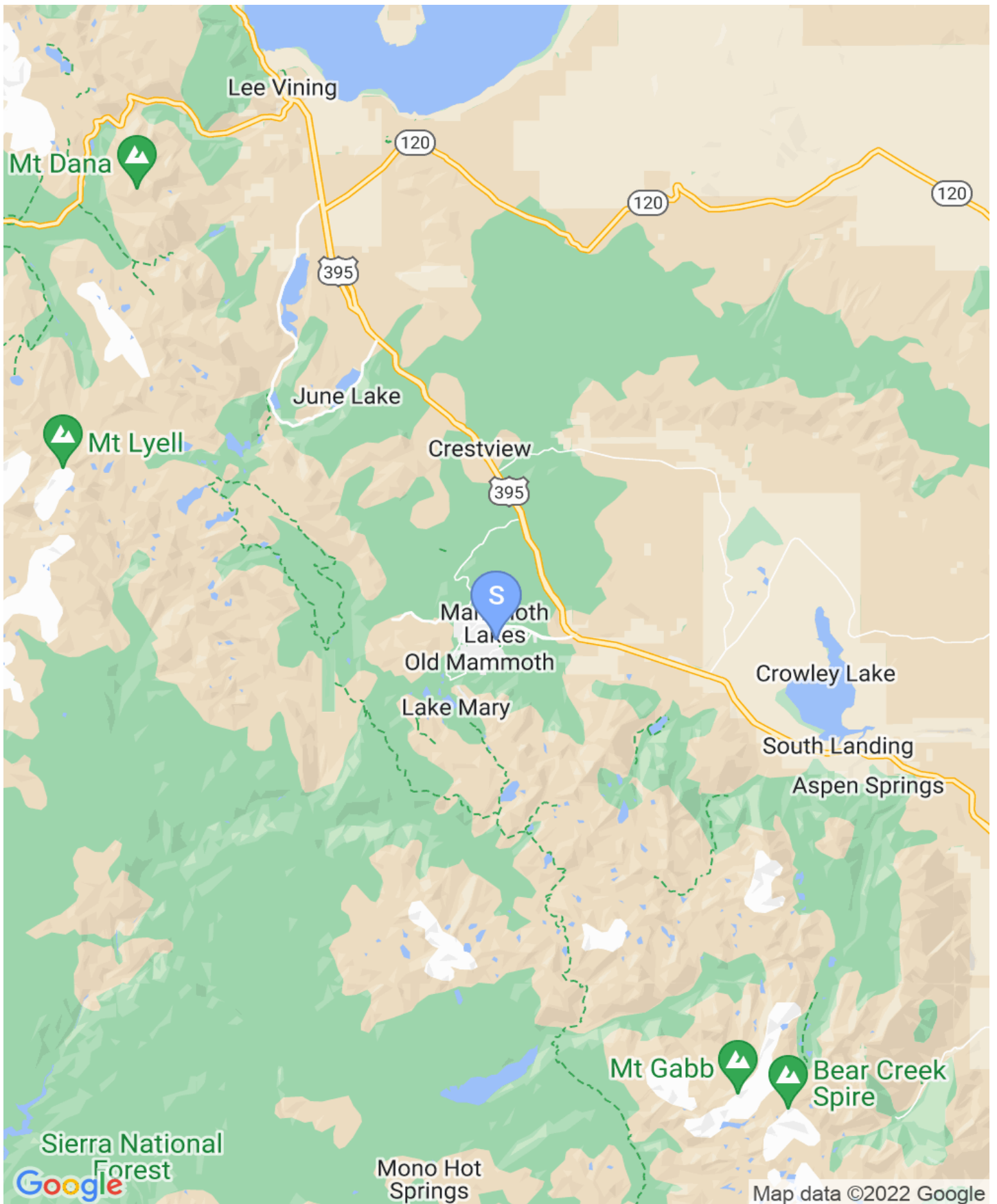
SOURCES OF INFORMATION	
ITEM	SOURCE
Tax Information	Mono County Tax Assessor
Zoning Information	Town of Mammoth Lakes Zoning Code
Site Size Information	Mono County Tax Assessor
Building Size Information	Mono County Tax Assessor
New Construction	City of Mammoth Lakes / Mono County
Flood Map	InterFlood
Demographics	Pitney Bowes/Gadberry Group - GroundView®
Comparable Information	See Comparable Datasheets for details
Legal Description	Grant Deed from Mono County Property Records
Other Property Data	Mono County Property Records
Rent Roll (Dated 09/21/2022)	Steve Kim - Onyx Capital
Income/Expense Statements	Steve Kim - Onyx Capital

## SUBJECT PROPERTY INSPECTION

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

SUBJECT PROPERTY INSPECTION			
APPRAISER	INSPECTED	EXTENT	DATE OF INSPECTION
Dylan Campbell	Yes	Exterior Only	November 11, 2022

The appraiser was not accompanied by anyone from the property on the inspection. The interiors of the few community-owned buildings were not inspected. It is assumed that the condition of the interiors of these common area buildings is similar to the condition of the exteriors.



## INTRODUCTION

Mono County is in the east-central portion of California and encompasses 3,030 square miles. According to the 2020 census, the population was 13,195. It is bordered on the north by Alpine County, on the east by the Nevada state line, on the south by Inyo County, and on the west by Tuolumne County. Much of Mono County is federally owned and is contained in the Inyo and Toiyabe National Forests. Mono County is known as the eastern gateway to Yosemite National Park; Tioga Pass connects the Mono Lake area to famous Yosemite Valley, but is closed for



fall, winter, and part of spring. The county has a wide range of recreational activities such as fishing, hunting, camping, and hiking. Skiing, snowboarding and snowmobiling are done during the winter months and these areas are at Mammoth Mountain and June Mountain Ski Areas. The town of Mammoth Lakes is the only incorporated city within Mono County, and most of the population resides in Mammoth Lakes. Six other unincorporated communities account for most of the remaining population of the county. They include the communities of Bridgeport, Long Valley, June Lake, Walker, Chalfant Valley, and Topaz. The Mammoth Mountain Ski Area’s growth spurred development of supporting amenities and services in the county.

## 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, Mono County had a 2021 total population of 14,555 and experienced an annual growth rate of 0.2%, which was lower than the California annual growth rate of 0.6%. The county accounted for 0.0% of the total California population (39,594,139). Within the county the population density was 5 people per square mile compared to the higher California population density of 250 people per square mile and the higher United States population density of 92 people per square mile.

POPULATION			
YEAR	US	CA	COUNTY
2010 Total Population	308,745,538	37,253,956	14,202
2021 Total Population	331,582,303	39,594,139	14,555
2026 Total Population	342,006,764	40,714,038	14,661
2010 - 2021 CAGR	0.7%	0.6%	0.2%
2021 - 2026 CAGR	0.6%	0.6%	0.1%

Source: Pitney Bowes/Gadberry Group - GroundView®

POPULATION DENSITY			
YEAR	US	CA	COUNTY
2021 Per Square Mile	92	250	5
2026 Per Square Mile	95	258	5

Source: Pitney Bowes/Gadberry Group - GroundView®

The 2021 median age for the county was 41.18, which was 6.23% older than the United States median age of 38.61 for 2021. The median age in the county is anticipated to grow by 0.25% annually, increasing the median age to 41.7 by 2026.

MEDIAN AGE			
YEAR	US	CA	COUNTY
2021	38.61	37.29	41.18
2026	39.39	38.02	41.70
CAGR	0.40%	0.39%	0.25%

Source: Pitney Bowes/Gadberry Group - GroundView®

### Education

Mono County does not have any universities or colleges.

### Household Trends

The 2021 number of households in the county was 5,796. The number of households in the county is projected to grow by 0.05% annually, increasing the number of households to 5,810 by 2026. The 2021 average household size for the county was 2.45, which was 4.56% 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 0.08% annually, increasing the average household size to 2.46 by 2026.

NUMBER OF HOUSEHOLDS			
YEAR	US	CA	COUNTY
2021	125,920,087	13,037,531	5,796
2026	130,248,641	13,291,263	5,810
CAGR	0.7%	0.4%	0.05%

Source: Pitney Bowes/Gadberry Group - GroundView®

AVERAGE HOUSEHOLD SIZE			
YEAR	US	CA	COUNTY
2021	2.57	2.97	2.45
2026	2.56	3.00	2.46
CAGR	(0.04%)	0.18%	0.08%

Source: Pitney Bowes/Gadberry Group - GroundView®

Mono County had 40.73% renter occupied units, compared to the higher 44.15% in California and the lower 35.17% in the United States.

HOUSING UNITS			
	US	CA	COUNTY
Owner Occupied	64.83%	55.85%	59.27%
Renter Occupied	35.17%	44.15%	40.73%

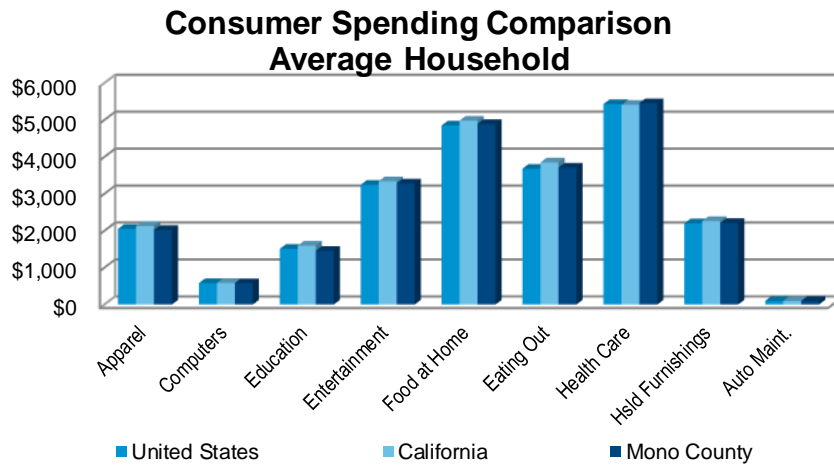
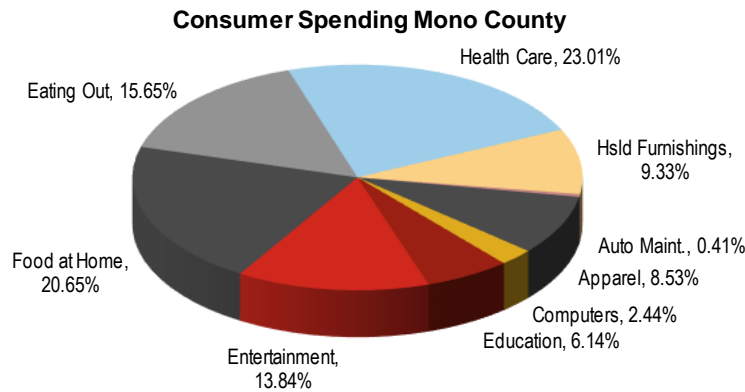
Source: Pitney Bowes/Gadberry Group - GroundView®

The 2021 median household income for the county was \$63,755, which was 3.9% lower than the United States median household income of \$66,358. The median household income for the county is projected to grow by 2.7% annually, increasing the median household income to \$72,777 by 2026.

According to the American Chamber of Commerce Researchers Association (ACCRA) Cost of Living Index, the county's cost of living is 121.7 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	CA	COUNTY
2021	\$66,358	\$79,661	\$63,755
2026	\$80,318	\$95,659	\$72,777
CAGR	3.9%	3.7%	2.7%

Source: Pitney Bowes/Gadberry Group - GroundView®



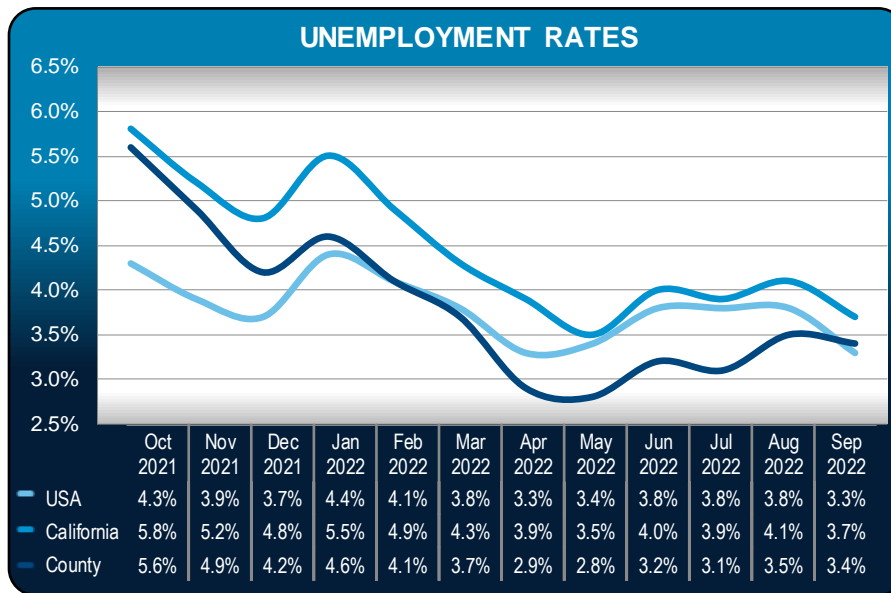
**EMPLOYMENT**

Total employment has increased annually over the past decade in the state of California by 0.7% and increased annually by 0.4% in the county. From 2020 to 2021 unemployment decreased in California by 2.9% and decreased by 5.4% in the county. In the state of California unemployment has decreased over the previous month by 0.4% and decreased by 0.1% in the county.

**EMPLOYMENT & UNEMPLOYMENT STATISTICS 2012 - 2021**

Year	TOTAL EMPLOYMENT				UNEMPLOYMENT RATE		
	California		Mono County, CA		United States*	California	Mono County, CA
	Total	% Δ Yr Ago	Total	% Δ Yr Ago			
2012	16,541,039	2.0%	7,502	(5.2%)	8.1%	10.5%	10.5%
2013	16,887,864	2.1%	7,619	1.6%	7.4%	9.0%	8.6%
2014	17,264,518	2.2%	7,637	0.2%	6.2%	7.6%	7.1%
2015	17,647,409	2.2%	7,731	1.2%	5.3%	6.3%	6.2%
2016	17,965,407	1.8%	7,915	2.4%	4.9%	5.5%	5.4%
2017	18,258,064	1.6%	8,106	2.4%	4.4%	4.8%	4.5%
2018	18,468,143	1.2%	8,081	(0.3%)	3.9%	4.3%	4.1%
2019	18,612,607	0.8%	8,198	1.4%	3.7%	4.1%	3.8%
2020	16,996,666	(8.7%)	6,917	(15.6%)	8.1%	10.2%	12.2%
2021	17,541,944	3.2%	7,771	12.3%	5.3%	7.3%	6.8%
<b>CAGR</b>	<b>0.7%</b>	<b>-</b>	<b>0.4%</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, California and the U.S. Overall levels of unemployment in the region experienced minor fluctuations throughout the past three months. By the end of September 2022, unemployment in the region was 0.3% lower than California’s and 0.1% higher than the national average.

## TOP EMPLOYERS

EMPLOYER NAME	EMPLOYEES	INDUSTRY
Mammoth Resort	1,000-4,999	Accommodation/Food Services
Mammoth Unified School District	250-499	Education
Mono County	100-249	Public Administration
June Mountain Ski Area	100-249	Arts/Entertainment/Recreation
Mammoth Mountain Ski Area LLC	100-249	Arts/Entertainment/Recreation
Mono County Public Works Department	100-249	Public Administration
Village Lodge Mammoth	100-249	Accommodation/Food Services
Vons	100-249	Wholesale/Retail Trade
Westin Monache	100-249	Accommodation/Food Services
Coleville High School	50-99	Education

Source: <http://www.labormarketinfo.edd.ca.gov>

The preceding chart depicts the top employers in Mono County. Principal employers are spread throughout diverse sectors, including accommodation/food services, education, and public administration. Mammoth Resort is the largest employer in the county. Mammoth Resort is a four-season mountain resort, which operates a variety of recreation, hospitality, real estate development, food and beverage and retail enterprises. Mammoth Unified School District is the second largest employer. The district contains four schools and serves approximately 1100 students. Another prominent source of employment is Mono County, with a staff of over 100 members.

## AIRPORT STATISTICS

The following chart summarizes the local airport statistics.

## RENO/TAHOE INTERNATIONAL AIRPORT (RNO)

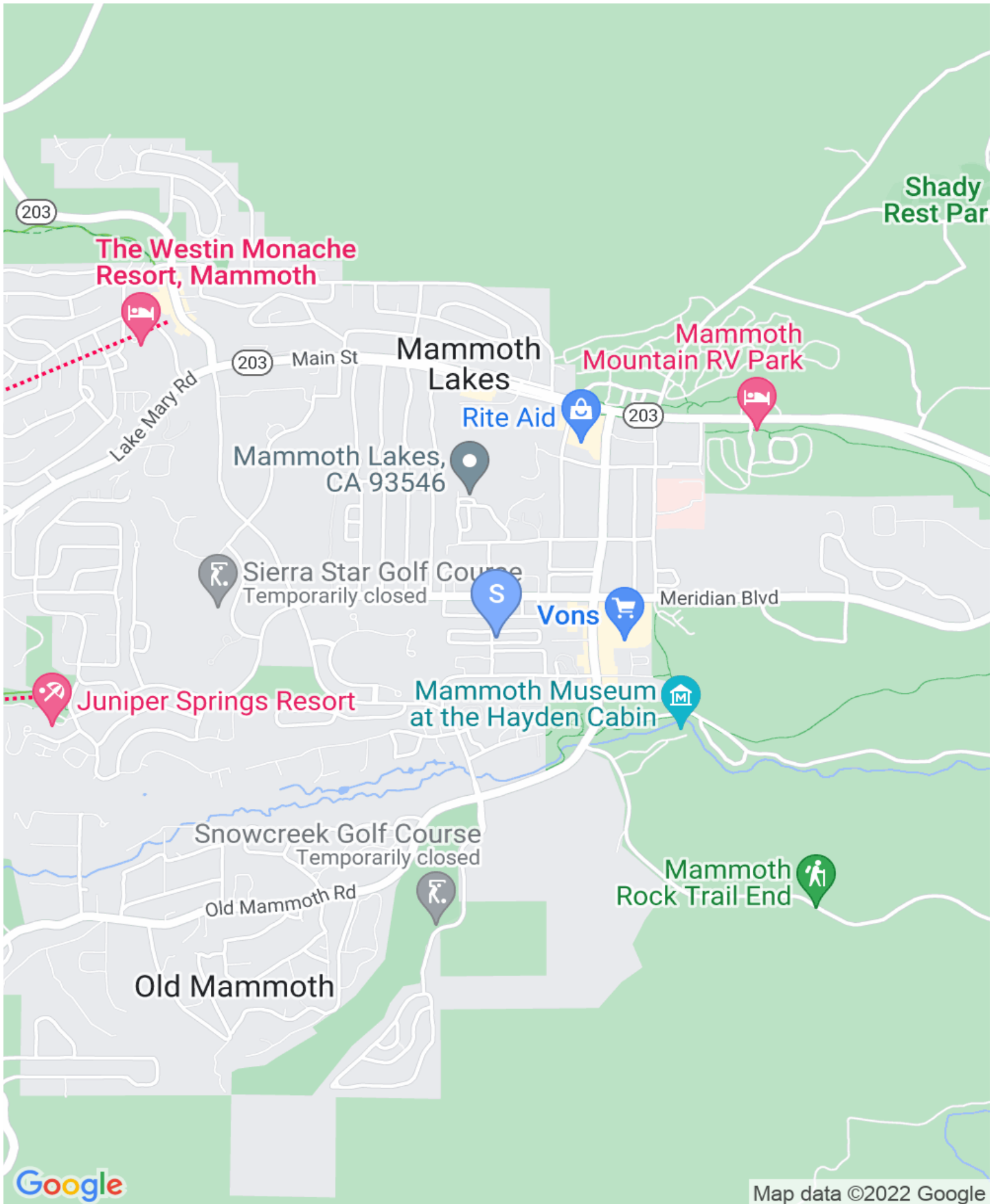
YEAR	ENPLANED PASSENGERS	% CHG
2011	1,821,051	-
2012	1,685,333	(7.5%)
2013	1,671,926	(0.8%)
2014	1,611,572	(3.6%)
2015	1,669,863	3.6%
2016	1,771,864	6.1%
2017	1,953,028	10.2%
2018	2,048,916	4.9%
2019	2,162,250	5.5%
2020	976,937	(54.8%)
2021	1,781,785	82.4%

Source: U.S. Department of Transportation

## SUMMARY

Mono County has a strategic location within the state of California. The county has a strong economy supported by the accommodation/food services industry. Complementary areas, such as arts/entertainment/recreation and retail trade, provide opportunities for other sectors to develop. Mono County's economy is stable, projected to experience growth across all analysis areas.





Map data ©2022 Google

## INTRODUCTION

In this section of the report, I 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

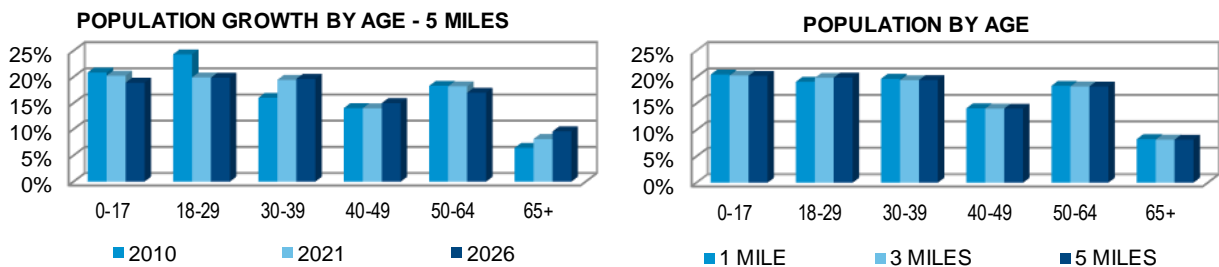
The subject property is in Mammoth Lakes, California, within Mono County. According to the 2020 census, the population was 7,209. The town is in the western portion of the county, approximately 54 miles southeast of Bridgeport and 244 miles southeast of Sacramento. State Route 203 intersects the town. Air transportation is provided by Eastern Sierra Regional Airport, approximately 45 miles southeast of Mammoth Lakes' 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	5,035	6,867	7,096	2021	\$98,471	\$95,108	\$95,092
2010 Population	6,457	8,229	8,239	2026	\$115,887	\$109,997	\$109,974
2021 Population	6,527	8,390	8,401	Change 2021-2026	17.69%	15.66%	15.65%
2026 Population	6,571	8,443	8,454	<b>MEDIAN HOUSEHOLD INCOME</b>			
Change 2000-2010	28.24%	19.83%	16.11%	2021	\$62,103	\$61,037	\$61,058
Change 2010-2021	1.08%	1.96%	1.97%	2026	\$71,335	\$68,752	\$68,773
Change 2021-2026	0.67%	0.63%	0.63%	Change 2021-2026	14.87%	12.64%	12.64%
<b>POPULATION 65+</b>				<b>PER CAPITA INCOME</b>			
2010 Population	364	532	532	2021	\$38,276	\$37,613	\$37,612
2021 Population	539	685	685	2026	\$44,877	\$43,327	\$43,324
2026 Population	635	812	812	Change 2021-2026	17.25%	15.19%	15.19%
Change 2010-2021	48.08%	28.76%	28.76%	<b>2021 HOUSEHOLDS BY INCOME</b>			
Change 2021-2026	17.81%	18.54%	18.54%	<\$15,000	3.4%	3.2%	3.2%
<b>NUMBER OF HOUSEHOLDS</b>				\$15,000-\$24,999	7.0%	6.2%	6.2%
2000 Households	1,986	2,737	2,814	\$25,000-\$34,999	5.4%	8.0%	8.0%
2010 Households	2,454	3,226	3,230	\$35,000-\$49,999	15.1%	15.7%	15.7%
2021 Households	2,450	3,222	3,226	\$50,000-\$74,999	27.7%	27.2%	27.2%
2026 Households	2,454	3,226	3,230	\$75,000-\$99,999	17.8%	16.7%	16.7%
Change 2000-2010	23.56%	17.87%	14.78%	\$100,000-\$149,999	4.7%	3.8%	3.8%
Change 2010-2021	(0.16%)	(0.12%)	(0.12%)	\$150,000-\$199,999	8.8%	10.7%	10.7%
Change 2021-2026	0.16%	0.12%	0.12%	\$200,000 or greater	10.2%	8.6%	8.6%
<b>HOUSING UNITS (2021)</b>				<b>MEDIAN HOME VALUE</b>			
Owner Occupied	1,075	1,500	1,512	AVERAGE HOME VALUE	\$335,197	\$352,612	\$352,605
Renter Occupied	1,339	1,704	1,714	<b>HOUSING UNITS BY UNITS IN STRUCTURE</b>			
<b>HOUSING UNITS BY YEAR BUILT</b>				1, detached	628	1,001	1,005
Built 2010 or later	13	15	15	1, attached	417	515	519
Built 2000 to 2009	214	250	250	2	194	204	204
Built 1990 to 1999	175	235	235	3 or 4	290	367	370
Built 1980 to 1989	609	949	951	5 to 9	377	454	458
Built 1970 to 1979	1,048	1,260	1,261	10 to 19	244	309	309
Built 1960 to 1969	214	258	258	20 to 49	55	67	67
Built 1950 to 1959	38	104	104	50 or more	35	35	35
Built 1940 to 1949	72	77	77	Mobile home	174	251	259
Built 1939 or earlier	67	75	75	Boat, RV, van, etc.	0	0	0

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 395	north-south	Local Highway	This is within four miles of the subject property.
SURFACE STREETS	DIRECTION	FUNCTION	DISTANCE FROM SUBJECT
Azimuth Drive	north-south	Secondary Arterial	The subject property fronts this street.

Public transportation is available near the subject property. The immediate area is served by the Eastern Sierra Transit with bus stops on Azimuth Drive and Meridian Boulevard.

**Economic Factors**

Mammoth Lakes is a commuter town of Bridgeport. The economic environment is impacted by the greater economy of the Mono County. The local economy relies on retail services and small office properties. Retail presence consists of restaurants, convenience/grocery stores, big-box stores, shopping centers, 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).

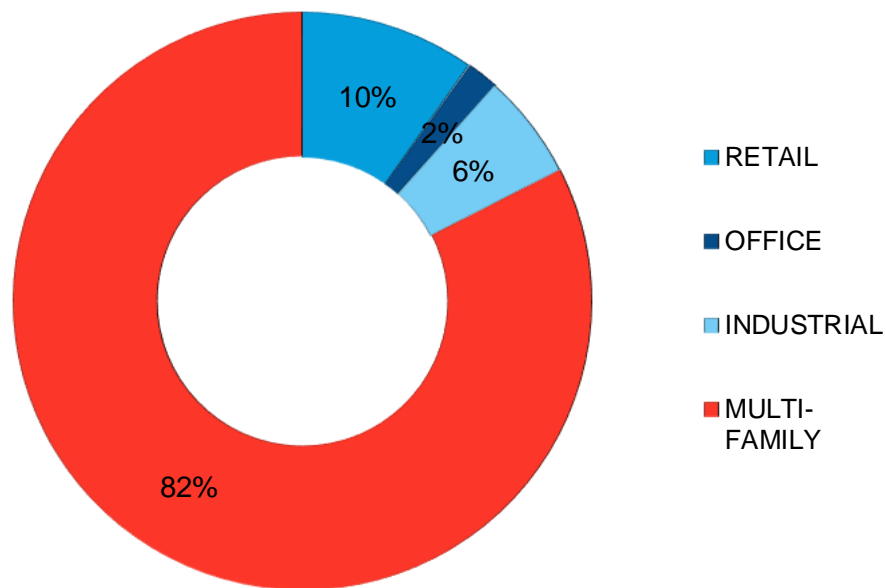
**IMMEDIATE AREA PROFILE**

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 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.

**COMMERCIAL AREA COMPOSITION**

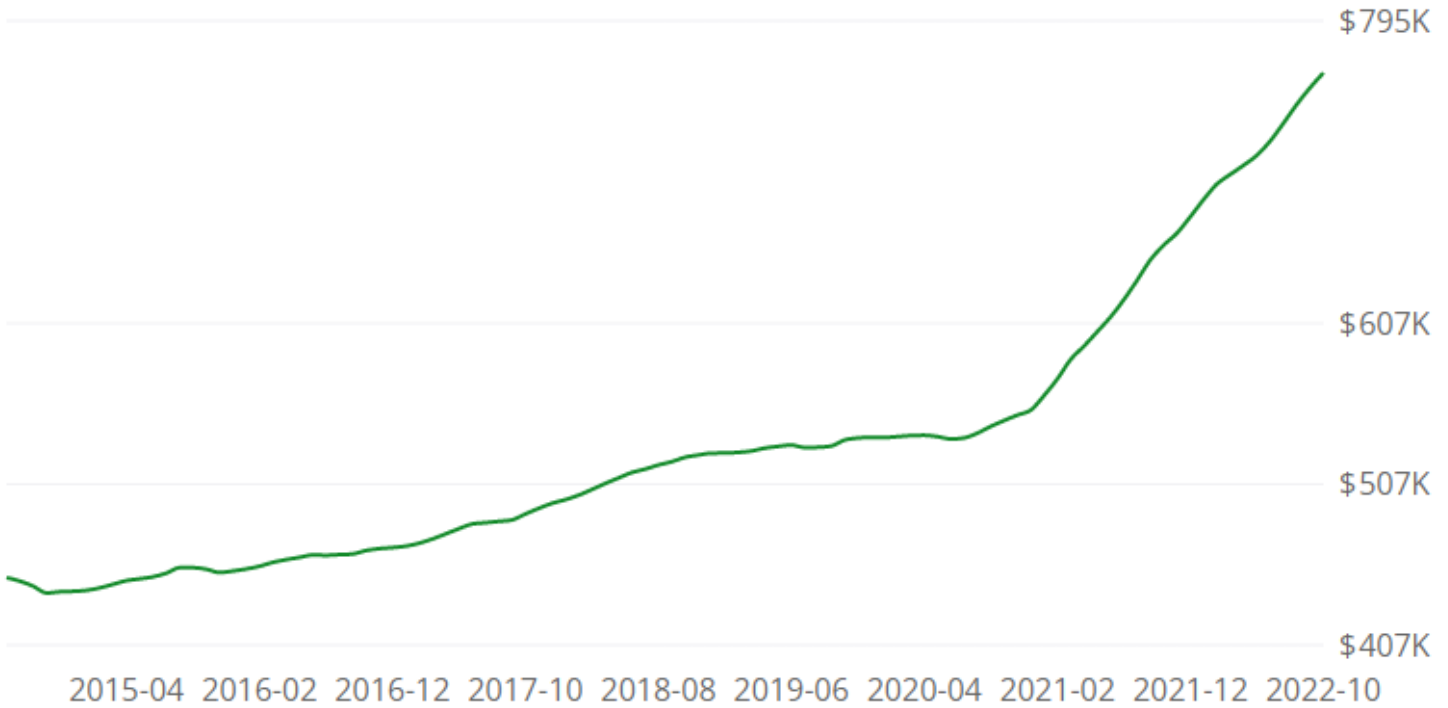


©CoStar

**Residential Development**

Residential users in the immediate area are primarily single-family residential. According to Zillow, the typical home value of homes in Grass Valley is \$763,633. This value is seasonally adjusted and only includes the middle price tier of homes. Grass Valley home values have gone up 16.3% over the past year.

➔ Mammoth Lakes



**Multi-Family Development**

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

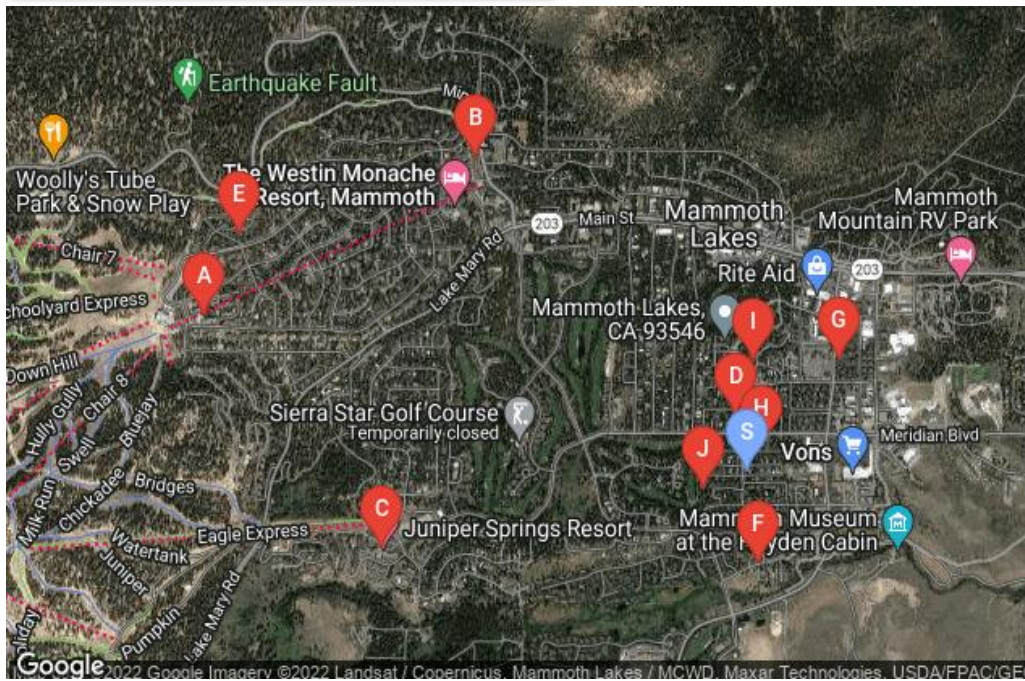
MULTI-FAMILY SUMMARY			
CLASS	PROPERTIES	NRA (SF)	AVG YR BLT
B	20	1,598,779	1980
C	19	299,219	1979
<b>TOTAL</b>	<b>39</b>	<b>1,897,998</b>	<b>1979</b>

Source: CoStar

The largest three multi-family properties are at 826 Lakeview Boulevard, 6201 Minaret Road and 4000 Meridian Boulevard with an NRA of 263,821 SF, 210,704 SF and 175,000 SF that were built in 1972, 1999 and 2000, respectively. The closest large multi-family property in proximity to the subject is at 2113 Meridian Boulevard with an NRA of 94,000 SF that was built in 1973. 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 multi-family properties in the immediate area from CoStar.

LARGEST MULTI-FAMILY PROPERTIES						
NAME	DISTANCE	MAP PIN	CLASS	NRA (SF)	STORIES	YEAR BUILT
Multi-family Building	1.6 Miles	A	B	263,821	5	1972
The Village at Mammoth	1.2 Miles	B	B	210,704	5	1999
Juniper Springs Lodge	1.1 Miles	C	B	175,000	4	2000
St. Moritz Villas	0.2 Miles	D	B	165,069	2	1974
Mammoth Ski & Racquet Club	1.6 Miles	E	C	150,000	3	1974
La Vista Blanc	0.3 Miles	F	B	122,000	1	1973
Sierra Manors Condominiums	0.4 Miles	G	B	100,000	2	1970
Horizon IV	0.1 Miles	H	B	94,000	1	1973
Multi-family Building	0.3 Miles	I	B	77,000	2	1979
The Woodlands	0.1 Miles	J	B	76,618	2	1982

Source: CoStar



**Retail Development**

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

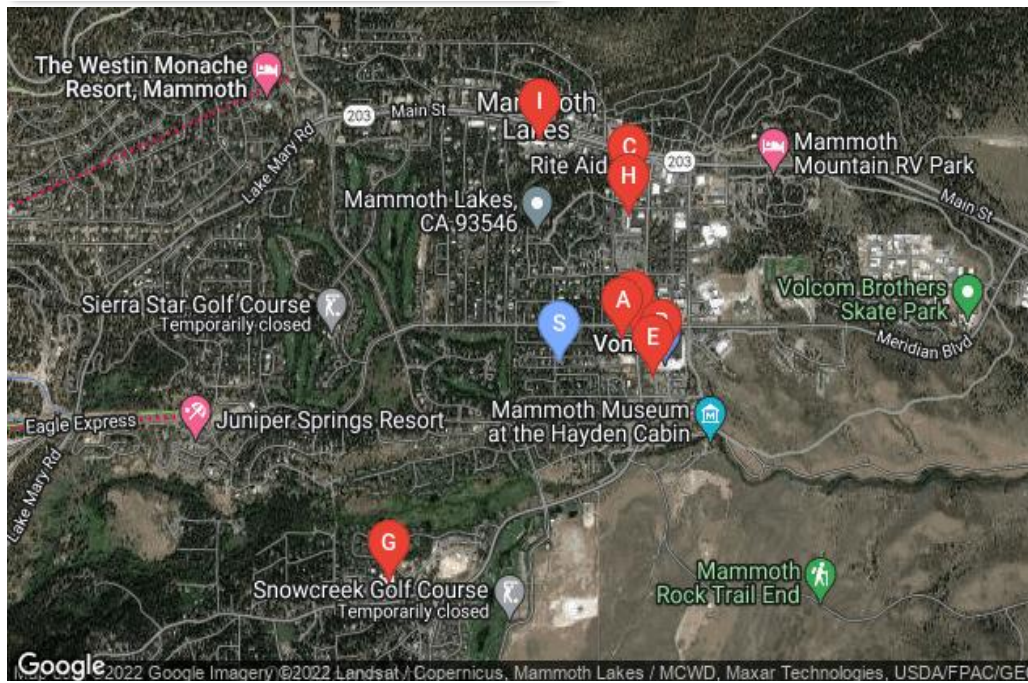
RETAIL SUMMARY					
TYPE	PROPERTIES	NRA (SF)	AVG YR BLT	OCCUPANCY	AVG RENT
General Retail	28	225,214	1975	100.0	\$18.00
<b>TOTAL</b>	<b>28</b>	<b>225,214</b>	<b>1975</b>	<b>100.0</b>	<b>\$18.00</b>

Source: CoStar

The largest three retail properties are at 452 Old Mammoth Road, 437-481 Old Mammoth Road and 26 Old Mammoth Road with an NRA of 75,785 SF, 74,061 SF and 52,000 SF that were built in 1980, 1981 and 1973, respectively. The closest large retail property in proximity to the subject is the first property which is detailed above. The majority of properties were constructed before 2000. The following chart and map show the subject property and its location relative to the nine largest retail properties in the immediate area from CoStar.

LARGEST SHOPPING CENTERS							
NAME	DISTANCE	MAP PIN	TYPE	NRA (SF)	% LEASED	YEAR BUILT	AVG RENT
Sierra Center Mall	0.2 Miles	A	Neighborhood Center	75,785	100.0	1980	N/Av
Minaret Village Mall	0.3 Miles	B	Neighborhood Center	74,061	100.0	1981	N/Av
The Gateway Center	0.5 Miles	C	Neighborhood Center	52,000	100.0	1973	N/Av
Retail Building	0.3 Miles	D	Neighborhood Center	44,425	100.0	1981	N/Av
Sherwin Professional Plaza	0.3 Miles	E	Neighborhood Center	39,000	96.3	1972	\$24.00
Publik Square	0.2 Miles	F	Strip Center	37,550	100.0	2005	N/Av
Snowcreek Athletic Club	0.8 Miles	G	General Retail	35,000	100.0	-	N/Av
The Mammoth Mall	0.5 Miles	H	Neighborhood Center	33,629	100.0	1985	N/Av
Mammoth Main Street Promenade	0.6 Miles	I	Neighborhood Center	25,000	100.0	1991	N/Av

Source: CoStar



**Office Development**

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

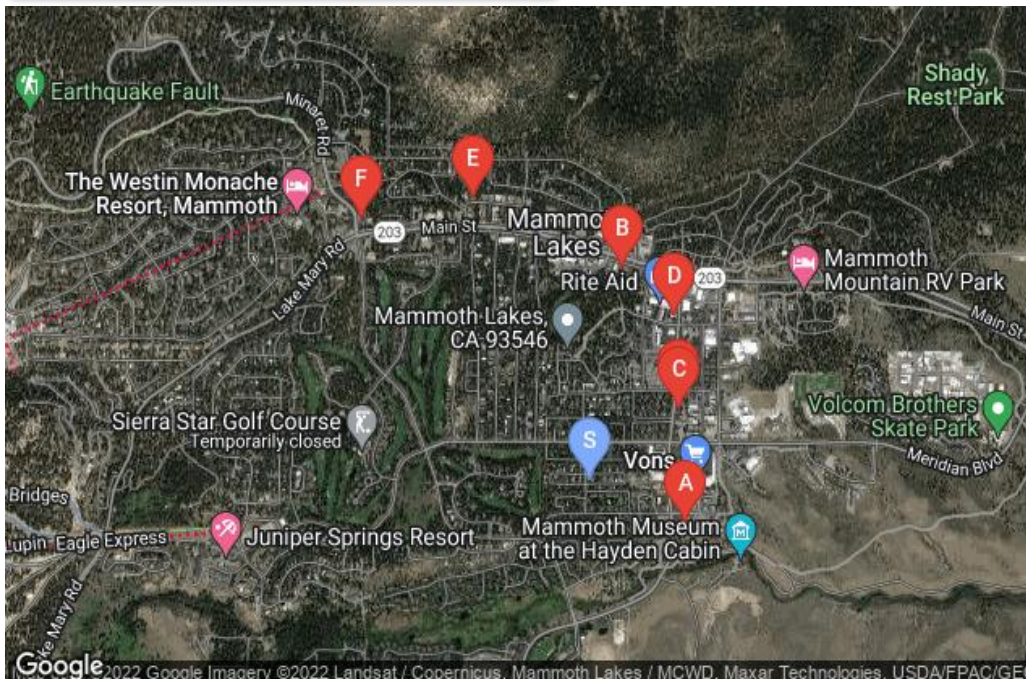
OFFICE SUMMARY					
CLASS	PROPERTIES	NRA (SF)	AVG YR BLT	OCCUPANCY	AVG RENT
B	1	6,230	1981	100.0	-
C	6	35,198	1974	100.0	-
<b>TOTAL</b>	<b>7</b>	<b>41,428</b>	<b>1975</b>	<b>100.0</b>	<b>\$0.00</b>

Source: CoStar

The largest three office properties are at 625 Old Mammoth Road, 3203 Main Street and 325 Old Mammoth Road with an NRA of 11,784 SF, 8,584 SF and 6,230 SF that were built in 1972, 1971 and 1981, respectively. The closest large office property in proximity to the subject is the first property which is detailed above. All of the properties were constructed before 2000. The following chart and map show the subject property and its location relative to the seven 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	0.3 Miles	A	C	11,784	100.0	1972	N/Av
Office Building	0.6 Miles	B	C	8,584	100.0	1971	N/Av
Rincon Professional Center	0.3 Miles	C	B	6,230	100.0	1981	N/Av
Office Building	0.5 Miles	D	C	5,764	100.0	1977	N/Av
Office Building	0.8 Miles	E	C	4,200	100.0	1976	N/Av
Office Building	1.0 Miles	F	C	2,666	100.0	-	N/Av
Office Building	0.3 Miles	G	C	2,200	100.0	-	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	10	135,627	1989	100.0	-
<b>TOTAL</b>	<b>10</b>	<b>135,627</b>	<b>1989</b>	<b>100.0</b>	<b>\$0.00</b>

Source: CoStar

The largest three industrial properties are at 120 Sierra Rock Road, 123 Commerce Drive and 66 South Industrial Circle with an NRA of 39,900 SF, 22,370 SF and 19,837 SF that were built in 1983, 1990 and 2009, respectively. The closest large industrial property in proximity to the subject is at 238 Sierra Manor Road with an NRA of 9,483 SF that was built in 1989. 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.

