

# APPRAISAL REPORT

PENINSULA TINY HOME VILLAGE (PROPOSED)  
261131 W HIGHWAY 101  
SEQUIM, WASHINGTON 98382  
CBRE FILE NO.: CB24US059978-1

U.S. BANK  
CLIENT REFERENCE NO.: 24-0034202-01-01

Date of Report: August 10, 2024

Elizabeth Parker, MAI  
Senior Review Appraiser  
U.S. Bank  
1420 5th Avenue, Suite 700  
Seattle, Washington 98101

RE: Appraisal of: Peninsula Tiny Home Village (Proposed)  
261131 W Highway 101  
Sequim, Clallam County, Washington 98382  
CBRE, Inc. File No.: CB24US059978-1  
Client Reference No.: 24-0034202-01-01

Dear Ms. Parker:

At your request and authorization, CBRE, Inc. has prepared an appraisal of the market value of the referenced property. Our analysis is presented in the following Appraisal Report.

The subject is a proposed age-restricted Class B 20-pad "tiny home village" located at 261131 W Highway 101 in Sequim, Washington. The property will be developed in 2024 and situated on a 1.27-acre site. It will be occupied with modular tiny homes which are similar to a typical single-section home or park model home, however, it remains on wheels and can be hitched and pull off-site with more ease than a typical manufactured home. As such, they look similar to a manufactured home but are allowed on properties zoned for RV park use because the ease in which they can be removed. Therefore, our analysis will utilize manufactured housing and long-term RV park sales to value the subject property.

The subject is under construction and is not stabilized. Therefore, we have also estimated the subject's market value at completion of construction and at stabilized operation values.

Based on the analysis contained in the following report, the market value of the subject is concluded as follows:

<b>MARKET VALUE CONCLUSION</b>			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
As Is	Fee Simple Estate	August 5, 2024	\$270,000
As Complete	Leased Fee Interest	November 5, 2024	\$1,700,000
As Stabilized	Leased Fee Interest	November 5, 2025	\$2,375,000
Compiled by CBRE			

This Appraisal Report is subject to Extraordinary Assumptions and/or Hypothetical Conditions; please refer to the Executive Summary section of this report for further discussion and analysis.

The report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter.

The following appraisal sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to the opinion of value. The analyses, opinions and conclusions were developed based on, and this report has been prepared in conformance with, the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), and the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute. It also conforms to Title XI Regulations and the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) updated in 1994 and further updated by the Interagency Appraisal and Evaluation Guidelines promulgated in 2010.

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. As a condition to being granted the status of an intended user, any intended user who has not entered into a written agreement with CBRE in connection with its use of our report agrees to be bound by the terms and conditions of the agreement between CBRE and the client who ordered 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 any non-intended users does not extend reliance to any such party, and CBRE will not be responsible for any unauthorized use of or reliance upon the report, its conclusions or contents (or any portion thereof).

August 10, 2024

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It has been a pleasure to assist you in this assignment. If you have any questions concerning the analysis, or if CBRE can be of further service, please contact us.

Respectfully submitted,

CBRE - VALUATION & ADVISORY SERVICES



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Andrew Chapman  
Senior Vice President  
State Certified General Real Estate Appraiser  
#1102266, exp. 9/26/2025

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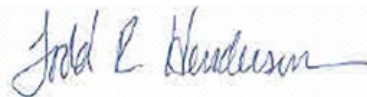
## Certification

We certify 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. Andrew Chapman and Todd Henderson, MAI, AI-GRS, have not provided any services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. 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.
8. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice.
9. Andrew Chapman has made a personal inspection of the property that is the subject of this report. Todd Henderson, MAI, AI-GRS, has not made a personal inspection of the property that is the subject of this report.
10. No one provided significant real property appraisal assistance to the persons signing this certification.
11. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. As of the date of this report, Todd Henderson, MAI, AI-GRS, has completed the continuing education program for Designated Members of the Appraisal Institute.
14. As of the date of this report, Andrew Chapman has completed the Standards and Ethics Education Requirements for Practicing Affiliates of the Appraisal Institute.
15. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the State of Washington.

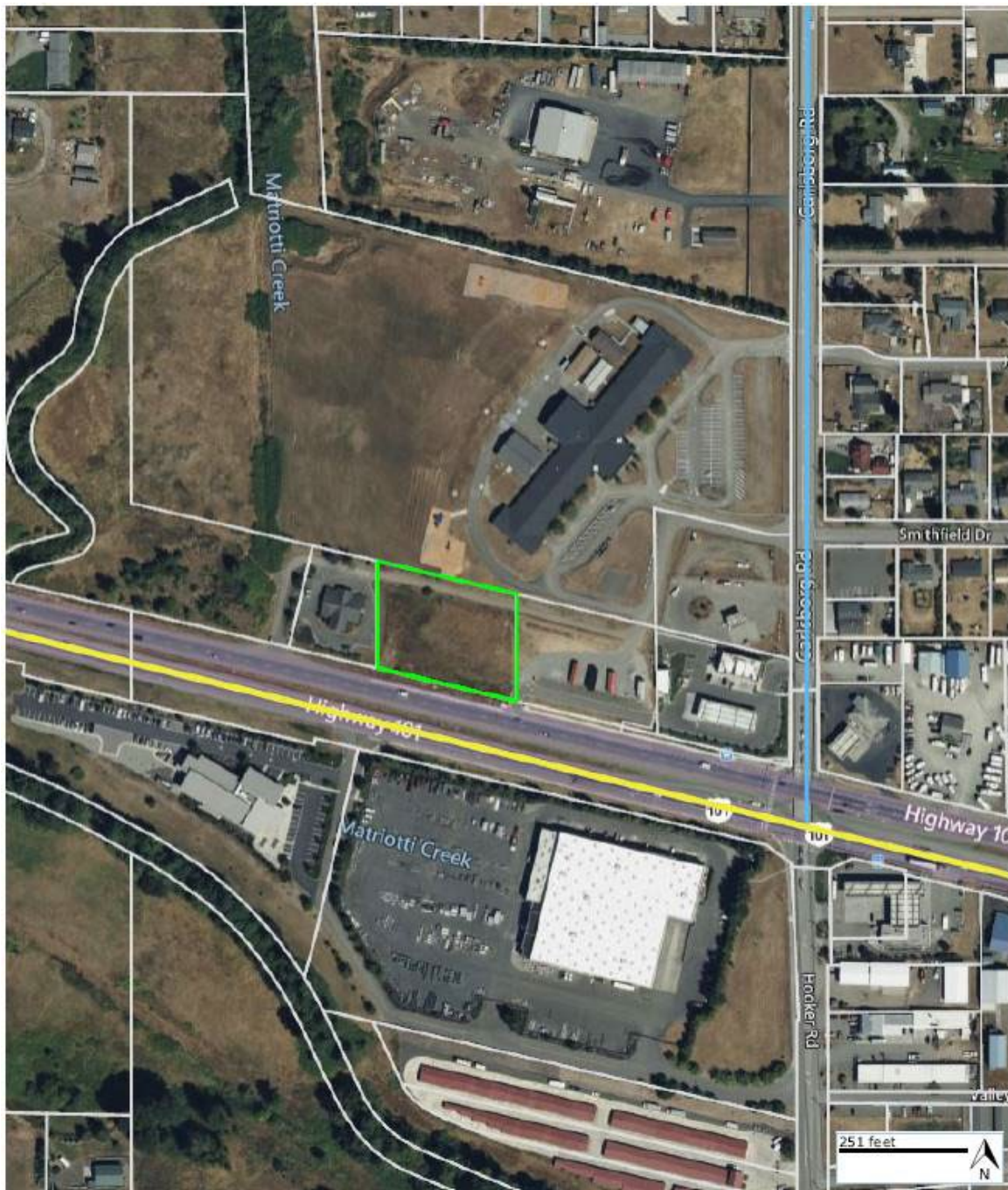


Andrew Chapman  
Appraiser Certification No.: 1102266



Todd Henderson, MAI, AI-GRS  
Appraiser Certification No.: 1101931

## Subject Photographs



Aerial View





Highway 101, facing southeast



East side of subject, facing northeast



Highway 101, facing northwest



West side of subject, facing northwest



Subject, as seen from the north



Subject, as seen from the east

## Executive Summary

<b>Property Name</b>	Peninsula Tiny Home Village	
<b>Location</b>	261131 W Highway 101 Sequim, Clallam County, WA 98382	
<b>Parcel Number</b>	0430221390000000	
<b>Client</b>	U.S. Bank	
<b>Client Reference Number</b>	24-0034202-01-01	
<b>Highest and Best Use</b>		
As If Vacant	Commercial	
As Improved	Continued Development w/ a Tiny Home Village	
<b>Property Rights Appraised</b>	Leased Fee Interest	
<b>Date of Report</b>	August 9, 2024	
<b>Date of Inspection</b>	August 5, 2024	
<b>Estimated Exposure Time</b>	0 - 6 Months	
<b>Estimated Marketing Time</b>	0 - 6 Months	
<b>Primary Land Area</b>	1.27 AC	55,321 SF
<b>Zoning</b>	CGC (Carlsborg General Commercial)	
<b>Improvements</b>		<b>Comments</b>
Property Type	MH/RV Park	Tenant-Owned Homes
Number of Buildings	1	Clubhouse
Net Rentable Area	480 SF	
Number of Pads	20	
Unit Size	Tiny Homes	
Year Developed	2024	
Effective Age	0 Years	
Remaining Economic Life	50 Years	
Condition	New	
<b>Property Details</b>		
Age Type	Age-Restricted	Senior
Rent Control	No	
Water Source	Public	City of Sequim
Sewer Source	Public	City of Sequim
Amenities	Average	Clubhouse and Exercise Room
Community-Owned Homes	0	
<b>Current Ownership Profile</b>	Investor-Regional	
<b>Buyer Profile</b>	Investor-Regional	
<b>Financial Indicators</b>		
Current Occupancy	0.0%	
Stabilized Occupancy	96.0%	
Stabilized Credit Loss	1.0%	
Estimated Lease-up Period	12 Months	
Overall Capitalization Rate	6.25%	

<b>Pro Forma Prospective</b>		<b>Total</b>	<b>Per Pad</b>
Effective Gross Income		\$189,400	\$9,470.00
Operating Expenses		\$41,265	\$2,063.25
Expense Ratio		21.79%	
Net Operating Income		\$148,135	\$7,406.75
<b>VALUATION</b>		<b>Total</b>	<b>Per Pad</b>
Land Value		\$180,000	\$9,000.00
<b>Market Value As Complete On November 5, 2024</b>			
Cost Approach		\$1,550,000	\$77,500.00
Sales Comparison Approach		\$1,650,000	\$82,500.00
Income Approach		\$1,700,000	\$85,000.00
<b>Market Value As Stabilized On November 5, 2025</b>			
Cost Approach		\$2,225,000	\$111,250.00
Sales Comparison Approach		\$2,350,000	\$117,500.00
Income Approach		\$2,375,000	\$118,750.00

<b>CONCLUDED MARKET VALUE</b>			
<b>Appraisal Premise</b>	<b>Interest Appraised</b>	<b>Date of Value</b>	<b>Value</b>
As Is	Leased Fee Interest	August 5, 2024	\$270,000
As Complete	Leased Fee Interest	November 5, 2024	\$1,700,000
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Compiled by CBRE

## STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS (SWOT)

### Strengths/Opportunities

- Located within adequate distance to major commercial and medical services as well as employment opportunities.
- The subject will be a Class B community with all homes planned to be tenant-owned.
- Property is located adjacent to a tiny home dealership. Occupation with tiny homes allows for smaller sites and maximization of allowed density.
- Tiny homes typically have attractive modern designs at cost far below newer manufactured homes.
- All utilities will be directly billed to the tenants, lowering the expense ratio, increasing NOI and controlling over usage.
- Clubhouse with a fitness center.
- Currently no rent control policies impacting the subject property.
- Rising cost of single-family housing encourages manufactured home ownership.
- Tenant-owned homes strengthen occupancy and reduce required management and maintenance.
- Housing supply shortage, nationwide, not anticipated to be solved over the next five years, creating additional demand for affordable manufactured housing.



### Weaknesses/Threats

- Property is located along Highway 101 which could contribute some traffic noise, however, ownership plans to construct a fence with foliage around the property to reduce noise potential.
- Tiny homes are set on wheels and can be removed from a property with greater ease than a typical manufactured home.
- A bill went into law in July 2023 imposing a no-sale waiting period of 45 days on a property owner to give tenants an opportunity to purchase their community instead of a third-party. The no-sale period is extended by 12 months if any tenant or nonprofit group shows interest. Furthermore, no earnest money is required to extend the no-sale period.
- Many owners experiencing inflating operating costs.
- Rising interest rates have driven mortgage costs upward.
- Commercial real estate market conditions have deteriorated at the macro level. The significant recent increase in the cost of capital and reduced volume of transaction activity is impacting price discovery and creating an increase in uncertainty. Increasing interest rates and subdued economic growth will continue to weigh on commercial real estate fundamentals and investment transaction volumes. This creates a higher degree of uncertainty in general, though the impacts may vary by market and asset class/type.

### MARKET VOLATILITY

We draw your attention to a combination of inflationary pressures (leading to higher interest rates) and recent failures/stress in banking systems which have significantly increased the potential for constrained credit markets, negative capital value movements and enhanced volatility in property markets over the short-to-medium term.

Experience has shown that consumer and investor behavior can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect this heightened level of volatility and the potential for deteriorating market conditions.

It is important to note that the conclusions set out in this report are valid as of the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events.

### EXTRAORDINARY ASSUMPTIONS

An extraordinary assumption is defined 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.”<sup>1</sup>

- The appraisal includes a Prospective opinion of market value at the completion and stabilization of the property. As such, the prospective values are based on forward looking projections that are based on current market indications and typical underwriting witnessed by market participants. Any significant change in market conditions that are inconsistent with the assumptions made herein could impact the opinions of market value.

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<sup>1</sup> The Appraisal Foundation, USPAP, 2024 Edition (Effective January 1, 2024)

- Our valuation is based on the construction of a 20-pad tiny home village consistent with plans provided for this valuation. It is assumed that the development conveyed to us is what will be developed on the subject site, within the projected timeline provided.
- The use of these extraordinary assumptions may have affected the assignment results.

## HYPOTHETICAL CONDITIONS

A hypothetical condition is defined 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 purposes of analysis.” <sup>2</sup>

- None noted.

## OWNERSHIP AND PROPERTY HISTORY

OWNERSHIP SUMMARY	
Item	Current
<b>Current Ownership</b>	
Owner:	Tajmahaul, LLC
Seller:	Clallam Property Management, LLC
Purchase Price:	\$178,000
Transaction Date:	April 12, 2024
Sale in Last 3 Years?:	Yes
Legal Reference:	2024-1459096
County/Locality Name:	Clallam
Buyer/Seller Relationship Type:	Arm's length and reasonable
At / Above / Below Market:	At Market
Comments:	Off-market deal
<b>Pending Sale</b>	
Under Contract:	No
<b>Current Listing</b>	
Currently Listed For Sale:	No
Compiled by CBRE	

The property previously sold on April 12, 2024 as raw land, for \$178,000. According to the buyer, this was an off-market deal and our analysis supports the pending sale price. We are unaware of any additional ownership transfers of the property in the last three years. Further, the property is not reportedly being offered for sale as of the current date.

## PERSONAL AND/OR INTANGIBLE PROPERTY

There will be no personal property recognized in our valuation. The tenants will reportedly furnish their own homes. The clubhouse will include fitness equipment, but it is not anticipated to contribute significant value to the subject property. All tiny homes are slated for tenant ownership.

<sup>2</sup> The Appraisal Foundation, USPAP, 2024 Edition (Effective January 1, 2024)

## EXPOSURE/MARKETING TIME

Current appraisal guidelines require an estimate of a reasonable time period in which the subject could be brought to market and sold. This reasonable time frame can either be examined historically or prospectively. In a historical analysis, this is referred to as exposure time. Exposure time always precedes the date of value, with the underlying premise being the time a property would have been on the market prior to the date of value, such that it would sell at its appraised value as of the date of value. On a prospective basis, the term marketing time is most often used. The exposure/marketing time is a function of price, time, and use. It is not an isolated estimate of time alone. In consideration of these factors, we have analyzed the following:

- exposure periods for comparable sales used in this appraisal;
- exposure/marketing time information from the PwC Real Estate Investor Survey; and
- the opinions of market participants.

The following table presents the information derived from these sources.

EXPOSURE/MARKETING TIME DATA				
Investment Type	Exposure/Mktg. (Months)			
	Range			Average
Comparable Sales Data	1.0	-	6.0	3.0
PwC Apartment				
National Data	3.0	-	15.0	6.3
Local Market Professionals	0.0	-	6.0	3.0
CBRE Exposure Time Estimate	0 - 6 Months			
CBRE Marketing Period Estimate	0 - 6 Months			
Various Sources Compiled by CBRE				

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## Scope of Work

This Appraisal Report is intended to comply with the real property appraisal development and reporting requirements set forth under Standards Rules 1 and 2 of USPAP. The scope of the assignment relates to the extent and manner in which research is conducted, data is gathered, and analysis is applied.

### INTENDED USE OF REPORT

This appraisal is to be used for loan underwriting and-or credit decisions and no other use is permitted.

### CLIENT

The client is U.S. Bank.

### INTENDED USER OF REPORT

This appraisal is to be used by U.S. Bank National Association, and its parent, affiliates, subsidiaries and assigns. No other user(s) may rely on our report unless as specifically indicated in this report.

Intended Users - the intended user is the person (or entity) who the appraiser intends will use the results of the appraisal. The client may provide the appraiser with information about other potential users of the appraisal, but the appraiser ultimately determines who the appropriate users are given the appraisal problem to be solved. Identifying the intended users is necessary so that the appraiser can report the opinions and conclusions developed in the appraisal in a manner that is clear and understandable to the intended users. Parties who receive or might receive a copy of the appraisal are not necessarily intended users. The appraiser's responsibility is to the intended users identified in the report, not to all readers of the appraisal report.<sup>3</sup>

### RELIANCE LANGUAGE

Reliance on any reports produced by CBRE under this Agreement is extended solely to parties and entities expressly acknowledged in a signed writing by CBRE as Intended Users of the respective reports, provided that any conditions to such acknowledgement required by CBRE or hereunder have been satisfied. Parties or entities other than Intended Users who obtain a copy of the report or any portion thereof (including Client if it is not named as an Intended User), whether as a result of its direct dissemination or by any other means, may not rely upon any opinions or conclusions contained in the report or such portions thereof, and CBRE will not be responsible for any unpermitted use of the report, its conclusions or contents or have any liability in connection therewith.

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<sup>3</sup> Appraisal Institute, The Appraisal of Real Estate, 15th ed. (Chicago: Appraisal Institute, 2020), 50.



## PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to develop an opinion of the market value of the subject property.

## DEFINITION OF VALUE

The current economic definition of market value agreed upon by agencies that regulate federal financial institutions in the U.S. (and used herein) is as follows:

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised, and acting in what they consider their own best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.<sup>4</sup>

## INTEREST APPRAISED

The value estimated represents the Leased Fee Interest (As Completed and As Stabilized) and Fee Simple Interest (As Is) as defined 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.<sup>5</sup>

*Leased Fee Interest* - The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.<sup>6</sup>

## Extent to Which the Property is Identified

The property is identified through the following sources:

- postal address
- assessor's records
- legal description

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<sup>4</sup> 12 CFR, Part 34, Subpart C-Appraisals, 34.42(h).

<sup>5</sup> Appraisal Institute, The Dictionary of Real Estate Appraisal, 7<sup>th</sup> ed. (Chicago: Appraisal Institute, 2022), 73.

<sup>6</sup> Appraisal Institute, The Dictionary of Real Estate Appraisal, 7<sup>th</sup> ed. (Chicago: Appraisal Institute, 2022), 105.

### Extent to Which the Property is Inspected

Andrew Chapman inspected the subject, as well as its surrounding environs on the effective date of appraisal. This inspection was considered adequate and is the basis for our findings.

### Type and Extent of the Data Researched

CBRE reviewed the following:

- applicable tax data
- zoning requirements
- flood zone status
- demographics
- income and expense data
- comparable data

### Type and Extent of Analysis Applied

CBRE, Inc. analyzed the data gathered through the use of appropriate and accepted appraisal methodology to arrive at a probable value indication via each applicable approach to value. The steps required to complete each approach are discussed in the methodology section.

### Data Resources Utilized in the Analysis

DATA SOURCES	
Item:	Source(s):
<b>Site Data</b>	
Size	Clallam County Assessor
<b>Improved Data</b>	
Building Area	Brody Broker, Owner
No. Bldgs.	Brody Broker, Owner
Year Built/Developed	Brody Broker, Owner
<b>Economic Data</b>	
Income Data:	Brody Broker, Owner
Expense Data:	Brody Broker, Owner
Compiled by CBRE	

## APPRAISAL METHODOLOGY

In appraisal practice, an approach to value is included or omitted based on its applicability to the property type being valued and the quality and quantity of information available.

### 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 physical units of comparison derived from the comparable sale. The unit of comparison chosen for the subject is then used to yield a total value. Economic units of comparison are not adjusted, but rather analyzed as to relevant differences, with the final estimate derived based on the general comparisons.

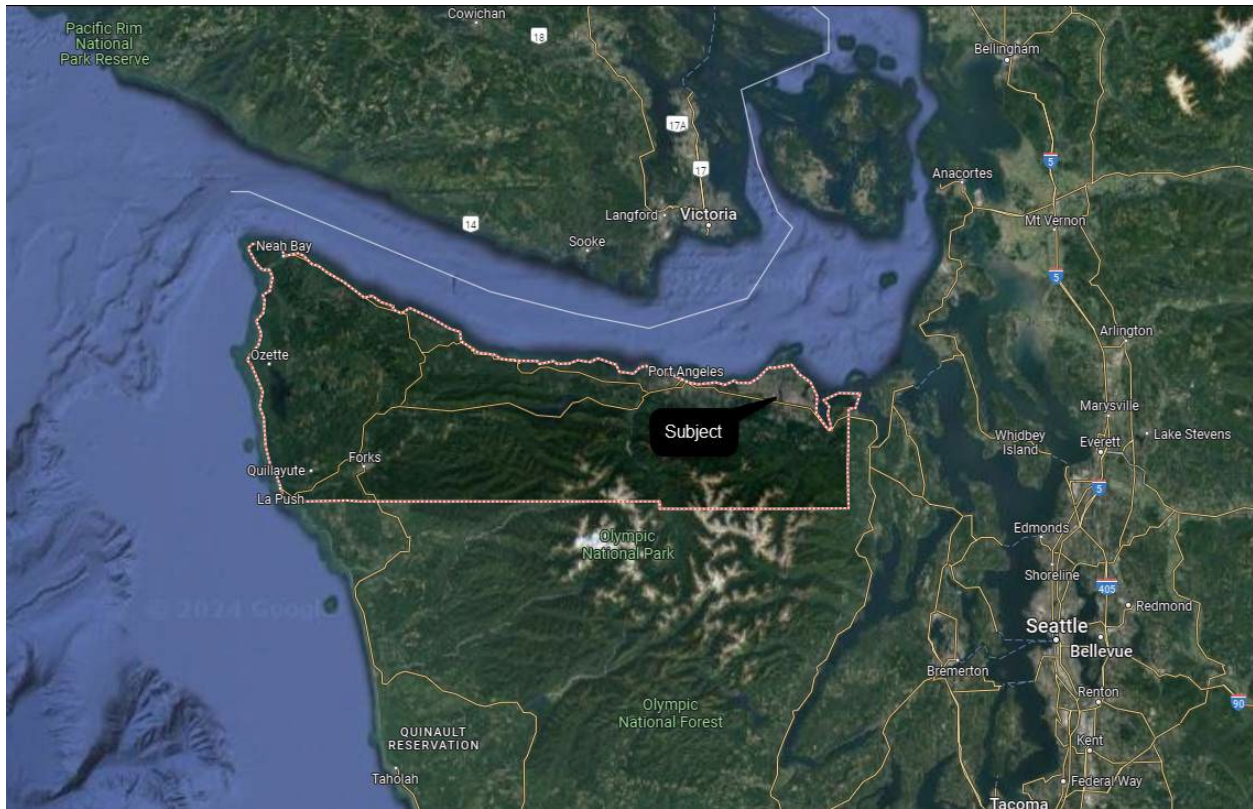
### Income Capitalization Approach

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.

### Methodology Applicable to the Subject

In valuing the subject, all three approaches are applicable and have been utilized.

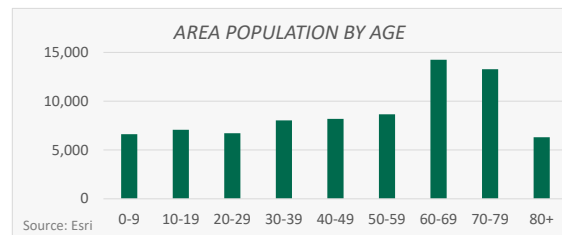
## Area Analysis



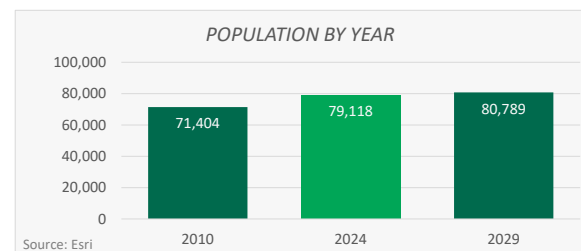
The subject is located in Clallam County. Key information about the area is provided in the following tables.

### POPULATION

The area has a population of 79,118 and a median age of 54, with the largest population group in the 60-69 age range and the smallest population in 80+ age range.



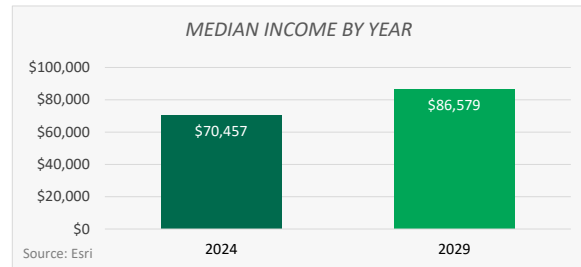
Population has increased by 7,714 since 2010, reflecting an annual increase of 0.7%. Population is projected to increase by 1,671 between 2024 and 2029, reflecting a 0.4% annual population growth.



Source: ESRI, downloaded on Aug, 5 2024

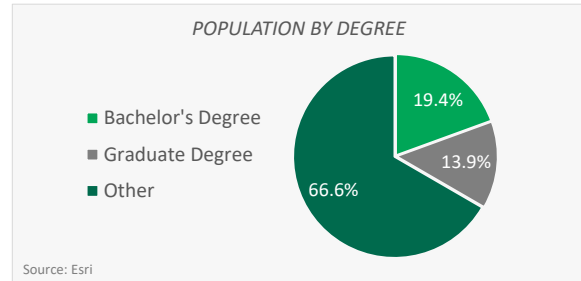
## INCOME

The area features an average household income of \$101,685 and a median household income of \$70,457. Over the next five years, median household income is expected to increase by 22.9%, or \$3,224 per annum.

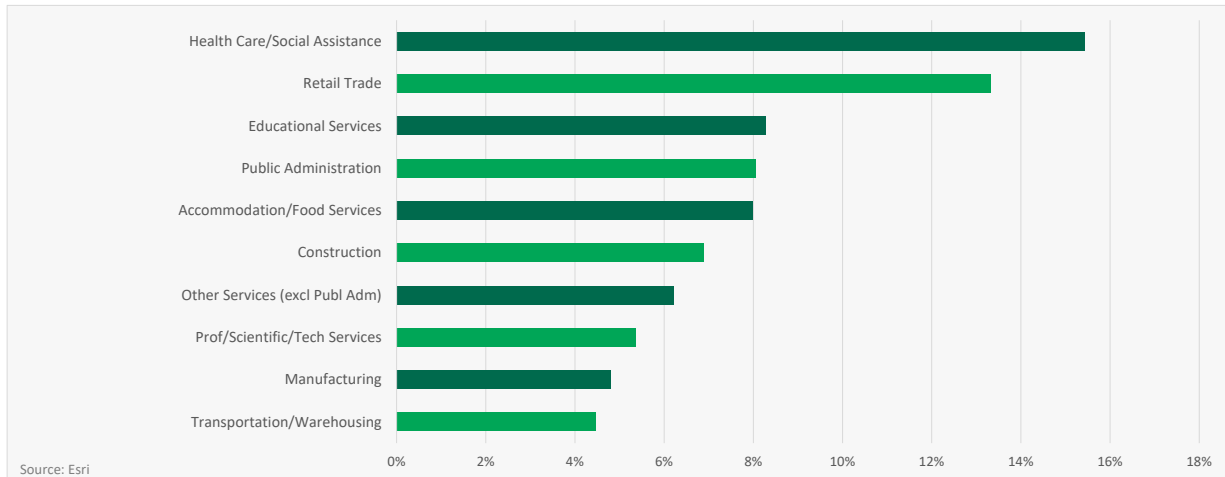


## EDUCATION

A total of 33.4% of individuals over the age of 24 have a college degree, with 19.4% holding a bachelor's degree and 13.9% holding a graduate degree.



