

NEWMARK VALUATION & ADVISORY

Firelands Manor Mobile Home park

5810 Highway 20
Wakeman, Huron County, OH 44889

Newmark Job No.: 22-0177010-3
Client Reference: N/A

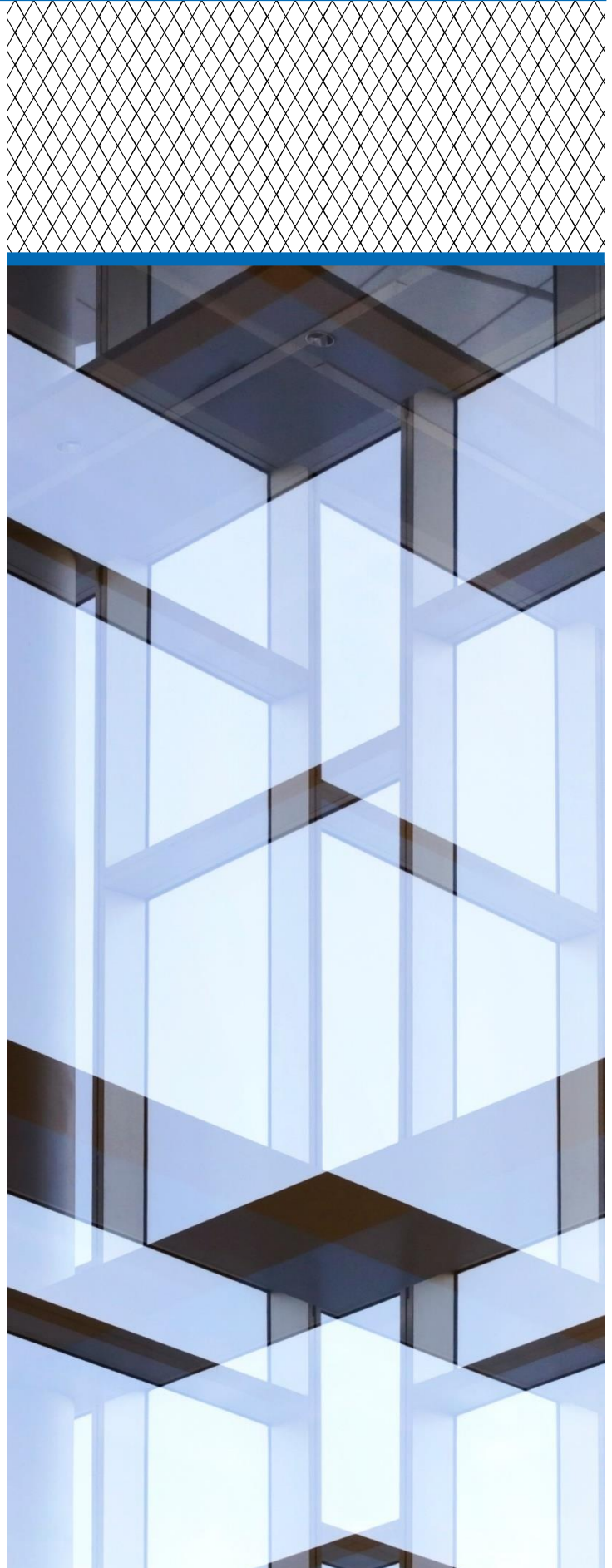
Appraisal Report Prepared For:

Rachel Cunningham
The BoaVida Group
1910 Terracina Drive
Sacramento, CA 95834

Prepared By:

Newmark Valuation & Advisory
27725 Stansbury Blvd, Suite 300
Farmington Hills, MI 48334

NEWMARK



NEWMARK VALUATION & ADVISORY

October 25, 2022

Rachel Cunningham
The BoaVida Group
1910 Terracina Drive
Sacramento, CA 95834

RE: Appraisal Of A Multifamily Property Known As Firelands Manor Mobile Home park
Located At 5810 Highway 20, Wakeman, Huron County, OH 44889, Prepared By
Newmark Valuation & Advisory, LLC (herein "Firm" or "Newmark")

Newmark Job No.: 22-0177010-3
Client Reference: N/A

Dear Ms. Cunningham:

The "Subject Property" is a 158 unit mobile home park community that is currently 77.8% occupied. The complex is in average condition and was built in or about 1975. The property is located at 5810 Highway 20 in Wakeman, Huron County, OH 44889. Property amenities are limited. There is one permanent (Class D pole) building on the site.

The subject traded September 2022 as part of a six property portfolio, all of which are located in rural central Ohio. The total purchase price is \$35,268,000 and 187 park owned homes (POHs) are included. The price of the subject is \$8,243,334 and includes 52 POHs. Per the scope of work outlined by the Client, an allocation to the POHs is provided.

Key Value Considerations

Strengths

- MHPs and MHCs perform well in the MSA
- Mostly newer (pitched roofs, vinyl siding) homes
- Access to municipal utility system

Risk Factors

- Tertiary location
- No amenities
- Below market occupancy

COVID-19 Pandemic

The COVID-19 Pandemic has had a significant impact on the economy and, by extension, real estate markets. Commercial real estate is transforming and adapting with some similarities and some differences to previous crises. As the Pandemic has progressed, there has been greater clarity about the effects through metric and transactional data as well as market participant information and expectations. Effects and projections related to COVID-19 will be addressed throughout the report. The following are highlights relevant to the subject and this market.

Based on the analysis contained in the following report, the opinions of value for the subject are:

Value Conclusions			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value "As Is"	Leased Fee	June 20, 2022	\$7,000,000
Prospective Market Value "Upon Stabilization"	Leased Fee	June 20, 2024	\$7,600,000
Insurable Value	Fee Simple	June 20, 2022	\$20,000
Park Owned Homes	(in addition to the above R.E. value) Non Realty	June 20, 2022	\$1,200,000
Land Value	Fee Simple	June 20, 2022	\$180,000

Compiled by Newmark

Extraordinary Assumptions

An extraordinary assumption is defined in USPAP 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. The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results.

1. The as is and as stabilized market values are based on the assumption the buyer executes the planned repositioning of the property. This plan requires a capital outlay to bring in homes to the community; the homes are personal property and not a component of the subject analysis. Newmark assumes adequate capital and execution to achieve the lease up goals necessary to stabilize the subject.
2. The Analysis is based on a previous inspection and valuation date, and is therefore a retrospective analysis as of June 20, 2022.

The use of these extraordinary assumptions might have affected assignment results.

Hypothetical Conditions

A hypothetical condition is defined in USPAP as 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. The value conclusions are based on the following hypothetical conditions that may affect the assignment results.

1. None

The appraisal was developed based on, and this report has been prepared in conformance with the Client's appraisal requirements, the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, Title XI of the Financial Institution Reform, Recovery and Enforcement Act (FIRREA) of 1989, and the Interagency Appraisal and Evaluation Guidelines (December 2, 2010).

Certification

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

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. Our 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.
7. This appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.
8. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice, as well as the requirements of the State of Ohio.
9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. As of the date of this report, Jeffrey Jozwick, MAI has completed the continuing education program for Designated Members of the Appraisal Institute.
12. Jeffrey Jozwick, MAI has not personally inspected the subject.
13. No one provided significant real property appraisal assistance to the person(s) signing this certification.
14. The Firm operates as an independent economic entity. Although employees of other service lines or affiliates of the Firm may be contacted as a part of our routine market research investigations, absolute client confidentiality and privacy were maintained at all times with regard to this assignment without conflict of interest.
15. Within this report, "Newmark", "Newmark Valuation & Advisory", "Newmark, Inc.", and similar forms of reference refer only to the appraiser(s) who have signed this certification and any persons noted above as having provided significant real property appraisal assistance to the persons signing this report.

-
16. Jeffrey Jozwick, MAI has previously appraised the property that is the subject of this report for another client (KeyBank) within the three-year period immediately preceding the agreement to perform this assignment. Jeffrey Jozwick, MAI has performed no other services, as an appraiser or in any other capacity, regarding the subject property during this time period.



Jeffrey Jozwick, MAI
Executive Vice President
Certified General Real Estate Appraiser
Ohio # 202200439
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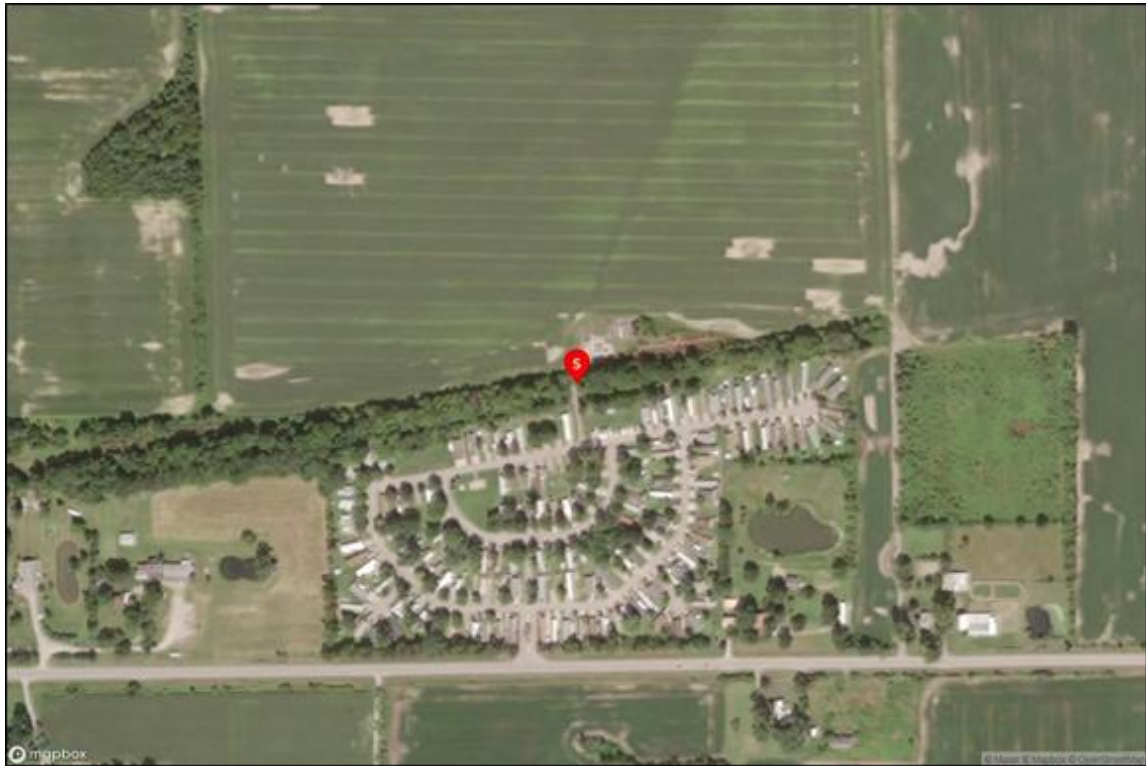
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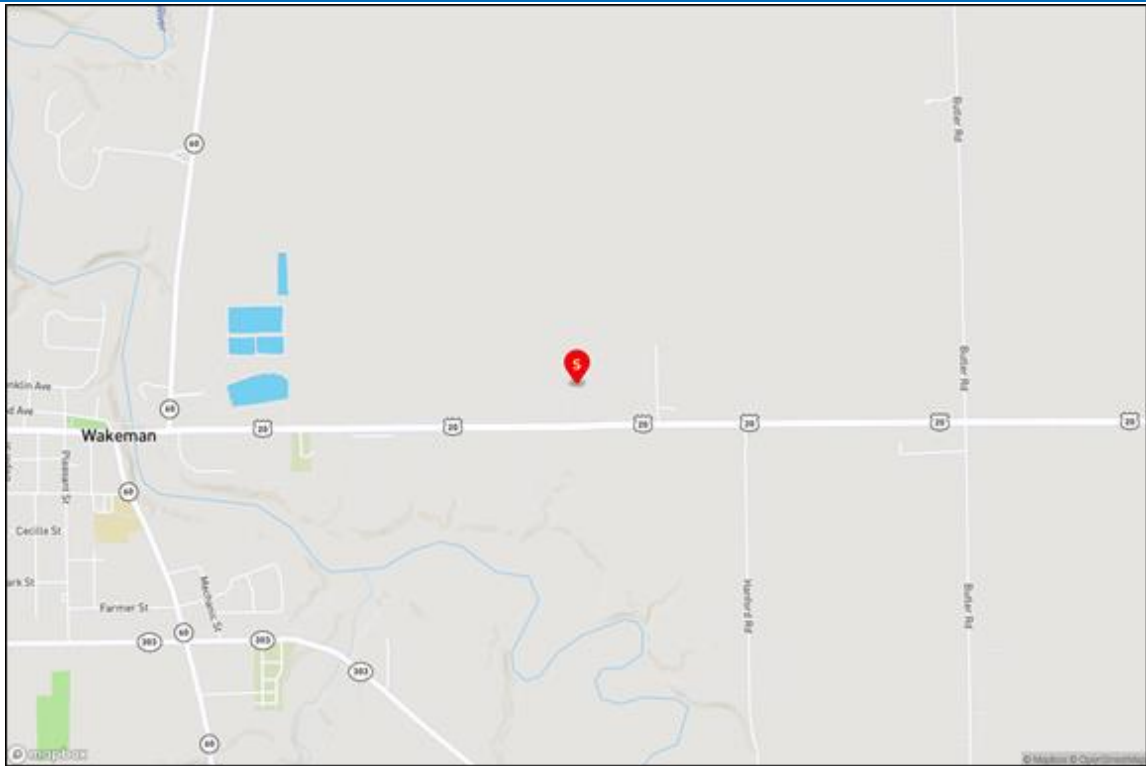
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Addenda

- A. Glossary of Terms
- B. Engagement Letter
- C. Legal Description
- D. Financials and Property Information
- E. Comparable Data
 - Improved Sales
 - Lease Comparables
- F. Appraiser Qualifications and Licenses



Aerial Photo



Location Map



Entrance



Community view



Highway 20



Highway 20



Community view



Community view



Community view



Community view



Community view



Sketch



GIS



GIS

Executive Summary

Firelands Manor Mobile Home park

Property Type:	Multifamily-Mobile Home Park
Street Address:	5810 Highway 20
City, State & Zip:	Wakeman, Huron County, OH 44889
Number of Pads:	158
Year Built:	1975
Current Occupancy:	77.8%
Land Area:	23.857 acres; 1,039,211 SF
Zoning:	MHP, Manufactured Home Park District
Highest and Best Use - As Vacant:	A Multifamily Use
Highest and Best Use - As Improved:	Mobile Home Park Use

In-Contract Summary

Buying Entity:	BoaVida Group LP
Selling Entity:	Firelands Manor Limited Partnership
Purchase Price:	\$8,243,334 (\$52,173 Per Unit)
Contract Date:	April 8, 2022
Variance Compared to Appraised Value:	0.53%

Analysis Details

Valuation Dates:	
Market Value "As Is"	June 20, 2022
Prospective Market Value "Upon Stabilization"	June 20, 2024
Hypothetical Market Value "As Stabilized"	June 20, 2022
Park Owned Homes	June 20, 2022
Inspection Date and Date of Photos:	June 20, 2022
Report Date:	October 25, 2022
Report Type:	Appraisal Report
Client:	The BoaVida Group
Intended Use:	The intended use of the appraisal is solely for internal business decisions, and no other use
Intended User:	appraisal
Appraisal Premise:	Market Value "As Is", Prospective Market Value "Upon Stabilization", Hypothetical Market Value "As Stabilized", Insurable Value, Park Owned Homes, Land Value
Intended Use and User:	The intended use and user of our report are specifically identified in our report as agreed upon in our contract for services and/or reliance language found in the report. No other use or user of the report is permitted by any other party for any other purpose. Dissemination of this report by any party to non-client, non-intended users does not extend reliance to any other party and Newmark will not be responsible for unauthorized use of the report, its conclusions or contents used partially or in its entirety.
Interest Appraised:	Leased Fee
Exposure Time (Marketing Period) Estimate:	3-6 Months (3-6 Months)

Compiled by Newmark

Leasing Summary

Rental Unit Subtotals	MH Pad	Overall
Average Pad Asking Rent	\$355	\$355
Average Pad Contract Rent	\$355	\$355
Pad Occupancy	77.8%	77.8%
Pad Market Rent	\$355	\$355

Valuation Summary

Insurable Value		\$/Pad	\$ Total
Total Insurable Replacement Cost		\$126.58	\$20,000
Total Insurable Value		\$126.58	\$20,000
Sales Comparison Approach		\$/Pad	\$ Total
Number of Sales			6
Range of Sale Dates			Nov-20 to Nov-21
Adjusted Range of Comparables (\$/Pad)			\$37,407 to \$50,794
Indicated Sales Comparison Approach Value	As Is	\$43,165	\$6,820,000
	Prospective Upon Stabilization	\$47,025	\$7,430,000

Income Capitalization Approach - Direct Capitalization Method		\$/Pad	\$ Total
Capitalization Rate Indicators and Conclusion			Indication
Comparable Sales			5.70% - 7.75%
Band of Investment			6.00%
Concluded Going-In Capitalization Rate			6.00%
Stabilized Income Estimate			
Potential Gross Income		\$4,440	\$701,520
Stabilized % Vacancy & Collection Loss		-10.00%	(\$70,152)
Net Other Income		\$1,100	\$173,800
Effective Gross Income		\$5,096	\$805,168
Operating Expenses		\$2,405	\$379,946
Operating Expense Ratio			47.2%
Net Operating Income		\$2,691	\$425,222
Capitalization Rate			6.00%
Indicated Income Capitalization Approach Value	As Is	\$45,063	\$7,120,000
	Prospective Upon Stabilization	\$48,924	\$7,730,000
Market Value Conclusions	As Is	\$44,304	\$7,000,000
	Prospective Upon Stabilization	\$48,101	\$7,600,000
Exposure / Marketing Time	Min	Max	Average
Concluded Exposure Time	3-6	Months or Less	
Concluded Marketing Time	3-6	Months or Less	

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Extraordinary Assumptions and Hypothetical Conditions

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1. The as is and as stabilized market values are based on the assumption the buyer executes the planned repositioning of the property. This plan requires a capital outlay to bring in homes to the community; the homes are personal property and not a component of the subject analysis. Newmark assumes adequate capital and execution to achieve the lease up goals necessary to stabilize the subject.
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The use of these extraordinary assumptions might have affected assignment results.

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1. None

Compiled by Newmark

Introduction

OWNERSHIP HISTORY

The current owner is Firelands Manor Limited Partnership.

Ownership History

Listing Status:	Not Listed For Sale	
In-Contract:	April 8, 2022	
Buyer:	BoaVida Group LP	
Seller:	Firelands Manor Limited Partnership	
Purchase Price (RE and POHs):	\$8,243,334	\$52,173 Per Pad
Newmark's As Is Real Estate Value + POHs	\$8,200,000	
Variance Compared to Appraised Value:	0.53%	
Comments:	Transaction includes 52 Park Owned Homes	

Compiled by Newmark

The subject is trading as part of a six property portfolio, all of which are located in rural central Ohio. The total purchase price is \$35,268,000 and 187 park owned homes (POHs) are included. The price of the subject is \$8,243,334 and includes 52 POHs. Per the scope of work outlined by the Client, an allocation to the POHs is provided.

To the best of our knowledge, no other sale or transfer of ownership has taken place within a three-year period prior to the effective date of the appraisal.

INTENDED USE AND USER

The intended use and user of our report are specifically identified in our report as agreed upon in our contract for services and/or reliance language found in the report. No other use or user of the report is permitted by any other party for any other purpose. Dissemination of this report by any party to non-client, non-intended users does not extend reliance to any other party and Newmark will not be responsible for unauthorized use of the report, its conclusions or contents used partially or in its entirety.

- The intended use of the appraisal is solely for internal business decisions, and no other use and no other use is permitted.
- The client is The BoaVida Group.
- The intended users include only Client, and no other party is permitted to use or rely on the appraisal.

DEFINITION OF VALUE

Market value is defined as:

“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:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- 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.”

(Source: Code of Federal Regulations, Title 12, Chapter I, Part 34.42[g]; also Interagency Appraisal and Evaluation Guidelines, Federal Register, 75 FR 77449, December 10, 2010, page 77472)

INTEREST APPRAISED

The appraisal is of the Leased Fee interest.¹ Common ownership definitions are provided below.

- ◆ **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.
- ◆ **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.
- ◆ **Leasehold Interest:** The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.

APPRAISAL REPORT

This appraisal is presented in the form of an appraisal report, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of USPAP. This report

¹ The Dictionary of Real Estate, 6th Edition, Appraisal Institute

incorporates sufficient information regarding the data, reasoning and analysis that were used to develop the opinion of value in accordance with the intended use and user.

PURPOSE OF THE APPRAISAL

The primary purpose of the appraisal is to develop an opinion of the Market Value “As Is” of the Leased Fee interest in the property.

Purpose of the Appraisal		
Appraisal Premise	Interest Appraised	Date of Value
Market Value "As Is"	Leased Fee	June 20, 2022
Prospective Market Value "Upon Stabilization"	Leased Fee	June 20, 2024
Hypothetical Market Value "As Stabilized"	Leased Fee	June 20, 2022
Insurable Value	Fee Simple	June 20, 2022
Park Owned Homes	Non Realty	June 20, 2022

Compiled by Newmark

SCOPE OF WORK

Extent to Which the Property is Identified

- Physical characteristics
- Legal characteristics
- Economic characteristics

Extent to Which the Property is Inspected

Newmark inspected the subject property on June 20, 2022 as per the defined scope of work. Jeffrey Jozwick, MAI has not personally inspected the subject.

Type and Extent of the Data Researched

- Exposure and marking time;
- Neighborhood and land use trends;
- Demographic trends;
- Market trends relative to the subject property type;
- Physical characteristics of the site and applicable improvements;
- Flood zone status;
- Zoning requirements and compliance;
- Real estate tax data;
- Relevant applicable comparable data; and
- Investment rates

Type and Extent of Analysis Applied

We analyzed the property and market data gathered through the use of appropriate, relevant, and accepted market-derived methods and procedures. Further, we employed the appropriate and relevant approaches to value, and correlated and reconciled the results into an estimate of market value, as demonstrated within the appraisal report.

Economic Analysis

THE IMPACT OF COVID-19

It is well known that the past several months have been volatile. Real estate market volatility has resulted from the COVID-19 pandemic as well as other events such as oil price changes. Every day, there is greater clarity about the effects and expectations as evidenced by transaction activity, various data sources, and market participants. We have continuously reached out to brokers and other market participants to understand how the market is reacting.

Most of our major data sources, such as Moody's economy.com, include both COVID-19 pandemic period data and projections inclusive of its effects. This data is included within this section as well as throughout this report and is a central foundation of our analysis. There are an increasing number of transactions occurring and these are providing indications of trends.

AREA ANALYSIS



Area Map

The subject is located within Wakeman in Huron County, Ohio. It is part of the Cleveland-Elyria metro area (Cleveland MSA). Moody's Analytics' Economy.com provides the following economic summary for the Cleveland MSA as of February, 2022.

Moody's Analytics Précis® Metro Indicators: Cleveland MSA												
2015	2016	2017	2018	2019	2020	INDICATORS	2021	2022	2023	2024	2025	2026
115.5	115.8	116.5	118.0	119.9	113.3	Gross metro product (C12\$ bil)	117.2	120.0	122.9	125.7	128.1	130.1
-0.5	0.3	0.6	1.3	1.6	-5.5	% change	3.4	2.4	2.4	2.3	1.9	1.5
1,045.2	1,055.4	1,058.8	1,070.0	1,080.0	1,004.8	Total employment (ths)	1,011.4	1,046.1	1,060.6	1,067.9	1,069.7	1,069.2
0.8	1.0	0.3	1.1	0.9	-7.0	% change	0.6	3.4	1.4	0.7	0.2	0.0
5.0	5.4	5.6	4.7	4.1	9.7	Unemployment rate (%)	5.2	4.1	3.4	3.4	3.7	4.0
3.4	2.4	3.3	3.7	2.4	6.2	Personal income growth (%)	5.7	0.9	5.0	4.8	4.2	3.9
51.0	51.9	53.6	55.3	57.2	53.2	Median household income (\$ ths)	53.6	54.8	56.8	58.9	61.1	63.2
2,064.0	2,061.0	2,057.2	2,053.8	2,048.4	2,040.5	Population (ths)	2,032.4	2,027.2	2,021.8	2,014.4	2,006.0	1,997.2
-0.2	-0.1	-0.2	-0.2	-0.3	-0.4	% change	-0.4	-0.3	-0.3	-0.4	-0.4	-0.4
-5.3	-4.5	-3.9	-3.7	-5.8	-6.1	Net migration (ths)	-4.2	-4.2	-4.0	-5.5	-6.2	-6.3
2,533	2,618	2,749	2,733	2,584	2,814	Single-family permits (#)	3,148	4,170	4,485	4,196	4,075	3,789
405	435	478	248	448	560	Multifamily permits (#)	342	1,440	1,253	1,177	1,072	876
132	136	143	150	157	167	FHFA house price (1995Q1=100)	187	205	213	219	222	224

Source: Moody's Analytics Précis® US Metro

Moody's summarizes the area's economic performance in recent months as follows:

Recent Performance

Cleveland MSA's recovery is gaining momentum. Job growth has accelerated over the past few months and is now besting that of both the Buckeye State and the nation. Manufacturing, healthcare, retail and government have driven recent job additions. The recovery is also broadening with the share of industries contributing to job gains increasing in the past couple of quarters. The unemployment rate has fallen to its lowest level during the recovery but is still nearly a full percentage point above its pre-pandemic low. Fortunately, remaining labor market slack is making it easier than nationally for employers to find qualified staff. House price appreciation is besting that of Ohio amid exceedingly tight supply and rebounding demand.

Market Comparison

The following table illustrates key economic indicators and a comparison of the Cleveland MSA to the regional grouping as a whole. As indicated, Cleveland is projected to outperform the National Region Metros in two of eight performance categories shown over the next five years.

Comparison of Key Economic Indicators - Cleveland MSA Metro to National Region										
Indicator	Cleveland MSA			Annual Growth		National			Annual Growth	
	2015	2020	2025	2015 - 2020	2020 - 2025	2015	2020	2025	2015 - 2020	2020 - 2025
Gross metro product (C12\$ bil)	115.5	113.3	128.1	-0.4%	2.5%	17,390	18,385	21,880	1.1%	3.5%
Total employment (ths)	1,045.2	1,004.8	1,069.7	-0.8%	1.3%	141,804	142,252	156,087	0.1%	1.9%
Unemployment rate (%)	5.0%	9.7%	3.7%			5.3%	8.1%	4.0%		
Personal income growth (%)	3.4%	6.2%	4.2%			4.7%	6.5%	4.6%		
Population (ths)	2,064.0	2,040.5	2,006.0	-0.2%	-0.3%	320,739	329,484	337,256	0.5%	0.5%
Single-family permits (#)	2,533	2,814	4,075	2.1%	7.7%	712,250	1,003,750	1,333,642	7.1%	5.8%
Multifamily permits (#)	405	560	1,072	6.7%	13.9%	394,500	392,833	476,081	-0.1%	3.9%
FHFA house price (1995Q1=100)	132	167	222	4.8%	5.9%	N/A	N/A	N/A	N/A	N/A
Cleveland MSA outperforming National Region Metros										
Cleveland MSA underperforming National Region Metros										

Source: Moody's Analytics Précis® US Metro; Compiled by Newmark

Employment Sectors and Trends

Employment data by occupation and business/industry sectors provides an indication of the amount of diversification and stability in the local economy. Job sector composition also gives an indication of the predominant drivers of current and future demand for supporting commercial real estate sectors. The following tables display employment data by occupation sector and by business/industry sector for the area and region.

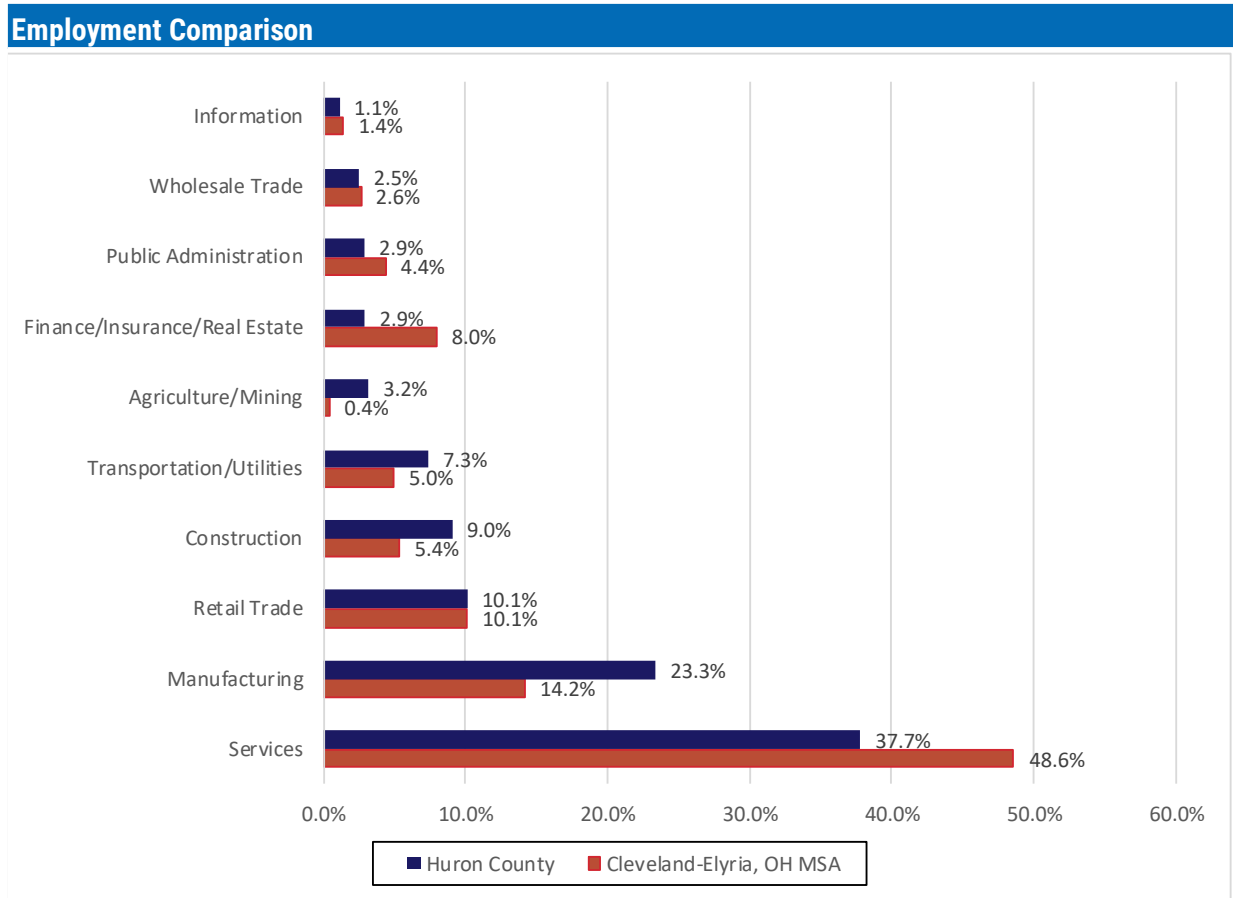
Current Employment by Occupation Sector										
Occupation Sector	44889		Wakeman village		Huron County		Cleveland-Elyria, OH			
							MSA		Ohio	
White Collar	1,734	51.2%	287	49.3%	12,575	44.4%	636,899	64.7%	3,560,234	61.4%
Administrative Support	433	12.8%	94	16.2%	2,947	10.4%	116,029	11.8%	664,339	11.4%
Management/Business/Financial	386	11.4%	37	6.4%	3,093	10.9%	181,202	18.4%	983,551	16.9%
Professional	723	21.4%	133	22.9%	4,509	15.9%	251,088	25.5%	1,395,145	24.0%
Sales and Sales Related	192	5.7%	23	4.0%	2,026	7.2%	88,580	9.0%	517,199	8.9%
Services	541	16.0%	109	18.7%	4,141	14.6%	147,168	15.0%	857,013	14.8%
Blue Collar	1,110	32.8%	186	32.0%	11,577	40.9%	199,744	20.3%	1,385,814	23.9%
Construction/Extraction	368	10.9%	61	10.5%	1,913	6.8%	35,403	3.6%	240,319	4.1%
Farming/Fishing/Forestry	12	0.4%	0	0.0%	493	1.7%	1,721	0.2%	17,340	0.3%
Installation/Maintenance/Repair	142	4.2%	22	3.8%	1,061	3.8%	24,838	2.5%	166,709	2.9%
Production	307	9.1%	48	8.2%	3,741	13.2%	67,348	6.8%	447,685	7.7%
Transportation/Material Moving	281	8.3%	55	9.5%	4,369	15.4%	70,434	7.2%	513,761	8.9%
Total Employees (16+ Occupation Base)	3,385	100.0%	582	100.0%	28,293	100.0%	983,811	100.0%	5,803,061	100.0%

Source: ESRI; Compiled by Newmark

Current Employment by Industry Sector										
Industry Sector	44889		Wakeman village		Huron County		Cleveland-Elyria, OH			
							MSA		Ohio	
Agriculture/Mining	66	1.9%	2	0.3%	893	3.2%	4,119	0.4%	52,405	0.9%
Construction	450	13.3%	77	13.2%	2,554	9.0%	52,831	5.4%	339,718	5.9%
Manufacturing	796	23.5%	126	21.6%	6,601	23.3%	139,386	14.2%	872,609	15.0%
Wholesale Trade	51	1.5%	2	0.3%	700	2.5%	25,866	2.6%	144,419	2.5%
Retail Trade	242	7.1%	42	7.2%	2,851	10.1%	99,507	10.1%	645,202	11.1%
Transportation/Utilities	169	5.0%	28	4.8%	2,078	7.3%	48,905	5.0%	332,039	5.7%
Information	32	0.9%	6	1.0%	312	1.1%	13,876	1.4%	80,643	1.4%
Finance/Insurance/Real Estate	140	4.1%	29	5.0%	819	2.9%	78,375	8.0%	403,390	7.0%
Services	1,335	39.4%	238	40.9%	10,678	37.7%	477,927	48.6%	2,675,389	46.1%
Public Administration	104	3.1%	33	5.7%	807	2.9%	43,019	4.4%	257,247	4.4%
Total Employees (16+ Occupation Base)	3,385	100.0%	582	100.2%	28,293	100.0%	983,811	100.0%	5,803,061	100.0%

Source: ESRI; Compiled by Newmark

Comparing the industry sectors for the local market area (Huron County) to Cleveland-Elyria, OH MSA indicates the local market area is somewhat more heavily weighted toward the Manufacturing, Construction, Agriculture/Mining, and Transportation/Utilities sectors. By contrast, the industry employment totals for Cleveland-Elyria, OH MSA indicate somewhat higher proportions within the Services, Finance/Insurance/Real Estate, Public Administration, Information, Wholesale Trade, and Retail Trade sectors. The following graphic further illustrates this comparison.