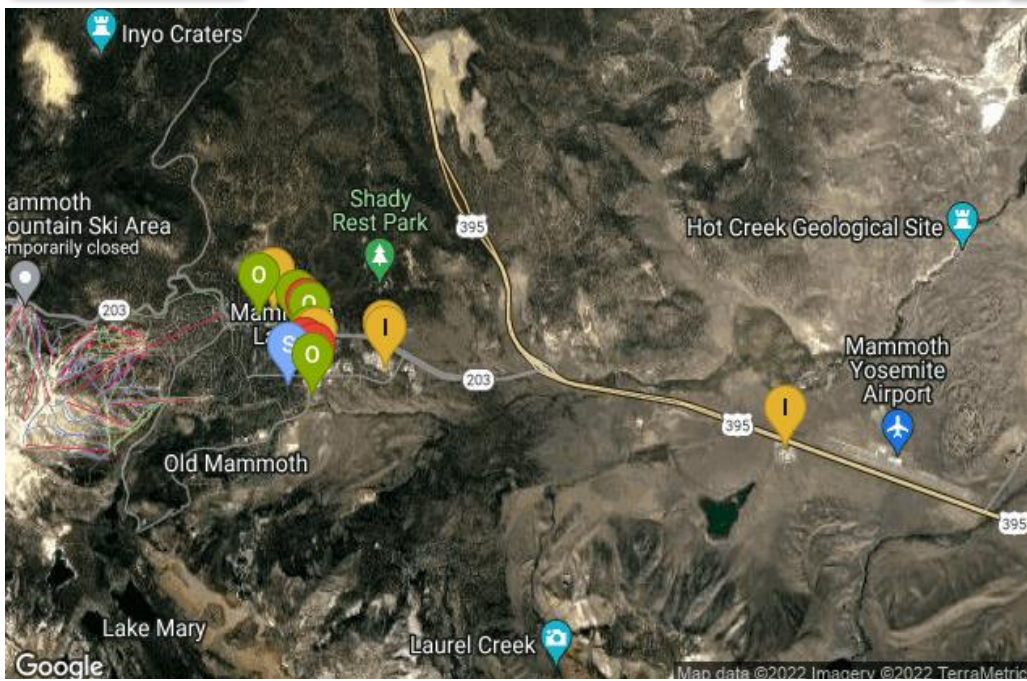
LARGEST INDUSTRIAL PROPERTIES							
NAME	DISTANCE	MAP PIN	TYPE	NRA (SF)	% LEASED	YEAR BUILT	AVG RENT
Industrial Building	0.9 Miles	A	Industrial	39,900	100.0	1983	N/Av
Mammoth Business Park	1.1 Miles	B	Industrial	22,370	100.0	1990	N/Av
Mammoth Airport Center	5.8 Miles	C	Industrial	19,837	100.0	2009	N/Av
Industrial Building	1.1 Miles	D	Industrial	19,031	100.0	1987	N/Av
Industrial Building	0.4 Miles	E	Industrial	9,483	100.0	1989	N/Av
Mammoth Recycling Center	1.1 Miles	F	Industrial	8,395	100.0	1993	N/Av
Industrial Building	1.1 Miles	G	Industrial	5,336	100.0	1986	N/Av
Industrial Building	5.9 Miles	H	Industrial	4,875	100.0	1959	N/Av
Industrial Building	1.2 Miles	I	Industrial	4,000	100.0	1994	N/Av
Industrial Building	1.0 Miles	J	Industrial	2,400	100.0	1998	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** - Azimuth Drive, Multifamily residential: Horizons IV Condominiums, Sunshine Village Condominiums
- › **South** - Azimuth Drive, Multifamily residential: Villa de los Piños Condominiums, Woodlands Condominiums
- › **East** - Multi-family residential: Mammoth Sierra, Multifamily residential neighborhood, Vacant land
- › **West** - Golf Course

### 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. Mammoth Lakes has a strategic location near notable economic hubs, with convenient connections to well-traveled transportation networks. The region's economic development has a direct influence on the town's employment base. Mammoth Lakes has a stable economy supported by ongoing residential development and the arts/entertainment/recreation sector.

**General Description** The subject site consists of 2 parcels. As noted below, the subject site has 449,616 SF (10.32 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** 2

Land Area	Acres	Square Feet
Primary Parcel	10.32	449,616
Excess Land	0.00	0
<u>Surplus Land</u>	<u>0.00</u>	<u>0</u>
<b>Total Land Area</b>	<b>10.32</b>	<b>449,616</b>

**Shape** See Multiple Parcel Chart For Breakdown

**Topography** Level at street grade

**Zoning** Mobile Home Park District (MHP)

**Drainage** Assumed Adequate

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

Street Improvements	Street	Direction	No. Lanes	Street Type	Curbs	Sidewalks	Streetslights	Center Lane	Gutters
Azimuth Drive	Secondary Street	two-way	two-lane	minor arterial					

**Frontage** The subject has approximately 60 feet of frontage on Azimuth Drive.

**Accessibility** **Average** - The subject is located within four miles of U.S. Route 395. Access to the subject is offered through two full-access driveways on Azimuth Drive.

**Exposure** **Average** - The subject has adequate exposure on Azimuth Drive, a minor arterial.

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

**Flood Zone** The subject property is located in Zone X (Unshaded). This is referenced by Community Number 060724, Panel Number 06051C1388D, dated February 18, 2011. 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.)

**Easements**

A preliminary title report was not available for review. During the 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.

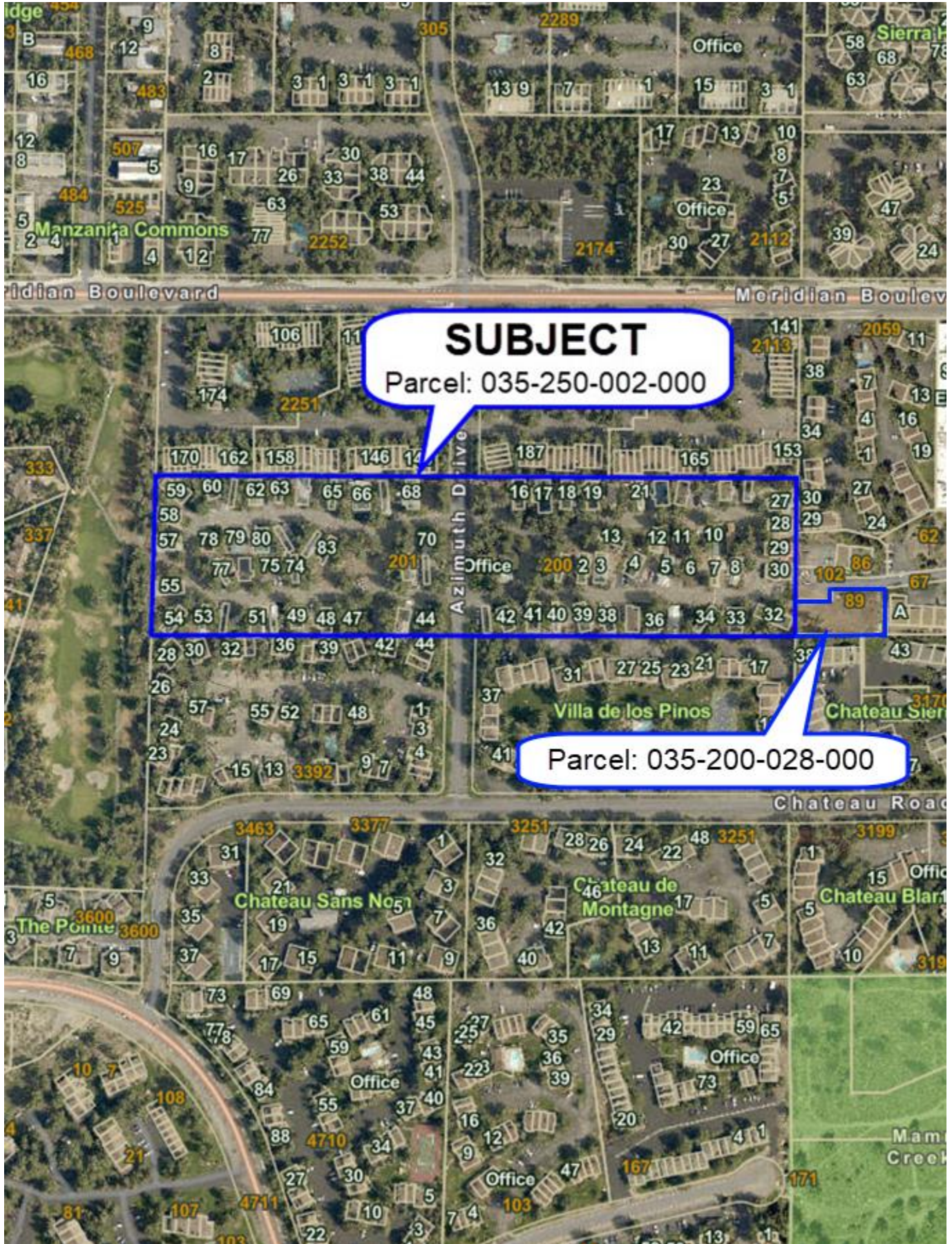
**Hazardous Waste**

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.

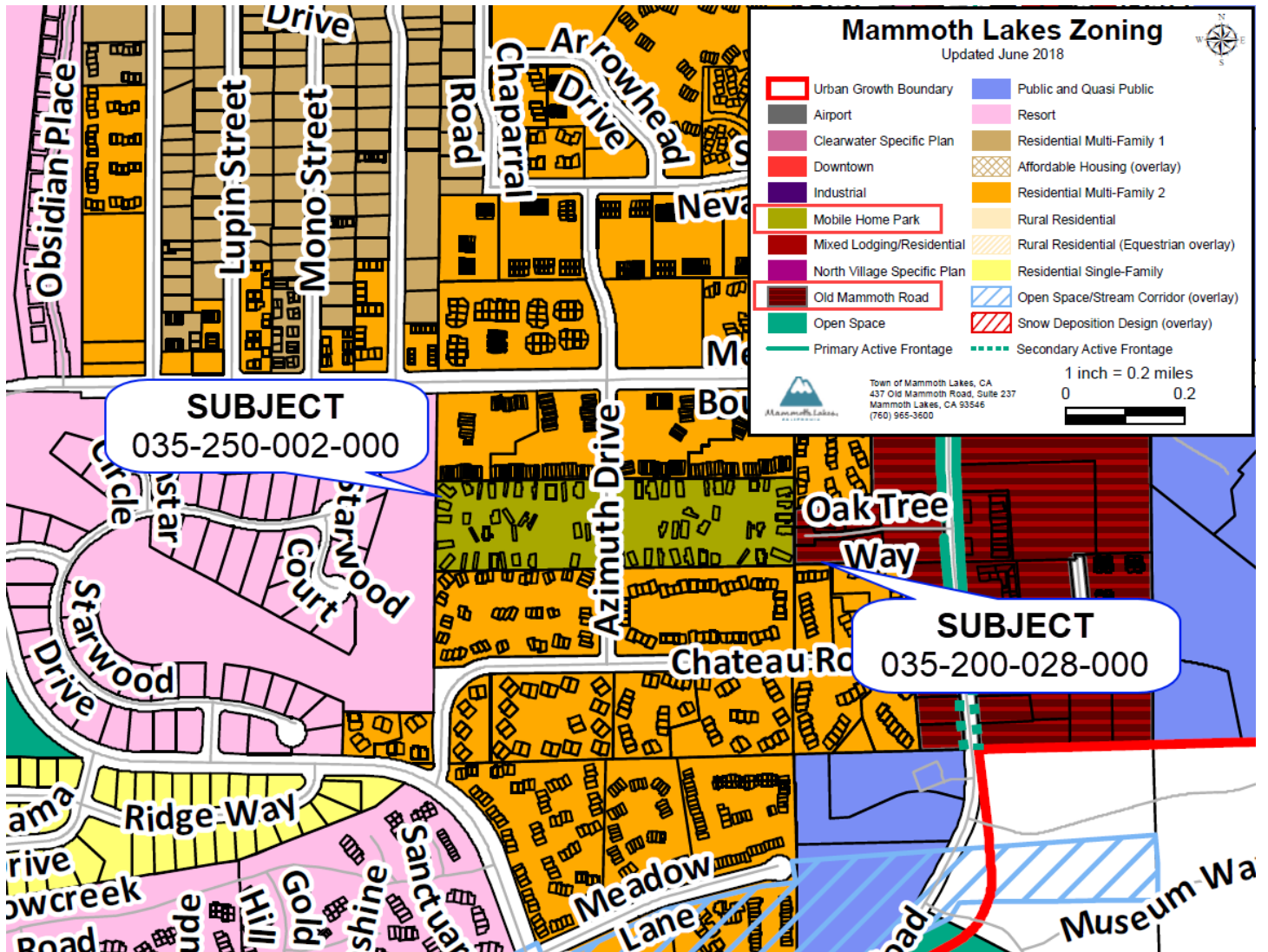
**Conclusion**

Overall, the subject site is considered an good 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.

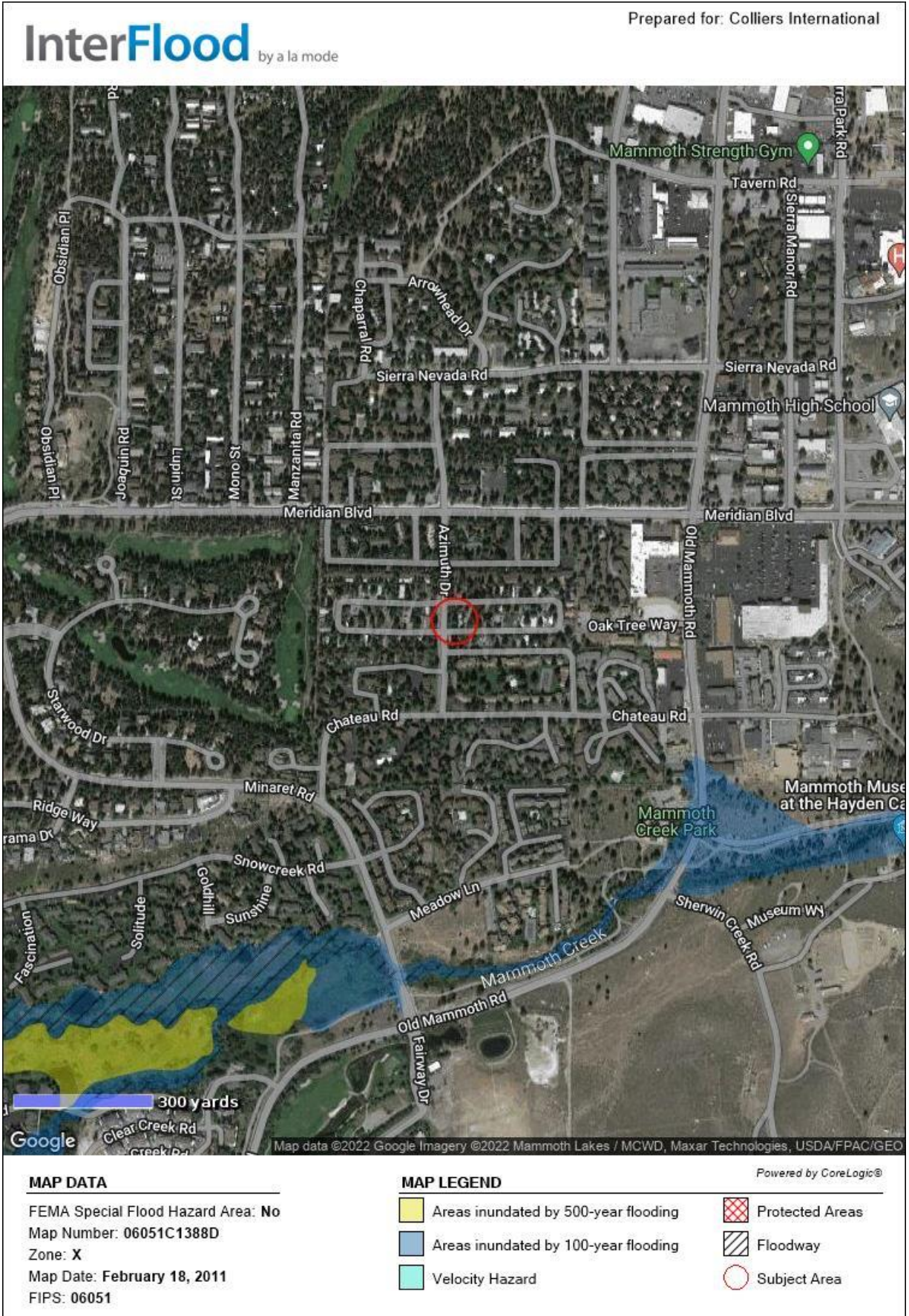
PLAT MAP



ZONING MAP

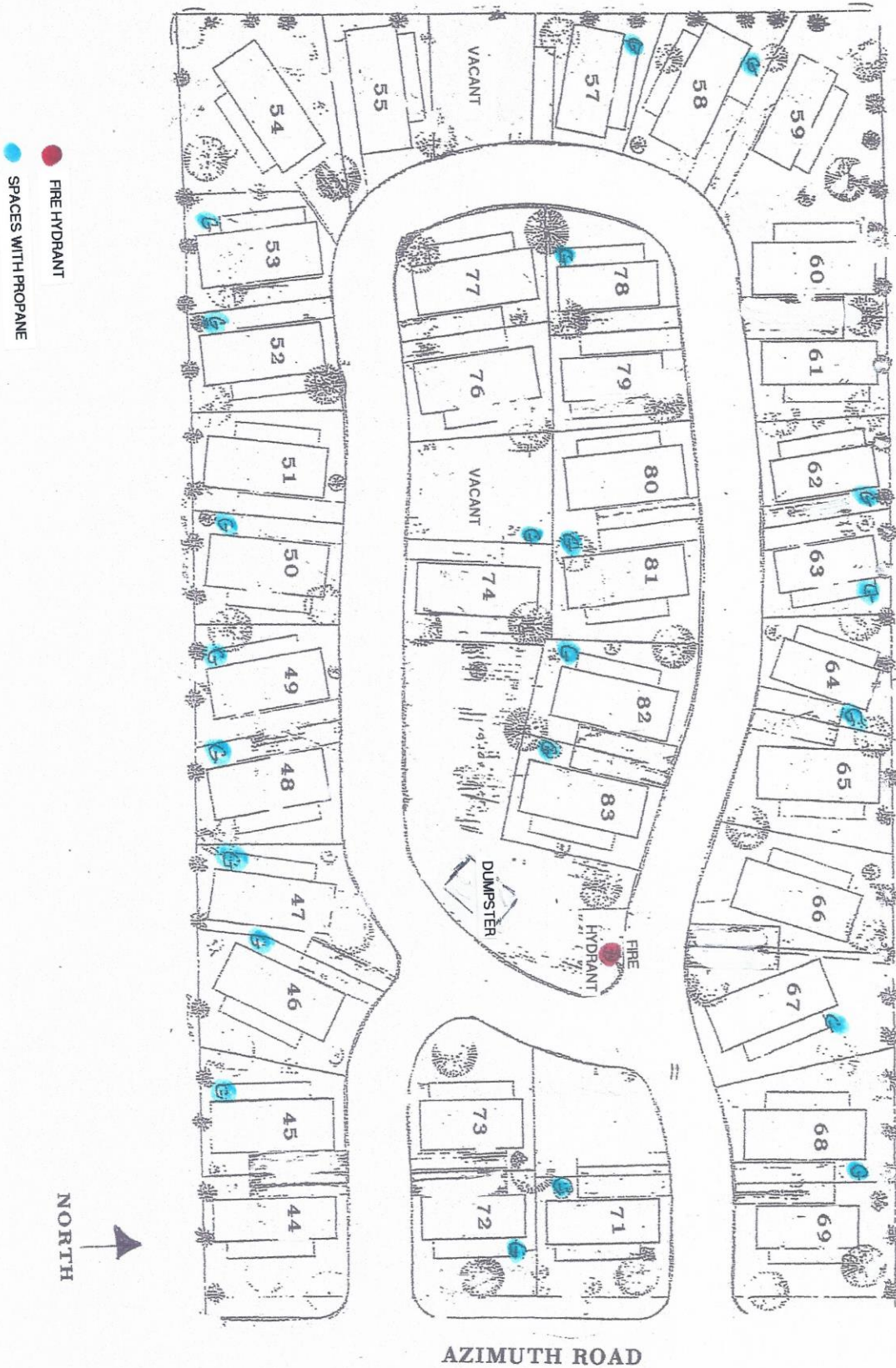


FLOOD MAP



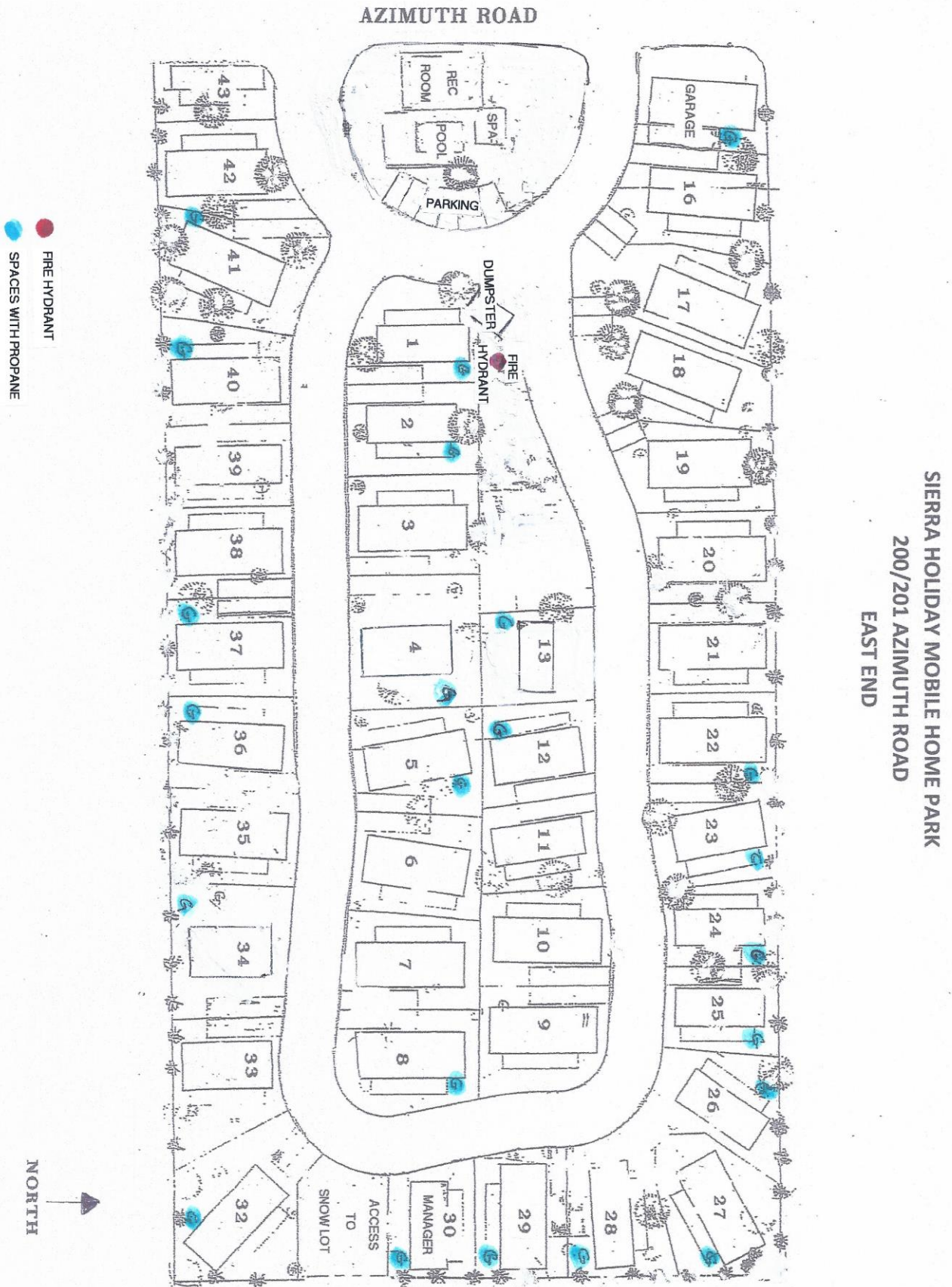
SITE PLAN

SIERRA HOLIDAY MOBILE HOME PARK  
200/201 AZIMUTH ROAD  
WEST END





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>	83
<b>Number Of Common Area Buildings</b>	2
<b>Year Built</b>	1972
<b>Age/Life Analysis</b>	
Actual Age	50 Years
Effective Age	30 Years
Economic Life	60 Years
Remaining Life	30 Years - Assuming regular maintenance and periodic capital improvements
<b>Quality</b>	Average
<b>Condition</b>	Average/Good
<b>Appeal</b>	Average/Good
<b>Marketability</b>	Average/Good
<b>Density</b>	8.0 Sites/Acre (83 Sites / 10.32 Acres)
<b>Parking Total</b>	176
Homesite Parking Spaces	166 - Concrete
Visitor Parking Spaces	10 - At Office and Clubhouse
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.

HOMESITE MIX		
HOMESITE TYPES	NO. HOMESITES	% OF TOTAL
Standard	83	100.0%
<b>TOTAL</b>	<b>83</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	YEAR BUILT	EFF. AGE	ECON. LIFE	REM. LIFE	CONSTRUCTION	QUALITY	CONDITION
Clubhouse	200 Azimuth Drive	1,500	1972	30	60	30	Wood	Average	Average/Good
Garage	200 Azimuth Drive	1,000	1972	30	60	30	Wood	Average	Average/Good
<b>TOTAL</b>		<b>2,500</b>							

**Project Amenities**

The subject's common amenities include a clubhouse and pool.



**CLUBHOUSE**



**CLUBHOUSE**



**GARAGE**



**OFFICE (PARK-OWNED HOME)**

**Laundry**

The project does not offer common laundry.

**Site Improvements**

Concrete streets

**Landscaping**

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. The subject uses a snow loader to clear snow from the roads in the winter.

**Deferred Maintenance**

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.

**Hazardous Materials**

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.

**ADA Compliance**

This analysis assumes that the subject complies with all ADA requirements. Please refer to the Assumptions and Limiting Conditions section regarding this issue.

**Conclusion**

The subject improvements are a Class B 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 Mono County. The assessed value and property tax for the current year are summarized in the following table.

ASSESSMENT & TAXES							
Tax Year	2022-2023			Tax Rate	1.144469%		
Tax Rate Area	010006			Taxes Current	Yes		
APN	LAND	IMPV	PERSONAL	TOTAL	EXEMPTIONS	TAXABLE	BASE TAX
035-250-002-000	\$909,217	\$563,596	\$17,260	\$1,490,073	\$0	\$1,490,073	\$17,053
035-200-028-000	\$248,493	\$0	\$0	\$248,493	\$0	\$248,493	\$2,844
<b>Totals</b>	<b>\$1,157,710</b>	<b>\$563,596</b>	<b>\$17,260</b>	<b>\$1,738,566</b>	<b>\$0</b>	<b>\$1,738,566</b>	<b>\$19,897</b>
ADDITIONAL TAX CHARGES							
<b>035-250-002-000</b>							
Musd Spec Assessment							\$59
Solid Waste Parcel							\$4,740
<b>035-200-028-000</b>							
Musd Spec Assessment							\$59
<b>Total Additional Tax Charges</b>							<b>\$4,858</b>
<b>Total Base Tax &amp; Additional Tax Charges</b>							<b>\$24,755</b>

Source: Mono County Assessment & Taxation

## SUBJECT PROPERTY ANALYSIS

The total taxable value for the subject property is \$1,738,566 or \$20,947/Homesite. There are no exemptions in place. Total taxes for the property are \$24,755 or \$298/Homesite.

In California, reassessments of property values occur upon the sale of a property due to the passage of Proposition 13 in July of 1978. If this has not occurred during the tax year, properties are limited to a maximum increase in assessed value of 2% per year. Taxes are based upon 1% of full cash value plus any amounts necessary to satisfy general obligation bonds or other indebtedness. In the valuation section, property taxes for the subject are estimated by applying the current tax rate to the concluded value since the stabilized property taxes are calculated by assuming a sale at market value per Proposition 13.

According to the Mono County treasurer/tax collector's Office, real estate taxes for the subject property are current as of the date of this report.

## TAX COMPARABLES

Property taxes in California are set based on market value at the time of sale rather than market value as of the current date. With real estate values generally increasing since Proposition 13 was originated in 1978, it is common for California properties that have been owned for a significant period of time to have lower real estate tax burden than a property that was recently sold. Therefore, tax comparables are not commonly used in the state of California.

**CONCLUSION**

By definition, market value assumes the sale of the property. Therefore, in estimating market value of properties in California the actual taxes are somewhat irrelevant, as a sale of a subject would trigger a reassessment. Within the Income Approach, the subject's taxes are estimated by multiplying the tax rate as shown in the table above by the concluded value via the Direct Capitalization method. The additional tax charges will also be added to the concluded Real Estate Taxes, as those charges would remain in place after a potential sale.

**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>	Town of Mammoth Lakes Planning & Zoning Department
<b>Current Zoning</b>	Mobile Home Park District (MHP)
<b>Permitted Uses</b>	Mobile Home Parks
<b>Prohibited Uses</b>	Any other use not listed as permitted nor compatible with the district purpose and intent.
<b>Current Use</b>	Mobile Home Park
<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 conforming use permitted via a design plan approval within this zone
<b>Minimum Lot Area (Acres)</b>	10
<b>Minimum Street Frontage (Feet)</b>	200
<b>Minimum Recreation Area For Each</b>	50
<b>Minimum Site Area Per Unit (SF)</b>	5,000
<b>Homesite Dimensions</b>	
<b>Minimum Homesite Area (SF)</b>	4,000
<b>Minimum Homesite Width (Feet)</b>	40
<b>Minimum Yard Setbacks</b>	
Adjoining A Street (Feet)	20
Adjoining Any Other Lot Line (Feet)	10
<b>Minimum Yard Setbacks (Homesites)</b>	
From The Boundary Of A Mobile	10
<b>Subject Density (Homesites/Acre)</b>	8.0
<b>Maximum Density (Homesites/Acre)</b>	12.0
<b>Maximum Building Height (Feet)</b>	35

<b>SUBJECT PARKING REQUIREMENT</b>			
<b>Homesite Type</b>	<b>Homesites</b>	<b>Required Spaces/Site</b>	<b>Required Spaces</b>
	83	1.00	83
<b>Required Parking Spaces</b>			<b>83</b>
<b>Parking Spaces Provided</b>			<b>176</b>

Source: Town of Mammoth Lakes Planning & Zoning Department

**ZONING CONCLUSIONS**

Based on the interpretation of the zoning ordinance, the subject property is a legal conforming use permitted via a design plan approval 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.

The 0.35 acre vacant land parcel 035-200-028-000 has a separate zoning designation of Old Mammoth Road (OMR). “The Old Mammoth Road (OMR) District is intended as an arts and culture district oriented toward medium scale commercial development along Old Mammoth Road, emphasizing community serving retail, artist

galleries, office and service uses. It is intended to encourage a mix and intensity of uses in a pedestrian-scaled environment at a scale and form that is appropriate to its neighborhood context and adjacent residential uses and forms.” Various types of commercial uses are permitted, in addition to many residential uses with the exception of single-family dwellings. Many uses are permitted outright, while others require a use permit or administrative permit.

Detailed zoning studies are typically performed by a zoning or land use expert, including attorneys, land use planners, or architects. The depth of my analysis correlates directly with the scope of this assignment, and it considers all pertinent issues that have been discovered through my 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.

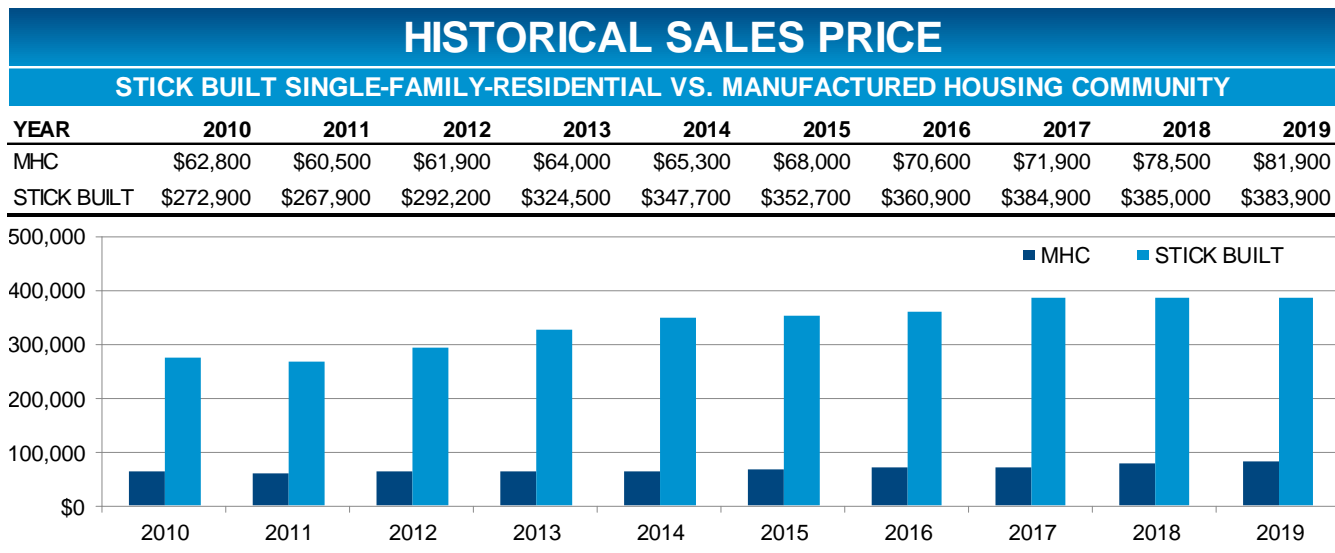
Regarding the “wind factor,” most homes are built to withstand winds of up to 70 miles per hour. Tornadoes usually have winds ranging from 112 to 200 miles per hour. Neither site-built homes nor manufactured homes are designed to withstand these excessive winds. Manufactured homes have also had the perception 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:

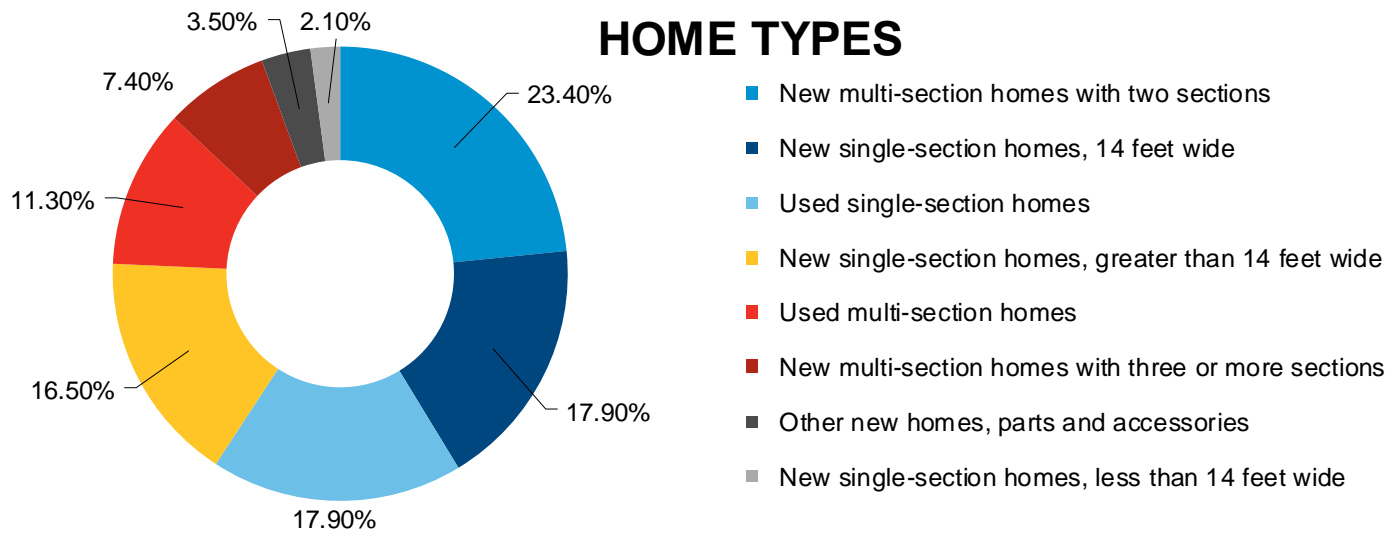


2020 data not yet released

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

MARKET SEGMENTS

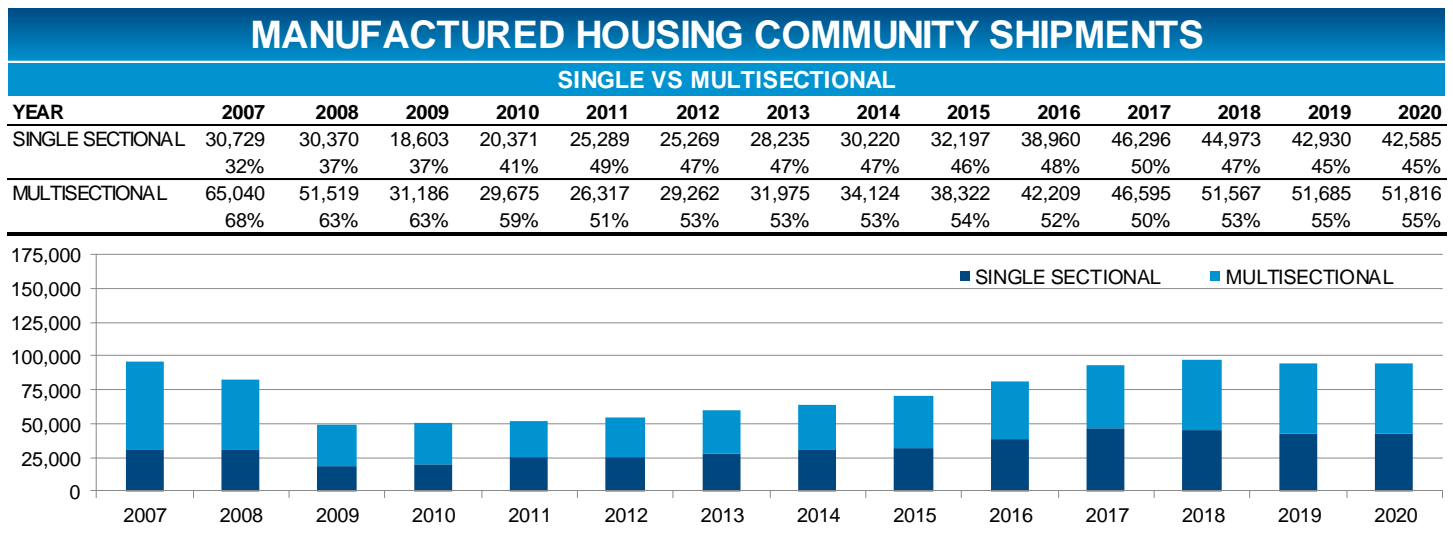
The following chart details the percentages for home sales according to type of home sold.