## EMPLOYMENT



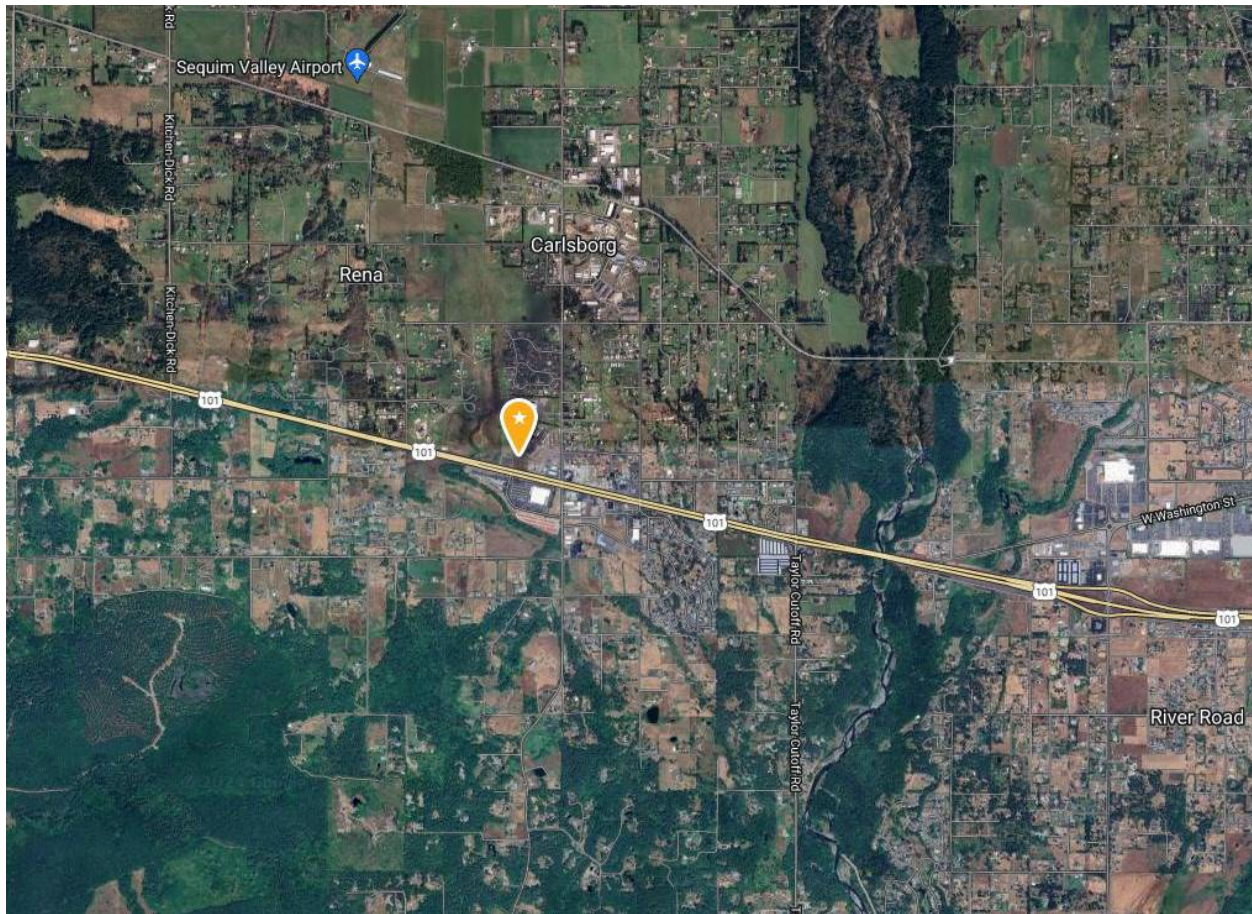
The area includes a total of 30,857 employees. The top three industries within the area are Health Care/Social Assistance, Retail Trade and Educational Services, which represent a combined total of 37% of the workforce.

Source: ESRI, downloaded on Aug 5, 2024

In summary, the area is forecasted to experience an increase in population and an increase in household income.



## Neighborhood Analysis



### LOCATION

The subject is located in Carlsborg, Washington (with a Sequim address) a rural community located west of Sequim, Washington on the North Olympic Peninsula.

### BOUNDARIES

The subject neighborhood is generally rural with few landmarks beyond natural geography. Neighborhood boundaries include the city limits of Carlsborg.

### LAND USE AND GROWTH PATTERNS

Carlsborg has been in a state of change over the past few years. Originally, the community was geared toward a rural lifestyle, with logging and small farms dotting the landscape. Over the recent few years, warehouses and other commercial buildings have moved into the area, and the county has determined the area should be a designated "urban growth area" under the State's Growth Management Act.

Carlsborg is currently a mixed town with subdivisions, rural acreage, commercial and warehouse areas, and small businesses dotting the landscape. From the small post office, to the one restaurant, from the short block of small businesses to the business center, the town will eventually grow, once the infrastructure is in place. The Greywolf Elementary School is also located in Carlsborg.

## ACCESS

Primary access to the subject neighborhood is provided by U.S. Highway 101, a north-south highway that traverses the states of California, Oregon, and Washington on the west coast. Along the Olympic Peninsula U.S. Highway 101 travels east-west. Carlsborg Road provides primary north-south access through the subject neighborhood.

## DEMOGRAPHICS

Selected neighborhood demographics in 1-, 3- and 5-mile radius from the subject are shown in the following table:

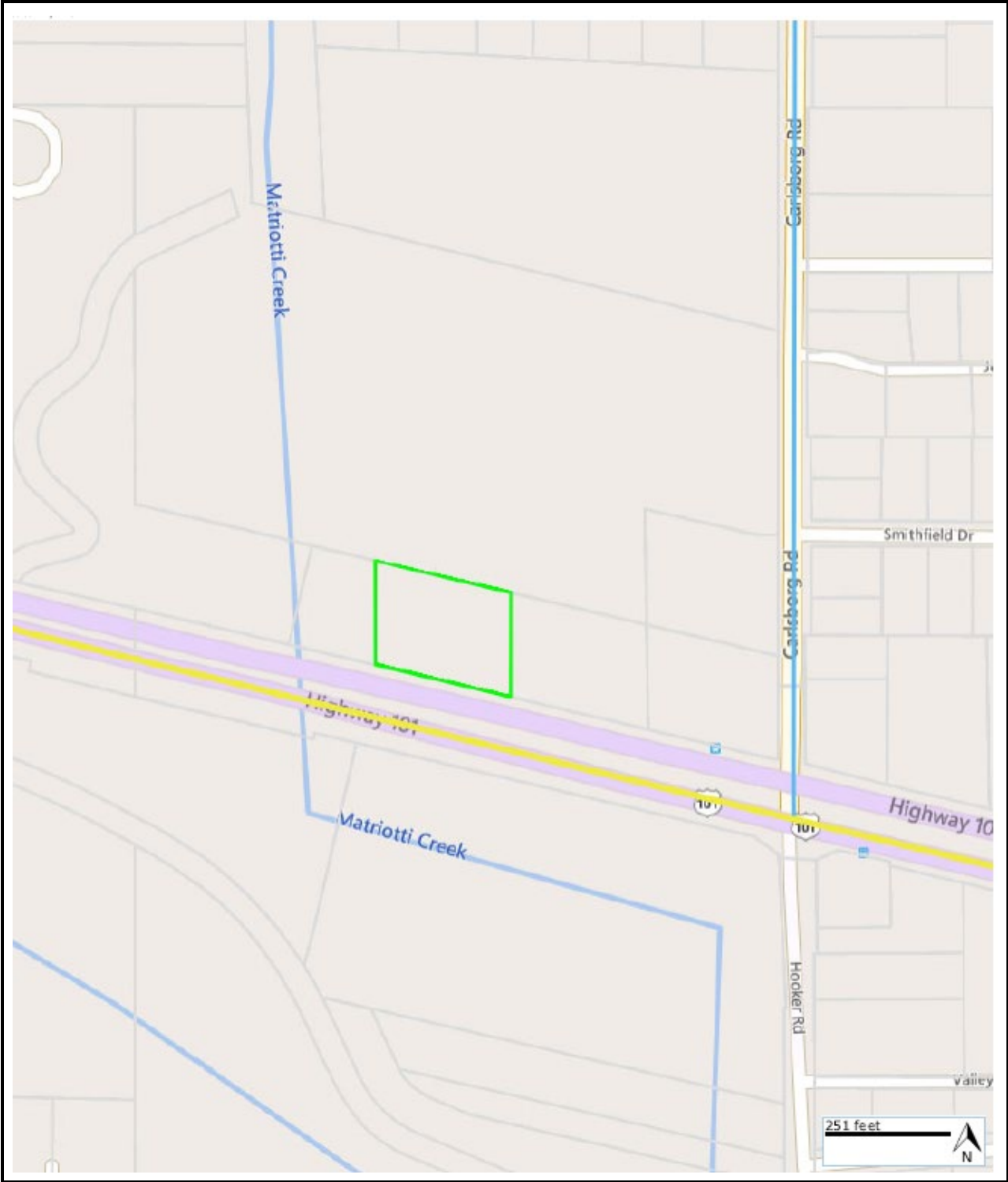
SELECTED NEIGHBORHOOD DEMOGRAPHICS					
261131 W Highway 101 Sequim, WA 98382	1 Mile Radius	3 Mile Radius	5 Mile Radius	Port Angeles, WA Micropolitan Statistical Area	Clallam County
<b>Population</b>					
2029 Total Population	1,926	13,903	29,670	80,789	80,789
2024 Total Population	1,896	13,557	28,995	79,118	79,118
2010 Total Population	1,628	11,664	24,872	71,404	71,404
2000 Total Population	1,468	9,629	20,153	64,525	64,525
Annual Growth 2024 - 2029	0.31%	0.51%	0.46%	0.42%	0.42%
Annual Growth 2010 - 2024	1.09%	1.08%	1.10%	0.74%	0.74%
Annual Growth 2000 - 2010	1.04%	1.94%	2.13%	1.02%	1.02%
<b>Households</b>					
2029 Total Households	948	6,613	14,076	36,279	36,279
2024 Total Households	927	6,398	13,672	35,298	35,298
2010 Total Households	776	5,426	11,677	31,329	31,329
2000 Total Households	682	4,322	9,212	27,164	27,164
Annual Growth 2024 - 2029	0.45%	0.66%	0.58%	0.55%	0.55%
Annual Growth 2010 - 2024	1.28%	1.18%	1.13%	0.86%	0.86%
Annual Growth 2000 - 2010	1.30%	2.30%	2.40%	1.44%	1.44%
<b>Income</b>					
2024 Median Household Income	\$75,066	\$69,514	\$74,677	\$70,457	\$70,457
2024 Average Household Income	\$90,010	\$95,587	\$107,799	\$101,685	\$101,685
2024 Per Capita Income	\$43,079	\$45,491	\$50,904	\$45,400	\$45,400
2024 Pop 25+ College Graduates	415	3,642	8,853	20,731	20,731
Age 25+ Percent College Graduates - 2024	26.3%	32.3%	36.3%	33.4%	33.4%

Source: ESRI

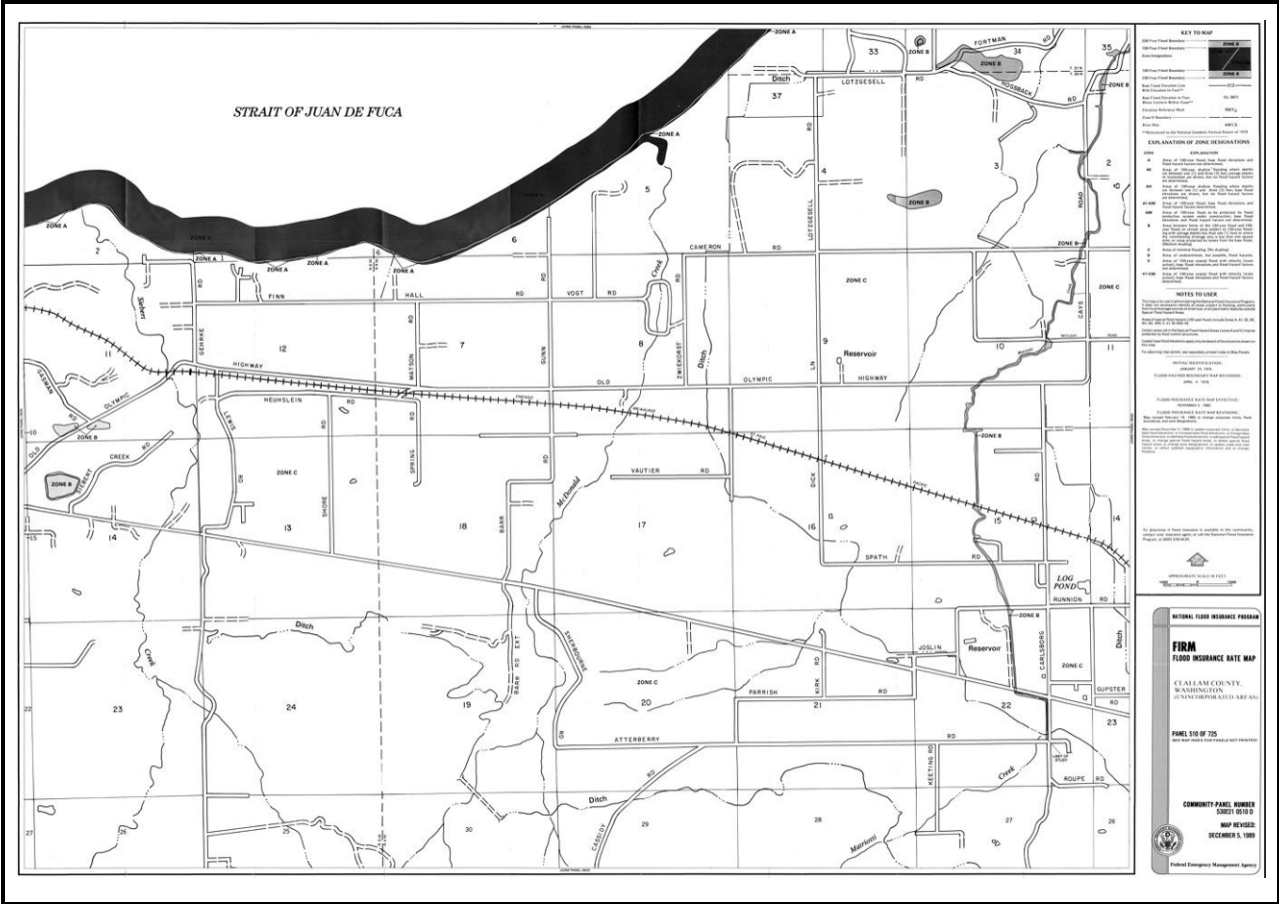
## CONCLUSION

Overall, the subject neighborhood is in a period of transition as the infrastructure is expanded to provide for future development opportunities.

PARCEL MAP



FLOOD PLAIN MAP





## Site Analysis

The following chart summarizes the salient characteristics of the subject site.

SITE SUMMARY AND ANALYSIS			
<b>Physical Description</b>			
Gross Site Area	1.27 Acres	55,321 Sq. Ft.	
Net Site Area	1.27 Acres	55,321 Sq. Ft.	
Primary Road Frontage	W Highway 101		
Shape	Irregular		
Topography	Generally Level		
Parcel Number	0430221390000000		
Zoning District	CGC (Carlsborg General Commercial)		
Flood Map Panel No. & Date	5300210510D	5-Dec-89	
Flood Zone	Zone C		
Adjacent Land Uses	Commercial, Government, Vacant Land, Residential		
<b>Comparative Analysis</b>		<b><u>Rating</u></b>	
Visibility		Average	
Functional Utility		Average	
Traffic Volume		Good	
Adequacy of Utilities		Average	
Landscaping		Average	
Drainage		Assumed Adequate	
<b>Utilities</b>	<b><u>Availability</u></b>	<b><u>Comments</u></b>	
Water	Yes	City of Sequim	
Sewer	Yes	City of Sequim	
Garbage	No	Murray's	
Electricity	Yes	Public Utility District (PUD)	
Telephone	No	Varies	
Cable	Yes	Wave	
<b>Other</b>	<b><u>Yes</u></b>	<b><u>No</u></b>	<b><u>Unknown</u></b>
Detrimental Easements			X
Encroachments			X
Deed Restrictions			X
Reciprocal Parking Rights			X
Various sources compiled by CBRE			

## INGRESS/EGRESS

Ingress and egress are adequate to support the subject's highest and best use.



## EASEMENTS AND ENCROACHMENTS

There are no known easements or encroachments impacting the site that are considered to affect the marketability or highest and best use. It is recommended that the client/reader obtain a current title policy outlining all easements and encroachments on the property, if any, prior to making a business decision.

## COVENANTS, CONDITIONS AND RESTRICTIONS

There are no known covenants, conditions or restrictions impacting the site that are considered to affect the marketability or highest and best use. It is recommended that the client/reader obtain a copy of the current covenants, conditions and restrictions, if any, prior to making a business decision.

## ENVIRONMENTAL ISSUES

Although CBRE was not provided an Environmental Site Assessment (ESA), a tour of the site did not reveal any obvious issues regarding environmental contamination or adverse conditions.

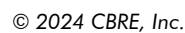
The appraiser is not qualified to detect the existence of potentially hazardous material or underground storage tanks which may be present on or near the site. The existence of hazardous materials or underground storage tanks may affect the value of the property. For this appraisal, CBRE, Inc. has specifically assumed that the property is not affected by any hazardous materials that may be present on or near the property.

## FEMA INFORMATOIN

The subject is located in Clallam County, WA, and this county is located on the FEMA Disaster List (Declaration/Disaster Number 4775) declaration date as of 5/1/2024 for severe storms, straight-line winds, flooding, landslides and mudslides. Based on our review of the disaster list, Clallam County had severe winter storms, straight-line winds, flooding, landslides and mudslides, reported on 4/28/2024. Based on our inspection of the site, there were no adverse impacts from weather disasters on the local market or subject property.

## CONCLUSION

The site is considered to be an adequate location for a manufactured housing community recognizing its proximity to primary commercial and medical services as well as employment opportunities. The subject's location strongly supports residential development such as manufactured housing. We are unaware of any factors that limit the site's development to its Highest and Best Use.



## Improvements Analysis

The following chart shows a summary of the improvements.

IMPROVEMENTS SUMMARY AND ANALYSIS		
Property Type	RV Park/Campground	
Number of Pads	20	
Development Density	15.7 Pads/Acre	
Year Built	2024	
Actual Age	0 Years	
Effective Age	0 Years	
Total Economic Life	50 Years	
Remaining Economic Life	50 Years	
Age/Life Depreciation	0.0%	
Functional Utility	Typical	

Building Number	Improvement Type	Size (SF)
Building 1	Clubhouse w/ Fitness Center	460
Total/Average:		460

Source: Various sources compiled by CBRE

## UNIT MIX AND OCCUPANCY

The subject's unit mix and occupancy are presented below. The individual pad sites at the subject can support tiny homes or some RVs. According to the rent roll, the rental rate is not impacted by the home size but the size of the lot.

UNIT MIX			
Pad Mix/Type	Typical Pad Size	No. Pads	Percent of Total
MH/RV Pad	Can Support an RV or Tiny Home	20	100.0%

Source: Various sources compiled by CBRE

IMPROVEMENT DESCRIPTION & RATING		
Improvement Summary	Description	Comparative Rating
Foundation	Concrete	Average
Homes	Tenant-Owned	Average
Home Sizes	Tiny Homes	Average
Roads	Paved	Average
Curved or Grid-like	Grid-Like	Average
Site Sizes	Smaller	Average
Sidewalks	None	Average
Utilities	All to Site	Average
Water/Sewer system	Public	Average
Metered to Resident	All billed directly	Average
Master Metered	None	Average
Reimbursed	None	Average
Drainage	Assumed Adequate	Average
On/Off-street Parking	Off-Street	Average
Landscaping	Adequate	Average
Source: Various sources compiled by CBRE		

## PROJECT AMENITIES

The project will feature a 480 square foot clubhouse with exercise room.

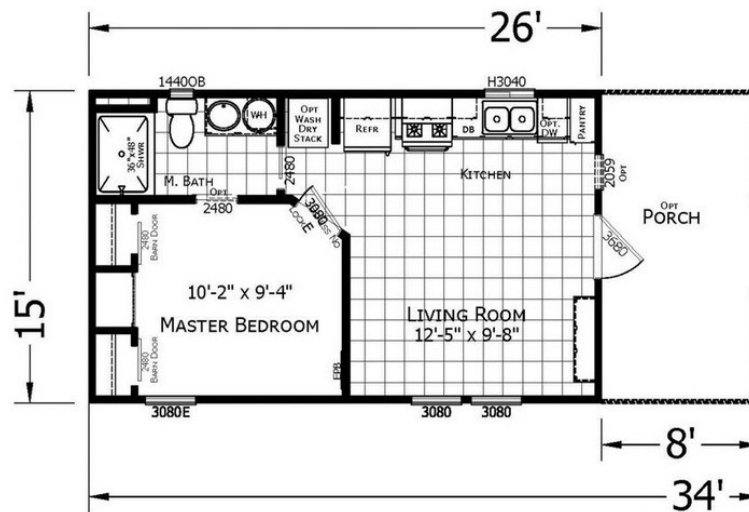
## PARK / COMMUNITY OWNED HOMES

The subject park will not include any park-owned homes.

## TINY HOMES VS. MANUFACTURED HOMES AND LONG-TERM RVs

According to the Washington State Department of Labor and Industries, a tiny home or house is defined as a “dwelling that may be built on wheels and is no larger than 400 square feet, including a kitchen, bathroom, and sleeping/living area, and must be built to the Washington State Building Code. The approval process for a tiny house depends on where it's built.” In the State of Washington, tiny homes, since they are built on wheels and can more easily be moved, zoning allows them on RV pad sites and MH pad sites.

Below is a typical floorplan for a tiny home with pictures of tiny homes available at the adjacent Larson Tiny Homes Dealership:







Similar to manufactured homes, tiny homes can be built relatively quickly on an assembly line, with shipment of the home within weeks of completion (typically one to four weeks). Sale of the home can include the shipping and placement cost with assistance to make sure your site is prepped correctly for placement. With homes selling at nearby Parkwood MHC and Lavender Meadows in the \$200,000 - \$350,000 range, tiny homes also have appeal as a more affordable option with the typical cost in the \$30,000 to \$70,000 range.



## SITE IMPROVEMENT

### Parking and Drives

The subject will include an adequate amount of parking to support tenants and guests to the community. The subject is in line with comparable communities in the subject's broader market.

### Landscaping

Landscaping will be in average condition and reasonably maintained.

## UTILITIES

Each pad will be individually metered for gas and electrical usage. The landlord will be reimbursed for utilities for any utilities.

## PROJECT DENSITY

The project's development density will be commensurate with other competing manufactured housing communities in the market.



## ADA COMPLIANCE

All common areas will have handicap accessibility; therefore, this analysis assumes the subject is compliance with all ADA requirements. The client/reader's attention is directed to the specific limiting conditions regarding ADA compliance.

## FURNITURE, FIXTURES AND EQUIPMENT

There will be no personal property recognized in our valuation. The tenants will reportedly furnish their own homes. The clubhouse will include fitness equipment, but it is not anticipated to contribute significant value to the subject property.

## DEFERRED MAINTENANCE

The subject is proposed development, and it is assumed will have no deferred maintenance upon completion.

## ECONOMIC AGE AND LIFE

CBRE, Inc.'s estimate of the subject improvements effective age and remaining economic life is depicted in the following chart:

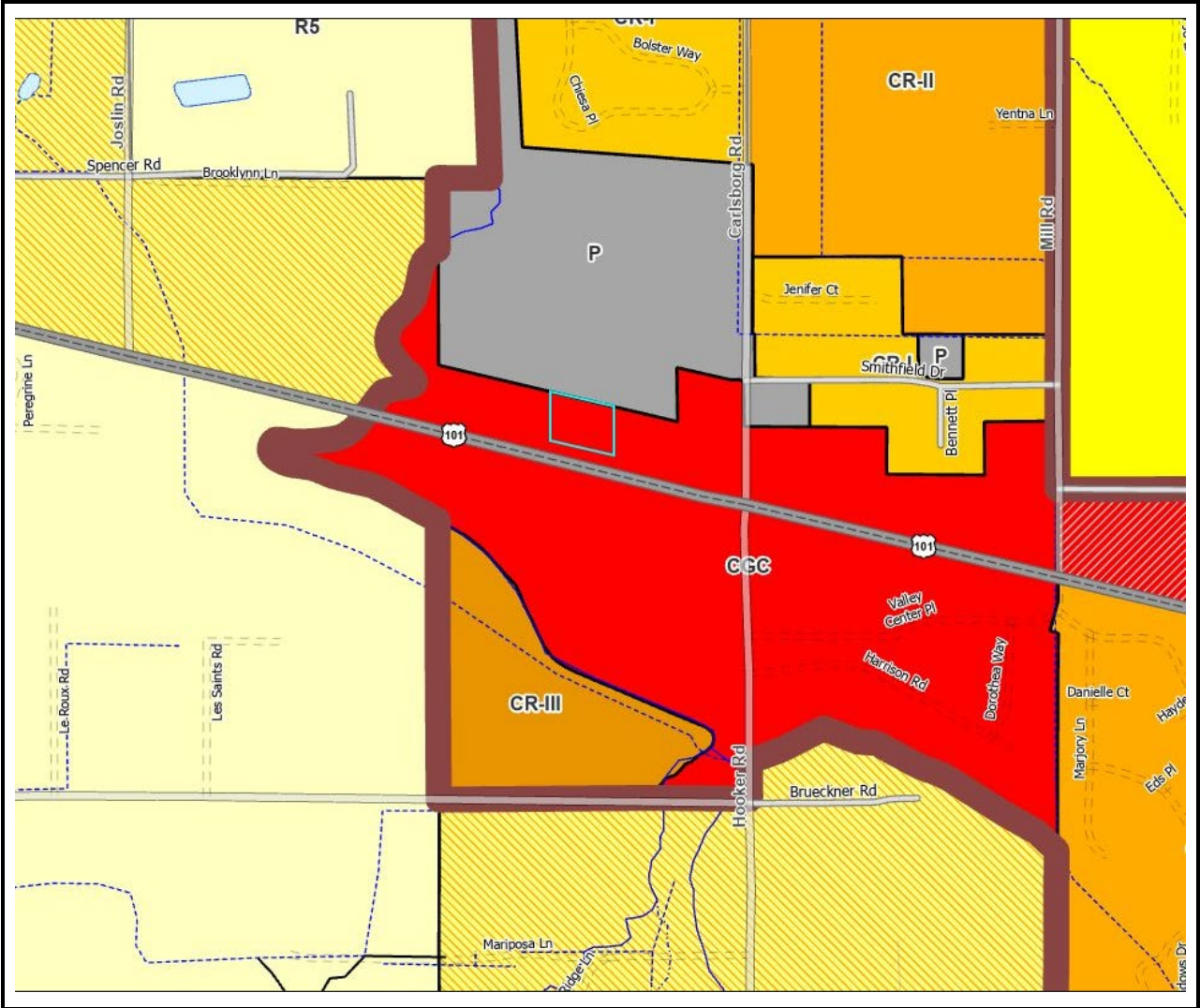
<b>ECONOMIC AGE AND LIFE</b>	
Actual Age	0 Years
Effective Age	0 Years
MVS Expected Life	50 Years
Remaining Economic Life	50 Years
Accrued Physical Incurable Depreciation	0.0%
Compiled by CBRE	

The remaining economic life is based upon our on-site observations and a comparative analysis of typical life expectancies as published by Marshall and Swift, LLC, in the Marshall Valuation Service cost guide. While CBRE, Inc. did not observe anything to suggest a different economic life, a capital improvement program could extend the life expectancy.

## CONCLUSION

The improvements will be in excellent condition upon completion of development. Overall, there are no known factors that adversely impact the marketability of the improvements.

ZONING MAP



## Zoning

The following chart summarizes the subject's zoning requirements.

ZONING SUMMARY	
Current Zoning	CGC (Carlsborg General Commercial)
Legally Conforming	Yes
Uses Permitted	Accessory use, Agriculture, Business park, Child daycare center, Church, Commercial horse facility, Financial institution, Lodge, Mini-storage/self-storage, Medical service facility, Motel/hotel, Professional office, Retail use, RV park, School, Tourist shop
Zoning Change	Not likely
Category	Zoning Requirement
Minimum Lot Size	None
Minimum Lot Width	50 Feet
Maximum Height	36 Feet
Minimum Setbacks	
Front Yard	45 Feet (Access Road), 50 Feet (Collector Road), 60 Feet (Arterial)
Street Side Yard	0 Feet
Interior Side Yard	0 Feet
Rear Yard	0 Feet
Source: Planning & Zoning Dept.	

### PURPOSE

The purpose of the Carlsborg General Commercial designation is to provide for a wide range of moderate-scale commercial activities that provide for neighborhood, regional, and tourist-related goods and services for both residents and the traveling public.

### ANALYSIS AND CONCLUSION

The improvements represent a legally conforming use and, if damaged, may be restored without special permit application. Additional information may be obtained from the appropriate governmental authority. For purposes of this appraisal, CBRE has assumed the information obtained is correct.

## Tax and Assessment Data

The following summarizes the local assessor's estimate of the subject's market value, assessed value, and taxes, and does not include any furniture, fixtures or equipment. The CBRE estimated tax obligation is also shown.

AD VALOREM TAX INFORMATION				
Parcel	Assessor's Parcel No.	2023	2024	Pro Forma Prospective
1	0430221390000000	\$183,221	\$152,684	
Subtotal		\$183,221	\$152,684	\$1,425,000
% of Assessed Value		100%	100%	-
Final Assessed Value		\$183,221	\$152,684	\$1,425,000
General Tax Rate (per \$1,000 A	7.666334	7.382022	7.382022	
General Tax:	\$1,404.63	\$1,127.12	\$10,519	
Effective Tax Rate (per \$1,000 A	7.666334	7.382022	7.382022	
<b>Total Taxes</b>		<b>\$1,404.63</b>	<b>\$1,127.12</b>	<b>\$10,519</b>
Taxes per Pad		\$70	\$56	\$526
Source: Assessor's Office				

In the State of Washington, real estate is assessed annually, and is based upon 100% of the property appraiser's estimate of "fair market value". Despite State laws mandating property assessment based on full market value, assessed values typically fall below market values. Assessments typically range between 40% and 80% of actual market value. The 2024 assessed values are reflective of the assessor's value as of January 1, 2023, for the 2024 tax year. For purposes of this analysis, CBRE, Inc. assumes that all taxes are current. The current reflects the subject as a raw vacant site, thus we must estimate an appropriate tax load for the subject.

## TAX COMPARABLES

As a crosscheck to the subject's applicable real estate taxes, CBRE, Inc. has reviewed the real estate tax information according to Clallam County for comparable properties in the market area. The following table summarizes the comparables employed for this analysis:

AD VALOREM TAX COMPARABLES							
Comparable Rental	Emerald MH/RV Park	Bay Ridge Estates	Cedar Grove MHP	Olympic Pines MH/RV Park	West Alder Estates	Owner's Pro Forma Estimate	Subject
Year Developed	1979	1970	1976	1970	1987	2024	2024
No. Pads	41	20	30	42	55	20	20
Tax Year	2024	2024	2024	2024	2024	2024	2024
<b>AV Per Pad</b>	\$55,030	\$37,000	\$36,042	\$35,253	\$65,787	-	\$71,250
<b>Total Taxes</b>	\$25,299	\$9,060	\$8,057	\$6,454	\$27,323	\$4,000	\$10,519
<b>Per Pad</b>	\$617	\$453	\$269	\$154	\$497	\$200	\$526
Source: Assessor's Office							

## CONCLUSION

Based on the foregoing information, the owner's estimate of taxation is toward the lower end of the range but based on less than 40% - 80% of our estimated market value at stabilization. Therefore, we have estimated the subject's tax load based on 60% of our concluded As Stabilized Market Value and the current levy rate. Based on the foregoing, the total taxes for the subject have been estimated as \$10,519 for the base year of our analysis, based upon an assessed value of \$1,425,000 or \$71,250 per Pad. This is well-supported by the range exhibited by the comparables in Clallam County.

## Market Analysis

The market analysis forms a basis for assessing market area boundaries, supply and demand factors, and indications of financial feasibility. The following section does provide an overview on the manufacturing housing (mobile home) industry and the subject's market position.