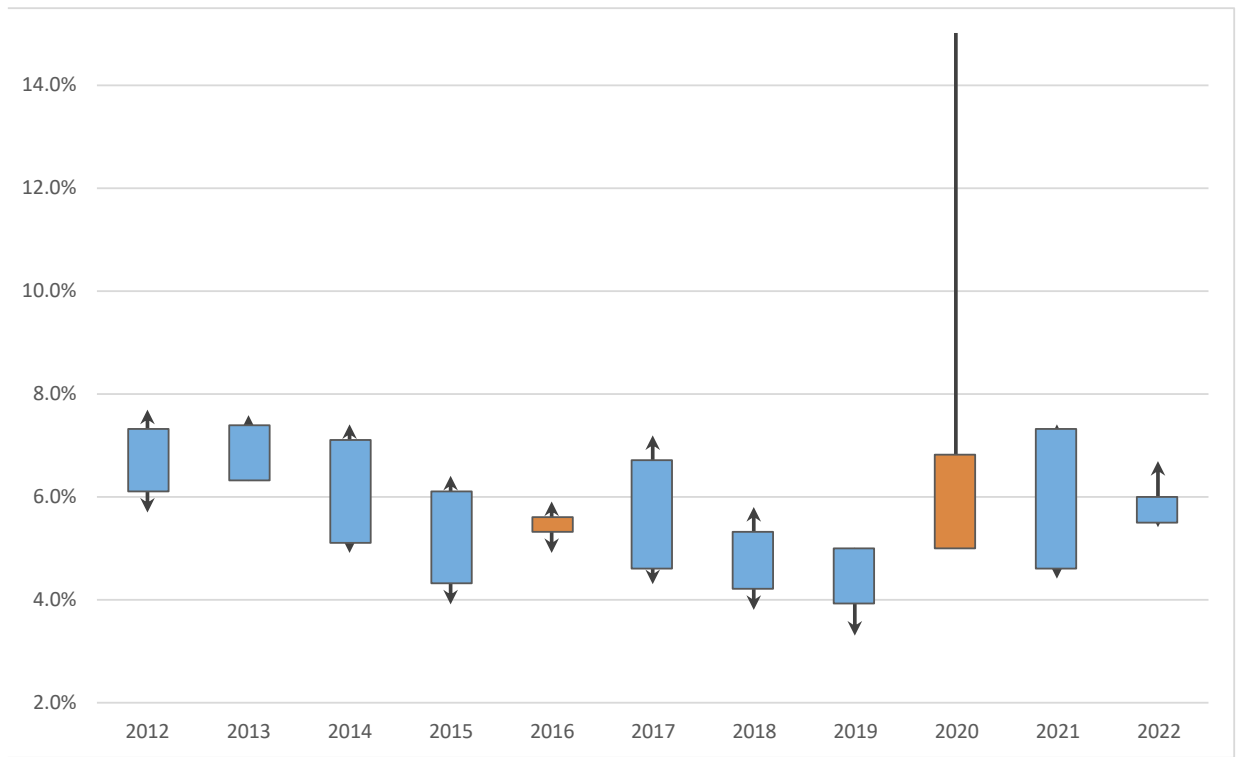


Source: ESRI; Compiled by Newmark

Unemployment

The following table displays the historical unemployment data for the area derived from the US Department of Commerce, Bureau of Labor Statistics. The most recent reported unemployment rate for the Cleveland-Elyria, OH Metropolitan Statistical Area is 5.5% (April 2022).

Unemployment Rate: Cleveland-Elyria, OH Metropolitan Statistical Area



Bars represent beginning to end range of unemployment rates in each year
 Orange bars denote increasing unemployment from beginning to end of year
 Blue bars are declining unemployment from beginning to end of year
 Arrows are extent of unemployment rates over the year

Compiled by Newmark

Major Employers

The following table lists a number of major employers with the Cleveland MSA as reported by Moody's. While not all-encompassing, this list provides further indication of the types of economic sectors that are drivers for the area.

Selected Major Employers: Cleveland MSA

Rank	Employer	Employees
1	Cleveland Clinic Foundation	35,934
2	University Hospitals	17,125
3	U.S. Office of Personnel Management	13,038
4	Minute Men Cos.	12,679
5	Group Management Services Inc.	10,311
6	Progressive Corp.	9,878
7	The MetroHealth System	6,978
8	KeyCorp	4,740
9	Case Western Reserve University	4,470
10	Sherwin-Williams Co.	4,427
11	Swagelok Co.	3,939
12	Giant Eagle Inc.	3,235
13	Lincoln Electric Holdings Inc.	3,096
14	Nestle USA	2,770
15	Lubrizol Corp.	2,330
16	Lake Health	2,111
17	Hyland	1,938
18	Greater Cleveland Regional Transit Authority	1,929
19	Medical Mutual of Ohio	1,919
20	ArcelorMittal	1,880

Source: Moody's Analytics Précis® US Metro

Analysis

Further economic analysis from Moody's is detailed as follows:

Factories

Factory output will trend upward in the near term as supply-chain bottlenecks are worked through and as durable goods spending rises. Local vehicle manufacturers and steel producers have been hit hard by supply-chain disruptions, with national vehicle sales down by double digits in the past year. A lack of semiconductors, a key input for vehicles, has hampered local auto production. However, chip manufacturers in Ohio and elsewhere in the nation are building new plants and expanding existing facilities, which will help to relieve supply-side pressures in the year ahead. In the medium term, a major upside is Intel constructing a \$20 billion semiconductor complex just outside Columbus. This will support Cleveland's manufacturers and make the regional auto supply chain more robust. Unfortunately, there are two major downside risks. First, Russia's invasion of Ukraine could further extend supply-chain bottlenecks due to the potential cutoff of key chip production materials including neon gas. Second, elevated gasoline prices could stymie auto demand, particularly for SUVs and trucks, curbing steel and auto production.

White-Collar Transition

White-collar services will extend recent gains thanks to an expanding pool of educated workers and rising business investment. The share of the local population holding at least a bachelor's degree is higher than that of the Buckeye State and has been rising steadily over the past decade. Local educational institutions including Case Western Reserve University registered record enrollment in 2021 and firms are capitalizing on graduates who remain in Cleveland after finishing their studies. Below-average business costs will also remain a draw for white-collar firms. Office rents have risen more slowly than the U.S. average over the past decade and are now only three-fourths of the national average. Businesses are already boosting hiring and investment. For example, Sherwin-Williams has started construction on its 36-story global headquarters that will be completed in 2024, and insurance giant Progressive is planning to boost hiring in Cleveland.

Medical Specialists

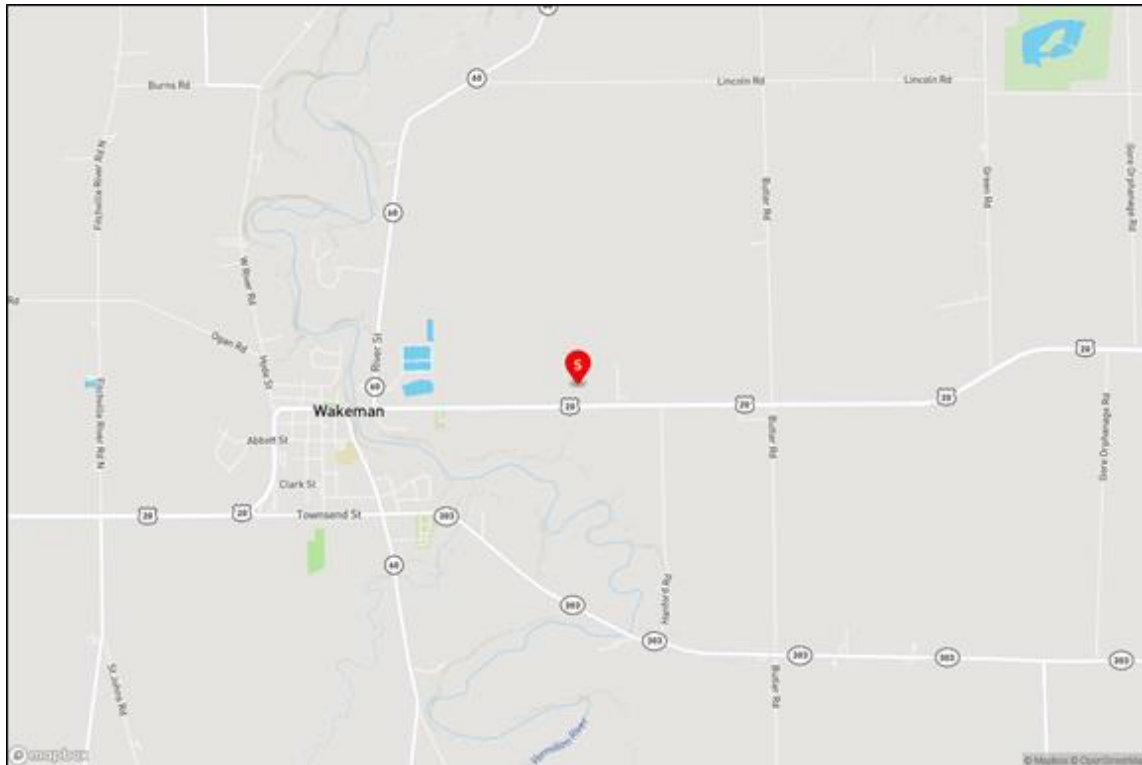
Healthcare providers will bolster hiring and increase investment as regional healthcare demand rises. Cleveland's hospital systems including the Cleveland Clinic consistently rank among the top institutions nationwide and are drawing in medical tourists from outside Cleveland. Consequently, the Cleveland Clinic is building a new hospital and University Hospitals will construct a new health campus in Cleveland. Healthcare employment is still well below its pre-pandemic level, but the anticipated rebound in medical tourism and the aging population will propel the recovery in healthcare jobs in coming quarters.

Conclusion

Positive Attributes	Negative Attributes
<ul style="list-style-type: none"> - Manufacturing infrastructure and specialized factory labor. 	<ul style="list-style-type: none"> - Weak demographics, persistent out-migration, unfavorable age structure.
<ul style="list-style-type: none"> - World-class clinical and research healthcare institutions. 	<ul style="list-style-type: none"> - Stubbornly high foreclosure inventory. - Above-average exposure to economic impacts of COVID-19.

Cleveland MSA's recovery will deepen this year and next, supported by gains in the factory sector, white-collar services, and healthcare. However, a full recovery will take longer than nationally given that Cleveland has more losses to recoup. A declining population will ensure that Cleveland underperforms the U.S. in the long run.

NEIGHBORHOOD ANALYSIS



Area Map

Boundaries

The subject is located in the Village of Wakeman in Huron County. This area is part of the Cleveland MSA as defined by Moody’s. The neighborhood can be defined as the Village of Wakeman.

North	Lincoln Road
South	US Highway 303
East	Butler Road
West	Fitchville River Road

Surrounding Area of Influence Trends

Description

The subject’s surrounding area is viewed as rural. The immediate area around the subject can be described as low-density rural residential. Notable uses in the area include Ortnor Airport, which is 4.5-miles to the north of the subject and Western Reserve Middle School, which is 4.4-miles to the southwest of the subject.

Fundamental Real Estate Cycle

The surrounding area is considered to be in the stabilized stage of its real estate cycle.

New Development

- According to CoStar, there are no new mobile home park developments constructed in 2022, and nothing competitive to the subject proposed/under construction at this time.

Access**Primary Access**

Primary access to the subject is provided by US Highway-20, which the subject fronts and is accessible in the area via River Street and Butler Road. Ohio Highway-60 runs due north-south providing access to Vermillion in the north and the Village of Savannah in the south. US-20 runs due east-west providing access to Cleveland in the northeast and Toledo in the northwest.

Major Thoroughfares

Major thoroughfares in the area include Main Street/US-20, OH-303/Townsend Street, OH-60/River Street and Butler Road.

Transportation

Primary mode of transportation is via automobile.

Distance from Key Locations

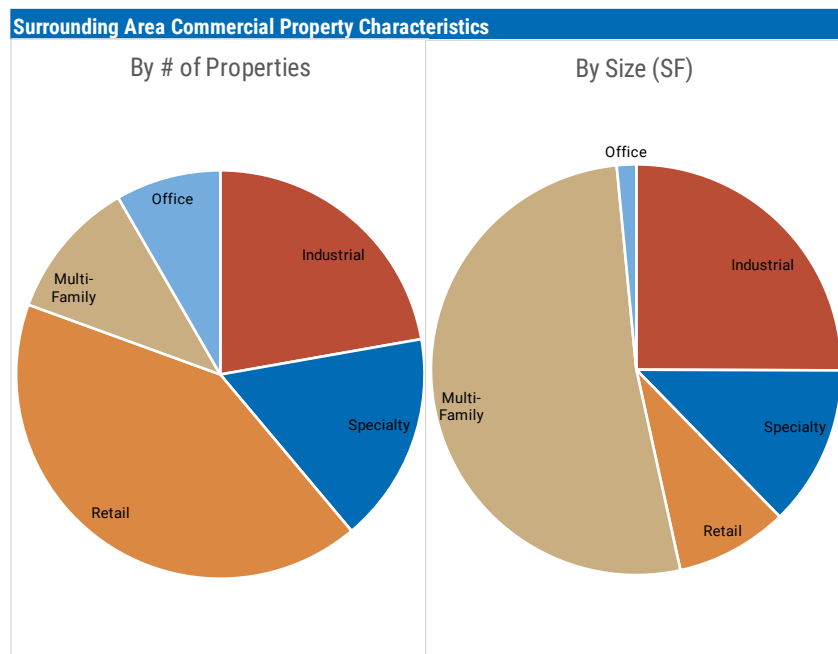
The commute to Downtown Norwalk is about twenty minutes and the drive to Cleveland Hopkins International Airport is about thirty-five minutes. The following illustrates the 15-minute drive time from the subject.



Drive Time Map

Land Use

The following was developed from Costar data for the major property types in the surrounding 5.0 mile radius around the subject.



Source: Costar; Compiled by Newmark

Within the immediate area of the subject, property uses include the following:

- Retail by number of properties followed by a general mix of industrial, specialty, multi-family and office properties.
- Multi-family by size followed by Industrial.

Demographics

A demographic summary for the defined area is illustrated as follows:

Demographic Analysis								
	1-Mile Radius	3-Miles Radius	5-Miles Radius	44889	Wakeman village	Huron County	Cleveland-Elyria, OH MSA	Ohio
Population								
2010 Total Population	945	3,102	6,588	6,587	1,047	59,626	2,077,240	11,536,504
2021 Total Population	1,021	3,215	6,618	6,699	1,127	59,703	2,076,177	11,839,300
2026 Total Population	1,041	3,243	6,622	6,717	1,149	59,626	2,076,688	11,966,163
Projected Annual Growth %	0.4%	0.2%	0.0%	0.1%	0.4%	0.0%	0.0%	0.2%
Households								
2010 Total Households	366	1,181	2,509	2,525	402	22,820	854,893	4,603,435
2021 Total Households	401	1,245	2,562	2,612	440	23,142	866,666	4,761,855
2026 Total Households	411	1,261	2,574	2,630	449	23,195	869,943	4,823,381
Projected Annual Growth %	0.5%	0.3%	0.1%	0.1%	0.4%	0.0%	0.1%	0.3%
Income								
2021 Median Household Income	\$57,365	\$61,410	\$68,172	\$69,105	\$58,029	\$54,810	\$57,102	\$57,725
2021 Average Household Income	\$70,081	\$73,298	\$78,227	\$79,312	\$70,074	\$68,023	\$79,975	\$79,579
2021 Per Capita Income	\$27,263	\$28,249	\$29,946	\$30,924	\$27,359	\$26,380	\$33,439	\$32,094
Housing								
2021 Owner Occupied Housing Units	69.4%	73.0%	77.4%	78.4%	69.3%	62.6%	58.6%	60.3%
2021 Renter Occupied Housing Units	23.6%	19.4%	14.4%	14.5%	23.1%	27.3%	29.6%	29.2%
2021 Median Home Value	\$152,365	\$170,785	\$191,920	\$185,961	\$154,268	\$147,537	\$186,030	\$175,857
Median Year Structure Built	1963	1968	1971	1972	1967	1966	1960	1968
Miscellaneous Data Items								
2021 Bachelor's Degree	13.7%	15.5%	16.0%	14.2%	13.8%	10.3%	20.0%	18.5%
2021 Grad/Professional Degree	4.7%	4.5%	5.0%	4.6%	4.7%	5.1%	12.9%	11.2%
2021 College Graduate %	18.4%	19.9%	20.9%	18.8%	18.4%	15.4%	32.9%	29.8%
2021 Average Household Size	2.55	2.58	2.58	2.56	2.56	2.55	2.35	2.42
2021 Median Age	41.2	42.9	45.4	45.9	41.3	40.5	42.7	40.5

Source: ESRI; Compiled by Newmark

- As shown above, the current population within a 1-mile radius is 1,021 and the average household size is 2.55. Population in the area has increased since the 2010 census, and this trend is projected to continue over the next five years.
- Median household income within a 1-mile radius is \$57,365, which is higher than the household income for the Cleveland-Elyria, OH MSA. Residents within a 1-mile radius have a lower level of educational attainment than those of the Cleveland-Elyria, OH MSA.
- Overall, the neighborhood should continue to have a similar operating environment over the next five years.

NATIONAL MANUFACTURED HOUSING COMMUNITY ANALYSIS

IBISWorld Industry Overview – Land Leasing in the US

Over the five years to 2021, the industry has benefited from a shift in consumer demand toward manufactured housing as conventional house prices have soared. Additionally, increased access to credit and falling mortgage rates have enabled low-income consumers and first-time home buyers to purchase manufactured homes, thus boosting demand for the land the homes lie on. A growing number of adults over the age of 50 has also boosted demand for the industry, as this age group, which includes retirees who often seek out low-cost housing options, represents a significant market for industry operators. Overall, industry revenue is expected to grow an annualized 2.8% to \$15.5 billion over the five years to 2021, including a 6.2% increase in 2021 alone as the economy begins to recover from the economic slowdown associated with the COVID-19 (coronavirus) pandemic.

Many positive trends from the current period will continue over the next five years, albeit at a slower rate, supporting industry growth in the outlook period. The increasing price of homes across the United States is expected to continue to price many would-be homeowners out of the conventional housing market, driving them to manufactured housing. A growing population of retired individuals will buoy demand for the industry as they make up the largest consumer market for industry operators. Positive macroeconomic conditions in the outlook period will further support industry revenue. Conversely, an increasing 30-year conventional mortgage rate will likely mitigate revenue growth. Over the five years to 2026, revenue is expected to increase an annualized 0.6% to \$16.0 billion. Industry profit is anticipated to remain relatively stable as larger operators continue to reap the benefits of economies of scale.

Industry at a Glance

Key Statistics

\$15.5bn
Revenue

Annual Growth	Annual Growth	Annual Growth
2016-2021	2021-2026	2016-2026
2.8%	0.6%	

\$7.4bn
Profit

Annual Growth	Annual Growth
2016-2021	2016-2021
2.6%	

47.7%
Profit Margin

Annual Growth	Annual Growth
2016-2021	2016-2021
-0.3pp	

93,869
Businesses

Annual Growth	Annual Growth	Annual Growth
2016-2021	2021-2026	2016-2026
0.8%	0.9%	

124k
Employment

Annual Growth	Annual Growth	Annual Growth
2016-2021	2021-2026	2016-2026
1.3%	0.8%	

\$2.9bn
Wages

Annual Growth	Annual Growth	Annual Growth
2016-2021	2021-2026	2016-2026
0.1%	0.8%	

Key External Drivers

% = 2016-21 Annual Growth

0.6pp National unemployment rate	-0.7pp 30-year conventional mortgage rate
3.9% Access to credit	7.1% House price index
1.5% Number of adults aged 50 and older	

Industry Structure

POSITIVE IMPACT	
Concentration Low	Technology Change Low
Industry Globalization Low / Steady	
MIXED IMPACT	
Life Cycle Mature	Revenue Volatility Medium
Regulation & Policy Medium / Steady	Barriers to Entry Medium / Steady
Competition Medium / Increasing	
NEGATIVE IMPACT	
Capital Intensity High	Industry Assistance Low / Steady

Key Trends

- Demand for both manufactured and mobile homes has been on the rise
- Manufactured homes are considerably less expensive to build and buy than traditional on-site houses and condominiums due to efficiencies in the factory process
- As demand for leased land and leased land communities grows, industry structure is shifting accordingly
- Revenue for the Land Leasing industry is expected to continue climbing as positive housing and demographic trends remain
- Demand from adults aged 50 and older fulfills a large share of the industry's revenue
- Larger operators are expected to continue to dominate the market
- Industry profit is anticipated to remain relatively stable as larger operators continue to reap the benefits of economies of scale

Key External Drivers

House price index

Low-income households comprise one of the Land Leasing industry's largest client bases because mobile and manufactured homes provide a low-cost alternative to traditional home ownership. As a result, industry operators benefit from an increase in home prices, which are proxied by the house price index. The house price index is expected to increase in 2021.

Number of adults aged 50 and older

Individuals aged 50 and older account for a significant share of the manufactured housing market. As a result, this sector benefits from an increase in the average age of the population. The number of adults aged 50 and older is expected to rise in 2021, representing a potential opportunity for the industry.

30-year conventional mortgage rate

Interest rates are an important determinant of industry demand because lower rates and credit standards increase the ability of individuals to purchase a property. Mortgages finance most traditional home purchases, and therefore, on-site home purchase costs fluctuate with interest expenses. The 30-year conventional mortgage rate is expected to decrease in 2021.

Access to credit

Access to credit is the borrowing capacity that commercial banks extend to individuals and organizations in the form of loans. Buyers of manufactured homes rely on loans to make their purchases, and industry operators use credit to run their operations and acquire new property. If banks reduce the amount of credit they supply, fewer people will likely be able to buy manufactured homes and over-leveraged companies can go bankrupt. Access to credit is expected to decrease in 2021, posing a potential threat to the industry.

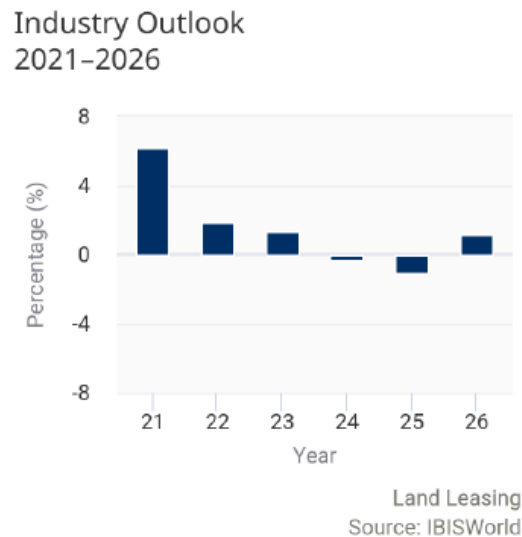
National unemployment rate

Unemployment is an important performance driver, as the ability to buy a manufactured or mobile home depends on income. Demand for home ownership dramatically decreases as unemployment rises because unemployed individuals cut back on living expenses and employed individuals become cautious about spending due to risk of job loss. The national unemployment rate is expected to fall in 2021.

Industry Outlook

Over the five years to 2026, revenue for the Land Leasing industry is expected to continue climbing, albeit at a slower rate than the previous five-year period. Improving broad economic trends after the COVID-19 (coronavirus) pandemic and an increasing number of retirees are expected to fuel industry growth. Conversely, mortgage rates are anticipated to rise and

conventional housing prices are expected to grow at a slower rate, potentially hindering industry growth. Overall, industry revenue is expected to rise an annualized 0.6% to \$16.0 billion over the five years to 2026.



Demand from adults aged 50 and older fulfills a large share of the industry's revenue and is expected to continue growing as a market segment over the next five years. The last of the baby boomers will turn 65 by 2030, leading to a continued rise in the number of people entering retirement. Since retirees and seniors typically move into less expensive homes to conserve money and gain access to special care and services, they are more likely to join manufactured home communities that cater to the elderly. For example, major industry operator Equity LifeStyle Properties Inc. reports that the average age of new residents entering its communities is 62 years.

With strong demand from low-income families and retirees, manufactured home shipments are forecast to rise over the five years to 2026, driving demand for leased land on which these houses will likely be placed. Furthermore, the rising popularity of recreational vehicles (RVs) is also expected to help drive demand for industry services. A recovering economy and rising per capita disposable income, which is expected to increase an annualized 3.4% over the five years to 2026, are anticipated to encourage vacationers and seasonal renters to utilize RVs as they will likely remain price sensitive. Since RVs offer a relatively affordable means of travel and on-the-go living, their use and ownership are forecast to increase, boosting demand for leased land. Improving macroeconomic conditions are expected to help the traditional housing market recover, leading the house price index to grow at a much slower rate. A healthier traditional housing market may siphon demand away from manufactured homes and RVs, as conventional houses become less costly. Furthermore, the 30-year conventional mortgage rate is expected to increase an annualized 9.4% over the five years to 2026, increasing the cost of purchasing a new home and deterring low-income individuals from buying. Moreover, rental vacancy rates are expected to rise

over the next five years, which is expected to place further downward pressure on industry operators competing for revenue from low income individuals.

Demand Determinants

The Land Leasing industry is heavily dependent on demand for manufactured homes and communities, which form the largest source of revenue for the industry.

Consequently, the total price and quality of a manufactured home, its lot location, prevailing interest rates and demand for alternative housing can all influence demand for products and services offered by land-lessors. Additionally, the industry is reliant on population growth and economic conditions. In 2020, the COVID-19 (coronavirus) pandemic introduced various disruptions to the industry. For example, the Land Leasing industry is largely reliant on on-sight viewings, inspections and construction for the sale of a property. As a result of these activities being suspended or forced to operate at reduced capacity, industry operators temporarily struggled to maintain pre-pandemic levels of demand.

Manufactured home prices

According to the Manufactured Housing Institute (MHI), construction costs for prefabricated homes can cost up to 10.0% to 20.0% less per square foot than an on-site home. Savings associated with these homes can be attributed directly to the efficiencies associated with the factory-building process. In fact, according to MHI, the average sale price of a new manufactured home without land is \$78,500. For this reason, manufactured home communities are most popular among price-conscious consumers such as those aged 50 or older, first-time homebuyers and low income families. While retirees may choose the accommodation for the lifestyle just as much as price, many families and first-time buyers may have little choice if they want to own their home.

Consumer perception

A perceived lower level of social status from living in a manufactured home can negatively affect demand for these types of structures and communities. However, the quality of manufactured houses has significantly improved in recent years and may serve as a boost for industry demand. Consumers can now purchase two-story or single family attached homes, two options that were not previously offered. Greater flexibility in the construction process now enables for greater home customization. Interior features now include vaulted ceilings, working fireplaces and state-of-the-art kitchens and baths. Prefabricated structures may also become more appealing as they become more energy efficient, with upgraded levels of insulation and more efficient heating and cooling systems.

Financing

The availability of financing and lending rates plays a large role in demand for any type of housing. Lending standards have tightened dramatically following the subprime mortgage crisis.

Furthermore, Fannie Mae and Freddie Mac, which help create the guidelines for mainstream mortgage companies and are the backbone of the secondary mortgage market, provide more support for traditional home mortgages, which lowers interest rates on traditional mortgages. Consequently, the low rates available for those qualified for on-site homes is a negative for industry demand as potential home buyers will feel they can afford a traditional house, apartment or condominium. However, the economic downturn in 2020 likely reduced the ability of many consumers to finance the expense of purchasing a home and pushed some consumers into the mobile-housing market as a way to save money. The national unemployment rate soared in 2020, hindering individuals from financing a traditional home purchase.

Demographics

The aging population in the United States can serve as a boost for demand in the Land Leasing industry. The baby boomer generation, the largest demographic in the US, is reaching the retirement age. In fact, it is estimated that the population of adults aged 50 and older is expected to grow an annualized 1.5% over the five years to 2021. The boom in retirees will drive industry demand because they are the primary market for the industry. Additionally, long lasting effects from the coronavirus pandemic could create an opportunity for the industry to capitalize on younger demographics. As working remotely becomes increasingly common, individuals have the freedom to change their living situations and mobile-housing could be an appealing option for its low maintenance and affordability. This is especially true of the RV segment of the industry, as more people look to travel and still maintain social distance measures.

Zoning laws

Zoning laws in the United States are usually very averse to manufactured home sites. Local communities feel that prefabricated homes lower the real estate value of traditional housing. In addition, since a home on leased land is considered personal property as opposed to real property, such owners pay lower real estate tax. Thus, local governments try to restrict zoning for manufactured homes on leased land. Such a regulatory barrier limits the supply of land-lease communities and/or properties, which creates a limit on the industry's ability to absorb demand. However, this trend benefits owners of land-lease properties because it limits competition.

Barriers to Entry

Barriers to entry for new operators in the Land Leasing industry vary between states and cities due to zoning regulations. Generally, these barriers to entry are considered to be moderate across the United States. It can also be costly to purchase suitable land to begin industry operations. This is generally dependent on the location of the property. Costs can also be dependent on the size of the land, and what infrastructure and facilities the potential owner wants to provide to site occupants.

Zoning regulations and tax revenue generation

Operators are required to comply with zoning regulations to construct and operate a manufactured home site. Zoning regulations may also be necessary for other uses, including grazing for farm animals and the construction of train tracks. It may take several months to satisfy all regulation imposed by local authorities, delaying the start of a project. A complicated rezoning can take more time and prove to be costly, raising the barriers to entry. Delays in zoning changes may result from public objections. Manufactured home communities have generally had a negative public perception due to the belief that the creation of a community will hurt prices of traditional homes in the area. Objections may also arise over the smell associated with grazing animals or the noise created by trains. Taxes generated by the local or municipal authorities by having a Mobile Home community or a Recreational Vehicle community are less than conventional housing properties, since the industry's homes are treated as personal property rather than real property. Therefore, local and state governments would prefer to have a conventional housing project as it would lead to more revenue generation than the industry's facilities.

Initial costs

Supplying the required infrastructure to attract tenants can be costly for new operators in the industry. The development of structures and amenities may take multiple years to complete before the operator even begins to generate revenue, hindering cash flow. Operators must work to acquire long-term leases in an effort to generate stable revenue. It may take new operators several years to achieve high occupancy rates and establish a positive reputation in the industry. Availability of financing is a critical factor in determining whether foray into the industry will be viable for the new entrant. After the 2008 financial crisis which was primarily caused by slack standards of lending to both operators and the industry's customers, only few avenues for financing are left for the operators in the industry. Also, legislations such as 2010 Safe Mortgaging Licensing Act (SAFE) requires community owners to register as mortgage loan originators in states where they want to engage in financing to the operators of the industry. These factors will increase barriers to entry for potential new entrants.

MARCUS & MILLICHAP – MANUFACTURED HOUSING RESEARCH REPORT

According to the Manufactured Home Communities report published by Marcus & Millichap (1Q 2022), post-pandemic recovery fueling demand by residents and investors, as rising interest rates add new consideration, **income stability fosters residential demand**. The labor market has made significant strides toward recovery since the spring of 2020, notably brightening the economic outlook in the first half of 2022. The employment base has climbed to within 2 percent of the pre-pandemic high, with the unemployment rate returning to historically low levels; however, the number of job openings is still high, translating into upward pressure on wages, including for hourly positions. Strengthening incomes are bolstering household formations and driving demand for lot rentals in manufactured home communities. Availabilities continue to fall as limited number

of new communities have been developed in recent years. The demand-supply dynamic is fostering ongoing upward movement on rents, although at a less rapid pace than observed in the apartment sector or for prices of stick-built homes.