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

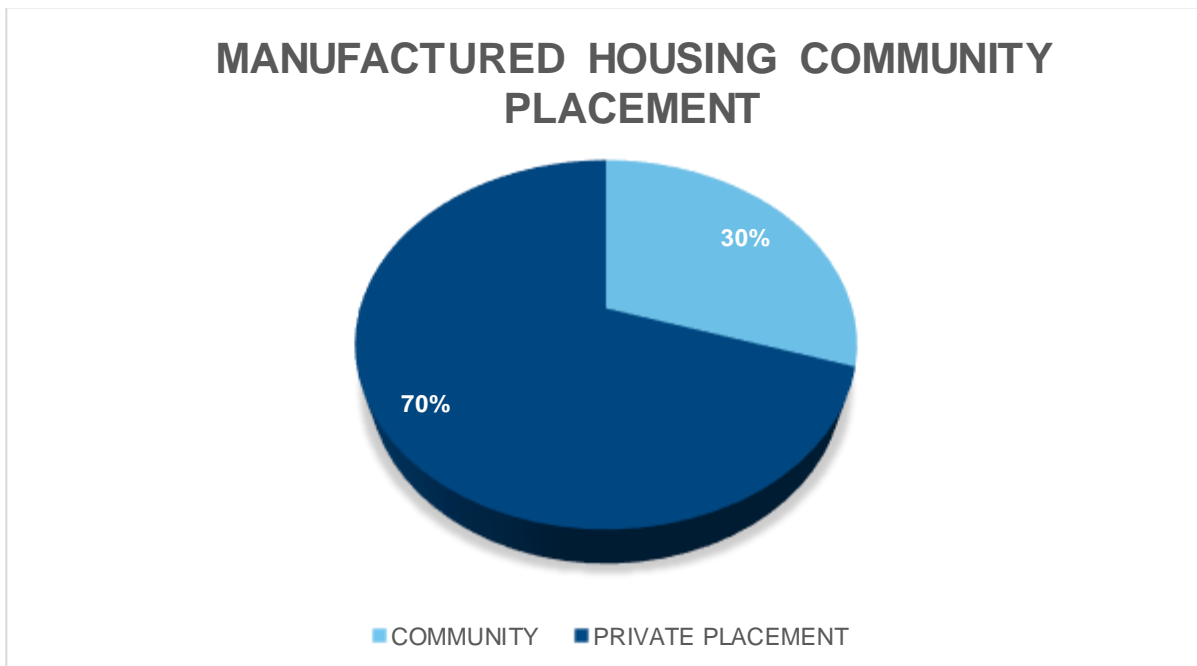
## MANUFACTURED HOUSING COMMUNITY OWNERSHIP (ALSO KNOWN AS LAND LEASE COMMUNITIES)

### 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

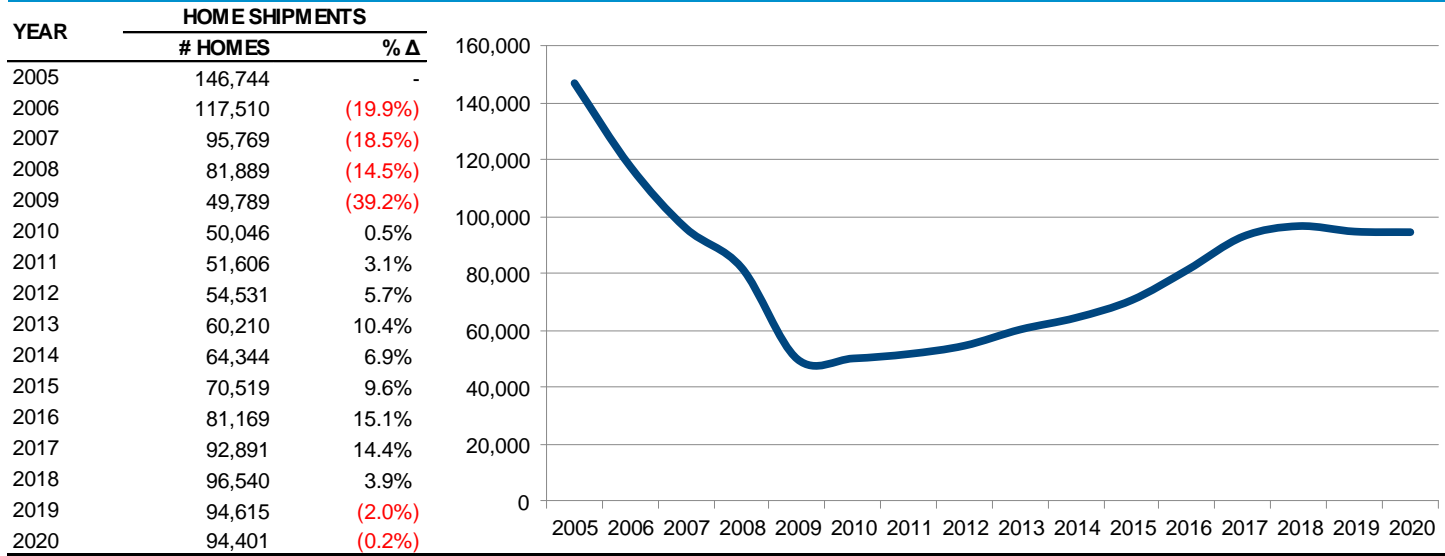
Generally, barriers to entry are considered to be significant across the US. It may be costly to purchase suitable land to begin operations. This varies between regions and is generally dependent on existing populations, infrastructure, facilities, transport, and development. Zoning is the biggest barrier 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

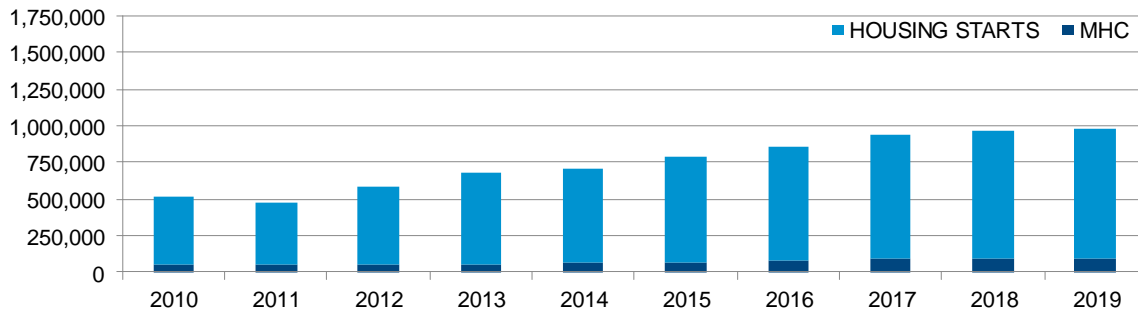
There are several factors that influence a customer's decision to lease a site within a particular manufactured home community, including

- › **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

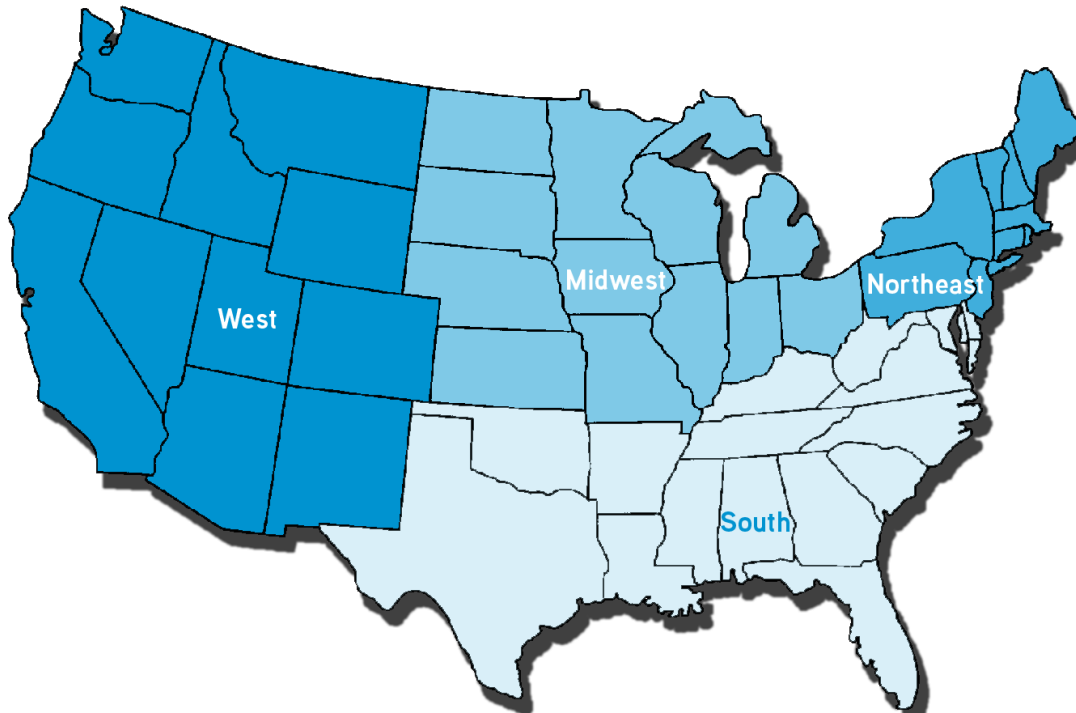
You can see the relationship between manufactured housing demonstrates the relationship overall between single family residential and manufactured housing. During the height off the housing bubble the number of shipments decreased significantly relative to new housing starts. This was also a period of 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.

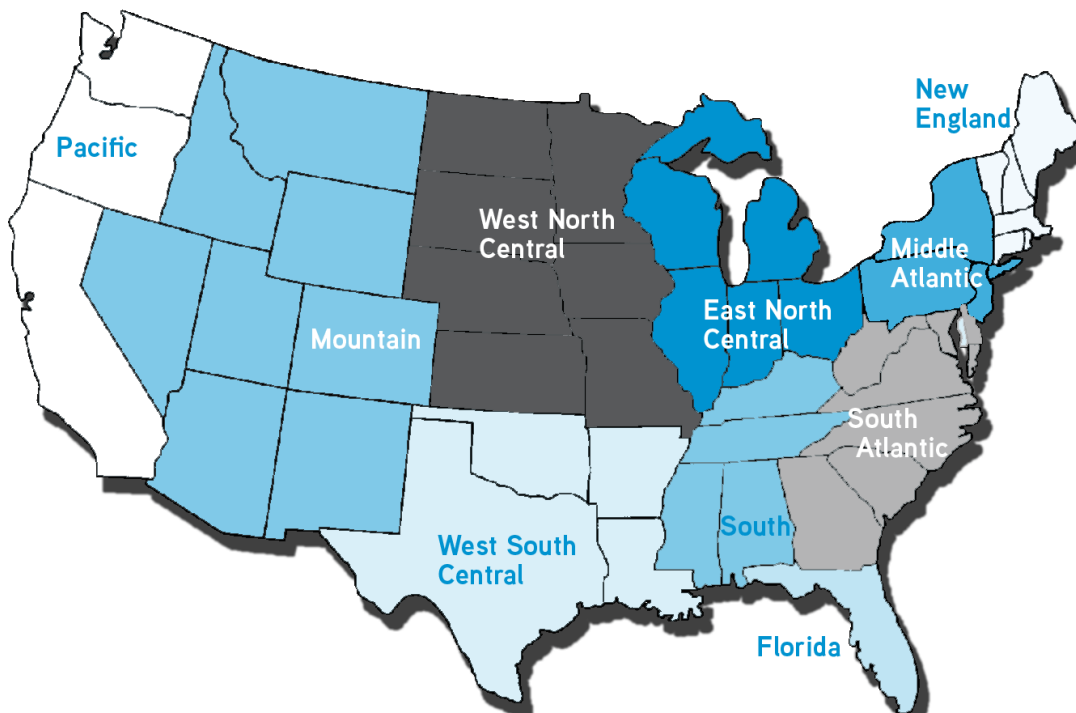
**REGIONAL ANALYSIS**

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.

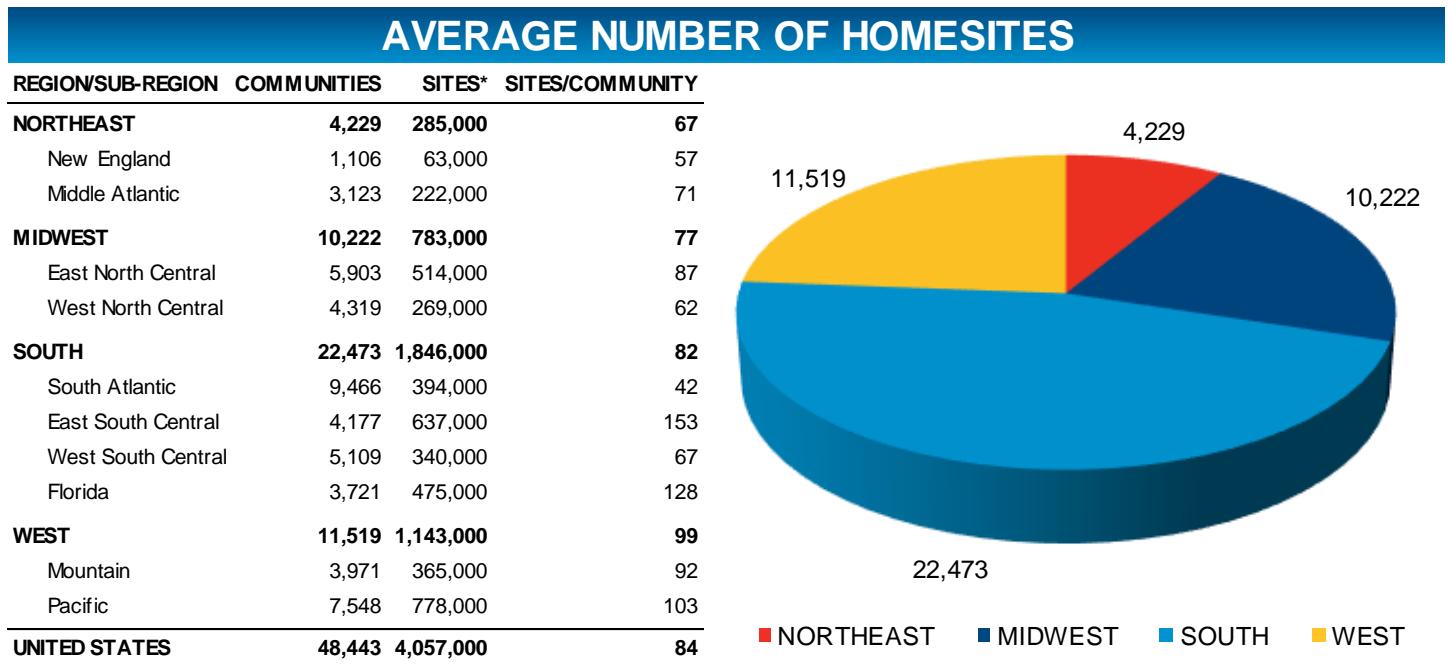
**Regions**



**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**

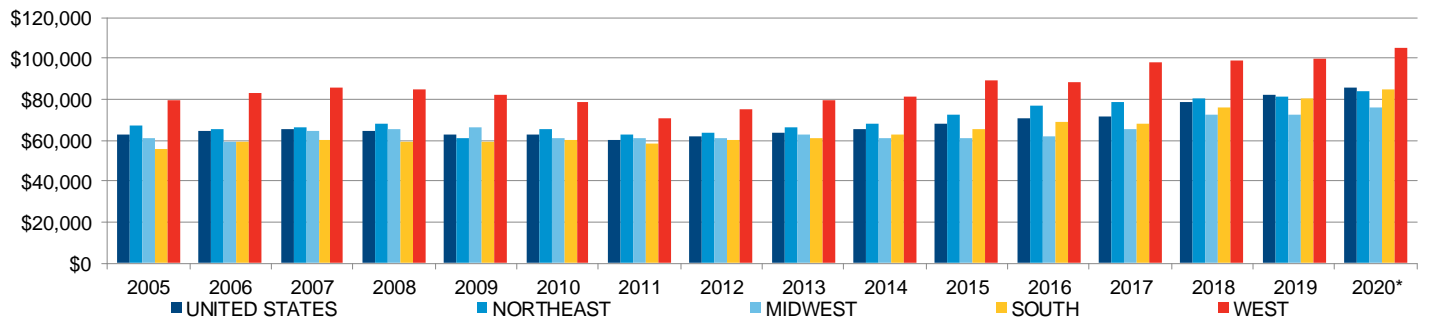
Florida has more homesites than any other state by a significant margin with over 400,000 homesites. North Carolina has ±4,100 communities but they have an average size of just 30 homesites per community.

**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															
UNITED STATES				NORTHEAST			MIDWEST			SOUTH			WEST		
YEAR	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

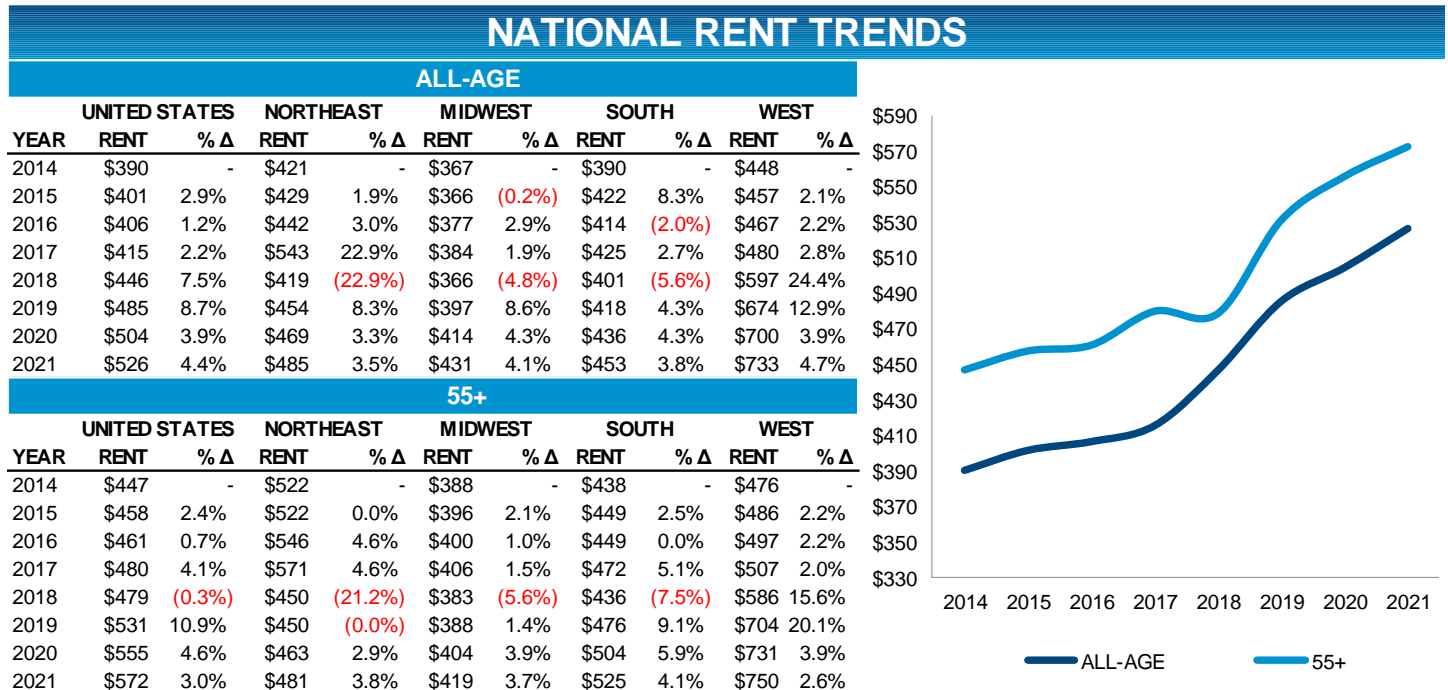
Source: U.S. Commerce Department's Census Bureau via U.S. Department of Housing and Urban Development

**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**

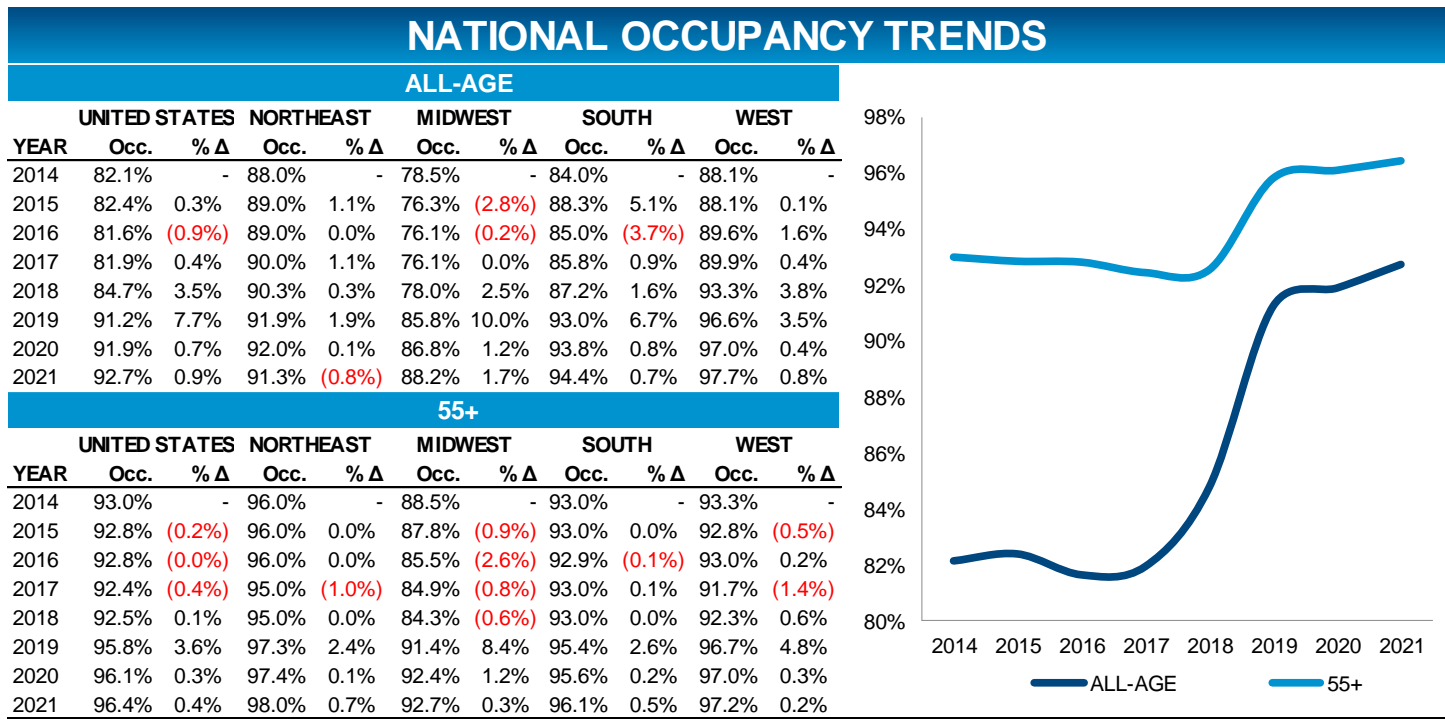
The following chart details rent trends in the different regions and nationally. The rents are also categorized by all-age versus age-restricted (55+) communities. Generally speaking age-restricted communities command higher rents. Rents have been increasing steadily over the past several years.



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.



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.

**SUPPLY**

**Existing Supply**

The majority of existing supply in the subject's immediate neighborhood has been constructed in the 1970s and earlier. The city of Mammoth Lakes only has two manufactured housing communities, including the subject. They were surveyed, in addition to parks in other nearby cities. The communities included in the vacancy survey range in size from 23 sites to 492 sites. The following chart presents manufactured home community developments that are considered to compete with the subject.

VACANCY SURVEY AS OF NOVEMBER 2022				
PROJECT	YEAR BUILT	RENTABLE HOMESITES	VACANT HOMESITES	VACANCY
Sierra Holiday Mobile Home Park	1972	83	0	0.0%
Ski Trail Mobile Home Community	1970	50	0	0.0%
Crow ley Lake Campland	1963	23	0	0.0%
Sierra Pines Mobile Home Park	1977	34	0	0.0%
Highlands Mobile Home Park	1968	492	15	3.0%
Glenwood Mobile Estates	1965	166	6	3.6%
<b>TOTAL/AVG</b>	<b>1969</b>	<b>848</b>	<b>21</b>	<b>2.5%</b>

Source: Colliers International Valuation & Advisory Services

**Proposed & Potential Supply**

According to the City of Mammoth Lakes 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**

Some property managers in the subject’s market area indicate that rents have increased annually over the past few years although some have not had consistent increases. Typical rent increases vary and are between \$15 and \$50. According to our recent survey, no concessions are currently offered in the market and have been historically rare throughout the area. Overall, rent levels are anticipated to increase at modest rates for the next few years.

**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	GLE-FAMILY HC	APARTMENTS
Bedroom/Bath Count	2/1 - 3/2 BR/BA	2/1 - 4/2 BR/BA	1 - 2 BR
Purchase Price	\$40,000	\$763,633	-
Down Payment or Deposit	\$2,000	\$152,727	One Months Rent
Amount Financed	\$38,000	\$610,906	-
Rate	8.00%	7.50%	-
Term (Years)	20	30	-
Monthly Mortgage Payment	\$318	\$4,272	-
Taxes	\$38	\$728	-
Insurance	\$25	\$60	-
Site Rent	\$1,000	-	-
<b>TOTAL MONTHLY PAYMENT*</b>	<b>\$1,381</b>	<b>\$5,060</b>	<b>\$1,800 - \$4,200</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, however rental listings are sparse. There is currently only 9 rental listing results on Zillow in Mammoth Lakes. The total cost of renting sites at the subject property is well 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 2.5% 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 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 large investment properties. There is currently moderate 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 2.5%. As of the effective date of this appraisal, the subject property is currently 100.0% occupied. Based on our analysis of supply/demand trends and considering the subject's actual performance, a general vacancy rate of 3.0% is concluded. This rate is based on the potential rental income of the rentable homesites only and is not applied to the potential rental income of the sites that are currently not in use.

### **Other Income Loss**

The subject has a total of 83 sites, but only 77 are currently rentable. The other sites are used for snow storage sites (5) and a common area site (1). All 83 sites have been included in the potential rental income conclusion, but concluded annual market rents of the six non-rentable sites (\$72,000 annually) have been deducted as income loss.

### **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 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 large investment properties. There is currently moderate 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 six 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 six 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>	Town of Mammoth Lakes Planning & Zoning Department
<b>Current Zoning</b>	Mobile Home Park District (MHP)
<b>Permitted Uses</b>	Mobile Home Parks
<b>Prohibited Uses</b>	Any other use not listed as permitted nor compatible with the district purpose and intent.
<b>Current Use</b>	Mobile Home Park
<b>Is Current Use Legally Permitted?</b>	Yes
<b>Zoning Change</b>	Not Likely

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 rectangular in shape and has level topography with average access and average exposure. The uses adjacent to the property are noted below:

- › **North** - Azimuth Drive, Multifamily Residential: Horizons IV Condominiums, Sunshine Village Condominiums
- › **South** - Azimuth Drive, Multifamily Residential: Villa De Los Piños Condominiums, Woodlands Condominiums
- › **East** - Multi-Family Residential: Mammoth Sierra, Multifamily Residential Neighborhood, Vacant Land
- › **West** - Golf Course

Given the subject's location and surrounding uses, physical and locational features best support development of a manufactured housing community 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 manufactured housing community as market conditions warrant.

## AS-IMPROVED ANALYSIS

### Legal Factors

The subject's Manufactured Housing Community use (as-improved) is currently zoned Mobile Home Park District (MHP). The existing improvements represent a legal conforming use permitted via a design plan approval within this zone. 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 1972 and have a remaining economic life of 30 years based on my estimate. The project is of average quality construction and in average/good condition, with adequate service amenities. The subject improvements as-improved are sufficiently supported by site features including its rectangular shape, level topography, average 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 10.32 acres (449,616 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, 50 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.

- **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.

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. Direct Capitalization and the EGIM method are both applicable and developed within this analysis. The resulting opinions of value are correlated into a final value by the Income Approach.

## 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.

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's 0.35 acre vacant parcel's site value is a specific scope requirement of this assignment. Characteristics specific to the subject property warrant that a site value is developed. The subject site has a vacant parcel of land that is separately marketable from the economic site that requires valuation.

## 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 & EGIM) and Sales Comparison approaches are used to value the subject property, which will be reconciled into the final opinion of market value in the Analysis of Value Conclusions section.



## INTRODUCTION

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

### Subject Income History

There is a total of 83 rentable manufactured home sites at the subject with a current occupancy of 92.8%. It is noted that the community is permitted to allow for a total of 83 sites, however five sites are designated for snow storage and one as a common area site. The rents are currently \$965/site per month for all sites. The chart below details the leasing information at the subject property.

SUBJECT LEASING INFORMATION							AS OF SEPTEMBER 2022			
HOMESITE TYPE	RENTABLE HOMESITE SUMMARY				HOMESITE PERCENT OF TOTAL	% OCCUPIED	ACTUAL RENT		RECENT LEASES	
	OCC	VACANT (RENTABLE)	VACANT (UNRENTABLE)	TOTAL			PER SITE AVERAGE	TOTAL \$/MO	PER SITE AVERAGE	TOTAL \$/MO
Standard	77	0	6	83	100.0%	93%	\$965	\$80,095	\$965	\$80,095
<b>TOTAL/AVG</b>	<b>77</b>	<b>0</b>	<b>6</b>	<b>83</b>	<b>100%</b>	<b>92.8%</b>	<b>\$965</b>	<b>\$80,095</b>		

RECENT LEASES AS OF JUNE 30, 2022 THROUGH NOVEMBER 11, 2022

We were provided a rent roll dated September 2022. The rent roll included charges for the tenants. It is noted that the rent listed includes base rent only. A complete outline of the subject's utility structure is listed below

### Subject Utility Structure

- › **Water** - Not included in the rent - directly billed from utility company
- › **Sewer** - Not included in the rent - directly billed from utility company
- › **Garbage** – Currently included in the rent - Buyer intends to pass-through 50% of this expense upon purchase
- › **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 general area. However, it is noted that there is only one competing manufactured housing community in Mammoth Lakes. We expanded our search to include communities located further from the subject property.

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

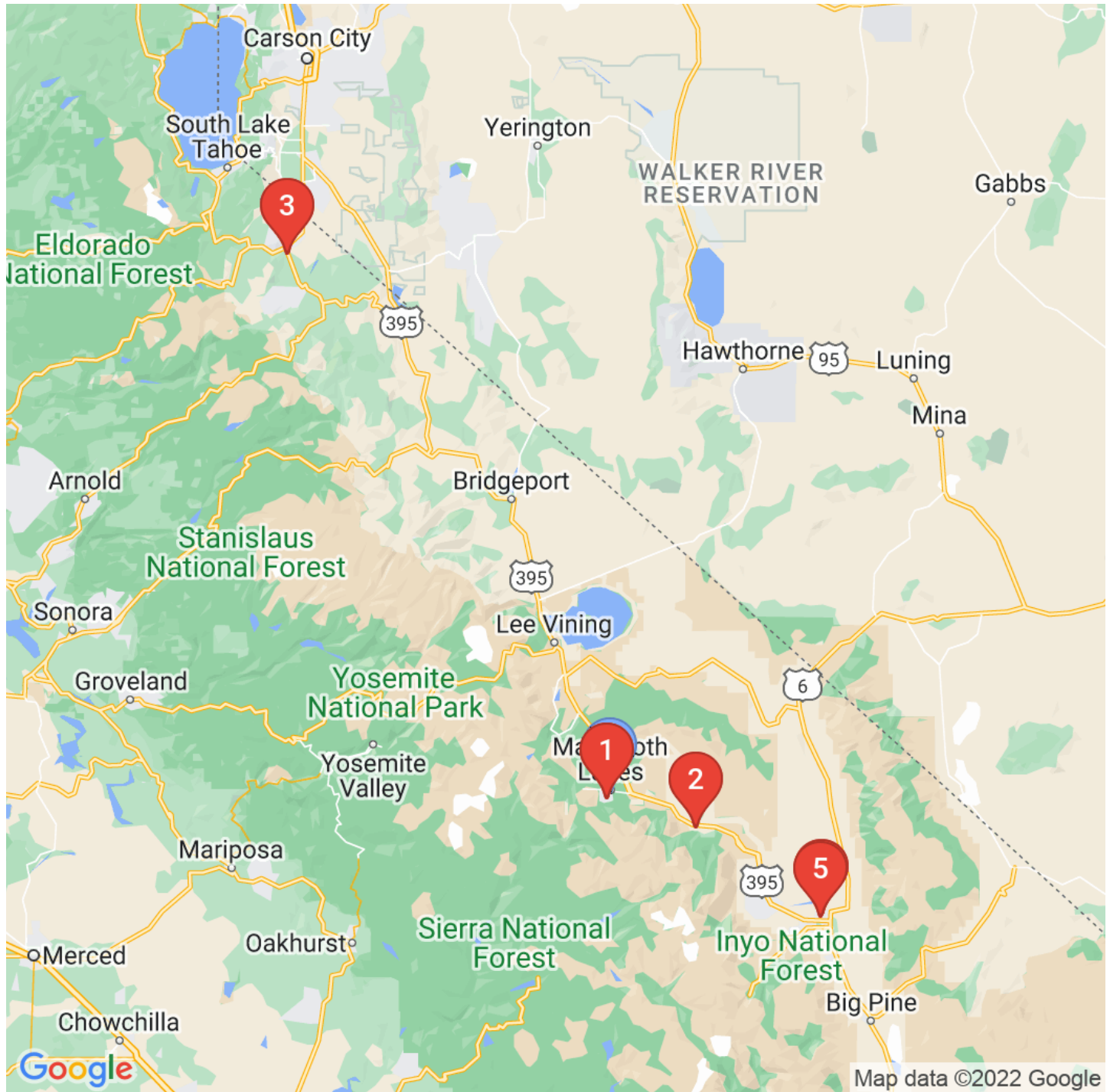
### Presentation

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
<b>Name</b>	Sierra Holiday Mobile Home Park	Ski Trail Mobile Home Community	Crow ley Lake Campland	Sierra Pines Mobile Home Park	Highlands Mobile Home Park	Glenw ood Mobile Estates
<b>Address</b>	200 Azimuth Drive	100 Ski Trails Rd	4107 Crow ley Lake Drive	19750 State Route 89	1617 Macgregor Ave	1440 Glenw ood Ln
<b>City</b>	Mammoth Lakes	Mammoth Lakes	Crow ley Lake	Markleeville	Bishop	Bishop
<b>State</b>	CA	CA	CA	CA	CA	CA
<b>Zip</b>	93546	93546	93546	96120	-	-
PHYSICAL INFORMATION						
<b>Resident Type</b>	All Age	All Age	All Age	All Age	All Age	All Age
<b>Homesites</b>	83	50	23	34	492	166
<b>Year Built</b>	1972	1970	1963	1977	1968	1965
RENT INFORMATION						
<b>Occupancy</b>	92.8%	100.0%	100.0%	100.0%	97.0%	96.4%
<b>\$/Homesite Avg</b>	\$965	\$1,100	\$591	\$724	\$700	\$678

RENT COMPARABLE LOCATION MAP



COMPARABLE KEY

COMP	DISTANCE	NAME	ADDRESS	OCC %	\$/SITE AVG
SUBJECT	-	Sierra Holiday Mobile Home	200 Azimuth Drive, Mammoth Lakes, CA	92.8%	\$965
No. 1	0.9 Miles	Ski Trail Mobile Home Comm	100 Ski Trails Rd, Mammoth Lakes, CA	100.0%	\$1,100
No. 2	13.4 Miles	Crow ley Lake Campland	4107 Crow ley Lake Drive, Crow ley Lake, CA	100.0%	\$591
No. 3	89.9 Miles	Sierra Pines Mobile Home Pa	19750 State Route 89, Markleeville, CA	100.0%	\$724
No. 4	35.2 Miles	Highlands Mobile Home Park	1617 Macgregor Ave, Bishop, CA	97.0%	\$700
No. 5	35.2 Miles	Glenw ood Mobile Estates	1440 Glenw ood Ln, Bishop, CA	96.4%	\$678

## COMPARABLE 1

### LOCATION INFORMATION

Name Ski Trail Mobile Home Community  
 Address 100 Ski Trails Rd  
 City, State, Zip Code Mammoth Lakes, CA, 93546

### PHYSICAL INFORMATION

Project Design Manufactured Housing  
 Number of Units 50  
 Year Built 1970  
 Resident Type All Age  
 Location Good  
 Quality Average  
 Condition Average/Good  
 Appeal Average/Good

Amenities None



### SKI TRAIL MOBILE HOME COMMUNITY

#### OCCUPANCY

Vacant Units 0  
 Occupancy Rate 100%

#### CONFIRMATION

Name Jon Stewart  
 Source Ski Trail Mobile Home Community  
 Date 11/15/2022  
 Phone Number +1 760 709 1780

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

#### REMARKS

Ski Trail Mobile Home Community is located in Mammoth Lakes, CA. It is located just a couple mile drive from Mammoth Mountain ski resort. HCD reports 61 total homesites, however the manager (Jon) reports that only 50 are considered rentable. The remainder are used for snow storage. The park's rentable sites have consistently remained 100% occupied and are currently renting for a range of \$1,000 to \$1,200 per month. Trash and snow removal are included in the rent. The other utilities are directly billed to the tenants by the utility providers.

#### UNIT MIX

DESCRIPTION	SITES	LOW	HIGH	AVG RENT
Standard	50	\$1,000	\$1,200	\$1,100

## COMPARABLE 2

### LOCATION INFORMATION

Name Crowley Lake Campland  
 Address 4107 Crowley Lake Drive  
 City, State, Zip Code Crowley Lake, CA, 93546

### PHYSICAL INFORMATION

Project Design Manufactured Housing  
 Number of Units 23  
 Year Built 1963  
 Resident Type All Age  
 Location Average  
 Quality Average  
 Condition Average  
 Appeal Average

Amenities Laundry Room



### CROWLEY LAKE CAMPLAND

#### OCCUPANCY / ABSORPTION

Vacant Units 0  
 Occupancy Rate 100%

#### CONFIRMATION

Name Greg Jennison  
 Source Crowley Lake Campland  
 Date 11/15/2022  
 Phone Number +1 760 935 4343

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

#### UNIT MIX

DESCRIPTION	UNITS	LOW	HIGH	AVG RENT
Standard	20	\$500	\$500	\$500
Single Family Reside	1			\$1,600
Apartment	2			\$1,000

#### REMARKS

Crowley Lake Campland is a mobile home/RV park that is located south off of highway 395, roughly a two mile drive south of Lake Crowley. The owner (Greg) reported that there are roughly 20 sites used for either mobile homes or RVs, as well as a 2bd/1ba single family residence, and 2 studio apartment units. The mobile home and RV sites rent for \$500 per month. HCD reports 55 available sites, but the owner said that they downsized the park years back. Water, sewer, and trash are included in the rent.

**COMPARABLE 3**

**LOCATION INFORMATION**

Name Sierra Pines Mobile Home Park  
 Address 19750 State Route 89  
 City, State, Zip Code Markleeville, CA, 96120

**PHYSICAL INFORMATION**

Project Design Manufactured Housing  
 Number of Units 34  
 Year Built 1977  
 Resident Type All Age  
 Location Average  
 Quality Average  
 Condition Average  
 Appeal Average

Amenities None



**SIERRA PINES MOBILE HOME PARK**

**OCCUPANCY / ABSORPTION**

Vacant Units 0  
 Occupancy Rate 100%

**CONFIRMATION**

Name Rand Hoffman  
 Source CPX  
 Date 11/15/2022  
 Phone Number +1 503 210 4071

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

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

**UNIT MIX**

DESCRIPTION	UNITS	LOW	HIGH	AVG RENT
Standard	30			\$717
Apartment	1			\$1,000
RV	3			\$700

**REMARKS**

Sierra Pines Mobile Home Park is located in Markleeville, CA. According to the rent roll, there are 30 mobile home and 3 RV sites, although HCD only shows 30 mobile home sites permitted. There is also an apartment that is occupied by the manager and a c-store with a gas pump. The property is currently listed for sale. No utility reimbursements are reported on the income schedule. 24 out of the 30 mobile home sites have park-owned homes. The rents reported are for the tenant-owned spaces only.

## COMPARABLE 4

### LOCATION INFORMATION

Name Highlands Mobile Home Park  
 Address 1617 Macgregor Ave  
 City, State, Zip Code Bishop, CA, 00000

### PHYSICAL INFORMATION

Number of Units 492  
 Year Built 1968  
 Resident Type All Age  
 Location Average  
 Quality Average  
 Condition Average/Good  
 Appeal Average



### HIGHLANDS MOBILE HOME PARK

#### OCCUPANCY / ABSORPTION

Vacant Units 15  
 Occupancy Rate 97%

#### CONFIRMATION

Name Kathy  
 Source Highlands Family Mobile  
 Date 11/15/2022  
 Phone Number +1 760 934 3822

Amenities Asphalt Streets, Carports, Clubhouse,  
 Laundry Room, Parking Driveway, Spa,  
 Street Lights, Swimming Pool, Playground,  
 Clubhouse (1) and Pool (1)

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

#### REMARKS

Highland Mobile Home Park is a larger park in Bishop, CA. The office assistant did not know the exact amount of sites, but HCD reports that 492 sites are permitted. The park has an all-age portion and senior (55+) portion. The senior spaces are slightly more expensive by around \$5 per month. Management plans to increase monthly rents by about \$25 per month at the beginning of 2023. Management charges roughly \$30 more per month for double and triple-wide sites versus single-wide. Water, sewer, and trash are included in the rent.