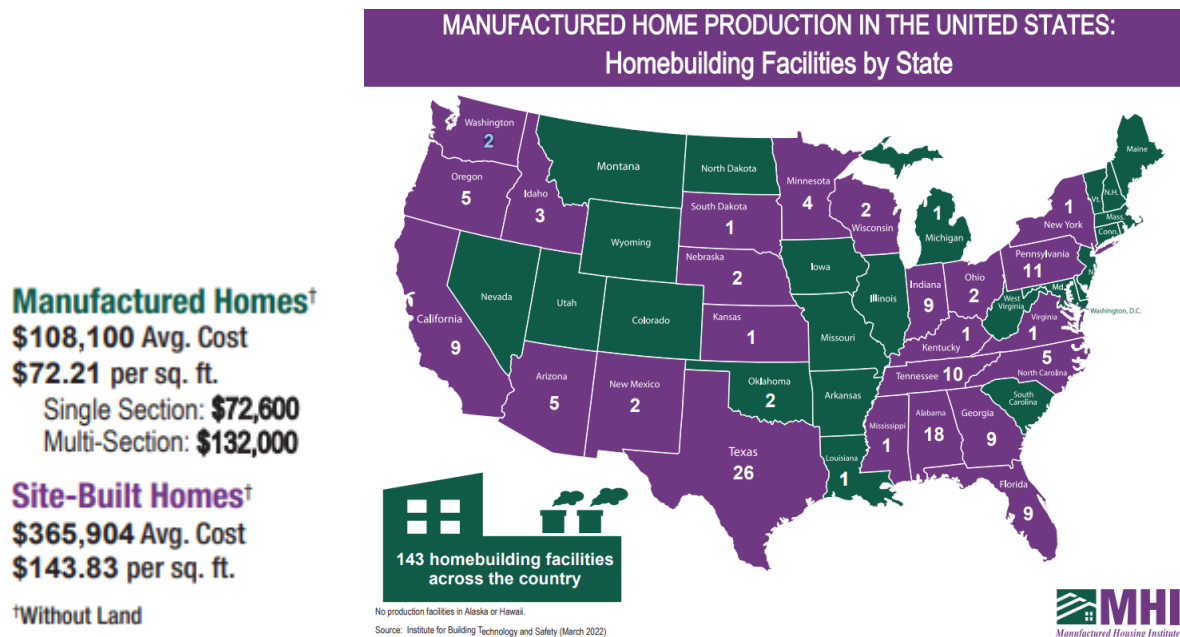
The subject will be occupied by Tiny Homes which are a relatively newer concept without a lot of market data to analyze. As the property is similar to both manufactured housing communities and long-term RV parks, we have presented both in our market analysis.

### NATIONAL INDUSTRY OVERVIEW – MANUFACTURED HOUSING COMMUNITIES

In light of the challenges facing the housing market in 2024, the need for quality, affordable housing has never been greater. Today's manufactured homes can deliver outstanding quality and performance at prices 10 – 20% less than conventional site-built homes. As of 2024, 22 million U.S. citizens occupy manufactured housing homes and is the choice of 9% of new-single-family home starts. According to the latest survey performed by the Manufactured Housing Institute, 71% of the respondent's cited affordability as the key driver for their choice and 90% claimed to be satisfied with their choice. These savings allow more and more Americans to own their own home, even in the face of an ever-widening housing affordability gap.

The affordability of manufactured housing can be directly attributed to the efficiencies emanating from the factory-building process. The controlled construction environment and assembly line techniques remove many of the problems encountered during traditional home construction, such as poor weather, theft, vandalism, damage to building products and materials, and unskilled labor. Factory employees are trained and managed more effectively and efficiently than the system of contracted labor employed by the site-built home construction industry.





As shown in the tables above, the estimated cost to manufacture mobile home ranges from \$72.21 per square foot, while the estimated cost to construct a site-built home is \$143.83 per square foot. That is a 49.8% difference.

Much like other assembly line operations, manufactured homes benefit from the economies of scale resulting from purchasing large quantities of materials, products and appliances. Manufactured home builders are able to negotiate substantial savings on many components used in building a home, with these savings passed on directly to the homebuyer. Today's manufactured homes have experienced a major evolution in the types and quality of homes being offered to buyers. Technological advances are allowing manufactured home builders to offer a much wider variety of architectural styles and exterior finishes that will suit most any buyer's dreams, all the while allowing the home to blend in seamlessly into most any neighborhood. Two-story and single-family attached homes are but two of the new styles being generated by factory-built innovation. As a result, today's manufactured homes are offering real housing options for the neglected suburban and urban buyers. At the same time, greater flexibility in the construction process allows for each home to be customized to meet a buyer's lifestyle and needs. Interior elements now include such features as vaulted ceilings and working fireplaces to state-of-the-art kitchens and baths, giving the homebuyer all the amenities found in traditional, site-built homes. Enhanced energy efficiency in manufactured homes, achieved with upgraded levels of insulation and more efficient heating and cooling systems, provide another source of savings for homeowners, especially in this era of rising energy costs. Smart buyers are turning to EnergyStar-labeled manufactured homes for substantial savings in many aspects of owning and operating home. Technological advances, evolutionary designs, and a focus on delivering quality homes that families can afford are the driving forces within the manufactured

housing industry. That's why more people are turning to manufactured housing to deliver homes that fit their needs and wants, at prices they can afford.

Manufactured housing communities are very sensitive to land values for numerous reasons. A MHC is a comparatively low-intensity use of the land (with similar densities as compared to a medium-density tract subdivision), yet the only significant form of income is from space rentals. Tract developers can make money on land and the improvements built on the site. As well, there is simply a premium for site-built homes versus manufactured homes. Communities are also sensitive to land values because land is such a large part of the cost of developing a park. Increasing land values near urban areas, especially during the 1980s, significantly curtailed the development of new MHCs. The last manufactured housing community "boom" was in the 1970s.

Also affecting new MHC construction is the advent of rent control during the 1980s. Many cities throughout various states have enacted rent control ordinances as a result of rent gouging. Owners raised space rents rapidly during the 1980s when land values were rising. Some rent control measures were onerous, and others were aimed at setting a fair rate of return for the owner. In any event, development interest waned. With a lack of new supply, most communities filled up and have stayed full or nearly full since the mid-1980s. With high land prices, a lack of construction capital, and the ongoing threat of rent controls, we anticipate few new communities will be built near urban areas in the foreseeable future. The subject property is not under a rent control ordinance.

With space rents artificially low due to rent controls (or the threat of rent controls), many developers attempted to convert manufactured housing communities to a higher and better use, especially if the community was older. Often, these communities were developed on a site that was once on the edge of town but is now in a major commercial location. Results of these efforts have been mixed. In general, the developer must relocate the homes to other communities, pay fees to the homeowner, and have the support of the vast majority of the community's residents. As a result, an MHC can taint its site from reasonably achieving a higher and better use, if enough residents choose not to move.

Space sizes vary within communities. Narrow and short spaces restrict occupancy to travel trailer type vehicles. Modern communities allow either single wide, double wide, or triple wide homes. Singlewide homes are self-contained, and usually need a space at least 20 feet in width and 50 feet in depth. Doublewide homes need 30 to 40 feet of width, and triple wide homes need 50 to 60 feet of width. Various manufacturers produce various sizes of homes, such that not all homes fit on all spaces. Modern lot depths are usually 70 to 100 feet, to accommodate all types of homes. Double and triple wide homes are towed to the site in halves or thirds and then joined together on-site.

Traditional MHC spaces usually provide a generally level pad of dirt on which a home is placed and leveled using a number of jacks. The floor is therefore raised above pad level, with wood, metal or concrete block skirts placed around the home to hide the resulting gap. Patios, steps,

awnings, etc., are then added. Most park spaces have carport parking, allowing two cars in tandem. Driveways are either of concrete or asphalt construction. Most spaces also have a utility pedestal, with hookups and meters for utilities. A new trend is for two-story homes to be placed on the pad site. Landscaping is usually at the discretion of the homeowner, although some communities have standards.

Utilities within a community are almost always located underground. Communities are either master-metered (and the utilities are then re-metered to individual homes) or metered directly at each space. Some communities have on-site sewer and/or water supplies. On-site utility supplies are most common in rural communities. In some communities, utilities are included in space rents. In other communities, some or no utilities are included in space rents.

## MH PROPERTY CHARACTERISTICS

Land lease communities generally fall into three categories:

- Manufactured Housing Communities;
- Mobile Home Parks; and
- RV Parks.

Manufactured housing communities and mobile home parks are generally similar in the sense that they typically represent the tenants' primary residence. Whereby, tenants lease the site from the landlord and own their manufactured/mobile home. Differentiating characteristics between the two are primarily associated with community quality differences. Newer, modern communities (MHCs) typically feature underground utilities, with roads that are curved and designed similar to subdivisions, the sites are larger and can accommodate multi-section homes featuring vinyl siding, pitched roofs with asphalt shingles and attractive foundation skirting, and off-street parking possibly with attached garages. Community amenities are best in class at MHCs and typically include a clubhouse with amenities that may include a fitness center, business center, indoor or outdoor pool, tennis or other sports courts, etc.

Mobile home parks (MHPs) are earlier iterations of these communities and are typically more densely developed with narrower sites sometimes unable to accommodate multi-section homes. The homes in MHPs are older, or a mix of newer and older, and are frequently metal with flat roofs, and parking may be on the street. Utilities, such as electric line, may be overhead. Amenities may be non-existent or more limited in nature.

The descriptions above are general in nature. Given the specific age and quality of a community, characteristics from each may be present and discerning between the two may be difficult.

RV Parks are more easily identifiable. These communities are not traditionally designed as a tenant's primary residence, but rather for short term stays. These parks are often used as vacation destinations or a stop along the way. Amenities are often plentiful at RV parks with access to

temporary utility services. It is not uncommon for MHCs and MHPs to provide a RV component, primarily in vacation destination markets.

### Manufactured Housing Facts



Source: U.S. Census Bureau, 2019 American Community Survey

#### Production:

- The manufactured housing industry produced 105,772 new homes in 2021, approximately 9% of new, single-family home starts.
- The average sales price of a new manufactured home without land is \$108,100.
- 49% of new manufactured homes are placed on private property and 51% are placed in manufactured home communities.
- All aspects of construction are continually inspected by professionally trained third-party inspectors.
- Manufactured homes are constructed to adhere to the federal HUD Code since 1976. The HUD Code, regulates home design and construction, strength and durability, fire resistance and energy efficiency. HUD revised the building code in the early 1990's to enhance energy efficiency and ventilation standards and to improve the wind resistance of manufactured homes in areas prone to hurricane-force winds.

#### Amenities:

- Floor plans are available that range from basic to elaborate – vaulted or tray ceilings, fully-equipped kitchens, walk-in closets and luxurious bathrooms.
- A variety of exterior siding is available – metallic, vinyl, wood or hardboard and stucco.
- Our industry has also launched a new class of homes known as CrossMod® that are indistinguishable from site-built homes, with pitched roofs with shingles and gabled ends, porches, garages, permanent foundations, and more.

#### Safety:

- The building materials in today's manufactured homes are the same as those in site-built homes.
- The homes are engineered for wind safety and energy efficiency.
- Manufactured homes are among the safest housing choices available today due to federal laws requiring smoke detectors, escape windows and limited combustible materials around furnaces, water heaters and kitchen ranges.

#### Financing:

- Manufactured homes can be financed as personal property. Even when the home and land are financed together, the home can be secured as personal property and the land as real property. Traditional manufactured home personal property lenders offer land-and-home financing.
- Homebuyers may also finance their home and land together as real property using conventional mortgage financing obtained through a traditional mortgage lender.
- Financing programs are available through Fannie Mae and Freddie Mac for CrossMod® homes that provide borrowers with traditional financing options, lower interest rates, and allow for site-built comparisons in the appraisal process.

Source: U.S. Census Bureau and U.S. Department of Housing and Urban Development, Institute for Building Technology and Safety (March 2022), and Datacomp/JTL

## PROPERTY RATING

Woodall Publishing began publishing a directory of manufactured housing communities in the 1950s until it ceased publication in the mid-1970s. The industry has not adopted a standard, widely accepted rating system but utilizes several grading systems which are generally similar. Whichever grading system is utilized, most primary grading factors are universally recognized.

Our analysis utilizes a letter-graded system with “A” grade communities as the highest quality communities and “D” grade communities as the lowest quality communities. The highest classified communities are “A” grade communities (4-5 Star) and typically offer a full range of amenities and services with gated entrances, on-site management; amenities including a clubhouse with exercise facilities and meeting spaces, laundry facility, management offices and other recreational amenities such as a swimming pool and/or spa, sport courts and playgrounds. Other amenities include self-storage space and secure RV/boat storage. Interior roads typically have sidewalks, gutters, and curbs with landscaped walking paths throughout the community. Tenants typically pay all of their own utilities directly with water and sewer service provided publicly. Homesites all support multi-section or large multi-section homes.

Slightly inferior assets are classified as “B” grade (3 Star). These communities are typically occupied home built in the 1990s or newer and generally multi-section. These communities may offer minimal amenities but they are not required. Common areas and individual homesites are well-maintained.

“C” grade communities (2 Star) are older (1980s and older), without amenities and of fair to average condition and quality. These are still considered to be functional assets in fair to average condition.

Assets that are minimally functional and are in poor or fair condition are “D” grade communities (1 Star). These communities are without functional amenities, operate on private water and sewer with dilapidated or poorly maintained interior roads. Many homes require replacement or at the end of their economic lives.

This classification system is illustrated in the table on the following page. Fannie Mae also requires seller/servicers to rate communities with a “Levels” nomenclature. Levels range up to five, with a minimum of three required for financing consideration. The rating criteria below is derived primarily from the FNMA seller/servicer guide. The criteria are likened to the CRE letter ratings.

Manufactured Housing Community Quality Rating Standards				
FNMA Requirements	Unratable	Level 3	Level 4	Level 5
CRE Investment	Class D	(Minimum Standard)	(minimum standard with exceptions)	(minimum standard with exceptions)
Woodall Star Rating	One Star	Class C	Class B	Class A
		Two to Three Stars	Three to four stars	Four to Five Stars
<b>Streets</b>	all Gravel/Dirt	Mostly paved	Paved asphalt/concrete	Paved asphalt/concrete
<b>Home Sites</b>	<ul style="list-style-type: none"> <li>Area under the homes consists of concrete, crushed rock, or dirt.</li> <li>Entry to the home is through a patio or porch.</li> <li>Homes are supported by stacks of hollow concrete block or steel pier systems along the main beams that meet local and state requirements.</li> </ul>	<ul style="list-style-type: none"> <li>Area under the homes consists of concrete, crushed rock, or dirt.</li> <li>Entry to the home is through a patio or porch.</li> <li>Homes are supported by stacks of hollow concrete block or steel pier systems along the main beams that meet local and state requirements.</li> </ul>	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.
<b>Site Size</b>	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
<b>Density</b>	More than 12 per acre or property market recommendation	Generally 12 per acre, can be adjusted to reflect the property market	7 to 10 sites per acre, can be adjusted to reflect the property market	7 to 10 sites per acre, can be adjusted to reflect the property market
<b>Skirts/Hitches</b>	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
<b>Parking</b>	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.
<b>Amenities</b>	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.
<b>Utilities</b>	Public or Private utilities	Public or Private utilities	Public Utilities	Public Utilities

The previously described subject property characteristics are most similar to:

FNMA –Level 4

CRE Investment Rating - Class B



## MANUFACTURED HOUSING SHIPMENTS

According to the Manufactured Housing Institute, deliveries of manufactured homes peaked in 1998, with the shipment of approximately 373,000 units. Annual shipments, according to census.gov, can be viewed in the table below.

### Shipments of New Manufactured Homes, 2019 - 2024

(Thousands of Units)

Period	Not Seasonally Adjusted	Seasonal Index	Seasonally Adjusted Annual Rate	Period	Not Seasonally Adjusted	Seasonal Index	Seasonally Adjusted Annual Rate
<b>2024</b>				<b>2023</b>			
January <sup>P</sup>	7.5	99.9	90	January	7.0	95.4	87
February				February	6.6	93.0	85
March				March	7.6	110.3	83
April				April	6.7	95.2	84
May				May	7.9	109.4	86
June				June	8.2	112.7	87
July				July	6.1	82.9	89
August				August	8.7	115.1	90
September				September	8.0	99.5	96
October				October	8.4	107.4	94
November				November <sup>r</sup>	7.8	101.5	92
December				December <sup>r</sup>	6.4	80.5	95
<b>Total:</b>	<b>7.5</b>			<b>Total:</b>	<b>89.2</b>		
<b>2022</b>				<b>2021</b>			
January	9.1	92.3	118	January	8.5	93.2	109
February	9.3	93.6	119	February	8.0	94.4	102
March	11.3	111.1	122	March	10.0	108.7	110
April	10.2	100.9	121	April	9.2	107.3	103
May	10.5	103.7	121	May	8.6	99.6	104
June	11.4	113.0	121	June	9.4	109.7	103
July	8.1	83.8	115	July	7.6	87.9	103
August	10.7	112.3	115	August	9.1	106.0	103
September	9.4	103.3	109	September	9.0	104.3	104
October	8.7	101.9	102	October	9.3	102.9	108
November	8.0	99.0	97	November	9.1	97.2	112
December	6.4	82.9	93	December	8.0	88.3	109
<b>Total:</b>	<b>112.9</b>			<b>Total:</b>	<b>105.8</b>		
<b>2020</b>				<b>2019</b>			
January	8.7	104.2	101	January	7.6	102.9	88
February	8.2	94.9	104	February	7.2	95.5	91
March	8.3	103.5	97	March	7.6	100.1	91
April	6.6	108.7	73	April	8.0	103.6	93
May	6.6	100.0	80	May	8.6	110.9	93
June	7.6	106.4	85	June	7.8	99.2	94
July	7.5	93.1	97	July	7.1	89.9	95
August	7.9	101.5	94	August	8.6	107.3	97
September	8.1	102.1	96	September	8.0	97.9	99
October	9.0	108.5	100	October	9.4	114.6	99
November	8.0	95.1	101	November	8.0	95.5	100
December	7.6	87.8	104	December	6.7	81.9	99
<b>Total:</b>	<b>94.4</b>			<b>Total:</b>	<b>94.6</b>		

<sup>P</sup> Preliminary

<sup>r</sup> Revised - refers to seasonal index and seasonally adjusted annual rate figures

**Note:** Components may not add to totals due to rounding.

**Note:** The Census Bureau has reviewed this data product for unauthorized disclosure of confidential information and has approved the disclosure avoidance practices applied. (Approval ID: CBDRB-FY23-0317)

**Source:** Census.gov

The delivery of new units to the market initially declined because of the rebounding national economy and increase demand for more site-built homes. This trend continued until 2009 in conjunction with the onset of the housing bubble bust and the following “Great Recession.” The glut of vacant site-built homes in the market put downward pressure on single-family home values, making them an option for those who had previously migrated to manufactured housing, due to its affordability. This further suppressed demand, as illustrated by the continued decline in shipments between 2005 and 2009. While the demand for manufactured housing is on an upswing, the annual deliveries are still at a fraction of what they were in the late 1990s. Shipments have trended consistently near 95,000 for the past several years.

### Home Financing

In the 1980s and 1990s, it was common for dealers to pay community owners to bring homes into an owner’s community. This trend changed with the demise of the chattel lending market in the mid 2000s, and it is now more challenging to fill communities. In this environment, community owners are purchasing homes for lease or entering lease-to-own transactions in order to fill a vacant lot. This requires significant capital and has put tremendous pressure on many operators’ balance sheets. Aging housing stock and low vacancy rates in MHCs, especially those located in stable and even softer housing markets, have created opportunity for well-capitalized investors to realize the benefits associated with repositioning these assets through capital reinvestment. Third party options have become more prevalent in recent years.

Rates and term will vary depending on a number of factors including the community location and quality, the age of the home (primary new or newer homes will quality), and borrower credit quality. Interest rates on homes to residents are 5.00% to 8.00%+ and amortization periods are 15-20 years, with loan sizes from (approximately) \$35,000 to \$100,000.

### OWNERSHIP PROFILE

Ownership of investment-grade (100-plus) communities has become increasingly consolidated, with the 10 largest owners controlling approximately half a million sites. Amid high demand and low supply for traditional real estate investment opportunities, many new investors seeking higher returns have gravitated toward the manufactured housing community sector as a safe, stable, high-yielding investment option.

The top MHC investors are illustrated in the following table.

## LARGEST COMMUNITY OWNERS

Rank	Name	Location	Ownership	Principal	Title	Sites
1	Equity LifeStyle Properties, Inc.	Chicago, IL	Public	Sam Zell	Chairman	145,000
2	Sun Communities	Southfield, MI	Public	Gary A. Shifman	Chairman/CEO	83,294
3	RHP Properties, Inc.	Farmington Hills, MI	Private	Ross Partrich	CEO	60,482
4	YES! Communities	Denver, CO	Private	Steven Schaub	CEO	54,000
5	MHP Fund, LLC	Cedaredge, CO	Private	Dave Reynolds	Principal	31,652
6	UMH Properties, Inc.	Freehold, NJ	Public	Eugene W. Landy	Chairman of the Board	21,500
7	Lautrec, Ltd.	Farmington Hills, MI	Private	James Galbraith	President	19,150
8	Newport Pacific Family of Companies	Irvine, CA	Private	Clarke Fairbrother	President	17,375
9	Kingsley Management Corp	Provo, UT	Private	Nate Neslon	President/CFO	16,000
10	Cal-Am Properties, Inc.	Costa Mesa, CA	Private	Cory Sukert	President	14,631
11	Meritus Communities	Bloomfield Hills, MI	Private	Jeff Davidson	President/CEO	13,964
12	Bessire & Casehiser, Inc.	San Dimas, CA	Private	Dick Bessire	President/Director	13,863
13	J & H Asset Property Mgt., Inc.	Yorba Linda, CA	Private	James Joffe	President	13,802
14	Continental Communities	Oak Brook, IL	Private	Daniel Van Voorhis	CEO/Co-founder	11,640
15	Investment Property Group	Irvine, CA	Private	David Cornell	COO	11,500
16	Zeman Homes	Chicago, IL	Private	ED Zeeman	Chairman	11,103
17	M. Shapiro Real Estate Group	Farmington Hills, MI	Private	Mickey Shapiro	Principle/Owner	10,267
18	Horizon Land Co.	Crofton, MD	Private	Mohammad Salehzadeh	President	10,200
19	Inspire Communities	Golden River, CA	Private	David Gold	CEO	10,149
20	ParkLand Ventures, Inc.	Glen Allen, VA	Private	Ross DeBold	COO	9,866
21	Newby Management	Ellenton, FL	Private	Martin Newby	Founder	8,052
22	Harmony Communities	Vancouver, BC	Private	Mark Coleman	Principal	7,888
23	Nodel Parks	Southfield, MI	Private	Richard Nodel	Owner	7,880
24	Riverstone Communities	Birmingham, MI	Private	Sarah Riutta	COO	7,500

Source: CBRE

Major domestic and foreign investors continue to search for opportunities to enter this market. Attractive financing options and a limited number of investment opportunities have resulted in continued cap rate compression. MHC pricing is segregated by region, size and quality, and is largely based on opportunity. Generally speaking, markets are pricing in rental rate and vacancy upside with increasing regularity. In some cases, pricing for high-quality assets with vacancy and/or market rental rate upside can result in pricing premiums with cap rate compression as much as 200 bps below the average.

## TOP BUYERS AND SELLERS

The top buyers in the 1st quarter of 2024, as reported by MSCI Real Capital Analytics, based on transaction volume over the past 24 months are summarized in the following table.

TOP BUYERS / 2024 Q1									
Rank	Buyer	Location	Investor Type	Website	Past 24 Months			All Time	
					Acq (\$)	# Props	Avg Price (\$)	Total Global Acq (\$)	# Props
1	Cove Communities	Phoenix, AZ, USA	Dev/Own	<a href="https://www.covecommunities.com/">https://www.covecommunities.com/</a>	935,788,687	5	187,157,737	1,622,083,234	24
2	Oak Wood Properties	Dallas, TX, USA	Dev/Own	<a href="https://www.owproperties.com/">https://www.owproperties.com/</a>	591,417,383	46	12,856,900	591,417,383	46
3	RHP Properties	Farmington, MI, USA	Dev/Own	<a href="http://rhp-properties.com/">http://rhp-properties.com/</a>	461,796,551	60	7,696,609	2,660,085,905	230
4	Havenpark Capital Partners	Orem, UT, USA	Dev/Own	<a href="https://havenparkcommunities.com/">https://havenparkcommunities.com/</a>	383,290,914	13	29,483,916	779,097,019	46
5	Legacy Communities MHP	Scottsdale, AZ, USA	Dev/Own	<a href="https://www.legacymhc.com/">https://www.legacymhc.com/</a>	264,434,612	13	20,341,124	721,274,879	42
6	Crow Holdings	Dallas, TX, USA	Eq. Fund	<a href="http://www.crowholdings.com/">http://www.crowholdings.com/</a>	264,024,998	10	26,402,500	16,225,793,478	820
7	Cobblestone Real Estate	Oak Brook, IL, USA	Dev/Own	<a href="http://cobblestoneassets.com/">http://cobblestoneassets.com/</a>	239,411,000	11	21,764,636	538,817,896	40
8	Carlyle Group	Washington, DC, USA	Eq. Fund	<a href="http://www.carlyle.com">http://www.carlyle.com</a>	153,920,000	5	30,784,000	33,993,251,230	1,527
9	BoaVida Group	Sacramento, CA, USA	Dev/Own	<a href="https://theboavidagroup.com/">https://theboavidagroup.com/</a>	151,954,515	13	11,688,809	228,124,663	26
10	Cascade Corporate Management	Sacramento, CA, USA	Dev/Own		112,379,997	10	11,238,000	378,327,013	54
11	Open Door Capital LLC	Atlanta, GA, USA	Dev/Own		106,336,653	10	10,633,665	158,319,194	17
12	Capital Square 1031	Glen Allen, VA, USA	Dev/Own	<a href="https://www.capitalsq.com/">https://www.capitalsq.com/</a>	104,900,000	2	52,450,000	4,944,310,395	141
13	Sun Communities Inc	Southfield, MI, USA	Pub. REIT	<a href="http://www.suncommunities.com">http://www.suncommunities.com</a>	101,100,000	6	16,850,000	4,966,346,900	309
14	Cook Properties NY	Rochester, NY, USA	Inv. Mgr.	<a href="https://cookpropertiesny.com/">https://cookpropertiesny.com/</a>	99,999,892	54	1,851,850	153,136,800	63
15	Waterfall Asset Mgmt	New York, NY, USA	Dev/Own	<a href="http://www.waterfallam.com/">http://www.waterfallam.com/</a>	99,999,892	54	1,851,850	955,394,794	78
16	UMH	Freehold, NJ, USA	Pub. REIT	<a href="http://www.umh.com/">http://www.umh.com/</a>	93,105,000	7	13,300,714	505,448,243	73
17	Equity Lifestyle Props	Chicago, IL, USA	Pub. REIT	<a href="http://www.equitylifestyle.com/">http://www.equitylifestyle.com/</a>	85,649,999	4	21,412,500	1,357,602,304	63
18	Real Estate Interests	Bloomfield Hills, MI, USA	Dev/Own	<a href="http://rei-group.com/">http://rei-group.com/</a>	81,249,997	4	20,312,499	575,469,997	8
19	DLP Capital Advisors	Bethlehem, PA, USA	Eq. Fund	<a href="http://www.dreamliveprosper.com">http://www.dreamliveprosper.com</a>	63,000,000	2	31,500,000	1,763,259,526	77
20	Three Pillar Communities	Los Altos, CA, USA	Dev/Own	<a href="https://www.threepillarcommunities.com">https://www.threepillarcommunities.com</a>	57,594,000	9	6,399,333	127,548,250	20

Source: MSCI Real Capital Analytics

The top sellers in the 1st quarter of 2024, as reported by MSCI Real Capital Analytics, based on transaction volume over the past 24 months are summarized in the following table.

## TOP SELLERS / 2024 Q1

Rank	Seller	Location	Investor Type	Website	Past 24 Months			All Time	
					Disp (\$)	# Props	Avg Price (\$)	Total Global Disp (\$)	# Props
1	The Blair Group	Lakeland, FL, USA	Dev/Own	<a href="http://www.blairflorida.com/">http://www.blairflorida.com/</a>	935,788,687	5	187,157,737	935,788,687	5
2	Moore Enterprises	Irving, TX, USA	Dev/Own		591,417,383	46	12,856,900	591,417,383	46
3	Havenpark Capital Partners	Orem, UT, USA	Dev/Own	<a href="https://havenparkcommunities.com/">https://havenparkcommunities.com/</a>	284,736,672	17	16,749,216	300,436,666	21
4	ADG	Menomonee Falls, WI, USA	Dev/Own	<a href="http://www.homesourceone.net">http://www.homesourceone.net</a>	259,999,999	50	5,200,000	405,457,279	60
5	Apollo Global RE	New York, NY, USA	Eq. Fund	<a href="http://www.apollo.com/">http://www.apollo.com/</a>	165,989,183	13	12,768,399	16,330,877,963	486
6	Crow Holdings	Dallas, TX, USA	Eq. Fund	<a href="https://www.crowholdings.com/">https://www.crowholdings.com/</a>	127,500,000	4	31,875,000	35,487,526,388	1,193
7	PGIM Real Estate	Newark, NJ, USA	Insur.	<a href="https://www.pgim.com">https://www.pgim.com</a>	122,224,998	4	30,556,249	85,594,599,180	1,804
8	Affordable Props Inc	Caledonia, NY, USA	Dev/Own		99,999,892	54	1,851,850	116,139,892	55
9	Corrigan Group	Arizona City, AZ, USA	Dev/Own		85,000,000	1	85,000,000	100,000,000	2
10	Continental Communities	Oak Brook, IL, USA	Dev/Own	<a href="http://www.continentalcommunities.com/abox">http://www.continentalcommunities.com/abox</a>	84,500,000	1	84,500,000	293,914,999	22
11	Placido Holdings	West Palm Beach, FL, USA	Dev/Own		74,224,515	7	10,603,502	74,224,515	7
12	Brenton Communities	IA, USA	Dev/Own	<a href="http://www.brentoncommunities.com/">http://www.brentoncommunities.com/</a>	69,268,000	3	23,089,333	80,438,397	6
13	Brookfield AM	Toronto, Ontario, CAN	Inv. Mgr.	<a href="http://www.brookfield.com">http://www.brookfield.com</a>	51,128,052	1	51,128,052	67,405,770,539	1,363
14	Trinity Advisors LLC	Houston, TX, USA	Dev/Own	<a href="http://www.tadvic.com/">http://www.tadvic.com/</a>	49,999,969	11	4,545,452	49,999,969	11
15	Colonial East	Milton, DE, USA	Dev/Own	<a href="https://colonialeastcommunitysite.com/">https://colonialeastcommunitysite.com/</a>	49,800,000	2	24,900,000	49,800,000	2
16	Comfort Communities LLC	El Cajon, CA, USA	Dev/Own	<a href="https://www.comfortcommunities.com/">https://www.comfortcommunities.com/</a>	45,000,000	6	7,500,000	45,000,000	6
17	Song Rambold LT	Fallbrook, CA, USA	Dev/Own		44,199,999	1	44,199,999	59,849,999	4
18	Kort & Scott Financial	Anaheim, CA, USA	Dev/Own	<a href="http://www.kortandscott.com/">http://www.kortandscott.com/</a>	44,000,000	1	44,000,000	99,250,000	6
19	Hynes Group	West Vancouver, British Columbia, CAN	Dev/Own	<a href="https://hynesnet.com/">https://hynesnet.com/</a>	43,000,000	1	43,000,000	136,217,410	6
20	Mason Hiller Company	Redwood City, CA, USA	Dev/Own		42,000,000	1	42,000,000	114,110,000	5

Source: MSCI Real Capital Analytics

## Community Financing

Financing for MHCs has traditionally been obtained from CMBS, local banks, life insurance companies, owners, and agencies such as Fannie Mae and Freddie Mac. CMBS and local banks have filled the void for Class B and C MHC properties, with CMBS lenders very actively pursuing Class B and C loans as of late.