Inflation warrants living cost considerations. While wages are advancing, expenses for consumers are also rising. Pandemic-induced logistics hurdles linger, driving up the costs of many goods, the war in Ukraine has also disrupted the energy markets, leading to some volatility to what travelers pay at the pump. As more millennials age and look toward the prospect of homeownership, the current inflationary environment underscores the economical advantages of manufactured housing. The same is true for age-restricted locations and members of older generations reliant on fixed incomes. The utility these communities can provide has drawn the attention of some legislators to the topic of rent stabilization. Legislation is under proposal in Colorado to limit annual rent increases to the greater of 3 percent or inflation. Similar policies could be explored elsewhere. Such procedures, however, are unlikely to alleviate the sector's ongoing supply shortage – a major contributor to rent increases.

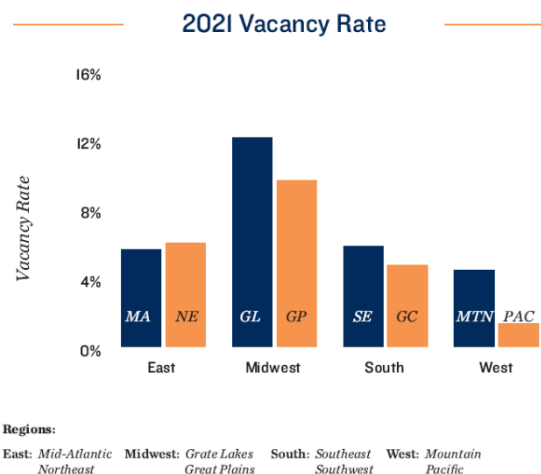
Fed actions add complexity to investment landscape. Persistent inflation prompted the Federal Reserve to raise the federal funds rate 25 basis points in March. Six additional rate hikes are planned this year, moving the overnight lending rate to a minimum of 1.75 percent. While this will likely increase borrowing costs for investors, buyer demand for manufactured home communities remains high. The sector has also demonstrated resiliency in the past periods of tightening monetary policy. From December 2015 to December 2018, the Fed raised the overnight lending rate 225 basis points over 10 discrete changes. In that time, sales velocity and sales prices for manufactured home communities continued to climb. Most notably, cap rates compressed, even though interest rates were rising, revealing that buyer demand superseded higher costs of capital.

Outlook for second half of 2022 positive. While lending costs are on an upward trajectory, robust operational performance is likely to propel buyer activity over the second half of 2022. Although cap rates are lower now than they were when the Fed last began hiking interest rates in 2015, sufficient margin remains to drive deals forward, especially as listings are limited. The development of brand-new communities continues to lag housing demand, leading to less influx of fresh supply for investors. Instead, many existing properties are looking to expand by acquiring and developing adjacent land. Larger investors with the capital available to source plots from various private landowners are pursuing this strategy. Recent jumps in consumer prices, together with long-term demographic trends, warrant the supply increases and draws capital into the sector. Nevertheless, some long-time investors may be interested in repositioning their portfolios after notable price appreciation, creating opportunities for more recent entrants into the space.

Vacancy

Shortage of available housing of all kinds extends vacancy declines.

Ongoing demographic trends, paired with shifting preferences for more residential space following the pandemic, have only underscored the ongoing shortage of affordable homes across the country. While unemployment has tightened considerably since the spring of 2020, living expenses continue to climb, bolstering demand among many workers for the lower-cost housing options available in many manufactured home communities. Given the substantial appreciation in single-family home prices over the past two years, more people are considering purchasing into these settings as a more economical ownership option. Supply is failing to keep pace with these rising needs, limiting availability, especially in areas where the price of a site-built home well exceeds the local median income.

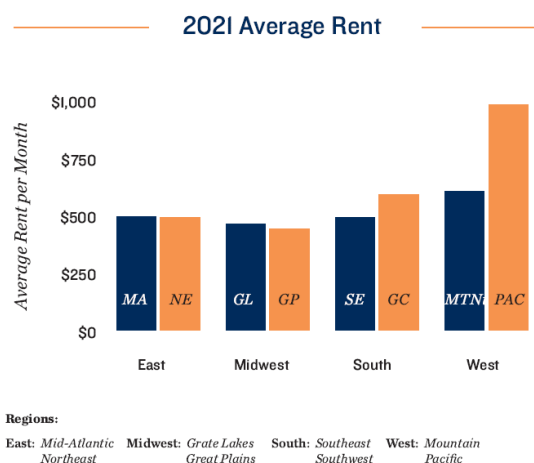


- In 2021, vacancy contractions were steepest in metros of the Great Lakes subregion. Multiple markets reported 200-basis-point-plus availability drops, including Grand Rapids and Jackson, Michigan. Some Great Plains metros, such as Kansas City, also posted rapid decreases. Even in the Midwest, where in-place homes tend to be more affordable, rising ownership costs are tightening vacancy.
- By subregion, vacancy is still lowest along the Pacific Coast at 1.3 percent. Sub-1 percent rates in many California markets, including Orange and San Diego counties, as well as in Seattle and Bend further north, contribute to the low availability.
- The least vacant, non-West Coast market last year was Miami-Dade as the metro’s tropical climate and favorable tax structure continues to draw new residents to the area. Denver and Salt Lake City, two other favored relocation destinations, had the lowest vacancy rates of any inland metros last year.

Rent

Relative affordability maintained, even as rents continue to climb.

Greater housing needs are fostering upward price and rent momentum for all types of dwellings, including manufactured home communities. About 95 percent of surveyed markets reported higher monthly rates in 2021. Most markets reported rent growth below 10 percent, maintaining the sector’s affordable relationship with other forms of housing. The average multifamily rent rose 15.5 percent last year, while the median single-family home price climbed by 15.2 percent. Across regions last year, rents at manufactured home communities ranged from an average of \$457 in the Midwest to a mean of \$840 in the West, well below the average monthly payment for an apartment or mortgage. As inflation continues to push expenses higher, more households may consider manufactured homes.

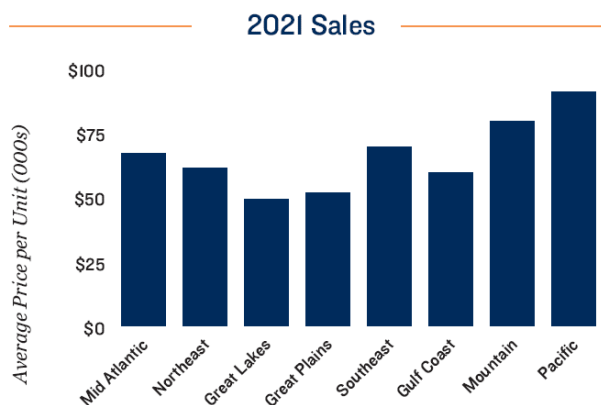


- The Great Plains subregion continues to offer the most affordable rates in the country, at an average rent of \$439 per month last year. The Great Lakes and Gulf coast areas are close, with mean monthly rates of \$460 and \$488, respectively. Communities on the scenic Pacific Coast continue to have the highest rent premium, with an average rate of \$981 per month in 2021.
- Manufactured home communities in several tertiary metros reported double-digit rent growth last year, likely capitalizing on regionally low rates and ongoing relocation trends. Rents advanced 14 percent year-over-year in Tulsa, Greenville and Port Huron, followed by Salem at 12 percent. Charlotte led the nation at 15 percent growth.
- Deviating from the national trend, rents mildly retreated in Santa Cruz last year, after jumping 7 percent in 2020. Nearing \$2,000 per month, some renters may be looking to lower-cost parts of the state.

Sales

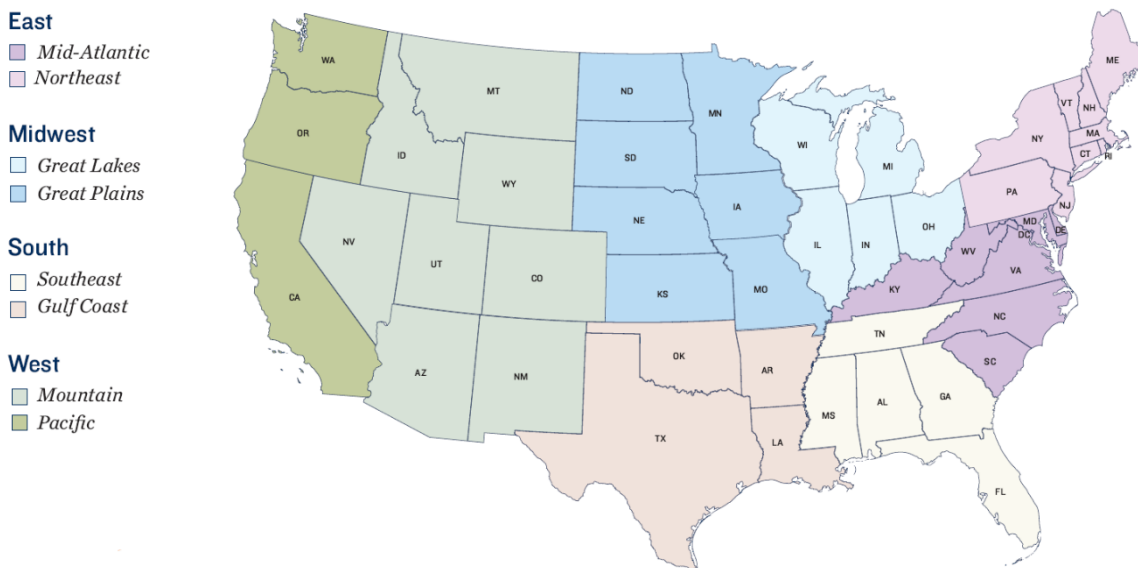
Robust property fundamentals elevate investor interest.

Interest in manufactured home communities continues to grow among investors, as transaction velocity climbed throughout last year. Greater buyer demand has translated into rising sale prices and falling cap rates. Closing out last year, properties were changing hands with an average cap rate in the mid-5 percent to mid-6 percent zone. Higher quality communities in popular locations can trade for initial yields in the mid-3 percent band or lower. Such transactions are generally the target of institutions who have additional resources to accept the lower upfront return, especially if future rent growth projections are favorable. Sellers are often looking to prospective buyers with experience in the sector, or new capital that has partnered with established operators.



- Sales surged in the Southeast subregion last year, with approximately 70 percent more trades reported in 2021 than in 2020. The activity has translated into a notable uptick in sale prices, with an average of \$69,500 per unit for trades finalized last year.
- Transaction velocity also improved by over 50 percent year-over-year in 2021 across the Great Lakes, Gulf Coast and Mid-Atlantic subregions. Improving community fundamentals are likely drawing investors to these often lower-entry cost areas.
- Reflecting ongoing migration trends, sales activity slowed in the Northeast last year relative to 2020, although the number of trades still exceeded the 2019 count.
- Trading activity continued to improve on the Pacific Coast, as nationally low availability justified the highest regional entry costs. Buyers were also taking note of adjacent Mountain metros.

Manufactured Housing Communities: Regions and Subregions



LOCAL MANUFACTURED HOUSING MARKET ANALYSIS

Classification

The subject is in the Columbus MSA market. The property is considered a Class C Manufactured Housing Community in this market.

Demographic Analysis

Population and Household Formation

Demographic Growth Rate Analysis								
	1-Mile Radius	3-Miles Radius	5-Miles Radius	44889	Wakeman village	Huron County	Cleveland-Elyria, OH MSA	Ohio
Population								
2010 Total Population	945	3,102	6,588	6,587	1,047	59,626	2,077,240	11,536,504
2021 Total Population	1,021	3,215	6,618	6,699	1,127	59,703	2,076,177	11,839,300
2026 Total Population	1,041	3,243	6,622	6,717	1,149	59,626	2,076,688	11,966,163
Annual Growth - Past Period	0.7%	0.3%	0.0%	0.2%	0.7%	0.0%	0.0%	0.2%
Annual Growth - Future Period	0.4%	0.2%	0.0%	0.1%	0.4%	0.0%	0.0%	0.2%
Households								
2010 Total Households	366	1,181	2,509	2,525	402	22,820	854,893	4,603,435
2021 Total Households	401	1,245	2,562	2,612	440	23,142	866,666	4,761,855
2026 Total Households	411	1,261	2,574	2,630	449	23,195	869,943	4,823,381
Annual Growth - Past Period	0.8%	0.5%	0.2%	0.3%	0.8%	0.1%	0.1%	0.3%
Annual Growth - Future Period	0.5%	0.3%	0.1%	0.1%	0.4%	0.0%	0.1%	0.3%

Source: ESRI; Compiled by Newmark

- The subject's neighborhood is experiencing a modest increase in both population and households.

Income Distributions

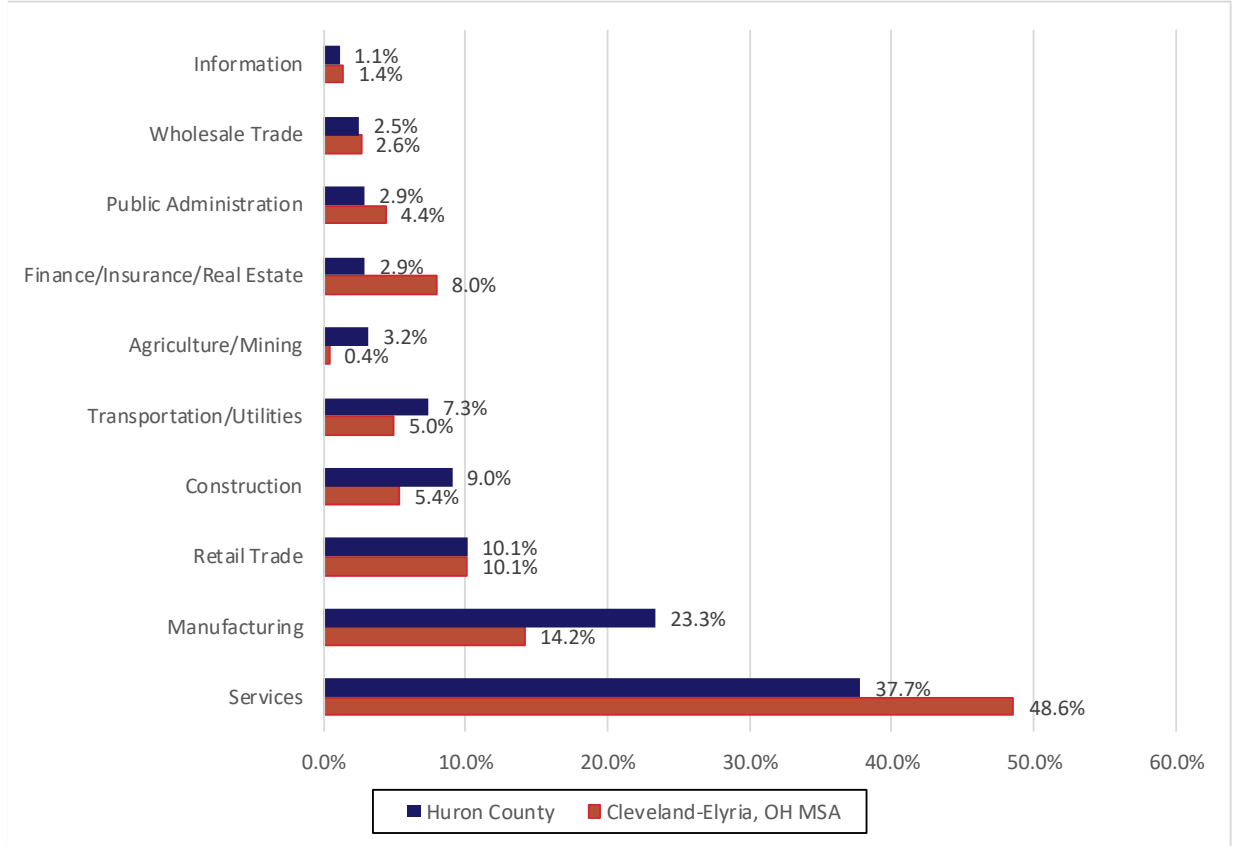
Household Income Analysis																
2021	1-Mile Radius		3-Miles Radius		5-Miles Radius		44889		Wakeman village		Huron County		Cleveland-Elyria, OH MSA		Ohio	
Household Income <\$15,000	26	6.5%	69	5.5%	145	5.7%	151	5.8%	27	6.1%	2,213	9.6%	103,212	11.9%	502,393	10.6%
Household Income \$15,000-\$24,999	33	8.2%	103	8.3%	180	7.0%	183	7.0%	36	8.2%	2,094	9.0%	80,773	9.3%	448,601	9.4%
Household Income \$25,000-\$34,999	57	14.1%	145	11.6%	216	8.4%	201	7.7%	61	13.8%	2,071	8.9%	81,187	9.4%	457,622	9.6%
Household Income \$35,000-\$49,999	58	14.4%	179	14.4%	342	13.3%	373	14.3%	64	14.5%	3,820	16.5%	109,700	12.7%	614,419	12.9%
Household Income \$50,000-\$74,999	72	17.9%	229	18.4%	501	19.5%	483	18.5%	79	17.9%	5,054	21.8%	157,607	18.2%	894,071	18.8%
Household Income \$75,000-\$99,999	54	13.4%	184	14.8%	425	16.6%	427	16.3%	60	13.6%	3,205	13.8%	110,330	12.7%	619,104	13.0%
Household Income \$100,000-\$149,999	75	18.6%	236	19.0%	525	20.5%	550	21.1%	82	18.6%	3,229	14.0%	125,317	14.5%	692,042	14.5%
Household Income \$150,000-\$199,999	25	6.2%	86	6.9%	186	7.3%	195	7.5%	28	6.3%	1,026	4.4%	48,506	5.6%	274,280	5.8%
Household Income \$200,000+	3	0.7%	14	1.1%	43	1.7%	49	1.9%	4	0.9%	430	1.9%	50,033	5.8%	259,260	5.4%
Median Household Income	\$57,365		\$61,410		\$68,172		\$69,105		\$58,029		\$54,810		\$57,102		\$57,725	
Average Household Income	\$70,081		\$73,298		\$78,227		\$79,312		\$70,074		\$68,023		\$79,975		\$79,579	
Per Capita Income	\$27,263		\$28,249		\$29,946		\$30,924		\$27,359		\$26,380		\$33,439		\$32,094	

Source: ESRI; Compiled by Newmark

Employment

The following graph was presented previously but is also given below given its relevance to Multifamily demand. Comparing the industry sectors for the local market area (Huron County) to Cleveland-Elyria, OH MSA indicates the local market area is somewhat more heavily weighted toward the Manufacturing, Construction, Agriculture/Mining, and Transportation/Utilities sectors. The following graphic further illustrates this comparison.

Employment Comparison



Source: ESRI; Compiled by Newmark

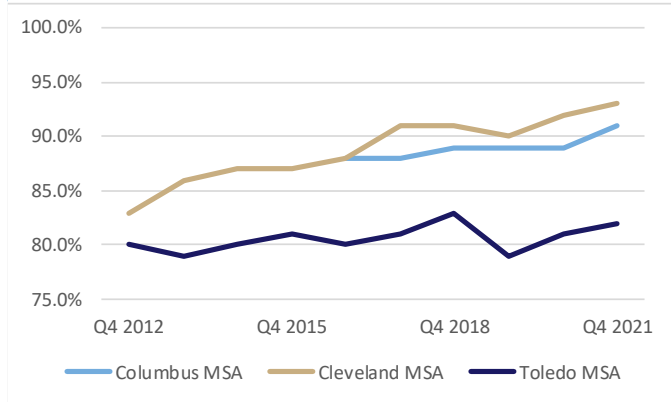
Manufactured Housing Market Overview

The following discussion outlines overall market performance in the surrounding Manufactured Housing market using JLT Data Comp market metric data. The subject is located in a rural area between the:

- The Columbus MSA
- The Cleveland MSA
- The Toledo MSA

Accordingly, all three market areas are discussed and analyzed in the following section. The analysis is then further refined to focus on demand for the subject and the properties considered to be primary competition.

Occupancy Rate

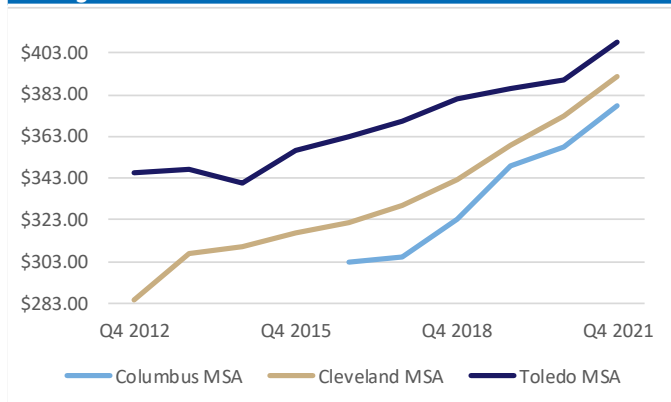


Period	Columbus MSA	Cleveland MSA	Toledo MSA
Q4 2012	N/A	83.0%	80.0%
Q4 2013	N/A	86.0%	79.0%
Q4 2014	N/A	87.0%	80.0%
Q4 2015		87.0%	81.0%
Q4 2016	88.0%	88.0%	80.0%
Q4 2017	88.0%	91.0%	81.0%
Q4 2018	89.0%	91.0%	83.0%
Q4 2019	89.0%	90.0%	79.0%
Q4 2020	89.0%	92.0%	81.0%
Q4 2021	91.0%	93.0%	82.0%

Source: JLT Data Comp; Compiled by Newmark Valuation & Advisory

As available, a ten year occupancy history is presented in the table above. Trends range from generally flat (Toledo), to increasing (Columbus and Cleveland). Please note, JLT only began surveying the Columbus market in 2016.

Asking Rent Per Unit



Period	Columbus MSA	Cleveland MSA	Toledo MSA
Q4 2012		\$285	\$346
Q4 2013		\$307	\$347
Q4 2014		\$310	\$341
Q4 2015		\$317	\$356
Q4 2016	\$303	\$322	\$363
Q4 2017	\$305	\$330	\$370
Q4 2018	\$323	\$342	\$381
Q4 2019	\$349	\$359	\$386
Q4 2020	\$358	\$373	\$390
Q4 2021	\$378	\$392	\$408

Source: JLT Data Comp; Compiled by Newmark Valuation & Advisory

Again, a ten year history is presented in the table above. Rent trends show a consistent increasing trend for all three markets.

Manufactured Housing Market Statistics

Three Year trend ending 2021

Market / Submarket	Inventory (Pads)	Vacancy (%)	Net Absorption (Pads)
Columbus MSA	7,306	9.0%	146
Cleveland MSA	7,918	7.0%	158
Toledo MSA	6,130	18.0%	-61

Source: JLT Data Comp; Compiled by Newmark Valuation & Advisory

- The average vacancy rate for the Cleveland MSA is lower than that of the Columbus MSA and the Toledo MSA.
- Absorption for the last 12 months was positive for the Columbus MSA and Cleveland MSA. Toledo MSA witnessed negative levels of absorption.

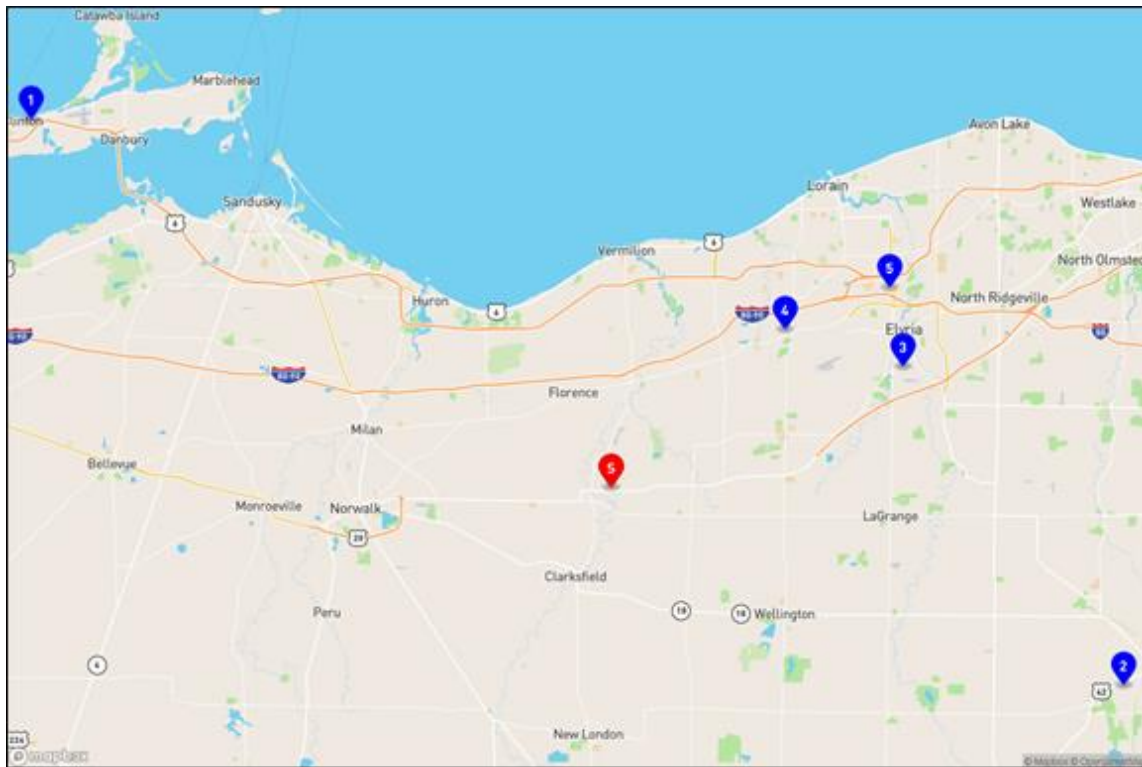
Market, Submarket and Focused Submarket Trends

Manufactured Housing Market Trends									
	Columbus MSA			Cleveland MSA			Toledo MSA		
	Inventory	Vacancy %	Increase	Inventory	Vacancy %	Increase	Inventory (Unit)	Vacancy %	Increase
Q4 2012	7,306	-	N/A	7,918	17.0%	N/A	6,130	20.0%	N/A
Q4 2013	7,306	-	N/A	7,918	14.0%	3.0%	6,130	21.0%	-1.0%
Q4 2014	7,306	-	N/A	7,918	13.0%	1.0%	6,130	20.0%	1.0%
Q4 2015	7,306	-	N/A	7,918	13.0%	0.0%	6,130	19.0%	1.0%
Q4 2016	7,306	12.0%	N/A	7,918	12.0%	1.0%	6,130	20.0%	-1.0%
Q4 2017	7,306	12.0%	0.0%	7,918	9.0%	3.0%	6,130	19.0%	1.0%
Q4 2018	7,306	11.0%	1.0%	7,918	9.0%	0.0%	6,130	17.0%	2.0%
Q4 2019	7,306	11.0%	0.0%	7,918	10.0%	-1.0%	6,130	21.0%	-4.0%
Q4 2020	7,306	11.0%	0.0%	7,918	8.0%	2.0%	6,130	19.0%	2.0%
Q4 2021	7,306	9.0%	2.0%	7,918	7.0%	1.0%	6,130	18.0%	1.0%

Source: JLT Data Comp; Compiled by Newmark Valuation & Advisory

- The overall market area, submarket and focused submarket have been improving with respect to occupancy over the past year.
- Cleveland MSA is outperforming in terms of inventory units and occupancy when compared to the Columbus MSA and Toledo MSA.

Competitive Properties



Competitive Properties Map

Comparable Property Summary						
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Name	Firelands Manor Mobile Home park	Fountains Mobile Home Park	Brookdale Mobile Home Park	Colonial Oaks	Amherst Trail	Pikewood Manor
Address	5810 US Highway 20 East	100 Morningside Drive	1166 Lafayette Road	10425 Middle Ave.	46270 Telegraph Rd	1800 Lorain Boulevard
City, State	Wakeman, OH	Port Clinton, OH	Medina, OH	Elyria, OH	Amherst, OH	Elyria, OH
Number of Units	158	147	224	504	170	450
Year Built	1975	1977	1977	1971	1960	1960
Condition	Average	Average	Average	Average	Average	Average
Occupancy	78%	99%	97%	88%	84%	90%

Compiled by Newmark Valuation & Advisory

Rental comparables are selected based on the following criteria:

- Most similar (outlying) distance from the MSA core.
- Stabilized+/- in nature.

Trends and Projections

Subject and Market Historical and Forecast Trends

Market Vacancy Rate Indicators			
	Current	Most Recent Full Year	Trailing 3-Year Avg.
JLT Data Comp			
Columbus MSA	9.0%	11.0%	11.0%
Cleveland MSA	7.0%	8.0%	9.0%
Toledo MSA	18.0%	19.0%	19.0%
Direct Competition			
Direct Competition	9.4%		
Subject	22.2%		
Stabilized Subject Vacancy Rate	9.0%		

Source: JLT Data Comp, Newmark Valuation & Advisory

- Occupancy trends are generally improving.
- The subject is operating below a stabilized level of occupancy.

Conclusion

Occupancy Conclusions	
JLT Data Comp	
Columbus MSA	91.0%
Cleveland MSA	93.0%
Toledo MSA	82.0%
Direct Competition	
Direct Competition	90.6%
<u>Subject Property's Current Occupancy</u>	<u>77.8%</u>
Subject Property's Stabilized Occupancy	91.0%

Source: JLT Data Comp, Newmark Valuation & Advisory

- The subject conclusion reflects the subject operating on a stabilized basis.
- The conclusion is supported by the range indicated by the direct competitors, and further supported by MSA levels.

Trends and Projections

Subject and Market Historical and Forecast Trends

Market Vacancy Rate Indicators			
	Current	Most Recent Full Year	Trailing 3-Year Avg.
JLT Data Comp			
Columbus MSA	9.0%	11.0%	11.0%
Cleveland MSA	7.0%	8.0%	9.0%
Toledo MSA	18.0%	19.0%	19.0%
Direct Competition			
Direct Competition	11.9%		
Subject	23.8%		
Concluded Subject Vacancy Rate	9.0%		

Source: JLT Data Comp, Newmark Valuation & Advisory

- Occupancy trends are generally improving.
- The subject is operating below a stabilized level of occupancy.

Conclusion

Occupancy Conclusions	
JLT Data Comp	
Columbus MSA	91.0%
Cleveland MSA	93.0%
Toledo MSA	82.0%
Direct Competition	
Direct Competition	88.1%
<u>Subject Property's Current Occupancy</u>	<u>76.2%</u>
Subject Property's Stabilized Occupancy	91.0%

Source: JLT Data Comp, Newmark Valuation & Advisory

- The subject conclusion reflects the subject operating on a stabilized basis.
- The conclusion is supported by the range indicated by the direct competitors, and further supported by MSA levels.

ABSORPTION

The subject is currently operating below a stabilized level of occupancy by 21 units. The buyer is budgeting two year to stabilize the subject. This would indicate an absorption rate of 0.88 units per month. Absorption comparables are examined to confirm the buyer's plan is reasonable and achievable in the marketplace.

Below is a table of other communities in the region that have been purchased for repositioning.

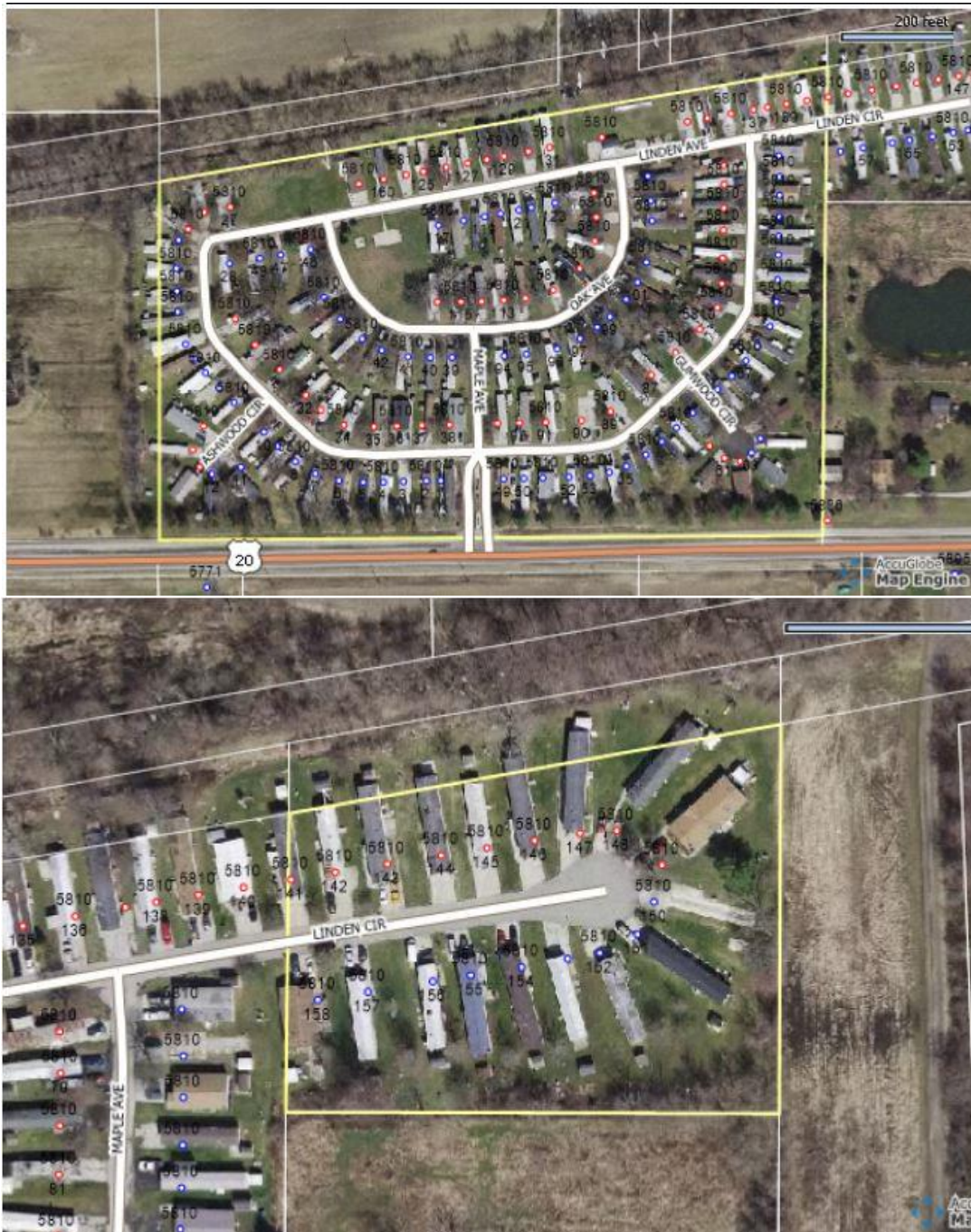


MH ABSORPTION COMPARABLES							
Property Name	Park Size	Market	Reason for Absorption	Months	Absorption Beginning	Pads Filled	Pads / Month
Pelham MHP	68	Midwest	Repositioning	12	Feb-16	33	2.8
Westwood Heights MHP	216	Midwest	Repositioning	7	Mar-19	17	2.4
Maplegrove MHP	104	Midwest	Repositioning	18	Sep-15	24	1.3
Woodview MHP	92	Midwest	Repositioning	6	Feb-16	15	2.5
Porter MHP	43	Midwest	Repositioning	12	Feb-16	16	1.3
Villa Grande MHP	43	Midwest	Repositioning	5	Aug-19	31	6.2
Gunthers	178	Midwest	Repositioning	12	Jan-20	15	1.3

Source: Compiled by Newmark

The buyer’s plan is well below levels achieved at other communities in the area. A 24 month plan is incorporated into the analysis and the basis for the as stabilized date of value.