### UNIT MIX

DESCRIPTION	UNITS	LOW	HIGH	AVG RENT
Standard	492	\$670	\$730	\$700

## COMPARABLE 5

### LOCATION INFORMATION

Name Glenw ood Mobile Estates  
 Address 1440 Glenw ood Ln  
 City, State, Zip Code Bishop, CA, 00000

### PHYSICAL INFORMATION

Project Design Manufactured Housing  
 Number of Units 166  
 Year Built 1965  
 Resident Type All Age  
 Location Average  
 Quality Average  
 Condition Average  
 Appeal Average

Amenities Asphalt Streets, Curbs, Gutters, Playground,  
 Street Lights, Laundry Room



### GLENWOOD MOBILE ESTATES

#### OCCUPANCY / ABSORPTION

Vacant Units 6  
 Occupancy Rate 96%

#### CONFIRMATION

Name Kelly  
 Source Glenw ood Mobile Estates  
 Date 11/15/2022  
 Phone Number +1 760 873 5452

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

#### REMARKS

Glenw ood Mobile Estates is an all-age park with single, double, and triple-wide mobile home spaces. The same rent is charged for each homesite type. There is also one single-family residence. Rents include w ater, sew er, and garbage. There is currently 6 vacant sites. The property has good access and exposure along highw ay 395.

### UNIT MIX

DESCRIPTION	UNITS	LOW	HIGH	AVG RENT
Standard	165	\$676	\$676	\$676
Single Family Reside	1	\$950	\$950	\$950



## 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. Please note that currently garbage is included in the rent, but the buyer intends to pass-through 50% of this expense upon purchase.

RENT COMPARABLE ADJUSTMENT TABLE												
	\$ ADJ.	SUBJECT	COMP 1	COMP 2	COMP 3	COMP 4	COMP 5					
<b>PHYSICAL PROJECT FEATURES</b>												
Location	-	Good	Good	Average	Average	Average	Average	Average	Average	Average	Average	Average
Appeal	-	Average/Good	Average/Good	Average	Average	Average	Average	Average	Average	Average	Average	Average
Condition	-	Average/Good	Average/Good	Average	Average	Average	Average	Average	Average/Good	Average	Average	Average
<b>Physical Subtotal Adjustment</b>			\$0	\$40	\$40	\$40	\$30	\$40				
<b>PROJECT AMENITIES</b>												
Clubhouse	\$5	1	0	\$5	0	\$5	0	\$5	1	\$0	0	\$5
Pool	\$5	1	0	\$5	0	\$5	0	\$5	1	\$0	0	\$5
<b>Project Amenities Subtotal Adjustment</b>			\$10	\$10	\$10	\$10	\$0	\$10				
<b>UTILITIES INCLUDED IN RENT</b>												
Electricity	\$30	No	No	\$0	No	\$0	No	\$0	No	\$0	No	\$0
Water	\$15	No	No	\$0	Yes	(\$15)	Yes	(\$15)	Yes	(\$15)	Yes	(\$15)
Sewer	\$15	No	No	\$0	Yes	(\$15)	Yes	(\$15)	Yes	(\$15)	Yes	(\$15)
Garbage	\$20	No	Yes	(\$20)	Yes	(\$20)	Yes	(\$20)	Yes	(\$20)	Yes	(\$20)
Gas	\$15	No	No	\$0	No	\$0	No	\$0	No	\$0	No	\$0
Cable	\$10	No	No	\$0	No	\$0	No	\$0	No	\$0	No	\$0
<b>Utilities Subtotal Adjustment</b>			(\$20)	(\$50)	(\$50)	(\$50)	(\$50)	(\$50)				(\$50)
<b>TOTAL ADJUSTMENTS</b>			(\$10)	\$0	\$0	\$0	(\$20)	\$0				\$0

## RENT COMPARABLE ADJUSTMENT GRID

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

## RENT COMPARABLE ADJUSTMENT SUMMARY

COMPARABLE 1	NO. HOMESITES	EFF. RENT \$/HOMESITE	ADJUSTMENTS				TOTAL ADJ	ADJUSTED \$/HOMESITE
			PHYSICAL	PROJECT	PARKING	UTILITES		
Standard	50	\$1,100	\$0	\$10	\$0	(\$20)	(\$10)	\$1,090
<b>COMPARABLE 2</b>								
Standard	20	\$500	\$40	\$10	\$0	(\$50)	\$0	\$500
Single Family Residence	1	\$1,600	\$40	\$10	\$0	(\$50)	\$0	\$1,600
Apartment	2	\$1,000	\$40	\$10	\$0	(\$50)	\$0	\$1,000
<b>COMPARABLE 3</b>								
Standard	30	\$717	\$40	\$10	\$0	(\$50)	\$0	\$717
Apartment	1	\$1,000	\$40	\$10	\$0	(\$50)	\$0	\$1,000
RV	3	\$700	\$40	\$10	\$0	(\$50)	\$0	\$700
<b>COMPARABLE 4</b>								
Standard	492	\$700	\$30	\$0	\$0	(\$50)	(\$20)	\$680
<b>COMPARABLE 5</b>								
Standard	165	\$676	\$40	\$10	\$0	(\$50)	\$0	\$676
Single Family Residence	1	\$950	\$40	\$10	\$0	(\$50)	\$0	\$950

## 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.

STANDARD HOMESITE CONCLUSION				
COMP	HOMESITE TYPE	RENT/MONTH	ADJUSTED RENT/MONTH	NET
		\$/HOMESITE	\$/HOMESITE	ADJUSTMENT %
2	Standard	\$500	\$500	0.0%
5	Standard	\$676	\$676	0.0%
4	Standard	\$700	\$680	-2.9%
3	Standard	\$717	\$717	0.0%
1	Standard	\$1,100	\$1,090	-0.9%
<b>LOW</b>		\$500	\$500	-2.9%
<b>HIGH</b>		\$1,100	\$1,090	0.0%
<b>AVERAGE</b>		\$739	\$733	-0.8%
<b>MEDIAN</b>		\$700	\$680	0.0%
SUBJECT ANALYSIS & CONCLUSIONS				
HOME SITES	HOMESITE TYPE	ACTUAL RENT		CONCLUDED RENT
		\$/HOMESITE		\$/HOMESITE
83	Standard	\$965		\$1,000

The rent comparables unadjusted rent per month ranges from \$500 to \$1,100 with an average rent of \$739. The rent comparables adjusted rent per month ranges from \$500 to \$1,090 with an average rent of \$733. There are 83 subject units for this unit type. The comparables presented bracket the subject's rents. Overall, greatest emphasis is given to Comp 1, considering it is the only other mobile home park located within Mammoth Lakes, CA. Mammoth Lakes is a superior market and commands higher rents. Comp 1 is fairly similar in terms of location, quality, and tenant appeal. A rent conclusion reconciled between the subject's current rents and Comp 1's average rents is supported. An average rent of \$1,000 per homesite is considered highly achievable over the next 12 months.

## 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.

POTENTIAL GROSS INCOME								
HOMESITE TYPE	TOTAL HOMESITES	RENTABLE HOMESITES	ACTUAL RENT (RENTABLE HOMESITES)			CONCLUDED MARKET RENT (TOTAL HOMESITES)		
			\$/SITE (MO.)	MONTH	ANNUAL	\$/SITE (MO.)	MONTH	ANNUAL
Standard	83	77	\$965	\$891,660	\$10,699,920	\$1,000	\$83,000	\$996,000
<b>TOTAL</b>	<b>83</b>	<b>77</b>	<b>\$965</b>	<b>\$891,660</b>	<b>\$10,699,920</b>	<b>\$1,000</b>	<b>\$83,000</b>	<b>\$996,000</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:

<b>SUBJECT OPERATING HISTORICALS</b>										
YEAR	T-12 (9/19 - 8/20)		T-12 (9/20 - 8/21)		T-12 (9/21 - 8/22)		BUYER PROFORMA		COLLIERS FORECAST	
	TOTAL	\$/SITE	TOTAL	\$/SITE	TOTAL	\$/SITE	TOTAL	\$/SITE	TOTAL	\$/SITE
<b>INCOME ITEMS</b>	<b>TOTAL</b>	<b>\$/SITE</b>	<b>TOTAL</b>	<b>\$/SITE</b>	<b>TOTAL</b>	<b>\$/SITE</b>	<b>TOTAL</b>	<b>\$/SITE</b>	<b>TOTAL</b>	<b>\$/SITE</b>
Potential Rental Income	\$801,514	\$9,657	\$801,496	\$9,657	\$831,034	\$10,012	\$857,000	\$10,325	\$996,000	\$12,000
<b>TOTAL RENTAL INCOME</b>	<b>\$801,514</b>	<b>\$9,657</b>	<b>\$801,496</b>	<b>\$9,657</b>	<b>\$831,034</b>	<b>\$10,012</b>	<b>\$857,000</b>	<b>\$10,325</b>	<b>\$996,000</b>	<b>\$12,000</b>
<b>OTHER INCOME</b>										
Trash Income	\$0	-	\$0	-	\$0	-	\$20,000	\$241	\$20,000	\$241
Miscellaneous Income	\$963	\$12	\$1,310	\$16	\$4,485	\$54	\$3,600	\$43	\$3,600	\$43
<b>TOTAL OTHER INCOME</b>	<b>\$963</b>	<b>\$12</b>	<b>\$1,310</b>	<b>\$16</b>	<b>\$4,485</b>	<b>\$54</b>	<b>\$23,600</b>	<b>\$284</b>	<b>\$23,600</b>	<b>\$284</b>
<b>POTENTIAL GROSS INCOME (PGI)</b>	<b>\$802,477</b>	<b>\$9,668</b>	<b>\$802,806</b>	<b>\$9,672</b>	<b>\$835,519</b>	<b>\$10,066</b>	<b>\$880,600</b>	<b>\$10,610</b>	<b>\$1,019,600</b>	<b>\$12,284</b>
Vacancy (Rentable Sites)	\$0	-	\$0	-	\$0	-	\$0	-	(\$27,720)	(\$334)
Income Loss (Non-rentable Sites)	\$0	-	\$0	-	\$0	-	\$0	-	(\$72,000)	(\$867)
<b>EFFECTIVE GROSS INCOME (EGI)</b>	<b>\$802,477</b>	<b>\$9,668</b>	<b>\$802,806</b>	<b>\$9,672</b>	<b>\$835,519</b>	<b>\$10,066</b>	<b>\$880,600</b>	<b>\$10,610</b>	<b>\$919,880</b>	<b>\$11,083</b>
<b>EXPENSE ITEMS</b>										
Real Estate Taxes	(\$24,092)	(\$290)	(\$24,252)	(\$292)	(\$24,193)	(\$291)	(\$159,000)	(\$1,916)	(\$132,144)	(\$1,592)
Additional Tax Charges	\$0	-	\$0	-	\$0	-	\$0	-	(\$4,858)	(\$59)
Property Insurance	(\$14,390)	(\$173)	(\$14,232)	(\$171)	(\$11,857)	(\$143)	(\$11,055)	(\$133)	(\$11,550)	(\$139)
Gas & Electricity	(\$35,147)	(\$423)	(\$11,498)	(\$139)	(\$44,687)	(\$538)	(\$34,182)	(\$412)	(\$40,000)	(\$482)
Water & Sewer	(\$7,938)	(\$96)	(\$3,985)	(\$48)	(\$4,313)	(\$52)	(\$4,399)	(\$53)	(\$4,400)	(\$53)
Trash Removal	(\$67,772)	(\$817)	(\$71,095)	(\$857)	(\$73,309)	(\$883)	(\$40,000)	(\$482)	(\$40,000)	(\$482)
Repairs & Maintenance	(\$56,363)	(\$679)	(\$65,880)	(\$794)	(\$59,411)	(\$716)	(\$20,750)	(\$250)	(\$30,710)	(\$370)
Off-Site Management	(\$24,074)	(\$290)	(\$24,084)	(\$290)	(\$25,066)	(\$302)	(\$26,418)	(\$318)	(\$27,596)	(\$332)
On-Site Management	(\$54,550)	(\$657)	(\$77,711)	(\$936)	(\$76,655)	(\$924)	(\$44,000)	(\$530)	(\$44,000)	(\$530)
Employee Homesite	\$0	-	\$0	-	\$0	-	\$0	-	(\$36,000)	(\$434)
General & Administrative	(\$17,454)	(\$210)	(\$15,844)	(\$191)	(\$17,083)	(\$206)	(\$11,337)	(\$137)	(\$13,475)	(\$162)
Reserves	\$0	-	\$0	-	\$0	-	\$0	-	(\$3,320)	(\$40)
<b>TOTAL EXPENSES</b>	<b>(\$301,781)</b>	<b>(\$3,636)</b>	<b>(\$308,582)</b>	<b>(\$3,718)</b>	<b>(\$336,574)</b>	<b>(\$4,055)</b>	<b>(\$351,141)</b>	<b>(\$4,231)</b>	<b>(\$388,054)</b>	<b>(\$4,675)</b>
<b>NET OPERATING INCOME (NOI)</b>	<b>\$500,695</b>	<b>\$6,032</b>	<b>\$494,224</b>	<b>\$5,955</b>	<b>\$498,945</b>	<b>\$6,011</b>	<b>\$529,459</b>	<b>\$6,379</b>	<b>\$531,826</b>	<b>\$6,408</b>

**OTHER INCOME**

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

**OTHER INCOME ANALYSIS & CONCLUSIONS**

<b>TRASH INCOME</b>				<b>ANALYSIS</b>
<b>YEAR</b>	<b>SUBJECT</b>			
	<b>TOTAL</b>	<b>\$/HOMESITE</b>	<b>%EGI</b>	
T-12 (9/19 - 8/20)	\$0	-	0.0%	Historically, the tenants have not reimbursed the owner for trash expenses. Upon purchasing the property, the new ownership intends to pass through 50% of the trash expense to the tenants immediately along with cutting overall trash expenses. The \$20,000 conclusion amounts to an additional charge to the tenants of \$21.65 per month on each of the 77 rentable sites. Included with the concluded market rent, this is still lower than the rents charged at rent comp 1 (Ski Trail Mobile Home Community), the only other Mammoth Lakes mobile home park. None of the rent comparables surveyed pass through this utility expense. However, given the buyer's experience operating mobile home parks, the lack of supply of competing parks, and strong demand for affordable housing in Mammoth Lakes, the buyer's proforma estimate appears reasonable and achievable over the next 12 months without significant vacancy risk.
T-12 (9/20 - 8/21)	\$0	-	0.0%	
T-12 (9/21 - 8/22)	\$0	-	0.0%	
BUYER PROFORMA	\$20,000	\$241	2.3%	
<b>CONCLUSION</b>	<b>\$20,000</b>	<b>\$241</b>	<b>2.2%</b>	

<b>MISCELLANEOUS INCOME</b>				<b>ANALYSIS</b>
<b>YEAR</b>	<b>SUBJECT</b>			
	<b>TOTAL</b>	<b>\$/HOMESITE</b>	<b>%EGI</b>	
T-12 (9/19 - 8/20)	\$963	\$12	0.1%	The concluded amount is all miscellaneous inclusive of income associated with late fees, NSF, laundry, application fees, RV storage etc. The historicals for this category have fluctuated over the past few years. The buyer's proforma falls within the historical range and is supported.
T-12 (9/20 - 8/21)	\$1,310	\$16	0.2%	
T-12 (9/21 - 8/22)	\$4,485	\$54	0.5%	
BUYER PROFORMA	\$3,600	\$43	0.4%	
<b>CONCLUSION</b>	<b>\$3,600</b>	<b>\$43</b>	<b>0.4%</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. My conclusions follow:

<b>INCOME LOSS</b>	
Vacancy Rate Conclusion (Rentable Sites)	3.0%
Income Loss (Non-rentable Sites)	7.2%

**Other Income Loss**

The subject has a total of 83 sites, but only 77 are currently rentable. The other sites are used for snow storage sites (5) and a common area site (1). All 83 sites have been included in the potential rental income conclusion, but concluded annual market rents of the six non-rentable sites (\$72,000 annually) have been deducted as income loss.

**Effective Gross Income (EGI) Conclusion**

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

<b>EFFECTIVE GROSS INCOME (EGI)</b>					<b>ANALYSIS</b>
<b>YEAR</b>	<b>TOTAL</b>	<b>\$/HOMESITE</b>	<b>%EGI</b>	<b>Δ CHG</b>	
T-12 (9/19 - 8/20)	\$802,477	\$9,668	100.0%	-	
T-12 (9/20 - 8/21)	\$802,806	\$9,672	100.0%	0.0%	
T-12 (9/21 - 8/22)	\$835,519	\$10,066	100.0%	4.1%	
BUYER PROFORMA	\$880,600	\$10,610	100.0%	5.4%	
PROFORMA	\$919,880	\$11,083	100.0%	4.5%	

**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
Employee Homesite	Incl. Above	-	Incl. Above	-	Incl. Above	Incl. Above	\$0	\$0	-
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 I discuss the individual expense conclusions for the subject property.

**EXPENSE ANALYSIS & CONCLUSIONS**

REAL ESTATE TAXES				ANALYSIS		
YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/HOMESITE	%EGI	COMP	\$/HOMESITE	%EGI
T-12 (9/19 - 8/20)	\$24,092	\$290	3.0%	1	\$642	5.0%
T-12 (9/20 - 8/21)	\$24,252	\$292	3.0%	2	\$270	3.7%
T-12 (9/21 - 8/22)	\$24,193	\$291	2.9%	3	\$675	3.1%
BUYER PROFORMA	\$159,000	\$1,916	18.1%	4	\$285	4.7%
				5	\$993	7.7%
				6	\$303	5.7%
<b>CONCLUSION</b>	<b>\$132,144</b>	<b>\$1,592</b>	<b>14.4%</b>	<b>AVG</b>	<b>\$528</b>	<b>5.0%</b>

The conclusion is based The concluded taxes are based on California's Proposition 13. As such, the concluded taxes represent 100% of the concluded stabilized value indicated by the Direct Capitalization Method multiplied by the current ad valorem tax rate. Please refer to the Assessments and Taxes section for additional details.

ADDITIONAL TAX CHARGES				ANALYSIS		
YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/HOMESITE	%EGI	COMP	\$/HOMESITE	%EGI
T-12 (9/19 - 8/20)	\$0		0.0%	1	-	-
T-12 (9/20 - 8/21)	\$0		0.0%	2	-	-
T-12 (9/21 - 8/22)	\$0		0.0%	3	-	-
BUYER PROFORMA	\$0		0.0%	4	-	-
				5	-	-
				6	-	-
<b>CONCLUSION</b>	<b>\$4,858</b>	<b>\$59</b>	<b>0.5%</b>	<b>AVG</b>	<b>-</b>	<b>-</b>

The concluded additional tax charges are based on the subject's current taxes. Please refer to the Assessments and Taxes section for additional details.

PROPERTY INSURANCE						
YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/HOMESITE	%EGI	COMP	\$/HOMESITE	%EGI
T-12 (9/19 - 8/20)	\$14,390	\$173	1.8%	1	\$168	1.0%
T-12 (9/20 - 8/21)	\$14,232	\$171	1.8%	2	\$108	1.9%
T-12 (9/21 - 8/22)	\$11,857	\$143	1.4%	3	\$278	2.4%
BUYER PROFORMA	\$11,055	\$133	1.3%	4	\$41	0.7%
				5	\$106	2.7%
				6	\$94	1.8%
<b>CONCLUSION</b>	<b>\$11,550</b>	<b>\$139</b>	<b>1.3%</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 conclusion is based on the reconciling the historical, comparable, and buyer's proforma expenses.

GAS & ELECTRICITY						
YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/HOMESITE	%EGI	COMP	\$/HOMESITE	%EGI
T-12 (9/19 - 8/20)	\$35,147	\$423	4.4%	1	\$445	9.7%
T-12 (9/20 - 8/21)	\$11,498	\$139	1.4%	2	\$859	0.8%
T-12 (9/21 - 8/22)	\$44,687	\$538	5.3%	3	\$425	0.7%
BUYER PROFORMA	\$34,182	\$412	3.9%	4	\$1,453	15.9%
				5	\$1,276	0.8%
				6	\$302	5.7%
<b>CONCLUSION</b>	<b>\$40,000</b>	<b>\$482</b>	<b>4.3%</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 historicals have fluctuated over the past few years. The comparables reflect varying utility structures. As this expense item is property-specific, the conclusion is reconciled between the 2022 T-12 and buyer's proforma estimate.

WATER & SEWER						
YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/HOMESITE	%EGI	COMP	\$/HOMESITE	%EGI
T-12 (9/19 - 8/20)	\$7,938	\$96	1.0%	1	\$872	1.9%
T-12 (9/20 - 8/21)	\$3,985	\$48	0.5%	2	\$3	16.0%
T-12 (9/21 - 8/22)	\$4,313	\$52	0.5%	3	\$1,019	12.7%
BUYER PROFORMA	\$4,399	\$53	0.5%	4	\$586	6.4%
				5	Incl. Above	16.5%
				6	-	0.0%
<b>CONCLUSION</b>	<b>\$4,400</b>	<b>\$53</b>	<b>0.5%</b>	<b>AVG</b>	<b>\$620</b>	<b>8.9%</b>

**ANALYSIS**

This category includes water and sewer expenses for the subject. The comparables reflect varying utility structures. As this expense item is property-specific, the conclusion is based on the buyer's proforma, which is supported by the historical range.

TRASH REMOVAL						
YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/HOMESITE	%EGI	COMP	\$/HOMESITE	%EGI
T-12 (9/19 - 8/20)	\$67,772	\$817	8.4%	1	\$247	2.0%
T-12 (9/20 - 8/21)	\$71,095	\$857	8.9%	2	\$255	0.2%
T-12 (9/21 - 8/22)	\$73,309	\$883	8.8%	3	\$454	7.9%
BUYER PROFORMA	\$40,000	\$482	4.5%	4	\$256	2.8%
				5	Incl. Above	5.2%
				6	\$189	3.6%
<b>CONCLUSION</b>	<b>\$40,000</b>	<b>\$482</b>	<b>4.3%</b>	<b>AVG</b>	<b>\$280</b>	<b>3.6%</b>

**ANALYSIS**

This category includes trash removal expenses for the subject's common area. This expense has been above market historically for the subject. The buyer plans to cut the number of dumpsters and weekly trash pickups in half, which appears reasonable when looking at the comparable range. Additionally, the owner of the only other mobile home park in Mammoth Lakes (Ski Trail Mobile Home Community - Rent Comp 1), reported trash expenses of \$354 per site, which is well below the buyer's proforma. Overall, the buyer's proforma estimate is supported and concluded.

REPAIRS & MAINTENANCE						
YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/HOMESITE	%EGI	COMP	\$/HOMESITE	%EGI
T-12 (9/19 - 8/20)	\$56,363	\$679	7.0%	1	\$632	1.2%
T-12 (9/20 - 8/21)	\$65,880	\$794	8.2%	2	\$1,496	3.9%
T-12 (9/21 - 8/22)	\$59,411	\$716	7.1%	3	\$838	1.9%
BUYER PROFORMA	\$20,750	\$250	2.4%	4	\$368	6.1%
				5	\$630	4.4%
				6	\$380	7.2%
<b>CONCLUSION</b>	<b>\$30,710</b>	<b>\$370</b>	<b>3.3%</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 above this typical range. The buyer's proforma estimate falls within this range, but below the range of the expense comparables. Reconciling between the historicals, buyer's proforma, and comparables, \$400/unit is concluded.

OFF-SITE MANAGEMENT						
YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/HOMESITE	%EGI	COMP	\$/HOMESITE	%EGI
T-12 (9/19 - 8/20)	\$24,074	\$290	3.0%	1	\$294	1.7%
T-12 (9/20 - 8/21)	\$24,084	\$290	3.0%	2	\$276	4.0%
T-12 (9/21 - 8/22)	\$25,066	\$302	3.0%	3	\$337	3.2%
BUYER PROFORMA	\$26,418	\$318	3.0%	4	\$398	9.9%
				5	\$383	3.2%
				6	\$180	3.4%
<b>CONCLUSION</b>	<b>\$27,596</b>	<b>\$332</b>	<b>3.0%</b>	<b>AVG</b>	<b>\$311</b>	<b>4.2%</b>

**ANALYSIS**

This expense reflects the professional management service for the subject. Management services in the market typically range from 2.5% to 4% of EGI. This expense considers the size and quality of the subject property. The conclusion is supported by the historical, proforma, and comparable expenses.



ON-SITE MANAGEMENT						
YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/HOMESITE	%EGI	COMP	\$/HOMESITE	%EGI
T-12 (9/19 - 8/20)	\$54,550	\$657	6.8%	1	\$1,121	3.2%
T-12 (9/20 - 8/21)	\$77,711	\$936	9.7%	2	\$602	9.6%
T-12 (9/21 - 8/22)	\$76,655	\$924	9.2%	3	\$1,057	4.6%
BUYER PROFORMA	\$44,000	\$530	5.0%	4	\$308	3.6%
				5	\$822	6.6%
				6	\$819	15.4%
<b>CONCLUSION</b>	<b>\$44,000</b>	<b>\$530</b>	<b>4.8%</b>	<b>AVG</b>	<b>\$788</b>	<b>7.2%</b>

**ANALYSIS**  
The historicals have been inconsistent over the last few years. The cost for on-site personnel includes all associated wages, benefits, and taxes. A typical operator would have 1-3 employees for a property this size. It is noted that the subject has three on-site employees. For the purposes of this analysis, we have broken out the space rent for the employee into its own category below. Therefore, our conclusion for on-site management is based on the buyer's proforma (rounded). However, it is noted that by combining the on-site management expense and the employee homesite, the total is in line with the expense comparable and historical expense range.

EMPLOYEE HOMESITE						
YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/HOMESITE	%EGI	COMP	\$/HOMESITE	%EGI
T-12 (9/19 - 8/20)	\$0		0.0%	1	Incl. Above	-
T-12 (9/20 - 8/21)	\$0		0.0%	2	-	-
T-12 (9/21 - 8/22)	\$0		0.0%	3	Incl. Above	-
BUYER PROFORMA	\$0		0.0%	4	-	-
				5	Incl. Above	-
				6	Incl. Above	-
<b>CONCLUSION</b>	<b>\$36,000</b>	<b>\$434</b>	<b>3.9%</b>	<b>AVG</b>	<b>-</b>	<b>-</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. The subject property has three sites dedicated to on-site employees. Therefore, the conclusion is based the gross potential rent conclusion for three homesites.

GENERAL & ADMINISTRATIVE						
YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/HOMESITE	%EGI	COMP	\$/HOMESITE	%EGI
T-12 (9/19 - 8/20)	\$17,454	\$210	2.2%	1	\$114	1.2%
T-12 (9/20 - 8/21)	\$15,844	\$191	2.0%	2	\$332	2.9%
T-12 (9/21 - 8/22)	\$17,083	\$206	2.0%	3	\$196	3.1%
BUYER PROFORMA	\$11,337	\$137	1.3%	4	\$71	2.7%
				5	\$176	1.7%
				6	\$215	4.1%
<b>CONCLUSION</b>	<b>\$13,475</b>	<b>\$162</b>	<b>1.5%</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. The conclusion is reconciled between the historical, buyer's proforma, and comparable expenses.

RESERVES						
YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/HOMESITE	%EGI	COMP	\$/HOMESITE	%EGI
T-12 (9/19 - 8/20)	\$0		0.0%	1	\$40	0.2%
T-12 (9/20 - 8/21)	\$0		0.0%	2	\$40	0.7%
T-12 (9/21 - 8/22)	\$0		0.0%	3	\$40	0.4%
BUYER PROFORMA	\$0		0.0%	4	\$40	0.4%
				5	\$40	0.6%
				6	\$40	0.8%
<b>CONCLUSION</b>	<b>\$3,320</b>	<b>\$40</b>	<b>0.4%</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	CONCLUSION
SUBJECT HISTORICAL \$/HOMESITE	\$3,636	\$4,231	
EXPENSE COMPARABLES \$/HOMESITE	\$2,522	\$5,319	
SALE COMPARABLE \$/HOMESITE	\$2,150	\$7,991	
SUBJECT HISTORICAL %EGI	37.6%	40.3%	
EXPENSE COMPARABLES %EGI	46.6%	66.5%	
SALE COMPARABLES %EGI	26.6%	54.3%	
TOTAL EXPENSES \$/HOMESITE	\$4,675		
TOTAL EXPENSES %EGI	42.2%		
<b>TOTAL EXPENSES</b>	<b>\$388,054</b>		

The concluded expenses are supported by and reconciled between the subject's historical expenses, the expense comparables, and the buyer's proforma. They take into account the significantly higher increased taxes based on CA Prop 13, as well as replacement reserves.

**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 my opinion of OAR, the following techniques were used:

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

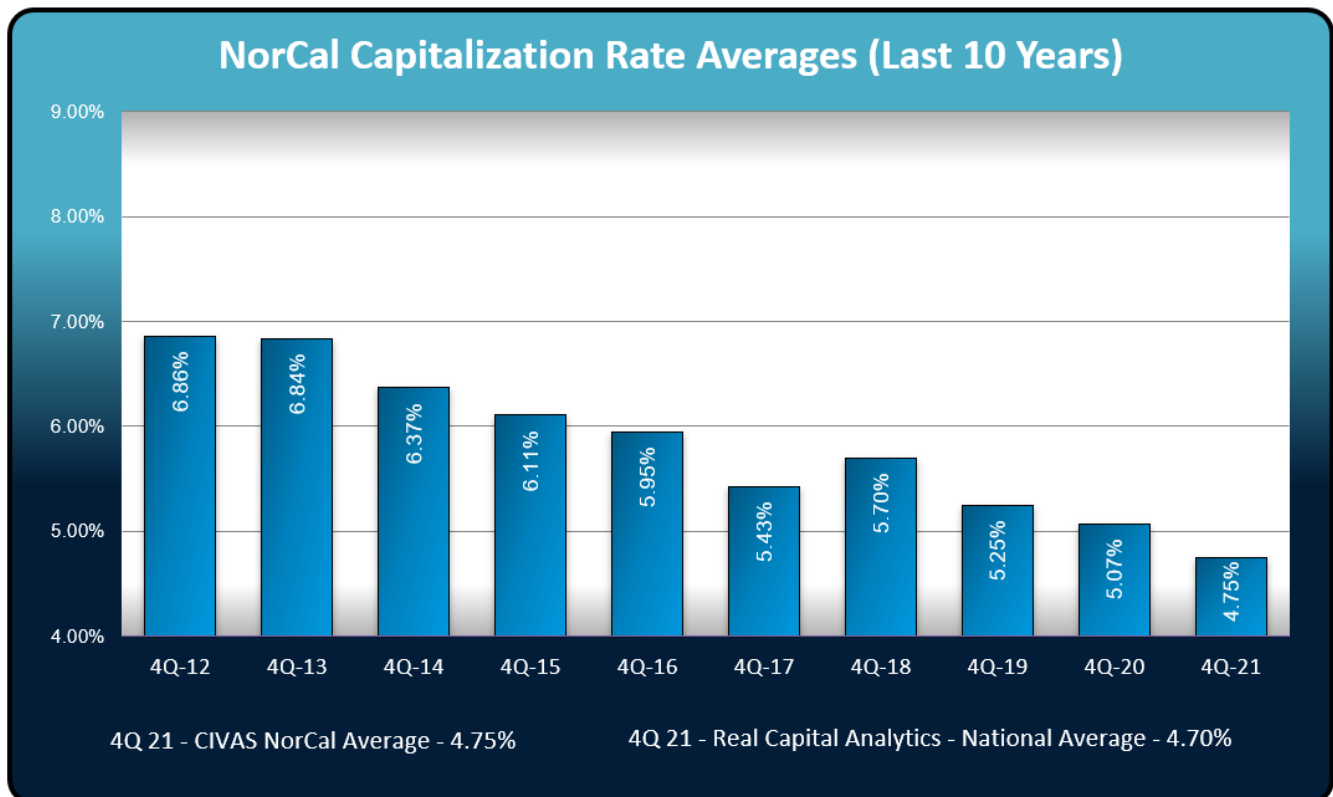
**Comparable Sales**

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	Royal Palms MHP	Tulare	CA	January 10, 2022	1968	94.8%	96	\$106,250	\$10,200,000	\$3,696	3.48%
2	Heavenly Valley Mobile Hom	South Lake	CA	October 13, 2020	1970	82.0%	61	\$124,590	\$7,600,000	\$6,068	4.87%
3	Parc De Maison	Carson	NV	March 2, 2021	1998	98.5%	168	\$125,595	\$21,100,000	\$5,929	4.72%
4	Rancho Santa Teresa MHP	San Jose	CA	October 13, 2022	1963	100.0%	315	\$198,965	\$62,673,846	\$8,635	4.34%
5	Tall Pines Mobile Home Estat	Grass	CA	May 6, 2021	1989	97.9%	96	\$149,688	\$14,370,000	\$6,421	4.29%
6	Granite Bay Estates MHC	Granite	CA	August 13, 2021	1961	97.0%	100	\$121,500	\$12,150,000	\$5,115	4.21%
<b>LOW</b>										\$3,696	<b>3.48%</b>
<b>HIGH</b>										\$8,635	<b>4.87%</b>
<b>AVERAGE</b>										\$5,977	<b>4.32%</b>
<b>MEDIAN</b>											<b>4.32%</b>
<b>SUBJECT</b>		<b>Mammoth Lal CA</b>			<b>1972</b>	<b>93%</b>	<b>83</b>			<b>\$6,408</b>	
<b>INDICATED CAPITALIZATION RATE (OAR)</b>											<b>4.75%</b>

Capitalization rates range from 3.48% to 4.87% and average 4.32%. Comparable 1 received the least amount of gross adjustments and is considered a primary indicator. The subject’s concluded NOI/site of \$6,950 is higher than the average of the comparables at \$5,977/site. The subject property has a good location and an average appeal. Overall, the subject has an average risk profile. Many of these sales occurred in a much favorable interest rate environment. Rising interest rates and general economic uncertainty are causing upward pressure on capitalization rates. In light of these factors, a rate toward the of the upper-end range is considered reasonable.

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

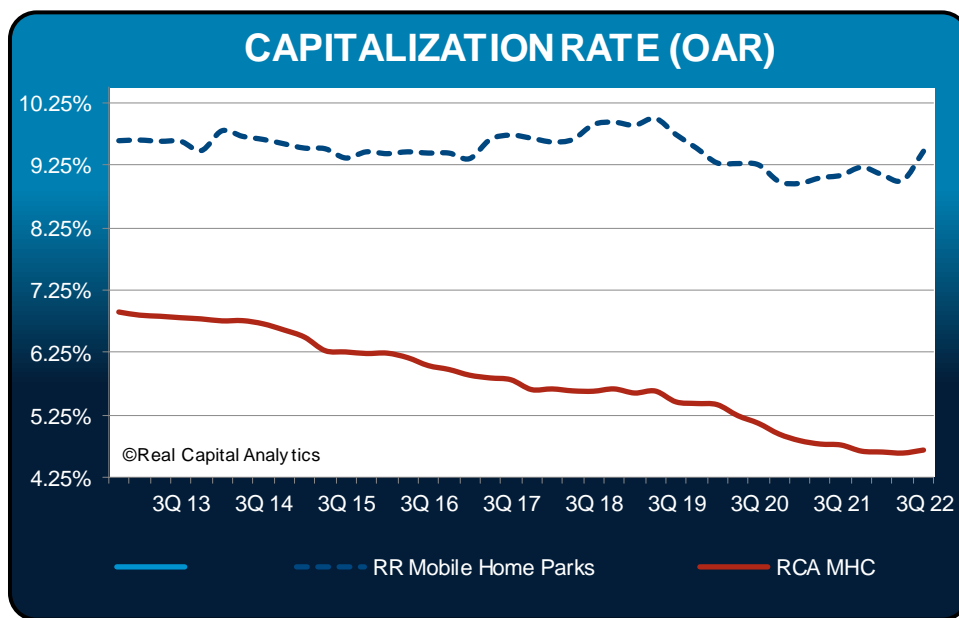


As illustrated above, MHC capitalization rates were the lowest between 2020 and 2021. In the years leading up to 2012, very few parks with good income potential were sold. Demand for higher performing parks has increased in recent years. This is due to favorable financing and an influx of capital in the market. However, we are beginning to see this trend reverse due to rising interest rates, creating an inflection point in the market.

**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 I 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. 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	
<p><b>DOWNWARD PRESSURE</b></p> <ul style="list-style-type: none"> <li>• Highly desirable area</li> <li>• High occupancy in recent years (Avg. 95% to 100%)</li> <li>• Large asset size/increase in efficiencies</li> <li>• Public utilities</li> <li>• Within commuting distance to employment nodes</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 (only one competing park)</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</li> <li>• Expansion due to vacant land</li> </ul>	<p><b>UPWARD PRESSURE</b></p> <ul style="list-style-type: none"> <li>• High density asset with limited pad/lot size limiting size and type of replacement units</li> <li>• High density development has lower tenant appeal</li> <li>• Snowy winter climate requiring some additional maintenance</li> <li>• Some sites are un-rentable due to the need for snow storage</li> <li>• Economic downturn</li> <li>• Capital Expenditures (infrastructure/amenities)</li> <li>• Major renovation may become more frequent and extensive over time.</li> </ul>

### Overall Capitalization Rate Sustainability

Based on our conversations with brokers and market participants, overall manufactured housing community capitalization rates have been either flat or trending downward 25 to 50 bps per year. However, this trend is starting to reverse due to inflation and general economic uncertainty. Capitalization rates are anticipated to remain flat or slightly increase in the foreseeable future.

### 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:

BAND OF INVESTMENT ASSUMPTIONS	
Loan Amortization Period	30 Years
Interest Rate	6.00%
Loan-to-Value (LTV) Ratio	70%
Mortgage Constant	7.19%

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.

BAND OF INVESTMENT CALCULATION					
Mortgage Component	70%	x	7.19%	=	5.036%
Equity Component	30%	x	6.50%	=	1.950%
Indicated Capitalization Rate					6.986%
<b>INDICATED CAPITALIZATION RATE</b>					<b>6.99%</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		3.48% to 4.87%	4.32%
Real Capital Analytics	3Q 22		4.69%
Band of Investment Technique			6.99%
<b>AVERAGE</b>		3.48% to 4.87%	5.33%
<b>CAPITALIZATION CONCLUSION</b>			<b>4.75%</b>

Based on our conversations with brokers and market participants, overall manufactured housing community capitalization rates have begun to flatten out/increase over the last few months. Based on the data available for this analysis, a cap rate between **4.3% and 5.3%** is best supported for the subject property. However, the following items are noted:

Item	Factor	Appeal to Investors	Impact on Cap Rate
Occupancy	The subject generally operates at or near 100% occupied. This is more appealing to MHC investors.	Increases	↓ Downward Pressure
Public Utilities	The subject is serviced by city services.	Increases	↓ Downward Pressure
Low Supply	There is a lack of direct competing parks	Increases	↓ Downward Pressure
Economic	Rising interest rates / Economic uncertainty	Decreases	↑ Upward Pressure
Climate	Snowy climate causing some sites to be unrentable and the park to be more expensive to maintain	Decreases	↑ Upward Pressure
<b>Overall Impact</b>	<b>Overall the subject property is attractive to investors.</b>	<b>Neutral</b>	<b>→ No Net Impact</b>

Overall, a capitalization rate in the middle of the range, or **4.75%**, 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 my opinion of market value via direct capitalization for the subject property's As-Is Value as of November 11, 2022.