Many experts are forecasting continued growth for the MHC sector as a result of the increasing demand for affordable housing, especially as many consumers are in real need of low-cost housing alternatives. This demand is driven by the growing number of retirees and declines in real household income. Manufactured housing also fills a unique niche for consumers between multifamily and single-family housing. These trends will allow existing communities that have experienced increased vacancy to achieve much higher occupancy and NOI growth in the coming years.

## BARRIERS TO ENTRY

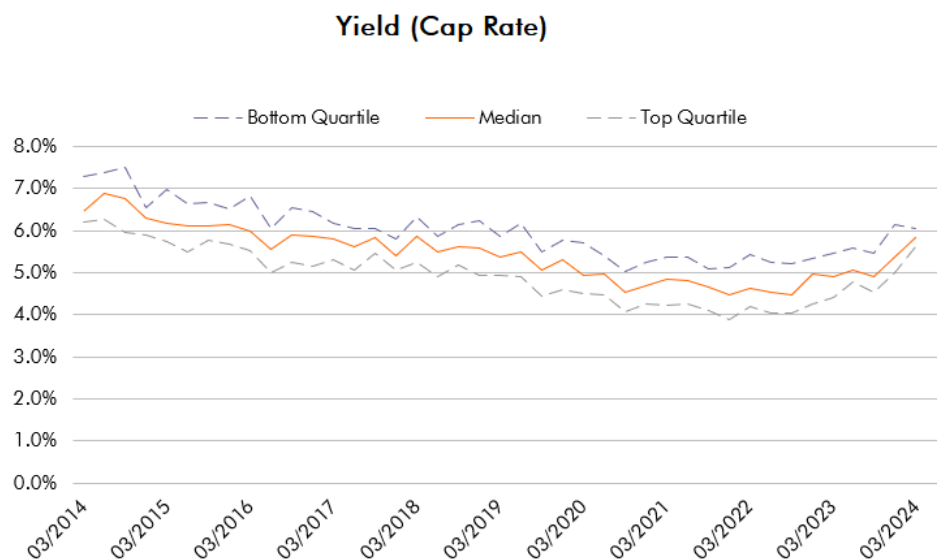
The most significant barrier to entry for the subject's asset class is obtaining local zoning approval for the development of a designated manufactured housing community. Many communities, particularly in urban areas, resist development of manufactured housing through the assignment of, or basically the lack of assignment of, appropriate zoning classifications that accommodate manufactured housing park development. Community opposition to manufactured housing stems from the dual nature of ownership. While the communities themselves are assessed real property taxes based on underlying land and infrastructure value, the units themselves are often treated as personal property. As a result, these communities are often viewed as a drain on community resources such as schools, police, and fire protection. While many communities have mobile home park zoning designations in the municipal ordinances, there is basically no vacant land is zoned for MHC use. As a result, potential developers typically obtain development approval via litigation, which, if successful, results in a consent decree for development.

The lack of appropriately-zoned land for manufactured housing park development has had the dual effect of minimal new additions to inventory and a pricing premium for existing parks. Both effects bode well for current manufactured housing park owners.

## DEMAND GENERATORS

Demand for the subject and competitive properties are primarily generated by their low cost of living. Another factor that impacts the local manufactured housing industry is comparable housing cost trends. Due to the comparatively low cost associated with ownership of manufactured housing versus set-site homes in areas like the subject's, manufacturing housing effectively becomes the primary affordable housing option for the target population. This creates a large base from which manufactured housing parks can draw potential tenants. Capitalization Rates

Capitalization rates and trends over the past ten years are summarized in the table below. The data is compiled by Real Capital Analytics (RCA).



Source: Real Capital Analytics

Cap rates for Class A and B assets as well as the most stable assets in desirable metropolitan areas with tight housing markets have been trading at rates below 4.0% in 2023 and 2024, however, transaction are generally above 5.0% into early 2024. The median rate reported by RCA for institutional quality assets in in the mid to upper 5.0% range. Coastal markets and high-growth retirement markets including Florida, Arizona, Nevada and Utah are highly sought after due to the stability of the income and occupancy. Transaction volume is down in states such as Colorado, California, Washington and Oregon as buyers look for opportunities in areas without



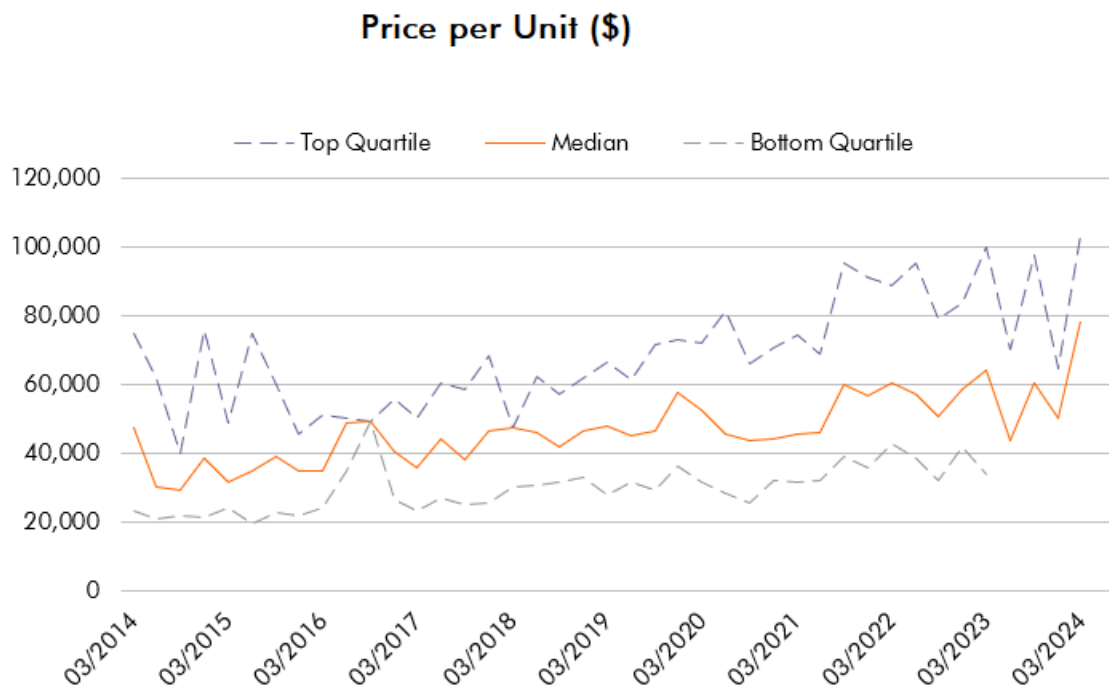
existing rent control or the threat of restrictive rent control being implemented. Meanwhile, cap rates for many Midwest and inland Eastern markets are just above 6.0% on average.

Most of 2023's transactions were for Class C properties with few significant Class A/B sales throughout the U.S. This resulted in a slight decrease in the overall price per unit year-over-year. The South and West regions were particularly impacted by this trend while the Northeast and Midwest averages increased slightly. The national mean cap rate also rose above 7.0% which is actually more in-line with historical standards.

These cap rate ranges do not include distressed assets and private sales, which may not have full market exposure or have extraordinary motivation. Additional risk premiums can be seen in slower growth markets, especially those with excess supply of similarly priced housing options for consumers. Cap rates for transactions involving such assets are typically 100 to 200 bps higher than the national average.

## PRICE PER UNIT

Pricing over the past ten years is also tracked by RCA and is summarized in the table below.

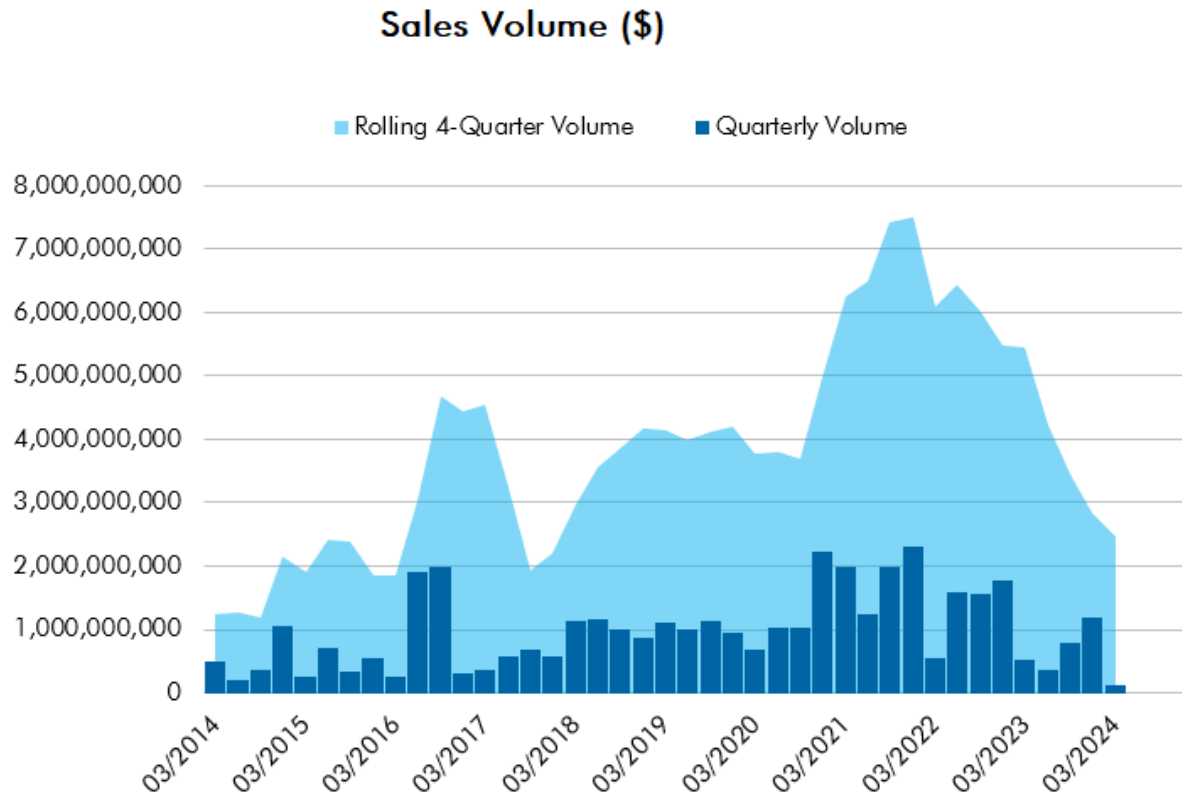


Source: Real Capital Analytics

While the median and upper quartiles have been volatile over the tracking period, a clear increasing trend is displayed. The best communities are indicating pricing over \$100,000 per pad with \$30,000 - \$35,000 representing the average of the lower quartile.

## TRANSACTION ACTIVITY

Activity has been on an increasing trend during the current real estate cycle. The number properties traded in the US in a given quarter, according to REA, is presented below.



Similar to most other sectors, transaction volume slowed last year, particularly in comparison to 2021 and 2022. The Northeast, mid-Atlantic and Southeast regions had the smallest year-over-year adjustments. Trades are anticipated to increase in 2024 as buyers are hopeful for interest rate cuts from the Federal Reserve later this year.

### Barriers to Entry

The current softness of the manufactured housing market, with its especially pronounced effect on newly constructed communities, represents the single largest barrier to entry. There is vacancy at many existing communities and new development is not warranted in most cases. The lack of properly zoned available land for new development is also a barrier for the subject property type, although this barrier is secondary compared to the feasibility issues present in the market.

### Demand Generators

Demand for the subject and competitive properties are primarily generated by their low cost of living and access to major employment centers in the area. Another factor, which impacts the

local manufactured housing industry, is housing cost trends. Housing costs declined significantly during the great recession. Housing costs have since recovered substantially and rental rates (apartments) have spiked in the past half-decade helping MHPs/MHCs return to their status as a more affordable housing option.

### **Investment Trends**

Not unlike other investment real estate categories, investment trends for the manufactured housing community industry have recovered over the past few years. Sales of communities in the Michigan market generally fall into two categories of communities; performing communities that are financeable, and distressed communities with a turnaround opportunity that generally trade for cash or personally guaranteed low(er) leverage bank loans. There has been activity for both types in this market.

## AFFORDABILITY ANALYSIS

A primary strength of the manufactured housing industry is its affordability as compared to single family residential ownership and apartment rental. However, recognizing rising mortgage interest rates, rising costs of manufactured homes (upwards of \$300,000 in some Class A/B communities and routinely over \$100,000 in Class C communities) as well as rising lot rents, an affordability analysis is necessary to compare home ownership at the subject property to a typical single-family residence and typical apartment unit in the subject's market.

The following chart compares the affordability of a manufactured home at the subject property to

<b>AFFORDABILITY ANALYSIS</b>			
Category	MH @ Subject Property	Single-Family Residence	Apartment Unit
Bed/Bath Count	2/1 - 3/2 BR/BA	2/1 - 3/2 BR/BA	2BR - 3BR
Purchase Price	\$50,000	\$580,000	-
Down Payment	\$5,000	\$29,000	-
Amount Financed	\$45,000	\$551,000	-
Rate	12.0%	7.5%	-
Term (Years)	20	30	-
Monthly Mortgage Payment	\$495	\$3,853	-
Taxes	\$31	\$357	-
Insurance	\$12	\$55	-
Site Rent	\$800	-	-
<b>Total Monthly Payment*</b>	<b>\$1,338</b>	<b>\$4,264</b>	<b>\$1,500 - \$2,000</b>
*Excludes maintenance and utilities			
**Average MH Sale Price provided by ownership, supported by local market			
***Median single-family home price provided by Esri			
****Average apartment rental rate provided by Zillow.com, Redfin.com, Trulia.com, Apartments.com, Realtor.com			

In 2024, rising lot rents in primary manufactured housing markets have closed the affordability gap somewhat with manufactured homes in some Class A, B and C communities selling at prices comparable to or exceeding the cost of single-family residential home ownership. Another increase in cost to manufactured housing tenants is the burden of utility costs (primarily, water, sewer and garbage) when the community's ownership switches the cost of these services to the tenants when it was previously included in the lot rent.

Based on our Affordability Analysis, manufactured housing remains an affordable option as demonstrated by the subject which is considered to be a value for individuals seeking home ownership when compared to single-family residences and apartment units within the subject's market (general 5-mile radius).

## DATACOMP / JLT NATIONAL OVERVIEW

JLT & Associates (John Turzer) began inventorying and surveying manufactured housing communities in 1995. Survey criteria includes occupancy levels, rental rates (with utility structures), concessions, etc. Since its inception, the JLT report has been the leading research report in the industry. Datacomp, the industry's oldest and largest national manufactured home appraisal company, acquired and expanded the JLT report in 2014.

The year-end 2019 surveys are prepared at the County or Market level. The summation of all the US markets surveyed are combined and presented in the following summary.



The County and Market level JLT reports are bifurcated into all age and senior communities. The local reports are combined into six regions based on the map above. The results of the regional performance are presented in the following table.

The largest region is in the Midwest. Most of the home manufacturing occurs in the Midwest, with a heavy concentration in Indiana, and, as a result, landlease communities organically developed in a close proximity to the manufacturing facilities. The Midwest region also features the lowest rents and occupancy in the County. The south region represents the largest population of senior communities, anchored primarily by Florida's significant inventory. The highest rents and occupancy can be found in the Pacific region; the Pacific region also represents a close second in terms of size for 55+ communities.

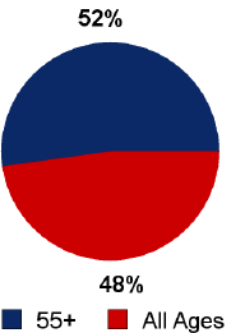
## OLYMPIA MARKET OVERVIEW

The following charts give an overview of the subject market, as represented in the latest JLT Report for the subject market. The following page shows how lot rents and occupancy have increased over the past seven years with the findings for this study. The Sequim/Port Angeles market does not have a specific JLT report, nor does the Olympic Peninsula. As such we have presented the most applicable market in the Pacific Northwest, the Olympia market.

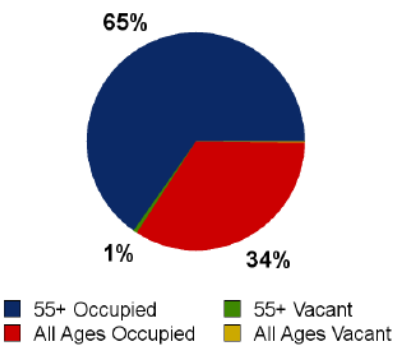
Olympia MSA, Washington  
JLT Market Report - November 2023

Graphs

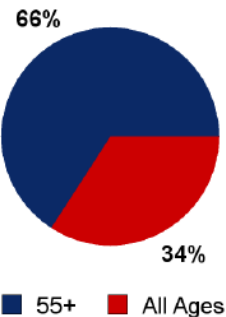
Communities by Type



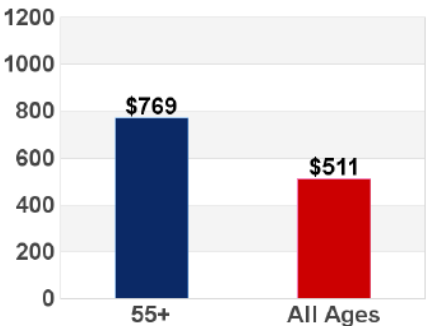
Occupancy by Type



Homesites by Type



Average Adjusted Market Rent





## Historical Recap of Rents and Occupancy Market Rent

Year	Month	55+			All Ages		
		Market Rent*	Increase %	Occupancy	Market Rent*	Increase %	Occupancy
2023	Nov	\$769	7.90%	99%	\$511	3.40%	99%
2022 (1)	Nov	\$713	11.40%	99%	\$494	7.20%	99%
2021	Nov	\$640	3.70%	99%	\$461	11.90%	98%
2020	Nov	\$617	2.70%	99%	\$412	2.50%	98%
2019 (2)	Nov	\$601	1.70%	99%	\$402	2.30%	98%
2018 (3)	Nov	\$591	1.70%	99%	\$393	4.20%	98%
2017	Nov	\$581	1.60%	99%	\$377	4.40%	97%
2016	Nov	\$572		99%	\$361		97%
Compound Annual Growth Rate		4.32%			5.09%		

(1) The double digit increase to the 2022 "55+" market rent was primarily due to four communities implementing rent increases well in excess of 10%.

(2) The 2019 "All Ages" market rent decreased \$16 in the 2020 report. This was due to the dropping of one community which had a higher than average market rent. The 2019 "55+" market rent increased \$37 in the 2020 report. This was due to 1 community errantly reporting the rent that many existing residents were paying. We also adjusted the market rent from 2016 - 2018 for this reason.

(3) The historical "55+" adjusted market rents for the years 2016 and 2017 have been decreased to reflect the fact that one community did include water and sewer services in the rent.

## Olympia MSA, Washington JLT Market Report - November 2023

### Findings and Observations

- The survey includes 23 land lease communities. 11 are classified as "All Ages" and 12 are classified as "55+". There are 791 "All Ages" homesites and 1,529 "55+" homesites.
- 20 communities implemented or announced rent increases during the last twelve months. The market rent increases ranged from \$5 to \$125. A majority of the market increases ranged from \$23 to \$70. The average market increase was \$43.
- In the **Olympia MSA, Washington** area, the average adjusted monthly homesite rent in the "All Ages" communities is \$511, an increase of \$17 (3.4%) from the previous published report. The average adjusted monthly homesite rent in the "55+" communities is \$769, an increase of \$56 (7.9%) from the previous published report.
- In the **Olympia MSA, Washington** area, the occupancy rate in the "All Ages" communities is 99%, an increase of 1.0% (+8 homesites) from the previous published report. The occupancy rate in the "55+" communities is 99%, a decrease of -0.1% (-2 homesites) from the previous published report.
- 23 of 23 (100%) communities reported occupancy rates of 95% or higher.
- **Tall Firs Mobile Home Park** can build an additional 7 homesites.
- Four communities had double digit increases to their average adjusted market rent ranging from 11.2% - 16.4%. Three communities now have average adjusted market rents that are above the average of all communities of similar age type in this market. One community cited Thurston county reevaluating MH Communities and raising the taxes as the reason for the magnitude of the increase. The other two communities did not cite a reason for the increase.

## RENT CONTROL IN WASHINGTON STATE

Over the past few years, multiple bills have been put before the Washington State Senate with varying degrees of rent control in the State of Washington. For example, one bill proposed would have limited annual rent increases to 7% and monthly late fee charges restricted to 1.5% of the monthly rent. While this proposed bill and all others have failed to this point, it is widely agreed upon among market participants that some form of rent control will eventually pass the legislature and become law in Washington State within the next several years. In July 2023, similar to a law in place in the State of Colorado, a bill went into law imposing a no-sale waiting period of 45 days on a property owner to give tenants an opportunity to purchase their community instead of a third-party. The no-sale period is extended by 12 months if any tenant or nonprofit group shows interest. Furthermore, no earnest money is required to extend the no-sale period. While this bill is still early in its implementation, we have spoken to several market participants about the effects of this bill on the market. The following are our observations as well as that of prominent MHC market participants in Washington:

- Goldside Capital has been one of the most active investors in the Washington State market have purchased the majority of Class A and B properties which have sold over the past couple of years. Jon Bond, one of the principal owners, indicated that they are not worried about the new law as the non-compliance fee of \$50,000 is not a deterrent. Furthermore, it is less likely the tenants can band together and purchase a park that could sell for over \$100,000/pad.
- ROC USA is a non-profit organization involved in assisting tenants in acquiring the property in which they reside. This is a way for tenants to control the rent in their communities as regional and national operators have been known to enact immediate heavy rent increases to cover the mortgage on their new loan. While this has been a positive development for ROC USA and they have been involved in many of the 2023 and 2024 transactions, one repercussion is that they must also implement heavy rent increases to be competitive with the regional and national operators. Therefore, there have been several properties which were acquired by the tenants and may end up back on the market as tenants struggle to cover the new lot rent they needed to pay to justify their acquisition.
- Developers who would consider the subject site for redevelopment (single or multi-family) faced an uphill battle before the new bill as the park is age-restricted and there are negative connotations of redeveloping a property occupied by senior citizens. Several manufactured housing and RV park properties have been slated for redevelopment only to be met with resistance from the tenants and community at large with negative coverage from the local press. In light of this bill passing, it will now take considerably more time and effort to redevelop a property. This new bill is considered to be a strong deterrent to redevelopment, particularly a park like the subject property where new homes in the

community are being marketed at \$250,000 and tenants have more resources to fight redevelopment.

In light of these observations, the new bill does not appear to have a discernable impact on value as it provides an opportunity for the tenants to match or beat a sale price in a given amount of time. This likely still requires tenants to absorb a heavy rent increase regardless if they or a regional/national operator acquires the community. The bill has a cooling effect on redevelopment prospects as it complicates and lengthens the process while potentially drawing media scrutiny during the process. Our analysis of the subject property takes into account the impact of this bill.

## COMPETITIVE PROPERTIES

Comparable properties were surveyed in order to identify the current occupancy within the competitive market. The comparable data is summarized in the following table:

SUMMARY OF COMPARABLE RV PARK / CAMPGROUND RENTALS						
No.	Property Name	Location	YOC / Reno'd	Occ.	No. Pads	Distance from Subj
1	West Alder Estates	325 N 5th Avenue Sequim, WA 98382	1987	100%	55	2.8 Miles
2	Juniper Mobile Estates	65 Juniper Mobile Estates Sequim, WA 98382	1973	100%	60	2.5 Miles
3	Spruce West MHP	301 N 7th Avenue Sequim, WA 98382	1975	100%	35	2.6 Miles
4	Lavender Meadows MHC	974 N Sequim Avenue Sequim, WA 98382	2021	15%	217	3.6 Miles
5	Parkwood MHC	261520 US Highway 101 Sequim, WA 98382	1981	100%	209	0.6 Miles
6	Olympic Pines MH/RV Park	521 N Lee's Creek Road Port Angeles, WA 98362	1970	98%	42	4.5 Miles
Subj.	Peninsula Tiny Home Village	261131 W Highway 101 Sequim, WA 98382	2024	0%	20	---
Compiled by CBRE						

Occupancy within a manufactured housing community is largely based on competent management, location and upkeep of the property, in conjunction with market-based rental rates. The comparable properties are of varying size and quality, while all are located within the subject's MSA. Occupancy rates range from 15% to 100% with Lavander Meadows at the bottom

of the range in lease-up. Lease-up at this park has been slower due to the cost of homes (\$200,000 - \$350,000 generally) and will compete somewhat with the subject, however, the cost of tiny homes are in the \$30,000 - \$70,000 range and offer a contrasting affordable living option. Lavender Meadow's lease-up is anticipated to take several more years and not anticipated to impact the absorption of the subject property.

### Occupancy

As noted, current ownership acquired the subject in mid-2024 to develop with a 20-site tiny home village. No sites have been pre-leased.

Based on the foregoing analysis, CBRE, Inc.'s conclusion of stabilized occupancy for the subject is illustrated in the following table. As the subject has 20 sites, one vacancy is more consequential. Furthermore, the subject can absorb more quickly than a typical MHC as the homes will cost far less than a typical new manufactured home, the assembly of a new home is faster and the subject is advantageously located adjacent to the Larson Tiny Home Dealership. This estimate considers both the physical and economic factors of the market. Therefore, we will utilize a vacancy rate of 4% and a credit loss of 1%.

<b>OCCUPANCY CONCLUSIONS</b>	
Rent Comparables	70.0%
Subject's Occupancy at Completion	0.0%
Subject's Stabilized Occupancy	96.0%
Lease-up Period	12 Months
Compiled by CBRE	

### Cost to Achieve Stabilized Operations

The cost estimates employed for this approach are reflective of a property operating at a stabilized level. A stabilized occupancy for the subject has been estimated to be 95.0% while the subject will be completed within 6 months according to the owner. Consequently, an adjustment is warranted.

As the subject is currently below a stabilized occupancy position, it requires a deduction for lease-up to stabilization.

In determining an appropriate lease-up period, we considered several factors:

- Occupancy data and interviews with market participants in the subject's market;
- Ownership's history of stabilizing similar properties (if applicable);
- Typical lease-up periods for similar quality/condition communities;
- The subject's location (urban, suburban or rural), single-family home prices in the subject market vs. cost to own a home at the subject;

- The type of home filling a vacancy has an impact on how quickly absorption to stabilization can occur. Filling space with a new tenant-owned home will require the potential occupant to secure financing for the home and complete the process of physically setting the new home at the community. Some owners leave this process to the tenants or third parties while other owners have proactive on-site home sale offices with homes move-in ready on-site. Manufactured home or park model rentals can be filled quickly, similar to an apartment complex. Long-term RV sites can also be filled quickly due to the ease in which tenants can drive their RV homes on-site.

Based on the subject size and that the units will be rented (not sold), we have estimated a lease-up period of 12 months.

Our lease-up analysis considers three deductions for our estimated absorption costs which are based, in part, on the rental conclusions of this report.

- the rent loss during the lease-up period is deducted.
- It is estimated that the subject will need to spend approximately \$5,000/homesite in leasing costs. This cost may include rent concessions, move-in/placement costs for homes, any applicable discounting from buying a home from the community, etc. These costs typically run from \$2,500 - \$5,000/homesite.

Additionally, a deduction to account for entrepreneurial profit is appropriate. The incentive for absorbing space at an MHC is higher than any other property type because of the stability of the absorption. When a space at the subject is absorbed, the tenant has committed between \$30,000 - \$70,000 on a manufactured home in addition to a new lot lease. If this tenant decides to vacate the property, they must either market and sell their home in place or assume the cost to move the home to an alternate community. Manufactured homes are rarely moved after being set for the first time due to the prohibitive costs and the potential damage to the home during transportation. If a tenant sells their home in place, there is theoretically no rent loss to ownership. Generally, once a property reaches stabilization, it will remain stabilized unless there is a force of nature or considerable mismanagement. A typical Entrepreneurial Profit allocation can run from **10 - 30%** of the concluded As-Stabilized Value. The low end of this range is typically for properties with limited capital expenditure or lease-up costs. The high end of this range is typically for properties requiring more investment in capital improvements or lease-up costs. If a community only has a few homesites to absorb or the sites are for long-term RVs, an appropriate entrepreneurial profit allocation is in the **2 – 5%** of the concluded As-Stabilized Value. This reflects the ease in which RVs can be moved in or that it will not take a considerable effort to absorb the remaining vacant sites.

Given the subject's projected lease-up, a 20.0% profit component is included.

This analysis utilizes assumptions developed in the market analysis and income capitalization approach and will be deducted as a line item from each approach in order to render an “as is” or “as complete” (whichever is appropriate for this analysis) market value estimate.