Land and Site Analysis



GIS (both parcels)

National Flood Hazard Layer FIRMette



Legend

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

SPECIAL FLOOD HAZARD AREAS

- Without Base Flood Elevation (BFE) Zone A, V, ABP
- With BFE or Depth Zone AE, AO, AH, VE, AR
- Regulatory Floodway

OTHER AREAS OF FLOOD HAZARD

- 0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone X
- Future Conditions 1% Annual Chance Flood Hazard Zone X
- Area with Reduced Flood Risk due to Levee. See Notes, Zone X
- Area with Flood Risk due to Levee Zone D

OTHER AREAS

- NO SCREEN Area of Minimal Flood Hazard Zone X
- Effective LOMRs
- Area of Undetermined Flood Hazard Zone D

GENERAL STRUCTURES

- Channel, Culvert, or Storm Sewer
- Levee, Dike, or Floodwall

OTHER FEATURES

- 20.2 Water Surface Elevation
- 17.5 Coastal Transect
- Base Flood Elevation Line (BFE)
- Limit of Study
- Jurisdiction Boundary
- Coastal Transect Baseline
- Profile Baseline
- Hydrographic Feature

MAP PANELS

- Digital Data Available
- No Digital Data Available
- Unmapped

The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards.

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 6/20/2022 at 7:15 AM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

Flood Map

Land Parcels

Parcel Summary	Associated APN(s)	Classification	Land Area (SF)	Land Area (Acres)
Both sites	490020040090200; 490020040040100	Primary Site 1	1,039,211	23.8570
Total Gross Land Area			1,039,211	23.8570
Total Usable Land Area			1,039,211	23.8570
Total Surplus Land Area			0	0.0000
Total Excess Land Area			0	0.0000

Compiled by Newmark



Land Description

Total Land Area	23.8570 Acres; 1,039,211 SF
Usable Land Area	23.8570 Acres; 1,039,211 SF
Excess Land Area	None
Surplus Land Area	None
Source of Land Area	Assessor Records

Site Characteristics

Primary Street Frontage	US Highway-20
Traffic Control at Entry	None
Traffic Flow	Low
Accessibility Rating	Average
Visibility Rating	Average
Shape	Irregular
Corner	No
Rail Access	No
Topography	Generally Level
Site Vegetation	Typical; grass, shrubs, trees
Other Site Characteristics	None noted
Easement/Encroachments	None Noted
Environmental Issue	None Noted

Flood Zone Analysis

Flood Area Panel Number	39077C0119D
Date	1/19/2011
Zone	Zone X
Description	Area of minimal flood hazard, usually depicted on Flood Insurance
Insurance Required?	No

Utilities

Utility Services	Electricity, gas, well water potable (private water and waste systems)
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Compiled by Newmark

EASEMENTS, ENCROACHMENTS AND RESTRICTIONS

We were not provided a current title report to review. Further, there are identified exceptions to title, which include various utility and access easements that are typical for a property of this type. Such exceptions would not appear to have an adverse effect on value. Our valuation assumes no adverse impacts from easements, encroachments, or restrictions, and further assumes that the subject has clear and marketable title.

ENVIRONMENTAL ISSUES

No environmental issues were observed or reported. Newmark is not qualified to detect the existence of potentially hazardous issues such as soil contaminants, the presence of abandoned underground tanks, or other below-ground sources of potential site contamination. The existence

of such substances may affect the value of the property. For this assignment, we have specifically assumed that any hazardous materials that would cause a loss in value do not affect the subject.

CONCLUSION

- The site is large enough to accommodate a manufactured home community and no functional issues are noted.

Zoning and Legal Restrictions

Zoning Summary

Category	Description
Zoning Jurisdiction	Wakeman
Zoning Designation	MHP, Manufactured Home Park District
Description	MHP/MHC
Legally Conforming?	See Comments
Zoning Change Likely?	Unlikely
Permitted Uses	MHP/MHC and Agricultural

Compiled by Newmark

CONCLUSION

Mobile home park is identified as a legal use. Dimensional standards are not clearly identified. The subject is assumed to be legal and conforming.

We are not experts in the interpretation of zoning ordinances. A qualified land use/zoning expert should be engaged if there are any zoning concerns or if a determination of compliance with zoning is required.

Improvements Analysis

The "Subject Property" is improved with a 158 pad manufactured housing community which was built in or about 1975. The park is in average condition based on our observation. The subject also includes 52 park-owned manufactured homes (non-realty component).

UNIT MIX

Unit Mix				
No. Pads	Pad Description	Occupied		Pad Occupancy
		Pads		
158	Pad Sites	123		77.8%
158	MH Pad Total	123		77.8%
158	Totals	123		
	Averages			77.8%

Compiled by Newmark

IMPROVEMENTS

The improvements are more fully described in the following table.

Improvements Description				
Component Structures				
Improvements (Structures)	Primary Use	Supporting Improvements		Subtotal
Use Description	Mobile Home Park	Storage / Garage		
No. Pads	158	0		158
Quality	Average	Average		
Current Condition	Average	Average		
Age/Life Depreciation Analysis				
Year Built	1975	1975		
Year Renovated	None	None		
Actual Age (Yrs.)	47	47		
Economic Life (Yrs.)	40	45		
Effective Age (Yrs.)	20	20		
Remaining Economic Life (Yrs.)	20	25		
Percent Depreciation	50.00%	44.44%		
Construction Details - Structural Improvements				
	Mobile Home Park	Storage / Garage		
Foundation	Concrete Pads	Concrete slab on grade		
Basement	N/A	None		
Structural Frame/Construction Summary	N/A	Wood Frame		
Exterior Walls	N/A	Wood Frame		
Windows	N/A	N/A		
Roof	N/A	Pitched Asphalt		
Engineering & Mechanical				
	Mobile Home Park	Storage / Garage		
Utility Meters	All metered or recovered	N/A		
Improvement Features and Amenities				
	Mobile Home Park	Storage / Garage		
Property Amenities		Off-street parking, narrow asphalt streets		
Pad Description		Concrete pads, accommodate singles		
Homes		Mix of newer and older singles		
Other Improvements Characteristics		Water treatment		

Compiled by Newmark

Community Rating

MH Communities are rated on several standards. The Woodall Star system was applied earliest to rate communities on a one to five star basis, with five being the best. FNMA has a system similar to the Woodall system, with five being the best and anything below a three often does not qualify for financing. The standards are also applied to traditional Commercial Real Estate Class A, B and C ratings.

Manufactured Housing Community Quality Rating Standards				
FNMA Rating	Unratable	Level 3	Level 4	Level 5
FNMA Requirements	Class D	(Minimum standard)	(Minimum standard with exceptions)	(Minimum standard with exceptions)
CRE Investment	Class D	Class C	Class B	Class A
Woodall Star Rating	One Star	Two to Three Stars	Three to four stars	Four to Five stars
Streets	Fair to good and may be Gravel/Dirt	Mostly Paved	Paved asphalt/concrete	Paved asphalt/concrete
Home Sites	Area under the homes consists of concrete, crushed rock, or dirt. Entry to the home is through a patio or porch. Homes are supported by stacks of hollow concrete block or steel pier systems along the main beams that meet local and state requirements.	Area under the homes consists of concrete, crush rock, or dirt. Entry to the home is through a patio or porch. Homes are supported by stacks of hollow concrete block or steel pier systems along the main beams that meet local and state requirements.	Same as previous level with at least 60% of the sites having commercial grade porch/cabanas or patios.	Same as previous level with all of the sites having commercial grade porch/cabanas or patios.
Site Size	Less than 50% Doublewide	50% Doublewide or less than 50% if there is a market demand for singlewide	50% Doublewide or less than 50% if there is a market demand for singlewide	50% Doublewide
Density	More than 12 per acre or property market recommendation	Generally 12 per acre, can be adjusted to reflect the property market	7 to 10 per acre, can be adjusted to reflect the property market	7 to 10 sites per acre, can be adjusted to reflect the property market
Skirts/Hitches	Homes do not meet minimum requirement	All home sites are professionally skirted with hitched covered or removed, can be met through repair agreement	All home sites are professionally skirted with hitched covered or removed, can be met through repair agreement	All home sites are professionally skirted with hitched removed
Parking	Street parking only	1-2 parking spaces per site that are properly maintained. Can be on or off street parking. Subject to local ordinances	Minimum of 2 properly maintained parking spaces per site. Can be on or off street parking. Subject to local ordinances	Two paved off street parking spaces per home site.
Amenities	No requirement	No requirement, but should be competitive based on market comparables	Competitive standard amenity package required	High quality resort style amenity package required and must be competitive with other communities
Utilities	Public or Private utilities	Public or Private utilities	Public utilities	Public utilities

Source: Newmark

The conclusions below approximate the subject’s asset quality per the various ratings available for MH properties.

- FNMA: Level 3
- CRE: Class C
- Woodall Star: Two+/-

Park Owned Mobile Homes

In addition to the mobile home park horizontal improvements, the subject property includes 52 park-owned manufactured homes. We were not provided with a site map indicating which of the homes are park owned. The homes in the subject development range from very old to reasonably well-kept older mobile and manufactured homes.

Rent Roll

FMP Homes 3/25/2022

Unit	Year	Manufacture	First Name	Last Name	Move In	Deposit	Occupied Rent	Potential Rent
FMP1	1994	Skyline	Rebecca	Wolford	January 1, 2020	\$0	\$348	\$348
FMP2	1994	Skyline	Daw n	Smolen	September 1, 2014	\$0	\$320	\$320
FMP5	1996	Mansion	Brian	Maddox	March 17, 2019	\$0	\$318	\$318
FMP6	1995	Skyline	Jessica	Byrd	July 1, 2021	\$0	\$358	\$358
FMP28	1995	Skyline	Jacob	Blevins	September 10, 2020	\$353	\$385	\$385
FMP35	1997	Dutch	Michelle	Jenkins	February 18, 2022	\$0	\$378	\$378
FMP36	1999	Mansion	Eric	Klypchak	June 17, 2021	\$0	\$433	\$433
FMP37	2000	Schult	Mark	Maclean	July 1, 2019	\$0	\$333	\$333
FMP40	1997	Redman	Vacant			\$0	\$0	\$330
FMP42	2000	Dutch	JoHannah	Taylor	October 6, 2020	\$343	\$373	\$373
FMP45	1995	Fleetw ood	Wesley	Boley	May 1, 2019	\$0	\$348	\$348
FMP47	2001	Fleetw ood	Cathy	Stroud	November 1, 2021	\$383	\$383	\$383
FMP50	1994	Skyline	Paula	Lucarelli	June 1, 2017	\$0	\$378	\$378
FMP52	1994	Skyline	Tyler	Hall	November 1, 2021	\$0	\$383	\$383
FMP53	1997	Liberty	Jerome	Dials	December 1, 2018	\$0	\$398	\$398
FMP55	2001	Lifetime	Darlene	Souslin	May 7, 2018	\$0	\$328	\$328
FMP57	1998	Skyline	Vacant			\$0	\$0	\$260
FMP58	1989	Skyline	Gerald	Blair	January 1, 1990	\$655	\$390	\$390
FMP69	1994	Skyline	James	Short Jr	August 1, 2021	\$0	\$368	\$368
FMP71	1996	Fairmont	Jackilyn	Curtis	August 14, 2021	\$368	\$368	\$368
FMP74	1997	Skyline	Christopher	Wetherbee	July 1, 2021	\$0	\$368	\$368
FMP77	1990	Skyline	Steven	Carter	March 14, 2019	\$0	\$333	\$333
FMP80	1992	Fairmont	Darren	Chastain	July 21, 2021	\$368	\$368	\$368
FMP83	1998	Patroit	Dajeannette	Hurst	June 1, 2020	\$0	\$363	\$363
FMP88	1999	Skyline	JUSTIN	NEWMAN	September 21, 2018	\$0	\$378	\$378
FMP91	1995	Redman	Amy	Damron	November 14, 2019	\$313	\$368	\$368
FMP103	1995	Redman	Dale	Tomlin	June 7, 2017	\$0	\$333	\$333
FMP104	1995	Fleetw ood	Robert	Payne	December 1, 2021	\$0	\$383	\$383
FMP105	1995	Skyline	Jeff	Hayden	March 1, 2020	\$0	\$338	\$338
FMP106	1994	Skyline	Ashley	Nickles	April 1, 2021	\$342	\$358	\$358
FMP115	1998	Redman	Rita	Triesler	December 15, 2020	\$353	\$383	\$383
FMP119	1996	Fleetw ood	William	Cooley	November 14, 2019	\$0	\$368	\$368
FMP120	1997	Dutch	Jatyse	Light	February 1, 2022	\$403	\$403	\$403
FMP121	1997	Redman	Kimberly	Collins	January 1, 2022	\$403	\$403	\$403
FMP122	2000	Fairmont	Sarah	Griggs	February 1, 2019	\$0	\$363	\$363
FMP123	1995	Oakman	Jacob	Kobylski	March 22, 2022	\$0	\$413	\$413
FMP124	1995	Liberty	Devan	Mattox	January 6, 2022	\$0	\$383	\$383
FMP129	2000	Century	Randy	Kline	July 1, 2020	\$323	\$338	\$338
FMP130	1994	Dutch	Karen	combs	November 20, 2020	\$358	\$368	\$368
FMP131	1993	Redman	krista	harrold	July 18, 2020	\$343	\$373	\$373
FMP137	1996	Fairmont	Vacant			\$0	\$0	\$353
FMP139	1997	Skyline	Tass	Love	June 10, 2021	\$0	\$353	\$353
FMP143	1994	Redman	Vacant			\$0	\$0	\$323
FMP146	1998	Redman	Patricia	Davis	April 1, 2021	\$0	\$363	\$363
FMP147	2000	Patroit	Vacant			\$0	\$0	\$293
FMP151	1993	Schult	Heather	Henegar	November 1, 2020	\$0	\$365	\$365
FMP152	1995	Astro	Jason	Mastino	June 16, 2016	\$0	\$368	\$368
FMP153	1995	Skyline	Erica	Flores	February 3, 2022	\$403	\$403	\$403
FMP154	1994	Fairmont	Brandon	Priddy	March 19, 2021	\$358	\$358	\$358
FMP157	1994	Skyline	Robert	Low e	December 1, 2019	\$0	\$380	\$380
FMP159	1994	Mansion	richard	hunt	March 12, 2017	\$418	\$533	\$533
FMP160	1999	Redman	Ernest	Rose	April 1, 2021	\$0	\$308	\$308
52	1996		Total			\$6,487	\$17,406	\$18,965

The homes range in age from 1989 to 2001, and the average year built is 1996. From our observation and from consideration of the rent levels, the homes appear to be in generally average condition. We were not provided any detailed information regarding the number of bedrooms and bathrooms, or width and length for each home.

Recent Renovations

No major renovations noted.

Deferred Maintenance

Our observation of the property indicated no significant items of deferred maintenance.

Functional Utility

Based on our inspection and consideration of its current use as well as review of the overall layout and functionality of the individual pads, there do not appear to be any significant items of functional obsolescence.

ADA Compliance

Based on our observation as well as any information provided, no ADA compliance issues were noted. However, the client is advised to obtain review by a qualified professional versed in ADA compliance as we do not have expertise.

Environmental Assessment

We requested, but were not provided a Phase I Environmental Assessment. We did not observe any potentially hazardous materials such as lead paint, asbestos, urea formaldehyde foam insulation, or other potentially hazardous construction materials on or in the improvements. However, it is noted that we did not search for such materials and are not qualified to detect such materials. The existence of said hazardous materials (if any) may have an effect on the value of the property. Therefore, for the purpose of this appraisal, we have specifically assumed that the property is not affected by any hazardous materials that may be present on or in the improvements. We strongly recommend that a qualified environmental engineering firm be retained by the Client prior to making a business decision.

Personal Property

Certain items in multifamily projects are sometimes considered personal property, such as furniture, fixtures or equipment. For a manufactured housing community, park owned manufactured houses are also personal property unless permanently attached – which is not the case here. Our appraisal includes value indications both with and without the park owned houses.

There may also be various items in the common areas including miscellaneous maintenance tools, pool furniture, leasing office furniture, recreational room and clubhouse furniture, and various exercise machines. This type of personal property is typically included in the sale of manufactured housing communities and does not contribute significantly to the overall value of the real estate, so it is not separated.

CONCLUSION

- The improvements are of average quality construction and are in average condition.
- The improvements are considered to be functional for the existing use.
- The private water and waste systems are considered inferior to municipal systems.
- Overall, the quality, condition, and functional utility of the improvements are rated as average for their age and location.

Real Estate Taxes

In Ohio, property taxes are based upon an assessment at 35% of the county auditor’s assigned fair market value. After the inclusion of an assigned reduction factor, a property’s effective tax millage rate is then multiplied against the assessment ratio. The millage rate is applied to the assessed value of a property at a rate of \$1.00 per \$1,000 and is established annually by multiple governmental entities, including local municipalities and school districts.

In Ohio, property values get reappraised every six years with a triennial reassessment update occurring every three. During a typical triennial reassessment year the specific county will review and adjust the value of a property based on shifts in market conditions. During a typical reappraisal year, the county assigns a new value for a property. For the purposes of this appraisal we have assumed a reassessment at the time of the valuation date.

The following table shows the 2022 shows the auditor’s market value, assessed value, millage rates, and tax estimate assuming no transaction occurred in the calendar year.

Taxes and Assessments							
Tax Year 2022	Auditor's Market Value			Assessment	Assessed Value	Millage Rates	Taxes
Tax ID	Land	Improvements	Total	Ratio	Total	Land & Improvements	Taxes
490020040040100	\$314,460	\$504,540	\$819,000	35.0%	\$286,650	48.15032	\$13,802
490020040090200	\$49,710	\$55,590	\$105,300	35.0%	\$36,855	48.15032	\$1,775
	\$364,170	\$560,130	\$924,300	35.0%	\$323,505	48.15032	\$15,577

Compiled by Newmark

MARKET PARTICIPANT INTERVIEWS

Based upon interviews with various market participants including tax attorneys, brokers and investors, most parties generally account for the Huron County Auditor to eventually reappraise a property following a sale to approximately 70% to 80% of a purchase amount. Overall, since Huron County’s most recent county-wide reappraisal, market participants have been typically trending toward an assumption that a multifamily asset, subsequent to a sale, will get reappraised to a tax amount near 70% of the purchase price. This 70% allocation allows for Board of Revision and Board of Tax Appeal settlements, with owners and local school boards oftentimes compromising upon an increased reassessment. This allocation also considers typical loan-to-value ratios of confidential sales in which limited information is publicly available, other than filed mortgage statements.

SUBJECT TAX CONCLUSION

The subject’s current assessment is significantly less than the concluded market value and the pending sale price. We have relied upon market participant and recent reassessment trends in

Huron County in concluding a real estate tax expense for the subject based on 70.0% of the pending sale price.

This conclusion can be further detailed as follows:

- Subject sale price less value of POHs (Newmark’s estimate)
- 70.0% sale price allocation
- x 35% assessment ratio
- x Effective commercial tax rate (weighted)
- ÷ 1,000
- EQUALS: Forecasted real estate tax expense.

These conclusions are used in valuing the subject in the income capitalization section of this appraisal.

SUBJECT TAX CONCLUSION

Ad Valorem Tax Analysis		
	Subject (no sale)	Pro Forma Conclusion
	2022	2022
Total Assessed Value	\$323,505	\$1,725,617
Total Assessed Value/Pad	\$2,048	\$10,922
Tax Rate	4.81503%	4.8150%
Actual / Pro Forma Taxes	\$15,577	\$83,089
Taxes per Pad	\$99	\$526
Reported Tax Delinquencies	None	None
Tax Exemptions or Abatements	None	None

Compiled by Newmark

Highest and Best Use

AS VACANT

The site is zoned MHP, Manufactured Home Park District which allows for mhp/mhc and agricultural. Based on available data and analysis, no other legal restrictions such as easements or deed covenants are present which would impair the utility of the site. Given that surrounding properties have similar zoning and the future land use plan is focused on similar uses as well, it is unlikely that there would be a change of zoning classification. The subject site contains 1,039,211 square feet (23.857 acres), has favorable topography, adequate access, and all necessary utilities to support the range of legally permissible uses. No significant physical limitations were noted.

Of the legally permissible and physically possible uses, single and multifamily residential land uses are permitted. The most likely buyer would be an owner-user or local developer.

AS IMPROVED

The existing mobile home park community improvements are not conforming to zoning. There are no known legal restrictions to the continued use of the improvements as they were designed. As previously discussed, the improvements are rated as average for their age and location. The improvements conform to the expectations of the market and conform in general terms to the highest and best use as though vacant conclusion above. The improvements were designed for this use. Based on our analysis and review, the improvements do not appear to suffer from significant functional obsolescence. Therefore, continuation of the existing land lease community use is reasonably probable and appropriate.

In this case, the subject is an income producing property and is capable of generating sufficient income to support the continuation and maintenance of the use. This is demonstrated in the income capitalization approach by the fact that a positive income stream can be generated. Since the concluded value as though improved exceeds the value of the underlying land, it follows that removal of the improvements for redevelopment or substantial conversion to an alternative use is not indicated.

The existing community improvements are legally permissible, physically possible, and financially feasible. The concluded value as though improved exceeds the value of the underlying land and removal of the improvements for redevelopment or substantial conversion to an alternative use is not indicated based on current neighborhood trends. Given no alternatives, the highest and best use of the subject as improved is the existing manufactured housing community property use. Market and economic conditions are supportive of this continued use. Given the size of the subject, the most likely buyer would be a local or regional investor.

Appraisal Methodology

COST APPROACH

The cost approach is based on the proposition that the informed purchaser would pay no more for the subject than the cost to produce a substitute property with equivalent utility. This approach is particularly applicable when the property being appraised involves relatively new improvements that represent the highest and best use of the land, or when it is improved with relatively unique or specialized improvements for which there exist few sales or leases of comparable properties.

SALES COMPARISON APPROACH

The sales comparison approach utilizes sales of comparable properties, adjusted for differences, to indicate a value for the subject. Valuation is typically accomplished using physical units of comparison such as price per square foot, price per unit, price per floor, etc., or economic units of comparison such as gross rent multiplier. Adjustments are applied to the property units of comparison derived from the comparable sale. The unit of comparison chosen for the subject is then used to yield a total value.

INCOME CAPITALIZATION APPROACH

The income capitalization approach reflects the subject's income-producing capabilities. This approach is based on the assumption that value is created by the expectation of benefits to be derived in the future. Specifically estimated is the amount an investor would be willing to pay to receive an income stream plus reversion value from a property over a period of time. The two common valuation techniques associated with the income capitalization approach are direct capitalization and the discounted cash flow (DCF) analysis.

Application of Approaches to Value

Approach	Comments
Cost Approach	The Cost Approach is not applicable and is not utilized in this appraisal.
Sales Comparison Approach	The Sales Comparison Approach is applicable and is utilized in this appraisal.
Income Capitalization Approach	The Income Capitalization Approach is applicable and is utilized in this appraisal.

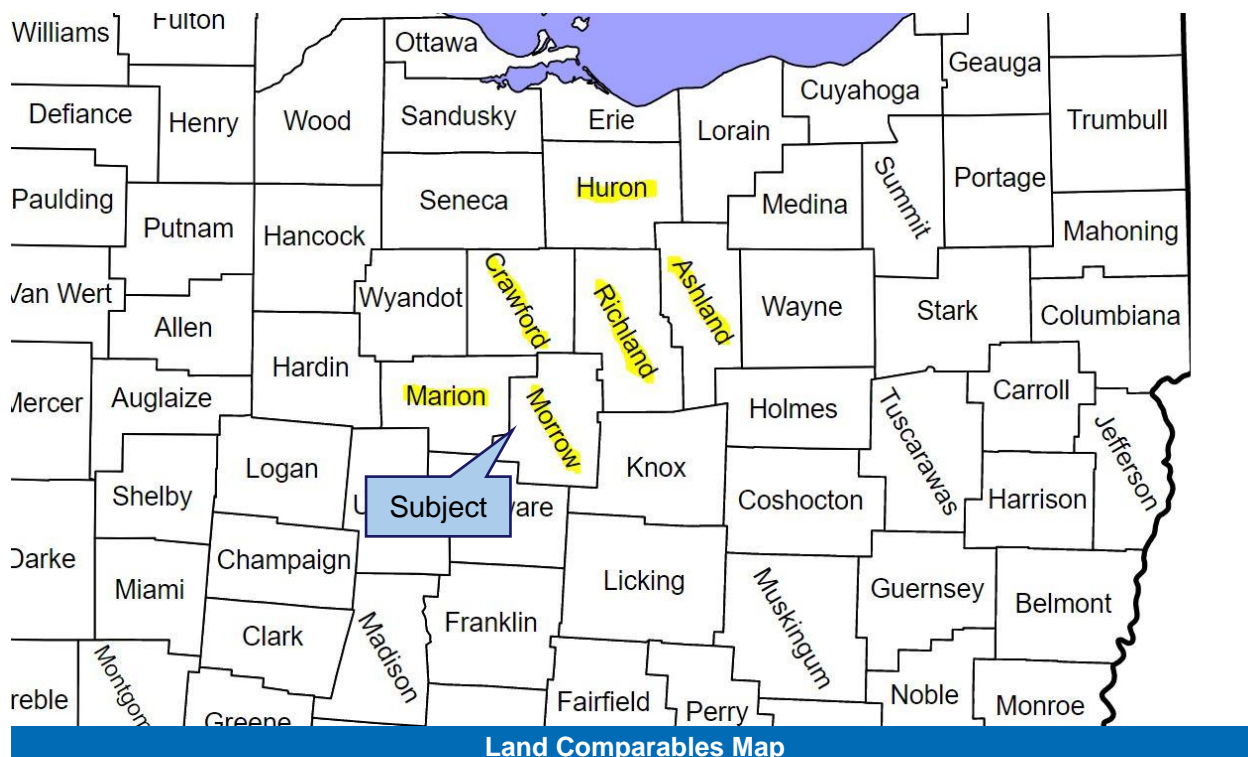
Compiled by Newmark

The cost approach was not used because the age and condition of the improvements makes depreciation highly speculative. More significantly, however, market participants considering properties like the subject do not give consideration to the cost approach. The exclusion of this approach is not considered to impact the reliability of the appraisal. Although we did not include a Cost Approach, we included an insurable valuation calculation for vertical improvements on the site as requested by the client.

Land Valuation

Land value can be developed from a number of different methodologies. In this case, we have employed the sales comparison as sufficient comparable data exists from which to derive a reliable indication of value. Sales comparison analysis considered the following parameters:

- The geography for the analysis includes the counties highlighted in yellow below. Other search criteria included a 24 month time period and sizes from five to 60 acres.
- Newmark researched for transactions of land zoned for MHP/MHC development. As most MHP/MHC developments and/or expansions in the State and region have resulted from litigation and a consent judgement award, land sales specifically zoned for the subject use were not discovered.
- A search for land sales zoned for multifamily was also conducted. No transactions were discovered.
- As a result of the tertiary/rural defined geography, most of the transactions were agricultural. The available data is presented as follows.



Summary of Land Sales								
Property Address	Property City	Property County	Property State	Property Zip Code	Sale Date	Land Area AC	Sale Price	\$ Per AC
2049-1969 OH-19	Bucyrus	Crawford	OH	44854	August 5, 2022	7.0	\$224,200	\$31,983
7894 Millsboro Rd	Galion	Crawford	OH	44854	April 29, 2022	6.8	\$350,000	\$51,622
6054 Connelly Rd	New Washington	Crawford	OH	44854	April 6, 2022	30.0	\$330,000	\$11,004
6286 State Route 103	New Washington	Crawford	OH	44854	March 23, 2022	30.0	\$1,101,250	\$36,721
5321 Columbus Sandusky Rd S	Marion	Marion	OH	43302-9119	March 16, 2022	14.7	\$611,000	\$41,480
5857 State Route 19	Galion	Crawford	OH	44833-8929	January 24, 2022	23.7	\$485,000	\$20,490
5000 Medusa Rd	Norwalk	Huron	OH	44857-9722	December 29, 2021	16.7	\$1,171,000	\$69,931
1212 State Route 61	Galion	Crawford	OH	44833-9716	December 10, 2021	20.0	\$520,600	\$26,030
Innovation Dr	Marion	Marion	OH	43302	September 10, 2021	17.0	\$250,000	\$14,706
7860 Sawyer Rd	Shelby	Crawford	OH	44875-9611	August 24, 2021	31.0	\$633,900	\$20,448
3998 Lucas Rd	Marion	Marion	OH	43302-8568	June 11, 2021	42.1	\$320,000	\$7,608
7070 Marion Melmore Rd	Sycamore	Crawford	OH	44882-9664	June 2, 2021	16.7	\$177,500	\$10,601
5001 Nineveh Rd	Greenwich	Huron	OH	44837	May 27, 2021	10.9	\$508,100	\$46,444
Township Rd 1601	Greenwich	Huron	OH	44837	May 18, 2021	50.0	\$2,005,000	\$40,100
1500 Plymouth East Rd E	Greenwich	Huron	OH	44837	May 7, 2021	53.8	\$349,800	\$6,507
3075-3171 Township Hwy 75	Willard	Huron	OH	44890-4489	April 29, 2021	38.5	\$800,000	\$20,779
3530 Marion-Bucyrus Rd	Marion	Marion	OH	43302-4330	April 27, 2021	8.0	\$230,000	\$28,703
9 S Caledonia-Ashley Rd	Cardington	Marion	OH	43315-4331	April 23, 2021	10.0	\$245,700	\$24,570
2788 Temple Rd	Bucyrus	Crawford	OH	44820-4482	April 23, 2021	35.0	\$862,500	\$24,643
9599-8585 Co Hwy 26	Morral	Marion	OH	43332-4333	April 22, 2021	5.0	\$168,600	\$33,720
3407 Everingin Rd	Monroeville	Huron	OH	44847-4484	April 12, 2021	10.6	\$237,000	\$22,405
6296-6100 Township Hwy 41	New Washington	Crawford	OH	44818-4485	April 9, 2021	59.6	\$980,000	\$16,443
1068 Marion-Cardington Rd E	Marion	Marion	OH	43302-4330	March 31, 2021	24.6	\$240,000	\$9,739
1250-1698 Co Hwy 31	Marion	Marion	OH	43341-4330	March 25, 2021	52.5	\$3,869,422	\$73,703
816 OH-99	Willard	Huron	OH	44847-4489	March 25, 2021	10.3	\$220,000	\$21,297
Unnamed Road	Willard	Huron	OH	44890-4489	February 27, 2021	44.0	\$693,500	\$15,779
1766-1614 Township Hwy 21	Bucyrus	Crawford	OH	44820-4482	February 24, 2021	10.0	\$120,000	\$12,000
3171 Greenwich Angling Rd	Greenwich	Huron	OH	44837-4483	February 4, 2021	30.4	\$410,600	\$13,503
1365 Co Rd 1153	Ashland	Ashland	OH	44805	January 29, 2021	58.3	\$390,600	\$6,701
450 Heyman Rd	Bellevue	Huron	OH	44811-4481	January 20, 2021	43.9	\$264,500	\$6,026
2841 Albaugh Rd	Bloomville	Crawford	OH	44818-4481	January 15, 2021	10.0	\$525,000	\$52,500
885 Nazor Rd	Galion	Crawford	OH	44833-4483	January 13, 2021	20.3	\$591,700	\$29,135
261 Plymouth East Rd	Willard	Huron	OH	44865-4489	January 4, 2021	20.6	\$700,000	\$33,915
2423 Maple Ridge Rd	Willard	Huron	OH	44890-4489	December 22, 2020	16.4	\$267,500	\$16,281
3005 Marion-Mt Gilead Rd	Marion	Marion	OH	43302-4330	December 15, 2020	22.2	\$260,000	\$11,729
1693 Olentangy Rd	Bucyrus	Crawford	OH	44820-4482	December 15, 2020	29.1	\$412,500	\$14,188
1505 Thomas Rd	Willard	Huron	OH	44890-4489	December 15, 2020	25.0	\$535,500	\$21,420
2561 Township Hwy 107	Greenwich	Huron	OH	44837-4483	December 15, 2020	10.1	\$685,100	\$67,564
4517 Cook Rd	Wakeman	Huron	OH	44851-4488	December 9, 2020	19.8	\$276,200	\$13,975
9972 Harding Hwy E	Caledonia	Marion	OH	43314-4331	December 3, 2020	26.3	\$339,750	\$12,898
915 Chaumont Dr	Marion	Marion	OH	43302-4330	November 30, 2020	6.3	\$400,000	\$63,092
7481 Guthery Rd	La Rue	Marion	OH	43332-4333	November 24, 2020	30.0	\$560,000	\$18,667
2392 Mautz-Yeager Rd	Marion	Marion	OH	43302-4330	November 23, 2020	22.8	\$235,300	\$10,322
2615 OH-103	Willard	Huron	OH	44865-4489	November 6, 2020	38.0	\$550,000	\$14,486
Cline St	Norwalk	Huron	OH	44857	November 4, 2020	29.0	\$850,000	\$29,310
2881 Co Hwy 163	Marion	Marion	OH	43302-4330	November 3, 2020	20.0	\$223,200	\$11,160
4374 New State Rd S	Willard	Huron	OH	44865-4489	October 31, 2020	56.5	\$426,000	\$7,540
6976 OH-4	Prospect	Marion	OH	43344-4334	October 30, 2020	9.8	\$373,000	\$38,233
3533 Fitchville River Rd	Wakeman	Huron	OH	44889-4488	October 23, 2020	44.2	\$675,000	\$15,269
						25.9	\$564,398	\$21,800
							Low	\$6,026
							Average	\$25,457
							High	\$73,703

Compiled by Newmark & Costar

ANALYSIS OF COMPARABLES

- The sales range in size from five to just under 60 acres and average 25.9 acres.
- Sales prices range about \$6,000 per acre to almost \$74,000 per acre with an average of \$25,457 per acre. Price are toward the upper portion of the range in more densely-populated areas and toward the bottom in outlying areas.