<b>DIRECT CAPITALIZATION SUMMATION TABLE</b>				
<b>INCOME ITEMS</b>	<b>%PGI</b>	<b>%EGI</b>	<b>\$/HOMESITE</b>	<b>TOTAL</b>
Potential Rental Income			\$12,000	\$996,000
<b>TOTAL RENTAL INCOME</b>			<b>\$12,000</b>	<b>\$996,000</b>
<b>OTHER INCOME</b>				
Trash Income			\$241	\$20,000
Miscellaneous Income			\$43	\$3,600
<b>TOTAL OTHER INCOME</b>			<b>\$284</b>	<b>\$23,600</b>
<b>POTENTIAL GROSS INCOME (PGI)</b>			<b>\$12,284</b>	<b>\$1,019,600</b>
<b>INCOME LOSS</b>				
Vacancy (Rentable Sites)	(3.0%)		(\$334)	(\$27,720)
Income Loss (Non-rentable Sites)	(7.2%)		(\$867)	(\$72,000)
<b>TOTAL INCOME LOSS</b>	<b>(9.8%)</b>		<b>(\$1,201)</b>	<b>(\$99,720)</b>
<b>EFFECTIVE GROSS INCOME (EGI)</b>	<b>90.2%</b>		<b>\$11,083</b>	<b>\$919,880</b>
<b>EXPENSE ITEMS</b>				
Real Estate Taxes	(13.0%)	(14.4%)	(\$1,592)	(\$132,144)
Additional Tax Charges	(0.5%)	(0.5%)	(\$59)	(\$4,858)
Property Insurance	(1.1%)	(1.3%)	(\$139)	(\$11,550)
Gas & Electricity	(3.9%)	(4.3%)	(\$482)	(\$40,000)
Water & Sewer	(0.4%)	(0.5%)	(\$53)	(\$4,400)
Trash Removal	(3.9%)	(4.3%)	(\$482)	(\$40,000)
Repairs & Maintenance	(3.0%)	(3.3%)	(\$370)	(\$30,710)
Off-Site Management	(2.7%)	(3.0%)	(\$332)	(\$27,596)
On-Site Management	(4.3%)	(4.8%)	(\$530)	(\$44,000)
Employee Homesite	(3.5%)	(3.9%)	(\$434)	(\$36,000)
General & Administrative	(1.3%)	(1.5%)	(\$162)	(\$13,475)
Reserves	(0.3%)	(0.4%)	(\$40)	(\$3,320)
<b>TOTAL EXPENSES</b>	<b>(38.1%)</b>	<b>(42.2%)</b>	<b>(\$4,675)</b>	<b>(\$388,054)</b>
<b>NET OPERATING INCOME (NOI)</b>	<b>52.2%</b>	<b>57.8%</b>	<b>\$6,408</b>	<b>\$531,826</b>
Capitalization Rate				4.75%
Capitalized Value				\$11,196,343
<b>INDICATED VALUE</b>			<b>\$134,940</b>	<b>\$11,200,000</b>
Vacant Land Value	34.3%	38.0%		\$350,000
<b>AS-IS MARKET VALUE</b>			<b>\$139,157</b>	<b>\$11,550,000</b>

Rounded to nearest \$10,000

**EFFECTIVE GROSS INCOME MULTIPLIER METHOD**

The effective gross income multiplier (EGIM), as indicated by the comparable sales, will be applied to the effective gross income for the subject property in order to determine an estimate of value. The multiplier is also used as an indicator of value and takes into consideration the proportion of expense to every dollar of effective gross income. It is derived by dividing the sale price by the effective gross income. Typically, effective gross income multipliers, which are derived and applied before considering expenses, are used without adjustments. However, to avoid an inaccurate conclusion of value, those comparables with similar expense ratios (% of effective gross income) are typically emphasized. The following table summarizes each comparable sale's expense ratio and EGIM indicator:

<b>EGIM ANALYSIS</b>				
<b>SALE</b>	<b>TOTAL EXPENSE</b>	<b>EXPENSES/HOMESITE</b>	<b>EXPENSE % (EGI)</b>	<b>EGIM</b>
3	\$361,120	\$2,150	27%	15.55
2	\$222,211	\$3,643	38%	12.83
Subject	\$388,054	\$4,675	42%	-
1	\$319,750	\$3,331	47%	15.12
4	\$2,517,255	\$7,991	48%	11.97
5	\$681,607	\$7,100	53%	11.07
6	\$608,376	\$6,084	54%	10.85
<b>LOW</b>	\$222,211	\$2,150	27%	10.85
<b>HIGH</b>	\$2,517,255	\$7,991	54%	15.55
<b>AVERAGE</b>	\$785,053	\$5,050	44%	12.90
<b>MEDIAN</b>	\$484,748	\$4,863	48%	12.40

The comparables generally indicate the expected trend of increasing expense ratios with decreasing EGI Multipliers. Based on the subject's expense ratio, which falls within the comparables and is close to the average of the comparables, a multiplier towards the middle of the range is considered most appropriate for the subject. Therefore, a multiplier of 12.25 is concluded. The concluded EGIM, the EGIM value calculation, and the indicated value based on the EGIM Method are displayed in the following table.

<b>EGIM INDICATED VALUE</b>				
<b>CONCLUDED EGIM</b>	<b>CONCLUDED EGI</b>	<b>VALUE</b>		
12.25	X	\$919,880	=	<b>\$11,270,000</b>
Vacant Land Value				\$350,000
<b>AS-IS MARKET VALUE</b>				<b>\$11,620,000</b>

Rounded to nearest \$10,000

**RECONCILIATION OF INCOME APPROACH VALUES**

The following table summarizes the opinions for market value that were developed by the Direct Capitalization and Effective Gross Income Multiplier methods of the income approach. Of the two approaches, the Direct Capitalization mirrors the sentiment of participants in this asset class. Therefore, the reconciled values below place primary emphasis on the Direct Capitalization method.

<b>VALUATION INDICES</b>	<b>MARKET VALUE AS-IS</b>
<b>INTEREST APPRAISED</b>	LEASED FEE
<b>DATE OF VALUE</b>	NOVEMBER 11, 2022
<b>INCOME CAPITALIZATION APPROACH</b>	
<b>Direct Capitalization</b>	<b>\$11,550,000</b>
Direct Capitalization \$/Homesite	\$139,157/Homesite
Net Operating Income	\$531,826
NOI \$/Homesite	\$6,408/Homesite
Capitalization Rate	4.75%
<b>Effective Gross Income Multiplier</b>	<b>\$11,620,000</b>
EGIM \$/Homesite	\$140,000/Homesite
<b>INCOME CONCLUSION</b>	<b>\$11,550,000</b>
Income Conclusion \$/Homesite	\$139,157/Homesite



## 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

I 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. There has been a lack of transactions in this asset class in direct proximity to the subject. As previously mentioned, there is only one other competing mobile home park in the city of Mammoth Lakes. Given the lack of nearby transactions, the search was expanded to other markets beyond 100 miles from the subject. Typical market participants of comparable assets are more regional in nature, so this does not diminish the credibility of the analysis. The closing dates of the selected sales range from October 2020 to October 2022. I searched for additional 2022 sales, but the more recent sales throughout California are considered less reliable indicators based on their physical and income producing characteristics. Additionally, the number of 2022 transactions have been substantially lower than previous recent years, with many investors sitting on the sidelines due to rising interest rates. Appropriate adjustments have been applied to adjust the sales to best reflect 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 my research, the following table summarizes the market conditions adjustment applied in this analysis.

### MARKET CONDITIONS ADJUSTMENT

Per Year As Of November 2022 (As-Is) 3%

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 my logic in deriving a value opinion for the subject property.

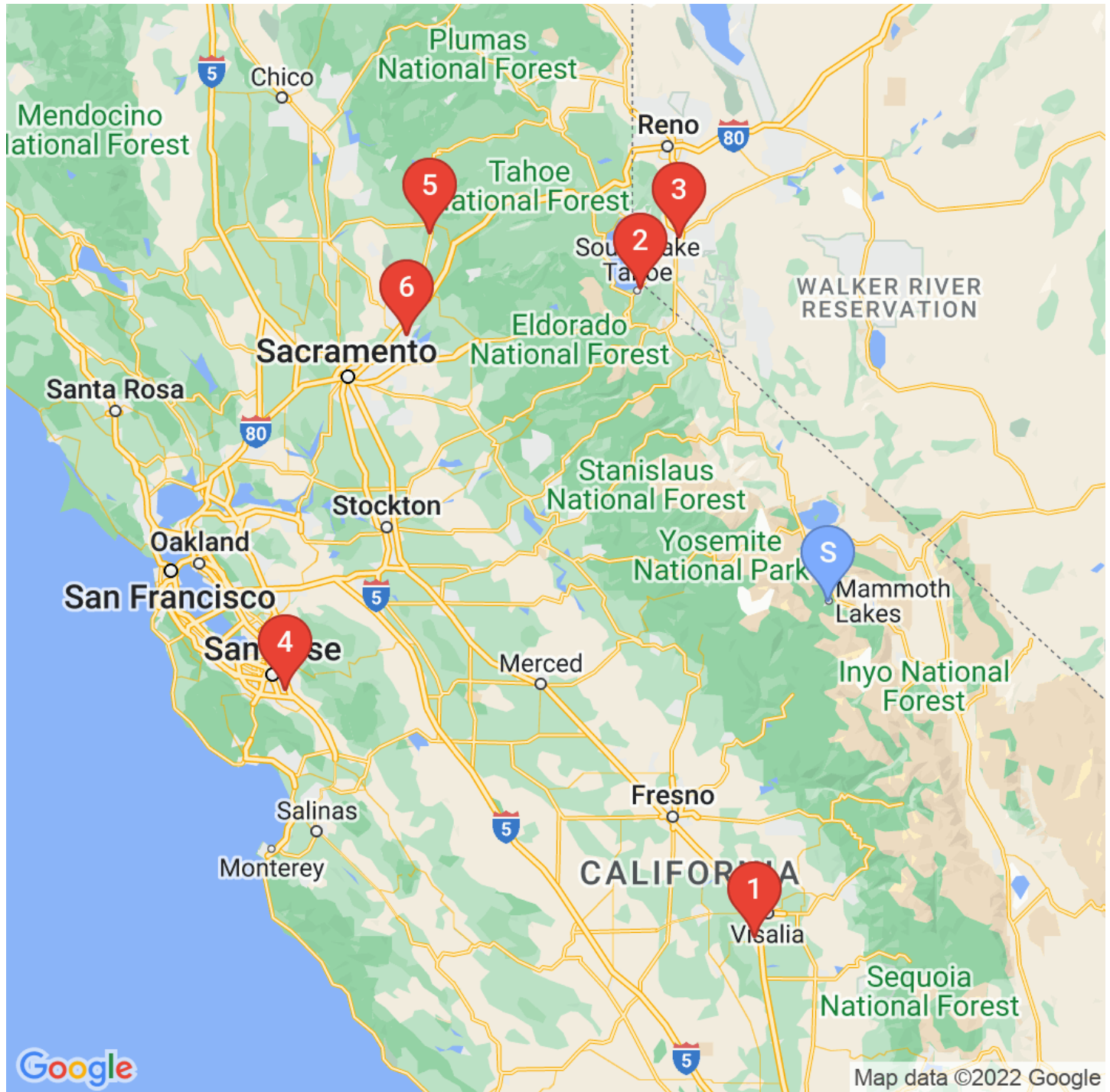
### PRESENTATION

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>	Sierra Holiday Mobile Home Park	Royal Palms MHP	Heavenly Valley Mobile Home Park	Parc De Maison	Rancho Santa Teresa MHP	Tall Pines Mobile Home Estates	Granite Bay Estates MHC
<b>Address</b>	200 Azimuth Drive	560 W Pleasant Avenue	3740 Blackwood Road	1700 Colorado Street	510 Saddlebrook Drive	13960 Golden Star Road	6805 Douglas Boulevard
<b>City</b>	Mammoth Lakes	Tulare	South Lake Tahoe	Carson City	San Jose	Grass Valley	Granite Bay
<b>State</b>	CA	CA	CA	NV	CA	CA	CA
<b>Zip</b>	93546	93274	96156	89701	95136	95949	95746
<b>County</b>	Mono	Tulare	El Dorado	Carson City	Santa Clara	Nevada	Placer
PHYSICAL INFORMATION							
<b>Project Design</b>	All Age	Manufactured Housing	Manufactured Housing	Manufactured Housing	Manufactured Housing	Manufactured Housing	Manufactured Housing
<b>Homesites</b>	83	96	61	168	315	96	100
<b>Density</b>	8.0	10.8	11.1	8.9	9.2	4.9	7.4
<b>Land Area (AC)</b>	10.3	8.9	5.5	18.7	34.4	19.6	13.5
<b>Land Area (SF)</b>	449,616	387,684	238,709	815,008	1,499,335	852,905	587,189
<b>Year Built</b>	1972	1968	1970	1998	1963	1989	1961
SALE INFORMATION							
<b>Date</b>		1/10/2022	10/13/2020	3/2/2021	10/13/2022	5/6/2021	8/13/2021
<b>Status</b>		Recorded	Recorded	Recorded	Recorded	Recorded	Recorded
<b>Parcel Number</b>		169-050-061-000	025-021-077-000	010-061-76	685-03-	23-060-29-005	048-108-088
<b>Rights Transferred</b>		Leased Fee	Leased Fee	Leased Fee	Leased Fee	Leased Fee	Leased Fee
<b>Transaction Price</b>		\$10,200,000	\$7,600,000	\$21,100,000	\$62,673,846	\$14,370,000	\$12,150,000
<b>Transaction \$/Homesite</b>		\$106,250	\$124,590	\$125,595	\$198,965	\$149,688	\$121,500
<b>Recorded Date</b>		1/10/2022	10/13/2020	5/6/2022	10/13/2022	5/9/2022	1/19/2022
<b>Analysis Price</b>		\$10,200,000	\$7,600,000	\$21,100,000	\$62,673,846	\$14,370,000	\$12,150,000
<b>Expenses % PGI</b>		45%	34%	26%	48%	51%	53%
<b>Expenses % EGI</b>		47%	38%	27%	48%	53%	54%
<b>NOI/Unit</b>	\$6,408	\$3,696	\$6,068	\$5,929	\$8,635	\$6,421	\$5,115
<b>Occupancy</b>	92.8%	94.8%	82.0%	98.5%	100.0%	97.9%	97.0%
<b>Capitalization Rate</b>		3.48%	4.87%	4.72%	4.34%	4.29%	4.21%
<b>PGIM</b>		14.48	11.55	15.24	11.97	10.82	10.65
<b>EGIM</b>		15.12	12.83	15.55	11.97	11.07	10.85

SALES LOCATION MAP



COMPARABLE KEY

COMP	DISTANCE	NAME	ADDRESS	OCC.	SALE DATE	OAR	\$/SITE
SUBJECT	-	Sierra Holiday Mobile Home	200 Azimuth Drive, Mammoth Lakes, CA	92.8%	-	-	-
No. 1	100.4 Miles	Royal Palms MHP	560 W Pleasant Avenue, Tulare, CA	94.8%	1/10/2022	3.48%	\$106,250
No. 2	104.5 Miles	Heavenly Valley Mobile Horr	3740 Blackwood Road, South Lake Tahoe	82.0%	10/13/2020	4.87%	\$124,590
No. 3	112.5 Miles	Parc De Maison	1700 Colorado Street, Carson City, NV	98.5%	3/2/2021	4.72%	\$125,595
No. 4	158.2 Miles	Rancho Santa Teresa MHP	510 Saddlebrook Drive, San Jose, CA	100.0%	10/13/2022	4.34%	\$198,965
No. 5	154.5 Miles	Tall Pines Mobile Home Estai	13960 Golden Star Road, Grass Valley, CA	97.9%	5/6/2021	4.29%	\$149,688
No. 6	142.1 Miles	Granite Bay Estates MHC	6805 Douglas Boulevard, Granite Bay, CA	97.0%	8/13/2021	4.21%	\$121,500

**COMPARABLE 1**

**LOCATION INFORMATION**

Name	Royal Palms MHP
Address	560 W Pleasant Avenue
City, State, Zip Code	Tulare, CA, 93274
County	Tulare
MSA	Fresno, CA MSA
APN	169-050-061-000

**SALE INFORMATION**

Buyer	COBBLESTONE II RPM LLC
Seller	TULARE PALM INVESTORS LLC
Transaction Date	01/10/2022
Transaction Status	Recorded
Transaction Price	\$10,200,000
Recorded Date	01/10/2022
Recorded Price	\$10,200,000
Rights Transferred	Leased Fee
Down Payment	\$5,000,000
Financing	Conventional
Conditions of Sale	Arms-Length
Marketing Time	1 Months

**PHYSICAL INFORMATION**

Project Type	Manufactured Housing
Homesites	96
Year Built	1968
Quality / Condition	Average/Good / Average
Appeal	Average
Site Size	8.9 Acres (387,684 SF)
Zoning	RM3
Street Construction	Asphalt
Homesite Parking	Concrete
Total Parking Spaces	192
Spaces Per Homesite	2
Amenities	Laundry Room, Clubhouse (1) and Pool (1)



**ROYAL PALMS MHP**

**OPERATING INCOME**

	<u>PER HOMESITE</u>	<u>TOTAL</u>
Rent Income	\$6,228	\$597,888
Other Income	\$1,110	\$106,600
Gross Income	\$7,338	\$704,488
Vacancy @ 0.0%	(\$311)	(\$29,894)
Effective Gross Income	\$7,027	\$674,594
Expenses	(\$3,331)	(\$319,750)
Net Operating Income	\$3,696	\$354,844
Occupancy at Sale		94.8%
Expense % of PGI / EGI	45%	47%

**ANALYSIS INFORMATION**

Price/Homesite	\$106,250.00
Adjusted Price/Homesite	\$123,664.38
Capitalization Rate	3.48%
PGIM / EGIM	14.48      15.12

**CONFIRMATION**

Name	Confidential
Company	Confidential
Source	Appraisal Document
Date / Phone Number	01/5/2022      Confidential

**UNIT MIX**

DESCRIPTION	NO. HOMESITES
Standard	96

**REMARKS**

Several streets within the community exhibit some cracking/"alligating" as of early 2022, and will likely require some near term capital outlays.

**COMPARABLE 2**

**LOCATION INFORMATION**

Name	Heavenly Valley Mobile Home Park
Address	3740 Blackwood Road
City, State, Zip Code	South Lake Tahoe, CA, 96156
County	El Dorado
APN	025-021-077-000

**SALE INFORMATION**

Buyer	Brochton Kaveny or Assignee
Seller	Cal Heavenly Valley, LLC
Transaction Date	10/13/2020
Transaction Status	Recorded
Transaction Price	\$7,600,000
Recorded Date	10/13/2020
Analysis Price	\$7,600,000
Rights Transferred	Leased Fee
Conditions of Sale	Arms-Length
Marketing Time	3 Months



**PHYSICAL INFORMATION**

Project Type	Manufactured Housing
Homesites	61
Year Built	1970
Quality / Condition	Average / Average
Appeal	Average
Site Size	5.5 Acres (238,709 SF)
Zoning	RES
Total Parking Spaces	122

Amenities	Asphalt Streets, Carports, Laundry Room, Parking Driveway, Perimeter Fence, Street Lights, Swimming Pool and Pool (1)
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**UNIT MIX**

<u>DESCRIPTION</u>	<u>NO. HOMESITES</u>
Standard	61

**HEAVENLY VALLEY MOBILE HOME PARK**

**OPERATING INCOME**

	<u>PER HOMESITE</u>	<u>TOTAL</u>
Rent Income	\$10,790	\$658,184
Other Income	\$0	\$0
Gross Income	\$10,790	\$658,184
Vacancy @ 10.0%	(\$1,079)	(\$65,818)
Effective Gross Income	\$9,711	\$592,366
Expenses	(\$3,643)	(\$222,211)
Net Operating Income	\$6,068	\$370,155
Occupancy at Sale		82.0%
Expense % of PGI / EGI	34%	38%

**ANALYSIS INFORMATION**

Price/Homesite	\$124,590.16
Adjusted Price/Homesite	\$136,027.54
Capitalization Rate	4.87%
PGIM / EGIM	11.55 12.83

**CONFIRMATION**

Name	Confidential
Company	Appraisal Document
Source	Appraisal Document
Date / Phone Number	11/6/2020 Confidential

**REMARKS**

Date Built: 1960(est.) This comparable is located several blocks east of Lake Tahoe Blvd, in proximity to Heavenly Ski area. Manager did not give an exact number of vacancies. 8 vacancies was an estimate based on our conversation. The property is a Manufactured Housing Community (All Age) totaling 61 homesites located on a 5.48-acre site at 3740 Blackwood Road in South Lake Tahoe, California. The improvements were built in 1970's, are in average condition and have a remaining economic life of 30 years based on our estimate. The subject's common amenities include a laundry facility. There is also a small office that is 50 SF and utility shed that is approximately 300 SF on the site. The property sold for \$7,600,000 based on proforma figures that included a 10% rent increase and new utility structure.

**COMPARABLE 3**

**LOCATION INFORMATION**

Name	Parc De Maison
Address	1700 Colorado Street
City, State, Zip Code	Carson City, NV, 89701
County	Carson City
MSA	Reno, NV MSA
APN	010-061-76

**SALE INFORMATION**

Transaction Date	03/2/2021
Transaction Status	Recorded
Transaction Price	\$21,100,000
Recorded Date	05/6/2022
Analysis Price	\$21,100,000
Rights Transferred	Leased Fee
Conditions of Sale	Arms-Length

**PHYSICAL INFORMATION**

Project Type	Manufactured Housing
Homesites	168
Year Built	1998
Quality / Condition	Good / Average/Good
Appeal	Good
Site Size	18.7 Acres (815,008 SF)
Zoning	SF6

Amenities Kitchen, Parking Driveway, Perimeter Fence, Street Lights

**UNIT MIX**

<u>DESCRIPTION</u>	<u>NO. HOMESITES</u>
Standard	168



**PARC DE MAISON**

**OPERATING INCOME**

	<u>PER HOMESITE</u>	<u>TOTAL</u>
Rent Income	\$8,228	\$1,382,292
Other Income	\$15	\$2,500
Gross Income	\$8,243	\$1,384,792
Vacancy @ 2.0%	(\$165)	(\$27,646)
Effective Gross Income	\$8,078	\$1,357,146
Expenses	(\$2,150)	(\$361,120)
Net Operating Income	\$5,929	\$996,026
Occupancy at Sale		98.5%
Expense % of PGI/ EGI	26%	27%

**ANALYSIS INFORMATION**

Price/Homesite	\$125,595.24
Adjusted Price/Homesite	\$129,237.50
Capitalization Rate	4.72%
PGIM/ EGIM	15.24 15.55

**CONFIRMATION**

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

**REMARKS**

According to the buyer (confidential), Parc de Maison closed in March 2021 for \$21,100,000. The buyer indicated that the park was nearly full at the time of closing (99.8%). The buyer indicated that the purchase was an arm's length transaction with no concessions offered by the seller. It appears that the buyer negotiated directly with the seller. Additionally, according to an appraisal document provided by buyer (confidential), the subject appraised for slightly over the purchase price. The subject is a 55+ community.

**COMPARABLE 4**

**LOCATION INFORMATION**

Name	Rancho Santa Teresa MHP
Address	510 Saddlebrook Drive
City, State, Zip Code	San Jose, CA, 95136
County	Santa Clara
MSA	San Jose-Sunnyvale-Santa Clara, CA
APN	685-03-003;004;009

**SALE INFORMATION**

Buyer	Confidential
Seller	Confidential
Transaction Date	10/13/2022
Transaction Status	Recorded
Transaction Price	\$62,673,846
Recorded Date	10/13/2022
Recorded Price	\$40,738,000
Analysis Price	\$62,673,846
Rights Transferred	Leased Fee



**RANCHO SANTA TERESA MHP**

**PHYSICAL INFORMATION**

Project Type	Manufactured Housing
Homesites	315
Year Built	1963
Quality / Condition	Average / Average
Appeal	Average
Site Size	34.4 Acres (1,499,335 SF)
Zoning	R-MH
Street Construction	Asphalt

Amenities                      Basketball, Billiards, Carwash Area, Horseshoes, Clubhouse (1) and Pool (1)

**UNIT MIX**

<u>DESCRIPTION</u>	<u>NO. HOMESITES</u>
Standard	314
SFR	1

**OPERATING INCOME**

	<b>PER HOMESITE</b>	<b>TOTAL</b>
Rent Income	\$12,838	\$4,044,124
Other Income	\$3,787	\$1,193,047
Gross Income	\$16,626	\$5,237,171
Vacancy @ 0.0%	\$0	\$0
Effective Gross Income	\$16,626	\$5,237,171
Expenses	(\$7,991)	(\$2,517,255)
Net Operating Income	\$8,635	\$2,719,916
Occupancy at Sale		100.0%
Expense % of PGI/ EGI	48%	48%

**ANALYSIS INFORMATION**

Price/Homesite	\$198,964.59
Adjusted Price/Homesite	\$165,140.61
Capitalization Rate	4.34%
PGIM/ EGIM	11.97              11.97

**CONFIRMATION**

Name	Appraisal Documents
Company	Confidential
Source	Purchase Contract
Date / Phone Number	11/10/2022      Confidential

**REMARKS**

Rancho Santa Teresa MHP is a mobile home park with 314 mobile home spaces and one single family residence. The community is in average/good condition for its vintage (1963) with good appeal. All utilities are sub-metered and reimbursed to the owner. It is noted that the subject is located in an area of San Jose with rent control which limits rent increases. The subject transaction represents the buy-out of a partnership from one partner to the next due to death. The property sold for \$40,738,000 which represents 65% of the agreed upon value of \$62,673,846.20. It was reported that the price was determined between the two partners and never went on the open market, although, the broker indicated that even though the subject was not directly listed on the open market, he had discussions with potential buyers who verbally offered in excess of \$68,000,000 (no written offers were received). The As-Is Value is approximately 12% higher than the purchase price. Cap rate was concluded using the 2022 actual historicals.

**COMPARABLE 5****LOCATION INFORMATION**

Name	Tall Pines Mobile Home Estates
Address	13960 Golden Star Road
City, State, Zip Code	Grass Valley, CA, 95949
County	Nevada
APN	23-060-29-005

**SALE INFORMATION**

Buyer	Keith Management
Seller	MHC Tall Pines, LLC
Transaction Date	05/6/2021
Transaction Status	Recorded
Transaction Price	\$14,370,000
Recorded Date	05/9/2022
Analysis Price	\$14,370,000
Rights Transferred	Leased Fee
Conditions of Sale	Arms-Length

**PHYSICAL INFORMATION**

Project Type	Manufactured Housing
Homesites	96
Year Built	1989
Quality / Condition	Average/Good / Average/Good
Appeal	Average/Good
Site Size	19.6 Acres (852,905 SF)

Amenities	Basketball, Billiards, Clubhouse, Pool, Clubhouse (1) and Pool (1)
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**UNIT MIX**

<u>DESCRIPTION</u>	<u>NO. HOMESITES</u>
Standard	96

**TALL PINES MOBILE HOME ESTATES****OPERATING INCOME**

	<u>PER HOMESITE</u>	<u>TOTAL</u>
Rent Income	\$10,353	\$993,858
Other Income	\$3,479	\$334,000
Gross Income	\$13,832	\$1,327,858
Vacancy @ 3.0%	(\$311)	(\$29,816)
Effective Gross Income	\$13,521	\$1,298,042
Expenses	(\$7,100)	(\$681,607)
Net Operating Income	\$6,421	\$616,435
Occupancy at Sale		97.9%
Expense % of PGI / EGI	51%	53%

**ANALYSIS INFORMATION**

Price/Homesite	\$149,687.50
Adjusted Price/Homesite	\$146,169.85
Capitalization Rate	4.29%
PGIM / EGIM	10.82 11.07

**CONFIRMATION**

Name	Confidential
Company	Confidential
Source	Appraisal Document
Date / Phone Number	10/12/2021 Confidential

**REMARKS**

Based on conversations with parties associated to the sale, the subject is an off-market transaction which was shown to a select few potential buyers but not listed on the open market. The seller was reportedly motivated to sell and had received multiple offers however, accepted the current buyer's offer due to ability to put down a high non-refundable deposit and also able to close quicker than any other offers made. The original asking price was \$14,500,000. Based on a review of the purchase agreement and addendum, as well as conversations with the buyer, the purchase price was amended to include a \$870,000 pre-payment penalty with the owner's current lender. The total purchase price is \$14,370,000 which is similar to the As-Is Value included in this analysis.



**COMPARABLE 6**

**LOCATION INFORMATION**

Name	Granite Bay Estates MHC
Address	6805 Douglas Boulevard
City, State, Zip Code	Granite Bay, CA, 95746
County	Placer
MSA	Sacramento-Yolo, CA CMSA
APN	048-108-088

**SALE INFORMATION**

Buyer	Marc Perry
Transaction Date	08/13/2021
Transaction Status	Recorded
Transaction Price	\$12,150,000
Recorded Date	01/19/2022
Analysis Price	\$12,150,000
Rights Transferred	Leased Fee
Financing	Freddie Mac
Conditions of Sale	Arms-Length



**PHYSICAL INFORMATION**

Project Type	Manufactured Housing
Homesites	100
Year Built	1961
Quality / Condition	Average / Average
Appeal	Average
Site Size	13.5 Acres (587,189 SF)
Zoning	Res MF

Amenities                      Laundry Room, Playground, Swimming Pool and Pool (1)

**UNIT MIX**

<u>DESCRIPTION</u>	<u>NO. HOMESITES</u>
Standard	100

**GRANITE BAY ESTATES MHC**

**OPERATING INCOME**

	<u>PER HOMESITE</u>	<u>TOTAL</u>
Rent Income	\$8,580	\$858,000
Other Income	\$2,833	\$283,325
Gross Income	\$11,413	\$1,141,325
Vacancy @ 0.0%	(\$215)	(\$21,450)
Effective Gross Income	\$11,199	\$1,119,875
Expenses	(\$6,084)	(\$608,376)
Net Operating Income	\$5,115	\$511,499
Occupancy at Sale		97.0%
Expense % of PGI / EGI	53%	54%

**ANALYSIS INFORMATION**

Price/Homesite	\$121,500.00
Adjusted Price/Homesite	\$123,832.80
Capitalization Rate	4.21%
PGIM / EGIM	10.65      10.85

**CONFIRMATION**

Name	Confidential
Company	Confidential
Source	Buyer's Representative
Date / Phone Number	08/25/2021      Confidential

**REMARKS**

The property is located at the intersection of Douglas Blvd. and Christy Lane. Yearly rent increases occur each May for CPI. Douglas Boulevard is a major thoroughfare that runs east/west through the area. Rents at time of sale were \$715 following a \$40 increase in May 2021.

## IMPROVED SALES LOCATION TABLE

COMPARABLE	SUBJECT	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3	COMPARABLE 4	COMPARABLE 5	COMPARABLE 6
<b>Name</b>	Sierra Holiday	Royal Palms MHP	Heavenly Valley	Parc De Maison	Rancho Santa	Tall Pines Mobile	Granite Bay
<b>Address</b>	200 Azimuth	560 W Pleasant	3740 Blackwood	1700 Colorado	510 Saddlebrook	13960 Golden	6805 Douglas
<b>City</b>	Mammoth Lakes	Tulare	South Lake Tahoe	Carson City	San Jose	Grass Valley	Granite Bay
<b>State</b>	CA	CA	CA	NV	CA	CA	CA
<b>Zip</b>	93546	93274	96156	89701	95136	95949	95746
<b>County</b>	Mono	Tulare	El Dorado	Carson City	Santa Clara	Nevada	Placer
<b>Location Adjustment</b>		10%	0%	10%	-10%	10%	-5%

## IMPROVED SALES ADJUSTMENT TABLE

COMPARABLE	SUBJECT	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3	COMPARABLE 4	COMPARABLE 5	COMPARABLE 6
<b>Address</b>	200 Azimuth Drive	560 W Pleasant Avenue	3740 Blackwood Road	1700 Colorado Street	510 Saddlebrook Drive	13960 Golden Star Road	6805 Douglas Boulevard
<b>City, State</b>	Mammoth Lakes, CA	Tulare, CA	South Lake Tahoe, CA	Carson City, NV	San Jose, CA	Grass Valley, CA	Granite Bay, CA
<b>Units</b>	83	96	61	168	315	96	100
<b>Density</b>	8.0	10.8	11.1	8.9	9.2	4.9	7.4
<b>Land Area (AC)</b>	10.3	8.9	5.5	18.7	34.4	19.6	13.5
<b>Land Area (SF)</b>	449,616	387,684	238,709	815,008	1,499,335	852,905	587,189
<b>Year Built</b>	1972	1968	1970	1998	1963	1989	1961

## SALE INFORMATION

<b>Date</b>		1/10/2022	10/13/2020	3/2/2021	10/13/2022	5/6/2021	8/13/2021
<b>Status</b>		Recorded	Recorded	Recorded	Recorded	Recorded	Recorded
<b>Rights Transferred</b>		Leased Fee	Leased Fee	Leased Fee	Leased Fee	Leased Fee	Leased Fee
<b>Occupancy</b>	92.8%	94.8%	82.0%	98.5%	100.0%	97.9%	97.0%
<b>Capitalization Rate</b>		3.5%	4.9%	4.7%	4.3%	4.3%	4.2%
<b>NOI/Homesite</b>		\$3,696	\$6,068	\$5,929	\$8,635	\$6,421	\$5,115
<b>Transaction Price</b>		\$10,200,000	\$7,600,000	\$21,100,000	\$62,673,846	\$14,370,000	\$12,150,000
<b>Analysis Price</b>		\$10,200,000	\$7,600,000	\$21,100,000	\$62,673,846	\$14,370,000	\$12,150,000
<b>\$/Homesite</b>		\$106,250	\$124,590	\$125,595	\$198,965	\$149,688	\$121,500

## TRANSACTIONAL ADJUSTMENTS

<b>Property Rights</b>	0%	0%	0%	0%	0%	0%	0%
<b>Financing</b>	0%	0%	0%	0%	0%	0%	0%
<b>Conditions of Sale</b>	0%	0%	0%	0%	0%	0%	0%
<b>Expenditures After the Sale</b>	0%	0%	0%	0%	0%	0%	0%
<b>Market Conditions<sup>1</sup></b>	3%	6%	5%	0%	5%	4%	
<b>Subtotal Transactional Adj Price</b>		\$109,438	\$132,066	\$131,875	\$198,965	\$157,172	\$126,360

## PROPERTY ADJUSTMENTS

<b>Location</b>	10%	0%	10%	-10%	10%	-5%	
<b>Quality</b>	5%	5%	0%	-5%	-5%	5%	
<b>Condition</b>	5%	5%	0%	0%	0%	0%	
<b>Age</b>	0%	0%	-10%	0%	-5%	5%	
<b>Number Of Homesites</b>	0%	0%	5%	5%	0%	0%	
<b>Density</b>	0%	0%	0%	0%	0%	0%	
<b>Amenities</b>	0%	0%	0%	0%	0%	0%	
<b>Non-rentable sites</b>	-7%	-7%	-7%	-7%	-7%	-7%	
<b>Subtotal Property Adjustment</b>	13%	3%	-2%	-17%	-7%	-2%	
<b>TOTAL ADJUSTED \$/HOMESITE</b>		\$123,664	\$136,028	\$129,238	\$165,141	\$146,170	\$123,833

STATISTICS	UNADJUSTED	ADJUSTED
<b>LOW</b>	\$106,250	\$123,664
<b>HIGH</b>	\$198,965	\$165,141
<b>MEDIAN</b>	\$125,093	\$132,633
<b>AVERAGE</b>	\$137,765	\$137,345

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

Date of Value (for adjustment calculations): 11/11/22

## SALES COMPARABLE ANALYSIS

### Introduction

The comparable sales indicate an adjusted value range from \$123,664 to \$165,141/Homesite, with a median of \$132,633/Homesite and an average of \$137,345/Homesite. The range of total gross adjustment applied to the comparables was from 23% to 37%, 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. It is noted that a 7% downward adjustment was applied to each sales comparable to reflect the subject's non-rentable homesites, which is consistent with the income loss presented in the income approach (7.2% of potential rental income).

### Discussion of Adjustments

Comparable 1 (\$123,664/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 a total upward adjustment of 13% for property characteristics. The total gross adjustment applied to this comparable was 30%. 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 (\$136,028/Homesite as adjusted) required a total upward transaction adjustment of 6%. 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 3% for property characteristics. The total gross adjustment applied to this comparable was 23%. 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 (\$129,238/Homesite as adjusted) required a total upward transaction adjustment of 5%. 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 -2% for property characteristics. The total gross adjustment applied to this comparable was 37%. 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 4 (\$165,141/Homesite as adjusted) did not require any transaction adjustments. This comparable required a total downward adjustment of -17% for property characteristics. 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 5 (\$146,170/Homesite as adjusted) required a total upward transaction adjustment of 5%. 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 -7% for property characteristics. The total gross adjustment applied to this comparable was 32%. 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 (\$123,833/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 -2% for property characteristics. The total gross adjustment applied to this comparable was 26%. 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 \$123,664 to \$165,141/Homesite, with a median of \$132,633/Homesite and an average of \$137,345/Homesite. Based on the results of the preceding analysis, Comparable 1 (\$123,664/Homesite adjusted), Comparable 2 (\$136,028/Homesite adjusted), Comparable 3 (\$129,238/Homesite adjusted), Comparable 4 (\$165,141/Homesite adjusted), Comparable 5 (\$146,170/Homesite adjusted) and Comparable 6 (\$123,833/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	GROSS	WEIGHT GIVEN
	PRICE	TRANSACTIONAL <sup>1</sup>	ADJUSTED	PROPERTY <sup>2</sup>	FINAL	ADJ %	ADJ %	
1	\$106,250	3%	\$109,438	13%	<b>\$123,664</b>	16%	30%	PRIMARY
2	\$124,590	6%	\$132,066	3%	<b>\$136,028</b>	9%	23%	PRIMARY
3	\$125,595	5%	\$131,875	-2%	<b>\$129,238</b>	3%	37%	PRIMARY
4	\$198,965	0%	\$198,965	-17%	<b>\$165,141</b>	-17%	27%	PRIMARY
5	\$149,688	5%	\$157,172	-7%	<b>\$146,170</b>	-2%	32%	PRIMARY
6	\$121,500	4%	\$126,360	-2%	<b>\$123,833</b>	2%	26%	PRIMARY
<b>LOW</b>	<b>\$123,664</b>						<b>AVERAGE</b>	<b>\$137,345</b>
<b>HIGH</b>	<b>\$165,141</b>						<b>MEDIAN</b>	<b>\$132,633</b>
			<b>SUBJECT HOMESITES</b>		<b>\$/HOMESITE CONCLUSION</b>			<b>VALUE</b>
<b>INDICATED VALUE</b>			<b>83</b>	<b>x</b>	<b>\$135,000</b>	<b>=</b>		<b>\$11,210,000</b>
	Vacant Land Value							\$350,000
<b>AS-IS MARKET VALUE</b>					<b>\$139,277</b>			<b>\$11,560,000</b>

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

Rounded to nearest \$10,000

**INTRODUCTION**

The subject property includes 0.35 acres of vacant land that is included in the purchase price. This land is currently being used as a snow storage area, but could be marketed and sold separately.

Land value is influenced by a number of factors; most prominent of which is development and use potential. These factors, as well as others, are considered in the following analysis.

**UNIT OF COMPARISON**

The most relevant unit of comparison is the price per acre. This indicator best reflects the analysis used by buyers and sellers in this market for land with similar utility and zoning in this marketplace.

**COMPARABLE SELECTION**

A thorough search was made for similar land sales in terms of proximity to the subject, size, location, development potential, and date of sale. In selecting comparables, emphasis was placed on confirming recent sales of commercial sites that are similar to the subject property in terms of location and physical characteristics. 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 fee simple basis. If warranted, leased fee, leasehold and/or partial interest land sales were adjusted accordingly.
Financing Terms	The subject site 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 and/or assemblages.
Expenditures After Purchase	Adjustments were applied if site conditions warranted expenditures on the part of the buyer to create a buildable site. Examples include costs for razing pre-existing structures, general site clearing and/or mitigation of environmental issues.
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 my research, the following table summarizes the market conditions adjustment applied in this analysis.

**MARKET CONDITIONS ADJUSTMENT**

Per Year As Of	November 2022	(As-Is)	1%
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The analysis applies an upward market conditions adjustment of 1% annually reflecting the conditions between the oldest comparable sale date up through the effective valuation date.

**Property Adjustments**

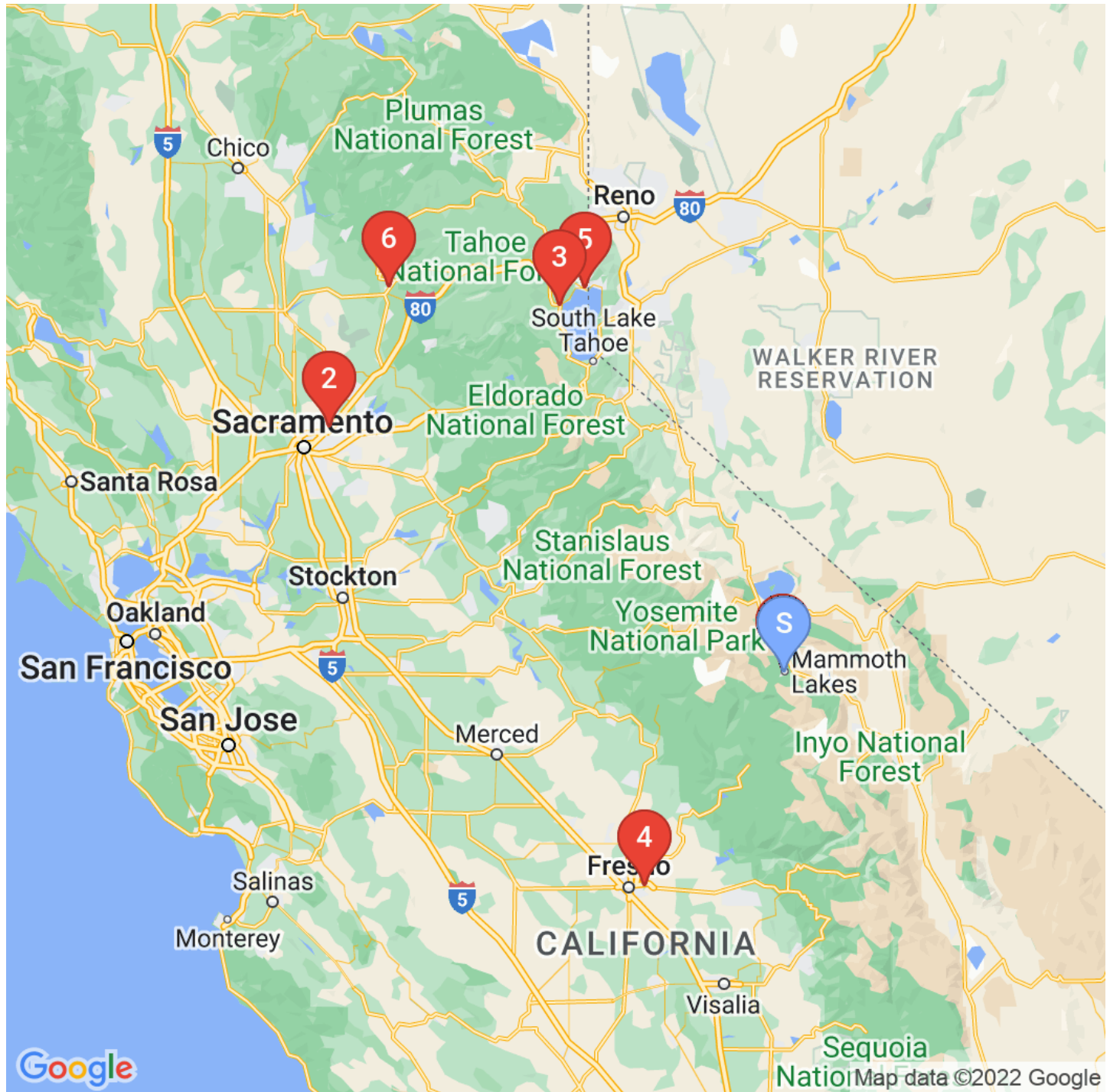
Quantitative percentage adjustments are also made for location and physical characteristics such as size, shape, access, exposure, topography, zoning and overall utility. Where possible the adjustments applied are based on paired data or other statistical analysis. For example, location adjustments are based primarily on review of land values in the market areas for the comparables relative to the subject. It should be stressed that the adjustments are subjective in nature and are meant to illustrate my logic in deriving a value opinion for the subject site.