LEASE UP DISCOUNT SCHEDULE												
Month	1	2	3	4	5	6	7	8	9	10	11	12
<b>AS-STABILIZED</b>												
Potential Rental Income	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000
Adjusted Rental Income	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000
Vacancy & Credit Loss (%)	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Vacancy & Credit Loss (\$)	(\$800)	(\$800)	(\$800)	(\$800)	(\$800)	(\$800)	(\$800)	(\$800)	(\$800)	(\$800)	(\$800)	(\$800)
Net Rental Income	\$15,200	\$15,200	\$15,200	\$15,200	\$15,200	\$15,200	\$15,200	\$15,200	\$15,200	\$15,200	\$15,200	\$15,200
Other Income	\$583	\$583	\$583	\$583	\$583	\$583	\$583	\$583	\$583	\$583	\$583	\$583
Effective Gross Income	\$15,783	\$15,783	\$15,783	\$15,783	\$15,783	\$15,783	\$15,783	\$15,783	\$15,783	\$15,783	\$15,783	\$15,783
Total Expenses	(\$3,439)	(\$3,439)	(\$3,439)	(\$3,439)	(\$3,439)	(\$3,439)	(\$3,439)	(\$3,439)	(\$3,439)	(\$3,439)	(\$3,439)	(\$3,439)
Net Operating Income	\$12,345	\$12,345	\$12,345	\$12,345	\$12,345	\$12,345	\$12,345	\$12,345	\$12,345	\$12,345	\$12,345	\$12,345
<b>AS-IS</b>												
Potential Rental Income	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000
Adjusted Rental Income	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000
Vacancy & Credit Loss (%)	100.0%	92.0%	84.0%	76.0%	68.0%	60.0%	52.0%	44.0%	36.0%	28.0%	20.0%	12.0%
Vacancy & Credit Loss (\$)	(\$16,000)	(\$14,720)	(\$13,440)	(\$12,160)	(\$10,880)	(\$9,600)	(\$8,320)	(\$7,040)	(\$5,760)	(\$4,480)	(\$3,200)	(\$1,920)
Net Rental Income	\$0	\$1,280	\$2,560	\$3,840	\$5,120	\$6,400	\$7,680	\$8,960	\$10,240	\$11,520	\$12,800	\$14,080
Other Income	\$0	\$49	\$98	\$147	\$196	\$246	\$295	\$344	\$393	\$442	\$491	\$540
Effective Gross Income	\$0	\$1,329	\$2,658	\$3,987	\$5,316	\$6,646	\$7,975	\$9,304	\$10,633	\$11,962	\$13,291	\$14,620
Total Expenses (0% Variable)	(\$3,439)	(\$3,439)	(\$3,439)	(\$3,439)	(\$3,439)	(\$3,439)	(\$3,439)	(\$3,439)	(\$3,439)	(\$3,439)	(\$3,439)	(\$3,439)
Net Operating Income	(\$3,439)	(\$2,110)	(\$780)	\$549	\$1,878	\$3,207	\$4,536	\$5,865	\$7,194	\$8,523	\$9,852	\$11,182
NOI Differential	\$15,783	\$14,454	\$13,125	\$11,796	\$10,467	\$9,138	\$7,809	\$6,479	\$5,150	\$3,821	\$2,492	\$1,163
Sub-Total	\$15,783	\$14,454	\$13,125	\$11,796	\$10,467	\$9,138	\$7,809	\$6,479	\$5,150	\$3,821	\$2,492	\$1,163
Total Lease-Up Cost	\$15,783	\$14,454	\$13,125	\$11,796	\$10,467	\$9,138	\$7,809	\$6,479	\$5,150	\$3,821	\$2,492	\$1,163
Discounted @ 3.00%	\$15,744	\$14,382	\$13,027	\$11,679	\$10,337	\$9,002	\$7,673	\$6,351	\$5,036	\$3,727	\$2,425	\$1,129

<b>Rent Loss</b>	<b>\$100,512</b>
<b>Marketing Expense (\$5,000/unit)</b>	<b>\$100,000</b>
<b>Entrepreneurial Profit</b>	<b>20% \$475,000</b>
<b>Total Lease-Up Cost</b>	<b>\$675,512</b>
<b>Rounded</b>	<b>\$680,000</b>
Compiled by CBRE	



## Highest and Best Use

In appraisal practice, the concept of highest and best use represents the premise upon which value is based. The four criteria the highest and best use must meet are:

- legally permissible;
- physically possible;
- financially feasible; and
- maximally productive.

### AS VACANT

#### Legal Permissibility

The legally permissible uses were discussed in the Site Analysis and Zoning Sections.

#### Physical Possibility

The subject is adequately served by utilities, and has an adequate shape and size, sufficient access, etc., to be a separately developable site. There are no known physical reasons why the subject site would not support any legally probable development (i.e. it appears adequate for development).

Existing structures on similar sites provides additional evidence for the physical possibility of development.

#### Financial Feasibility

Potential uses of the site include commercial uses. The determination of financial feasibility is dependent primarily on the relationship of supply and demand for the legally probable land uses versus the cost to create the uses. As discussed in the market analysis, the subject residential market is generally stabilized.

#### Maximum Productivity - Conclusion

The final test of highest and best use of the site as if vacant is that the use be maximally productive, yielding the highest return to the land.

Based on the information presented above and upon information contained in the market and neighborhood analysis, we conclude that the highest and best use of the subject as if vacant would be the development of a commercial use. Our analysis of the subject and its respective market characteristics indicate the most likely buyer, as if vacant, would be an investor (land speculation) or a developer.

### AS PROPOSED

#### Legal Permissibility

The site is currently vacant and proposed to be developed with a tiny home village which is an allowed use under the current zoning designation as tiny homes are a legal use within RV parks.

### Physical Possibility

The layout and positioning of the improvements are considered functional for manufactured housing use. While it would be physically possible for a wide variety of uses, based on the legal restrictions and the design of the improvements, the continued use of the property for manufactured housing users would be the most functional use.

### Financial Feasibility

The financial feasibility of a manufactured housing property is based on the amount of rent which can be generated, less operating expenses required to generate that income; if a residual amount existing, then the land is being put to a productive use. The subject is proposed to be developed with a 20-site tiny home village. All homes will be owned by the tenants. The cost approach at completion (based on the owner's budget) indicates an as complete market value for the subject of \$1,700,000 (land value + cost of development). The Cost Approach at completion market value (\$1,550,000) is exceeded by the Income Approach conclusion at completion (\$1,700,000) and the Sales Comparison Approach conclusion at completion (\$1,650,000) indicating that the proposed development is financially feasible.

As the subject development is considered to be feasible. Our as is market value conclusion estimated at \$270,000 which is our reconciled land value (\$180,000) plus the costs spent to date with entrepreneurial profit added (\$90,000).

### Maximum Productivity - Conclusion

As shown in the applicable valuation sections, buildings that are similar to the subject have been acquired or continue to be used by manufactured housing owners/tenants. None of the comparable properties have been acquired for conversion to an alternative use. The most likely buyer for the subject property is as follows:

- Investor-Regional

Based on the foregoing, the highest and best use of the property, as improved, is consistent with the development of the proposed manufactured housing development.



SUMMARY OF COMPARABLE LAND SALES									
No.	Property Location	Transaction Type	Transaction Date	Interest Transferred	Actual Sale Price	Adjusted Sale Price <sup>1</sup>	Size (Acres)	Size (SF)	Price Per SF
1	Multi-family Development Site 1932 SE Salmonberry Road Port Orchard, WA 98366	Available/ Listing	Aug-24	Fee Simple/Freehold	\$2,552,000	\$2,552,000	12.01	523,156	\$4.88
2	Business Park Loop Industrial Land 361 Business Park Loop Road Sequim, WA 98382	Sale	Oct-21	Fee Simple/Freehold	\$164,995	\$164,995	1.03	44,867	\$3.68
3	W Hendrickson Rd 400 Block of Hendrickson Sequim, WA 98382	Sale	Apr-22	Fee Simple/Freehold	\$495,000	\$495,000	3.12	135,907	\$3.64
4	Recreational Land 1192 Black Point Rd Brinnon, WA 98320	Sale	Jun-23	Fee Simple/Freehold	\$375,000	\$375,000	16.50	718,740	\$0.52
Subject	261131 W Highway 101 Sequim, WA 98382	---	---		---	---	1.27	55,321	---

<sup>1</sup> Adjusted sale price for cash equivalency and/or development costs (where applicable)  
Compiled by CBRE

The sales utilized represent the best data available for comparison with the subject and were selected from the greater Clallam County / Kitsap County area. These sales were chosen based upon their zoning and location.

## DISCUSSION/ANALYSIS OF LAND SALES

### Land Sale One

This comparable represents the active listing of a 523,156 square foot (12.01-acre) site located at 1932 SE Salmonberry Road in Port Orchard, WA. The site is irregular in shape, has a generally level topography, has mid-block frontage along a primary thoroughfare and is mostly vacant with a small single family residence located near SE Salmonberry Road. Currently the property is proposed for a 116-unit garden-style apartment development with the seller providing an approved Land Development Activity Permit from the City of Port Orchard. However, the listing notes that additional units may be approved in the future once the wetland determination is complete. A small portion of the site is zoned Residential 1 (R1), with the majority of the site being zoned Commercial Mixed Use (CMU), which allows for variety of commercial, multi-family and mixed-uses up to 40 feet with no maximum density or FAR restrictions. The property was originally listed in June 2022 for \$3,350,000 went under contract in August 2022 after being listed for approximately 2 months. However, the property fell out of contract and was re-listed in April 2023 for \$2,552,000, or \$4.88 per square foot, or \$22,000 per unit. It is unclear why the property fell out of contract and was re-listed at a lower price as our calls to the broker were not returned.

In terms of conditions of sale, this comparable is a current listing that has been on the market for over one year. Recognizing the likelihood the asking price will be negotiated downward, we have applied a downward market conditions adjustment. With respect to zoning/density, this comparable was considered superior in this aspect and received a downward adjustment because of a more restrictive zoning classification. Overall, this comparable was deemed

superior in comparison to the subject and a downward net adjustment was warranted to the sales price indicator.

### Land Sale Two

This comparable represents the sale of the 1.03 acre (44,866 square foot) site located at 361 Business Park Loop Road in Sequim, Clallam County, Washington. The site is zoned CI - Commercial Industrial and is generally rectangular in shape, level, and raw. The site sold on October 2, 2021 to Jamestown Sklallam Tribe for \$164,995 or \$3.67 per square foot. Multiple attempts were made to reach the listing broker, but our calls were not returned. Therefore, the details of this comparable were confirmed via CoStar and public record.

With respect to zoning/density, this comparable was considered superior in this aspect and received a downward adjustment because of less restrictive uses. The downward adjustment for highest & best use was considered reasonable due to a wider range of development potential. Overall, this comparable was deemed superior in comparison to the subject and a downward net adjustment was warranted to the sales price indicator.

### Land Sale Three

Level parcel located just west of the Sequim middle school. Other adjacent uses are a residential style dentist/endodontics office and a YMCA. Hendrickson Avenue in front of the subject is a two lane asphalt paved local road.

This property's zoning and resultant zoning potential require downward adjustments with comparison to the subject. Overall, this comparable was deemed superior in comparison to the subject and a downward net adjustment was warranted to the sales price indicator.

### Land Sale Four

This site is located in the Brinnon area of Jefferson County and zoned for residential development. The site reportedly will require septic and well service and may be impacted by undevelopable areas, driving the price per square foot downward.

This property is located in a more isolated area on the Olympia Peninsula with less development potential and requiring private utilities. Upward adjustments are applied for these factors. Overall, this comparable was deemed inferior in comparison to the subject and an upward net adjustment was warranted to the sales price indicator.

## SUMMARY OF ADJUSTMENTS

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

LAND SALES ADJUSTMENT GRID					
Comparable Number	1	2	3	4	Subject
Transaction Type	Available/Listing	Sale	Sale	Sale	---
Transaction Date	Aug-24	Oct-21	Apr-22	Jun-23	---
Interest Transferred	Fee	Fee	Fee	Fee	
	Simple/Freehold	Simple/Freehold	Simple/Freehold	Simple/Freehold	
Adjusted Sale Price <sup>1</sup>	\$2,552,000	\$164,995	\$495,000	\$375,000	---
Size (Acres)	12.01	1.03	3.12	16.50	1.27
Size (SF)	523,156	44,867	135,907	718,740	55,321
Price Per SF	\$4.88	\$3.68	\$3.64	\$0.52	---
Price (\$ PSF)	\$4.88	\$3.68	\$3.64	\$0.52	
Property Rights Conveyed	0%	0%	0%	0%	
Financing Terms <sup>1</sup>	0%	0%	0%	0%	
Conditions of Sale	-20%	0%	0%	0%	
Market Conditions (Time)	0%	9%	7%	3%	
Subtotal	\$3.90	\$4.01	\$3.89	\$0.54	
Size	0%	0%	0%	0%	
Shape	0%	0%	0%	0%	
Corner	0%	0%	0%	0%	
Frontage	0%	0%	0%	0%	
Topography	0%	0%	0%	0%	
Location	0%	0%	0%	20%	
Zoning/Density	-10%	-5%	-10%	10%	
Utilities	0%	0%	0%	10%	
Highest & Best Use	0%	-10%	-5%	10%	
Total Other Adjustments	-10%	-15%	-15%	50%	
<b>Value Indication for Subject</b>	<b>\$3.51</b>	<b>\$3.41</b>	<b>\$3.31</b>	<b>\$0.80</b>	
<i>Absolute Adjustment</i>	30%	24%	22%	53%	

<sup>1</sup> Adjusted sale price for cash equivalency and/or development costs (where applicable)

Compiled by CBRE

Overall, Comparables 1, 2 and 3 were given greatest consideration because they have similar zoning and highest and best uses. In conclusion, a price per square foot indication towards the \$3.00 - \$4.00/SF range because the subject has direct frontage on Highway 101 so good exposure. Furthermore, the subject's recent sale supports this conclusion. The following table presents the valuation conclusion:



<b>CONCLUDED LAND VALUE</b>				
\$ PSF		Subject SF		Total
\$3.00	x	55,321	=	\$165,963
\$3.50	x	55,321	=	\$193,624
<b>Indicated Value:</b>				<b>\$179,793</b>
<b>Rounded</b>				<b>\$180,000</b>
				(Rounded \$ PSF) \$3.25
<b>Costs to Date</b>				<b>\$72,465</b>
<b>20% Profit on Costs To Date</b>				<b>\$14,493</b>
<b>As Is Market Value</b>				<b>\$266,958</b>
<b>Rounded</b>				<b>\$270,000</b>
Compiled by CBRE				

The subject sold in April 2024 for \$178,000 which our analysis supports as market-oriented. As the subject development is considered to be feasible, we have recognized ownership's cost to date for our as is market value conclusion which includes planning, approval of the project and some on-site grading.

## Cost Approach

In estimating the replacement cost new for the subject, the following methods/data sources have been utilized (where available):

- the comparative unit method, utilizing the Marshall Valuation Service (MVS) cost guide, published by Marshall and Swift, LLC;
- the subject's budgeted construction costs; and
- actual construction cost figures available for comparable properties.

### MARSHALL VALUATION SERVICE

#### DIRECT COST

Salient details regarding the direct costs are summarized in the Cost Approach Conclusion at the end of this section. The MVS cost estimates include the following:

- average architect's and engineer's fees for plans, plan check, building permits and survey(s) to establish building line;
- normal interest in building funds during the period of construction plus a processing fee or service charge;
- materials, sales taxes on materials, and labor costs;
- normal site preparation including finish grading and excavation for foundation and backfill;
- utilities from structure to lot line figured for typical setback;
- contractor's overhead and profit, including job supervision, workmen's compensation, fire and liability insurance, unemployment insurance, equipment, temporary facilities, security, etc.;
- site improvements (included as lump sum additions); and
- initial tenant improvement costs are included in MVS cost estimate. However, additional lease-up costs such as advertising, marketing and leasing commissions are not included.

Base building costs (direct costs) are adjusted to reflect the physical characteristics of the subject. Making these adjustments, including the appropriate local and current cost multipliers, the direct building cost is indicated.

#### INDIRECT COST ITEMS

Several indirect cost items are not included in the direct building cost figures derived through the MVS cost guide. These items include developer overhead (general and administrative costs),

property taxes, legal and insurance costs, local development fees and contingencies, lease-up and marketing costs and miscellaneous costs.

## MVS CONCLUSION

The concluded direct and indirect building cost estimates obtained via the MVS cost guide are illustrated as follows:

MARSHALL VALUATION SERVICE COST SCHEDULE			
Primary Building Type:	MH/RV Park	Number of Buildings:	1
Effective Age:	0 YRS		
Condition:	New		
<b>MVS Sec/Page/Class</b>			63/4
<b>Quality/Class</b>			Good/C
<b>Development Component</b>			Specify Here
Component Units			20 Units
Base Unit Cost			\$30,400
Space and Size Refinements			
Number of Spaces Multiplier			1.180
Gross Area Per Space Multiplier			0.950
Other			1.000
Subtotal			\$34,078
<b>Cost Multipliers</b>			
Current Cost Multiplier			1.03
Local Multiplier			1.17
<b>Final Unit Cost</b>			\$41,068
<b>Base Component Cost</b>			\$821,358
<b>Base Building Cost</b>	(via Marshall Valuation Service cost data)		\$821,358
<b>Additions</b>			
Clubhouse			\$115,000
<b>Direct Building Cost</b>			\$936,358
<b>Indirect Costs</b>	20.0% of Direct Building Cost		\$187,272
<b>Direct and Indirect Building Cost</b>			\$1,123,629
<b>Rounded</b>			\$1,124,000
Compiled by CBRE			

## ACTUAL/BUDGET COMPARABLE CONSTRUCTION COSTS

The subject's budget construction costs are illustrated in the following table, along with comparable cost information on a number of comparable properties. A detailed breakdown of the subject's cost estimate has been included in the Addenda.

CONSTRUCTION COSTS					
Comparable:	1	2	3	Average	Subject
Location	La Pine, OR	Bend, OR	Nampa, ID		MH/RV Park
Property Type	MHC	MHC	MH/RV		2024
Year of Cost Data	2024	2018	2022		Budget
Cost Data Based Upon...	Actual	Actual	Actual		20
Number of Pads:	11	104	225	113	
Cost Component					
Direct Cost	\$201,511	\$3,014,274	\$14,000,000	\$5,738,595	\$946,641
Indirect Cost	\$343,759	\$1,659,610	\$1,416,000	\$1,139,790	\$197,510
Total Direct, Indirect & Lease-up	\$545,270	\$4,673,884	\$15,416,000	\$6,878,385	\$1,144,151
Total Adjusted Costs	\$545,270	\$4,673,884	\$15,416,000	\$6,878,385	\$1,144,151
Rounded				\$6,878,000	\$1,144,000
Cost Per Pad	\$49,570	\$44,941	\$68,516	\$54,342	\$57,208
Compiled by CBRE					

## DIRECT AND INDIRECT COST CONCLUSION

The indicated direct and indirect building costs for the subject are illustrated as follows:

DIRECT AND INDIRECT COST CONCLUSION		
Source	Subject Estimate	Per Unit
MVS Cost Guide	\$1,124,000	\$56,200
Cost Comparables (Avg.)	n/a	\$54,342
Subject's Budget Cost Est.	\$1,144,000	\$57,208
<b>CBRE Estimate</b>	<b>\$1,144,000</b>	<b>\$57,200</b>
Compiled by CBRE		

The estimates derived via MVS represent replacement cost while the subject's budgeted figures represent reproduction costs. The subject's actual cost was given most consideration towards a cost conclusion for the subject as it is well-supported by expense comparables and the Marshall Swift Valuation Guide.

## ENTREPRENEURIAL PROFIT

Entrepreneurial profit represents the return to the developer and is separate from contractor's overhead and profit.

## ACCRUED DEPRECIATION

There are essentially three sources of accrued depreciation:

- physical deterioration, both curable and incurable;
- functional obsolescence, both curable and incurable; and
- external obsolescence.

## PHYSICAL DETERIORATION

Not applicable as new construction.

## FUNCTIONAL OBSOLESCENCE

Based on a review of the design and layout of the improvements, no forms of curable functional obsolescence were noted. Because replacement cost considers the construction of the subject improvements utilizing modern materials and current standards, design and layout, functional incurable obsolescence is not applicable.

## EXTERNAL OBSOLESCENCE

Based on a review of the local market and neighborhood, no forms of external obsolescence affect the subject.

## COST APPROACH CONCLUSION

The value estimate is calculated as follows.

COST APPROACH CONCLUSION			
Primary Building Type:	MH/RV Park		
Effective Age:	0 YRS	Number of Buildings:	1
Quality/Condition:	New		
Number of Pads:	20		
<b>Direct and Indirect Building Cost</b>			<b>\$1,144,000</b>
<b>Entrepreneurial Profit</b>	20.0% of Total Building Cost		<b>\$228,800</b>
<b>Replacement Cost New</b>			<b>\$1,372,800</b>
<b>Land Value</b>			<b>\$180,000</b>
<b>As Complete Market Value</b>			<b>\$1,552,800</b>
<b>Rounded</b>			<b>\$1,550,000</b>
Lease-Up Cost			680,000
<b>As Stabilized Market Value</b>			<b>\$2,232,800</b>
<b>Rounded</b>			<b>\$2,225,000</b>
Value Per Pad			\$111,250
Compiled by CBRE			

## Sales Comparison Approach

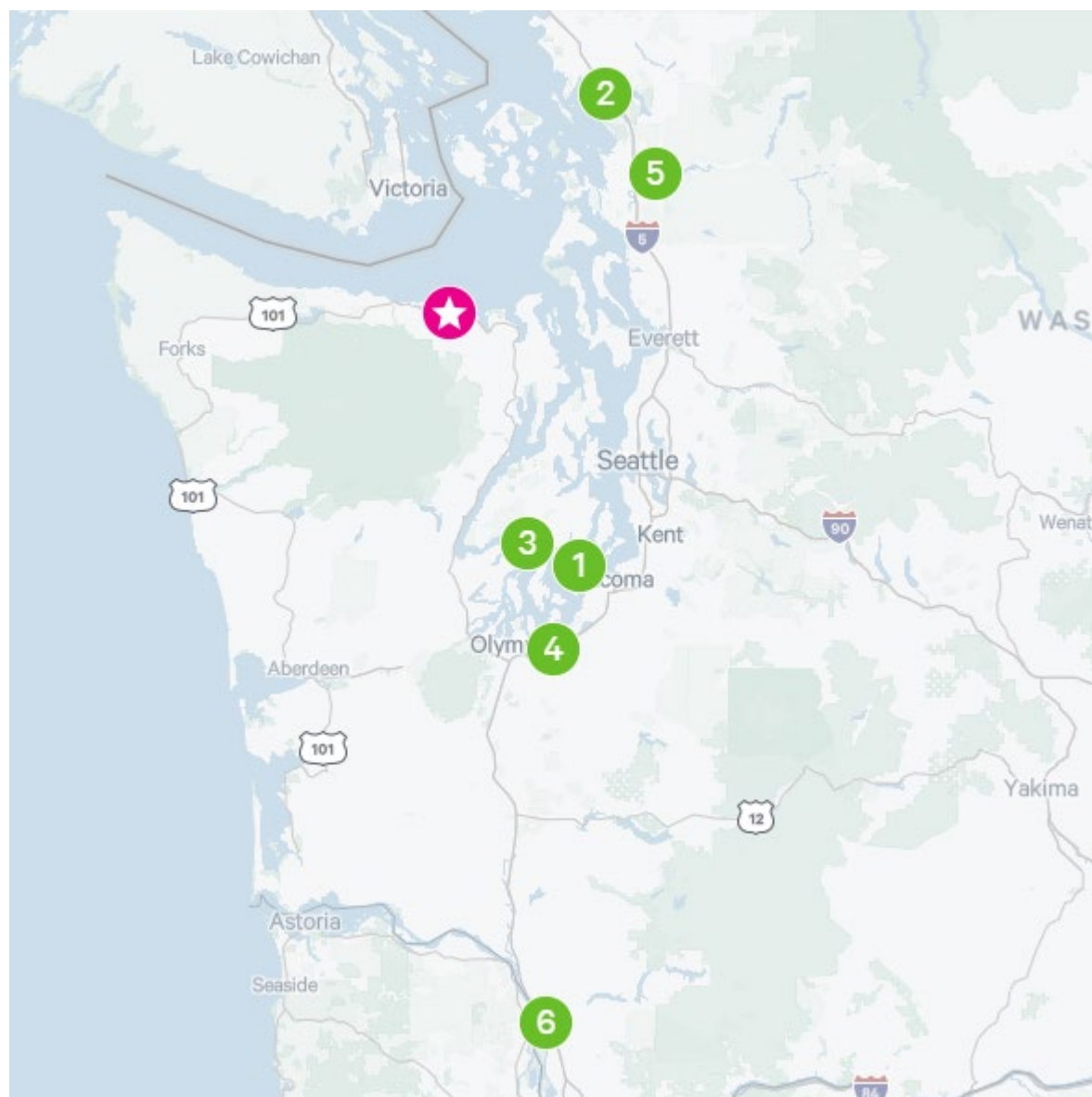
The sales utilized represent the best data available for comparison with the subject. We first looked for comparable improved sales occurring in the last six months within the greater Sequim area. Due to the scarcity of manufactured housing/RV communities, we expanded our search to include surrounding markets within the past couple of years. This is similar to how regional and national MHC investors build their portfolios as they must commit to covering wider geographical areas (typically multiple states or regions) to do so.

All sale comparables utilized herein were verified with parties related to the transaction and public records. We used multiple avenues to research sales including broker listings, industry reporting; assessor's records, comparable sale search systems (CoStar, Crexi RV Park Store, Campground Marketplace, Loopnet, etc.); offering memorandums or sales announcements from MHC/RV specialty brokerage sites and LinkedIn announcements. We have also conducted interviews with local MHC/RV-specializing brokers while considering current listings and pending sales relevant to analysis of the subject property.

We have appraised the subject as of the date of stabilization and deducted our projected lease-up costs to arrive at our as completed/as is market value. We have next deducted the estimated capital expenditures or cost to cure the estimated deferred maintenance to arrive at our as is market value conclusion.

We are valuing the subject's real property only, therefore, our analysis does not recognize park-owned homes at the subject or comparable properties.





Factors considered when determining appropriate comparable sales for the subject property:

<b>Adjustment Factors for MH &amp; Long-Term RV Communities</b>	
<b>Adjustment Factor</b>	<b>Definition</b>
Effective Sale Price	Accounts for atypical economics of a transaction, such as excess land, non-realty components, expenditures by the buyer at time of purchase, or other similar factors. Usually applied directly to sale price on a lump sum basis.
Real Property Rights	Leased fee, fee simple, leasehold, going concern, partial interest, etc.
Financing Terms	Seller financing vs. typical lender financing, assumption of existing financing, at non-market terms, etc.
Conditions of Sale	Atypical motivation of buyer or seller such as 1031 exchange transaction, on-market vs. off-market (pocket deal direct to buyer); assemblage, or strained/obligatory sale.
Market Conditions	Changes to the economic environment over time which impact the appreciation / depreciation of real property.
Location	Proximity to subject or similarities to subject's location i.e. urban, rural or suburban; proximity to essential medical and commercial services; employment opportunities, average homes values and average income levels.
Community Size	Relationship between project size and unit value. Properties with over 100 pads/units typically require more management, different expense structures than communities with less than 100 pads/units. Furthermore, properties with less than 25 pads/units may not require on-site management. These communities can be clustered by property owners with management spread across multiple communities.
Property Classification (Quality/Condition)	Class A, B, C or D and effective age; physical condition.
Property Amenities	Typical MHC/RV community amenities include clubhouses, fitness centers, swimming pool/spa; recreational amenities, on-site staff/management, gated entrance, RV storage, water frontage and more. The level of amenities offered impacts a subject's achievable rental rate and are required to compete with Class A and B properties particularly.
Density	Pads / acre. Excluding unusable areas, a lower density can indicate larger, superior tenant lots.
Economic Characteristics	Non-stabilized occupancy, above/below market rents, rent control, and other economic factors. Excludes differences already considered in previous adjustments such as for location or quality/condition.
Utility Structure	Private utilities can be costly to maintain and difficult to bill back to tenants. Furthermore, ownership may be required to hook up to available public utilities, at a significant cost, when private utilities reach the end of their useful life and/or fail. Public utilities are easier to maintain and can be submetered to bill back to the tenants, reducing usage and cost to ownership.
Park-Owned Vs. Tenant-Owned Homes	Park-owned home rentals are more costly to maintain and manage. Additionally, they are more susceptible to vacancy than a tenant-owned home.
Home Type	Park-owned homes vs. tenant-owned homes; single section, multi-section or large multi-section; tiny homes, park model homes, recreational vehicles, apartment units, single-family residences, stick-built homes, barracks, lodging facilities, etc.
Manufactured Housing Vs. Long-Term RV	Long-term RV tenants have no barriers to exit thus occupancy is not as strong as tenant-owned manufactured homes where a vacating tenant must sell their home in-place to an ownership-approved buyer or incur the prohibitive cost of relocating the home to a new community. It is important to note that the relocation of manufactured homes is rare (can cost more than home's current value) while most manufactured homes can not maintain their structural integrity for more than one relocation.

The following map and table summarize the comparable data used in the valuation of the subject. A detailed description of each transaction is included in the addenda.

SUMMARY OF COMPARABLE RV PARK / CAMPGROUND SALES											
No.	Property Name	Transaction Type	Date	Interest Transferred	YOC / Reno'd	No. Pads	Distance from Subj	Adjusted Sale Price <sup>1</sup>	Price Per Pad <sup>1</sup>	Occ.	OAR
1	Harborland MHC 3702 Hunt Street NW Gig Harbor, WA 98335	Sale	Dec-23	Leased Fee	1968	64	59 Miles	\$8,000,000	\$125,000	100.00%	4.32%
2	Samish MH/RV Park 119 N Samish Way Bellingham, WA 98225	Sale	Mar-24	Leased Fee	1959	32	56 Miles	\$4,800,000	\$150,000	96.90%	5.54%
3	Allyn View MH/RV Park 18289 E State Route 3 Allyn, WA 98524	Sale	Dec-23	Leased Fee	1990	36	51 Miles	\$3,950,000	\$109,722	100.00%	5.62%
4	Claudia's Mobile Park Estates 10900 Kuhlman Road SE Olympia, WA 98513	Sale	Apr-24	Leased Fee	1969	108	74 Miles	\$10,250,000	\$94,907	99.00%	6.18%
5	Maple Lane Estates 920 Maple Street Sedro Woolley, WA 98284	Sale	Jul-24	Leased Fee	1979	30	52 Miles	\$2,000,000	\$66,667	100.00%	4.90%
6	Oaks MH/RV Park 38308 NW Lakeshore Drive Woodland, WA 98674	Under Contract	Aug-24	Leased Fee	1950	23	152 Miles	\$1,800,000	\$78,261	86.96%	8.00%
Subj. Pro Forma	Peninsula Tiny Home Village 261131 W Highway 101 Sequim, WA 98382	---	---	---	2024	20	---	---	---	96.00%	---

<sup>1</sup> Adjusted sale price for cash equivalency, lease-up and/or deferred maintenance (where applicable)  
Compiled by CBRE

## MARKET CONDITION ADJUSTMENT

The manufactured housing community and RV park markets experienced unprecedented growth from 2010 – 2020. This trend continued through the COVID-19 pandemic as the need for affordable housing intensified in the face of continued interest rate hikes and a dearth of entry-level homes which have become less attainable in the current economic climate. While 2023 saw a significant reduction in manufactured housing/long-term RV transactions (below 50% from reported 2022 figures for most markets), the availability of debt, lack of new supply and continued investor demand has kept pricing for the MHC / RV product strong. Therefore, we have applied no adjustment of 0.0% per year to account for this trend.

## ECONOMIC CHARACTERISTICS

The sales are adjusted to indicate a value for the subject at stabilized occupancy. At the end of the analysis, adjustments are made to reflect the subject's current occupancy status.

Manufactured housing communities and RV parks are analyzed on a price per pad/unit basis by market participants in this industry. Our analysis recognizes this as the appropriate unit of comparison. The sales considered most relevant are discussed below and then summarized in the following table.