LAND VALUE CONCLUSION

- The subject is 23.857 acres on the outskirts of a small market without access to municipal (water/sewer) utilities.
- Given the subject’s size, location and utility availability, a conclusion per acre toward the bottom of the range is concluded is concluded.

Land Value Conclusion		
Gross Acres		23.86
Comparable Sales Indications	Range	Average
Reconciled Value per Gross Land Acre		\$7,500
Total Indicated Value		\$178,928
	Rounded	\$180,000

Compiled by Newmark

Insurable Value

Insurable value is based on the replacement and/or reproduction cost of physical items that are subject to loss from hazards. The Dictionary of Real Estate Appraisal, 6th Edition defines insurable value as:

- A type of value for insurance purposes. See also Insurable Replacement Cost [Replacement cost for Insurance Purposes].
- 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 new property (i.e., depreciation is not deducted).

Provision of an Insurable Value by the Appraiser does not change the intended use or user of this Report. No liability is assumed for the Insurable Value estimate provided and it does not guarantee that any estimate or opinion will result in the Property being fully insured for any possible loss that may be sustained. It is recommended that an insurance professional be consulted. The Insurable Value estimate may not be a reliable indication of the replacement or reproduction cost for any date other than the effective date of this Report due to changing costs of labor and materials and due to the changing building codes and governmental regulations and requirements.

We have calculated insurable value to be replacement cost new of the building improvements plus indirect costs in accordance with client requirements. No insurance exclusions are applied. Our estimate of insurable value does not include land value, entrepreneurial profit, depreciation, site improvements, and/or the costs to demolish damaged structures.

We further note that we were not provided with, nor have we reviewed a policy associated with the subject improvements. Given the variance in insurable value calculation methodologies, reliance in our estimate should only be made when the estimates made herein are consistent with the in-place policy.

Insurable Replacement Cost and Insurable Value		
Improvements (Structures)	Supporting Improvements	
MVS Improvement Type	- Storage / Garage	
Construction Class	Class D	
Quality	Average	
Unit Cost	\$45	
x Structure Size (SF GBA)	360	
Replacement Cost New	\$16,028	
Indirect Cost	\$1,603	
Plus:		
Desbris Removal	\$5.00 SF	\$1,800
Insurable Replacement Cost		\$19,431
Rounded:		\$20,000
Less: Insurance Exclusions		
Indirect Cost		\$1,603
Insurable Value		\$17,828
Rounded:		\$20,000

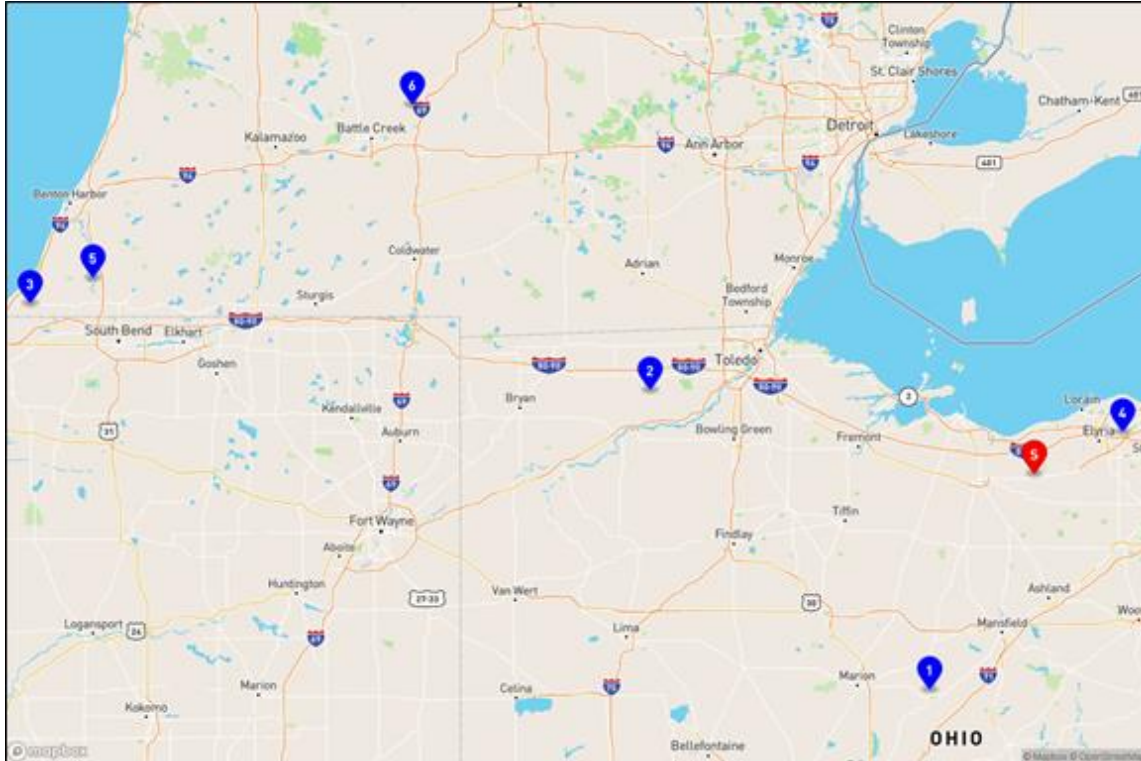
Total Insurable Replacement Cost and Insurable Value		
	\$/SF	
Insurable Replacement Cost		\$55.56
Insurable Value		\$55.56

Compiled by Newmark








The table above includes the vertical (building) improvements. The remaining improvements are horizontal surface improvements (roads), or underground (utility lines) and would not suffer wind or fire damage.

Sales Comparison Approach

The sales comparison approach value is derived by analyzing closed sales, listings, or pending sales of properties that are similar to the subject. The unit of comparison applied in this sales comparison analysis is price per pad as it mirrors the primary comparison method used by market participants.



Comparable Map

Comparable Sales Summary							
	Subject	Sale 1	Sale 2	Sale 3	Sale 4	Sale 5	Sale 6
							
Property Name	Firelands Manor Mobile	Northgate MHP	Camelot South MHP	Three Oaks	Ridgewood Estates MHC	Hills Haven	Bellevue MHC
Address	5810 Highway 20	720 North Main Street	3402 OH-109	6992 US-12	35157 Center Ridge Road	4205 Hills Haven Road	23951 15 Mile Road
City, State	Wakeman, OH	Mount Gilead, OH	Delta, OH	Three Oaks, MI	North Ridgeville, OH	Buchanan, MI	Bellevue, MI
Land Size	23.86 Acres	28.93 Acres	19.72 Acres	17.92 Acres	10.60 Acres	11.19 Acres	22.53 Acres
Number of MHP Pads	158	71	50	74	76	94	76
Year Built (Renovated)	1975	1965	1970	1986	1950	1969	N/A
Occupancy/Owner Occ.	78%	96%	80%	85%	96%	95%	93%
Condition	Average	Average	Average	Average	Average	Average	Average
Buyer	BoaVida Group LP	AM Happy Homes LLC	Multiple Park Holdings,	HOMES OF AMERICA	Jones Estates Ridgewood	RHP Properties, Inc.	Multiple Park Holdings,
Seller	Firelands Manor Limited Partnership	Northgate MHP LLC	PMN Camelot South MHC LLC	Three Oaks Estates, LLC	Ridgewood Estates LLC	Michigan Bay Limited Partnership	SSA Bellevue MHP LLC
Interest Conveyed	Leased Fee	Leased Fee	Leased Fee	Leased Fee	Leased Fee	Leased Fee	Leased Fee
Transaction Status	Contract	Recorded	Closed	Closed	Recorded	Closed	Closed
Transaction Date	Jul-22	Jun-21	Jul-21	Mar-21	Nov-20	May-21	Nov-21
Price	\$8,243,334	\$2,800,000	\$1,535,000	\$2,800,000	\$2,700,000	\$2,990,000	\$2,345,000
Sale Adjustments	(\$1,200,000)	\$0	\$0	\$0	\$0	\$0	\$0
Stabilized Price	\$7,043,334	\$2,800,000	\$1,535,000	\$2,800,000	\$2,700,000	\$2,990,000	\$2,345,000
Operating Status at Sale	Sub-stabilized Operations	Stabilized Operations	Sub-stabilized Operations	Sub-stabilized Operations	Stabilized Operations	Stabilized Operations	Stabilized Operations
Price per Pad	\$44,578	\$39,437	\$30,700	\$37,838	\$35,526	\$31,809	\$30,855
NOI/Pad	\$2,691	\$3,056	\$1,750	\$2,478	\$2,224	\$1,907	\$2,202
Cap Rate	6.04%	7.75%	5.70%	6.55%	6.26%	6.00%	7.14%

Compiled by Newmark

ANALYSIS OF IMPROVED COMPARABLE DATA

The sales utilized in this case do not include any park owned homes. Therefore, the indicated value by this approach does not include the contribution of park owned homes, nor do our comparables include park owned home value.

Comparable One

Sale Comparable One represents the June 2021 sale of a 71 unit mobile home park property located at 720 North Main Street, Mount Gilead, Ohio. This property transferred on June 29, 2021. The buyer and seller were represented by the same broker. The broker confirmed the sale price and capitalization rate for the asset. They were \$2,800,000 and 7.75%. The recorded price was \$2,760,000. The recorded sale price may account for some personal property. The vacancy at the time of purchase was reported to be 3.6%. The property was on the open market for about 428-days or about 14-months. The listing price was much higher than the sale price. The original listing price was \$5,700,000. This can explain the longer marketing time for the asset.

Comparable Two

[Sentence1Sale2] The property sold along with 5-other properties for a combined portfolio price of \$9,000,000. The entire portfolio contains about 342-units which makes for an average purchase price of \$26,316 per unit. When the property contact was asked to provide allocated purchase prices for the assets in the portfolio, they stated that an allocation methodology was not utilized in the development of the purchase price. They did provide an estimated allocation for purchase price of this asset at \$1,535,000. With this allocated sale price the indicated capitalization rate based on the t-12 is 5.70%. The sale was not recorded but a mortgage statement was filed and thus used to determine whether the sale closed.

Comparable Three

Sale Comparable Three represents the March 2021 sale of a 74 unit mobile home park property located at 6992 US-12, Three Oaks, Michigan. The comparable is a 74-pad manufactured housing community located along the south side of US-12 at the western end of the Three Rivers village limit. The park is located on a site totaling 17.920 acres, or 780,595 square feet, and was built in 1986. The park is in average condition based on our observation and was sold for \$2,800,000, or \$37,838 Per Pad and was 85% occupied at the time of sale. The buyer was Homes Of America and the seller was Three Oaks Estates, LLC at the time of sale. The overall capitalization rate equates to 6.55% based on income in-place.

Comparable Four

Sale Comparable Four represents the November 2020 sale of a 76 unit mobile home park property located at 35157 Center Ridge Road, North Ridgeville, Ohio. The broker on this transaction confirms this property sold for a reported \$2,700,000 in November of 2020. A capitalization rate of 6.26% was reported, though no details on what was included in this capitalization rate was made clear. As such, there may have been downward pressure on the capitalization rate if risk for reassessment and other factors are exempt.

Comparable Five

Sale Comparable Five represents the May 2021 sale of a 94 unit mobile home park property located at 4205 Hills Haven Road, Buchanan, Michigan. Hills Haven is a 94 pad manufactured housing community located along the east side of Red Bull Trail North. The park is located on a site totaling 11.190 acres, or 487,436 square feet, and was built in 1969. The park is in average condition and is 95% occupied. Amenities include a playground. The property is sold as part of a 28-property Manufactured Home Community portfolio. The purchase price allocated for the property is \$2,990,000 or \$31,809 Per Pad. The buyer is RHP Properties, Inc. and the seller is Michigan Bay Limited Partnership.

Comparable Six

Sale Comparable Six represents the November 2021 sale of a 76 unit mobile home park property located at 23951 15 Mile Road, Bellevue, Michigan.

This property is sold along with 5-other properties for a combined portfolio price of \$9,000,000. The entire portfolio contains about 342-units which makes for an average purchase price of \$26,316 per unit. The estimated purchase price allocation for this asset was \$2,345,000; however, the 5 properties were viewed in the aggregate and this allocation is a general estimate by the buyer. The capitalization rate was developed using forward-looking, in-place financials.

Adjustments to Comparables

Market Conditions

Evidences by increasing rental rates and decreasing capitalization rates, market conditions have been improving. An adjustment of 3.75% (support discussed in more detail in the income approach) is applied to the as stabilized date of value.

Location

Comparables One, Two and Six are in more tertiary Ohio and Michigan locations, and modest upward adjustments are applied.

Property Size

All of the properties are smaller communities and no adjustments are applied. Comparable Three is newer and is adjusted downward.

Age / Condition

Most of the sales are older properties and modest upward adjustments are applied. Comparable Three is newer and is adjusted downward.

Adjustment Grid

Based on our comparative analysis, the following table summarizes the adjustments warranted to each comparable.

Comparable Sales Adjustment Grid							
Subject	Sale 1	Sale 2	Sale 3	Sale 4	Sale 5	Sale 6	
Property Name	Firelands Manor Mobile	Northgate MHP	Camelot South MHP	Three Oaks	Ridgewood Estates MHC	Hillis Haven	Belleve MHC
Address	5810 Highway 20	720 North Main Street	3402 OH-109	6992 US-12	35157 Center Ridge Road	4205 Hills Haven Road	23951 15 Mile Road
City	Wakeman, OH	Mount Gilead, OH	Delta, OH	Three Oaks, MI	North Ridgeville, OH	Buchanan, MI	Bellevue, MI
Land Size	23.86 Acres	28.93 Acres	19.72 Acres	17.92 Acres	10.60 Acres	11.19 Acres	22.53 Acres
Number of MHP Pads	158	71	50	74	76	94	76
Year Built (Renovated)	1975	1965	1970	1986	1950	1969	N/A
NOI/Pad	\$2,691	\$3,056	\$1,750	\$2,478	\$2,224	\$1,907	\$2,202
Transaction Type	Contract	Recorded	Closed	Closed	Recorded	Closed	Closed
Transaction Date	Jul-22	Jun-21	Jul-21	Mar-21	Nov-20	May-21	Nov-21
Actual Sale Price	\$8,243,334	\$2,800,000	\$1,535,000	\$2,800,000	\$2,700,000	\$2,990,000	\$2,345,000
Adjusted Sale Price	\$7,043,334	\$2,800,000	\$1,535,000	\$2,800,000	\$2,700,000	\$2,990,000	\$2,345,000
Price per Pad	\$44,578	\$39,437	\$30,700	\$37,838	\$35,526	\$31,809	\$30,855
Occupancy	78%	96%	80%	85%	96%	95%	93%
Cap Rate	6.04%	7.75%	5.70%	6.55%	6.26%	6.00%	7.14%
Transaction Adjustments							
Property Rights		0%	0%	0%	0%	0%	0%
Financing		0%	0%	0%	0%	0%	0%
Conditions of Sale		0%	0%	0%	0%	0%	0%
Market Conditions (Time)	7%	12%	12%	13%	14%	12%	10%
Subtotal (adjustments are multiple)	7.0%	12.0%	12.0%	13.0%	14.0%	12.0%	10.0%
Transaction Adjusted Price per Pad	\$47,699	\$44,169	\$34,384	\$42,757	\$40,500	\$35,626	\$33,941
Property Adjustments							
Location		10%	10%	0%	0%	0%	10%
Size		0%	0%	0%	0%	0%	0%
Age/Condition		5%	5%	-5%	5%	5%	5%
Parking		0%	0%	0%	0%	0%	0%
Features/Amenities		0%	0%	0%	0%	0%	0%
Quality		0%	0%	0%	0%	0%	0%
Economic Characteristics		0%	5%	0%	0%	0%	0%
Other		0%	0%	0%	0%	0%	0%
Subtotal (adjustments are summed)		15%	20%	-5%	5%	5%	15%
Gross Adjustment		27%	32%	18%	19%	17%	25%
Overall Adjustment		28.8%	34.4%	7.35%	19.7%	17.6%	26.5%
Indicated Price per Pad	\$47,699	\$50,794	\$41,261	\$40,619	\$42,525	\$37,407	\$39,032

Compiled by Newmark

PRICE PER UNIT CONCLUSION

- Market participants have indicated value trends have been on a positive trend.
- Prior to adjustments, the sales reflect a range of \$30,700 to \$39,437 per pad.
- After adjustment, the range is narrowed to \$37,407 to \$50,794 per pad, with an average of \$41,940 per pad.
- After adjustments for POHs and market conditions, the subject is pending for \$47,699 per pad. This is an arm's length sale and considered an indication of value.

The following represents the as stabilized value conclusion per unit.

Multifamily Sales Adjustment Summary			
Price per Pad	Low	High	Average
Unadjusted Range	\$30,700	\$39,437	\$34,361
Adjusted Range	\$37,407	\$50,794	\$41,940
Concluded Price per Pad Indication			\$47,000

Compiled by Newmark

Sale Approach Conclusion

Based on the preceding analysis, the value indication by the sales comparison approach is as follows:

Sales Comparison Approach Conclusion		
Reconciliation of Price per Pad Indication		Value Indication
Adjusted Value Range - Low		\$37,407
Adjusted Value Range - High		\$50,794
Reconciled As Stabilized Value - Price per Pad	Effective Date: June 20, 2024	\$47,000
Subject MHP Pads		158
Reconciled As Stabilized Value - Price per Pad Analysis		\$7,426,000
Reconciled As Stabilized Value - Sales Comparison Approach	Effective Date: June 20, 2024	\$7,426,000
Rounded		\$7,430,000
As Is		Value Indication
As Stabilized Value as of Current Date	Effective Date: June 20, 2024	\$7,426,000
Stabilization Discount		(\$117,000)
Stabilization Capital Costs (moving homes, pad prep, etc.)	\$5,000 Pad x 20.78 Pads	(\$103,900)
Profit (percent of Stabilized Value)	5.00%	(\$386,500)
As Is Value	Effective Date: June 20, 2022	\$6,818,600
Rounded		\$6,820,000

Compiled by Newmark

Adjustments to the as stabilized value for the as is indication are discussed in detail in the income approach.

Income Capitalization Approach

The income capitalization approach reflects the subject's income-producing capabilities. This approach is based on the assumption that value is created by the expectation of benefits to be derived in the future. Specifically estimated is the amount an investor would be willing to pay to receive an income stream plus reversion value from a property over a period of time. The two common valuation techniques associated with the income capitalization approach are direct capitalization and the discounted cash flow (DCF) analysis.

The direct capitalization method is normally more appropriate for properties with relatively stable operating histories and expectations. The DCF analysis is more appropriate for investment properties with multiple or long-term leases, particularly leases with cancellation clauses or renewal options, and especially in volatile markets. In this analysis, we utilized only direct capitalization because investors and market participants typically rely more on this method.

PARK OWNED HOMES

The community is analyzed excluding the park owned homes and the separate analysis is used to value the homes.

RENT ROLL / TENANT OVERVIEW

A summary rent roll for the property is shown below, based on our review of the owner's rent roll. Market rent will be developed below. Note that the subject includes 158 pads, which includes park-owned homes.

Unit Mix					
No. Pads	Pad Description	Occupied		Avg. Contract	
		Pads	Pad Occupancy	Rent	Market Rent
158	Pad Sites	123	77.8%	\$355	\$355
158	MH Pad Total	123	77.8%	\$355	\$355
158	Totals	123			
	Averages		77.8%	\$355	\$355

Compiled by Newmark

- As of the rent roll dated March 25, 2022, the subject is 78% occupied.

MARKET RENT ANALYSIS

In estimating market rent for the subject property, we surveyed and analyzed the following rental comparables.



Comparable Map

No.	Name	Address
Subject	Firelands Manor Mobile Home park	5810 Highway 20, Wakeman, OH 44889
1	Fountains Mobile Home Park	100 Morningside Drive, Port Clinton, OH
2	Brookdale Mobile Home Park	1166 Lafayette Road, Medina, OH
3	Colonial Oaks	10425 Middle Ave., Elyria, OH
4	Amherst Trail	46270 Telegraph Rd, Amherst, OH
5	Pikewood Manor	1800 Lorain Boulevard, Elyria, OH

Compiled by Newmark



Comparable One



Comparable Two



Comparable Three



Comparable Four



Comparable Five

Analysis of Comparable Properties

Comparable Rentals Summary						
Pad Sites	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Property Name	Firelands Manor Mobile Home park	Fountains Mobile Home Park	Brookdale Mobile Home Park	Colonial Oaks	Amherst Trail	Pikewood Manor
Address	5810 Highway 20	100 Morningside Drive	1166 Lafayette Road	10425 Middle Ave.	46270 Telegraph Rd	1800 Lorain Boulevard
City, State	Wakeman, OH	Port Clinton, OH	Medina, OH	Elyria, OH	Amherst, OH	Elyria, OH
Submarket	Cleveland	Valuation Apartment / Multi Housing	Valuation Apartment / Multi Housing	Valuation Apartment / Multi Housing	Valuation Apartment / Multi Housing	Cleveland
Definition of Units	MHP Pads	MHP Pads	MHP Pads	MHP Pads	MHP Pads	MHP Pads
Number of Pads	158	147	224	504	170	450
Year Built (Renovated)	1975	1977	1977	1971	1960	1960
Condition	Average	Average	Average	Average	Average	Average
Investment Grade	Class C	Class C	Class C	Class C	Class C	Class C
Rental Survey Information						
Survey Date		Jun-22	Jun-22	Jun-22	Jun-22	Jun-22
Occupancy at Survey	78%	99%	97%	88%	84%	90%
Pad Sites Unit Comparison						
No. Pads	158	147	224	504	170	450
Pad Occupancy	78%	99%	98%	91%	84%	93%
Pad Asking Rent	\$355	\$375	\$340	\$426	\$370	\$455

Compiled by Newmark

The rent comparables represent the subject’s competitive set, meaning a tenant considering the subject would consider the competitive set as well. Consideration is given to all of the rent comparables, as well as the subject’s leasing history and full occupancy.

Adjustments

Utility structures are consistent among the comparables. The subject is in a more tertiary area of the MSA relative to the comparables, and downward location adjustments are applied. Minimal amenities are provided at any of the properties. Modest age/condition adjustments are applied.

Refer to the following adjustment grid.

Comparable Rentals Adjustment Grid						
Pad Sites	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Property Name	Firelands Manor Mobile	Fountains Mobile Home Park	Brookdale Mobile Home Park	Colonial Oaks	Amherst Trail	Pikewood Manor
Address	5810 Highway 20	100 Morningside Drive	1166 Lafayette Road	10425 Middle Ave.	46270 Telegraph Rd	1800 Lorain Boulevard
Pad Occupancy	78%	99%	98%	91%	84%	93%
Pad Rent	\$355	\$375	\$340	\$426	\$370	\$455
Financial Adjustments						
Expense Structure (\$ Adjustment)		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Expense Structure		0%	0%	0%	0%	0%
Conditions of Lease		0%	0%	0%	0%	0%
Market Conditions (Time)		0%	0%	0%	0%	0%
Subtotal		0%	0%	0%	0%	0%
Physical Adjustments						
Location/Access/Exposure		0%	-10%	-10%	-10%	-10%
Size		0%	0%	0%	0%	0%
Age/Condition		0%	0%	0%	5%	5%
Parking		0%	0%	0%	0%	0%
Features/Amenities		0%	0%	0%	0%	0%
Quality		0%	0%	0%	0%	0%
Economic Characteristics		0%	0%	0%	0%	0%
Other		0%	0%	0%	0%	0%
Subtotal		0%	-10%	-10%	-5%	-5%
Overall Adjustment		0%	-10%	-10%	-5%	-5%
Adjusted Rent Per Pad		\$375	\$306	\$383	\$352	\$432
Range of Adjusted Rents	\$306 - \$432					
Average	\$370					
Subject Scheduled Average	\$355					
Concluded Rent Per Pad	\$370					

Compiled by Newmark

Rent Conclusion

As adjusted, the comparables range from \$306 - \$432 with a concentration in the upper \$300s and an average of \$370 per pad. Excluding the high and low comparables, a \$370 per pad average is again indicated. Current subject rents average \$355 per pad. Subject rents were unchanged for 2019 and 2020, and a modest \$12 per month increase was applied in early 2021. Market rent of \$370 (\$15 increase) per pad and concluded and applied in the base year of the analysis.

GROSS INCOME ESTIMATE

Potential Gross Rent

Potential Gross Rent				
Unit Description	No. Pads	Market Rent	Monthly Potential	Annual Potential
Pad Sites	158	\$370	\$58,460	\$701,520

Compiled by Newmark

For the direct capitalization analysis, potential gross rent is based on market rent. Total market rent is \$673,080.

Rental Income		
Subject Historical and Projections	\$/Pad	Total
12 Months Ending Dec-2019	\$4,283	\$676,724
12 Months Ending Dec-2020	\$4,263	\$673,567
12 Months Ending Dec-2021	\$4,403	\$695,631
Jul-2024 Budget	\$4,884	\$771,672
Newmark Projection	\$4,440	\$701,520

Compiled by Newmark

Loss to Lease

- Rent increases typically take effect simultaneously and no lease loss is appropriate.

Concessions

- Concessions in the submarket are not common and not a component of the stabilized pro forma.

Potential Rental Income

Potential Rental Income		
Subject Historical and Projections	\$/Pad	Total
12 Months Ending Dec-2019	\$4,283	\$676,724
12 Months Ending Dec-2020	\$4,263	\$673,567
12 Months Ending Dec-2021	\$4,403	\$695,631
Jul-2024 Budget	\$4,884	\$771,672
Newmark Projection	\$4,440	\$701,520

Compiled by Newmark

Operating History

We were provided three full years of historical operating data and a stabilized budget. As appropriate, the owner’s operating expenses are reclassified into standard categories and exclude items that do not reflect normal operating expenses for this type of property.

Operating History and Projections										
Period Length	12 Mos. December 31, 2019		12 Mos. December 31, 2020		12 Mos. December 31, 2021		Budget July 31, 2024	Newmark Projection		
Occupancy	75.3%		74.8%		75.1%		95.0%	91.0%		
Manufactured Housing Income	Total \$	\$/Pad	Total \$	\$/Pad	Total \$	\$/Pad	Total \$	\$/Pad	Total \$	\$/Pad
Rental Income	\$676,724	\$4,283	\$673,567	\$4,263	\$695,631	\$4,403	\$771,672	\$4,884	\$701,520	\$4,440
Loss to Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Concessions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Potential Rental Income	\$676,724	\$4,283	\$673,567	\$4,263	\$695,631	\$4,403	\$771,672	\$4,884	\$701,520	\$4,440
Vacancy	(\$166,872)	(\$1,056)	(\$169,976)	(\$1,076)	(\$173,179)	(\$1,096)	(\$38,584)	(\$244)	(\$63,137)	(\$400)
Collection Loss	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$7,015)	(\$44)
Effective Rental Income	\$509,852	\$3,227	\$503,591	\$3,187	\$522,452	\$3,307	\$733,088	\$4,640	\$631,368	\$3,996
Net Expense Reimbursements	\$149,882	\$949	\$140,941	\$892	\$137,659	\$871	\$154,421	\$977	\$142,200	\$900
Net Parking Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Other Income	\$48,181	\$305	\$28,496	\$180	\$25,101	\$159	\$36,422	\$231	\$31,600	\$200
Effective Gross Income	\$707,915	\$4,480	\$673,028	\$4,260	\$685,211	\$4,337	\$923,931	\$5,848	\$805,168	\$5,096
Operating Expenses	Total \$	\$/Pad	Total \$	\$/Pad	Total \$	\$/Pad	Total \$	\$/Pad	Total \$	\$/Pad
Real Estate Taxes	\$15,419	\$98	\$15,419	\$98	\$15,419	\$98	\$17,354	\$110	\$83,089	\$526
Insurance	\$16,783	\$106	\$14,264	\$90	\$12,870	\$81	\$14,767	\$93	\$13,430	\$85
Utilities	\$143,168	\$906	\$118,485	\$750	\$136,955	\$867	\$175,852	\$1,113	\$142,200	\$900
Repairs and Maintenance	\$56,297	\$356	\$35,203	\$223	\$36,115	\$229	\$49,828	\$315	\$39,500	\$250
Payroll and Benefits	\$33,460	\$212	\$33,460	\$212	\$33,460	\$212	\$36,693	\$232	\$36,340	\$230
General and Administrative	\$35,870	\$227	\$23,551	\$149	\$31,680	\$201	\$16,005	\$101	\$25,280	\$160
Management	\$26,832	\$170	\$27,753	\$176	\$27,467	\$174	\$36,957	\$234	\$32,207	\$204
Replacement Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$7,900	\$50	\$7,900	\$50
Total Operating Expenses	\$327,828	\$2,075	\$268,134	\$1,697	\$293,966	\$1,861	\$355,356	\$2,249	\$379,946	\$2,405
Operating Expense Ratio	46.3%		39.8%		42.9%		38.5%		47.2%	
Net Operating Income	\$380,087	\$2,406	\$404,894	\$2,563	\$391,245	\$2,476	\$568,575	\$3,599	\$425,222	\$2,691

Compiled by Newmark

Vacancy & Collection Loss Allowance

Vacancy Allowance

Vacancy			
Subject Historical and Projections	% of PGI	\$/Pad	Total
12 Months Ending Dec-2019	24.66%	\$1,056	\$166,872
12 Months Ending Dec-2020	25.24%	\$1,076	\$169,976
12 Months Ending Dec-2021	24.90%	\$1,096	\$173,179
Jul-2024 Budget	5.00%	\$244	\$38,584
Newmark Projection	9.00%	\$400	\$63,137

Compiled by Newmark

The vacancy estimate for the subject was previously developed in the market analysis section of this report and as concluded to be 9.00%.

Collection Loss

Collection Loss			
Subject Historical and Projections	% of PGI	\$/Pad	Total
12 Months Ending Dec-2019	0.00%	\$0	\$0
12 Months Ending Dec-2020	0.00%	\$0	\$0
12 Months Ending Dec-2021	0.00%	\$0	\$0
Jul-2024 Budget	0.00%	\$0	\$0
Newmark Projection	1.00%	\$44	\$7,015

Compiled by Newmark

Historical losses have not been reported separately. A market-oriented collection loss allowance of 1.00% is included.