**PRESENTATION**

The following Land Sales Summation Table, Location Map and datasheets summarize the sales data used in this analysis. Following these items, the comparable land sales are adjusted for applicable elements of comparison and the opinion of site value is concluded.

LAND SALES SUMMATION TABLE							
COMPARABLE	SUBJECT	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3	COMPARABLE 4	COMPARABLE 5	COMPARABLE 6
<b>Name</b>	Vacant Land	Commercial Land	Commercial Site	Commercial Land	Panda Express Site	Commercial Lot	Hari Property
<b>Address</b>	89 Oak Tree Way	540 Old Mammoth Road	5130 Date Ave	315 W Lake Blvd	445 S Clovis St	8797 N Lake Blvd	177 Glenbrook Dr
<b>City</b>	Mammoth Lakes	Mammoth Lakes	Sacramento	Tahoe City	Clovis	Kings Beach	Grass Valley
<b>State</b>	CA	CA	CA	CA	CA	CA	CA
<b>Zip</b>	93546	93546	95841	96145	93727	96143	95945
<b>County</b>	Mono	Mono	Sacramento	Placer	Fresno	Placer	Nevada
PHYSICAL INFORMATION							
<b>Acres</b>	0.35	0.67	0.32	0.46	0.53	0.30	0.40
<b>SF</b>	15,323	29,185	14,000	20,038	23,087	13,068	17,424
<b>Zoning</b>	OMR	OMR	TC	001A	C-2	MU	Commercial
<b>Flood Zone</b>	Zone X	X (Unshaded)	X	-	X	X	X
<b>Corner</b>	No	No	No	No	Yes	Yes	No
<b>Topography</b>	Level	Level	Generally Level	Level	Level	Generally Level	Generally Level
<b>Street Frontage</b>	Average	Average	Average	Average	Average	Average	Average
SALE INFORMATION							
<b>Date</b>		3/2/2018	3/8/2021	3/5/2021	4/19/2019	8/10/2020	2/19/2021
<b>Status</b>		Recorded	Recorded	Recorded	Recorded	Recorded	Recorded
<b>Rights Transferred</b>		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
<b>Transaction Price</b>		\$650,000	\$350,000	\$685,000	\$500,000	\$279,000	\$472,000
<b>Analysis Price</b>		\$650,000	\$350,000	\$685,000	\$500,000	\$279,000	\$472,000
<b>\$/Acre</b>		\$970,149	\$1,093,750	\$1,489,130	\$943,396	\$930,000	\$1,180,000

LAND SALES LOCATION MAP



COMPARABLE KEY

COMP	DISTANCE	ADDRESS	SALE DATE	ACRES	SF	\$/ACRE
SUBJECT	-	200 Azimuth Drive, Mammoth Lakes, CA	-	10.32	449,616	-
No. 1	0.8 Miles	540 Old Mammoth Road, Mammoth Lakes, CA	3/2/2018	0.67	29,185	\$970,149
No. 2	147.5 Miles	5130 Date Ave, Sacramento, CA	3/8/2021	0.32	14,000	\$1,093,750
No. 3	122.9 Miles	315 W Lake Blvd, Tahoe City, CA	3/5/2021	0.46	20,038	\$1,489,130
No. 4	74.0 Miles	445 S Clovis St, Clovis, CA	4/19/2019	0.53	23,087	\$943,396
No. 5	123.9 Miles	8797 N Lake Blvd, Kings Beach, CA	8/10/2020	0.30	13,068	\$930,000
No. 6	157.2 Miles	177 Glenbrook Dr, Grass Valley, CA	2/19/2021	0.40	17,424	\$1,180,000

## COMPARABLE 1

### LOCATION INFORMATION

Name Commercial Land  
 Address 540 Old Mammoth Road  
 City, State, Zip Code Mammoth Lakes, CA, 93546  
 County Mono  
 APN 035-200-023

### SALE INFORMATION

Buyer Gray Bear LLC  
 Seller Vereuck Properties, LLC  
 Transaction Date 03/2/2018  
 Transaction Status Recorded  
 Transaction Price \$650,000  
 Analysis Price \$650,000  
 Recording Number 709  
 Rights Transferred Fee Simple  
 Financing All Cash  
 Conditions of Sale Assumed Arms-Length

### PHYSICAL INFORMATION

Intended Use Commercial  
 Flood Zone X (Unshaded)  
 Site Size Acres SF  
     Net 0.67 29,185  
     Gross 0.67 29,185  
 Zoning OMR  
 Shape Irregular  
 Topography Level  
 Access Average  
 Exposure Average  
 Easements Standard  
 Utilities Utilities are available at the street frontage



## COMMERCIAL LAND

### ANALYSIS INFORMATION

Price	\$/Acre	\$/SF
Gross	\$970,149	\$22.27
Net	\$970,149	\$22.27

### CONFIRMATION

Name Matthew Lehman  
 Company Matthew Lehman Real Estate  
 Source Seller's Broker  
 Date / Phone Number 07/23/2018 +1 760 822 5845

### REMARKS

This is the sale of 0.67-acres of commercial land in the resort community of Mammoth Lakes. The parcel is adjacent to two shopping centers, one anchored by Vons. The property was level and utilities were at the street frontage at the time of sale.



**COMPARABLE 2**

**LOCATION INFORMATION**

Name Commercial Site  
 Address 5130 Date Ave  
 City, State, Zip Code Sacramento, CA, 95841  
 County Sacramento  
 MSA Sacramento-Roseville-Folsom, CA  
 APN 228-0210-041

**SALE INFORMATION**

Buyer S&S Madison LLC  
 Seller EGI Fund 1 LLC  
 Transaction Date 03/8/2021  
 Transaction Status Recorded  
 Transaction Price \$350,000  
 Analysis Price \$350,000  
 Recording Number 210308080 7  
 Rights Transferred Fee Simple  
 Financing Conventional  
 Conditions of Sale Arms-Length  
 Marketing Time 5 Months

**PHYSICAL INFORMATION**

Intended Use Commercial  
 Flood Zone X  
 Frontage Average  
 Site Size Acres SF  
     Net 0.32 14,000  
     Gross 0.38 16,500  
 Zoning TC  
 Shape Rectangular  
 Topography Generally Level  
 Access Average  
 Exposure Average  
 Easements Standard

POR. SEC.47, RANCHO DEL PASO

Tax Area Code

228-21



**COMMERCIAL SITE**

**ANALYSIS INFORMATION**

Price	\$/Acre	\$/SF	
Gross	\$921,053	\$21.21	\$0
Net	\$1,093,750	\$25.00	\$0

**CONFIRMATION**

Name Confidential  
 Company Confidential  
 Source Seller's Broker  
 Date / Phone Number Confidential Confidential

**REMARKS**

This parcel is one block east of I-80 and one parcel south of Madison Avenue. It was fully asphalt paved at the time of sale. There was also an older auto service building with no contributory value.

**COMPARABLE 3**

**LOCATION INFORMATION**

Name	Commercial Land
Address	315 W Lake Blvd
City, State, Zip Code	Tahoe City, CA, 96145
County	Placer
APN	095-200-054

**SALE INFORMATION**

Buyer	N/A
Seller	N/A
Transaction Date	03/5/2021
Transaction Status	Recorded
Transaction Price	\$685,000
Analysis Price	\$685,000
Recording Number	N/A
Rights Transferred	Fee Simple
Conditions of Sale	Arms-Length
Marketing Time	5 Months

**PHYSICAL INFORMATION**

Intended Use	Commercial	
Site Size	Acres	SF
Net	0.46	20,038
Gross	0.46	20,038
Zoning	001A	
Shape	Irregular	
Topography	Level	
Access	Average	
Exposure	Average	
Utilities	Utilities are to the site.	



**COMMERCIAL LAND**

**ANALYSIS INFORMATION**

Price	<u>\$/Acre</u>	<u>\$/SF</u>
Gross	\$1,489,130	\$34.19
Net	\$1,489,130	\$34.19

**CONFIRMATION**

Name	Confidential	
Company	Confidential	
Source	CoStar	
Date / Phone Number	04/20/2022	Confidential

**REMARKS**

This is a commercial parcel of land located on the west side of Lake Boulevard in Tahoe City.

## COMPARABLE 4

### LOCATION INFORMATION

Name Panda Express Site  
 Address 445 S Clovis St  
 City, State, Zip Code Clovis, CA, 93727  
 County Fresno  
 MSA Fresno, CA  
 APN 313-240-70

### SALE INFORMATION

Buyer CFT NV DEVELOPMENTS LLC  
 Seller KHALID HAFSAH T  
 Transaction Date 04/19/2019  
 Transaction Status Recorded  
 Transaction Price \$500,000  
 Analysis Price \$500,000  
 Recording Number 39709  
 Rights Transferred Fee Simple  
 Financing Cash at Settlement  
 Conditions of Sale Arms-Length

### PHYSICAL INFORMATION

Intended Use Commercial  
 Flood Zone X  
 Frontage Good  
 Site Size Acres SF  
     Net 0.53 23,087  
     Gross 0.53 23,087  
 Zoning C-2  
 Shape Rectangular  
 Topography Level  
 Access Average  
 Exposure Good  
 Corner Yes  
 Easements Standard

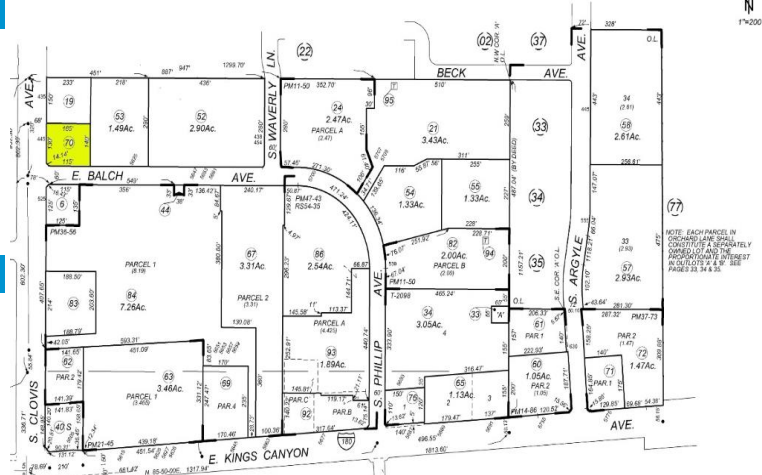
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SUBDIVIDED LAND & POR. SEC'S. 4 & 9, T.14S, R.21E., M.D.B & M.

Tax Rate Area

5-377  
 5-446  
 5-790  
 5-830

313-24



## PANDA EXPRESS SITE

### ANALYSIS INFORMATION

Price	\$/Acre	\$/SF
Gross	\$943,396	\$21.66
Net	\$943,396	\$21.66

### CONFIRMATION

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

### REMARKS

This site was pre-approved for a drive thru window and was purchased for construction of a Panda Express.

**COMPARABLE 5**

**LOCATION INFORMATION**

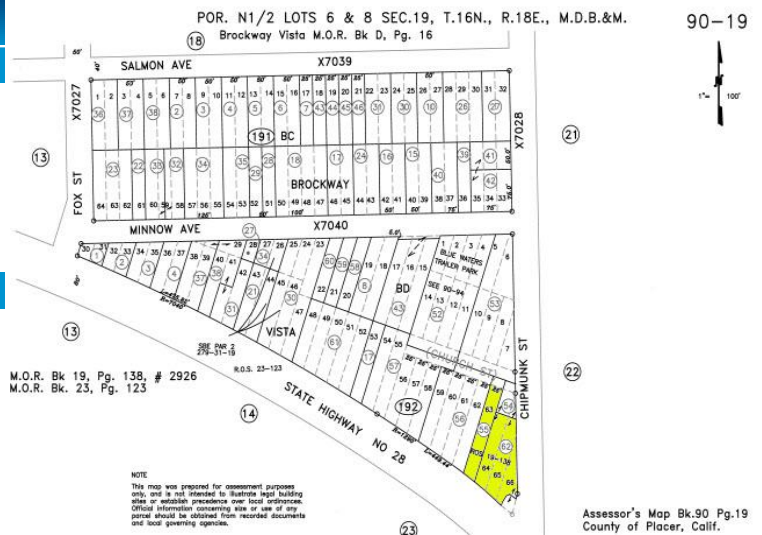
Name Commercial Lot  
 Address 8797 N Lake Blvd  
 City, State, Zip Code Kings Beach, CA, 96143  
 County Placer  
 APN 090-192-055, 090-192-062

**SALE INFORMATION**

Buyer Pending  
 Seller Placer County RDA  
 Transaction Date 08/10/2020  
 Transaction Status Recorded  
 Transaction Price \$279,000  
 Analysis Price \$279,000  
 Recording Number TBD  
 Rights Transferred Fee Simple  
 Financing Conventional  
 Conditions of Sale Arms-Length  
 Marketing Time 14 Months

**PHYSICAL INFORMATION**

Intended Use Commercial  
 Flood Zone X  
 Frontage Good  
 Site Size Acres SF  
     Net 0.30 13,068  
     Gross 0.30 13,068  
 Zoning MU  
 Shape Irregular  
 Topography Generally Level  
 Access Average  
 Exposure Good  
 Corner Yes  
 Easements Standard



**COMMERCIAL LOT**

**ANALYSIS INFORMATION**

Price	\$/Acre	\$/SF
Gross	\$930,000	\$21.35
Net	\$930,000	\$21.35

**CONFIRMATION**

Name Confidential  
 Company Confidential  
 Source Seller's Broker  
 Date / Phone Number Confidential Confidential

**REMARKS**

This property is being sold by the Placer County Redevelopment Agency after 14 months on the market.  
 There is another private redevelopment project proceeding directly across the street. This parcel is toward the east end of town, away from the commercial center and public beach areas. It was a former service station site, but selling with a clear certification for the underground tanks.

## COMPARABLE 6

### LOCATION INFORMATION

Name Hari Property  
 Address 177 Glenbrook Dr  
 City, State, Zip Code Grass Valley, CA, 95945  
 County Nevada  
 APN 035-310-019, 020

### SALE INFORMATION

Buyer John Hari  
 Seller Ronald Bailey Living Trust  
 Transaction Date 02/19/2021  
 Transaction Price \$472,000  
 Analysis Price \$472,000  
 Recording Number 5834  
 Rights Transferred Fee Simple  
 Financing Cash at Settlement  
 Conditions of Sale Arms-Length

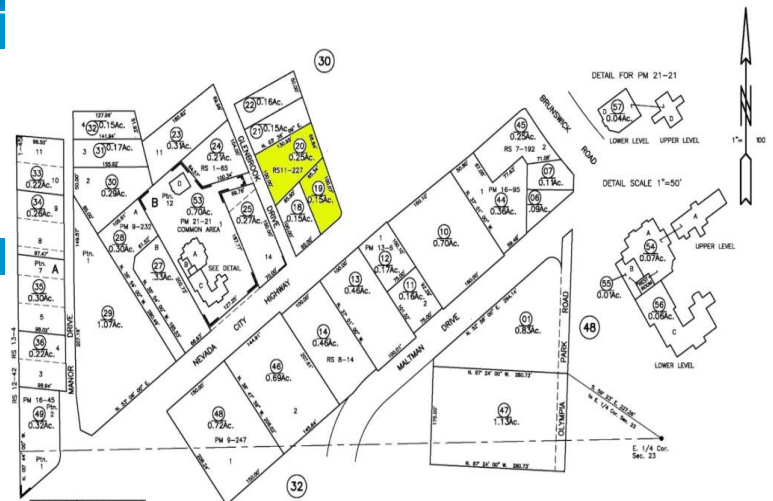
### PHYSICAL INFORMATION

Intended Use Commercial  
 Flood Zone X  
 Frontage Average  
 Site Size Acres SF  
     Net 0.40 17,424  
     Gross 0.40 17,424  
 Zoning Commercial  
 Shape Irregular  
 Topography Generally Level  
 Access Average/Good  
 Exposure Average  
 Easements Standard

PTN. E. 1/2 SEC. 23, T. 16 N., R. 8 E., M.D.B. & M.

Tax Area Code 1-056

35-3  
(989, 9-05)



### HARI PROPERTY

#### ANALYSIS INFORMATION

Price	\$/Acre	\$/SF
Gross	\$1,180,000	\$27.09
Net	\$1,180,000	\$27.09

#### CONFIRMATION

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

#### REMARKS

These two parcels were purchased together. They wrap an improved parcel at the NEC of E Main St and Glenbrook Dr. The site is generally level and within a block of a Hwy 20 interchange.

**LAND SALES ADJUSTMENT TABLE**

COMPARABLE	SUBJECT	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3	COMPARABLE 4	COMPARABLE 5	COMPARABLE 6
<b>Name</b>	Vacant Land	Commercial Land	Commercial Site	Commercial Land	Panda Express	Commercial Lot	Hari Property
<b>Address</b>	89 Oak Tree Way	540 Old Mammoth	5130 Date Ave	315 W Lake Blvd	445 S Clovis St	8797 N Lake Blvd	177 Glenbrook Dr
<b>City</b>	Mammoth Lakes	Mammoth Lakes	Sacramento	Tahoe City	Clovis	Kings Beach	Grass Valley
<b>Acres</b>	0.35	0.67	0.32	0.46	0.53	0.30	0.40
<b>Location</b>	Good	Average	Average	Average	Average	Average	Average
<b>Exposure</b>	Average	Average	Average	Average	Good	Good	Average
<b>Access</b>	Average	Average	Average	Average	Average/Good	Average	Average/Good
<b>Shape</b>	Irregular	Irregular	Rectangular	Irregular	Rectangular	Irregular	Irregular
<b>Site Utility Rating</b>	Average	Average	Average	Average	Average	Average	Average
SALE INFORMATION							
<b>Date</b>		3/2/2018	3/8/2021	3/5/2021	4/19/2019	8/10/2020	2/19/2021
<b>Status</b>		Recorded	Recorded	Recorded	Recorded	Recorded	Recorded
<b>Rights Transferred</b>		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
<b>Analysis Price</b>		\$650,000	\$350,000	\$685,000	\$500,000	\$279,000	\$472,000
<b>Price/Acre</b>		\$970,149	\$1,093,750	\$1,489,130	\$943,396	\$930,000	\$1,180,000
TRANSACTIONAL ADJUSTMENTS							
<b>Property Rights</b>		0%	0%	0%	0%	0%	0%
<b>Financing</b>		0%	0%	0%	0%	0%	0%
<b>Conditions of Sale</b>		0%	0%	0%	0%	0%	0%
<b>Expenditures After the Sale</b>		0%	0%	0%	0%	0%	0%
<b>Market Conditions<sup>1</sup></b>		5%	2%	2%	4%	2%	2%
<b>Subtotal Transactional Adj Price</b>		\$1,018,657	\$1,115,625	\$1,518,913	\$981,132	\$948,600	\$1,203,600
PROPERTY ADJUSTMENTS							
<b>Location</b>		0%	5%	-10%	5%	0%	5%
<b>Size</b>		0%	0%	0%	0%	0%	0%
<b>Exposure</b>		-5%	0%	-5%	-5%	-5%	0%
<b>Access</b>		0%	-5%	-5%	-5%	-5%	0%
<b>Shape</b>		0%	0%	0%	0%	0%	0%
<b>Site Utility Rating</b>		0%	0%	0%	0%	0%	0%
<b>Subtotal Property Adjustment</b>		-5%	0%	-20%	-5%	-10%	5%
<b>TOTAL ADJUSTED PRICE</b>		\$967,724	\$1,115,625	\$1,215,130	\$932,075	\$853,740	\$1,263,780
STATISTICS	UNADJUSTED	ADJUSTED					
<b>LOW</b>	\$930,000	\$853,740					
<b>HIGH</b>	\$1,489,130	\$1,263,780					
<b>MEDIAN</b>	\$1,031,950	\$1,041,674					
<b>AVERAGE</b>	\$1,101,071	\$1,058,012					

<sup>1</sup> Market Conditions Adjustment: 1%

Date of Value (for adjustment calculations): 11/11/22

## LAND SALES ANALYSIS

### Introduction

The comparable land sales indicate an adjusted value range from \$853,740 to \$1,263,780/Acre, with a median of \$1,041,674/Acre and an average of \$1,058,012/Acre. The range of total gross adjustment applied to the comparables was from 7% to 22%, with an average gross adjustment across all comparables of 14%. The level of total adjustments applied to the comparables are considered to be moderate. Overall, the availability of market data and extent of analysis was adequate to develop a reasonably credible opinion of land value. The adjustment process for each comparable land sale is discussed in the following paragraphs.

### Discussion of Adjustments

Comparable 1 (\$967,724/Acre as adjusted) required a total upward transaction adjustment of 5%. This comparable required a total downward adjustment of -5% for property characteristics. 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 2 (\$1,115,625/Acre as adjusted) required a total upward transaction adjustment of 2%. This comparable required adjustments for property characteristics, however these resulted in a net adjustment of 0%. The total gross adjustment applied to this comparable was 12%. 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 secondary consideration as a value indicator for the subject.

Comparable 3 (\$1,215,130/Acre as adjusted) required a total upward transaction adjustment of 2%. This comparable required a total downward adjustment of -20% for property characteristics. The total gross adjustment applied to this comparable was 22%. 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 secondary consideration as a value indicator for the subject.

Comparable 4 (\$932,075/Acre as adjusted) required a total upward transaction adjustment of 4%. This comparable required a total downward adjustment of -5% for property characteristics. The total gross adjustment applied to this comparable was 19%. 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 secondary consideration as a value indicator for the subject.

Comparable 5 (\$853,740/Acre as adjusted) required a total upward transaction adjustment of 2%. This comparable required a total downward adjustment of -10% for property characteristics. The total gross adjustment applied to this comparable was 12%. 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 secondary consideration as a value indicator for the subject.

Comparable 6 (\$1,263,780/Acre as adjusted) required a total upward transaction adjustment of 2%. This comparable required a total upward adjustment of 5% for property characteristics. The total gross adjustment applied to this comparable was 7%. 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 secondary consideration as a value indicator for the subject.

### LAND VALUE CONCLUSION

The comparable land sales indicate an adjusted value range from \$853,740 to \$1,263,780/Acre, with a median of \$1,041,674/Acre and an average of \$1,058,012/Acre. Based on the results of the preceding analysis, Comparable 1 (\$967,724/Acre adjusted) is given primary consideration for the subject's opinion of land value.

Although the sale was in 2018, this comparable is located along the same road as the subject vacant parcel, only about 250 feet away.

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

CALCULATION OF LAND VALUE								
COMP	ANALYSIS PRICE	ADJUSTMENT				NET ADJ %	GROSS ADJ %	OVERALL COMPARISON
		TRANSACTIONAL <sup>1</sup>	ADJUSTED	PROPERTY <sup>2</sup>	FINAL			
1	\$970,149	5%	\$1,018,657	-5%	\$967,724	-0%	10%	PRIMARY
2	\$1,093,750	2%	\$1,115,625	0%	\$1,115,625	2%	12%	SECONDARY
3	\$1,489,130	2%	\$1,518,913	-20%	\$1,215,130	-18%	22%	SECONDARY
4	\$943,396	4%	\$981,132	-5%	\$932,075	-1%	19%	SECONDARY
5	\$930,000	2%	\$948,600	-10%	\$853,740	-8%	12%	SECONDARY
6	\$1,180,000	2%	\$1,203,600	5%	\$1,263,780	7%	7%	SECONDARY
<b>LOW</b>	<b>\$853,740</b>					<b>AVERAGE</b>		<b>\$1,058,012</b>
<b>HIGH</b>	<b>\$1,263,780</b>					<b>MEDIAN</b>		<b>\$1,041,674</b>
COMPONENT		SUBJECT ACRES		\$/ACRE CONCLUSION			VALUE	
<b>TOTAL PROPERTY</b>		<b>0.35</b>	<b>x</b>	<b>\$1,000,000</b>	<b>=</b>	<b>\$350,000</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 large investment properties. There is currently moderate 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

My 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 my final opinion of the As-Is Market Value 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

<b>VALUATION INDICES</b>	<b>MARKET VALUE AS-IS</b>
<b>INTEREST APPRAISED</b>	LEASED FEE
<b>DATE OF VALUE</b>	NOVEMBER 11, 2022
Sales Comparison Approach	\$11,560,000
Income Approach	\$11,550,000
<b>FINAL VALUE CONCLUSION</b>	<b>\$11,550,000</b>
\$/Homesite	\$139,157/Homesite
Exposure Time	Six Months or Less
Marketing Period	Six Months or Less
<b>OTHER CONCLUSIONS</b>	<b>AS OF NOVEMBER 11, 2022</b>
Insurable Replacement Cost	\$230,000

I certify that, to the best of my knowledge and belief:

- › The statements of fact contained in this report are true and correct.
- › The reported analyses, opinions, and conclusions of the signer are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- › The signer of this report has 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.
- › Scott Shouse, 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.
- › The signer is 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.
- › Scott Shouse, MAI did not inspect the property that is the subject of this report. Dylan Campbell inspected the property that is the subject of this report.
- › Dylan Campbell provided significant real property appraisal assistance to the appraisers signing the certification. Assistance included gathering, analyzing and reporting regional, local area, zoning, and tax information, confirming some of the comparable data, and assisting with portions of the valuation analysis.

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 Scott Shouse, MAI completed the continuing education program for Designated Members of the Appraisal Institute.




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Scott Shouse, MAI  
 Managing Director | Sacramento  
 Certified General Real Estate Appraiser  
 State of California License #AG039231  
 +1 916 724 5532  
 scott.shouse@colliers.com

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December 1, 2022  
 Date

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

- › The appraiser 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.
- › I 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. I 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 appraiser assumes 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 appraiser 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 appraiser which is not specifically disclosed in this report.
- › Without the written consent or approval of the author 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 appraiser and the firm with which the appraiser is 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 author 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 appraiser is in no way responsible for any costs incurred to discover or correct any deficiency in the property.
- › The appraiser is 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 appraiser assumes 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  
Purchase & Sale Agreement  
Grant Deeds  
Valuation Glossary  
Qualifications of Appraiser  
Qualifications of Colliers International Valuation & Advisory Services

**INSURABLE REPLACEMENT COST**

At the client's request, I 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. I 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. I 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:

<b>INSURABLE REPLACEMENT COST</b>			
<b>MARSHALL VALUATION SERVICE DIRECT COST</b>			
<b>COMMON BUILDINGS</b>			
Number of Buildings	2		
Gross Building Area	2,500 SF		
Component Description		1	2
MVS Section/Page/Class		Clubhouse	Garage
MVS Publication Date		11 / 30 / D	14 / 34 / D
Quality Rating		Nov-20	Feb-22
Component SF (Gross)		Average	Average
<b>Base Cost (Per SF)</b>		1,500	1,000
<b>DIRECT COSTS PER SF</b>		<b>\$103.00</b>	<b>\$66.50</b>
Indirect Cost (% of Direct) <sup>1</sup>	15%	15%	15%
<b>INDIRECT COST PER SF</b>		<b>\$15.45</b>	<b>\$9.98</b>
<b>DIRECT &amp; INDIRECT TOTAL PER SF</b>		<b>\$118.45</b>	<b>\$76.48</b>
<b>CALCULATION OF REPLACEMENT COST NEW</b>			
Component SF (Gross)		1,500	1,000
<b>TOTAL REPLACEMENT COST NEW</b>		<b>\$177,675</b>	<b>\$76,475</b>
<b>BASE IMPROVEMENT COST</b>		<b>\$254,150</b>	
<b>Insurable Replacement Exclusions</b>	10%	<b>(\$25,415)</b>	
<b>Insurable Replacement Cost</b>		<b>\$230,000</b>	

<sup>1</sup>Colliers International Estimate

Rounded to nearest \$10,000



PGIM Real Estate Agency Financing, LLC  
4350 N. Fairfax Drive, Suite 700  
Arlington, VA 22203  
Tel 571-357-7820

11/02/2022

VIA E-MAIL

Bruce Nell  
Colliers International  
8800 Lyra Drive  
Columbus, OH 43240

RE: Sierra Holiday MHP  
200 Azimuth Drive  
Mammoth Lakes, CA 93546  
Year Built: 1972  
No. of SITES: 83

Dear Mr. Bruce Nell:

PGIM Real Estate Agency Financing, LLC (“PGIM”) is processing an application for financing under Freddie Mac’s multifamily lending program for the above referenced property (the “Property”). You have indicated your willingness to provide an appraisal of the Property in accordance with the terms of this letter agreement (“Agreement”).

The requested assignment will consist of a full narrative report. The appraisal must:

1. Identify all assumptions and limiting conditions including any Extraordinary or Hypothetical Assumptions necessary and include a certification that the appraisal complies with the requirements of the USPAP, promulgated by the Appraisal Standards Board of the Appraisal Foundation, that are in effect at the time of certification and complies with the current version of FIRREA of 1989, including its Title XI regulations.
2. Comply with Freddie Mac’s appraisal guidelines as specified in Chapter 12 of the Freddie Mac Seller/Service Guide (the “Guide”), including the minimum qualifications required in Section 12.4(a). It is important to carefully follow the instructions since Freddie Mac has requirements which vary in some respects from standard appraisal practices.
3. The analysis must consider how the results of the property condition report or the appraiser’s observations during the property inspection affect the value of the Property. If the appraiser identifies any deferred maintenance or required repairs in the course of the analysis, the appraiser should determine a market value based on the as-is condition of the property as of the date of value. We may also request you determine an as-completed value which assumes the completion of needed repairs. The report should indicate any repairs and cost upon which the value is conditioned in the reconciliation of value.
4. Provide a discussion of permit and new construction activity and its probable impact on current and future vacancy trends.
5. The appraiser’s analysis should take the following into consideration:
  - The appraiser must analyze and discuss the difference, if any, between the Property’s actual recent contract rents and the appraiser’s estimate of the Property’s market rents, and their impact on the leased fee value of the Property. If the appraiser’s estimate of market rent is dissimilar to the recent leasing at the Property, the appraiser must provide an adequate discussion and explanation of the variance.



- Other income may include sources which are recurring and are typical and common in the market for similar properties. Extraordinary income sources should be excluded. Interest income may not be included in your analysis.
- Operating expense estimates must be sufficiently detailed and provide discussion of the forecasts on a line item basis in comparison to both the historical operating data as well as market comparable information. Extraordinary expenses should be excluded from your analysis.
- Real estate tax analysis taking into consideration the Property's current assessment and tax rate. Any changes in local laws which would impact the future tax liability of the Property should be taken into consideration. Tax comparables must be provided to demonstrate support for the level utilized in the valuation process. Any adjustment to the capitalization rate to account for a potential reassessment must have adequate support and discussion.
- The Income Approach should provide at least two methods of capitalization rate justification, one of which should be the use of direct sales. A correlation of the cap rate methods used should be provided to demonstrate support for the cap rate selected. Discounted cash flow analysis may **not** be relied upon to determine the capitalized value, but it may be provided as additional support.
- Include the appraiser's estimate of the Property's insurable value.

6. The following should be incorporated into or be attached to the appraisal report:

- Lender appraisal engagement letter
- Legal description of the property
- As-built Survey (if available)
- Rent schedule certified by the Borrower as accurate and correct
- Income and expense statements for the previous three calendar or fiscal years and a year-to-date income and expense statement
- Copy of reciprocal use agreements, if applicable
- Copy of ground lease, if applicable
- Evidence of any special restrictions or limitations to the property, such as resale restrictions
- Copies of all executed commercial leases, riders and addendums, if applicable
- Copy of the sales contract or any option contracts, contracts for deed or listings of the subject property if an acquisition
- Engineering Report and Environmental Assessment, required only if conclusions would adversely affect the property value
- Color photographs of the property's exterior, interior common areas, typical unit interiors, surrounding area, rental comparables, sales comparables and commercial rental comparables
- Maps showing the location of the subject property relative to the location of the land comparables, current rental comparables, future rental comparables and sales comparables
- Any other information that ensures the completeness of the appraisal
- List of units inspected during the appraiser's site visit
- Copy of zoning ordinances applying to the Property
- Copy of appraiser's current State License

PGIM will make documents available via PruXchange. Additionally, you will submit the draft and final reports and invoice via PruXchange.

### **COVID-19 Requirements**

PGIM expects the appraiser to complete an inspection of the property. If the appraiser is unable to inspect any units at the property, including vacant, model and/or down units, please advise us immediately.

### **Reliance Language**

As part of their appraisal guidelines, Freddie Mac requires that the appraisal **must include the following language verbatim** above the appraiser's signature and/or on the appraiser's Certification page above the appraiser's signature:

This report is for the use and benefit of, and may be relied upon by the following (collectively, the “Reliance Parties”):

- (a) PGIM Real Estate Agency Financing, LLC, such other persons and/or entities as may be designated by PGIM Real Estate Agency Financing, LLC and its respective subsidiaries, affiliates, successors and assigns, Freddie Mac and any successors and assigns (all of the foregoing individually and collectively referred to as “Lender”);
- (b) independent auditors, accountants, attorneys and other professionals acting on behalf of Lender;
- (c) governmental agencies having regulatory authority over Lender;
- (d) designated persons pursuant to an order or legal process of any court or governmental agency;
- (e) prospective purchasers of the Mortgage; and
- (f) with respect to any debt (or portion thereof) and/or securities secured, directly or indirectly, by the Property which is the subject of this report, the following parties and their respective successors and assigns:
  - any placement agent or broker/dealer and any of their respective affiliates, agents and advisors;
  - any initial purchaser or subsequent holder of such debt and/or securities;
  - any Servicer or other agent acting on behalf of the holders of such debt and/or securities;
  - any indenture trustee;
  - any rating agency; and
  - any institutional provider from time to time of any liquidity facility or credit support for such financings.

In addition, this report, or a reference to this report, may be included or quoted in any offering circular, information circular, offering memorandum, registration statement, private placement memorandum, prospectus or sales brochure (in either electronic or hard copy format) in connection with a securitization or transaction involving such debt (or portion thereof) and/or securities. The final report shall be the property of Lender, and Lender and the other Reliance Parties shall have the unfettered right to copy and distribute such report as they deem necessary or desirable; provided however that reliance on this report by persons other than the Reliance Parties shall be only with Consultant’s consent, which consent shall not be unreasonably withheld, conditioned or delayed.

#### **Site Visit**

To arrange a site visit or to request information, please contact **Peter Tripp** at **peter@onyxcap.com** and **Steve Kim** at **steve@onyxcap.com** with **Onyx Capital**, at your earliest convenience.

#### **Timing**

Preliminary information including the projected income and expenses for the property, information on the rental and sale comparables, and a preliminary value is due within **two (2) week(s)** of the date of this engagement letter. A **draft** (including a list of units inspected during your site visit) of the complete appraisal is due no later than **11/16/2022 at Noon EST via PruExchange**. It is your responsibility to contact PGIM prior to these deadlines if you encounter trouble setting up the site inspection or obtaining the necessary information. Extensions of the above cited deadlines must be approved by PGIM in writing.

#### **Delivery**

**One (1) electronic version in PDF format** of the appraisal is due upon review and final approval of PGIM and must be **submitted via PruXchange**.

#### **Invoice and Billing**

The agreed upon fee is **\$5,500.00**. Your invoice should be submitted via PruXchange once the report is completed. Failure to submit the invoice in a timely manner prior to closing of the proposed loan **WILL RESULT IN NON-**

PAYMENT as the necessary funds will not be collected from PGIM's client. A \$200 discount to your fee will be assessed for each day the appraisal is late unless such delay is expressly approved by PGIM in writing.

**Appraiser's Qualifications & Insurance Coverage**

In accepting this assignment you hereby certify to PGIM that each appraiser signing the appraisal report satisfies the following:

- Is a certified general appraiser under the appraiser certification requirements of the State in which the Property is located (or a certified appraiser if that State does not confer the designation of certified general appraiser)
- Appears on the State roster in good standing under the requirements of Title XI of FIRREA
- Is actively and regularly engaged in the appraisal of multifamily properties
- Has at least three consecutive years of income property appraisal experience
- Has completed at least two multifamily Appraisals in the past year in the geographic market area where the Property is located
- Is knowledgeable concerning current real estate market conditions and financing trends in the geographic market area where the Property is located
- Is experienced in appraising multifamily properties with complexity and characteristics similar to those of the Property (size, multifamily asset class, construction type e.g garden, high-rise, etc.)
- Has a working knowledge of construction costs, materials, methods and standards in the geographic market area where the Property is located
- Has a strong educational background in appraising income properties
- Accepts full responsibility for the contents, analyses and conclusions of the Appraisal
- Has insurance meeting or exceeding the following (please provide evidence of coverage when returning this executed engagement):
  - General Commercial Liability coverage of \$1M/\$2M
  - Max Deductible of \$35,000
  - Professional Liability coverage of \$1M/\$2M
  - Max Deductible of \$100,000
  - Carrier Credit Rating: S&P Rating of BBB or better, or AM Best Rating of A-, VI or higher

Acknowledgment of Appraiser's Qualifications and Insurance Coverage: \_\_\_\_\_

**SPECIAL CONDITIONS:**

- (a) Information provided by PGIM which is not already known to you or otherwise readily available to the public, is considered proprietary and confidential, which shall include, without limitation, any and all appraisal reports and associated data relating to the subject property. You shall maintain the confidentiality of all such information and shall not disclose any such information without the prior written consent of PGIM.
- (b) By executing this agreement you represent that (a) you are not affiliated with borrower, PGIM, or a buyer or seller of the property, or engaged in any business that might present a conflict of interest, and (b) you are familiar with and understand the Guide, you are qualified conduct the evaluation of the property and prepare the reports described herein pursuant to the Guide and you will complete the reports in accordance with the Guide. In the event you learn of any conflict of interest at any time after the date of this agreement, you must immediately inform PGIM of such conflict of interest and provide such information as PGIM may request with respect to such conflict of interest.
- (c) By executing this agreement, you represent that, if required by applicable law, you are certified/licensed in the state in which the property is located, to assess the property and perform your obligations under this agreement. A copy of your license or temporary license must be provided to PGIM along with your acceptance of this agreement.
- (d) By executing this agreement, you represent that you currently maintain and shall maintain at all times while carrying out your obligations pursuant to this agreement, all insurance required pursuant to the Guide. An

original certificate of liability insurance must be provided to PGIM along with your acceptance of this agreement. You may not limit your liability to PGIM and/or its successors and/or assigns.

- (e) You understand that PGIM, Freddie Mac and other parties will be relying on the reports in determining whether to make a loan evidenced by a note (the "Property Note") secured by the subject property. You further agree that (i) the reports may be referred to in, and included with, materials offering the Property Note for sale or offering for sale an interest in the Property Note and (ii) persons who acquire the Property Note or an interest in the Property Note may rely on the reports, although in each case it is specifically understood that your conclusions are only with respect to the date of the final reports in the absence of a specific written update of the reports signed and delivered by you.
- (f) TIME IS OF THE ESSENCE regarding all terms of this Agreement.
- (g) This Agreement represents the entire agreement and understanding between you and PGIM with respect to the matters referred to herein and supersedes all prior or contemporaneous agreements, representations and understandings between the parties hereto.

**Acceptance**

If the foregoing terms are acceptable to you, including acknowledgment of the billing, timing and qualification/insurance requirements, and you are prepared to proceed with this engagement, please acknowledge your acceptance by:

1. Countersigning below,
2. Providing contact information of all appraisal associates requiring access to PruExchange (name & email address) for this assignment via email, and
3. Returning a fully executed copy of this Agreement to my attention.

Should you have any questions or need additional documentation, including access to PruXchange, please do not hesitate to contact **Hayden Glasco** at **925-321-4349**. We look forward to working with you.