## DISCUSSION/ANALYSIS OF IMPROVED SALES

### Improved Sale One

This age-restricted Class B property was originally included in an MHC portfolio acquired by Goldside Capital, a prominent regional investor in manufactured housing. However, a septic issue was discovered at this property which extended its closing time. According to the buyer, the cost to repair the septic system is approximately \$500,000. We have included this amount in our analysis for an effective sale price of \$8,000,000 (\$7,500,000 + \$500,000). This property has been adequately maintained outside of the septic issues and has maintained a stabilized occupancy for decades. The property includes a laundry room, manager's office and secured RV/boat storage.

The downward adjustment for location reflects this comparable's superior feature with respect to superior demographics which garner higher rental rates. Overall, this comparable was deemed superior in comparison to the subject and a downward net adjustment was warranted to the sales price indicator.

### Improved Sale Two

This is a Class C all-ages MH/RV park occupied with a mix of single section homes and extended-stay RVs, all of which are tenant-owned. There are no permanent buildings on-site and the community operates on public water and sewer. The property benefits from its location along a primary commercial corridor, Samish Way, and its proximity to the Sehome Hill Arboretum. The property was listed on the open market for \$5,100,000 for approximately 6 months but sold to a group of the existing tenants (facilitated by ROC USA) for \$4,800,000. The sellers indicated they saved approximately \$300,000 in broker fees for working with ROC USA. According to the seller, there were several interested parties at the original listing price. The sellers had intended to redevelop the community with apartment complexes but met resistance from the tenants and larger community.

The downward adjustment for location reflects this comparable's superior feature with respect to superior demographics which garner higher rental rates. Overall, this comparable was deemed superior in comparison to the subject and a downward net adjustment was warranted to the sales price indicator.

### Improved Sale Three

This is a Class C age-restricted park operating with a mix of MH sites and long-term RV sites. The property is located across the street from Case Inlet with attractive water views from the park as it slopes toward the water. The interior roads are paved and the park operates on public water and public sewer. The property is located in the historic commercial area of Allyn. According to the broker, there is green space on-site that could be developed with additional sites with approval from the planning department. The property was listed on the open market for approximately 4 months with interest from several buyers.

Due to its highly similar features, no net or absolute adjustments were required for this comparable when compared to the subject property.

#### Improved Sale Four

This is a Class C, all-ages, MH/RV park operating with a mix of tenant and park-owned homes as well as extended-stay RV tenants. The property sold to a larger operator as an investment for \$10,750,000 in mid-2024. The sale reportedly included 20 park-owned homes which reportedly transferred in a separate transaction. This property includes a modular clubhouse/manager's office which includes laundry equipment. The interior roads are gravelled but the community is generally well-maintained. The property operates on public water and a 50-tank septic system. At the time of sale, the lot rent included septic service but all other utilities were paid by the tenants. The tenants reimburse ownership for their water usage.

This property is located in the superior Olympia market requiring a downward adjustment for this factor. As an older property, this comparable requires upward adjustments for quality and condition. Overall, this comparable was deemed inferior in comparison to the subject and an upward net adjustment was warranted to the sales price indicator.

#### Improved Sale Five

This is a Class C+, all-ages, manufactured housing community operating on public water and sewer, located in Sedro Woolley, WA, one block from State Route 9, a nearly 100-mile highway running from Snohomish County to the US/Canadian border. This property was recently acquired by Hurst & Son, a prominent regional MHC operator with several parks in Skagit County including the recently acquired Cedar Lane MH/RV Park located just outside of Sedro Woolley city limits. This park has paved interior roads and includes 28 MH sites and 2 apartment units. The lot rent includes sewer service while all tenants are directly billed for water and electricity. The property includes a clubhouse, interior roads are paved. The buyer was attracted to this opportunity as he owns several communities in this market, thus he has community management in place for the area. This was an off-market transaction that is supported by the market based on other recent, comparable sales in the I-5 corridor.

This property sold with lot rent well below market, we have applied an upward adjustment for conditions of sale. Furthermore, we have applied upward adjustments for inferior location, quality and condition. Overall, this comparable was deemed inferior in comparison to the subject and an upward net adjustment was warranted to the sales price indicator.

#### Improved Sale Six

This is sale of a 55+ (senior) manufactured home community known as Oaks MH/RV Park and located in Woodland, Washington (unincorporated Clark County). The property consists of 23 pad sites with limited amenities including an office, men's and women's restroom with showers, and laundry facility. The community was developed in 1950. The park was reportedly 100% occupied at the time of transaction. The property operates on public water, a septic system and

interior roads gravelled. The buyer owns dozens of parks throughout the Pacific Northwest including the neighboring Horseshoe Lake MH/RV Park.

In terms of age/condition, this comparable was judged inferior due to older construction and more long-lived physical deterioration and received an upward adjustment for this characteristic. An upward adjustment was applied to this comparable for its inferior quality of construction attribute when compared to the subject, based upon an inferior construction class. Overall, this comparable was deemed inferior in comparison to the subject and an upward net adjustment was warranted to the sales price indicator.

## SUMMARY OF ADJUSTMENTS

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

RV PARK / CAMPGROUND SALES ADJUSTMENT GRID							Subj. Pro Forma
Comparable Number	1	2	3	4	5	6	
Transaction Type	Sale	Sale	Sale	Sale	Sale	Under Contract	---
Transaction Date	Dec-23	Mar-24	Dec-23	Apr-24	Jul-24	Aug-24	---
Interest Transferred	Leased Fee	Leased Fee	Leased Fee	Leased Fee	Leased Fee	Leased Fee	---
Year Built/Renovated	1968	1959	1990	1969	1979	1950	2024
No. Pads	64	32	36	108	30	23	20
Actual Sale Price	\$7,500,000	\$4,800,000	\$3,950,000	\$10,250,000	\$2,000,000	\$1,800,000	---
Adjusted Sale Price <sup>1</sup>	\$8,000,000	\$4,800,000	\$3,950,000	\$10,250,000	\$2,000,000	\$1,800,000	---
Price Per Pad <sup>1</sup>	\$125,000	\$150,000	\$109,722	\$94,907	\$66,667	\$78,261	---
Occupancy	100%	97%	100%	99%	100%	87%	96%
OAR	4.32%	5.54%	5.62%	6.18%	4.90%	8.00%	---
Adj. Price Per Pad	\$125,000	\$150,000	\$109,722	\$94,907	\$66,667	\$78,261	
Property Rights Conveyed	0%	0%	0%	0%	0%	0%	
Financing Terms <sup>1</sup>	0%	0%	0%	0%	0%	0%	
Conditions of Sale	0%	0%	0%	0%	20%	0%	
Market Conditions (Time)	0%	0%	0%	0%	0%	0%	
Subtotal - Price Per Pad	\$125,000	\$150,000	\$109,722	\$94,907	\$80,000	\$78,261	
Location	-5%	-20%	0%	-5%	10%	0%	
Project Size	0%	0%	0%	0%	0%	0%	
Age/Condition	0%	0%	0%	10%	15%	20%	
Quality of Construction	0%	0%	0%	10%	15%	20%	
Avg. Unit Size	0%	0%	0%	0%	0%	0%	
Project Amenities	0%	0%	0%	0%	0%	0%	
Parking	0%	0%	0%	0%	0%	0%	
Total Other Adjustments	-5%	-20%	0%	15%	40%	40%	
<b>Indicated Value Per Pad</b>	<b>\$118,750</b>	<b>\$120,000</b>	<b>\$109,722</b>	<b>\$109,144</b>	<b>\$112,000</b>	<b>\$109,565</b>	
<b>Absolute Adjustment</b>	<b>5%</b>	<b>20%</b>	<b>0%</b>	<b>25%</b>	<b>60%</b>	<b>40%</b>	

<sup>1</sup> Adjusted for cash equivalency, lease-up and/or deferred maintenance (where applicable)

Compiled by CBRE

Overall, Comparables 1, 2 and 3 were given greatest consideration because they required the lowest amount of gross adjustments for comparison to the subject.



**SALES COMPARISON APPROACH CONCLUSION**

The following table presents the estimated value for the subject as indicated by the sales comparison approach.

<b>SALES COMPARISON APPROACH</b>				
<b>Total Pads</b>	<b>X</b>	<b>Value Per Pad</b>	<b>=</b>	<b>Value</b>
20	X	\$110,000	=	\$2,200,000
20	X	\$120,000	=	\$2,400,000
<b>VALUE CONCLUSION</b>				
As Stabilized Market Value				\$2,340,000
<b>Rounded</b>				<b>\$2,350,000</b>
Lease-Up Discount				(680,000)
As Complete Market Value				\$1,660,000
<b>Rounded</b>				<b>\$1,650,000</b>
Compiled by CBRE				

## Income Capitalization Approach

The income capitalization estimate a property's market value by converting the anticipated economic benefits of owning real property through capitalization of a property's net operating income (NOI). The income capitalization approach analyzes the revenue potential of a property; consider appropriate allowances for vacancy, collection loss, and operating expenses; calculates net operating income (by deducting vacancy, collection loss, and operating expenses from potential income) and applies the most appropriate capitalization methods to convert anticipated NOI to an indication of value.

The two most common capitalization methods are direct capitalization and discounted cash flow analysis. In direct capitalization, a single year's expected income is divided by an appropriate capitalization rate to arrive at a value indication. In discounted cash flow analysis, anticipated future net income streams and a future resale value are discounted to a present value at an appropriate yield rate.

In this analysis, we have utilized the direct capitalization method only as investors in MHC/RV communities typically rely more on this method.

### UNIT MIX, OCCUPANCY AND RENTAL RATES

The following table shows the subject's pad mix, occupancy and rental rates.

SUBJECT RENTAL INFORMATION			
Type	No. of Units	Unit Occ.	Avg. Quoted \$/Unit
MH/RV Pad	20	0%	\$800
Total/Average:	20	0%	\$800
Compiled by CBRE			

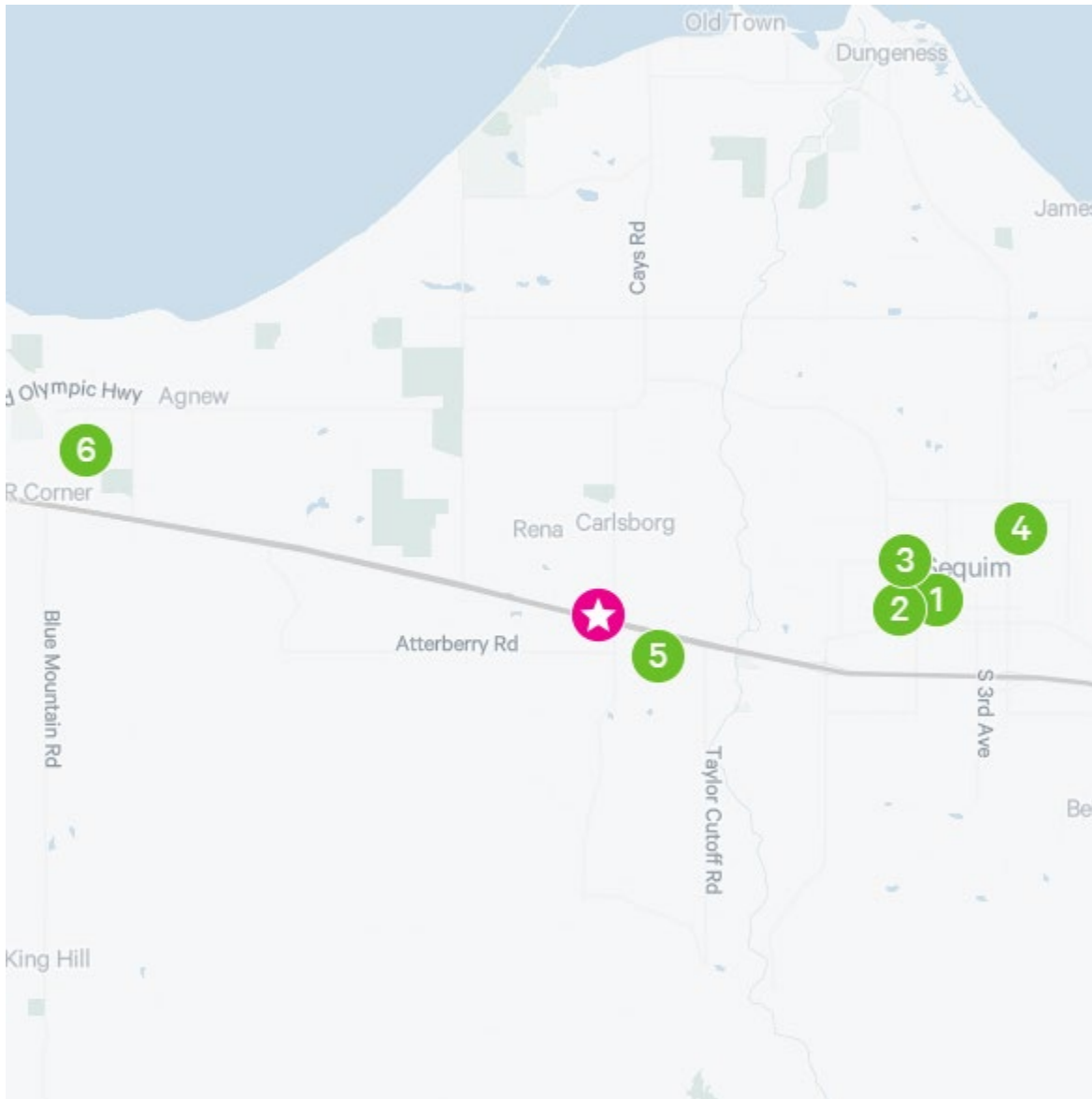
According to our contacts for the subject property, the intended asking rent is \$800/month exclusive of utilities which will be directly billed.

- Concessions are not offered at the subject and are atypical for this market.
- All utilities are billed directly, less management required.
- Ownership plans to increase rent to \$850/month once the property is full absorbed.

## MARKET RENT ANALYSIS

The rentals utilized represent the best data available for comparison with the subject. They were selected from our research within the subject market and directly compete with the subject for tenants. These communities were chosen based upon their proximity to the subject, property classification and general quality/condition.

The following map and table summarize the primary comparable data used in the valuation of the subject. A detailed description of each property is included in the addenda.



**SUMMARY OF COMPARABLE RV PARK / CAMPGROUND RENTALS**

No.	Property Name	Location	YOC / Reno'd	Occ.	No. Pads	Distance from Subj	Avg. Rent Per Pad
1	West Alder Estates	325 N 5th Avenue Sequim, WA 98382	1987	100%	55	2.8 Miles	\$734
2	Juniper Mobile Estates	65 Juniper Mobile Estates Sequim, WA 98382	1973	100%	60	2.5 Miles	\$750
3	Spruce West MHP	301 N 7th Avenue Sequim, WA 98382	1975	100%	35	2.6 Miles	\$475
4	Lavender Meadows MHC	974 N Sequim Avenue Sequim, WA 98382	2021	15%	217	3.6 Miles	\$850
5	Parkwood MHC	261520 US Highway 101 Sequim, WA 98382	1981	100%	209	0.6 Miles	\$650
6	Olympic Pines MH/RV Park	521 N Lee's Creek Road Port Angeles, WA 98362	1970	98%	42	4.5 Miles	\$621
Subj.	Peninsula Tiny Home Village	261131 W Highway 101 Sequim, WA 98382	2024	0%	20	---	---

Compiled by CBRE

**RENTAL ANALYSIS CONSIDERATIONS****Rent Analysis Considerations**

Adjustment Factor	Definition
Utility Payment Structure	Accounts for atypical economics of a transaction, such as excess land, non-realty components, expenditures by the buyer at time of purchase, or other similar factors. Usually applied directly to sale price on a lump sum basis.
Location	Proximity to essential commercial and medical services as well as employment opportunities; market influences, linkage with area arterials, competitive properties in immediate area, etc.
Age/Condition	Effective age as well as the current physical condition.
Quality	Functional utility, construction quality and market appeal
Project Amenities	Typical MHC/RV community amenities include clubhouses, fitness centers, swimming pool/spa; recreational amenities, on-site staff/management, gated entrance, RV storage, water frontage and more. The level of amenities offered impacts a subject's achievable rental rate and are required to compete with Class A and B properties particularly.
Density	Pads / acre. Excluding unusable areas, a lower density can indicate larger, superior tenant lots.
Water & Sewer Service (Private Vs. Public)	Private utilities can be costly to maintain and difficult to bill back to tenants. Furthermore, ownership may be required to hook up to available public utilities, at a significant cost, when private utilities reach the end of their useful life and/or fail. Public utilities are easier to maintain and can be submetered to bill back to the tenants, reducing usage and cost to ownership.

The following factors require additional discussion.

### UTILITY STRUCTURE (PRIVATE VS. PUBLIC, TENANT VS. COMMUNITY-PAID)

Our analysis estimates typical expense rates for water, sewer, in-unit electricity, and gas. If a utility is paid by the landlord at a rent comparable property but paid by the tenants at the subject, the rent comparable must be adjusted downward by the estimated cost that utility on a \$/site basis). If a utility is paid by the tenant at a rent comparable property but this utility is paid by the landlord at the subject, the rent comparable must be adjusted upward by the estimated \$/site of that utility. An adjustment is unnecessary if the utility is paid similarly at the subject and rent comparable.

TYPICAL UTILITY COSTS PER UNIT	
Utility	MH/RV Sites
Water	\$25
Sewer	\$25
Gas	\$10
Electric	\$20
Garbage	\$20
Source: JLT Report, Olympia MSA, Nov. 2023	

COMPARABLE RENT UTILITY INCLUSIONS					
Comparable	Water	Sewer	Gas	Electric	Garbage
West Alder Estates	Y	Y	-	-	Y
Juniper Mobile Estates	Y	Y	-	-	Y
Spruce West MHP	Y	Y	-	-	Y
Lavender Meadows MHC	-	-	-	-	-
Parkwood MHC	-	-	-	-	-
Olympic Pines MH/RV Park	Y	Y	-	-	Y
<b>Subject</b>	-	-	-	-	-
Y=Included, "- "=Not Included	-	-	-	-	-
Compiled by CBRE					

Based on the differences in utility structures at the comparable properties, the following adjustments are applied:

<b>COMPARABLE RENT UTILITY ADJUSTMENTS PER UNIT</b>	
<b>Comparable</b>	<b>Sites</b>
West Alder Estates	-\$70
Juniper Mobile Estates	-\$70
Spruce West MHP	-\$70
Lavender Meadows MHC	\$0
Parkwood MHC	\$0
Olympic Pines MH/RV Park	-\$70
Compiled by CBRE	

## DISCUSSION/ANALYSIS OF RENT COMPARABLES

### Rent Comparable One

This is the age-restricted (55+) Class B West Alder MHC, located at 325 N 5th Avenue in Sequim, generally in the Sequim commercial district with good access to all primary commercial and medical services, many within walking distance. This park includes 53 pit set manufactured homes with asphalt paved roads and no on-site amenities. The lot rent includes water, sewer, and garbage service. No concessions are offered and are atypical throughout the state given the high demand for MH and long term RV sites. Property ownership reported occupancy at 100%, which is historically typical for this property. This property was acquired by a regional MHC operator also responsible for the development of the 200+ site Lavender Meadows MHC in Sequim which is currently in lease-up.

### Rent Comparable Two

This comparable represents the Juniper Mobile Estates located at 65 Juniper Mobile Estates in Sequim, WA. This park is age restricted to persons 62 and over and consists of 60 gravel pads with asphalt paved roads. The majority of the sites include carports. The pad sites are renting for \$750 per month inclusive of water, sewer and garbage. This property is reportedly 100% occupied. The property has additional area for RV/boat storage at an additional fee.

### Rent Comparable Three

This is the Spruce West Mobile Home Park, located at 301 N 7th Avenue in Sequim, just north of the subject property. This park includes 35 gravel mobile home pads with asphalt paved roads and includes no additional amenities. The home sites are \$310 per month and include water, sewer, and garbage. No concessions are offered. Property management reported occupancy at 100%, which is historically typical for this property.

### Rent Comparable Four

This is a newer Class B+ age-restricted manufactured housing community which is in the process of leasing vacant spaces. Homes are currently on the market for around \$350,000. Due to the cost of the homes and site rent at this community, the lease-up process has been somewhat slower than anticipated. This community includes a modular clubhouse with a sports court, BBQ

areas and shuffleboard. This park operates on public water and sewer with all utilities paid for the tenants directly.

**Rent Comparable Five**

This is a Class B age-restricted manufactured housing community occupied with multi-section (178 sites) and large multi-section homes (31 sites) with recent sales of homes in the \$200,000 - \$250,000 range. The lot rent does not include any utilities as there is a billback for septic and water service. This park is well-maintained and well-managed by a prominent regional MHC operator with communities throughout the state. This community includes walking trails on-site and a pond. The clubhouse includes a manager's office, ping pong table, poker table, fitness center, library, common area and billiards. The interior roads are asphalt and lined with streetlights.

**Rent Comparable Six**

This is a Class C all ages MH/RV park primarily catering to long-term RV tenants. The interior roads are gravelled and there is an on-site manager's office. The manager lives on-site. There are minimal on-site amenities and the property is located just outside of the Port Angeles commercial core with good access to employment opportunities, commercial services and medical services. The lot rent reportedly includes water, sewer and garbage service. The owner is a regional MHC/RV park operator with parks throughout the Pacific Northwest.

**RENT COMPARABLE ADJUSTMENT GRID**

The following table summarizes our comparative analysis of the subject property vs. the comparable rent properties in the subject's market. We have adjusted the rent comps to the date of stabilized value, thus we have implemented one annual rent increase.



**RV PARK / CAMPGROUND RENT ADJUSTMENT GRID**

Comparable Number	1	2	3	4	5	6	Subject
<b>Building Information</b>							
Year Built	1987	1973	1975	2021	1981	1970	2024
Property Type	MHC	MHC	MHC	MHC	MHC	MH/RV Park	Tiny Home Village
Occupancy	100%	100%	100%	15%	100%	98%	0%
No. Pads	55	60	35	217	209	42	20
Avg. Rent Per Pad	\$734	\$750	\$475	\$850	\$650	\$621	\$9,600
Utility Reimbursements	(\$70)	(\$70)	(\$70)	\$0	\$0	(\$70)	
2025 Rent Increase	\$50	\$50	\$50	\$50	\$50	\$50	
Adj. Rent Per Pad	\$714	\$730	\$455	\$900	\$700	\$601	
Conditions of Lease	0%	0%	0%	0%	0%	0%	
Market Conditions (Time)	0%	0%	0%	0%	0%	0%	
Subtotal	\$714	\$730	\$455	\$900	\$700	\$601	
Location	Similar	Similar	Similar	Similar	Similar	Similar	
Size	Similar	Similar	Similar	Similar	Similar	Similar	
Age/Condition	Inferior	Similar	Inferior	Superior	Inferior	Inferior	
Quality of Finish	Inferior	Similar	Inferior	Superior	Inferior	Inferior	
Parking	Similar	Similar	Similar	Similar	Similar	Similar	
Amenities	Similar	Similar	Similar	Superior	Similar	Similar	
<b>Indicated Rent Per Pad</b>	<b>\$714</b>	<b>\$730</b>	<b>\$455</b>	<b>\$900</b>	<b>\$700</b>	<b>\$601</b>	

Source: CBRE

**MARKET RENT ESTIMATE**

In order to estimate the market rates for the subject's various components, the subject unit types have been compared with similar units in the comparable projects. We have included additional rental comparables where appropriate.

**MH/RV Sites**

<b>SUMMARY OF COMPARABLE RENTALS</b>		
<b>MH/RV Sites</b>		
<b>Comparable</b>	<b>Plan Type</b>	<b>Rental Rates* \$/Mo.</b>
Spruce West MHP	MH Sites	\$455
Olympic Pines MH/RV Park	MH Sites	\$601
Olympic Pines MH/RV Park	RV Sites	\$601
Parkwood MHC	MH Sites	\$700
West Alder Estates	MH Sites	\$714
Juniper Mobile Estates	MH Sites	\$730
<b>Subject (Avg. Quoted)</b>	<b>MH/RV Pad</b>	<b>\$800</b>
<b>Subject (Concluded)</b>	<b>MH/RV Pad</b>	<b>\$800</b>
Lavender Meadows MHC	MH Sites	\$850-\$850

The subject's quoted rental rates are within the range indicated by the rent comparables, therefore we have reconciled at \$800/month.

## MARKET RENT CONCLUSIONS

The following chart shows the market rent conclusions for the subject:

RENT CONCLUSIONS - LAND VALUE					
No. Units	Unit Type	Monthly Rent		Annual Rent	Annual
		\$/Unit	PRI	\$/Unit	Total
20	MH/RV Pad	\$800	\$16,000	\$9,600	\$192,000
20		\$800	\$16,000	\$9,600	\$192,000
Compiled by CBRE					

## POTENTIAL RENTAL INCOME CONCLUSION

Based on our analysis, the subject's potential rental income is estimated below:

POTENTIAL RENTAL INCOME		
Year	Total	\$/Pad/Yr
Year 1	\$172,800	\$8,640
Year 2	\$216,000	\$10,800
Expense Comparable 1	---	\$0
Expense Comparable 2	---	\$0
Expense Comparable 3	---	\$9,000
Expense Comparable 4	---	\$0
<b>CBRE Estimate - Prospective</b>	<b>\$192,000</b>	<b>\$9,600</b>
Compiled by CBRE		

## OPERATING HISTORY

For our analysis we were provided with a two-year budget during stabilization and the first year of operation. The following table presents available operating data for the subject. Overall, the data provided is adequate in determining an appropriate valuation of the subject property.

OPERATING HISTORY						
Year-Occupancy	Year 1	Owner's Pro Forma	Year 2	Owner's Pro Forma	Pro Forma	95.0%
	Total	\$/Unit	Total	\$/Unit	Total	\$/Unit
<b>INCOME</b>						
Potential Rental Income	\$172,800	\$8,640	\$216,000	\$10,800	\$192,000	\$9,600
Vacancy	(8,640)	(432)	(11,175)	(559)	(7,680)	(384)
Credit Loss	-	-	-	-	(1,920)	(96)
<b>Net Rental Income</b>	<b>\$164,160</b>	<b>\$8,208</b>	<b>\$204,825</b>	<b>\$10,241</b>	<b>\$182,400</b>	<b>\$9,120</b>
Other Income	6,223	311	7,125	356	6,500	325
<b>Effective Gross Income</b>	<b>\$170,383</b>	<b>\$8,519</b>	<b>\$211,950</b>	<b>\$10,598</b>	<b>\$188,900</b>	<b>\$9,445</b>
<b>EXPENSE</b>						
Real Estate Taxes	4,000	\$200	4,000	\$200	\$10,519	\$526
Property Insurance	2,500	125	2,500	125	2,500	125
Utilities	1,800	90	6,550	328	6,600	330
Administrative & General	500	25	1,000	50	3,000	150
Repairs & Maintenance	6,000	300	6,000	300	7,000	350
Management Fee	13,824	691	17,280	864	15,112	756
Replacement Reserves	-	-	1,000	50	1,000	50
<b>Total Operating Expenses</b>	<b>\$28,624</b>	<b>\$1,431</b>	<b>\$38,330</b>	<b>\$1,917</b>	<b>\$45,731</b>	<b>\$2,287</b>
<b>Net Operating Income</b>	<b>\$141,759</b>	<b>\$7,088</b>	<b>\$173,620</b>	<b>\$8,681</b>	<b>\$143,169</b>	<b>\$7,158</b>
Management Fee % of EGI	8.1%		8.2%		8.0%	

Source: Operating statements

**LOSS TO LEASE**

Not applicable.

**CONCESSIONS**

Rent concessions are currently not prevalent in the local market nor are they present at the subject.

**VACANCY & CREDIT LOSS**

The subject's estimated stabilized occupancy rate was previously discussed in the market analysis. We have estimated a stabilized occupancy of 95.0%, therefore our analysis considers a vacancy rate of 4.0% with consideration of 1.0% for credit loss.

**OTHER INCOME**

Other income is supplemental to pad rent income. This may include such categories such as RV storage, additional tenants, pet fees, forfeited deposits, vending machines, laundry income, late charges, etc. The subject's income is detailed as follows:

<b>OTHER INCOME</b>		
<b>Year</b>	<b>Total</b>	<b>\$/Pad/Yr</b>
Year 1	\$6,223	\$311
Year 2	\$7,125	\$356
Expense Comparable 1	---	\$0
Expense Comparable 2	---	\$0
Expense Comparable 3	---	\$0
Expense Comparable 4	---	\$0
<b>CBRE Estimate - Prospective</b>	<b>\$6,500</b>	<b>\$325</b>
Compiled by CBRE		

We have concluded \$325 per pad for the subject's other income; however, there is insufficient comparable data to indicate an estimated range.

**EFFECTIVE GROSS INCOME**

The subject's effective gross income is detailed as follows:

EFFECTIVE GROSS INCOME		
Year	Total	\$/Pad/Yr
Year 1	\$170,383	\$8,519
Year 2	\$211,950	\$10,598
Expense Comparable 1	---	\$7,724
Expense Comparable 2	---	\$8,640
Expense Comparable 3	---	\$8,640
Expense Comparable 4	---	\$7,614
<b>CBRE Estimate - Prospective</b>	<b>\$188,900</b>	<b>\$9,445</b>
Compiled by CBRE		

## OPERATING EXPENSE ANALYSIS

### Expense Comparables

The following chart summarizes expenses obtained from comparable properties.

EXPENSE COMPARABLES					
Comparable Number	1	2	3	4	Subject
Location	Olympia, WA	Poulsbo, WA	Tumwater, WA	Vancouver, WA	Sequim, WA
Pads	108	77	115	51	20
Year Built	1969	1970	1978	1980	2024
Type	MHC	MHC	MHC	MHC	MHC
Period	2022	2024	2024	2023	Pro Forma
<b>Revenues</b>	<b>\$/Pad</b>	<b>\$/Pad</b>	<b>\$/Pad</b>	<b>\$/Pad</b>	<b>\$/Pad</b>
<b>Effective Gross Income</b>	<b>\$7,724</b>	<b>\$8,640</b>	<b>\$8,640</b>	<b>\$7,614</b>	<b>\$9,120</b>
<b>Expenses</b>					
Real Estate Taxes	\$303	\$638	\$840	\$481	\$526
Property Insurance	155	75	225	125	125
Utilities	735	2,100	1,050	225	330
Administrative & General	150	135	150	200	150
Repairs & Maintenance	260	275	300	350	350
Management Fee	309	659	293	381	756
Payroll	275	-	350	400	-
Replacement Reserves	50	50	50	50	50
<b>Total Operating Expenses</b>	<b>\$2,237</b>	<b>\$3,932</b>	<b>\$3,259</b>	<b>\$2,211</b>	<b>\$2,287</b>
Operating Expense Ratio	29.0%	45.5%	37.7%	29.0%	25.1%
Management Fee (% of EGI)	4.0%	7.6%	3.4%	5.0%	8.3%
Compiled by CBRE					

A discussion of each expense category is presented on the following pages.