Combined Vacancy and Collection Loss Conclusion

Vacancy and Collection Loss - Units			
Subject Historical and Projections	% of PGI	\$/Pad	Total
12 Months Ending Dec-2019	24.66%	\$1,056	\$166,872
12 Months Ending Dec-2020	25.24%	\$1,076	\$169,976
12 Months Ending Dec-2021	24.90%	\$1,096	\$173,179
Jul-2024 Budget	5.00%	\$244	\$38,584
Newmark Projection	10.00%	\$444	\$70,152

Compiled by Newmark

Based on this analysis, the total stabilized vacancy and collection loss allowance for the subject is 10.00%.

Expense Reimbursements

Net Expense Reimbursements		
Subject Historical and Projections	\$/Pad	Total
12 Months Ending Dec-2019	\$949	\$149,882
12 Months Ending Dec-2020	\$892	\$140,941
12 Months Ending Dec-2021	\$871	\$137,659
Jul-2024 Budget	\$977	\$154,421
Newmark Projection	\$900	\$142,200

Compiled by Newmark

- The conclusion is based on historical levels.

Total Other Income

Net Other Income		
Subject Historical and Projections	\$/Pad	Total
12 Months Ending Dec-2019	\$305	\$48,181
12 Months Ending Dec-2020	\$180	\$28,496
12 Months Ending Dec-2021	\$159	\$25,101
Jul-2024 Budget	\$231	\$36,422
Newmark Projection	\$200	\$31,600

Compiled by Newmark

- Our projection is based upon the subject's historically collected "Other Income".

OPERATING EXPENSE ANALYSIS

Expense data for the subject and comparable properties are summarized in the following table.

Expense Analysis Per Pad										
	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Subject Historical and Projections				
MHP Pads	90	138	108	94	128	158				
Operating Data Type	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Budget	Newmark
Year	2019	2020	2020	2020	2021	2019	2020	2021	2024	Projection
Effective Gross Manufactured Housing Income Per Pad	\$4,867	\$4,626	\$5,376	\$3,672	\$5,441	\$4,480	\$4,260	\$4,337	\$5,848	\$5,096
Operating Expenses Per Pad										
Real Estate Taxes	\$218	\$308	\$200	\$46	\$492	\$98	\$98	\$98	\$110	\$526
Insurance	\$58	\$97	\$56	\$57	\$43	\$106	\$90	\$81	\$93	\$85
Utilities	\$848	\$934	\$830	\$681	\$686	\$906	\$750	\$867	\$1,113	\$900
Repairs and Maintenance	\$303	\$272	\$152	\$303	\$190	\$356	\$223	\$229	\$315	\$250
Payroll and Benefits	\$206	\$392	\$568	\$581	\$509	\$212	\$212	\$212	\$232	\$230
General and Administrative Management	\$109	\$224	\$136	\$163	\$161	\$227	\$149	\$201	\$101	\$160
Replacement Reserves	\$213	\$204	\$215	\$147	\$339	\$170	\$176	\$174	\$234	\$204
									\$50	\$50
Total Operating Expenses Per Pad	\$1,955	\$2,431	\$2,157	\$1,978	\$2,420	\$2,075	\$1,697	\$1,861	\$2,249	\$2,405
Net Operating Income Per Pad	\$2,912	\$2,195	\$3,219	\$1,694	\$3,021	\$2,406	\$2,563	\$2,476	\$3,599	\$2,691
Management	4.38%	4.41%	4.00%	4.00%	6.23%	3.79%	4.12%	4.01%	4.00%	4.00%
Operating Expense Ratio (% of EGI)	40.17%	52.55%	40.12%	53.87%	44.48%	46.31%	39.84%	42.90%	38.46%	47.19%
Net Operating Income (% of EGI)						53.69%	60.16%	57.10%	61.54%	52.81%

Compiled by Newmark

Real Estate Taxes

Real Estate Taxes			
Source	% of EGI	\$/Pad	Total
Comparables Low		\$46	
Comparables High		\$492	
Comparables Average		\$253	
Subject Historical and Projections			
2019 (Actual Operations)	2.2%	\$98	\$15,419
2020 (Actual Operations)	2.3%	\$98	\$15,419
2021 (Actual Operations)	2.3%	\$98	\$15,419
2024 (Budget Operations)	1.9%	\$110	\$17,354
Newmark Projection	10.3%	\$526	\$83,089

Compiled by Newmark

Our projection is based on the property assessment and tax rate for the subject, as discussed previously in the Real Estate Tax Analysis.

Insurance

Insurance			
Source	% of EGI	\$/Pad	Total
Comparables Low		\$43	
Comparables High		\$97	
Comparables Average		\$62	
Subject Historical and Projections			
2019 (Actual Operations)	2.4%	\$106	\$16,783
2020 (Actual Operations)	2.1%	\$90	\$14,264
2021 (Actual Operations)	1.9%	\$81	\$12,870
2024 (Budget Operations)	1.6%	\$93	\$14,767
Newmark Projection	1.7%	\$85	\$13,430

Compiled by Newmark

Insurance expense includes property and casualty insurance for the subject. Historic levels are high and a modest adjustment is applied.

Utilities

Utilities			
Source	% of EGI	\$/Pad	Total
Comparables Low		\$681	
Comparables High		\$934	
Comparables Average		\$796	
Subject Historical and Projections			
2019 (Actual Operations)	20.2%	\$906	\$143,168
2020 (Actual Operations)	17.6%	\$750	\$118,485
2021 (Actual Operations)	20.0%	\$867	\$136,955
2024 (Budget Operations)	19.0%	\$1,113	\$175,852
Newmark Projection	17.7%	\$900	\$142,200

Compiled by Newmark

Utility expenses are property specific. In the case of the subject they are also very consistent. Subject levels are the basis for the conclusion.

Repairs and Maintenance

Repairs and Maintenance			
Source	% of EGI	\$/Pad	Total
Comparables Low		\$152	
Comparables High		\$303	
Comparables Average		\$244	
Subject Historical and Projections			
2019 (Actual Operations)	8.0%	\$356	\$56,297
2020 (Actual Operations)	5.2%	\$223	\$35,203
2021 (Actual Operations)	5.3%	\$229	\$36,115
2024 (Budget Operations)	5.4%	\$315	\$49,828
Newmark Projection	4.9%	\$250	\$39,500

Compiled by Newmark

Repairs and maintenance include expenditures to repair and maintain utility systems, grounds, etc. Subject and comparable levels are considered.

Payroll and Benefits

Payroll and Benefits			
Source	% of EGI	\$/Pad	Total
Comparables Low		\$206	
Comparables High		\$581	
Comparables Average		\$451	
Subject Historical and Projections			
2019 (Actual Operations)	4.7%	\$212	\$33,460
2020 (Actual Operations)	5.0%	\$212	\$33,460
2021 (Actual Operations)	4.9%	\$212	\$33,460
2024 (Budget Operations)	4.0%	\$232	\$36,693
Newmark Projection	4.5%	\$230	\$36,340

Compiled by Newmark

Subject and comparable levels are considered.

Management

Management			
Source	% of EGI	\$/Pad	Total
Comparables Low	4.0%	\$147	
Comparables High	6.2%	\$339	
Comparables Average	4.6%	\$224	
Subject Historical and Projections			
2019 (Actual Operations)	3.8%	\$170	\$26,832
2020 (Actual Operations)	4.1%	\$176	\$27,753
2021 (Actual Operations)	4.0%	\$174	\$27,467
2024 (Budget Operations)	4.0%	\$234	\$36,957
Newmark Projection	4.0%	\$204	\$32,207

Compiled by Newmark

Management fees are considered an expense of operation, whether the services are contracted or provided by the property owner. Typical management fees for properties of this type range from 3% to 6%. Our conclusion is similar to the owner's budgeted operations, which are consistent with historical operations. We project an overall management fee of 4.0% of effective gross income.

Replacement Reserves

Overall capitalization rates obtained from comparable sales and data obtained from market participants includes a reserve allowance. A \$50 per pad reserve is included.

Total Operating Expenses

Total Operating Expenses			
Source	% of EGI	\$/Pad	Total
Comparables Low	40.1%	\$1,955	
Comparables High	53.9%	\$2,431	
Comparables Average	46.2%	\$2,188	
Subject Historical and Projections			
2019 (Actual Operations)	46.3%	\$2,075	\$327,828
2020 (Actual Operations)	39.8%	\$1,697	\$268,134
2021 (Actual Operations)	42.9%	\$1,861	\$293,966
2024 (Budget Operations)	38.5%	\$2,249	\$355,356
Newmark Projection	47.2%	\$2,405	\$379,946

Compiled by Newmark

- The projected rate is consistent with the expense comparables average and OER average +/-.

NET OPERATING INCOME

Net Operating Income			
Source	% of EGI	\$/Pad	Total
Comparables Low		\$1,694	
Comparables High		\$3,219	
Comparables Average		\$2,608	
Subject Historical and Projections			
2019 (Actual Operations)	53.7%	\$2,406	\$380,087
2020 (Actual Operations)	60.2%	\$2,563	\$404,894
2021 (Actual Operations)	57.1%	\$2,476	\$391,245
2024 (Budget Operations)	61.5%	\$3,599	\$568,575
Newmark Projection	52.8%	\$2,691	\$425,222

Compiled by Newmark

- Our estimate is bracketed by the historicals and the operators pro forma.

DIRECT CAPITALIZATION

The following represents different techniques for deriving an overall capitalization rate.

Comparable Sales

Comparable Mobile Home Park Sales Summary							
No.	Property Location	Yr. Built	Sale Date	Number of MHP Pads	Occ. %	Price per Pad	OAR
1	720 North Main Street, Mount Gilead, OH	1965	Jun-2021	71	96%	\$39,437	7.75%
2	3402 OH-109, Delta, OH	1970	Jul-2021	50	80%	\$30,700	5.70%
3	6992 US-12, Three Oaks, MI	1986	Mar-2021	74	85%	\$37,838	6.55%
4	35157 Center Ridge Road, North Ridgeville, OH	1950	Nov-2020	76	96%	\$35,526	6.26%
5	4205 Hills Haven Road, Buchanan, MI	1969	May-2021	94	95%	\$31,809	6.00%
6	23951 15 Mile Road, Bellevue, MI	N/A	Nov-2021	76	93%	\$30,855	7.14%
Average (Mean) Cap Rate:							6.57%

Compiled by Newmark

- All of the sale represent smaller communities in tertiary Midwest (Ohio, Michigan, Indiana) markets.
- Based on this information, a capitalization rate within a range of 5.70% to 7.75% could be expected for the subject.

Investor Surveys

With the exception of RealtyRates, no other national investor surveys for manufactured housing communities / parks are known to be available.

Investor Surveys - Capitalization Rates				
Source	Period	Low	High	Average
RealtyRates - National RV/MHP - Manufactured Housing	Q4 2021	4.50%	12.75%	8.29%
RealtyRates - National RV/MHP - Mobile Home Parks	Q4 2021	5.18%	13.06%	9.00%

Compiled by Newmark

- RealtyRates covers a wide range of property investment classes.
- Most appropriate to the subject would be the bottom to the middle of the ranges indicated above.

Market Participants

- Ongoing conversations with MH brokers indicate a range starting as low 4.00% (even sub 4%) for well-located class A communities, up to 6.50%+/-.
- Market participants generally viewed the subject property favorably given the strong occupancy, but indicated the smaller size and tertiary located are viewed as less favorable.
- Based on these responses, a capitalization rate within a range of 5.00% + is indicated for the subject.

Band of Investment

Band of Investment					
Mortgage/Equity Assumptions					
Loan to Value Ratio	70%				
Interest Rate	4.50%				
Amortization (Years)	30				
Mortgage Constant	0.0608				
Equity Ratio	30%				
Equity Dividend Rate	6.00%				
Weighted Average Of Mortgage/Equity Requirements					
Mortgage Requirement	70%	x	6.08%	=	4.26%
Equity Requirement	30%	x	6.00%	=	1.80%

- The above table suggests appropriate rates based on financing and equity criteria are in the 5.53% to 6.00% range.

Capitalization Rate Conclusion

Positive Attributes

- Most of the homes are tenant-owned, which simplifies the management of the property and insulates occupancy.
- Barriers to entry reduce risk of competition from new construction

Negative Attributes

- Below average location in a low-density rural area.
- Current occupancy is below market.

Capitalization Rate Conclusion	
Source	Indication
Comparable Sales	5.70% - 7.75%
Investor Surveys	4.50%-9.00%
Market Participants	5.00%+
Band of Investment	6.00%
Debt Coverage Ratio Analysis	5.75%
Concluded Going-In Capitalization Rate	6.00%

Compiled by Newmark

Cash Flow Summary

The table below represents cash for the subject operating on a stabilized basis as of today.

Income Capitalization Approach			
Summary of Stabilized Net Operating Income			
Item Description	% of Income	\$/Pad	Total \$
Manufactured Housing Income		Lease 158	
Rental Income		\$4,440	\$701,520
Loss to Lease	0.00%	\$0	\$0
Concessions	0.00%	\$0	\$0
Potential Rental Income		\$4,440	\$701,520
Vacancy	-9.00%	(\$400)	(\$63,137)
Collection Loss	-1.00%	(\$44)	(\$7,015)
Effective Rental Income		\$3,996	\$631,368
Net Expense Reimbursements		\$900	\$142,200
Net Other Income		\$200	\$31,600
Effective Gross Income		\$5,096	\$805,168
Operating Expenses		Lease 158	
Real Estate Taxes		\$526	\$83,089
Insurance		\$85	\$13,430
Utilities		\$900	\$142,200
Repairs and Maintenance		\$250	\$39,500
Payroll and Benefits		\$230	\$36,340
General and Administrative		\$160	\$25,280
Management	4.00%	\$204	\$32,207
Replacement Reserves		\$50	\$7,900
Total Operating Expenses	47.19%	\$2,405	\$379,946
Net Operating Income		\$2,691	\$425,222
Direct Capitalization Method			
Value Indication		\$/Pad	Total \$
As If Stabilized			
Stabilized Net Operating Income		\$2,691	\$425,222
Overall Capitalization Rate			6.00%
As Stabilized Value	Effective Date:	June 20, 2022	\$7,087,038
		\$44,873	\$7,090,000

The conclusion above represents the hypothetical value of the subject operating on a stabilized basis as of today, exclusive of park owned homes.

ADJUSTMENTS TO STABILIZED VALUE AND AS IS

Upward revenue and expense assumptions are applied to the pro forma for an as stabilized indication. Downward leasing and capital costs are applied to the prospective stabilized value for an as is indication.

Growth Assumptions

Revenue growth is based on 4%, which is equal to \$15 per pad per month. The JLT report indicates the most recent annual rent growth in the MSA range of \$5 to \$82 per month with the majority in the \$15 to \$29 per month range. Within the \$15 to \$37 range, the top of the range occurring at properties closer to the metro and the bottom of the range for outlying properties.

Expenses, and CPI, have typically grown in the 2.5% to 3.0% range. Trailing CPI has been significantly higher, although much of the impact of the overall CPI is unrelated to MHP operations. Growth of 3.5% for expenses for one period is applied in the analysis.

With a near+/- 50% / 50% income / expense ratio, the equivalent market conditions adjustment is 3.75%.

Lease Up / Stabilization Adjustment

Stabilization Discount			
Summary of Projected Income Loss due to Downtime			
Item Description	Occupancy	\$/Pad	Total \$
Stabilized Effective Rental Income (pads only)	91.00%	\$4,802	\$758,764
Current Effective Rental Income (rent roll annualized, pads only)	77.85%	\$3,317	\$524,064
Annual Difference		\$1,485	\$234,700
at 50% (assumes even roll over 24 months)			\$117,350
Rounded			\$117,000

Compiled by Newmark

The table above presents the current and stabilized net rent, and the difference is reduced by 50% based on the assumption of an even roll to market over the 24 month absorption period.

Capital Costs

The subject needs to absorb 21 units to stabilize. The estimated site prep cost is \$5,000 per pad.

Profit

Profit of 5.0% of the stabilized value is also included in the adjustment.

Income Capitalization Approach			
Item Description	% of Income	\$ / Unit	Total \$
Multifamily Revenue		158 Units	
Rental Income		\$4,802	\$758,764
Potential Rental Income		\$4,802	\$758,764
Vacancy	-9.00%	(\$432)	(\$68,289)
Collection Loss	-1.00%	(\$48)	(\$7,588)
Effective Rental Income		\$4,322	\$682,888
Net Expense Reimbursements		\$973	\$153,804
Net Other Income		\$216	\$34,179
Effective Gross Income		\$5,512	\$870,870
Operating Expenses		158 Units	
Real Estate Taxes		\$563	\$89,007
Insurance		\$91	\$14,387
Utilities		\$964	\$152,328
Repairs and Maintenance		\$268	\$42,313
Payroll and Benefits		\$246	\$38,928
General and Administrative		\$171	\$27,081
Management	4.00%	\$218	\$34,501
Replacement Reserves		\$54	\$8,463
Total Operating Expenses	46.74%	\$2,576	\$407,007
Net Operating Income		\$2,936	\$463,862
Direct Capitalization Method			
Value Indications		\$ / Unit	Total \$
As Stabilized			
Stabilized Net Operating Income		\$2,936	\$463,862
Overall Capitalization Rate			6.00%
Prospective As Stabilized Value	Effective Date:	June 20, 2024	\$7,731,039
Rounded		\$48,924	\$7,730,000
As Is			
As Stabilized Value as of Prospective Date	Effective Date:	June 20, 2024	\$7,731,039
Stabilization Discount			(\$117,000)
Stabilization Capital Costs (moving homes, pad prep, etc.)	\$5,000 Pad x	20.78 Pads	(\$103,900)
Profit (percent of Stabilized Value)		5.00%	(\$386,500)
As Is Value	Effective Date:	June 20, 2022	\$7,123,639
Rounded		\$45,063	\$7,120,000

Compiled by Newmark

Park Owned Homes Valuation

DIRECT CAPITALIZATION

Another direct capitalization table is completed isolating POH revenue and expenses.

Park Owned Mobile Home Rental Income

The following table summarized the rent roll for the park owned homes.

Rent Roll

FMP Homes 3/25/2022

Unit	Year	Manufacture	First Name	Last Name	Move In	Deposit	Occupied Rent	Potential Rent
FMP1	1994	Skyline	Rebecca	Wolford	January 1, 2020	\$0	\$348	\$348
FMP2	1994	Skyline	Daw n	Smolen	September 1, 2014	\$0	\$320	\$320
FMP5	1996	Mansion	Brian	Maddox	March 17, 2019	\$0	\$318	\$318
FMP6	1995	Skyline	Jessica	Byrd	July 1, 2021	\$0	\$358	\$358
FMP28	1995	Skyline	Jacob	Blevins	September 10, 2020	\$353	\$385	\$385
FMP35	1997	Dutch	Michelle	Jenkins	February 18, 2022	\$0	\$378	\$378
FMP36	1999	Mansion	Eric	Klypchak	June 17, 2021	\$0	\$433	\$433
FMP37	2000	Schult	Mark	Maclean	July 1, 2019	\$0	\$333	\$333
FMP40	1997	Redman	Vacant			\$0	\$0	\$330
FMP42	2000	Dutch	JoHannah	Taylor	October 6, 2020	\$343	\$373	\$373
FMP45	1995	Fleetw ood	Wesley	Boley	May 1, 2019	\$0	\$348	\$348
FMP47	2001	Fleetw ood	Cathy	Stroud	November 1, 2021	\$383	\$383	\$383
FMP50	1994	Skyline	Paula	Lucarelli	June 1, 2017	\$0	\$378	\$378
FMP52	1994	Skyline	Tyler	Hall	November 1, 2021	\$0	\$383	\$383
FMP53	1997	Liberty	Jerome	Dials	December 1, 2018	\$0	\$398	\$398
FMP55	2001	Lifetime	Darlene	Souslin	May 7, 2018	\$0	\$328	\$328
FMP57	1998	Skyline	Vacant			\$0	\$0	\$260
FMP58	1989	Skyline	Gerald	Blair	January 1, 1990	\$655	\$390	\$390
FMP69	1994	Skyline	James	Short Jr	August 1, 2021	\$0	\$368	\$368
FMP71	1996	Fairmont	Jackilyn	Curtis	August 14, 2021	\$368	\$368	\$368
FMP74	1997	Skyline	Christopher	Wetherbee	July 1, 2021	\$0	\$368	\$368
FMP77	1990	Skyline	Steven	Carter	March 14, 2019	\$0	\$333	\$333
FMP80	1992	Fairmont	Darren	Chastain	July 21, 2021	\$368	\$368	\$368
FMP83	1998	Patroit	Dajeannette	Hurst	June 1, 2020	\$0	\$363	\$363
FMP88	1999	Skyline	JUSTIN	NEWMAN	September 21, 2018	\$0	\$378	\$378
FMP91	1995	Redman	Amy	Damron	November 14, 2019	\$313	\$368	\$368
FMP103	1995	Redman	Dale	Tomlin	June 7, 2017	\$0	\$333	\$333
FMP104	1995	Fleetw ood	Robert	Payne	December 1, 2021	\$0	\$383	\$383
FMP105	1995	Skyline	Jeff	Hayden	March 1, 2020	\$0	\$338	\$338
FMP106	1994	Skyline	Ashley	Nickles	April 1, 2021	\$342	\$358	\$358
FMP115	1998	Redman	Rita	Triesler	December 15, 2020	\$353	\$383	\$383
FMP119	1996	Fleetw ood	William	Cooley	November 14, 2019	\$0	\$368	\$368
FMP120	1997	Dutch	Jatyse	Light	February 1, 2022	\$403	\$403	\$403
FMP121	1997	Redman	Kimberly	Collins	January 1, 2022	\$403	\$403	\$403
FMP122	2000	Fairmont	Sarah	Griggs	February 1, 2019	\$0	\$363	\$363
FMP123	1995	Oakman	Jacob	Kobylski	March 22, 2022	\$0	\$413	\$413
FMP124	1995	Liberty	Devan	Mattox	January 6, 2022	\$0	\$383	\$383
FMP129	2000	Century	Randy	Kline	July 1, 2020	\$323	\$338	\$338
FMP130	1994	Dutch	Karen	combs	November 20, 2020	\$358	\$368	\$368
FMP131	1993	Redman	krista	harrold	July 18, 2020	\$343	\$373	\$373
FMP137	1996	Fairmont	Vacant			\$0	\$0	\$353
FMP139	1997	Skyline	Tass	Love	June 10, 2021	\$0	\$353	\$353
FMP143	1994	Redman	Vacant			\$0	\$0	\$323
FMP146	1998	Redman	Patricia	Davis	April 1, 2021	\$0	\$363	\$363
FMP147	2000	Patroit	Vacant			\$0	\$0	\$293
FMP151	1993	Schult	Heather	Henegar	November 1, 2020	\$0	\$365	\$365
FMP152	1995	Astro	Jason	Mastino	June 16, 2016	\$0	\$368	\$368
FMP153	1995	Skyline	Erica	Flores	February 3, 2022	\$403	\$403	\$403
FMP154	1994	Fairmont	Brandon	Priddy	March 19, 2021	\$358	\$358	\$358
FMP157	1994	Skyline	Robert	Low e	December 1, 2019	\$0	\$380	\$380
FMP159	1994	Mansion	richard	hunt	March 12, 2017	\$418	\$533	\$533
FMP160	1999	Redman	Ernest	Rose	April 1, 2021	\$0	\$308	\$308
52	1996		Total			\$6,487	\$17,406	\$18,965

At 90.4% occupancy, the homes are considered stabilized. The rental income conclusion is based on the POHs rent roll annualized.

Expenses

Historical data was not provided for consideration. The Newmark's estimate includes:

- \$250 per unit for insurance;
- \$200 per unit for turnover;
- \$250 per unit for maintenance of the home; and
- \$50 per unit for other.

A much higher capitalization rate that reflects 100% personal property income is applied in this scenario.

Park Owned Homes - Direct Capitalization		
Park Owned Homes		52
Occupied		47
Scheduled Monthly Rent		\$17,406
Occupancy		90.4%
Average Rent		\$370
Annual Income	\$4,017	\$208,872
Expenses		
Insurance	\$250	\$13,000
Other	\$50	\$2,600
Turnover	\$200	\$10,400
Maintenance	\$250	\$13,000
Total Expenses	\$247	\$39,000
Net Operating Income	\$3,267	\$169,872
Capitalization Rate		10.0%
Value		\$1,698,720
Rounded	\$36,170	\$1,700,000

Compiled by Newmark

This analysis suggest the value of the park owned homes is \$1,700,000 or \$36,170 per unit.

ALLOCATION FROM SALES

The appraisers have collected allocated values from transactions of communities that included park owned homes.

A summary of the sales is presented below.

MHP/MHC TRANSACTIONS WITH HOMES SALES				
Region	Sales	Age/Quality of Homes	Sale Date	Allocated Price Per Home
Midwest	Paper for 28 park owned home sales	Modern - Pitched/Vinyl Siding	Feb-15	\$9,239
Midwest	Paper for 76 park owned home sales	Mix of Older and Newer	Dec-19	\$5,892
Midwest	Homes/Paper for 105 park owned homes	Modern - Pitched/Vinyl Siding	Jun-17	\$15,000
Midwest	12 Homes	Older Metal	Feb-17	\$2,917
Midwest	Homes/Paper for 57 park owned homes	Modern - Pitched/Vinyl Siding	May-17	\$8,772
Midwest	71 Homes	Very Old - Metal	Mar-19	\$1,784
Midwest	41 Homes	Like new - Pitched/Vinyl Siding, Singles	Oct-21	\$29,488
Midwest	120 Homes	10 new @ \$55k, 110 older, metal @	Oct-21	\$8,364
Midwest	39 Homes	Older metal homes	Oct-21	\$8,013
Midwest	17 Homes	Very Old - Metal	Mar-19	\$3,491
Midwest	64 Homes	Mostly newer singles	Dec-21	\$23,438
Midwest	88 park owned home sales	Mostly Newer Vinyl Sided Homes	Jun-17	\$11,364
Midwest	78 Homes	Mix of vinyl and metal/single and double	Oct-21	\$9,615
Midwest	Paper for 9 park owned home sales	Modern - Pitched/Vinyl Siding	Dec-17	\$10,882
			Feb-19	\$10,452

Source: Compiled by Newmark

The table indicates a range from about \$2,000 for very old and small homes, up to almost \$30,000 for nearly new homes. The subject homes are newer and an allocation toward the top of the range is considered appropriate for the subject. An allocation of \$20,000 per home, or \$1,040,000 is concluded.

Park Owned Homes Value Reconciliation

The conclusions of the various methods applied are presented in the table below.

Park Owned Homes Reconciliation		
Approach		Conclusion
Isolated from Park Operations	\$32,692	\$1,700,000
Sales Allocation	\$20,000	\$1,040,000
Reconciliation	\$23,077	\$1,200,000

Compiled by Newmark

The POH cash flow from the community is considered reliable, as it reflects the cash flow from owning the homes. The allocation from actual transactions is also considered reliable. A reconciliation from these two approaches is the basis for the conclusion above.

Reconciliation of Value

The values indicated by our analyses are as follows:

Market Value Indications		
Market Value Premise As of Date:	As Is June 20, 2022	Prospective Upon Stabilization June 20, 2024
Cost Approach:	Not Used	Not Used
Sales Comparison Approach:	\$6,820,000	\$7,430,000
Income Capitalization Approach:	\$7,120,000	\$7,730,000
Market Value Conclusion	\$7,000,000	\$7,600,000

Compiled by Newmark

Cost Approach

The Cost Approach has best applicability for properties with new or nearly new improvements. It is a summation approach in that the underlying land value is added to the depreciated replacement cost for the indicated value. In this case, the cost approach was not utilized because investors do not give consideration to cost in this market environment. The focus is on income by investors.

Sales Comparison Approach

The Sales Comparison Approach is focused on comparing the subject to sale and other market transactions with the aim to develop an indication of value that is founded on the theory of substitution. Basically, the intention is to determine value through considering the prices of properties which would be a substitute property to the subject. In this case, a selection of reasonably similar sales were obtained and the adjustment process was well founded by reasoning and direct evidence. As a pending, arm's length transaction, the Sale Approach is considered germane.

Income Capitalization Approach

The subject property is an apartment property. It is distinctly an income producing property and this approach is specifically designed to address the value of such a property. Only direct capitalization was developed in accordance with typical investor analyses. Market rent was well established by reasonably similar lease data. The property has a stable history and both income and expense estimates track with historical trends. Capitalization rates were developed from a number of sources including the sales used in the sales comparison approach. In total, the income capitalization approach is considered to be most applicable to the subject and most reliable. For that reason, this approach is given greatest weight, particularly for the stabilized analysis.

Value Conclusions

Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value "As Is"	Leased Fee	June 20, 2022	\$7,000,000
Prospective Market Value "Upon Stabilization"	Leased Fee	June 20, 2024	\$7,600,000
Insurable Value	Fee Simple	June 20, 2022	\$20,000
Park Owned Homes (in addition to the above R.E. value)	Non Realty	June 20, 2022	\$1,200,000
Land Value	Fee Simple	June 20, 2022	\$180,000

Compiled by Newmark

Extraordinary Assumptions and Hypothetical Conditions

An extraordinary assumption is defined in USPAP 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. The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results.

1. The as is and as stabilized market values are based on the assumption the buyer executes the planned repositioning of the property. This plan requires a capital outlay to bring in homes to the community; the homes are personal property and not a component of the subject analysis. Newmark assumes adequate capital and execution to achieve the lease up goals necessary to stabilize the subject.
2. The Analysis is based on a previous inspection and valuation date, and is therefore a retrospective analysis as of June 20, 2022.

The use of these extraordinary assumptions might have affected assignment results.

A hypothetical condition is defined in USPAP as 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. The value conclusions are based on the following hypothetical conditions that may affect the assignment results.

1. None

Compiled by Newmark

EXPOSURE TIME

Exposure time is the estimated length of time the subject property 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. It is a retrospective estimate based on an analysis of past events assuming a competitive and open market.

The following is national investor survey data which is one source for the underlying data to this conclusion. This is for multifamily properties as there are no national surveys for manufactured housing alone.

Investor Surveys - Marketing Times

Source	Period	Low	High	Average
Newmark V&A Mkt Survey - National Multifamily - Suburban B	Q3 2019	N/A	N/A	5.0
PwC - National Multifamily - Overall	Q1 2022	1.0	12.0	4.3
Situs RERC - National Multifamily - Overall	Q4 2021	N/A	N/A	4.3

Compiled by Newmark

It is our understanding from brokers that properties like the subject, brokers would recommend a call for offers deadline of 30 to 45 days – implying very strong demand for manufactured housing communities. Based on this data and analysis, it is our opinion that the probable exposure time for the subject at the concluded market value stated previously is 3-6 months.

MARKETING TIME

Marketing time is an opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. COVID-19 is still impairing the economy but investor demand for this property is expected to remain strong. Accordingly, we estimate the subject's marketing period at a similar period to exposure or 3-6 months.

Assumptions and Limiting Conditions

The Appraisal contained in this Report (herein “Report”) is subject to the following assumptions and limiting conditions:

1. Unless otherwise stated in this report, title to the property which is the subject of this report (herein “Property”) is assumed to be good and marketable and free and clear of all liens and encumbrances and that there are no recorded or unrecorded matters or exceptions to title that would adversely affect marketability or value. No responsibility is assumed for the legal description, zoning, condition of title or any matters which are legal in nature or otherwise require expertise other than that of a professional real estate appraiser. This report shall not constitute a survey of the Property.
2. Unless otherwise stated in this report, it is assumed: that the improvements on the Property are structurally sound, seismically safe and code conforming; that all building systems (mechanical/electrical, HVAC, elevator, plumbing, etc.) are in good working order with no major deferred maintenance or repair required; that the roof and exterior are in good condition and free from intrusion by the elements; that the Property and improvements conform to all applicable local, state, and federal laws, codes, ordinances and regulations including environmental laws and regulations. No responsibility is assumed for soil or subsoil conditions or engineering or structural matters. The Property is appraised assuming that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report is based, unless otherwise stated. The physical condition of the Property reflected in this report is solely based on a visual inspection as typically conducted by a professional appraiser not someone with engineering expertise. Responsible ownership and competent property management are assumed.
3. Unless otherwise stated in this report, this report did not take into consideration the existence of asbestos, PCB transformers or other toxic, hazardous, or contaminated substances or underground storage tanks, or the cost of encapsulation, removal or remediation thereof. Real estate appraisers are not qualified to detect such substances. The presence of substances such as asbestos, urea formaldehyde foam insulation, contaminated groundwater or other potentially hazardous materials and substances may adversely affect the value of the Property. Unless otherwise stated in this report, the opinion of value is predicated on the assumption that there is no such material or substances at, on or in the Property.