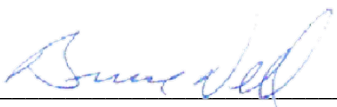
Sincerely,

PGIM Real Estate Agency Financing, LLC



Eddy Kangnavong

**ACKNOWLEDGED AND AGREED BY:**

Signature:   
Print Name: Bruce Nell, MAI, AI-GRS, MRICS  
Title: Executive Managing Director | National Practices  
Date: 11/2/2022

**Sierra Holiday MHP - 83 Total Sites, 77 "Rentable" Sites  
Historical Financials**

	T12				Year 1												
INCOME /EXPENSE	9/19 - 8/20	9/20 - 8/21	9/21 - 8/22	Proforma	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	
<b>Revenue:</b>																	
Rental Income	\$801,514	\$801,496	\$831,034	\$857,000	\$66,825	\$71,589	\$69,679	\$68,013	\$66,242	\$67,290	\$72,800	\$67,458	\$70,910	\$67,930	\$68,175	\$74,126	
Trash Income	\$0	\$0	\$0	\$20,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Late Fee/NSF Income	\$293	\$400	\$2,295	\$2,000	\$0	\$300	\$15	\$0	\$50	\$150	\$280	\$150	\$100	\$1,100	\$50	\$100	
MHR HCD Fee	\$670	\$790	\$750	\$800	\$0	\$0	\$10	\$0	\$350	\$200	\$80	\$30	\$30	\$30	\$10	\$10	
Rec Room Fee	\$0	\$120	\$1,440	\$800	\$360	\$320	\$40	\$0	\$80	\$0	\$80	\$40	\$120	\$160	\$240	\$0	
Miscellaneous Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
<b>Total Revenue</b>	<b>\$802,477</b>	<b>\$802,806</b>	<b>\$835,519</b>	<b>\$880,600</b>	<b>\$67,185</b>	<b>\$72,209</b>	<b>\$69,744</b>	<b>\$68,013</b>	<b>\$66,722</b>	<b>\$67,640</b>	<b>\$73,240</b>	<b>\$67,678</b>	<b>\$71,160</b>	<b>\$69,220</b>	<b>\$68,475</b>	<b>\$74,236</b>	
<b>Expenses:</b>																	
Advertising	\$435	\$391	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Insurance	\$14,390	\$14,232	\$11,857	\$11,055	\$0	\$0	\$0	\$0	\$0	\$642	\$0	\$589	\$0	\$0	\$0	\$10,626	
Accounting/Professional	\$3,537	\$4,903	\$7,229	\$4,200	\$403	\$334	\$5,066	\$83	\$629	\$83	\$83	\$83	\$150	\$83	\$150	\$83	
Repairs & Maintenance	\$23,293	\$28,188	\$21,445	\$8,300	\$3,564	\$3,677	\$9,549	\$5,911	\$2,885	\$771	\$463	\$0	\$4,390	\$2,058	\$763	-\$12,585	
Repairs & Maintenance - Landscape	\$11,506	\$14,052	\$10,128	\$8,300	\$2,425	\$350	\$700	\$0	\$0	\$0	\$0	\$1,950	\$1,100	\$1,653	\$0	\$1,950	
Repairs & Maintenance - Pool	\$11,885	\$13,183	\$8,835	\$4,150	\$690	\$670	\$649	\$534	\$760	\$4,513	\$420	\$420	\$1,395	\$3,400	\$4,898	-\$9,515	
Repairs & Maintenance - Snow Removal	\$9,679	\$10,457	\$19,004	\$0	\$0	\$150	\$160	\$8,659	\$10,035	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
G&A/Office	\$5,850	\$4,092	\$3,478	\$3,000	\$81	\$674	\$124	\$40	\$479	\$126	\$465	\$46	\$1,050	\$244	\$101	\$49	
Electric	\$7,440	\$9,459	\$9,002	\$9,182	\$873	\$728	\$561	\$571	\$634	\$1,140	\$926	\$691	\$611	\$680	\$649	\$939	
Propane	\$27,707	\$2,039	\$35,685	\$25,000	\$1,463	\$2,217	\$2,503	\$2,511	\$4,472	\$5,201	\$4,380	\$4,180	\$3,065	\$2,094	\$2,105	\$1,495	
Water	\$7,938	\$3,985	\$4,313	\$4,399	\$357	\$396	\$242	\$229	\$268	\$298	\$268	\$274	\$310	\$389	\$539	\$744	
Trash	\$67,772	\$71,095	\$73,309	\$40,000	\$5,960	\$5,960	\$5,960	\$5,960	\$5,383	\$6,294	\$6,294	\$6,294	\$6,294	\$6,294	\$6,294	\$6,322	
Telephone/Cell Phones	\$4,655	\$3,481	\$3,399	\$1,080	\$247	\$323	\$270	\$230	\$272	\$312	\$232	\$311	\$311	\$311	\$316	\$266	
Salaries & Wages (incl. WC+taxes+free rent)	\$54,550	\$77,711	\$76,655	\$44,000	\$5,798	\$5,809	\$5,810	\$6,253	\$6,189	\$5,257	\$5,970	\$11,293	\$5,975	\$5,972	\$5,975	\$6,356	
Permits/Licenses	\$2,977	\$2,977	\$2,977	\$3,057	\$2,058	\$0	\$0	\$432	\$0	\$0	\$0	\$0	\$0	\$487	\$0	\$0	
Real Estate Taxes	\$24,092	\$24,252	\$24,193	\$159,000	\$0	\$0	\$0	\$12,096	\$0	\$0	\$0	\$12,097	\$0	\$0	\$0	\$0	
Management Fee @ 3.0%	\$24,074	\$24,084	\$25,066	\$26,418	\$2,016	\$2,166	\$2,092	\$2,040	\$2,002	\$2,029	\$2,197	\$2,030	\$2,135	\$2,077	\$2,054	\$2,227	
<b>Total Expenses</b>	<b>\$301,781</b>	<b>\$308,582</b>	<b>\$336,574</b>	<b>\$351,141</b>	<b>\$25,933</b>	<b>\$23,453</b>	<b>\$33,686</b>	<b>\$45,549</b>	<b>\$34,007</b>	<b>\$26,664</b>	<b>\$21,696</b>	<b>\$40,258</b>	<b>\$26,785</b>	<b>\$25,742</b>	<b>\$23,844</b>	<b>\$8,957</b>	
	37.6%	38.4%	40.3%	39.9%													
<b>Net Income</b>	<b>\$500,695</b>	<b>\$494,224</b>	<b>\$498,945</b>	<b>\$529,459</b>	<b>\$41,252</b>	<b>\$48,756</b>	<b>\$36,058</b>	<b>\$22,464</b>	<b>\$32,715</b>	<b>\$40,976</b>	<b>\$51,543</b>	<b>\$27,421</b>	<b>\$44,374</b>	<b>\$43,478</b>	<b>\$44,631</b>	<b>\$65,279</b>	
	3.00%	3.00%	3.00%	3.00%													

**Notes:**  
 In 2021, there was a gas leak and the property received free gas until it was fixed in 2022.  
 In 2022, property moved back into preferred insurance market, premium was lowered.  
 BVG plans to pass thru Trash, 1/2 in Year 1 and full in Year 2.  
 There was a \$65 rent increase effective Aug. 1, 2022.

**Sierra Holiday MHP**  
**200 Azimuth Drive**  
**Mammoth Lakes**  
**CA**  
**93546**

# Evans Management Services

# Rent Roll

FOR 9/2022  
 PRINTED ON 09/21/2022

				Account Summary				Current Charge Detail							
Ctl #	Site #	Status	Resident	Total Amount Due	Current Month Pay	Prior Mo End Bal	Current Month Chg	Base Rent	Utilities	Other Charges	Other Credits	Move In Date	Security Deposit	Base Rent	Market Rent
1	1	MH: Resident Occupied	1 Jorge Guerrero	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	16-May-17	\$0.00	\$965.00	\$965.00
2	2	MH: Resident Occupied	1 Alfredo Lopez	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	23-Jul-97	\$0.00	\$965.00	\$965.00
3	3	MH: Resident Occupied	1 Maribel Solario	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	10-Jul-12	\$0.00	\$965.00	\$965.00
4	4	MH: Employee	1 Miguel Mendez	\$75.00	\$0.00	\$10.00	\$65.00	\$965.00	\$0.00	\$0.00	-\$900.00	6-Dec-12	\$0.00	\$965.00	\$965.00
5	5	MH: Resident Occupied	1 Juan Flores Torres	\$0.00	-\$1,030.00	\$65.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	30-Mar-21	\$0.00	\$965.00	\$965.00
6	6	MH: Resident Occupied	1 Valerie Anderson	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	23-Mar-92	\$0.00	\$965.00	\$965.00
7	7	MH: Resident Occupied	1 Gregory Peck	\$0.00	-\$1,015.00	\$50.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	1-Jan-21	\$0.00	\$965.00	\$965.00
8	8	MH: Resident Occupied	1 Andreas Braun	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	28-Oct-03	\$0.00	\$965.00	\$965.00
9	9	MH: Resident Occupied	1 Miguel Alvarado	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	30-May-17	\$0.00	\$965.00	\$965.00
10	10	MH: Resident Occupied	1 Adolfo Gonzales	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	22-Mar-05	\$0.00	\$965.00	\$965.00
11	11	MH: Resident Occupied	1 Juan Limon	-\$70.00	-\$965.00	-\$70.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	30-Nov-15	\$0.00	\$965.00	\$965.00
12	12	MH: Resident Occupied	1 Jesus Morales	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	24-Feb-14	\$0.00	\$965.00	\$965.00
13	13	MH: Resident Occupied	1 Benjamin Solario	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	4-Apr-00	\$0.00	\$965.00	\$965.00
14	14	MH: Vacant	1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00	\$55.00	\$55.00
15	15	MH: Vacant	1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00	\$55.00	\$55.00
16	16	MH: Resident Occupied	1 Lilia Garcia	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	1-Aug-19	\$0.00	\$965.00	\$965.00
17	17	MH: Resident Occupied	1 Rocio Prieto	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	5-Aug-02	\$0.00	\$965.00	\$965.00
18	18	MH: Resident Occupied	1 Jorge Lemus	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	7-Dec-04	\$0.00	\$965.00	\$965.00
19	19	MH: Employee	1 Patricia Perez	\$65.00	\$0.00	\$0.00	\$65.00	\$965.00	\$0.00	\$0.00	-\$900.00	2-Oct-90	\$0.00	\$965.00	\$965.00
20	20	MH: Resident Occupied - Loan	1 Nancy Alvarado	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	3-Mar-21	\$0.00	\$965.00	\$965.00
21	21	MH: Resident Occupied	1 Kevin Thomas	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	13-Sep-05	\$0.00	\$965.00	\$965.00
22	22	MH: Resident Occupied	1 Richard Young	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	5-Mar-07	\$0.00	\$965.00	\$965.00
23	23	MH: Resident Occupied	1 Catherine Hoard	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	13-Sep-15	\$0.00	\$965.00	\$965.00
24	24	MH: Resident Occupied	1 Margarito Garcia	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	5-Mar-07	\$0.00	\$965.00	\$965.00
25	25	MH: Resident Occupied	1 Carlos Prieto-Jimenez	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	30-Nov-15	\$0.00	\$965.00	\$965.00
26	26	MH: Resident Occupied	1 Benjamin Boersema	\$0.00	-\$1,020.00	\$55.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	30-Oct-20	\$0.00	\$965.00	\$965.00
27	27	MH: Resident Occupied	1 Silvia Calderon	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	7-Jun-11	\$0.00	\$965.00	\$965.00
28	28	MH: Resident Occupied	1 Marc Hauptert	\$30.00	-\$1,000.00	\$65.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	5-May-15	\$0.00	\$965.00	\$965.00
29	29	MH: Resident Occupied	1 Benjamin Perez	\$50.00	-\$965.00	\$50.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	1-Sep-10	\$0.00	\$965.00	\$965.00
30	30	MH: Employee	1 Mitchell Rhode	\$65.00	\$0.00	\$0.00	\$65.00	\$935.00	\$0.00	\$0.00	-\$870.00	2-Aug-21	\$0.00	\$935.00	\$935.00

**Sierra Holiday MHP**  
**200 Azimuth Drive**  
**Mammoth Lakes**  
**CA**  
**93546**

# Evans Management Services

# Rent Roll

FOR 9/2022  
 PRINTED ON 09/21/2022

				Account Summary				Current Charge Detail							
Ctl #	Site #	Status	Resident	Total Amount Due	Current Month Pay	Prior Mo End Bal	Current Month Chg	Base Rent	Utilities	Other Charges	Other Credits	Move In Date	Security Deposit	Base Rent	Market Rent
31	31	MH: Vacant	1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00	\$55.00	\$55.00
32	32	MH: Resident Occupied	1 Stephen Weir	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	1-Aug-06	\$0.00	\$965.00	\$965.00
33	33	MH: Resident Occupied	1 Felipe Alejandro	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	31-Aug-06	\$0.00	\$965.00	\$965.00
34	34	MH: Resident Occupied	1 Jesus Lugo	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	31-Aug-98	\$0.00	\$965.00	\$965.00
35	35	MH: Resident Occupied	1 Steve Whipkey	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	5-Jan-06	\$0.00	\$965.00	\$965.00
36	36	MH: Resident Occupied	1 Ernesto Galvan	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	1-Dec-16	\$0.00	\$965.00	\$965.00
37	37	MH: Resident Occupied	1 Cesar Lopez	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	31-Oct-08	\$0.00	\$965.00	\$965.00
38	38	MH: Resident Occupied	1 Gregorio Hernandez Gonzalez	\$0.00	-\$955.00	-\$10.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	1-Sep-16	\$0.00	\$965.00	\$965.00
39	39	MH: Resident Occupied	1 Pedro Escobar	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	25-Jan-89	\$0.00	\$965.00	\$965.00
40	40	MH: Resident Occupied	1 Miguel Vaca Romero	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	28-Jun-06	\$0.00	\$965.00	\$965.00
41	41	MH: Resident Occupied	1 Francisco Ayala	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	5-Dec-19	\$0.00	\$965.00	\$965.00
42	42	MH: Resident Occupied	1 Juan Alvarado	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	28-Feb-05	\$0.00	\$965.00	\$965.00
43	43	MH: Resident Occupied	1 Gladys Gastelum Ruelas	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	31-May-17	\$0.00	\$965.00	\$965.00
44	44	MH: Resident Occupied	1 Sergio Corona	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	12-Apr-09	\$0.00	\$965.00	\$965.00
45	45	MH: Resident Occupied	1 Kristina Roberts	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	27-Mar-98	\$0.00	\$965.00	\$965.00
46	46	MH: Resident Occupied	1 Ron Grossblatt	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	29-Sep-75	\$0.00	\$965.00	\$965.00
47	47	MH: Resident Occupied	1 Heriberto Apodaca Felix	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	1-May-04	\$0.00	\$965.00	\$965.00
48	48	MH: Resident Occupied	1 Mario Velasco	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	1-Aug-02	\$0.00	\$965.00	\$965.00
49	49	MH: Resident Occupied	1 Jose Fierro	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	30-May-95	\$0.00	\$965.00	\$965.00
50	50	MH: Resident Occupied	1 Chuck Newton	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	11-Oct-04	\$0.00	\$965.00	\$965.00
51	51	MH: Resident Occupied	1 Humberto Morales	-\$15.00	-\$965.00	-\$15.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	30-Nov-15	\$0.00	\$965.00	\$965.00
52	52	MH: Resident Occupied	1 Greg Kassel	\$0.00	-\$970.00	\$5.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	12-Mar-08	\$0.00	\$965.00	\$965.00
53	53	MH: Resident Occupied	1 Perla Gastelum	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	30-Nov-15	\$0.00	\$965.00	\$965.00
54	54	MH: Resident Occupied	1 Donald Soucy	-\$10.00	-\$975.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	5-Aug-11	\$0.00	\$965.00	\$965.00
55	55	MH: Resident Occupied	1 Jose Galvan	-\$20.00	-\$965.00	-\$20.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	1-Oct-17	\$0.00	\$965.00	\$965.00
56	56	MH: Vacant	1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00	\$55.00	\$55.00
57	57	MH: Resident Occupied	1 Cindy Flores	\$0.00	-\$1,030.00	\$65.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	16-Dec-11	\$0.00	\$965.00	\$965.00
58	58	MH: Resident Occupied	1 Fernando Garcia	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	12-May-98	\$0.00	\$965.00	\$965.00
59	59	MH: Resident Occupied	1 Elsa Plazola Morales	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	7-Sep-11	\$0.00	\$965.00	\$965.00

**Sierra Holiday MHP**  
**200 Azimuth Drive**  
**Mammoth Lakes**  
**CA**  
**93546**

**Evans Management Services**

**Rent Roll**

FOR 9/2022  
 PRINTED ON 09/21/2022

				Account Summary				Current Charge Detail							
Ctl #	Site #	Status	Resident	Total Amount Due	Current Month Pay	Prior Mo End Bal	Current Month Chg	Base Rent	Utilities	Other Charges	Other Credits	Move In Date	Security Deposit	Base Rent	Market Rent
60	60	MH: Resident Occupied	1 Domingo Vega	\$0.00	-\$970.00	\$5.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	3-Mar-21	\$0.00	\$965.00	\$965.00
61	61	MH: Resident Occupied	1 Abel Vega Rico	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	1-Jun-21	\$0.00	\$965.00	\$965.00
62	62	MH: Resident Occupied	1 Roxanne Osterman	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	27-May-98	\$0.00	\$965.00	\$965.00
63	63	MH: Resident Occupied	1 Dave Sehnem	-\$130.00	-\$965.00	-\$130.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	11-Aug-92	\$0.00	\$965.00	\$965.00
64	64	MH: Resident Occupied	1 Jose Medina	-\$10.00	-\$975.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	1-Sep-20	\$0.00	\$965.00	\$965.00
65	65	MH: Resident Occupied	1 Claudia Plazola Rodriguez	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	1-May-16	\$0.00	\$965.00	\$965.00
66	66	MH: Resident Occupied	1 Rodrigo Garcia	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	11-Jun-11	\$0.00	\$965.00	\$965.00
67	67	MH: Resident Occupied	1 Policarpio Zamora	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	11-Jun-02	\$0.00	\$965.00	\$965.00
68	68	MH: Resident Occupied	1 Fernando Villalpando	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	12-Oct-12	\$0.00	\$965.00	\$965.00
69	69	MH: Resident Occupied	1 Phil Beach	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	1-Dec-17	\$0.00	\$965.00	\$965.00
70	70	MH: Vacant	1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00	\$55.00	\$55.00
71	71	MH: Resident Occupied	1 Salvador Morales	\$0.00	-\$880.00	-\$85.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	15-Aug-07	\$0.00	\$965.00	\$965.00
72	72	MH: Resident Occupied	1 Jose Antonio Miranda	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	7-Jul-22	\$0.00	\$965.00	\$965.00
73	73	MH: Resident Occupied	1 ARELY BRAMONA ROSARIO BURBOA	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	1-Jun-20	\$1,000.00	\$965.00	\$965.00
74	74	MH: Resident Occupied	1 Isabel Apodaca Felix	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	15-Oct-98	\$0.00	\$965.00	\$965.00
75	75	MH: Vacant	1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00	\$55.00	\$55.00
76	76	MH: Resident Occupied	1 Nancy Lamb	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	26-Mar-01	\$0.00	\$965.00	\$965.00
77	77	MH: Resident Occupied	1 Ricardo Del Toro	-\$10.00	-\$975.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	30-Nov-15	\$0.00	\$965.00	\$965.00
78	78	MH: Resident Occupied	1 Benjamin Perez	\$50.00	-\$965.00	\$50.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	1-Jul-04	\$0.00	\$965.00	\$965.00
79	79	MH: Resident Occupied	1 Juan Limon	\$15.00	-\$965.00	\$15.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	5-Apr-21	\$0.00	\$965.00	\$965.00
80	80	MH: Resident Occupied	1 KENNETH G. BRENGLE ERIN P. BRENGLE	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	1-Aug-21	\$0.00	\$965.00	\$965.00
81	81	MH: Resident Occupied	1 Miguel Mendez	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	30-Nov-15	\$0.00	\$965.00	\$965.00
82	82	MH: Resident Occupied	1 Carlos Vargas Moreno	\$0.00	-\$965.00	\$0.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	30-Nov-15	\$0.00	\$965.00	\$965.00
83	83	MH: Resident Occupied	1 Gary Backe	-\$120.00	-\$1,050.00	-\$35.00	\$965.00	\$965.00	\$0.00	\$0.00	\$0.00	1-Jan-20	\$0.00	\$965.00	\$965.00
<b>Total:</b>				<b>-\$35.00</b>	<b>-\$71,710.00</b>	<b>\$70.00</b>	<b>\$71,605.00</b>	<b>\$74,275.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>-\$2,670.00</b>		<b>\$1,000.00</b>	<b>\$74,605.00</b>	<b>\$74,605.00</b>



# Marcus & Millichap

## PURCHASE AGREEMENT

**THIS DOCUMENT IS MORE THAN A RECEIPT FOR MONEY. IT IS INTENDED TO BE A LEGALLY BINDING AGREEMENT. READ IT CAREFULLY.**

THE BOAVIDA GROUP, LP, A DELAWARE LIMITED PARTNERSHIP AND/OR ASSIGNEES shall be hereafter referred to as "Buyer".

SHERWIN VIEW PARK, INC. \*See 42 (B) shall be hereafter referred to as "Seller".

Buyer shall deliver to Escrow Holder as defined in Paragraph 3 the sum of TWO HUNDRED AND FIFTY THOUSAND dollars (\$ 250,000) in the form of WIRE TRANSFER. This sum is a deposit ("Deposit") to be applied to the purchase price of that certain real property (referred to as the "Property") located in the City of MAMMOTH LAKES County of MONO, State of CALIFORNIA, and more particularly described as follows:

**SIERRA HOLIDAY MOBILE HOME PARK & ADJACENT VACANT PARCEL**

**MOBILE HOME PARK - 83 PERMITTED SITES | 6 SITES ARE CURRENTLY INOPERABLE - SEE SECTION 8.5 (APPROXIMATELY 9.97 ACRES | 434,293 SF)**  
200 AZIMUTH DR, MAMMOTH LAKES, CA 93546 - 035-250-002-000

**VACANT PARCEL (APPROXIMATELY 0.35 ACRES | 15,323 SF)**  
89 OAK TREE WAY, MAMMOTH LAKES, CA 93546 - APN: 035-200-028-000

**ALL PARK OWNED MOBILE HOMES/RV'S AND NOTES, IF ANY, ARE INCLUDED IN THE PURCHASE PRICE THE POH (MANAGERS HOME) ON SITE #30 AND LOADER ARE INCLUDED IN THE PURCHASE PRICE**

### TERMS AND CONDITIONS

Seller agrees to sell the Property, and Buyer agrees to purchase the Property, on the following terms and conditions:

- 1) PURCHASE PRICE:** The purchase price for the Property is ELEVEN MILLION FIVE HUNDRED THOUSAND DOLLARS (\$ 11,500,000). Buyer's Deposit, pending Seller's execution of this Purchase Agreement (the "Agreement"), shall be delivered directly to the Escrow Company indicated in Paragraph 3 of this Agreement, by check or wire, upon mutual execution of this Agreement. The balance of the purchase price shall be payable at close of escrow pursuant to the terms stated below.
- 2) DOWN PAYMENT:** A) Buyer shall make a cash down payment of TEN MILLION FIVE HUNDRED THOUSAND dollars (\$ 10,500,000). The initial deposit of TWO HUNDRED AND FIFTY THOUSAND DOLLARS (\$250,000) and the additional deposit of SEVEN HUNDRED AND FIFTY THOUSAND DOLLARS (\$750,000) shall be placed towards the Purchase Price and make up the difference between the Down Payment and Purchase Price.
- 3) ESCROW:** Within FIVE (5) calendar days after the Effective Date (as defined in a separate paragraph below) BUYER shall open escrow with SUSAN PETTEM - FIDELITY NATIONAL TITLE GROUP (the "Escrow Holder") by the simultaneous deposit of a copy of this Agreement and Buyer's Deposit with the Escrow Holder.

Seller and Buyer agree to prepare and execute such escrow instructions as may be necessary and appropriate to close the transaction. Close of escrow (or the "Closing Date", which shall mean the date on which the deed transferring title is recorded) shall occur within ON OR BEFORE DECEMBER 28<sup>TH</sup>, 2022. calendar days of the Effective Date of this Agreement (as defined in paragraph 38 below). Escrow fee shall be paid by 50% BUYER AND 50% SELLER. County transfer taxes shall be paid by SELLER. City transfer taxes, if any, shall be paid by SELLER. All other closing costs shall be paid as follows 50% BUYER AND 50% SELLER.

EW

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- 4) **PRORATIONS:** Real property taxes, premiums on insurance acceptable to Buyer, interest on any debt being assumed or taken subject to by Buyer, and any other expenses of the Property shall be prorated as of the Closing Date. Security deposits, advance rentals, and the amount of any future lease credits shall be credited to Buyer. The amount of any bond or assessment which is a lien and not customarily paid with real property taxes shall be paid by seller. Delinquent or unpaid rents and C.A.M. reconciliations shall be handled outside of escrow and neither Agent nor escrow shall be responsible for same. Buyer agrees to assume any existing laundry lease, if applicable to the Property.

LEASED PROPERTY PRORATIONS: Rents actually collected (prior to closing) will be prorated as of the Closing Date and rent collected thereafter applied first to rental payments then owed the Buyer and their remainder paid to the Seller. All free rent due any tenant at the close of escrow for rental periods after the closing shall be a credit against the Purchase Price. Other income and expenses shall be prorated as follows: ANY RESIDENT UTILITY BILLING PRORATIONS PAID IN ARREARS WILL BE CREDITED TO SELLER AT CLOSE OF ESCROW.

- 5) **TITLE:** Within FIVE ( 5 ) calendar days after the Effective Date of this Agreement, Seller shall procure and cause to be delivered to Buyer a preliminary title report with copies of all exceptions issued by SUSAN PETTEM - FIDELITY NATIONAL TITLE GROUP (the "Title Company") on the Property. Within TEN ( 10 ) calendar days following the Effective Date, Buyer shall either approve in writing the exceptions contained in said title report or specify in writing any exceptions to which Buyer reasonably objects. If Buyer objects to any exceptions, Seller shall, within FIFTEEN ( 15 ) calendar days following the Effective Date, deliver to Buyer written notice that either (i) Seller will, at Seller's expense, remove the exception(s) to which Buyer has objected before the Closing Date or (ii) Seller is unwilling or unable to eliminate said exception(s). If Seller fails to so notify Buyer or is unwilling or unable to remove any such exception by the Closing Date, Buyer shall elect in writing, within FIFTEEN ( 15 ) calendar days from the Effective Date to either terminate this Agreement and receive back the entire Deposit (in which event Buyer and Seller shall have no further obligations under this Agreement); or to purchase the Property subject to such exception(s). **Buyer is advised to obtain ALTA Survey and ALTA Title Coverage at own expense to ensure that there are no easements, encroachments or title defects that materially affect the intended use or value of the subject property.**

Seller shall convey by grant deed to Buyer (or to such other person or entity as Buyer may specify) marketable fee title subject only to the exceptions approved by Buyer in accordance with this Agreement. Title shall be insured by a standard California Land Title Association owner's policy of title insurance issued by the Title Company in the amount of the purchase price with premium paid by SELLER.

- 6) **FINANCING CONTINGENCIES: N/A | ALL CASH**

7) **PEST CONTROL CONTINGENCIES:**

- 7.1) **NO PEST CONTROL CONTINGENCY - "AS IS":** Buyer has conducted Buyer's own investigation with regard to possible infestation and/or infection by wood-destroying pests or organisms and agrees to purchase the Property in its present condition. Buyer acknowledges that Buyer is not relying upon any representations or warranties made by Seller or Agent regarding the presence or absence of such infestation or infection.

8) **INSPECTION CONTINGENCIES:**

- 8.1) **BOOKS AND RECORDS:** Seller agrees to provide Buyer with items A-K listed below within SEVEN ( 7 ) calendar days following the Effective Date:
- All rental agreements, leases, service contracts, insurance policies, latest tax bill(s) and other written agreements or notices which affect the Property. Seller has disclosed that there are a number of sites being sublet from original owner to current tenants and they are working to gather these agreements.
  - The operating statements of the Property for 2020, 2021, and a Trailing Fiscal Year 12-Month Statement (September 2021 - August 2022 Fiscal Year).
  - For commercial properties, Copies of whatever documents the Seller may have regarding the financial condition, business prospects or prospective continued occupancy of any tenant (including but not limited to financial statements, credit reports, etc.). This subparagraph shall not apply to apartment transactions.
  - All notes and security instruments affecting the Property.
  - A complete and current rent roll, including a schedule of all tenant deposits and fees.
  - A written inventory of all items of Personal Property to be conveyed to Buyer and included as part of the purchase price at close of escrow.
  - Seller shall procure and cause to be delivered to Broker a preliminary title report on the Property.
  - A report paid for by Seller by NHD, a professional provider, containing the Natural Hazard Disclosures (as defined below) concerning the Property. "Natural Hazard Disclosures" shall mean whether the Property is located within: (1) Special Flood Hazard Area; (2) Dam Failure Inundation Area; (3) Earthquake Fault Zone; (4) Seismic Hazard Zone; (5) High Fire Severity Area; and/or (6) Wildland Fire Area. Seller represents and warrants that, unless otherwise noted by Seller to Buyer in writing, Seller is unaware of any inaccuracies in the Natural Hazard Disclosures.

- i. Any and all documents, of any type or nature, which in any way references the existence of mold or mold-related problems with the Property.
- j. Any and all documents, of any type or nature, which in any way references the existence of lead-based paint or lead-based paint problems with the Property.
- k. The following items, if readily available to Seller, as well as any pending litigation affecting the property: 1-14 .
  - 1. Utility Bills (one month's bill for each utility).
  - 2. Copy of the Insurance Policy Declarations Page (showing amount and cost of coverage). Seller is currently working to provide a current Insurance Declaration Page and insurance brokers contact information can be found in Due Diligence Portal.
  - 3. Park Rules/Designation, All-Ages/Seniors (55+).
  - 4. Copies of Permits, including Business Licenses, Weight & Measures Certificate, Health Certificate.
  - 5. All plans & drawings available for the park.
  - 6. Existing Land Survey, if available.
  - 7. Existing Phase I Environmental Report, if available.
  - 8. Copy of past two years rent increases.
  - 9. Personal property inventory, including community owned homes, title, license, and registration.
  - 10. List of vendors and tradesmen who have been working on the property.
  - 11. All staff employment agreements, if any, and summary of compensation.
  - 12. All corporation documentation, assets, and liabilities for Sherwin Park Inc.
  - 13. Ownership structure of the real property non-corporate asset.
  - 14. All Available Items on Attached DD List (Exhibit A).

Buyer shall acknowledge receipt of these items in writing. Buyer shall have TWENTY-ONE (21) calendar days from the Effective date to review and approve in writing each of these items. If Buyer fails to approve these items within the specified time, this Agreement shall be rendered null and void, Buyer's entire deposit shall be returned, and Buyer and Seller shall have no further obligations hereunder.

- 8.2) **PHYSICAL INSPECTION:** Buyer shall have TWENTY-ONE (21) calendar days from the Effective to inspect the physical condition of the Property, including, but not limited to the soil conditions and the presence or absence of lead-based paint, mold and other hazardous materials on or about the Property, and to notify the Seller in writing that Buyer approves same. If Buyer fails to approve the physical condition of the Property within the specified time, this Agreement shall be null and void and Escrow Holder is hereby authorized to return Buyer's entire deposit. Buyer and Seller shall have no further obligations hereunder.
- 8.3) **STATE AND LOCAL LAWS:** Buyer shall have TWENTY-ONE (21) calendar days from the Effective to investigate State and local laws to determine whether the Property must be brought into compliance with minimum energy conservation or safety standards or similar retrofit requirements as a condition of sale or transfer and the cost thereof, and to notify Seller that Buyer approves same. If approved by Buyer, Buyer shall comply with and pay for these requirements. If Buyer fails to approve these requirements, if any, within the specified time, this Agreement shall be rendered null and void, Buyer's entire Deposit shall be returned, and Buyer and Seller shall have no further obligations hereunder.
- 8.4) **INFRASTRUCTURE INSPECTION:** Buyer shall have TWENTY-ONE (21) calendar days from the Effective to inspect electric, gas, water, sewer and surface drainage infrastructure throughout the park, and to notify the Seller in writing that Buyer approves same. Buyer was made aware of a Leak Detection Report performed by American Leak Detection on August 6, 2018, which indicated that significant repairs were required for the water system. Buyer shall conduct their own inspection of the infrastructure systems and approve their conditions in writing. If Buyer fails to approve the condition of the infrastructure throughout the Property within the specified time, this Agreement shall be null and void and Escrow Holder is hereby authorized to return Buyer's entire deposit. Buyer and Seller shall have no further obligations hereunder.
- 8.5) **INOPERABLE SITES CONTINGENCY:** Buyer shall have TWENTY-ONE (21) calendar days from the Effective to inspect and approve inoperable sites throughout the park, and to notify the Seller in writing that Buyer approves same. Sites 14 (common are), 15 (garage), 31 (access), 56 (snow storage), 70 (never developed), & 75 (snow storage) are currently inoperable and not producing revenue. If Buyer fails to approve the Inoperable Sites Contingency within the specified time, this Agreement shall be null and void and Escrow Holder is hereby authorized to return Buyer's entire deposit. Buyer and Seller shall have no further obligations hereunder.
- 8.6) **SUBLEASE AGREEMENTS CONTINGENCY:** Buyer shall have TWENTY-ONE (21) calendar days from the Effective to inspect and approve all sublease agreements, and to notify the Seller in writing that Buyer approves same. Seller has disclosed that there are a number of sites, including sites 1, 5, 6, 11, 23, 32, 52, 55, 63, 65, 69, 77, 78, 81, being sublet from original owner to current tenants and they are working to gather these agreements. If Buyer fails to approve the Sublease Agreements Contingency within the specified time, this Agreement shall be null and void and Escrow Holder is hereby authorized to return Buyer's entire deposit. Buyer and Seller shall have no further obligations hereunder.




- 9) **DEPOSIT INCREASE:** Upon removal of the inspection contingencies set forth in paragraph(s) 5, 8.1, 8.2, 8.3, 8.4, 8.5, & 8.6 hereof, Buyer shall deposit in Escrow sufficient funds to increase the Deposit to ONE MILLION dollars (\$ 1,000,000). The entire Deposit shall be credited to the purchase price at the close of escrow unless otherwise provided herein.
- 10) **DEPOSIT:** Buyer's Deposit shall be fully refundable until removal of the inspection contingencies set forth in paragraph(s) 5, 8.1, 8.2, 8.3, 8.4, 8.5, & 8.6 hereof. Buyer's deposit and any additional deposit shall be held in Escrow and applied towards the Purchase Price at Closing. Buyer acknowledges and agrees that, in the event Buyer defaults on this Agreement after removal of contingencies, Buyer's Deposit is non-refundable and is forfeited to Seller. If the Property is made unmarketable by Seller or Seller defaults on this Agreement, the Deposit must immediately be returned to Buyer and the deed shall be returned to Seller. Notwithstanding the foregoing, no party shall be liable or responsible to the other party, nor be deemed to have defaulted under or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement when, and to the extent, such failure or delay is caused by or results from one or more of the following force majeure events ("Force Majeure Events"), so long as the Force Majeure Event is beyond the reasonable control of the party impacted by it (the "Impacted Party"): (a) acts of God such as hurricane, flood, earthquake, tornado, fire, avalanche, or tsunami; (b) war, invasion, armed conflict (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest; (c) epidemics, pandemics, or government-mandated quarantines or stay-at-home orders (excluding recurrences of prior epidemics, pandemics, or quarantines or stay-at-home orders); or (d) government law, regulation, order, or other action. In such a Force Majeure Event, the Impacted Party must provide written notice to all other parties to this Agreement demonstrating that the Force Majeure Event has rendered performance of the Impacted Party's obligations under this Agreement impossible. Upon service of such written notice in accordance with the notice provisions of this Agreement, this Agreement shall be deemed terminated at no fault to either party and the deed shall be returned to Seller. If Buyer, as the Impacted Party, timely serves such written notice upon all other parties within five (5) calendar days of the Force Majeure Event rendering performance of the Buyer's obligations impossible and Seller agrees in writing, then the Deposit shall be immediately refunded to Buyer; otherwise, Seller shall be entitled to retain the Deposit. If there is a dispute over whether or not a Force Majeure Event has rendered performance of one Party impossible, the Deposit shall be held until the dispute is resolved pursuant to the terms hereof.

**BUYER'S INITIALS** EW
**SELLER'S INITIALS** JEL KLU JEL

- 11) **ESTOPPEL CERTIFICATE CONTINGENCY (Leased Properties):** N/A
- 12) **INDEPENDENT CONSIDERATION:** Notwithstanding anything to the contrary in this Agreement, Buyer and seller agree that Five Dollars (\$5.00) of the Deposit will be non-refundable and will be distributed to Seller upon any termination of this Agreement as full payment and independent consideration for Seller's performance under this Agreement ("Independent Consideration"). If this Agreement is properly terminated by the Buyer, subject to paragraph 5, 8.1, 8.2, 8.3, 8.4, 8.5, & 8.6 above, the Deposit less the non-refundable portion will be promptly returned to Buyer and the parties will have no further rights or obligations under this Agreement except for any that expressly survive the termination of this Agreement.
- 13) **SERVICE AND TENANT CONTRACTS/OTHER MATERIAL CHANGES:** After Buyer has removed all contingencies, Seller shall not, without the prior written consent of Buyer which cannot be unreasonably withheld, enter into any new service or tenant contracts that cannot be canceled with 30 days notice and without penalty. Seller shall not make any material changes to the Property, do any act, or enter into any agreements of any kind that materially changes the value of the Property or the rights of the buyer as they relate to the Property.
- 14) **PERSONAL PROPERTY:** Title to any personal property to be conveyed to Buyer in connection with the sale of the Property shall be conveyed to Buyer by Bill of Sale on the Closing Date free and clear of all encumbrances (except those approved by Buyer as provided above). The price of these items shall be included in the Purchase Price for the Property, and Buyer agrees to accept all such personal property in "as is" condition.

- 15) **CONDITION OF PROPERTY:** It is understood and agreed that the Property is being sold "as is"; that Buyer has, or will have prior to the Closing Date, inspected the Property; and that neither Seller nor Agent makes any representation or warranty as to the physical condition or value of the Property or its suitability for Buyer's intended use. "Property Condition" means each and every matter of concern or relevance to Buyer relating to the Property, including without limitation the financial, legal, title, physical, geological and environmental condition and sufficiency of the Property and all improvements and equipment thereon; applicable governmental laws, regulations, and zoning; building codes, and the extent to which the Property complies therewith; the fitness of the Property for Buyer's contemplated use; the presence of hazardous materials; title matters; and contracts to be assumed by Buyer. Seller agrees to maintain and repair Property as they have during time of ownership through Close of Escrow.

Upon Buyer's satisfaction or waiver of the contingencies in Paragraph 5, 8.1, 8.2, 8.3, 8.4, 8.5, & 8.6, Buyer agrees, and represents and warrants that upon Closing Buyer will purchase the Property "as is" and solely on reliance on its own investigation of the Property. Seller had no obligation to repair, correct or compensate Buyer for any Property Condition, and upon closing, Buyer shall be deemed to have waived any and all objections to the Property Condition, whether or not known to Buyer. Upon Closing, Buyer hereby waives, releases, acquits, and forever discharges Seller, and Seller's agents, directors, officers, and employees to the maximum extent permitted by law from any and all claims, actions, causes of action, demands, rights, liabilities, damages, losses, costs expenses, or compensation whatsoever, direct or indirect, known or unknown, foreseen or unforeseen, that it now has or which may arise in the future on account of or in any way growing out of or connected with Property Condition. BUYER EXPRESSLY WAIVES ANY OF ITS RIGHTS GRANTED UNDER CALIFORNIA CIVIL CODE SECTION 1542, WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

BUYER'S INITIALS EW SELLER'S INITIALS Jel ell [Signature]

- 16) **RISK OF LOSS:** Risk of loss to the Property shall be borne by Seller until title has been conveyed to Buyer. In the event that the improvements on the Property are destroyed or materially damaged between the Effective Date of this Agreement and the date title is conveyed to Buyer, Buyer shall have the option of demanding and receiving back the entire Deposit and being released from all obligations hereunder, or alternatively, taking such improvements as Seller can deliver. Upon Buyer's physical inspection and approval of the Property, Seller shall maintain the Property through close of escrow in the same condition and repair as approved, reasonable wear and tear excepted.

- 17) **POSSESSION:** Possession of the Property shall be delivered to Buyer on Closing Date.

- 18) **LIQUIDATED DAMAGES:** By placing their initials immediately below, Buyer and Seller agree that it would be impracticable or extremely difficult to fix actual damages in the event of a default by Buyer, that the amount of Buyer's Deposit hereunder (as same may be increased by the terms hereof) is the parties' reasonable estimate of Seller's damages in the event of Buyer's default, and that upon Buyer's default in its purchase obligations under this Agreement, not caused by any breach by Seller, Seller shall be released from its obligations to sell the Property and shall retain Buyer's Deposit (as same may be increased by the terms hereof) as liquidated damages, which shall be Seller's sole and exclusive remedy in law or at equity for Buyer's default.

BUYER'S INITIALS EW SELLER'S INITIALS Jel ell [Signature]

- 19) **SELLER EXCHANGE:** Buyer agrees to cooperate should Seller elect to sell the Property as part of a like-kind exchange under IRC Section 1031. Seller's contemplated exchange shall not impose upon Buyer any additional liability or financial obligation, and Seller agrees to hold Buyer harmless from any liability that might arise from such exchange. This Agreement is not subject to or contingent upon Seller's ability to acquire a suitable exchange property or effectuate an exchange. In the event any exchange contemplated by Seller should fail to occur, for whatever reason, the sale of the Property shall nonetheless be consummated as provided herein.

- 20) **BUYER EXCHANGE:** Seller agrees to cooperate should Buyer elect to purchase the Property as part of a like-kind exchange under IRC Section 1031. Buyer's contemplated exchange shall not impose upon Seller any additional liability or financial obligation, and Buyer agrees to hold Seller harmless from any liability that might arise from such exchange. This Agreement is not subject to or contingent upon Buyer's ability to dispose of its exchange property or effectuate an exchange. In the event any exchange contemplated by Buyer should fail to occur, for whatever reason, the sale of the Property shall nonetheless be consummated as provided herein.

- 21) **DISCLOSURE OF REAL ESTATE LICENSURE:** N/A

- 22) **AUTHORIZATION:** Buyer and Seller authorize Agent to disseminate sales information regarding this transaction, including the purchase price of the Property.