### Real Estate Taxes

The comparable data and projections for the subject are summarized as follows:

<b>REAL ESTATE TAXES</b>		
Year	Total	\$/Pad/Yr
Year 1	\$4,000	\$200
Year 2	\$4,000	\$200
Expense Comparable 1	---	\$303
Expense Comparable 2	---	\$638
Expense Comparable 3	---	\$840
Expense Comparable 4	---	\$481
<b>CBRE Estimate - Prospective</b>	<b>\$10,519</b>	<b>\$526</b>
Compiled by CBRE		

We have concluded \$526 per pad for the subject's real estate taxes, which is within the range of the expense comparables.

### Property Insurance

Property insurance expenses typically include fire and extended coverage and owner's liability coverage. Insurance premiums can be impacted by the subject's flood zone designation. The comparable data and projections for the subject are summarized as follows:

<b>PROPERTY INSURANCE</b>		
Year	Total	\$/Pad/Yr
Year 1	\$2,500	\$125
Year 2	\$2,500	\$125
Expense Comparable 1	---	\$155
Expense Comparable 2	---	\$75
Expense Comparable 3	---	\$225
Expense Comparable 4	---	\$125
<b>CBRE Estimate - Prospective</b>	<b>\$2,500</b>	<b>\$125</b>
Compiled by CBRE		

We have concluded \$125 per pad for the subject's property insurance, which is within the range of the expense comparables.

### Utilities

Utility expenses include water, sewer, garbage, electricity, natural gas and cable television. However the subject's projection is for common area lighting and the clubhouse/fitness center which will include cable television. The comparable data and projections for the subject are summarized as follows:

<b>UTILITIES</b>		
Year	Total	\$/Pad/Yr
Year 1	\$1,800	\$90
Year 2	\$6,550	\$328
Expense Comparable 1	---	\$735
Expense Comparable 2	---	\$2,100
Expense Comparable 3	---	\$1,050
Expense Comparable 4	---	\$225
<b>CBRE Estimate - Prospective</b>	<b>\$6,600</b>	<b>\$330</b>
Compiled by CBRE		

We have concluded \$330 per pad for the subject's utilities, which is within the range of the expense comparables.

### Administrative & General

Administrative expenses typically include legal costs, accounting, telephone, supplies, furniture, temporary help and items that are not provided by off-site management. The comparable data and projections for the subject are summarized as follows:

<b>ADMINISTRATIVE &amp; GENERAL</b>		
Year	Total	\$/Pad/Yr
Year 1	\$500	\$25
Year 2	\$1,000	\$50
Expense Comparable 1	---	\$150
Expense Comparable 2	---	\$135
Expense Comparable 3	---	\$150
Expense Comparable 4	---	\$200
<b>CBRE Estimate - Prospective</b>	<b>\$3,000</b>	<b>\$150</b>
Compiled by CBRE		

We have concluded \$150 per pad for the subject's administrative & general, which is within the range of the expense comparables.

### Repairs and Maintenance

Repairs and maintenance expenses typically include all outside maintenance service contracts and the cost of maintenance and repairs supplies. It is important to note that historical expense reporting can included capital expenditures or costs associated with park-owned homes. It is important to extract these costs and recognize the cost to operate the subject's real property in a typical year. The comparable data and projections for the subject are summarized as follows:

<b>REPAIRS &amp; MAINTENANCE</b>		
Year	Total	\$/Pad/Yr
Year 1	\$6,000	\$300
Year 2	\$6,000	\$300
Expense Comparable 1	---	\$260
Expense Comparable 2	---	\$275
Expense Comparable 3	---	\$300
Expense Comparable 4	---	\$350
<b>CBRE Estimate - Prospective</b>	<b>\$7,000</b>	<b>\$350</b>
Compiled by CBRE		

We have concluded \$350 per pad for the subject's repairs & maintenance, which is within the range of the expense comparables.

### Management Fee

Management expenses are typically negotiated as a percentage of collected revenues (i.e., effective gross income).

Professional management fees in the local market, for properties small enough that on-site management is not feasible or required, a range from 5.0% to 10.0%. Given the subject's size and the competitiveness of the local market area, we believe an appropriate management expense for the subject would be towards the lower end of the range.

The comparable data and projections for the subject are summarized as follows:

<b>MANAGEMENT FEE</b>		
Year	Total	% of EGI
Year 1	\$13,824	8.1%
Year 2	\$17,280	8.2%
Expense Comparable 1	---	4.0%
Expense Comparable 2	---	7.6%
Expense Comparable 3	---	3.4%
Expense Comparable 4	---	5.0%
<b>CBRE Estimate - Prospective</b>	<b>\$15,112</b>	<b>8.0%</b>
Compiled by CBRE		

We have concluded 8% of EGI for the subject's management fee, which is above the range of the expense comparables. This is anticipated as the subject will not have on-site management.

### Payroll

Payroll expenses (salaries & benefits) typically include all payroll and payroll related items for all directly employed administrative personnel. Not included are the salaries or fees for off-site management firm personnel and services. Properties with less than 25 sites can operate without on-site payroll as it may be more cost effective to hire outside services. The comparable data and projections for the subject are summarized as follows:



<b>PAYROLL</b>		
Year	Total	\$/Pad/Yr
Year 1	\$0	\$0
Year 2	\$0	\$0
Expense Comparable 1	---	\$275
Expense Comparable 2	---	\$0
Expense Comparable 3	---	\$350
Expense Comparable 4	---	\$400
<b>CBRE Estimate - Prospective</b>	<b>\$0</b>	<b>\$0</b>
Compiled by CBRE		

We have concluded \$0 per pad for the subject's payroll, which is below the range of the expense comparables.

### Reserves for Replacement

Reserves for replacement have been estimated based on market parameters. The comparable data and projections for the subject are summarized as follows:

<b>REPLACEMENT RESERVES</b>		
Year	Total	\$/Pad/Yr
Year 1	\$0	\$0
Year 2	\$1,000	\$50
Expense Comparable 1	---	\$50
Expense Comparable 2	---	\$50
Expense Comparable 3	---	\$50
Expense Comparable 4	---	\$50
<b>CBRE Estimate - Prospective</b>	<b>\$1,000</b>	<b>\$50</b>
Compiled by CBRE		

We have concluded \$50 per pad for the subject's replacement reserves, which is within the range of the expense comparables.

### OPERATING EXPENSE CONCLUSION

The comparable data and projections for the subject are summarized as follows:

<b>TOTAL OPERATING EXPENSES</b>		
Year	Total	\$/Pad/Yr
Year 1	\$28,624	\$1,431
Year 2	\$38,330	\$1,917
Expense Comparable 1	---	\$2,237
Expense Comparable 2	---	\$3,932
Expense Comparable 3	---	\$3,259
Expense Comparable 4	---	\$2,211
<b>CBRE Estimate - Prospective</b>	<b>\$41,265</b>	<b>\$2,063</b>
Compiled by CBRE		

## NET OPERATING INCOME CONCLUSION

The comparable data and projections for the subject are summarized as follows:

<b>NET OPERATING INCOME</b>		
Year	Total	\$/Pad/Yr
Year 1	\$141,759	\$7,088
Year 2	\$173,620	\$8,681
Expense Comparable 1	---	\$5,487
Expense Comparable 2	---	\$4,708
Expense Comparable 3	---	\$5,381
Expense Comparable 4	---	\$5,403
<b>CBRE Estimate - Prospective</b>	<b>\$148,135</b>	<b>\$7,407</b>
Compiled by CBRE		

## DIRECT CAPITALIZATION

Direct capitalization is a method used to convert a single year's estimated stabilized net operating income into a value indication. The following subsections represent different techniques for deriving an overall capitalization rate.

### Comparable Sales

The overall capitalization rates (OARs) confirmed for the comparable sales analyzed in the sales comparison approach are as follows:

**COMPARABLE CAPITALIZATION RATES**

Sale	Sale Date	Sale Price \$/Pad	Occupancy	Buyer's Primary Analysis	Operating Expense Ratio	OAR
1	Dec-23	\$125,000	100%	Pro Forma (Stabilized)	32.33	4.32%
2	Mar-24	\$150,000	97%	Pro Forma (Stabilized)	22.39	5.54%
3	Dec-23	\$109,722	100%	Pro Forma (Stabilized)	22.66	5.62%
4	Apr-24	\$94,907	99%	Pro Forma (Stabilized)	31.09	6.18%
5	Jul-24	\$66,667	100%	Pro Forma (Stabilized)	30.00	4.90%
6	Aug-24	\$78,261	87%	Trailing Actuals	28.69	8.00%
<b>Indicated OAR:</b>			95%			<b>4.32%-8.00%</b>
Compiled by CBRE						

The overall capitalization rates for these sales were derived based upon the actual or pro-forma income characteristics of the property. The subject is most similar to comparables 4 and 6 indicating overall rates of 6.18% and 8.00% respectively for the following reasons:

- They have a mix of MH and RV sites, the subject is somewhat a mix between the two units.
- These sales have occurred in the past several months.

Therefore, primary emphasis has been placed upon the more recent data, which is generally reflective of current market trends, interest rates, and buyer's expectations and motivation in the market.

**Published Investor Surveys**

The results of the most recent investor surveys are summarized in the following chart.

<b>OVERALL CAPITALIZATION RATES</b>		
Investment Type	OAR Range	Average
<i>RealtyRates.com</i>		
Mobile Home/RV Park/Camping	6.02% - 15.22%	10.01%
RV Parks/Campgrounds	6.53% - 15.22%	10.64%
Manufactured Housing	6.02% - 13.68%	9.51%
Mobile Home Parks	6.41% - 13.70%	9.90%
<i>PwC Apartment</i>		
National Data	4.00% - 7.50%	5.44%
<b>Indicated OAR:</b>		<b>5.21%-14.83%</b>
Compiled by CBRE		

The subject is considered to be a Class B property. Because of the subject's location and proposed development, an OAR near the lower end of the range indicated in the preceding table is considered appropriate.

**Market Participants**

The results of recent interviews with knowledgeable real estate professionals are summarized in the following table.

OVERALL CAPITALIZATION RATES			
Company	OAR	Income	Date of Survey
TOK Commercial	5.00-7.50%		2Q 2024
Kidder Matthews	5.00-7.50%		2Q 2024
NW Park Brokerage	4.50-7.75%		2Q 2024
Colliers Int'l	4.00-6.50%		2Q 2024
CBRE	4.00-6.50%		2Q 2024
Marcus & Millichap	4.00-7.00%		2Q 2024
<b>Indicated OAR:</b>			<b>4.00%-7.75%</b>
Compiled by CBRE			

Based upon current market trends, they would anticipate pro forma OARs to fall within the 6.0% to 7.5% range. The respondents further indicated that the subject would be viewed generally favorable as compared to other available properties in the market due to the cost of homes and location in Sequim, a destination location for seniors.

### Band of Investment

The band of investment technique has been utilized as a crosscheck to the foregoing techniques. The Mortgage Interest Rate and the Equity Dividend Rate (EDR) are based upon current market yields for similar investments. The analysis is shown in the following table.

BAND OF INVESTMENT			
Mortgage Interest Rate	7.00%		
Mortgage Term (Amortization Period)	30 Years		
Mortgage Ratio (Loan-to-Value)	65%		
Mortgage Constant (monthly payments)	0.07984		
Equity Dividend Rate (EDR)	8.00%		
Mortgage Requirement	65%	x	0.07984 = 0.05190
Equity Requirement	35%	x	0.08000 = 0.02800
	100%		0.07990
<b>Indicated OAR:</b>			<b>8.00%</b>
Compiled by CBRE			

### Capitalization Rate Conclusion

The following chart summarizes the OAR conclusions.

OVERALL CAPITALIZATION RATE - CONCLUSION	
Source	Indicated OAR
Comparable Sales	4.32%-8.00%
Published Surveys	5.21%-14.83%
Market Participants	4.00%-7.75%
Band of Investment	8.00%
<b>CBRE Estimate - Land Value</b>	<b>6.00%</b>
Compiled by CBRE	

Primary considerations for MHC overall rates are listed in the chart below:

**Overall Rate Considerations**

<b>Risk Factor</b>	<b>Considerations</b>
Income Characteristics	Factors include occupancy stability (tenant vs. park-owned homes), above/below market rents, rent control or lack of rent control in market; upside in immediate rent increases vs. multi-year process toward a more appropriate market rent.
Utility Structure	No accountability for tenant usage when public water/sewer included in lot rent. Must determine upside in switching utility responsibility to tenants. Downward overall rate pressure on communities with all utilities directly billed to tenants.
Unit Mix	Communities with park-owned homes or long-term RV sites can transact with higher overall rates as these spaces are more susceptible to vacancy. Park-owned homes require more management and maintenance.
Market Position	Park classification, all ages vs. age-restricted; transient RV spaces vs. long-term RV spaces
Location	Demographics and life cycle trends; proximity to essential commercial and medical services as well as employment opportunities.
Highest and Best Use	Accounting for upside potential in expansion, renovation, adaptation or redevelopment.
Market	Potential for new developments in the subject's market/submarket; average rental rates and occupancy trends.

Overall, an OAR in the 5.50% to 6.50% portion of the range is considered appropriate for the following reasons:

- Located within adequate distance to major commercial and medical services as well as employment opportunities.
- The subject will be a Class B community with all homes planned to be tenant-owned.
- Property is located adjacent to a tiny home dealership. Occupation with tiny homes allows for smaller sites and maximization of allowed density.
- Tiny homes typically have attractive modern designs at cost far below newer manufactured homes.
- All utilities will be directly billed to the tenants, lowering the expense ratio, increasing NOI and controlling over usage.
- Clubhouse with a fitness center.
- Currently no rent control policies impacting the subject property.
- Rising cost of single-family housing encourages manufactured home ownership.
- Tenant-owned homes strengthen occupancy and reduce required management and maintenance.
- Housing supply shortage, nationwide, not anticipated to be solved over the next five years, creating additional demand for affordable manufactured housing.
- Property is located along Highway 101 which could contribute some traffic noise, however, ownership plans to construct a fence with foliage around the property to reduce noise potential.
- Tiny homes are set on wheels and can be removed from a property with greater ease than a typical manufactured home.

We have also considered recent events and prevailing market conditions with respect to capitalization rates. This includes a combination of inflationary pressures and higher cost of capital (considering interest rates as well as risk spreads). While the overall long-term outlook for commercial real estate remains positive, the full effect of these factors may not yet be reflected in

transactional data. Overall, we view uncertainty and the higher cost of capital to have an upward influence on capitalization rates which is considered with respect to our conclusion herein.

### Direct Capitalization Summary

A summary of the direct capitalization is illustrated in the following chart.

DIRECT CAPITALIZATION SUMMARY - PROSPECTIVE			
Income		\$/Pad/Yr	Total
Potential Rental Income		\$9,600	\$192,000
<b>Adjusted Rental Income</b>		<b>\$9,600</b>	<b>\$192,000</b>
Vacancy	4.00%	(384)	(7,680)
Credit Loss	1.00%	(96)	(1,920)
<b>Net Rental Income</b>		<b>\$9,120</b>	<b>\$182,400</b>
Other Income		325	6,500
<b>Effective Gross Income</b>		<b>\$9,445</b>	<b>\$188,900</b>
<b>Expenses</b>			
Real Estate Taxes		\$526	\$10,519
Property Insurance		125	2,500
Utilities		330	6,600
Administrative & General		150	3,000
Repairs & Maintenance		350	7,000
Management Fee	8.00%	756	15,112
Replacement Reserves		50	1,000
<b>Total Operating Expenses</b>		<b>\$2,287</b>	<b>\$45,731</b>
<b>Operating Expense Ratio</b>			24.21%
<b>Net Operating Income</b>		<b>\$7,158</b>	<b>\$143,169</b>
<b>OAR</b>		÷	<b>6.00%</b>
<b>As Stabilized Value</b>	<b>November 5, 2025</b>		<b>\$2,386,144</b>
<b>Rounded</b>			<b>\$2,375,000</b>
Lease-Up Discount			(680,000)
<b>As Complete Value</b>	<b>November 5, 2024</b>		<b>\$1,706,144</b>
<b>Rounded</b>			<b>\$1,700,000</b>
<b>Value Per Pad</b>			<b>\$85,000</b>
<b>Matrix Analysis</b>		<b>Cap Rate</b>	<b>Value</b>
		5.75%	\$2,500,000
		6.00%	\$2,375,000
		6.25%	\$2,300,000
Compiled by CBRE			

## Reconciliation of Value

The value indications from the approaches to value are summarized as follows:

<b>SUMMARY OF VALUE CONCLUSIONS</b>					
Appraisal Premise	As of Date	Cost Approach	Sales Comparison Approach	Income Approach	Reconciled Value
As Is	August 5, 2024	-	-	-	\$270,000
As Complete	November 5, 2024	\$1,550,000	\$1,650,000	\$1,700,000	\$1,700,000
As Stabilized	November 5, 2025	\$2,225,000	\$2,350,000	\$2,375,000	\$2,375,000
Compiled by CBRE					

The cost approach typically gives a reliable value indication when there is strong support for the replacement cost estimate and when there is minimal depreciation. Considering the lack of property zoned land in the market, as well as the amount of depreciation present in the property, the reliability of the cost approach is diminished and was therefore not applied.

In the sales comparison approach, the subject is compared to similar properties that have been sold recently or for which listing prices or offers are known. The sales used in this analysis are considered comparable to the subject, and required adjustments were based on reasonable and well-supported rationale. In addition, market participants are currently analyzing purchase prices on similar properties as they relate to available substitutes in the market. Therefore, the sales comparison approach is considered to provide a reliable value indication but has been given secondary emphasis in the final value reconciliation.

The income capitalization approach is applicable to the subject since it is an income producing property leased in the open market. Market participants are primarily analyzing investment properties based on their income generating capability. Therefore, the income capitalization approach is considered a reasonable and substantiated value indicator and has been given primary emphasis in the final value estimate.

Based on the foregoing, the market value of the subject has been concluded as follows:

<b>MARKET VALUE CONCLUSION</b>			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
As Is	Fee Simple Estate	August 5, 2024	\$270,000
As Complete	Leased Fee Interest	November 5, 2024	\$1,700,000
As Stabilized	Leased Fee Interest	November 5, 2025	\$2,375,000
Compiled by CBRE			

Our analysis supports the feasibility of the subject's proposed development.



## Assumptions and Limiting Conditions

1. CBRE, Inc. through its appraiser (collectively, "CBRE") has inspected through reasonable observation the subject property. However, it is not possible or reasonably practicable to personally inspect conditions beneath the soil and the entire interior and exterior of the improvements on the subject property. Therefore, no representation is made as to such matters.
2. The report, including its conclusions and any portion of such report (the "Report"), is as of the date set forth in the letter of transmittal and based upon the information, market, economic, and property conditions and projected levels of operation existing as of such date. The dollar amount of any conclusion as to value in the Report is based upon the purchasing power of the U.S. Dollar on such date. The Report is subject to change as a result of fluctuations in any of the foregoing. CBRE has no obligation to revise the Report to reflect any such fluctuations or other events or conditions which occur subsequent to such date.
3. Unless otherwise expressly noted in the Report, CBRE has assumed that:
  - (i) Title to the subject property is clear and marketable and that there are no recorded or unrecorded matters or exceptions to title that would adversely affect marketability or value. CBRE has not examined title records (including without limitation liens, encumbrances, easements, deed restrictions, and other conditions that may affect the title or use of the subject property) and makes no representations regarding title or its limitations on the use of the subject property. Insurance against financial loss that may arise out of defects in title should be sought from a qualified title insurance company.
  - (ii) Existing improvements on the subject property conform to applicable local, state, and federal building codes and ordinances, are structurally sound and seismically safe, and have been built and repaired in a workmanlike manner according to standard practices; all building systems (mechanical/electrical, HVAC, elevator, plumbing, etc.) are in good working order with no major deferred maintenance or repair required; and the roof and exterior are in good condition and free from intrusion by the elements. CBRE has not retained independent structural, mechanical, electrical, or civil engineers in connection with this appraisal and, therefore, makes no representations relative to the condition of improvements. CBRE appraisers are not engineers and are not qualified to judge matters of an engineering nature, and furthermore structural problems or building system problems may not be visible. It is expressly assumed that any purchaser would, as a precondition to closing a sale, obtain a satisfactory engineering report relative to the structural integrity of the property and the integrity of building systems.
  - (iii) Any proposed improvements, on or off-site, as well as any alterations or repairs considered will be completed in a workmanlike manner according to standard practices.
  - (iv) Hazardous materials are not present on the subject property. CBRE is not qualified to detect such substances. The presence of substances such as asbestos, urea formaldehyde foam insulation, contaminated groundwater, mold, or other potentially hazardous materials may affect the value of the property.
  - (v) No mineral deposit or subsurface rights of value exist with respect to the subject property, whether gas, liquid, or solid, and no air or development rights of value may be transferred. CBRE has not considered any rights associated with extraction or exploration of any resources, unless otherwise expressly noted in the Report.
  - (vi) There are no contemplated public initiatives, governmental development controls, rent controls, or changes in the present zoning ordinances or regulations governing use, density, or shape that would significantly affect the value of the subject property.
  - (vii) 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 readily obtained or renewed for any use on which the Report is based.
  - (viii) The subject property is managed and operated in a prudent and competent manner, neither inefficiently, nor super-efficiently.
  - (ix) The subject property and its use, management, and operation are in full compliance with all applicable federal, state, and local regulations, laws, and restrictions, including without limitation environmental laws, seismic hazards, flight patterns, decibel levels/noise envelopes, fire hazards, hillside ordinances, density, allowable uses, building codes, permits, and licenses.
  - (x) The subject property is in full compliance with the Americans with Disabilities Act (ADA). CBRE is not qualified to assess the subject property's compliance with the ADA, notwithstanding any discussion of possible readily achievable barrier removal construction items in the Report.

- (xi) All information regarding the areas and dimensions of the subject property furnished to CBRE are correct, and no encroachments exist. CBRE has neither undertaken any survey of the boundaries of the subject property, nor reviewed or confirmed the accuracy of any legal description of the subject property.

Unless otherwise expressly noted in the Report, no issues regarding the foregoing were brought to CBRE's attention, and CBRE has no knowledge of any such facts affecting the subject property. If any information inconsistent with any of the foregoing assumptions is discovered, such information could have a substantial negative impact on the Report and any conclusions stated therein. Accordingly, if any such information is subsequently made known to CBRE, CBRE reserves the right to amend the Report, which may include the conclusions of the Report. CBRE assumes no responsibility for any conditions regarding the foregoing, or for any expertise or knowledge required to discover them. Any user of the Report is urged to retain an expert in the applicable field(s) for information regarding such conditions.

4. CBRE has assumed that all documents, data and information furnished by or on behalf of the client, property owner or owner's representative are accurate and correct, unless otherwise expressly noted in the Report. Such data and information include, without limitation, numerical street addresses, lot and block numbers, Assessor's Parcel Numbers, land dimensions, square footage area of the land, dimensions of the improvements, gross building areas, net rentable areas, usable areas, unit count, room count, rent schedules, income data, historical operating expenses, budgets, and related data. Any error in any of the above could have a substantial impact on the Report and any conclusions stated therein. Accordingly, if any such errors are subsequently made known to CBRE, CBRE reserves the right to amend the Report, which may include the conclusions of the Report. The client and intended user should carefully review all assumptions, data, relevant calculations, and conclusions of the Report and should immediately notify CBRE of any questions or errors within 30 days after the date of delivery of the Report.
5. CBRE assumes no responsibility (including any obligation to procure the same) for any documents, data or information not provided to CBRE, including, without limitation, any termite inspection, survey or occupancy permit.
6. All furnishings, equipment and business operations have been disregarded with only real property being considered in the Report, except as otherwise expressly stated and typically considered part of real property.
7. Any cash flows included in the analysis are forecasts of estimated future operating characteristics based upon the information and assumptions contained within the Report. Any projections of income, expenses and economic conditions utilized in the Report, including such cash flows, should be considered as only estimates of the expectations of future income and expenses as of the date of the Report and not predictions of the future. This Report has been prepared in good faith, based on CBRE's current anecdotal and evidence-based views of the commercial real estate market. Although CBRE believes its views reflect market conditions on the date of this Report, they are subject to significant uncertainties and contingencies, many of which are beyond CBRE's control. In addition, many of CBRE's views are opinion and/or projections based on CBRE's subjective analyses of current market circumstances. Actual results are affected by a number of factors outside the control of CBRE, including without limitation fluctuating economic, market, and property conditions. Actual results may ultimately differ from these projections, and CBRE does not warrant any such projections. Further, other firms may have different opinions, projections and analyses, and actual market conditions in the future may cause CBRE's current views to later change or be incorrect. CBRE has no obligation to update its views herein if its opinions, projections, analyses or market circumstances later change.
8. The Report contains professional opinions and is expressly not intended to serve as any warranty, assurance or guarantee of any particular value of the subject property. Other appraisers may reach different conclusions as to the value of the subject property. Furthermore, market value is highly related to exposure time, promotion effort, terms, motivation, and conclusions surrounding the offering of the subject property. The Report is for the sole purpose of providing the intended user with CBRE's independent professional opinion of the value of the subject property as of the date of the Report. Accordingly, CBRE shall not be liable for any losses that arise from any investment or lending decisions based upon the Report that the client, intended user, or any buyer, seller, investor, or lending institution may undertake related to the subject property, and CBRE has not been compensated to assume any of these risks. Nothing contained in the Report shall be construed as any direct or indirect recommendation of CBRE to buy, sell, hold, or finance the subject property.
9. No opinion is expressed on matters which may require legal expertise or specialized investigation or knowledge including, but not limited to, environmental, social, and governance principles ("ESG"), beyond that customarily employed by real estate appraisers. Any user of the Report is advised to retain experts in areas that fall outside the scope of the real estate appraisal profession for such matters.

10. CBRE assumes no responsibility for any costs or consequences arising due to the need, or the lack of need, for flood hazard insurance. An agent for the Federal Flood Insurance Program should be contacted to determine the actual need for Flood Hazard Insurance.
11. Acceptance or use of the Report constitutes full acceptance of these Assumptions and Limiting Conditions and any special assumptions set forth in the Report. It is the responsibility of the user of the Report to read in full, comprehend and thus become aware of all such assumptions and limiting conditions. CBRE assumes no responsibility for any situation arising out of the user's failure to become familiar with and understand the same.
12. The Report applies to the property as a whole only, and any pro ration or division of the title into fractional interests will invalidate such conclusions, unless the Report expressly assumes such pro ration or division of interests.
13. The allocations of the total value estimate in the Report between land and improvements apply only to the existing use of the subject property. The allocations of values for each of the land and improvements are not intended to be used with any other property or appraisal and are not valid for any such use.
14. The maps, plats, sketches, graphs, photographs, and exhibits included in this Report are for illustration purposes only and shall be utilized only to assist in visualizing matters discussed in the Report. No such items shall be removed, reproduced, or used apart from the Report.
15. The Report shall not be duplicated or provided to any unintended users in whole or in part without the written consent of CBRE, which consent CBRE may withhold in its sole discretion. Exempt from this restriction is duplication for the internal use of the intended user and its attorneys, accountants, or advisors for the sole benefit of the intended user. Also exempt from this restriction is transmission of the Report pursuant to any requirement of any court, governmental authority, or regulatory agency having jurisdiction over the intended user, provided that the Report and its contents shall not be published, in whole or in part, in any public document without the written consent of CBRE, which consent CBRE may withhold in its sole discretion. Finally, the Report shall not be made available to the public or otherwise used in any offering of the property or any security, as defined by applicable law. Any unintended user who may possess the Report is advised that it shall not rely upon the Report or its conclusions and that it should rely on its own appraisers, advisors and other consultants for any decision in connection with the subject property. CBRE shall have no liability or responsibility to any such unintended user.

**ADDENDA**

Addendum A

# LAND SALE DATA SHEETS

# Available/Listing

# Land - Multi Unit Residential

No. 1

Property Name Multi-family Development Site  
Address 1932 SE Salmonberry Road  
Port Orchard, WA 98366  
United States

Government Tax Agency Kitsap  
Govt./Tax ID 012301-3-132-2002

## Site/Government Regulations

	Acres	Square feet
Land Area Net	12.010	523,156
Land Area Gross	12.010	523,156

Site Development Status	N/A
Shape	Irregular
Topography	Generally Level
Utilities	N/A

Maximum FAR	N/A
Min Land to Bldg Ratio	N/A
Maximum Density	9.66 per ac

General Plan	N/A
Specific Plan	N/A
Zoning	Commercial Mixed Use (CMU) & Residential 1 (R1)
Entitlement Status	Other (See Comments)



## Sale Summary

Recorded Buyer	TBD	Marketing Time	15 Month(s)
True Buyer	N/A	Buyer Type	N/A
Recorded Seller	TBD	Seller Type	N/A
True Seller	N/A	Primary Verification	NWMLS
Interest Transferred	Fee Simple/Freehold	Type	Available/Listing
Current Use	Single-family Residence	Date	8/5/2024
Proposed Use	116-Unit Apartment Garden-style Apts	Sale Price	\$2,552,000
Listing Broker	Gary Anderson - G Anderson Group LLC - (360) 731-3739	Financing	Not Available
Selling Broker	N/A	Cash Equivalent	\$2,552,000
Doc #	TBD	Capital Adjustment	\$0
		Adjusted Price	\$2,552,000

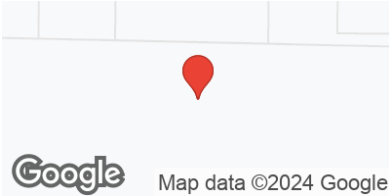
## Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Price/ac and /sf
08/2024	Available/Listing	TBD	TBD	\$2,552,000	\$212,490 / \$4.88

Units of Comparison			
	\$4.88 / sf		\$22,000 / Unit
	\$212,489.59 / ac		\$22,000 / Allowable Bldg. Units
			N/A / Building Area

Financial			
No information recorded			

Map & Comments



Google Map data ©2024 Google

This comparable represents the active listing of a 523,156 square foot (12.01-acre) site located at 1932 SE Salmonberry Road in Port Orchard, WA. The site is irregular in shape, has a generally level topography, has mid-block frontage along a primary thoroughfare and is mostly vacant with a small single family residence located near SE Salmonberry Road. Currently the property is proposed for a 116-unit garden-style apartment development with the seller providing an approved Land Development Activity Permit from the City of Port Orchard. However, the listing notes that additional units may be approved in the future once the wetland determination is complete. A small portion of the site is zoned Residential 1 (R1), with the majority of the site being zoned Commercial Mixed Use (CMU), which allows for variety of commercial, multi-family and mixed-uses up to 40 feet with no maximum density or FAR restrictions. The property was originally listed in June 2022 for \$3,350,000 went under contract in August 2022 after being listed for approximately 2 months. However, the property fell out of contract and was re-listed in April 2023 for \$2,552,000, or \$4.88 per square foot, or \$22,000 per unit. It is unclear why the property fell out of contract and was re-listed at a lower price as our calls to the broker were not returned.