4. All statements of fact contained in this report as a basis of the analyses, opinions, and conclusions herein are true and correct to the best of the appraiser's actual knowledge and belief. The appraiser is entitled to and relies upon the accuracy of information and material furnished by the owner of the Property or owner's representatives and on information and data provided by sources upon which members of the appraisal profession typically rely and that are deemed to be reliable by such members. Such information and data obtained from third party sources are assumed to be reliable and have not been independently verified. No warranty is made as to the accuracy of any of such information and data. Any material error in any of the said information or data could have a substantial impact on the conclusions of this Report. The appraiser reserves the right to amend conclusions reported if made aware of any such error.
5. The opinion of value stated in this report is only as of the date of value stated in this report. An appraisal is inherently subjective and the conclusions stated apply only as of said date of value, and no representation is made as to the effect of subsequent events. This report speaks only as of the date hereof.
6. Any projected cash flows included in the analysis are forecasts of estimated future operating characteristics and are predicated on the information and assumptions contained within this report. Any projections of income, expenses and economic conditions utilized in this report are not predictions of the future. Rather, they are estimates of market expectations of future income and expenses. The achievement of any financial projections will be affected by fluctuating economic conditions and is dependent upon other future occurrences that cannot be assured. Actual results may vary from the projections considered herein. There is no warranty or assurances that these forecasts will occur. Projections may be affected by circumstances beyond anyone's knowledge or control. Any income and expense estimates contained in this report are used only for the purpose of estimating value and do not constitute predictions of future operating results.
7. The analyses contained in this report may necessarily incorporate numerous estimates and assumptions regarding Property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by the analysis will vary from estimates, and the variations may be material.
8. All prospective value opinions presented in this report are estimates and forecasts which are prospective in nature and are subject to considerable risk and uncertainty. In addition to the contingencies noted in the preceding paragraphs, several events may occur that could substantially alter the outcome of the estimates such as, but not limited to changes

in the economy, interest rates, capitalization rates, behavior of consumers, investors and lenders, fire and other physical destruction, changes in title or conveyances of easements and deed restrictions, etc. In making prospective estimates and forecasts, it is assumed that conditions reasonably foreseeable at the present time are consistent or similar with the future.

9. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used. This report shall be considered only in its entirety. No part of this report shall be utilized separately or out of context.
10. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the Firm. Possession of this report, or a copy hereof, does not carry with it the right of publication.
11. Client and any other Intended User identified herein should consider this report and the opinion of value contained herein as only one factor together with its own independent considerations and underwriting guidelines in making any decision or investment or taking any action regarding the Property. Client agrees that Firm shall not be responsible in any way for any decision of Client or any Intended User related to the Property or for the advice or services provided by any other advisors or contractors. The use of this report and the appraisal contained herein by anyone other than an Intended User identified herein, or for a use other than the Intended Use identified herein, is strictly prohibited. No party other than an Intended User identified herein may rely on this report and the appraisal contained herein.
12. Unless otherwise stated in the agreement to prepare this report, the appraiser shall not be required to participate in or prepare for or attend any judicial, arbitration, or administrative proceedings.
13. The Americans with Disabilities Act (ADA) became effective January 26, 1992. No survey or analysis of the Property has been made in connection with this report to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. No expertise in ADA issues is claimed, and the report renders no opinion regarding the Property's compliance with ADA regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.

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14. Acceptance and/or use of this report constitutes full acceptance of these Assumptions and Limiting Conditions and any others contained in this report, including any Extraordinary Assumptions and Hypothetical Conditions, and is subject to the terms and conditions contained in the agreement to prepare this report and full acceptance of any limitation of liability or claims contained therein.

Addendum A
Glossary of Terms

ADDENDA

The following definitions are derived from The Dictionary of Real Estate Appraisal, 6th ed. (Chicago: Appraisal Institute, 2015).

- ◆ **Absorption Period:** The actual or expected period required from the time a property, group of properties, or commodity is initially offered for lease, purchase, or use by its eventual users until all portions have been sold or stabilized occupancy has been achieved.
- ◆ **Absorption Rate:** 1) Broadly, the rate at which vacant space in a property or group of properties for sale or lease has been or is expected to be successfully sold or leased over a specified period of time. 2) In subdivision analysis, the rate of sales of lots or units in a subdivision.
- ◆ **Ad Valorem Tax:** A tax levied in proportion to the value of the thing(s) being taxed. Exclusive of exemptions, use-value assessment provisions, and the like, the property tax is an ad valorem tax. (International Association of Assessing Officers [IAAO])
- ◆ **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.
- ◆ **Cash Equivalency:** An analytical process in which the sale price of a transaction with nonmarket financing or financing with unusual conditions or incentives is converted into a price expressed in terms of cash or its equivalent.
- ◆ **Contract Rent:** The actual rental income specified in a lease.
- ◆ **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 to be their best interests. 7) An adequate marketing effort will be made during the exposure time. 8) Payment will be made in cash in US 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.
- ◆ **Effective Rent:** Total base rent, or minimum rent stipulated in a lease, over the specified lease term minus rent concessions; the rent that is effectively paid by a tenant net of financial concessions provided by a landlord.

- ◆ **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. See also **surplus land**.
- ◆ **Excess Rent:** The amount by which contract rent exceeds market rent at the time of the appraisal; created by a lease favorable to the landlord (lessor) and may reflect unusual management, unknowledgeable or unusually motivated parties, a lease execution in an earlier, stronger rental market, or an agreement of the parties.
- ◆ **Exposure Time:** 1) The time a property remains on the market. 2) [The] estimated 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.
- ◆ **Extraordinary Assumption:** An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions. See also **hypothetical condition**.
- ◆ **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.
- ◆ **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.
- ◆ **Frictional Vacancy:** The amount of vacant space needed in a market for its orderly operation. Frictional vacancy allows for move-ins and move-outs.
- ◆ **Full Service Lease:** See **gross lease**.
- ◆ **General Vacancy:** A method of calculating any remaining vacancy and collection loss considerations when using discounted cash flow (DCF) analysis, where turnover vacancy has been used as part of the income estimate. The combined effects of turnover vacancy and general vacancy relate to total vacancy and collection loss.
- ◆ **Going-Concern Premise:** One of the premises under which the total assets of a business can be valued; the assumption that a company is expected to continue operating well into the future (usually indefinitely).
- ◆ **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.

- ◆ **Gross Building Area (GBA):** 1) 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. 2) Gross leasable area plus all common areas. 3) For residential space, the total area of all floor levels measured from the exterior of the walls and including the superstructure and substructure basement; typically does not include garage space.
- ◆ **Gross Lease:** A lease in which the landlord receives stipulated rent and is obligated to pay all of the property's operating and fixed expenses; also called full-service lease.
- ◆ **Hypothetical Condition:** 1) A condition that is presumed to be true when it is known to be false. (Appraisal Institute: The Standards of Valuation Practice [SVP]) 2) 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. See also **extraordinary assumption**.
- ◆ **Intended Users:** 1) The party or parties the valuer intends will use the report. (SVP) 2) The client and any other party as identified, by name or type, as users of the appraisal or appraisal review report by the appraiser, based on communication with the client at the time of the assignment. (USPAP, 2020-2021 ed.)
- ◆ **Investment Value:** 1) 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. 2) The value of an asset to the owner or a prospective owner for individual investment or operational objectives. (International Valuation Standards [IVS])
- ◆ **Land-to-Building Ratio:** The proportion of land area to gross building area; one of the factors determining comparability of properties.
- ◆ **Lease:** A contract in which the rights to use and occupy land, space, or structures are transferred by the owner to another for a specified period of time in return for a specified rent.
- ◆ **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.
- ◆ **Leasehold Interest:** The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.

ADDENDA

- ◆ **Lessee:** One who has the right to occupancy and use of the property of another for a period of time according to a lease agreement.
- ◆ **Lessor:** One who conveys the rights of occupancy and use to others under a lease agreement.
- ◆ **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 US 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.
- ◆ **Market Rent:** The most probable rent that a property should bring in a competitive and open market reflecting the conditions and restrictions of a specified lease agreement, including the rental adjustment and revaluation, permitted uses, use restrictions, expense obligations, term, concessions, renewal and purchase options, and tenant improvements (TIs).
- ◆ **Market Value:** A type of value that is the major focus of most real property appraisal assignments. Both economic and legal definitions of market value have been developed and refined, such as the following. 1) The most widely accepted components of market value are incorporated in the following definition: The most probable price, as of a specified 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 duress. 2) Market value is described, not defined, in the Uniform Standards of Professional Appraisal Practice (USPAP) as follows: A type of value, stated as an opinion, that presumes the transfer of a property (i.e., a right of ownership or a bundle of such rights), as of a certain date, under specific conditions set forth in the definition of the term identified by the appraiser as applicable in an appraisal.²

² The actual definition of value used for this appraisal is contained within the body of the report. The definition of market value given above is general in viewpoint and is only provided for amplification.

- ◆ **Market Value of the Going Concern:** The market value of an established and operating business including the real property, personal property, financial assets, and the intangible assets of the business.
- ◆ **Marketing Time:** An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal.
- ◆ **Modified Gross Lease:** A lease in which the landlord receives stipulated rent and is obligated to pay some, but not all, of the property's operating and fixed expenses. Since assignment of expenses varies among modified gross leases, expense responsibility must always be specified. In some markets, a modified gross lease may be called a double net lease, net net lease, partial net lease, or semi-gross lease.
- ◆ **Net Lease:** A lease in which the landlord passes on all expenses to the tenant. See also **gross lease; modified gross lease.**
- ◆ **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.
- ◆ **Occupancy Rate:** 1) The relationship or ratio between the potential income from the currently rented units in a property and the income that would be received if all the units were occupied.
2) The ratio of occupied space to total rentable space in a building.
- ◆ **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 breakpoint sales volume.
- ◆ **Percentage Rent:** Rental income received in accordance with the terms of a percentage lease; typically derived from retail store and restaurant tenants and based on a certain percentage of their gross sales.
- ◆ **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 being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy.

- ◆ **Rentable Area:** For office or retail buildings, the tenant's pro rata portion of the entire office floor, excluding elements of the building that penetrate through the floor to the areas below. The rentable area of a floor is computed by measuring to the inside finished surface of the dominant portion of the permanent building walls, excluding any major vertical penetrations of the floor. Alternatively, the amount of space on which the rent is based; calculated according to local practice.
- ◆ **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."
- ◆ **Shell Rent:** The typical rent paid for retail, office, or industrial tenant space based on minimal "shell" interior finishes (called vanilla finish or white wall finish in some areas). Usually the landlord delivers the main building shell space or some minimum level of interior build-out, and the tenant completes the interior finish, which can include wall, ceiling, and floor finishes, mechanical systems, interior electricity, and plumbing. Typically these are long-term leases with tenants paying all or most property expenses.
- ◆ **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. See also **excess land**.
- ◆ **Turnover Vacancy:** A method of calculating vacancy allowance that is estimated or considered as part of the potential income estimate when using discounted cash flow (DCF) analysis. As units or suites turn over and are available for re-leasing, the periodic vacancy time frame (vacancy window) to release the space is considered.
- ◆ **Usable Area:** 1) For office buildings, the actual occupiable area of a floor or an office space; computed by measuring from the finished surface of the office side of corridor and other permanent walls, to the center of partitions that separate the office from adjoining usable areas, and to the inside finished surface of the dominant portion of the permanent outer building walls. Sometimes called net building area or net floor area. See also floor area. 2) 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.
- ◆ **Use Value:** The value of a property assuming a specific use, which may or may not be the property's highest and best use on the effective date of the appraisal. Use value may or may not be equal to market value but is different conceptually. See also **value in use**.

ADDENDA

- ◆ **Value In Use:** The value of a property assuming a specific use, which may or may not be the property's highest and best use on the effective date of the appraisal. Value in use may or may not be equal to market value but is different conceptually. See also **use value**.
- ◆ **Value Indication:** A valuer's conclusion of value resulting from the application of an approach to value, e.g., the value indication by the sales comparison approach.

Addendum B
Engagement Letter

NEWMARK VALUATION & ADVISORY

October 18, 2022

Rachel Cunningham
Financing / Asset Strategy Specialist
THE BOAVIDA GROUP
1910 Terracina Dr
Sacramento, CA 95834

Phone: 781-799-7225
Email: cunningham@theboavidagroup.com

Re: Appraisal of the property described as:
Multiple Properties - See attached Property List
Ohio MHP Portfolio ("**Subject**")

Name	Address	City	State
Beulah's	105 South 4th Street	Cardington	OH
Blue Willow	3899 Marion Williamsport Road E	Caledonia	OH
Firelands Manor	5810 Highway 20	Wakeman	OH
Key Estates	230 Whittlesey Ave	Norwalk	OH
Midtown Manor	520 Milan Ave	Norwalk	OH
Silverstone	735 Eastlake Dr	Ashland	OH

Dear Ms. Cunningham:

Newmark Valuation & Advisory, LLC ("**Firm**") agrees to provide The BoaVida Group ("**Client**") an appraisal of the above-referenced Properties in accordance with, and subject to, the terms and conditions set forth below and in the attached Schedules (collectively, "**Agreement**").

APPRAISAL FEE: \$4,500.00 (inclusive of expenses).

ADDITIONAL HOURLY FEES: None

RETAINER: Yes, 100%

REPORT DELIVERABLES: The appraisal, draft and/or final, shall be delivered in electronic format (typically, pdf). One original hard copy of the final appraisal will be provided to Client upon request.

COMMENCEMENT AND DELIVERY DATE: Delivery is as follows:

Final appraisal report: three (3) days following approval and request for final report

The appraisal process will commence upon receipt by the Firm of (i) this Agreement, signed by Client, (ii) the retainer, and (iii) information and materials identified in Schedule "B." The appraisal process will conclude upon delivery of the final appraisal report, unless terminated sooner by the Firm or Client or as provided herein.

REPORT TYPE: Appraisal Report

VALUATION PREMISE: Market Value

INTEREST IN THE PROPERTY APPRAISED: Leased Fee Interest

DATE(S) OF VALUE: Retrospective as of: June 20, 2022

INTENDED USER(S): Intended users of the appraisal include only Client ("**Intended User(s)**"), and no other party is permitted to use or rely on the appraisal. The identification of Intended User(s) of the appraisal is to determine the type and extent of research, analysis and reporting appropriate for the assignment. Designation of a party other than Client as an Intended User is not intended to confer upon such party any rights under this Agreement.

INTENDED USE: The intended use of the appraisal is solely for internal business decisions ("**Intended Use**") and no other use.

RELIANCE LANGUAGE: None

GUIDELINES: The analyses, opinions and conclusions are to be developed based on, and the appraisal will be prepared in conformance with the Uniform Standards of Professional Appraisal Practice (USPAP) as published by the Appraisal Foundation.

SCOPE OF WORK: The appraiser will use and properly apply all applicable and appropriate approaches to value sufficient to produce credible assignment results. The scope of the analysis will be appropriate for the appraisal problem.

Add Land Value to appraisals prepared for KeyBank

ASSUMPTIONS/
LIMITING CONDITIONS:

The appraisal will be subject to Firm's standard Assumptions and Limiting Conditions, which will be incorporated into the appraisal report. In addition, the appraisal may be subject to, and the appraisal report may contain, Extraordinary Assumptions and Hypothetical Conditions.

ACCEPTANCE:

This shall constitute a binding agreement only if countersigned by the Client, or by an officer, director or other representative of Client who, by signing and accepting this Agreement, represents and warrants that he/she is authorized by Client to do so.

PAYMENT:

Client will be invoiced the appraisal fee (and any expenses) which will be earned in full upon initial delivery of the appraisal report (draft or final), with such appraisal fee (and expenses) payable within 30 days of invoicing.

Payment of the fee is not contingent upon any predetermined value or on an action or event resulting from the analysis, opinions, conclusions or use of the appraisal.

CHANGES TO THE
AGREEMENT:

Any significant changes to the assignment as outlined in this Agreement, such as the identity of the Client, Intended User, or Intended Use, will require the preparation and execution of a new agreement.

CANCELLATION OF
ASSIGNMENT:

Client may cancel this Agreement at any time prior to the Firm's delivery of the appraisal upon written notification to the Firm. Client shall pay Firm for all work completed on the assignment prior to Firm's receipt of such written cancellation notice, unless otherwise agreed upon by Firm and Client in writing. The Firm may withdraw without penalty or liability from the assignment(s) contemplated by the Agreement before completion or reporting if the Firm determines, in the Firm's sole discretion, that incomplete information was provided to the Firm prior to the engagement, that Client or other parties have not or cannot provide documentation or information necessary to the Firm's analysis or reporting, that conditions of the Property render the original scope of work inappropriate, that a conflict of interest has arisen, or that Client has not complied with its payment obligations under this Agreement. The Firm shall notify Client of such withdrawal in writing.

NO THIRD-PARTY
BENEFICIARIES:

Nothing in the Agreement shall create a contractual relationship or any legal duty between Firm or Client and any third party, nor any cause of action, right, or claim in favor of any third party and against Firm or Client. In addition, this Agreement is not intended to, and shall not be construed to, render any person or entity a third-party beneficiary of this Agreement.

Client acknowledges and agrees that the appraisal report shall reflect the foregoing. In addition, the appraisal report shall state that no party other than an Intended User identified in the Agreement is entitled to rely upon the appraisal.

This Agreement may be rescinded by the Firm unless signed and returned to the undersigned within 10 days from the date hereof.

If this Agreement correctly sets forth the Client's understanding of the services to be rendered, and if the terms are satisfactory, please execute and return the Agreement together with any required retainer.

Respectfully,



Jeff Jozwick, MAI
Executive Vice President
Certified General Appraiser
License No. 1205006193
jeff.jozwick@nmrk.com
248.431.6749

Agreed:
THE BOAVIDA GROUP

SIGNATURE:



PRINT NAME:

RACHEL CUNNINGHAM

TITLE:

FINANCING / ASSET STRATEGY SPECIALIST

DATE:

10/18/2022

Schedule "A"

TERMS AND CONDITIONS

ATTACHED TO AND A PART OF THE AGREEMENT DATED OCTOBER 18, 2022 TO PROVIDE APPRAISAL SERVICES FOR THE BOAVIDA GROUP

1. These Terms and Conditions are attached to and incorporated into the above referenced Agreement as though fully set forth in full therein. Capitalized terms if not defined herein shall have the same meaning as defined in the Agreement.
2. With respect to any appraisal report, use of or reliance on the appraisal by any party, regardless of whether the use or reliance is authorized or known by the Firm, constitutes acceptance of these Terms and Conditions as well as acceptance of all other appraisal statements, limiting conditions and assumptions stated in the Agreement and appraisal report.
3. It is assumed that there are no matters affecting the Property that would require the expertise of other professionals, such as engineers or an environmental consultant, for Firm to provide the appraisal. If such additional expertise is required, it shall be provided by other parties retained by Client at Client's sole cost and expense.
4. Client acknowledges that the Firm is being retained as an independent contractor to provide the services described herein and nothing in this Agreement shall be deemed to create any other relationship between Firm and Client, including but not limited to an agency relationship. The parties neither intend nor have any expectation that any such relationship will arise as a matter of law or as a result of this Agreement. This assignment shall be deemed concluded and the services hereunder completed upon delivery of the appraisal described herein to Client.
5. All statements of fact contained in the appraisal report as a basis of the appraiser's analyses, opinions, and conclusions will be true and correct to the best of the appraiser's actual knowledge and belief. The appraiser is entitled to, and shall rely upon the accuracy of information and material furnished to the Firm by Client. Appraiser is also entitled to, and shall, rely on information provided by sources upon which members of the appraisal profession typically rely and that are deemed to be reliable by members of that profession without independent verification.
6. The Firm and the appraiser shall have no responsibility for legal matters, or questions or issues involving survey or title, soil or subsoil conditions, engineering, zoning, buildability, environmental contamination, structural matters, construction defects, material or methodology, or other similar technical matters with regarding the Property. Furthermore, the appraisal will not constitute a survey of the Property.
7. The appraisal and the data and information gathered in its preparation (other than the confidential data and information provided by Client) is and will remain, the property of the Firm. The Firm shall not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential information furnished by Client to the Firm. Notwithstanding the foregoing, the Firm and the appraiser are authorized by Client to disclose all or any portion of the appraisal and appraisal report and the related data and information, including confidential data and information provided by Client, to appropriate representatives of the Appraisal Institute if such disclosure is required to comply with the Standards, Bylaws and Regulations of the Appraisal Institute, as well as, such disclosure as required by law and regulations, including compliance with a subpoena and licensing authority regulatory inquiries. The Firm is also authorized to include both confidential and non-confidential data assembled in the course of preparing the appraisal and which may be incorporated into the appraisal report in a database controlled by the Firm for the aggregation of such data and information to produce analytics and other metrics or products.
8. Unless specifically noted in the appraisal report, the appraisal will not take into consideration the possibility or probability of the existence of asbestos, PCB transformers, other toxic, hazardous, or contaminated substances

and/or underground storage tanks (hazardous material) at on or in the Property, or the cost of encapsulation, removal or remediation thereof.

9. Client shall indemnify, defend (by counsel to be selected by Firm), protect, and hold Firm and Firm's appraisers, agents, employees, affiliates, representatives, successors and assigns (each, a "**Firm Party**"), free and harmless from any and all claims, liabilities, losses, penalties, fines, forfeitures, amounts paid in settlement, judgments, and all reasonable attorneys' fees and related litigation costs, fees and expenses incurred by the any of such indemnitees, which result from (i) any failure by Client or Client's agents or representatives to provide Firm with complete and accurate information regarding the Property; (ii) any material breach by Client of the provisions of the Agreement; (iii) if delivery of the appraisal to a third party is permitted by the Firm, Client providing an incomplete copy of the appraisal to such third party; or (iv) arising from Client or Client's agents or representatives providing a copy of the appraisal to a party not authorized by the Firm to receive such copy.
10. In preparing the appraisal, it is possible that the appraiser will discover conflicting information. In that event, appraiser will utilize information and data considered to be the most authoritative and for critical information will document the source. Information and data referred to may include, but is not limited to, legal descriptions; physical street addresses; assessor parcel numbers; property history; dimensions and areas of the site/land; dimensions and areas of the building improvements; physical unit counts; rent rolls; leases; lease abstracts; income and expense data; and any other related data. Any material discrepancy and/or error in any of the above data could have a substantial impact on the conclusions reported, and the Firm therefore reserves the right to amend conclusions reported if the Firm is made aware of any such discrepancy and/or error.
11. The appraisal may not be used, included or referenced, in whole or in part, in any offering or other materials without the prior written consent of the Firm, which consent may be conditioned upon the receipt by the Firm of an indemnity agreement, in form and content, satisfactory to Firm and provided by an indemnitor satisfactory to Firm. Client agrees to pay the fees of the Firm's legal counsel for review of any materials which is the subject of the requested consent. Except as agreed by the Firm expressly in writing, the Firm disclaims liability to any party other than Client.
12. The Firm shall not provide a copy of the appraisal to, or disclose the results of the appraisal to, any party other than Client, unless Client authorizes same, except as provided in the Confidentiality Section of the ETHICS RULE of the Uniform Standards of Professional Appraisal Practice (USPAP) or as otherwise required by law or regulations.
13. Client and any other identified Intended User should consider the appraisal as only one factor together with its own independent considerations and underwriting guidelines in making any decision or investment or taking any action regarding the Property. Client agrees that Firm shall not be responsible in any way for any decision of Client or any Intended User related to the Property or for the advice or services provided by any other advisors or contractors.
14. Unless otherwise stated in this Agreement, Client agrees that the services pursuant to this Agreement shall not include participation in or preparation for, or attendance at, any legal, judicial, administrative, or arbitration proceeding relating to this assignment. In the event the Firm or any Firm Party is required, whether through the service of a subpoena or otherwise, to produce documents or participate in or prepare for any discovery, testimony or attendance, relating to the appraisal or this assignment, where the Firm or Firm Party is not a party to the action or proceedings involved, Client agrees to reimburse expenses incurred by the Firm or Firm Party, including attorney's fees, in responding to such subpoena or other legal process and compensate the Firm therefor based upon the appraiser's prevailing hourly or daily rate for providing services as an expert consultant or witness.
15. Except as expressly provided herein, Firm makes no representations or warranties to Client or to any other person or entity with respect to the appraisal and the services to be provided by Firm under this Agreement. To the maximum extent permitted under applicable law, in no event will the Firm or any Firm Party be liable to Client or any third party (regardless of whether such party's claimed use or reliance on the appraisal was authorized by the

Firm or a Firm Party) for any indirect, special, exemplary, incidental, or consequential damages (including loss of profits) arising from or relating to this Agreement or the appraisal, even if such party knew or should have known of the possibility of, or could reasonably have prevented, such damages. In no event shall the total liability of the Firm or any Firm Party to Client or any third party (regardless of whether such party's claimed use or reliance on the appraisal was authorized by the Firm or a Firm Party) arising from or relating to this Agreement or the appraisal, whether based on tort, contract, or any other legal theory, exceed the amount of fees paid to the Firm for the appraisal and the services described herein. Legal claims or causes of action relating to the appraisal are not assignable, except: (i) as the result of a merger, consolidation, sale or purchase of a legal entity, (ii) with regard to the collection of a bona fide existing debt for services but then only to the extent of the total compensation for the appraisal plus reasonable interest, or (iii) in the case of an appraisal performed in connection with the origination of a mortgage loan, as part of the transfer or sale of the mortgage before an event of default on the mortgage or note or its legal equivalent.

16. Federal banking regulations require banks and other lending institutions to engage appraisers where FIRREA compliant appraisals must be used in connection with mortgage loans or other transactions involving federally regulated lending institutions. In view of that requirement, the appraisal may not be accepted by a federally regulated financial institution.
17. In the event Client fails to make payments of any fees or sums when due and payable under this Agreement; then from the date due and payable until paid, the amount due and payable shall bear interest at the maximum rate permitted under the laws of the state in which the Property is located. If the Firm is required to undertake collection efforts including institution of legal action against Client relating to the Agreement, the Firm shall be entitled to recover attorney's fees, litigation expenses, and costs from Client.
18. To the extent permitted under applicable law, any legal action or lawsuit or other proceeding by Client or any Intended User of the appraisal against Firm or a Firm Party whether based in contract, tort, warranty, indemnity or otherwise, relating to the appraisal shall be commenced within two (2) years from the date of delivery of the appraisal to the claimant in such action or proceeding, unless the applicable law provides for a shorter period, and any such claimant waives the right to a jury in any such legal action or lawsuit or other proceeding. Notwithstanding the state of domicile or residency of either party to this Agreement, this Agreement shall be governed and construed under the laws of the state in which the Property is located, and venue for any action or proceeding arising out of this Agreement shall be deemed proper only in the court of competent jurisdiction located in the state in which the Property is located.
19. Throughout the performance of services under this Agreement, the Firm shall maintain at its sole cost and expense the following insurance:
 - (a) Workers' Compensation, so as to provide statutory benefits as required by the laws of each state within the United States in which the Firm's services are being provided, and Employer's Liability insurance with limits of liability of \$1,000,000 each accident, \$1,000,000 disease each employee and \$1,000,000 disease policy limit covering all employees of the Firm engaged in the performance of such services.
 - (b) Fidelity insurance or bond with a limit of \$1,000,000 to insure the Firm against loss of its or Client's assets caused from the dishonest acts of the Firm's employees.
 - (c) Professional Liability insurance with a limit of liability of \$1,000,000 each claim and \$1,000,000 aggregate, which limits may be provided by a combination of primary and excess policies.
 - (d) Commercial General Liability insurance providing coverage against damages due to bodily injury (including death), property damage and personal and advertising injury arising in connection with the Firm's services provided under this Agreement, which insurance coverage shall: (i) be occurrence-based; (ii) provide limits of liability in an amount of \$1,000,000 each occurrence and \$1,000,000 aggregate (including excess and/or umbrella limits), (iii) include at least those coverages generally included in the most current ISO Commercial

General Liability insurance policy form (or its equivalent); and (iv) include Client, and such other persons or entities as Client has identified in writing, as additional insureds solely with regard to claims arising out of this Agreement.

- (e) Commercial automobile liability for owned, hired and non-owned motor vehicles, with a \$1,000,000 combined single limit.

Schedule "B"

PROPERTY INFORMATION LIST

ATTACHED TO AND A PART OF THE AGREEMENT DATED OCTOBER 18, 2022 TO PROVIDE APPRAISAL SERVICES FOR THE BOAVIDA GROUP

The following information is requested to be delivered to the Firm so we can provide the proposed services and prepare the Appraisal within the agreed upon time frame. Please forward the physical data such as the site plan, previous engineering reports and/or property reports describing the physical attributes of the Property and all financial information such as rent roll and income and expense statements first as these items are the most time sensitive and should be received immediately to meet the time requirements of this assignment. If, at this time, you are certain you will not be providing any specific items noted below, please cross out the item and mark "NA" next to the item so that we will be notified that the information is not available and will not be forthcoming.

1. **Please indicate whether Newmark is sales broker, leasing broker, mortgage broker or property manager for the subject property.**
2. Site plan, if available. (Preferably, an AS BUILT PLAN showing an outline of building/s drawn to scale. Please do not send reductions so original scale may be used for measurement purposes.
3. Building plans, if available.
4. Prior engineering report or physical descriptions from prior appraisals or asset management report, if available.
5. Leasing brochures and/or other marketing materials, if available.
6. If the Property has been offered for sale within the last two years, a copy of the offering memorandum or investment book.
7. Past feasibility or market studies and economic impact studies as well as any relevant information collected from third party sources.
8. Agreements of Sale/Options to Buy (current or during last three years), if any.
9. Income and expense statements for the past three years plus year-to-date income and expense statements.
10. Operating budget for current and next year, if available.
11. Management contracts.
12. Copy of most recent real estate tax bill. Please advise if there has been a notice or inquiry by either the County Assessment Board or the School Board regarding the property assessment. Is there any pending litigation or negotiations with these parties that could result in an assessment increase or decrease?
13. Title report, Legal Description, or copy of deed. Provide a written statement of five-year history of legal property owner. Please advise, if there any deed restrictions or encumbrances, easements or cross easements.
14. Personal property inventory, if available.
15. Occupancy rates for the last three years, if not revealed in the financial statements.
16. Ground leases, if any.
17. Approximate actual construction costs, if built during the past three years.

18. Environmental audits and studies disclosing any wetlands, hazardous wastes or other environmental conditions such as asbestos or radon.
19. List of any known major repairs and improvements needed.
20. Three-year history of capital improvements.
21. Name of contact person for the on-site physical inspection.

FOR APARTMENT PROPERTY

22. Unit mix showing rentable area and asking rent by unit type
23. Scaled apartment unit plans showing layouts and measurements so that rentable area can be confirmed, if available.
24. Rent roll showing tenant name, apartment number, dates of leases and the type of apartment, asking/market rents for each apartment, and contractual rent for each apartment unit. (It would be greatly appreciated if you can provide the rent roll in Excel.)
25. Terms of leases and/rent roll for leased commercial space or roof top rentals. Copies of commercial leases are desirable. If any commercial leases provide for pass through of operating expenses over a base year stop, please provide the dollar amount of the base year stop.

FOR INDUSTRIAL, OFFICE, RETAIL PROPERTY

26. Rent Roll (please sign and date) and copies of leases, including addenda and all amendments. Please indicate which leases may have early termination provisions, expansion and/or purchase options. Please identify any tenants who have initiated discussions to renew, terminate or renegotiate/modify their lease(s), or who have given notice to terminate. Proposed terms for such re-negotiations should be revealed.
27. Provide letters of intent to lease or other any outstanding lease proposals that have a reasonable likelihood of being finalized into executed leases.
28. Prior Argus files, if any.
29. List of outstanding leasing commissions brokers and terms of future payments.
30. Financial information such as Annual Statements or credit report/ratings on any major tenant in the building.
31. CAM and real estate tax reimbursement worksheets or listing of base year operating expenses, if applicable.
32. Three-year history of tenant retail sales, if available.

FOR LODGING PROPERTY

33. Terms of leases if any and/rent roll for leased commercial space or roof top rentals.
34. ADR and Occupancy rates for the last three years, if not revealed in the financial statements.
35. Business Plan and Marketing Strategy, if any for the upcoming fiscal year.
36. Terms of franchise agreement and management agreement, if any.

FOR RESIDENTIAL SUBDIVISION PROPERTY

37. Building plans for the proposed single family, townhouse, age-restricted, and condominium residences. Please do not send reductions so original scale may be used for measurement purposes.

38. Market Surveys and Feasibility Analyses, if any, for the proposed development program.
39. Marketing materials for the proposed single family, townhouse, age-restricted, and condominium residences.