23) **AGENCY DISCLOSURE:**

23.1). **EXCLUSIVE LISTING:** Marcus & Millichap Real Estate Investment Services is the exclusive listing broker of the property that is the subject of this transaction. Under California law, Marcus & Millichap represents the Seller as the Seller's agent. Marcus & Millichap also has procured the Buyer in this transaction. Marcus & Millichap is not the agent of the Buyer; however, Marcus & Millichap does have the following affirmative legal obligations to the Buyer:

- a. Diligent exercise of reasonable skill and care in the performance of its duties.
- b. A duty of honest and fair dealing and good faith.
- c. A duty to disclose all facts known to it materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Buyer.

24) **OTHER BROKERS:** Buyer and Seller agree that, in the event any broker other than Agent or a broker affiliated with Agent is involved in the disposition of the Property, Agent shall have no liability to Buyer or Seller for the acts or omissions of such other broker, who shall not be deemed to be a subagent of Agent.

25) **LIMITATION OF LIABILITY:** Except for Agent's gross negligence or willful misconduct, Agent's liability for any breach or negligence in its performance of this Agreement shall be limited to the greater of \$50,000 or the amount of compensation actually received by Agent in any transaction hereunder.

26) **SCOPE OF AGENT'S AUTHORITY AND RESPONSIBILITY:** Agent shall have no authority to bind either Buyer or Seller to any modification or amendment of this Agreement. Agent shall not be responsible for performing any due diligence or other investigation of the Property on behalf of either Buyer or Seller, or for providing either party with professional advice with respect to any legal, tax, engineering, construction or hazardous materials issues. Except for maintaining the confidentiality of any information regarding Buyer or Seller's financial condition and any future negotiations regarding the terms of this Purchase Agreement or as otherwise required by law, Buyer and Seller agree that their relationship with Agent is at arm's length and is neither confidential nor fiduciary in nature.

27) **BROKER DISCLAIMER:** Buyer and Seller acknowledge that, except as otherwise expressly stated herein, Agent has not made any investigation, determination, warranty or representation with respect to any of the following: (a) the financial condition or business prospects of any tenant, or such tenant's intent to continue or renew its tenancy in the Property; (b) the legality of the present or any possible future use of the Property under any federal, state or local law; (c) pending or possible future action by any governmental entity or agency which may affect the Property; (d) the physical condition of the Property, including but not limited to, soil conditions, the structural integrity of the improvements, and the presence or absence of fungi, mold or wood-destroying organisms; (e) the accuracy or completeness of income and expense information and projections, of square footage figures, and of the texts of leases, options, and other agreements affecting the Property; (f) the possibility that lease, options or other documents exist which affect or encumber the Property and which have not been provided or disclosed by Seller; or (g) the presence or location of any hazardous materials on or about the Property, including, but not limited to, asbestos, PCB's, or toxic, hazardous or contaminated substances, lead-based paint and underground storage tanks.

Buyer agrees that investigation and analysis of the foregoing matters is Buyer's sole responsibility and that Buyer shall not hold Agent responsible therefore. Buyer further agrees to reaffirm its acknowledgment of this disclaimer at close of escrow and to confirm that it has relied upon no representations of Agent in connection with its acquisition of the Property.

**BUYER'S INITIALS** EW **SELLER'S INITIALS** Jal DS kll DS DS

28) **LEAD-BASED PAINT HAZARDS:** Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase. **(SELLER TO INITIAL ONE BELOW):**

- 1. Seller warrants that the Property was constructed after 1978. **SELLER'S INITIALS** \_\_\_\_\_
- 2. Seller is not sure when the Property was constructed and/or has reason to believe that lead-based paint hazards may be present. **SELLER'S INITIALS** Jal kll DS

**LEAD WARNING STATEMENT** *Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of*

**developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.**

**SELLER'S DISCLOSURE**

- (a) Presence of lead-based paint and/or lead-based paint hazards (check one below):
  - Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).  
\* \* \*
  - Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.
- (b) Records and reports available to the Seller (check one below):
  - Seller has provided the Buyer with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).
  - Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

**SELLER'S INITIALS** 

**BUYER'S ACKNOWLEDGMENT**

- (c) Buyer has received copies of all information listed above.
- (d) Buyer has received the pamphlet "Protect Your Family from Lead in Your Home".
- (e) Buyer has (check one below):
  - Received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or
  - Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

**BUYER'S INITIALS** 

- 29) **MOLD/ALLERGEN ADVISORY AND DISCLOSURE:** Buyer is advised of the possible presence within properties of toxic (or otherwise illness-causing) molds, fungi, spores, pollens and/or other botanical substances and/or allergens (e.g. dust, pet dander, insect material, etc.). These substances may be either visible or invisible, may adhere to walls and other accessible and inaccessible surfaces, may be embedded in carpets or other fabrics, may become airborne, and may be mistaken for other household substances and conditions. Exposure carries the potential of possible health consequences. Agent strongly recommends that Buyer contact the State Department of Health Services for further information on this topic.

Buyer is advised to consider engaging the services of an environmental or industrial hygienist (or similar, qualified professional) to inspect and test for the presence of harmful mold, fungi, and botanical allergens and substances as part of Buyer's physical condition inspection of the Property, and Buyer is further advised to obtain from such qualified professionals information regarding the level of health-related risk involved, if any, and the advisability and feasibility of eradication and abatement, if any.

Buyer is expressly cautioned that Agent has no expertise in this area and is, therefore, incapable of conducting any level of inspection of the Property for the possible presence of mold and botanical allergens. Buyer acknowledges that Agent has not made any investigation, determination, warranty or representation with respect to the possible presence of mold or other botanical allergens, and Buyer agrees that the investigation and analysis of the foregoing matters is Buyer's sole responsibility and that Buyer shall not hold Agent responsible therefore.

- 30) **WATER HEATER DISCLOSURE:** Seller certifies that it has complied with the water heater earthquake protection requirements set forth in California Health and Safety Code section 19211.

Buyer is advised that Agent has no expertise in this area and is, therefore, incapable of conducting any level of inspection of the Property for the possible non-standard and/or unsafe water heater bracing, anchoring, or strapping to resist movement due to earthquakes. Buyer understands that Agent has not made any investigation, determination, warranty or representation with respect to the possible unfit water heater bracing, anchoring, or strapping or other standards, and Buyer agrees that the investigation and analysis of the foregoing matters is Buyer's sole responsibility and that Buyer shall not hold Agent responsible therefore.

- 31) **MANDATORY TITLE 24 LIGHTING REQUIREMENTS:** California's new Building Energy Efficiency Standards (Title 24, part 6), which took effect on July 1, 2014, established higher standards for improving energy efficiency in both residential and non-residential California real estate. Buyer acknowledges and agrees that it is aware of and familiar with the standards, as well as the potential cost of retrofitting and compliance, and has considered and incorporated such cost in its decision to enter into this Agreement. For more information, see <http://www.energy.ca.gov/title24/2013standards/>

- 32) **ARBITRATION OF DISPUTES AND WAIVER OF JURY TRIAL: All disputes arising between the Parties with respect to the subject matter of this Purchase Agreement or the transaction contemplated herein (including but not limited to the parties' rights to the Deposit or the payment of commissions as provided herein) shall be settled exclusively by final, binding arbitration. The judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction.**

The arbitration will proceed in the county where the property is located and be conducted by ADR Services, Inc. ("ADR"), or such other administrator as the parties shall mutually agree upon, in accordance with ADR's arbitration rules (the "Rules"). Any party who fails or refuses to submit to arbitration following a demand by the other party shall bear all costs and expenses, including attorneys' fees, incurred by such other party in compelling arbitration.

The arbitration will be decided by a single arbitrator selected according to the Rules. The arbitrator will decide any pre-hearing motions which are similar to motions to dismiss for failure to state a claim or motions for summary adjudication and may grant any remedy or relief that a court could order or grant on similar motions. The arbitrator shall apply the provisions of this Representation Agreement without varying therefrom, and shall not have the power to add to, modify, or change any of the provisions hereof.

In any arbitration proceeding discovery will be permitted only in accordance with the terms of this paragraph. Discovery by each party shall be limited to: (i) a maximum number of five (5) depositions limited to four hours each; (ii) requests for production of documents; (iii) two interrogatories: one inquiring into the amount of damages sought by the other party and another into the calculation of those damages; and (iv) subpoenas upon third parties for production of documents, depositions, and to appear at a hearing. The scope of discovery may be expanded only upon the mutual consent of the parties. Discovery not set forth in this paragraph shall not be permitted.



**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 CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS SUCH 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 CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY.**

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

**BUYER'S INITIALS** EW **SELLER'S INITIALS** Jel ku EA  
**BUYER'S AGENT INITIALS** \_\_\_\_\_ **SELLER'S AGENT INITIALS** DD

- 33) **MMCC FINANCING EVALUATION:** N/A
- 34) **SUCCESSORS & ASSIGNS:** This Agreement and any addenda hereto shall be binding upon and inure to the benefit of the heirs, successors, agents, representatives and assigns of the parties hereto.
- 35) **TIME:** Time is of the essence of this Agreement.
- 36) **NOTICES:** All notices required or permitted hereunder shall be given to the parties in writing (with a copy to Agent) at their respective addresses as set forth below. Should the date upon which any act required to be performed by this Agreement fall on a Saturday, Sunday or holiday, the time for performance shall be extended to the next business day.
- 37) **FOREIGN INVESTOR DISCLOSURE:** Seller and Buyer agree to execute and deliver any instrument, affidavit or statement, and to perform any act reasonably necessary to carry out the provisions of this Foreign Investment in Real Property Tax Act and regulations promulgated thereunder. Seller represents that Seller is not a foreign person as defined in Section 1445 of the Internal Revenue Code and withholding of any portion of the purchase price is not required under Sections 18662 or 18668 of the California Revenue and Taxation Code.
- 38) **ADDENDA:** Any addendum attached hereto and either signed or initialed by the parties shall be deemed a part hereof. This Agreement, including addenda, if any, expresses the entire agreement of the parties and supersedes any and all previous agreements between the parties with regard to the Property. There are no other understandings, oral or written, which in any way alter or enlarge its terms, and there are no warranties or representations of any nature whatsoever, either express or implied, except as set forth herein. Any future modification of this Agreement will be effective only if it is in writing and signed by the party to be charged.
- 39) **ACCEPTANCE AND EFFECTIVE DATE:** Buyer's signature hereon constitutes an offer to Seller to purchase the Property on the terms and conditions set forth herein. Unless acceptance hereof 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 with a legitimate confirmation of receipt, on or before OCTOBER 28TH, 2022, this offer shall be null and void, the Deposit shall be returned to Buyer, and neither Seller nor Buyer shall have any further rights or obligations hereunder. Delivery shall be effective upon personal delivery to Buyer or Buyer's agent or, if by mail, on the next business day following the date of postmark. The "Effective Date" of this Agreement shall be the later of (a) the date on which Seller executes this Agreement, or (b) the date of or written acceptance (by either Buyer or Seller) of the final counter-offer submitted by the other party. Buyer and Seller both acknowledge and agree that a facsimile copy of this Agreement with a party's signature is as legally valid and binding as the original Agreement with an original signature. If Buyer is not an individual but a legal entity, Buyer's representative represents that he/she is authorized on behalf of the legal entity to sign this Agreement.
- 40) **OTHER BUYERS:** Buyer understands that Agent represents other buyers who may have an interest in similar, or the same property that Buyer is considering purchasing. Buyer understands, consents and agrees that Agent, at all times before, during and after his representation of Buyer, may also represent other prospective buyers in the purchase of any property offered for sale. Buyer understands, consents and agrees that, regardless of the particular agency relationship between Buyer and Agent, Agent's representation of other buyers does not constitute a breach of any duty to Buyer.
- 41) **GOVERNING LAW:** This Agreement shall be governed by and construed in accordance with the laws of the State of California.

42) OTHER TERMS AND CONDITIONS:

A. BUYER AND SELLER ARE AWARE THAT THE CORPORATE ASSETS AND REAL PROPERTY ASSETS WILL BE SOLD CONCURRENTLY IN TWO SEPARATE TRANSACTIONS. THE VALUE OF ASSETS OWNED BY THE CORPORATION SHALL INCLUDE THE ADJACENT PARCEL, THE PARK OWNED HOME ON SITE 30, THE SNOW LOADER, AND OTHER PERSONAL PROPERTY USED TO OPERATE THE PARK. BUYER AND SELLER SHALL MUTUALLY AGREE ON THE FINAL VALUE OF THE CORPORATE ASSETS AS WELL AS THE REAL PROPERTY ASSETS (THE MOBILE HOME PARK LAND AND IMPROVEMENTS) PRIOR TO THE EXPIRATION OF THE DUE DILIGENCE PERIOD. THIS AGREEMENT SHALL BE DRAFTED AND APPROVED BY BUYER AND SELLERS RESPECTIVE LEGAL COUNSEL AND SUBMITTED TO ESCROW IN ORDER TO SOLIDIFY THE FINAL VALUE ALLOCATIONS TO EACH OF THE TRANSACTIONS.

B. THE MOBILE HOME PARK LAND AND IMPROVEMENTS ARE OWNED BY THE FOLLOWING THREE TRUSTS:

- KRISTIN C. LANGLEY AS TRUSTEE OF THE LANGLEY TRUST DATED MAY 23, 1990, RESTATED ON AUGUST 06, 2007, AMENDED MARCH 05, 2018
- JOHN G. CAMPHOUSE TRUST DATED JANUARY 29, 2018
- CAMERON FAMILY TRUST DATED APRIL 19, 2011

THE OPERATING CORPORATION & ADJACENT PARCEL ARE OWNED BY:

- SHERWIN VIEW PARK, INC. (C/O JOHN G. CAMPHOUSE, C/O PATRICIA C. CAMERON, & C/O NANCY COLEMAN)

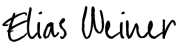
THE PARTIES UNDERSTAND AND ACKNOWLEDGE THAT BROKER IS NOT QUALIFIED TO PROVIDE, AND HAS NOT BEEN CONTRACTED TO PROVIDE, LEGAL, FINANCIAL OR TAX ADVICE, AND THAT ANY SUCH ADVICE MUST BE OBTAINED FROM THE RESPECTIVE PARTY'S ATTORNEY, ACCOUNTANT OR TAX PROFESSIONAL. THE PARTIES AGREE THAT THIS AGREEMENT CAN BE SIGNED IN COUNTERPART WITH THE SAME LEGAL FORCE AND EFFECT AS IF NOT SIGNED IN COUNTERPART.

The undersigned Buyer hereby offers and agrees to purchase the above-described Property for the price and upon the terms and conditions herein stated.

This offer is made by Buyer to Seller on this 25TH day of OCTOBER, 2022. The undersigned Buyer hereby acknowledges receipt of an executed copy of this Agreement, including the Agency Disclosure contained in Paragraph 23, above.

All individuals signing below on behalf of a legal entity hereby represent that they are authorized by, and on behalf of, said entity to enter into this Agreement.

BUYER'S SIGNATURE:

DocuSigned by:  
  
 COD2AE87681E42C  
 THE BOAVIDA GROUP, LP,  
 A DELAWARE LIMITED  
 PARTNERSHIP AND/OR  
 ASSIGNEES

ADDRESS: 1910 Terracina Dr.  
 Sacramento, CA 95834

DATE:

10/25/2022 | 16:25:41 MST

TELEPHONE:

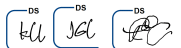
530-400-2354

SELLER'S ACCEPTANCE AND AGREEMENT TO PAY COMMISSION

The undersigned Seller accepts the foregoing offer and agrees to sell the Property to Buyer for the price and on the terms and conditions stated herein. Seller acknowledges receipt of an executed copy of this Agreement and authorizes Agent to deliver an executed copy to Buyer.

Seller reaffirms its agreement to pay to Agent a real estate brokerage commission pursuant to the terms of that certain Representation Agreement between Agent and Seller dated \_\_\_\_\_, 20 22, which shall remain in full force and effect. Said commission is payable in full on the Closing Date and shall be paid in cash through escrow. Escrow Holder is





directed to make such payment to Agent from Seller's proceeds of sale. The provisions of this paragraph may not be amended or modified without the written consent of Agent.

Where Seller has agreed to pay a commission, Seller acknowledges and agrees that payment of said commission is not contingent upon the closing of the transaction contemplated by this Agreement, and that, in the event completion of the sale is prevented by default of Seller, then Seller shall immediately be obligated to pay to Agent the entire commission. Seller agrees that in the event completion of the sale is prevented by default of Buyer, then Seller shall be obligated to pay to Agent an amount equal to one half of any damages or other monetary compensation (including liquidated damages) collected from Buyer by suit or otherwise as a consequence of Buyer's default, if and when such damages or other monetary compensation are collected; provided, however, that the total amount paid to Agent by Seller shall not in any case exceed the brokerage commission hereinabove set forth. Seller acknowledges and agrees that the existence of any direct claim which Agent may have against Buyer in the event of Buyer's default shall not alter or in any way limit the obligations of Seller to Agent as set forth herein. The provisions of this paragraph may not be amended or modified without the written consent of Agent.

**MOBILE HOME PARK LAND & IMPROVEMENTS:**

SELLER'S SIGNATURE *Kristin C. Langley* ADDRESS: 3984 Wakefield Dr.  
06653591050493...  
KRISTIN C. LANGLEY AS  
TRUSTEE OF THE LANGLEY  
TRUST DATED MAY 23,  
1990, RESTATED ON  
AUGUST 06, 2007,  
AMENDED MARCH 05, 2018  
Prescott Valley AZ 86314

DATE: 10/25/2022 | 16:58:55 PDT TELEPHONE: 760-475-7535

SELLER'S SIGNATURE *John G. Camphouse* ADDRESS: 2719 Carol Ln  
DocuSigned by:  
8344E8126A7C4DC  
JOHN G. CAMPHOUSE  
TRUST DATED JANUARY  
29, 2018  
Bishop, Ca 93514

DATE: 10/25/2022 | 16:51:20 PDT TELEPHONE: 760-920-0730

SELLER'S SIGNATURE *Patrick Cameron* ADDRESS: 1551 Middleton Rd  
DocuSigned by:  
157095023972481  
CAMERON FAMILY TRUST  
DATED APRIL 19, 2011  
San Dimas, Ca 91773

DATE: 10/25/2022 | 17:45:01 PDT TELEPHONE: 626-233-5843

**OPERATING CORPORATION & ADJACENT PARCEL:**

SELLER'S SIGNATURE *John G. Camphouse* ADDRESS: 2719 Carol Ln  
DocuSigned by:  
8344E8126A7C4DC  
SHERWIN VIEW PARK,  
INC. (C/O JOHN G.  
CAMPHOUSE)  
Bishop, Ca 93514

DATE: 10/25/2022 | 16:51:20 PDT TELEPHONE: 860-920-0730

DS  
*EW*

DS DS DS  
*Jal* *Kll* *EW*

DocuSigned by:  
**SELLER'S SIGNATURE** Patricia Cameron ADDRESS: 1551 Middleton Rd  
1E7015C23872481  
SHERWIN VIEW PARK,  
INC. (C/O PATRICIA C.  
CAMERON) San Dimas, Ca 91773  
**DATE:** 10/25/2022 | 17:45:01 PDT **TELEPHONE:** 626-233-5843

Agent accepts and agrees to the foregoing. Agent represents and warrants that Agent is unaware of any incorrect or incomplete information contained in any Natural Hazard Disclosures.

**BROKER/AGENT: MARCUS & MILLICHAP REAL ESTATE INVESTMENT SERVICES, INC.**

DocuSigned by:  
**AGENTS SIGNATURE:** Douglas Danny ADDRESS: 655 w Broadway #660  
2EF84B7E47E546C...  
CA: 01403114 San Diego, CA 92101  
**BROKER LICENSE NO.** \_\_\_\_\_  
**DATE:** 01403114 **TELEPHONE:** 6195591169

**BROKERS SIGNATURE:** \_\_\_\_\_ **ADDRESS:** \_\_\_\_\_  
 \_\_\_\_\_  
**BROKER LICENSE NO.** \_\_\_\_\_  
**DATE:** \_\_\_\_\_ **TELEPHONE:** \_\_\_\_\_

Escrow Holder acknowledges receipt of a copy of this Agreement (if checked \*\*\* a deposit amount of \*\*\* dollars (\$ \*\*\* )), Counter Offer numbers \*\*\* and \*\*\* and agrees to act as Escrow Holder subject to Paragraph 3 of this Agreement, any supplemental escrow instructions and the terms of Escrow Holder's general provisions.

The date of communication of Acceptance of the Agreement between Buyer and Seller is \_\_\_\_\_, 20\_\_\_\_\_.

**ESCROW HOLDER:** \_\_\_\_\_ **ESCROW #:** \_\_\_\_\_  
**BY:** \_\_\_\_\_ **DATE:** \_\_\_\_\_  
**ADDRESS:** \_\_\_\_\_ **EMAIL:** \_\_\_\_\_  
**PHONE:** \_\_\_\_\_ **FAX:** \_\_\_\_\_  
**ESCROW HOLDER IS LICENSED BY:** \_\_\_\_\_ **LICENSE #:** \_\_\_\_\_

PARTIES UNDERSTAND AND ACKNOWLEDGE THAT BROKER IS NOT QUALIFIED TO PROVIDE, AND HAS NOT BEEN CONTRACTED TO PROVIDE, LEGAL, FINANCIAL OR TAX ADVICE, AND THAT ANY SUCH ADVICE MUST BE OBTAINED FROM PARTIES' ATTORNEY, ACCOUNTANT OR TAX PROFESSIONAL



**DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIPS**

(As required by the Civil Code)

When you enter into a discussion with a real estate agent regarding a real estate transaction, you should from the outset understand what type of agency relationship or representation you wish to have with the agent in the transaction.

**SELLER'S AGENT**

A Seller's agent under a listing agreement with the Seller acts as the agent for the Seller only. A Seller's agent or a subagent of that agent has the following affirmative obligations:

To the Seller:

A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Seller.

To the Buyer and the Seller:

- (a) Diligent exercise of reasonable skill and care in performance of the agent's duties.
- (b) A duty of honest and fair dealing and good faith.
- (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties. An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

**BUYER'S AGENT**

A selling agent can, with a Buyer's consent, agree to act as agent for the Buyer only. In these situations, the agent is not the Seller's agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Seller. An agent acting only for a Buyer has the following affirmative obligations:

To the Buyer:

A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Buyer.

To the Buyer and the Seller:

- (a) Diligent exercise of reasonable skill and care in performance of the agent's duties.
- (b) A duty of honest and fair dealing and good faith.
- (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties. An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

**AGENT REPRESENTING BOTH SELLER AND BUYER**

A real estate agent, either acting directly or through one or more associate licensees, can legally be the agent of both the Seller and the Buyer in a transaction, but only with the knowledge and consent of both the Seller and the Buyer. In a dual agency situation, the agent has the following affirmative obligations to both the Seller and the Buyer:

- (a) A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either the Seller or the Buyer.
- (b) Other duties to the Seller and the Buyer as stated above in their respective sections. In representing both Seller and Buyer, the agent may not, without the express permission of the respective party, disclose to the other party that the Seller will accept a price less than the listing price or that the Buyer will pay a price greater than the price offered.

The above duties of the agent in a real estate transaction do not relieve a Seller or Buyer from the responsibility to protect his or her own interests. You should carefully read all agreements to assure that they adequately express your understanding of the transaction.

A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional. Throughout your real property transaction you may receive more than one disclosure form, depending upon the number of agents assisting in the transaction. The law requires each agent with whom you have more than a casual relationship to present you with this disclosure form. You should read its contents each time it is presented to you, considering the relationship between you and the real estate agent in your specific transaction.

This disclosure form includes the provisions of Sections 2079.13 to 2079.24 inclusive, of the Civil Code set forth on the reverse hereof. Read it carefully.

DocuSigned by:  
 2E70487E47F5488...  
STAMPED:  
 Douglas Vainny  
 10/25/2022 | 16:56:14 PDT  
 AGENT'S SIGNATURE (date)

ASSOCIATE LICENSEE/BROKER (date)

DocuSigned by:  
 13 to 2079.24 inclusive, of the Civil Code set forth on the reverse hereof.  
 A96853B9F050483...  
 10/25/2022 | 16:58:55 PDT

DocuSigned by:  
 B344E8126A7C4DC...  
 John G. Campbell  
 10/25/2022 | 16:51:20 PDT

DocuSigned by:  
 4070F0202020...  
 10/25/2022 | 17:45:01 PDT

BUYER/SELLER (PRIMARY) (date)

DocuSigned by:  
 C0D2AE87691E42C...  
 Elias Weiner  
 10/25/2022 | 16:25:41 MST

BUYER/SELLER (SECONDARY) (date)

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Civil Code Sections 2079.13 through 2079.24

Section 2079.13. As used in Sections 2079.14 to 2079.24, inclusive, the following terms have the following meanings: (a) "Agent" means a person acting under provisions of Title 9 (commencing with Section 2295) in a real property transaction, and includes a person who is licensed as a real estate broker under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code, and under whose license a listing is executed or an offer to purchase is obtained. (b) "Associate licensee" means a person who is licensed as a real estate broker or salesperson under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code and who is either licensed under a broker or has entered into a written contract with a broker to act as the broker's agent in connection with acts requiring a real estate license and to function under the broker's supervision in the capacity of an associate licensee. The agent in the real property transaction bears responsibility for his or her associate licensees who perform as agents of the agent. When an associate licensee owes a duty to any principal, or to any buyer or seller who is not a principal, in a real property transaction, that duty is equivalent to the duty owed to that party by the broker for whom the associate licensee functions. (c) "Buyer" means a transferee in a real property transaction, and includes a person who executes an offer to purchase real property from a seller through an agent, or who seeks the services of an agent in more than a casual, transitory, or preliminary manner, with the object of entering into a real property transaction. "Buyer" includes vendee or lessee. (d) "Dual agent" means an agent acting, either directly or through an associate licensee, as agent for both the seller and the buyer in a real property transaction. (e) "Listing agreement" means a contract between an owner of real property and an agent, by which the agent has been authorized to sell the real property or to find or obtain a buyer. (f) "Listing agent" means a person who has obtained a listing of real property to act as an agent for compensation. (g) "Listing price" is the amount expressed in dollars specified in the listing for which the seller is willing to sell the real property through the listing agent. (h) "Offering price" is the amount expressed in dollars specified in an offer to purchase for which the buyer is willing to buy the real property. (i) "Offer to purchase" means a written contract executed by a buyer acting through a selling agent which becomes the contract for the sale of the real property upon acceptance by the seller. (j) "Real property" means any estate specified by subdivision (1) or (2) of Section 761 in property which constitutes or is improved with one to four dwelling units, any leasehold in this type of property exceeding one year's duration, and mobile homes, when offered for sale or sold through an agent pursuant to the authority contained in Section 10131.6 of the Business and Professions Code. (k) "Real property transaction" means a transaction for the sale of real property in which an agent is employed by one or more of the principals to act in that transaction, and includes a listing or an offer to purchase. (l) "Sell," "sale," or "sold" refers to a transaction for the transfer of real property from the seller to the buyer, and includes exchanges of real property between the seller and buyer, transactions for the creation of a real property sales contract within the meaning of Section 2985, and transactions for the creation of a leasehold exceeding one year's duration. (m) "Seller" means the transferor in a real property transaction, and includes an owner who lists real property with an agent, whether or not a transfer results, or who receives an offer to purchase real property of which he or she is the owner from an agent on behalf of another. "Seller" includes both a vendor and a lessor. (n) "Selling agent" means a listing agent who acts alone, or an agent who acts in cooperation with a listing agent, and who sells or finds and obtains a buyer for the real property, or an agent who locates property for a buyer or who finds a buyer for a property for which no listing exists and presents an offer to purchase to the seller. (o) "Subagent" means a person to whom an agent delegates agency powers as provided in Article 5 (commencing with Section 2349) of Chapter 1 of Title 9. However, "subagent" does not include an associate licensee who is acting under the supervision of an agent in a real property transaction.

Section 2079.14. Listing agents and selling agents shall provide the seller and buyer in a real property transaction with a copy of the disclosure form specified in Section 2079.16, and, except as provided in subdivision (c), shall obtain a signed acknowledgment of receipt from that seller or buyer, except as provided in this section or Section 2079.15, as follows: (a) The listing agent, if any, shall provide the disclosure form to the seller prior to entering into the listing agreement. (b) The selling agent shall provide the disclosure form to the seller as soon as practicable prior to presenting the seller with an offer to purchase, unless the selling agent previously provided the seller with a copy of the disclosure form pursuant to subdivision (a). (c) Where the selling agent does not deal on a face-to-face basis with the seller, the disclosure form prepared by the selling agent may be furnished to the seller (and acknowledgment of receipt obtained for the selling agent from the seller) by the listing agent, or the selling agent may deliver the disclosure form by certified mail addressed to the seller at his or her last known address, in which case no signed acknowledgment of receipt is required. (d) The selling agent shall provide the disclosure form to the buyer as soon as practicable prior to execution of the buyer's offer to purchase, except that if the offer to purchase is not prepared by the selling agent, the selling agent shall present the disclosure form to the buyer not later than the next business day after the selling agent receives the offer to purchase from the buyer.

Section 2079.15. In any circumstance in which the seller or buyer refuses to sign an acknowledgment of receipt pursuant to Section 2079.14, the agent, or an associate licensee acting for an agent, shall set forth, sign, and date a written declaration of the facts of the refusal.

Section 2079.16. This disclosure appears on Page 1.

Section 2079.17. (a) As soon as practicable, the selling agent shall disclose to the buyer and seller whether the selling agent is acting in the real property transaction exclusively as the buyer's agent, exclusively as the seller's agent, or as a dual agent representing both the buyer and the seller. This relationship shall be confirmed in the contract to purchase and sell real property or in a separate writing executed or acknowledged by the seller, the buyer, and the selling agent prior to or coincident with execution of that contract by the buyer and the seller, respectively. (b) As soon as practicable, the listing agent shall disclose to the seller whether the listing agent is acting in the real property transaction exclusively as the seller's agent, or as a dual agent representing both the buyer and the seller. This relationship shall be confirmed in the contract to purchase and sell real property or in a separate writing executed or acknowledged by the seller and the listing agent prior to or coincident with the execution of that contract by the seller. (c) The confirmation required by subdivisions (a) and (b) shall be in the following form:

Douglas Danny

\_\_\_\_\_ is the agent of (check one):  the seller exclusively; or  both the buyer and seller.  
(NAME OF LISTING AGENT)

\_\_\_\_\_ is the agent of (check one):  the buyer exclusively; or  the seller exclusively; or  both the buyer and seller.  
(NAME OF SELLING AGENT IF NOT THE SAME AS THE LISTING AGENT)

(d) The disclosures and confirmation required by this section shall be in addition to the disclosure required by Section 2079.14.

Section 2079.18. No selling agent in a real property transaction may act as an agent for the buyer only, when the selling agent is also acting as the listing agent in the transaction.

Section 2079.19. The payment of compensation or the obligation to pay compensation to an agent by the seller or buyer is not necessarily determinative of a particular agency relationship between an agent and the seller or buyer. A listing agent and a selling agent may agree to share any compensation or commission paid, or any right to any compensation or commission for which an obligation arises as the result of a real estate transaction, and the terms of any such agreement shall not necessarily be determinative of a particular relationship.

Section 2079.20. Nothing in this article prevents an agent from selecting, as a condition of the agent's employment, a specific form of agency relationship not specifically prohibited by this article if the requirements of Section 2079.14 and Section 2079.17 are complied with.

Section 2079.21. A dual agent shall not disclose to the buyer that the seller is willing to sell the property at a price less than the listing price, without the express written consent of the seller. A dual agent shall not disclose to the seller that the buyer is willing to pay a price greater than the offering price, without the express written consent of the buyer. This section does not alter in any way the duty or responsibility of a dual agent to any principal with respect to confidential information other than price.

Section 2079.22. Nothing in this article precludes a listing agent from also being a selling agent, and the combination of these functions in one agent does not, of itself, make that agent a dual agent.

Section 2079.23. A contract between the principal and agent may be modified or altered to change the agency relationship at any time before the performance of the act which is the object of the agency with the written consent of the parties to the agency relationship.

Section 2079.24. Nothing in this article shall be construed to either diminish the duty of disclosure owed buyers and sellers by agents and their associate licensees, subagents, and employees or to relieve agents and their associate licensees, subagents, and employees from liability for their conduct in connection with acts governed by this article or for any breach of a fiduciary duty or a duty of disclosure.

DS  
EU

DS DS DS  
Jel [Signature] kl

# EXHIBIT A

## DUE DILIGENCE REQUEST

Property name: Sierra Holiday MHP – Mammoth Lakes, CA

### DOCUMENTS REQUESTED:

1. Permit to operate the mobile home park, use permit and/or business licenses with state, county, and/or city
2. Current Rent Roll with move-in dates
3. List of security deposits
4. Last two months park billings (master billing) to tenants including copies of several bills
5. Copy of park Rules & Regulations for all Mobile Home & RV's
6. Copy of park rental agreements for all Mobile Homes & RV's
7. Copies of any employment agreements.
8. Last 3 years Profit/Loss Statements
9. Last 3 years federal tax returns for the corporation, limited partnership, llc or other entities
10. Trailing 12 months detailed P&L
11. Trailing 12 months bank statements
12. Latest property tax bills for the properties
13. Please provide last 12 months copies of all utility Bills. (Gas Water Sewer Trash Elect etc.)
14. Utility maintenance records - Proposals, work completed, known problems, maps.
15. List of Vendors with name and contact info. (Plumbers, electricians, etc...)
16. Service contracts affecting the subject properties (i.e with trash company, plumbers, laundry leases)
17. Copy of current notes, leases, and security agreements currently affecting the properties
18. Written inventory of all items of personal property included in sale
19. Information and copies of titles on any park-owned units
20. Park Map showing space numbers, with utility diagram, septic system diagram, water system diagram
21. Previous ALTA Survey
22. Current complete insurance policies for the property.
23. 5 years of loss runs from the insurance carriers for the parks
24. Delinquency Report with 30, 60, 90 day detail and Collections Report for current month
25. Schedule of year end occupancy percentage for the past 5 years
26. Emergency Preparedness Plan

**RECORDING REQUESTED BY**

Law Office of Richard E. Hemb

**AND WHEN RECORDED MAIL TO**

Law Office of Richard E. Hemb  
1111 West Herndon Avenue, Suite 115  
Fresno, CA 93720

'99 DEC 1 PM 3 25  
FEE: \$10.00

VOL **0883** PAGE **569**

APN: 35-200-28

Space above line for Recorder's Use  
NO TAX DUE.

**GRANT DEED**

Documentary transfer tax is NONE.

   Unincorporated area   X   City of Mammoth Lakes

Mail tax statements to: 2430 Las Lunas, Pasadena, CA 91107.

**FOR A VALUABLE CONSIDERATION**, receipt of which is hereby acknowledged,  
**GRANTOR** Kevin Grandalski hereby **GRANTS TO** Kevin Grandalski and Marlee Grandalski,  
trustees of the Grandalski Family Trust dated November 29, 1999, that real property in the City  
of Mammoth Lakes, County of Mono, State of California, described as follows:

Unit 3 of Mammoth Sierra Townhomes, Tract No. 36-117, more fully described in  
Exhibit "A" attached hereto and made a part thereof.

Dated: Nov 29, 1999

Kevin Grandalski  
Kevin Grandalski

State of California )

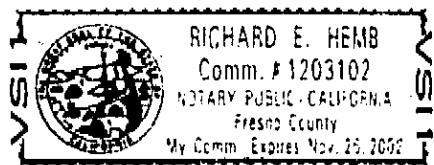
) ss

County of Fresno )

On November 29, 1999, before me, Richard E. Hemb, a notary public in and for the State  
of California, personally appeared Kevin Grandalski, personally known to me (or proved to me  
on the basis of satisfactory evidence) to be the person whose name is subscribed to the within  
instrument and acknowledged to me that he executed the same in his authorized capacity, and  
that by his signature on the instrument, the person, or the entity upon behalf of which the person  
acted, executed the instrument.

WITNESS my hand and official seal. (SEAL)

Signature Richard E. Hemb





A CONDOMINIUM ESTATE OF INHERITANCE OR PERPETUAL ESTATE, AS DEFINED IN SECTION 783 OF THE CIVIL CODE OF THE STATE OF CALIFORNIA, CONSISTING OF THAT CERTAIN REAL PROPERTY IN THE TOWN OF MAMMOTH LAKES, COUNTY OF MONO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

## PARCEL 1:

ALL THAT PORTION OF LOT 1 OF TRACT NO. 36-117, MAMMOTH SIERRA TOWNHOMES, AS PER MAP RECORDED IN BOOK 9, PAGES 31, 31A AND 31B OF MAPS, MONO COUNTY RECORDS, SHOWN AND DEFINED AS UNIT 3 ON THE MAMMOTH SIERRA CONDOMINIUM PLAN RECORDED NOVEMBER 19, 1980 IN BOOK 1 OF CONDOMINIUM PLANS, PAGES 18 THROUGH 18H, INCLUSIVE, RECORDS OF SAID COUNTY.

TOGETHER WITH THE NON-EXCLUSIVE RIGHT OF INGRESS AND EGRESS OVER AND THROUGH THE COMMON AREA SHOWN AND DEFINED ON THE AFOREMENTIONED CONDOMINIUM PLAN.

## PARCEL 2:

AN UNDIVIDED 1/41ST INTEREST IN AND TO THE COMMON AREA OF SAID CONDOMINIUM PROJECT AS SAID AREA IS SHOWN AND DEFINED ON MAMMOTH SIERRA CONDOMINIUM PLAN RECORDED NOVEMBER 19, 1980 IN BOOK 1 OF CONDOMINIUM PLANS, PAGES 18 THROUGH 18H INCLUSIVE, RECORDS OF MONO COUNTY, BEING ALL OF LOT 1 OF TRACT NO. 36-117, AS PER MAP RECORDED IN BOOK 9, PAGES 31, 31A AND 31B OF MAPS, RECORDS OF SAID COUNTY.

EXCEPTING THEREFROM UNITS 1 THROUGH 41, INCLUSIVE, AS SHOWN AND DEFINED ON AFOREMENTIONED CONDOMINIUM PLAN FOR SAID TRACT NO. 36-117.

Accommodation Recording Requested By:

Inyo-Mono Title Company

**When Recorded Mail Document To:**

KRISTIN C. LANGLEY  
2769 UNDERWOOD LANE  
BISHOP, CA 93514

**Mail Tax Statements To:**

Patti Cameron  
1551 Middleton  
San Dimas, CA 91773

Accommodation No.: IMT-TRC-89A-M

APN: 35-250-02

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**GRANT DEED**

**The undersigned grantor(s) declare(s) Documentary transfer tax is \$0.00**

- computed on full value of property conveyed, or
- computed on full value less value of liens or encumbrances remaining at time of sale,
- The property is located in the Town of Mammoth Lakes

**This conveyance transfers the grantor's interest into his or her revocable living trust, R & T 11911.**

FOR A VALUABLE CONSIDERATION, RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED,

KRISTIN C. LANGLEY

**HEREBY GRANT(S) TO**

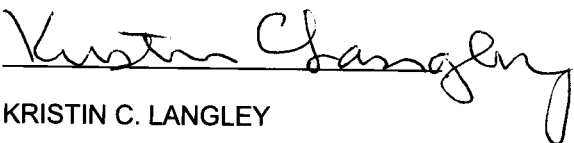
KRISTIN C. LANGLEY AS TRUSTEE OF THE LANGLEY TRUST DATED MAY 23, 1990, RESTATED ON AUGUST 06,2007, AMENDED MARCH 05, 2018

THE FOLLOWING DESCRIBED REAL PROPERTY IN THE COUNTY OF MONO, STATE OF CALIFORNIA:

**PARCEL NO. 4 in the County of Mono, State of California as per map recorded in Book 7, Page 28 of Parcel Maps in the office of the County Recorder of Mono County.**

*This document is filed for record by Inyo-Mono Title Company as an accommodation only. It has not been examined as to it's execution or as to its effect upon title. No liability is assumed.*

Dated: MARCH 14, 2019



KRISTIN C. LANGLEY

**\*SEE ATTACHED ACKNOWLEDGMENT\*\***

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California  
County of INYO

On MARCH 18, 2019 before me, T.R. CORE, Notary Public,

personally appeared KRISTIN C. LANBLEY  
who proved to me on the basis of satisfactory evidence to be the persons whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature T.R. CORE (Seal)



## 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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Scott was born in Sacramento, California. He received a Bachelor's Degree from Brigham Young University Idaho. His major was Business Management, with an emphasis in Finance. Scott joined Colliers International Valuation & Advisory Services in 2001. He has real estate appraisal experience in most states throughout the country. Scott specializes in performing multi-family appraisals compliant with Fannie Mae, Freddie Mac, and HUD MAP requirements. This includes conventional apartments as well as all types of affordable/low income properties.

In the past three years, Scott has personally completed over 250 multi-family appraisal assignments. These assignments have included a wide range of properties - as small as five units and as large as 941 units. A partial list of clients he has performed work for includes CalPERS, Berkadia Commercial Mortgage, PNC Real Estate, Midland Loan Services, Greystone Servicing Corp., Prudential, Bank of America, Keybank, Wells Fargo, Arbor Commercial Mortgage, LNR Partners, and Walker & Dunlop.

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has successfully met the requirements for a license as a residential and commercial real estate appraiser in the State of California and is, therefore, entitled to use the title:

“Certified General Real Estate Appraiser”

This license has been issued in accordance with the provisions of the Real Estate Appraisers' Licensing and Certification Law.

BREA APPRAISER IDENTIFICATION NUMBER: AG 039231

Effective Date: February 1, 2022

Date Expires: January 31, 2024

Loretta Dillon, Deputy Bureau Chief, BREA

3062147

# Valuation & Advisory Services

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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.

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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.

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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.

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