Addendum C
Legal Description

Huron County, Ohio - Property Record Card, Page 1

Parcel: 490020040040100

GENERAL PARCEL INFORMATION

Owner SECOND FIRELANDS MANOR LLC
Property Address 0 US HWY 20 WAKEMAN OH 44889 4488
Mailing Address SECOND FIRELANDS MANOR LLC
 3867 W MARKET ST UNIT 269
 AKRON OH 44333-4525
Owner Address 415 TRAILER OR MOBILE HOME PARK
 SEC 2 LOT 64 W SIDE
Land Use 8/16 AC COR
Legal Description

VALUATION

	Appraised	Assessed
Land Value	\$314,460.00	\$110,060.00
Improvements Value	\$504,540.00	\$176,590.00
Total Value	\$819,000.00	\$286,650.00
Taxable Value	\$286,650.00	

SALES

Sale Date	Sale Amount	Buyer	Conveyance	Notes
8/26/2016	\$0.00	SECOND	612	
8/12/2005	\$0.00	FIRELANDS	0	
1/5/1993		FIRELANDS	425	

LAND

Code	Frontage	Depth	Street Price	Depth Percent	Rate	Total	Value	Acres
1 - PRIMARY	0	0/0	200	0%	28000	\$196,000.00	\$196,000.00	7
2 - SECONDARY	0	0/0	200	0%	14000	\$98,000.00	\$98,000.00	7
3 - RESERVE	0	0/0	200	0%	2800	\$20,460.00	\$20,460.00	7.306

MAP



AGRICULTURAL

Code	Soil	Acres	Rate	Appraised	Assessed	CAUV	CAUV	Taxable

Huron County, Ohio - Property Record Card, Page 1

Parcel: 490020040090200

GENERAL PARCEL INFORMATION

Owner SECOND FIRELANDS MANOR LLC
Property Address 0 US HWY 20 (REAR) WAKEMAN OH 44889 4488
Mailing Address SECOND FIRELANDS MANOR LLC
 3867 W MARKET ST UNIT 269
 AKRON OH 44333-4525
Owner Address 415 TRAILER OR MOBILE HOME PARK
 SEC 2 LOT 64 E PT
Land Use
Legal Description

VALUATION

	Appraised	Assessed
Land Value	\$49,710.00	\$17,400.00
Improvements Value	\$55,590.00	\$19,460.00
Total Value	\$105,300.00	\$36,860.00
Taxable Value	\$36,860.00	

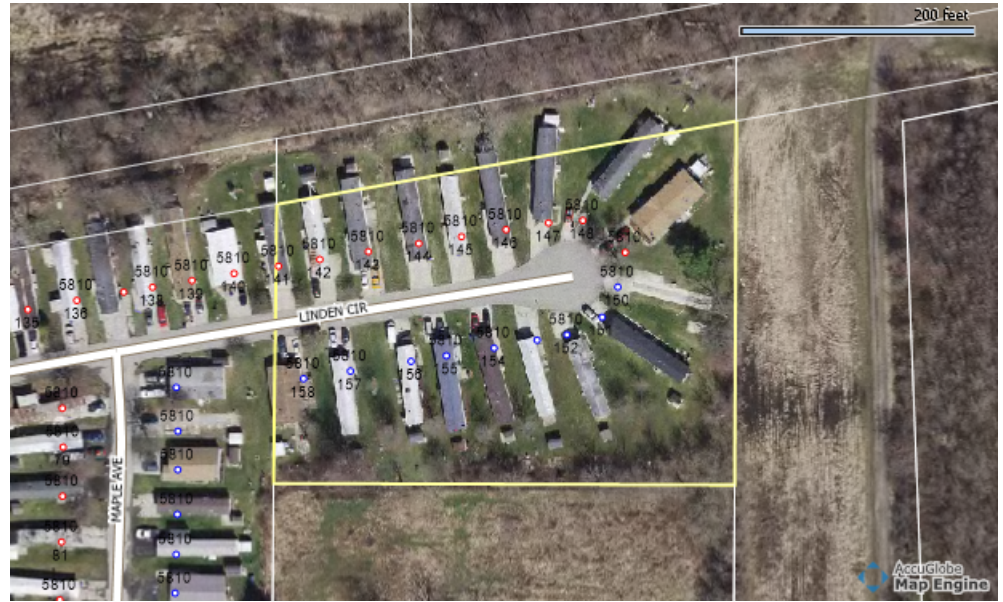
SALES

Sale Date	Sale Amount	Buyer	Conveyance	Notes
8/26/2016	\$0.00	SECOND	612	
8/12/2005	\$0.00	FIRELANDS	0	
1/5/1993		FIRELANDS	424	

LAND

Code	Frontage	Depth	Street Price	Depth Percent	Rate	Total	Value	Acres
1 - PRIMARY	0	0/0	200	0%	28000	\$28,000.00	\$28,000.00	1
2 - SECONDARY	0	0/0	200	0%	14000	\$21,710.00	\$21,710.00	1.551

MAP



AGRICULTURAL

Code	Soil	Acres	Rate	Appraised	Assessed	CAUV	CAUV	Taxable

Addendum D
Financials and Property Information

Rent Roll

FMP Homes 3/25/2022

Unit	Year	Manufacture	First Name	Last Name	Move In	Deposit	Occupied Rent	Potential Rent	
FMP1	1994	Skyline	Rebecca	Wolford	January 1, 2020	\$0	\$348	\$348	1
FMP2	1994	Skyline	Dawn	Smolen	September 1, 2014	\$0	\$320	\$320	2
FMP5	1996	Mansion	Brian	Maddox	March 17, 2019	\$0	\$318	\$318	3
FMP6	1995	Skyline	Jessica	Byrd	July 1, 2021	\$0	\$358	\$358	4
FMP28	1995	Skyline	Jacob	Blevins	September 10, 2020	\$353	\$385	\$385	5
FMP35	1997	Dutch	Michelle	Jenkins	February 18, 2022	\$0	\$378	\$378	6
FMP36	1999	Mansion	Eric	Klypchak	June 17, 2021	\$0	\$433	\$433	7
FMP37	2000	Schult	Mark	Maclean	July 1, 2019	\$0	\$333	\$333	8
FMP40	1997	Redman	Vacant			\$0	\$0	\$330	9
FMP42	2000	Dutch	JoHannah	Taylor	October 6, 2020	\$343	\$373	\$373	10
FMP45	1995	Fleetwood	Wesley	Boley	May 1, 2019	\$0	\$348	\$348	11
FMP47	2001	Fleetwood	Cathy	Stroud	November 1, 2021	\$383	\$383	\$383	12
FMP50	1994	Skyline	Paula	Lucarelli	June 1, 2017	\$0	\$378	\$378	13
FMP52	1994	Skyline	Tyler	Hall	November 1, 2021	\$0	\$383	\$383	14
FMP53	1997	Liberty	Jerome	Dials	December 1, 2018	\$0	\$398	\$398	15
FMP55	2001	Lifetime	Darlene	Souslin	May 7, 2018	\$0	\$328	\$328	16
FMP57	1998	Skyline	Vacant			\$0	\$0	\$260	17
FMP58	1989	Skyline	Gerald	Blair	January 1, 1990	\$655	\$390	\$390	18
FMP69	1994	Skyline	James	Short Jr	August 1, 2021	\$0	\$368	\$368	19
FMP71	1996	Fairmont	Jackilyn	Curtis	August 14, 2021	\$368	\$368	\$368	20
FMP74	1997	Skyline	Christopher	Wetherbee	July 1, 2021	\$0	\$368	\$368	21
FMP77	1990	Skyline	Steven	Carter	March 14, 2019	\$0	\$333	\$333	22
FMP80	1992	Fairmont	Darren	Chastain	July 21, 2021	\$368	\$368	\$368	23
FMP83	1998	Patroit	Dajeannette	Hurst	June 1, 2020	\$0	\$363	\$363	24
FMP88	1999	Skyline	JUSTIN	NEWMAN	September 21, 2018	\$0	\$378	\$378	25
FMP91	1995	Redman	Amy	Damron	November 14, 2019	\$313	\$368	\$368	26
FMP103	1995	Redman	Dale	Tomlin	June 7, 2017	\$0	\$333	\$333	27
FMP104	1995	Fleetwood	Robert	Payne	December 1, 2021	\$0	\$383	\$383	28
FMP105	1995	Skyline	Jeff	Hayden	March 1, 2020	\$0	\$338	\$338	29
FMP106	1994	Skyline	Ashley	Nickles	April 1, 2021	\$342	\$358	\$358	30
FMP115	1998	Redman	Rita	Triesler	December 15, 2020	\$353	\$383	\$383	31
FMP119	1996	Fleetwood	William	Cooley	November 14, 2019	\$0	\$368	\$368	32
FMP120	1997	Dutch	Jatyse	Light	February 1, 2022	\$403	\$403	\$403	33
FMP121	1997	Redman	Kimberly	Collins	January 1, 2022	\$403	\$403	\$403	34
FMP122	2000	Fairmont	Sarah	Griggs	February 1, 2019	\$0	\$363	\$363	35
FMP123	1995	Oakman	Jacob	Kobylski	March 22, 2022	\$0	\$413	\$413	36
FMP124	1995	Liberty	Devan	Mattox	January 6, 2022	\$0	\$383	\$383	37
FMP129	2000	Century	Randy	Kline	July 1, 2020	\$323	\$338	\$338	38
FMP130	1994	Dutch	Karen	combs	November 20, 2020	\$358	\$368	\$368	39
FMP131	1993	Redman	krista	harrold	July 18, 2020	\$343	\$373	\$373	40
FMP137	1996	Fairmont	Vacant			\$0	\$0	\$353	41
FMP139	1997	Skyline	Tass	Love	June 10, 2021	\$0	\$353	\$353	42
FMP143	1994	Redman	Vacant			\$0	\$0	\$323	43
FMP146	1998	Redman	Patricia	Davis	April 1, 2021	\$0	\$363	\$363	44
FMP147	2000	Patroit	Vacant			\$0	\$0	\$293	45
FMP151	1993	Schult	Heather	Henegar	November 1, 2020	\$0	\$365	\$365	46
FMP152	1995	Astro	Jason	Mastino	June 16, 2016	\$0	\$368	\$368	47
FMP153	1995	Skyline	Erica	Flores	February 3, 2022	\$403	\$403	\$403	48
FMP154	1994	Fairmont	Brandon	Priddy	March 19, 2021	\$358	\$358	\$358	49
FMP157	1994	Skyline	Robert	Lowe	December 1, 2019	\$0	\$380	\$380	50
FMP159	1994	Mansion	richard	hunt	March 12, 2017	\$418	\$533	\$533	51
FMP160	1999	Redman	Ernest	Rose	April 1, 2021	\$0	\$308	\$308	52
52	1996		Total			\$6,487	\$17,406	\$18,965	

Addendum E
Comparable Data

Improved Sales

ADDENDA

Multifamily Sale Comparable 1

Northgate MHP

Location Information

Location	720 North Main Street Mount Gilead, OH
Market	OH - Columbus
Submarket	Columbus
County	Morrow
APN	G20-0010056501



Physical Property Summary

Property Type	Multifamily (Mobile Home Park)
Gross Building Area	1,056 SF
Rentable Area	0 SF
Land Acres	28.93 Acres
Land SF	1,260,191 SF
Number of Units	71
Density (Units per Acre)	2.5
Average Unit Size	0 SF
No. of Stories	1
Year Built (Renovated)	1965
Construction	Wood frame
Condition	Average
Parking	On-Street
Investment Class	Class C
Elevators	

Sale Data

Transaction Type	Recorded
Interest Conveyed	Leased Fee
Date	June 22, 2021
Marketing Time	N/A
Grantor	Northgate MHP LLC
Grantee	AM Happy Homes LLC
Document No.	0
Price	\$2,800,000
Financing Terms	
Price Adjustments For:	
Financing	\$0
Conditions of Sale	\$0
Other	\$0
Adjusted Price	\$2,800,000
Price Per Unit	\$39,437

Financial Data

Occupancy	96.0%
Property Operations Status	Stabilized Operations

Financial Indicators

NOI	\$217,000
Derived Cap Rate	7.75%
Reported Cap Rate	7.75%

Verification Confirmed-Buyer Broker

Comments

This manufactured home community is located in the outer reaches of the Columbus, Ohio MSA in Morrow County, Ohio. The property was built in 1965, but has a flat barn on-site that was built in 1920 originally. The property has on-street parking with no off-street parking options. Most homes are dated single section homes. There are no common area amenities. The property would be considered a Class C asset. This property transferred on June 29, 2021. The buyer and seller were represented by the same broker. The broker confirmed the sale price and capitalization rate for the asset. They were \$2,800,000 and 7.75%. The recorded price was \$2,760,000. The recorded sale price may account for some personal property. The vacancy at the time of purchase was reported to be 3.6%. The property was on the open market for about 428-days or about 14-months. The listing price was much higher than the sale price. The original listing price was \$5,700,000. This can explain the longer marketing time for the asset.

ADDENDA

Multifamily Sale Comparable 2

Camelot South MHP

Location Information

Location	3402 OH-109
	Delta, OH
Market	Valuation Properties
Submarket	Valuation Apartment / Multi Housing
County	Fulton
APN	29-057124-00.000



Physical Property Summary

Property Type	Multifamily (Mobile Home Park)
Gross Building Area	525 SF
Rentable Area	0 SF
Land Acres	19.72 Acres
Land SF	859,003 SF
Number of Units	50
Density (Units per Acre)	2.5
Average Unit Size	0 SF
No. of Stories	1
Year Built (Renovated)	1970
Construction	Wood frame
Condition	Average
Parking	driveway
Investment Class	Class C
Elevators	

Sale Data

Transaction Type	0
Interest Conveyed	Leased Fee
Date	July 2, 2021
Marketing Time	N/A
Grantor	PMN Camelot South MHC LLC
Grantee	Multiple Park Holdings, LLC
Document No.	0
Price	\$1,535,000
Financing Terms	Cash to Seller - Buyer Obtained Financing
Price Adjustments For:	
Financing	\$0
Conditions of Sale	\$0
Other	\$0
Adjusted Price	\$1,535,000
Price Per Unit	\$30,700

Financial Data

Occupancy	80.0%
Property Operations Status	Sub-stabilized Operations

Financial Indicators

NOI	\$87,504
Derived Cap Rate	5.70%
Reported Cap Rate	N/A

Verification Confirmed-Buyer

Comments

This property is a 50-pad manufactured housing community located along the east side of OH-109 between Highways C and D a little more than three and a half miles south of the Delta, Ohio town center. One of the 50-homesites is not located on the community's neighborhood roads and is located on a private lot on the southwest side of the property. The park is located on a site totaling 19.72 acres, or 859,003 square feet, and was built in 1970. The park is in average condition based on our observation and is 80% occupied. The property has no common area amenities. A two-car driveway is also provided for each homesite. The property sold along with 5-other properties for a combined portfolio price of \$9,000,000. The entire portfolio contains about 342-units which makes for an average purchase price of \$26,316 per unit. When the property contact was asked to provide allocated purchase prices for the assets in the portfolio, they stated that an allocation methodology was not utilized in the development of the purchase price. They did provide an estimated allocation for purchase price of this asset at \$1,535,000. With

ADDENDA

Multifamily Sale Comparable 3

Three Oaks

Location Information

Location	6992 US-12 Three Oaks, MI
Market	Valuation Properties
Submarket	Valuation Apartment / Multi Housing
County	Berrien
APN	47-0010-0081-03-4 & 47-0010-0081-04-2



Physical Property Summary

Property Type	Multifamily (Mobile Home Park)
Gross Building Area	0 SF
Rentable Area	0 SF
Land Acres	17.92 Acres
Land SF	780,595 SF
Number of Units	74
Density (Units per Acre)	4.1
Average Unit Size	0 SF
No. of Stories	1
Year Built (Renovated)	1986
Construction	
Condition	Average
Parking	
Investment Class	0
Elevators	

Sale Data

Transaction Type	Closed
Interest Conveyed	Leased Fee
Date	March 23, 2021
Marketing Time	N/A
Grantor	Three Oaks Estates, LLC
Grantee	HOMES OF AMERICA
Document No.	0
Price	\$2,800,000
Financing Terms	
Price Adjustments For:	
Financing	\$0
Conditions of Sale	\$0
Other	\$0
Adjusted Price	\$2,800,000
Price Per Unit	\$37,838

Financial Data

Source	Broker
Occupancy	85.0%
Property Operations Status	Sub-stabilized Operations

Financial Indicators

NOI	\$183,400
Derived Cap Rate	6.55%
Reported Cap Rate	6.55%
Verification	0

Comments

This comparable is located at 6992 US-12, Three Oaks, MI 49128 Berrien. It is situated on a 17.92-acre site and was constructed in 1986. Within a three-mile radius there are 1,187 households with a median income of \$54,434. Traffic counts on Pulaski Highway are 6,868 vpd. The comparable is a 74-pad manufactured housing community located along the south side of US-12 at the western end of the Three Rivers village limit. The park is located on a site totaling 17.920 acres, or 780,595 square feet, and was built in 1986. The park is in average condition based on our observation and was sold for \$2,800,000, or \$37,838 Per Pad and was 85% occupied at the time of sale. The buyer was Homes Of America and the seller was Three Oaks Estates, LLC at the time of sale. The overall capitalization rate equates to 6.55% based on income in-place.

ADDENDA

Multifamily Sale Comparable 4

Ridgewood Estates MHC

Location Information

Location	35157 Center Ridge Road North Ridgeville, OH
Market	OH - Cleveland
Submarket	Cleveland
County	Lorain
APN	0700021119149



Physical Property Summary

Property Type	Multifamily (Mobile Home Park)
Gross Building Area	0 SF
Rentable Area	0 SF
Land Acres	10.60 Acres
Land SF	461,736 SF
Number of Units	76
Density (Units per Acre)	7.2
Average Unit Size	0 SF
No. of Stories	
Year Built (Renovated)	1950
Construction	
Condition	Average
Parking	Off-Street
Investment Class	Class C
Elevators	

Sale Data

Transaction Type	Recorded
Interest Conveyed	Leased Fee
Date	November 1, 2020
Marketing Time	N/A
Grantor	Ridgewood Estates LLC
Grantee	Jones Estates Ridgewood LLC
Document No.	2021001538
Price	\$2,700,000
Financing Terms	
Price Adjustments For:	
Financing	\$0
Conditions of Sale	\$0
Other	\$0
Adjusted Price	\$2,700,000
Price Per Unit	\$35,526

Financial Data

Occupancy	96.0%
Property Operations Status	Stabilized Operations

Pro Forma Stabilized Operations

NOI	N/A	NOI	\$169,020
Derived Cap Rate	N/A	Derived Cap Rate	6.26%
Reported Cap Rate	6.26%	Verification	Confirmed-Buyer Broker

Comments

Ridgewood Estates MHC is located on the south side of Center Ridge Road just west of the Aldi at Ranger Way and Center Ridge Road. The 95-homesite community shares an entrance with the shopping center it is adjacent to and is setback behind other retail development fronting the main road. Homesites are fully occupied with homes and each homesite has a paved driveway that can fit two cars. Most homes are single section homes but there are a handful of multi-section homes. French Creek splits the north and south side of the property. There is a clubhouse/office at the entrance of the community where mailboxes are found on the side of the building. The broker on this transaction confirms this property sold for a reported \$2,700,000 in November of 2020. A capitalization rate of 6.26% was reported, though no details on what was included in this capitalization rate was made clear. As such, there may have been downward pressure on the capitalization rate if risk for reassessment and other factors are exempt.

ADDENDA

Multifamily Sale Comparable 5

Hills Haven

Location Information

Location	4205 Hills Haven Road Buchanan, MI
Market	MI - Southwest
Submarket	Southwest Michigan
County	Berrien
APN	06-0012-0015-02-1; 06-0012-0021-04-7; 06-0012-002



Physical Property Summary

Property Type	Multifamily (Mobile Home Park)
Gross Building Area	0 SF
Rentable Area	0 SF
Land Acres	11.19 Acres
Land SF	487,436 SF
Number of Units	94
Density (Units per Acre)	8.4
Average Unit Size	0 SF
No. of Stories	
Year Built (Renovated)	1969
Construction	
Condition	Average
Parking	
Investment Class	Class C
Elevators	

Sale Data

Transaction Type	Closed
Interest Conveyed	Leased Fee
Date	May 1, 2021
Marketing Time	N/A
Grantor	Michigan Bay Limited Partnership
Grantee	RHP Properties, Inc.
Document No.	0
Price	\$2,990,000
Financing Terms	Cash to Seller - Buyer Obtained Financing
Price Adjustments For:	
Financing	\$0
Conditions of Sale	\$0
Other	\$0
Adjusted Price	\$2,990,000
Price Per Unit	\$31,809

Financial Data

Occupancy	95.0%
Property Operations Status	Stabilized Operations

Financial Indicators

NOI	\$179,260
Derived Cap Rate	6.00%
Reported Cap Rate	N/A

Verification Confirmed-Other

Comments

Hills Haven is a 94 pad manufactured housing community located along the east side of Red Bull Trail North. The park is located on a site totaling 11.190 acres, or 487,436 square feet, and was built in 1969. The park is in average condition and is 95% occupied. Amenities include a playground. The property is sold as part of a 28-property Manufactured Home Community portfolio. The purchase price allocated for the property is \$2,990,000 or \$31,809 Per Pad. The buyer is RHP Properties, Inc. and the seller is Michigan Bay Limited Partnership.

ADDENDA

Multifamily Sale Comparable 6

Bellevue MHC

Location Information

Location	23951 15 Mile Road Bellevue, MI
Market	MI - Southern Mid
Submarket	MI - Southern Mid Area
County	Calhoun
APN	08-040-003-03



Physical Property Summary

Property Type	Multifamily (Mobile Home Park)
Gross Building Area	2,000 SF
Rentable Area	0 SF
Land Acres	22.53 Acres
Land SF	981,407 SF
Number of Units	76
Density (Units per Acre)	3.4
Average Unit Size	0 SF
No. of Stories	1
Year Built (Renovated)	1989
Construction	Wood frame
Condition	Average
Parking	
Investment Class	Class C
Elevators	

Sale Data

Transaction Type	Closed
Interest Conveyed	Leased Fee
Date	November 1, 2021
Marketing Time	N/A
Grantor	SSA Bellevue MHP LLC
Grantee	Multiple Park Holdings, LLC
Document No.	0
Price	\$2,345,000
Financing Terms	Cash to Seller - Buyer Obtained Financing
Price Adjustments For:	
Financing	\$0
Conditions of Sale	\$0
Other	\$0
Adjusted Price	\$2,345,000
Price Per Unit	\$30,855

Financial Data

Source	Actuals
Occupancy	93.0%
Property Operations Status	Stabilized Operations

Financial Indicators

NOI	\$167,351
Derived Cap Rate	7.14%
Reported Cap Rate	N/A

Verification Secondary Verification

Comments

This property is sold along with 5-other properties for a combined portfolio price of \$9,000,000. The entire portfolio contains about 342-units which makes for an average purchase price of \$26,316 per unit. The estimated purchase price allocation for this asset was \$2,345,000; however, the 5 properties were viewed in the aggregate and this allocation is a general estimate by the buyer. The capitalization rate was developed using forward-looking, in-place financials.

Lease Comparables

ADDENDA

Multifamily Rental Survey Comparable 1

Fountains Mobile Home Park

Location Information

Location	100 Morningside Drive Port Clinton, OH
Market	Valuation Properties
Submarket	Valuation Apartment / Multi
County	Ottawa
APN	0210882418902000



Physical Property Summary

Property Type	Multifamily (Mobile Home Park)
Gross Building Area	0 SF
Rentable Area	0 SF
Number of Units	147
Average Unit Size	0 SF
No. of Stories	1
Max Ceiling Height (Feet)	9
Year Built (Renovated)	1977
Construction	Wood frame
Condition	Average
Parking	0
Investment Class	Class C
Elevators	0

Lease Availability Details

Survey Date	Jun-2022
Overall Occupancy at Survey	99.0%
Leasing Agent	Leasing/Management

Residential Unit Mix

Units	Occ Units	Unit Description	Unit Size	Base Rent	\$/SF	Comments
147	146	OBR/OBA - Pad Sites	0	\$375		
147			0	\$375		

Comments

Fountains Mobile Home Park is a 55+ community located along Morningside Drive in Port Clinton, Ohio. The property was built in 1977 and is spread across 28.595-acres of land. The park contains 147 pad sites of which 88 are single section sites and 59 are double section sites. There are two site types offered, interior sites and pond sites. Amenities include gated entrance, ponds and recreation hall. Utilities include water, sewer and trash, which are valued at \$30, \$51 and \$26/month, respectively. Management reports resident referral programs. Occupancy is reported at 99%. The park offers both single section and double section sites at an average rental rate of \$375/month. Last rent increase was in April 2021 by \$30/month.

ADDENDA

Multifamily Rental Survey Comparable 2

Brookdale Mobile Home Park

Location Information

Location	1166 Lafayette Road Medina, OH
Market	Valuation Properties
Submarket	Valuation Apartment / Multi
County	Medina
APN	028-19C-17-040



Physical Property Summary

Property Type	Multifamily (Mobile Home Park)
Gross Building Area	0 SF
Rentable Area	0 SF
Number of Units	224
Average Unit Size	0 SF
No. of Stories	1
Max Ceiling Height (Feet)	9
Year Built (Renovated)	1977
Construction	Wood frame
Condition	Average
Parking	0
Investment Class	Class C
Elevators	0

Lease Availability Details

Survey Date	Jun-2022
Overall Occupancy at Survey	97.00%
Leasing Agent	Leasing/Management

Residential Unit Mix

Units	Occ Units	Unit Description	Unit Size	Base Rent	\$/SF	Comments
224	219	OBR/OBA - Pad Sites	0	\$340		
224			0	\$340		

Comments

Brookdale Mobile Home Park is an all ages community located along Lafayette Road in Medina, Ohio. The property was built in 1977 and is spread across 42.265-acres of land. The park contains 224 pad sites all of which are single section sites. Amenities include basketball, playground and pets with restrictions. Utilities include trash, valued at \$9/month. Occupancy is reported at 97%. The property offers single section sites at an average rental rate of \$340/month. Last rent increase was in May 2019 by \$15/month.

ADDENDA

Multifamily Rental Survey Comparable 3

Colonial Oaks

Location Information

Location	10425 Middle Ave. Elyria, OH
Market	Valuation Properties
Submarket	Valuation Apartment / Multi
County	Lorain
APN	10-00-004-113-046



Physical Property Summary

Property Type	Multifamily (Mobile Home Park)
Gross Building Area	0 SF
Rentable Area	0 SF
Number of Units	504
Average Unit Size	0 SF
No. of Stories	1
Max Ceiling Height (Feet)	9
Year Built (Renovated)	1971
Construction	Wood frame
Condition	Average
Parking	0
Investment Class	Class C
Elevators	0

Lease Availability Details

Survey Date	Jun-2022
Overall Occupancy at Survey	88.00%
Leasing Agent	Leasing/Management

Residential Unit Mix

Units	Occ Units	Unit Description	Unit Size	Base Rent	\$/SF	Comments
504	459	OBR/OBA - Pad Site	0	\$426		
504			0	\$426		

Comments

Colonial Oaks is an all ages community owned by Yes Communities and is located along Middle Avenue in Elyria, Ohio. The property was built in 1971 and is spread across 76.77-acres of land. The park contains 504 pad sites of which 353 are single section sites and 151 are double section sites. Amenities include basketball, playground, clubhouse, RV storage area, grass rec area, swimming pool and picnic area. Utilities include trash, which is valued at \$9/month. Occupancy is reported at 88%. The park offers both single section and double section sites at an average rental rate of \$426/month. Last rent increase was in January 2022 by \$28/month.

ADDENDA

Multifamily Rental Survey Comparable 4

Amherst Trail

Location Information

Location	46270 Telegraph Rd Amherst, OH
Market	Valuation Properties
Submarket	Valuation Apartment / Multi
County	Lorain
APN	0500033000067



Physical Property Summary

Property Type	Multifamily (Mobile Home Park)
Gross Building Area	0 SF
Rentable Area	0 SF
Number of Units	170
Average Unit Size	0 SF
No. of Stories	1
Max Ceiling Height (Feet)	9
Year Built (Renovated)	1960
Construction	Wood frame
Condition	Average
Parking	0
Investment Class	Class C
Elevators	0

Lease Availability Details

Survey Date	Jun-2022
Overall Occupancy at Survey	84.00%
Leasing Agent	Leasing/Management

Residential Unit Mix

Units	Occ Units	Unit Description	Unit Size	Base Rent	\$/SF	Comments
170	143	OBR/OBA - Pad Site	0	\$370		
170			0	\$370		

Comments

Amherst Trail is an all ages community located along Telegraph Road in Amherst, Ohio. The property was built in 1960 and is spread across 25.14-acres of land. The park contains 170 pad sites of which 102 are single section sites and 68 are double section sites. Amenities include basketball and playground. Utilities include trash, which is valued at \$9/month. Management reports incentive of 2 months free site rent on the purchase of a new inventory home. Occupancy is reported at 84%. The park offers both single section and double section sites at an average rental rate of \$370/month. Last rent increase was in November 2021 by \$25/month.

ADDENDA

Multifamily Rental Survey Comparable 5

Pikewood Manor

Location Information

Location	1800 Lorain Boulevard Elyria, OH
Market	OH - Cleveland
Submarket	Cleveland
County	Lorain
APN	624033102011 et al. /



Physical Property Summary

Property Type	Multifamily (Mobile Home Park)
Gross Building Area	0 SF
Rentable Area	0 SF
Number of Units	450
Average Unit Size	0 SF
No. of Stories	1
Max Ceiling Height (Feet)	9
Year Built (Renovated)	1960
Construction	Wood frame
Condition	Average
Parking	0
Investment Class	Class C
Elevators	0

Lease Availability Details

Survey Date	Jun-2022
Overall Occupancy at Survey	90.00%
Leasing Agent	Leasing/Management

Residential Unit Mix

Units	Occ Units	Unit Description	Unit Size	Base Rent	\$/SF	Comments
450	417	OBR/OBA - Pad Site	0	\$455		
450			0	\$455		

Comments

Pikewood Manor is an all ages community owned by UMH Properties Inc. The property was built in 1960 and is spread across 118.30-acres of land. The park contains 450 pad sites of which 225 are single section sites and 225 are double section sites. The park offers two site types, standard sites and Lake sites. Amenities include basketball, playground, clubhouse, RV storage, lake, swimming pool and tennis. Utilities include trash, which is valued at \$9/month. Management reports resident referral program and various incentives offered throughout the year. Occupancy is reported at 90%. The park offers both single section and double section sites at an average rental rate of \$455/month. Last rent increase was in June 2018 by \$15/month.

Addendum F

Appraiser Qualifications and Licenses



Jeff Jozwick, MAI

Executive Vice President

m 248-431-6749

jeff.jozwick@nmrk.com

YEARS OF EXPERIENCE

25+

AREAS OF SPECIALTY

Valuation & Advisory

Multifamily:

- Market
- Student
- Affordable (Sec 8 & LIHTC)
- Senior Affordable

Land Lease Communities:

- Manufactured Housing
- Mobile Home Parks
- RV Parks/Campgrounds

Other: Office, Retail, Industrial,
Automobile Dealerships, STNL,
Mixed-Use

Jeff Jozwick, MAI joined Newmark in 2021 as an Executive Vice of its Valuation & Advisory practice in Detroit, Michigan.

Bringing 25 years of commercial real estate valuation experience to his practice, Jeff has specialized in multifamily and manufactured housing valuation since 2005. His residential expertise includes market, affordable and student multifamily, manufactured housing/land leased communities and RV Parks. In addition to multifamily, Jeff has extensive experience valuing a wide array of existing and proposed asset types including industrial, office, shopping centers, vacant land, automobile dealerships, restaurants, subdivision and mixed-use developments as well as a variety of special purpose properties.

Jeff is also qualified as an expert witness and has testified in Federal Bankruptcy Court and testified for partnership disputes.

Jeff also has significant experience with development and/or affordable incentives, including federal and state historic tax credits, brownfield / tax increment financing (TIF), Obsolete Property Rehabilitation Act (OPRA) incentives, LIHTC valuations, USDA Rural Development programs, and Payment in lieu of Taxes (PILOT) programs. Experience includes ongoing operations in the respective programs as well the op out / roll to market processes for various programs, and resulting tenant protection periods (TPP), etc.

Prior to joining Newmark, Jeff served as a Director in CBRE's Michigan office for almost 18 years. While at CBRE he led the Michigan multifamily practice as well as the National manufactured housing practice.

Previous roles also include three years serving as Vice President, Senior Appraiser at Real Estate Consulting Group, and four years serving as an Associate with Allen & Associates Appraisal Group.

Professional Affiliations

- Designated Member, Appraisal Institute (MAI), Member No. 12300
 - Past Regional Representative
- Real Estate Sales Person, State of Michigan, No. 6501287724
- Certified General Appraiser, State of Michigan, No. 1205006193

Education

- Bachelor of Business Administration with a concentration in Business Management and emphasis in finance from Western Michigan University.
- Appraisal Institute coursework for MAI designation.

GRETCHEN WHITMER
GOVERNOR

P839453

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
BUREAU OF PROFESSIONAL LICENSING

CERTIFIED GENERAL APPRAISER
LICENSE

JEFFREY CLINTON JOZWICK

LICENSE NO.
1205006193

EXPIRATION DATE
07/31/2023

AUDIT NO
3474523

THIS DOCUMENT IS DULY ISSUED
UNDER THE LAWS OF THE STATE
OF MICHIGAN

Ohio Department of Commerce
Division of Real Estate & Professional Licensing

REAL ESTATE APPRAISER TEMPORARY PRACTICE PERMIT

Jeffrey Clinton Jozwick

Certified General Real Estate Appraiser - Temporary

Appraiser Number: 2022004439

Issue Date: 07/14/2022

THIS TEMPORARY CERTIFICATE OR LICENSE IS EXPRESSLY LIMITED TO A GRANT OF AUTHORITY TO PERFORM THE APPRAISAL ASSIGNMENT OR SPECIALIZED SERVICE REQUIRED BY THE CONTRACT FOR APPRAISAL SERVICES. THIS TEMPORARY CERTIFICATE OR LICENSE EXPIRES UPON COMPLETION OF THE WORK REQUIRED BY THE APPRAISAL ASSIGNMENT OR SPECIALIZED SERVICE.

**Address(es) of the properties
listed in the assignment:**

105 S 4th St., Cardington
3899 Marion-Williamsport Rd. East, Caledonia

5810 US Highway 20 E, Wakeman
230 Whittlesey Ave., Norwalk

520 Milan Ave., Norwalk
735 Eastlake Dr., Ashland

Jeffrey Clinton Jozwick
Newmark Valuation, LLC
27725 Stansbury Blvd Ste 300
Farmington Hills, MI 48334-3804