# Sale

# Land - Industrial

No. 2

Property Name Business Park Loop Industrial Land  
Address 361 Business Park Loop Road  
Sequim, WA 98382  
United States

Government Tax Agency Clallam  
Govt./Tax ID 043015449060

## Site/Government Regulations

	Acres	Square feet
Land Area Net	1.030	44,867
Land Area Gross	1.030	44,867

Site Development Status	Raw
Shape	Rectangular
Topography	Generally Level
Utilities	N/A

Maximum FAR N/A  
Min Land to Bldg Ratio N/A  
Maximum Density N/A

Frontage Distance/Street N/A Business Park Loop Road

General Plan N/A  
Specific Plan N/A  
Zoning CI - Commercial Industrial  
Entitlement Status None



## Sale Summary

Recorded Buyer	JAMESTOWN SKLALLAM TRIBE	Marketing Time	1 Month(s)
True Buyer	JAMESTOWN SKLALLAM TRIBE	Buyer Type	End User
Recorded Seller	TAMI MENDONCA AND COLUM TINLEY	Seller Type	End User
True Seller	TAMI MENDONCA AND COLUM TINLEY	Primary Verification	CoStar, Clallam County

Interest Transferred Fee Simple/Freehold  
Current Use N/A  
Proposed Use N/A  
Listing Broker Brody Broker Keller Williams (360) 461-7052  
(m)  
Selling Broker N/A  
Doc # 2021-1426823

Type	Sale
Date	10/2/2021
Sale Price	\$164,995
Financing	Not Available
Cash Equivalent	\$164,995
Capital Adjustment	\$0
Adjusted Price	\$164,995

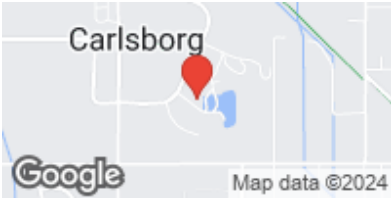
## Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Price/ac and /sf
10/2021	Sale	JAMESTOWN SKLALLAM TRIBE	TAMI MENDONCA AND COLUM TINLEY	\$164,995	\$160,189 / \$3.68

Units of Comparison		
\$3.68 / sf		N/A / Unit
\$160,189.32 / ac		N/A / Allowable Bldg. Units
		N/A / Building Area

Financial
No information recorded

Map & Comments



This comparable represents the sale of the 1.03 acre (44,866 square foot) site located at 361 Business Park Loop Road in Sequim, Clallam County, Washington. The site is zoned CI - Commercial Industrial and is generally rectangular in shape, level, and raw. The site sold on October 2, 2021 to Jamestown Sklallam Tribe for \$164,995 or \$3.67 per square foot. Multiple attempts were made to reach the listing broker, but our calls were not returned. Therefore, the details of this comparable were confirmed via CoStar and public record.

# Sale

# Land - Planned Development

No. 3

Property Name W Hendrickson Rd  
Address 400 Block of Hendrickson  
Sequim, 98382  
United States

Government Tax Agency Clallam  
Govt./Tax ID 20817

## Site/Government Regulations

	Acres	Square feet
Land Area Net	3.120	135,907
Land Area Gross	0.000	N/A

Site Development Status	N/A
Shape	Irregular
Topography	Generally Level
Utilities	N/A

Maximum FAR	N/A
Min Land to Bldg Ratio	N/A
Maximum Density	N/A

General Plan	N/A
Specific Plan	N/A
Zoning	S-LD
Entitlement Status	N/A



## Sale Summary

Recorded Buyer	Jamestown Sklallam Tribe	Marketing Time	N/A
True Buyer	N/A	Buyer Type	N/A
Recorded Seller	David and Amber McDonald	Seller Type	N/A
True Seller	N/A	Primary Verification	CoStar, Assr

Interest Transferred	Fee Simple/Freehold
Current Use	N/A
Proposed Use	N/A
Listing Broker	N/A
Selling Broker	N/A
Doc #	2022-1437236

Type	Sale
Date	4/25/2022
Sale Price	\$495,000
Financing	N/A
Cash Equivalent	\$495,000
Capital Adjustment	\$0
Adjusted Price	\$495,000

## Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Price/ac and /sf
04/2022	Sale	Jamestown Sklallam Tribe	David and Amber McDonald	\$495,000	\$158,654 / \$3.64

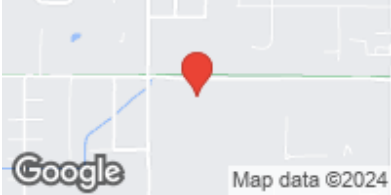
Units of Comparison

\$3.64 / sf	N/A / Unit
\$158,653.85 / ac	N/A / Allowable Bldg. Units
	N/A / Building Area

Financial

No information recorded

Map & Comments



Level parcel located just west of the Sequim middle school. Other adjacent uses are a residential style dentist/endodontics office and a YMCA. Hendrickson Avenue in front of the subject is a two lane asphalt paved local road. Photo courtesy of Google Earth.,  
MFLeaseSumId: 41789,  
CBSA ID: 38820,

Property Name Recreational Land  
 Address 1192 Black Point Rd  
 Brinnon, WA 98320  
 United States

Government Tax Agency Jefferson  
 Govt./Tax ID 502154006

**Site/Government Regulations**

	Acres	Square feet
Land Area Net	16.500	718,740
Land Area Gross	N/A	N/A

Site Development Status	Semi-Finished
Shape	N/A
Topography	Varies
Utilities	Electricity

Maximum FAR N/A  
 Min Land to Bldg Ratio N/A  
 Maximum Density N/A

General Plan N/A  
 Specific Plan N/A  
 Zoning RR-20  
 Entitlement Status N/A

**Sale Summary**

Recorded Buyer	N/A	Marketing Time	18 Month(s)
True Buyer	N/A	Buyer Type	N/A
Recorded Seller	N/A	Seller Type	N/A
True Seller	N/A	Primary Verification	Listing broker- Gail Smith 360-561-0852
Interest Transferred	Fee Simple/Freehold	Type	Sale
Current Use	N/A	Date	6/20/2023
Proposed Use	N/A	Sale Price	\$375,000
Listing Broker	N/A	Financing	Cash to Seller
Selling Broker	N/A	Cash Equivalent	\$375,000
Doc #	N/A	Capital Adjustment	\$0
		Adjusted Price	\$375,000

**Transaction Summary plus Five-Year CBRE View History**

<u>Transaction Date</u>	<u>Transaction Type</u>	<u>Buyer</u>	<u>Seller</u>	<u>Price</u>	<u>Price/ac and /sf</u>
06/2023	Sale	N/A	N/A	\$375,000	\$22,727 / \$0.52

Sale

Land - Recreational

No. 4

Units of Comparison

\$0.52 / sf	N/A / Unit
\$22,727.27 / ac	N/A / Allowable Bldg. Units
	N/A / Building Area

Financial

No information recorded

Map & Comments



Addendum B

# IMPROVED SALE DATA SHEETS

**Sale****Residential - Mobile Home Park****No. 1**

Property Name Harborland MHC  
 Address 3702 Hunt Street NW  
 Gig Harbor, WA 98335  
 United States

Government Tax Agency Pierce

Govt./Tax ID 0221172007, 0221172013, 0221172055, 0221172056,  
 0221172014

**Unit Mix Detail**

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
MH Site	64	100%		\$685	N/A
Totals/Avg	64			\$685	N/A

**Improvements**

Land Area	8.830 ac	Status	Existing
Gross Building Area (GBA)	384,654 sf	Year Built	1968
Total # of Units	64 Pad	Year Renovated	N/A
Average Unit Size	6,010 sf	Condition	Average
Floor Count	1	Exterior Finish	Brick
Property Features	Age Restricted, Surface Parking		
Project Amenities	Laundry Facility, Storage Units		
Unit Amenities	N/A		

**Sale Summary**

Recorded Buyer	Goldside Capital	Marketing Time	0 Month(s)
True Buyer	N/A	Buyer Type	Private Investor
Recorded Seller	Robert Shaw Estate	Seller Type	Private Investor
True Seller	N/A	Primary Verification	Paras Shah / GSC Investments
Interest Transferred	Leased Fee	Type	Sale
Current Use	MHC	Date	12/31/2023
Proposed Use	N/A	Sale Price	\$7,500,000
Listing Broker	N/A	Financing	Cash to Seller
Selling Broker	N/A	Cash Equivalent	\$7,500,000
Doc #	N/A	Capital Adjustment	\$500,000
		Adjusted Price	\$8,000,000

**Transaction Summary plus Five-Year CBRE View History**

<u>Transaction Date</u>	<u>Transaction Type</u>	<u>Buyer</u>	<u>Seller</u>	<u>Price</u>	<u>Cash Equivalent Price/unit and /sf</u>
12/2023	Sale	Goldside Capital	Robert Shaw Estate	\$7,500,000	\$117,188 / \$19.50



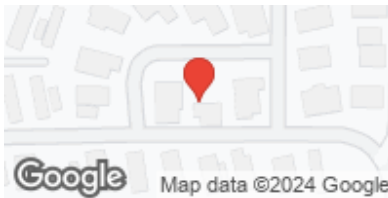
## Units of Comparison

Static Analysis Method	Pro Forma (Stabilized)	Eff Gross Inc Mult (EGIM)	15.68
Buyer's Primary Analysis	Static Capitalization Analysis	Op Exp Ratio (OER)	32.33%
Net Initial Yield/Cap. Rate	4.32%	Adjusted Price / sf	\$20.80
Projected IRR	N/A	Adjusted Price / Pad	\$125,000
Actual Occupancy at Sale	100%		

## Financial

Revenue Type	Pro Forma Stabilized
Period Ending	12/31/2023
Source	Appraiser
Price	\$8,000,000
Potential Gross Income	\$526,080
Economic Occupancy	97%
Economic Loss	\$15,782
Effective Gross Income	\$510,298
Expenses	\$165,000
Net Operating Income	\$345,298
NOI / sf	\$0.90
NOI / Pad	\$5,395
EGIM	15.68
OER	32.33%
Net Initial Yield/Cap. Rate	4.32%

## Map &amp; Comments



This age-restricted Class B property was originally included in an MHC portfolio acquired by Goldside Capital, a prominent regional investor in manufactured housing. However, a septic issue was discovered at this property which extended its closing time. According to the buyer, the cost to repair the septic system is approximately \$500,000. We have included this amount in our analysis for an effective sale price of \$8,000,000 (\$7,500,000 + \$500,000). This property has been adequately maintained outside of the septic issues and has maintained a stabilized occupancy for decades. The property includes a laundry room, manager's office and secured RV/boat storage.

# Sale

# Residential - Mobile Home Park

No. 2

Property Name Samish MH/RV Park  
Address 119 N Samish Way  
Bellingham, WA 98225  
United States

Government Tax Agency N/A  
Govt./Tax ID Multiple

## Unit Mix Detail

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
MH Sites	23	72%		\$775-\$850	N/A
RV Sites	9	28%		\$775-\$850	N/A
Totals/Avg	32			\$813	N/A



## Improvements

Land Area	3.042 ac	Status	Existing
Net Rentable Area (NRA)	N/A	Year Built	1959
Total # of Units	32 Units	Year Renovated	N/A
Average Unit Size	0 sf	Condition	Average
Floor Count	N/A	Exterior Finish	N/A
Property Features	N/A		
Project Amenities	N/A		
Unit Amenities	N/A		

## Sale Summary

Recorded Buyer	NW Cooperative Development Center	Marketing Time	6 Month(s)
True Buyer	N/A	Buyer Type	Other
Recorded Seller	N/A	Seller Type	Private Investor
True Seller	Questor Properties	Primary Verification	Victoria O'Banion
Interest Transferred	Leased Fee	Type	Sale
Current Use	MH/RV park	Date	3/6/2024
Proposed Use	N/A	Sale Price	\$4,800,000
Listing Broker	Michael Reams, CCIM, Starner Commercial	Financing	Assumed Debt
Selling Broker	Samuel Schell, Windermere	Cash Equivalent	\$4,800,000
Doc #	2024-0300866	Capital Adjustment	\$0
		Adjusted Price	\$4,800,000

## Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Cash Equivalent Price/unit and /sf
03/2024	Sale	NW Cooperative Development Center	N/A	\$4,800,000	\$150,000 / N/A

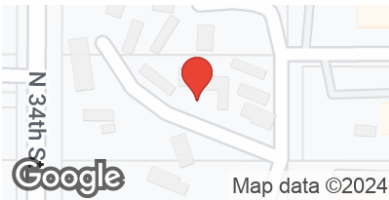
## Units of Comparison

Static Analysis Method	Pro Forma (Stabilized)	Eff Gross Inc Mult (EGIM)	14.00
Buyer's Primary Analysis	Static Capitalization Analysis	Op Exp Ratio (OER)	22.39%
Net Initial Yield/Cap. Rate	5.54%	Adjusted Price / sf	N/A
Projected IRR	N/A	Adjusted Price / Unit	\$150,000
Actual Occupancy at Sale	97%		

## Financial

Revenue Type	Pro Forma Stabilized
Period Ending	12/31/2023
Source	Broker
Price	\$4,800,000
Potential Gross Income	\$353,400
Economic Occupancy	97%
Economic Loss	\$10,602
Effective Gross Income	\$342,798
Expenses	\$76,760
Net Operating Income	\$266,038
NOI / sf	N/A
NOI / Unit	\$8,314
EGIM	14.00
OER	22.39%
Net Initial Yield/Cap. Rate	5.54%

## Map &amp; Comments



This is a Class C all-ages MH/RV park occupied with a mix of single section homes and extended-stay RVs, all of which are tenant-owned. There are no permanent buildings on-site and the community operates on public water and sewer. The property benefits from its location along a primary commercial corridor, Samish Way, and its proximity to the Sehome Hill Arboretum. The property was listed on the open market for \$5,100,000 for approximately 6 months but sold to a group of the existing tenants (facilitated by ROC USA) for \$4,800,000. The sellers indicated they saved approximately \$300,000 in broker fees for working with ROC USA. According to the seller, there were several interested parties at the original listing price. The sellers had intended to redevelop the community with apartment complexes but met resistance from the tenants and larger community.

**Sale****Residential - Mobile Home Park****No. 3**

Property Name Allyn View MH/RV Park  
 Address 18289 E State Route 3  
 Allyn, 98524  
 United States

Government Tax Agency Mason  
 Govt./Tax ID Multiple

**Unit Mix Detail**

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
MH Sites	19	53%		\$445-\$545	N/A
RV Sites	17	47%		\$445-\$545	N/A
Totals/Avg	36			\$495	N/A

**Improvements**

Land Area	4.260 ac	Status	Existing
Net Rentable Area (NRA)	185,566 sf	Year Built	1990
Total # of Units	36 Units	Year Renovated	N/A
Average Unit Size	5,155 sf	Condition	Average
Floor Count	N/A	Exterior Finish	N/A
Property Features	Age Restricted		
Project Amenities	Laundry Facility		
Unit Amenities	N/A		

**Sale Summary**

Recorded Buyer	Allyn View Village LLC	Marketing Time	4 Month(s)
True Buyer	Steven & Hannah Yoon	Buyer Type	Private Investor
Recorded Seller	Fors Alvin Trust	Seller Type	Private Investor
True Seller	N/A	Primary Verification	Sandra Price, NW Park Brokerage
Interest Transferred	Leased Fee	Type	Sale
Current Use	N/A	Date	12/7/2023
Proposed Use	N/A	Sale Price	\$3,950,000
Listing Broker	Sandra Price, NW Park Brokerage	Financing	Cash to Seller
Selling Broker	Sandra Price, NW Park Brokerage	Cash Equivalent	\$3,950,000
Doc #	2205290	Capital Adjustment	\$0
		Adjusted Price	\$3,950,000

**Transaction Summary plus Five-Year CBRE View History**

Transaction Date	Transaction Type	Buyer	Seller	Price	Cash Equivalent Price/unit and /sf
12/2023	Sale	Allyn View Village LLC	Fors Alvin Trust	\$3,950,000	\$109,722 / \$21.29

## Units of Comparison

Static Analysis Method	Pro Forma (Stabilized)	Eff Gross Inc Mult (EGIM)	13.77
Buyer's Primary Analysis	Static Capitalization Analysis	Op Exp Ratio (OER)	22.66%
Net Initial Yield/Cap. Rate	5.62%	Adjusted Price / sf	\$21.29
Projected IRR	N/A	Adjusted Price / Unit	\$109,722
Actual Occupancy at Sale	100%		

## Financial

Revenue Type	Pro Forma Stabilized
Period Ending	12/31/2023
Source	Appraiser
Price	\$3,950,000
Potential Gross Income	\$302,000
Economic Occupancy	95%
Economic Loss	\$15,100
Effective Gross Income	\$286,900
Expenses	\$65,000
Net Operating Income	\$221,900
NOI / sf	\$1.20
NOI / Unit	\$6,164
EGIM	13.77
OER	22.66%
Net Initial Yield/Cap. Rate	5.62%

## Map &amp; Comments



This is a Class C age-restricted park operating with a mix of MH sites and long-term RV sites. The property is located across the street from Case Inlet with attractive water views from the park as it slopes toward the water. The interior roads are paved and the park operates on public water and public sewer. The property is located in the historic commercial area of Allyn. According to the broker, there is green space on-site that could be developed with additional sites with approval from the planning department. The property was listed on the open market for approximately 4 months with interest from several buyers.

# Sale

# Residential - Mobile Home Park

No. 4

Property Name Claudia's Mobile Park Estates  
Address 10900 Kuhlman Road SE  
Olympia, WA 98513  
United States

Government Tax Agency Thurston  
Govt./Tax ID 81280004400

## Unit Mix Detail

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
MH Sites	51	47%		\$600-\$600	N/A
RV Sites	57	53%		\$800-\$800	N/A
Totals/Avg	108			\$706	N/A



## Improvements

Land Area	13.535 ac	Status	Existing
Net Rentable Area (NRA)	589,602 sf	Year Built	1969
Total # of Units	108 Pad	Year Renovated	N/A
Average Unit Size	5,459 sf	Condition	Average
Floor Count	N/A	Exterior Finish	N/A
Property Features	Carports, On-Site Management, Surface Parking		
Project Amenities	Clubhouse, Fitness Center, Laundry Facility		
Unit Amenities	N/A		

## Sale Summary

Recorded Buyer	Confidential	Marketing Time	0 Month(s)
True Buyer	Confidential	Buyer Type	Private Investor
Recorded Seller	LEBEUF ENTERPRISES LLC	Seller Type	Private Investor
True Seller	LEBEUF ENTERPRISES LLC	Primary Verification	Real LeBeuf, Seller
Interest Transferred	Leased Fee	Type	Sale
Current Use	N/A	Date	4/27/2024
Proposed Use	N/A	Sale Price	\$10,250,000
Listing Broker	N/A	Financing	Cash to Seller
Selling Broker	N/A	Cash Equivalent	\$10,250,000
Doc #	5013272	Capital Adjustment	\$0
		Adjusted Price	\$10,250,000

## Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Cash Equivalent Price/unit and /sf
04/2024	Sale	Confidential	LEBEUF ENTERPRISES LLC	\$10,250,000	\$94,907 / \$17.38

# Sale Residential - Mobile Home Park No. 4

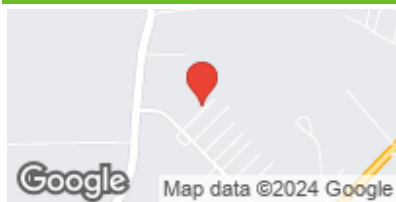
## Units of Comparison

Static Analysis Method	Pro Forma (Stabilized)	Eff Gross Inc Mult (EGIM)	11.15
Buyer's Primary Analysis	Static Capitalization Analysis	Op Exp Ratio (OER)	31.09%
Net Initial Yield/Cap. Rate	6.18%	Adjusted Price / sf	\$17.38
Projected IRR	N/A	Adjusted Price / Pad	\$94,907
Actual Occupancy at Sale	99%		

## Financial

Revenue Type	Pro Forma Stabilized
Period Ending	12/31/2024
Source	Appraiser
Price	\$10,250,000
Potential Gross Income	N/A
Economic Occupancy	N/A
Economic Loss	N/A
Effective Gross Income	\$919,689
Expenses	\$285,974
Net Operating Income	\$633,715
NOI / sf	\$1.07
NOI / Pad	\$5,868
EGIM	11.15
OER	31.09%
Net Initial Yield/Cap. Rate	6.18%

## Map & Comments



This is a Class C, all-ages, MH/RV park operating with a mix of tenant and park-owned homes as well as extended-stay RV tenants. The property sold to a larger operator as an investment for \$10,750,000 in mid-2024. The sale reportedly included 20 park-owned homes which reportedly transferred in a separate transaction. This property includes a modular clubhouse/manager's office which includes laundry equipment. The interior roads are gravelled but the community is generally well-maintained. The property operates on public water and a 50-tank septic system. At the time of sale, the lot rent included septic service but all other utilities were paid by the tenants. The tenants reimburse ownership for their water usage.

**Sale****Residential - Mobile Home Park****No. 5**

Property Name Maple Lane Estates  
 Address 920 Maple Street  
 Sedro Woolley, WA 98284  
 United States

Government Tax Agency Skagit  
 Govt./Tax ID Multiple

**Unit Mix Detail**

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
Apartment Units	2	7%		\$645-\$645	N/A
MH Sites	28	93%		\$390-\$420	N/A
Totals/Avg	30			\$421	N/A

**Improvements**

Land Area	5.200 ac	Status	Existing
Net Rentable Area (NRA)	226,510 sf	Year Built	1979
Total # of Units	30 Pad	Year Renovated	N/A
Average Unit Size	7,550 sf	Condition	Average
Floor Count	N/A	Exterior Finish	N/A
Property Features	On-Site Management, Surface Parking, Transit Access		
Project Amenities	Billiards, Clubhouse		
Unit Amenities	N/A		

**Sale Summary**

Recorded Buyer	MAPLE LANE ESTATES LLC	Marketing Time	N/A
True Buyer	Caleb Romack, Hurst & Son LLC	Buyer Type	Private Investor
Recorded Seller	MEYER EVELYN DREW LAST WILL & TESTAMENT	Seller Type	Private Investor
True Seller	N/A	Primary Verification	Caleb Romack, Hurst & Son LLC, Buyer
Interest Transferred	Leased Fee	Type	Sale
Current Use	MHC	Date	7/10/2024
Proposed Use	MHC	Sale Price	\$2,000,000
Listing Broker	N/A	Financing	Cash to Seller
Selling Broker	N/A	Cash Equivalent	\$2,000,000
Doc #	202407150052	Capital Adjustment	\$0
		Adjusted Price	\$2,000,000

**Transaction Summary plus Five-Year CBRE View History**

<u>Transaction Date</u>	<u>Transaction Type</u>	<u>Buyer</u>	<u>Seller</u>	<u>Price</u>	<u>Cash Equivalent Price/unit and /sf</u>
07/2024	Sale	MAPLE LANE ESTATES LLC	MEYER EVELYN DREW LAST WILL & TESTAMENT	\$2,000,000	\$66,667 / \$8.83



## Units of Comparison

Static Analysis Method	Pro Forma (Stabilized)	Eff Gross Inc Mult (EGIM)	14.30
Buyer's Primary Analysis	Static Capitalization Analysis	Op Exp Ratio (OER)	30.00%
Net Initial Yield/Cap. Rate	4.90%	Adjusted Price / sf	\$8.83
Projected IRR	N/A	Adjusted Price / Pad	\$66,667
Actual Occupancy at Sale	100%		

## Financial

Revenue Type	Pro Forma Stabilized
Period Ending	12/31/2024
Source	Seller
Price	\$2,000,000
Potential Gross Income	N/A
Economic Occupancy	N/A
Economic Loss	N/A
Effective Gross Income	\$139,878
Expenses	\$41,964
Net Operating Income	\$97,914
NOI / sf	\$0.43
NOI / Pad	\$3,264
EGIM	14.30
OER	30.00%
Net Initial Yield/Cap. Rate	4.90%

## Map &amp; Comments



This is a Class C+, all-ages, manufactured housing community operating on public water and sewer, located in Sedro Woolley, WA, one block from State Route 9, a nearly 100-mile highway running from Snohomish County to the US/Canadian border. This property was recently acquired by Hurst & Son, a prominent regional MHC operator with several parks in Skagit County including the recently acquired Cedar Lane MH/RV Park located just outside of Sedro Woolley city limits. This park has paved interior roads and includes 28 MH sites and 2 apartment units. The lot rent includes sewer service while all tenants are directly billed for water and electricity. The property includes a clubhouse, interior roads are paved. The buyer was attracted to this opportunity as he owns several communities in this market, thus he has community management in place for the area. This was an off-market transaction that is supported by the market based on other recent, comparable sales in the I-5 corridor.

## Under Contract

## Residential - Mobile Home Park

No. 6

Property Name Oaks MH/RV Park  
Address 38308 NW Lakeshore Drive  
Woodland, WA 98674  
United States

Government Tax Agency Clark  
Govt./Tax ID 255197000

### Unit Mix Detail

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
MH Sites	8	35%		\$703-\$758	N/A
RV Sites	13	57%		\$705-\$758	N/A
Single Family Residence	2	9%		\$730-\$1,025	N/A
Totals/Avg	23			\$744	N/A



### Improvements

Land Area	2.070 ac	Status	Existing
Gross Building Area (GBA)	5,620 sf	Year Built	1950
Total # of Units	23 Pad	Year Renovated	N/A
Average Unit Size	3,920 sf	Condition	Average
Floor Count	1	Exterior Finish	N/A
Property Features	Carports, Surface Parking		
Project Amenities	Laundry Facility		
Unit Amenities	N/A		

### Sale Summary

Recorded Buyer	Hurst & Son LLC	Marketing Time	1 Month(s)
True Buyer	Caleb Romack, Hurst & Son LLC	Buyer Type	Private Investor
Recorded Seller	Treehouse Communities LLC	Seller Type	Private Investor
True Seller	Treehouse Communities LLC	Primary Verification	Samuel Newmark - Marcus & Millichap (917.941.3465)
Interest Transferred	Leased Fee	Type	Under Contract
Current Use	MH/RV park	Date	8/1/2024
Proposed Use	MH/RV park	Sale Price	\$1,800,000
Listing Broker	N/A	Financing	Market Rate Financing
Selling Broker	N/A	Cash Equivalent	\$1,800,000
Doc #	N/A	Capital Adjustment	\$0
		Adjusted Price	\$1,800,000

### Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Cash Equivalent Price/unit and /sf
08/2024	Under Contract	Hurst & Son LLC	Treehouse Communities LLC	\$1,800,000	\$78,261 / \$320.28
11/2019	Sale	Treehouse Communities LLC	TST LLC	\$1,650,000	\$71,739 / \$505.98

## Units of Comparison

Static Analysis Method	Trailing Actuals	Eff Gross Inc Mult (EGIM)	8.91
Buyer's Primary Analysis	Static Capitalization Analysis	Op Exp Ratio (OER)	28.69%
Net Initial Yield/Cap. Rate	8.00%	Adjusted Price / sf	\$320.28
Projected IRR	N/A	Adjusted Price / Pad	\$78,261
Actual Occupancy at Sale	87%		

## Financial

	Pro Forma Stabilized	Trailing Actuals
Revenue Type		
Period Ending	12/31/2024	11/13/2019
Source	Appraiser	Broker
Price	\$1,800,000	\$1,800,000
Potential Gross Income	N/A	N/A
Economic Occupancy	N/A	N/A
Economic Loss	N/A	N/A
Effective Gross Income	\$190,095	\$202,028
Expenses	\$66,535	\$57,964
Net Operating Income	\$123,560	\$144,064
NOI / sf	\$21.99	\$25.63
NOI / Pad	\$5,372	\$6,264
EGIM	9.47	8.91
OER	35.00%	28.69%
Net Initial Yield/Cap. Rate	6.86%	8.00%

## Map &amp; Comments



This is sale of a 55+ (senior) manufactured home community known as Oaks MH/RV Park and located in Woodland, Washington (unincorporated Clark County). The property consists of 23 pad sites with limited amenities including an office, men's and women's restroom with showers, and laundry facility. The community was developed in 1950. The park was reportedly 100% occupied at the time of transaction. The property operates on public water, a septic system and interior roads gravelled. The buyer owns dozens of parks throughout the Pacific Northwest including the neighboring Horseshoe Lake MH/RV Park.

Addendum C

# RENT COMPARABLE DATA SHEETS

## Comparable

## Residential - Mobile Home Park

No. 1

Property Name West Alder Estates  
 Address 325 N 5th Avenue  
 Sequim, WA 98382  
 United States

Government Tax Agency Clallam  
 Govt./Tax ID 0330197800000000

## Unit Mix Detail

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
MH Sites	53	100%		\$734-\$734	N/A
Totals/Avg	53			\$734	N/A



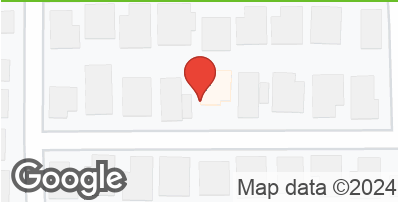
## Improvements

Land Area	6.944 ac	Status	Existing
Net Rentable Area (NRA)	302,495 sf	Year Built	1987
Total # of Units	55 Pad	Year Renovated	N/A
Average Unit Size	5,500 sf	Condition	Average
Floor Count	N/A	Exterior Finish	N/A
Property Features	Age Restricted, Carports, On-Site Management, Surface Parking, Transit Access		
Project Amenities	N/A		
Unit Amenities	N/A		

## Rental Survey

Occupancy	100%	Utilities Included in Rent	Water, sewer, garbage
Lease Term	1 - 12 Mo(s).	Rent Premiums	None
Tenant Profile	Age Restricted (55+)	Concessions	None
Survey Date	07/2024	Owner	CC WEST ALDER MHC LLC
Survey Notes	Typical Lease Term:	Management	N/A

Map & Comments



This is the age-restricted (55+) Class B West Alder MHC, located at 325 N 5th Avenue in Sequim, generally in the Sequim commercial district with good access to all primary commercial and medical services, many within walking distance. This park includes 53 pit set manufactured homes s with asphalt paved roads and no on-site amenities. The lot rent includes water, sewer, and garbage service. No concessions are offered and are atypical throughout the state given the high demand for MH and long term RV sites. Property ownership reported occupancy at 100%, which is historically typical for this property. This property was acquired by a regional MHC operator also responsible for the development of the 200+ site Lavender Meadows MHC in Sequim which is currently in lease-up.

Comparable

Residential - Mobile Home Park

No. 2

Property Name

Juniper Mobile Estates

Address

65 Juniper Mobile Estates  
Sequim, WA 98382  
United States

Government Tax Agency

Clallam

Govt./Tax ID

033019700000

Unit Mix Detail

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
MH Sites	60	100%		\$750-\$750	N/A
Totals/Avg	60			\$750	N/A



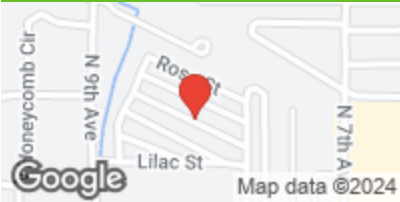
Improvements

Land Area	10.950 ac	Status	Existing
Net Rentable Area (NRA)	476,982 sf	Year Built	1973
Total # of Units	60 Pad	Year Renovated	N/A
Average Unit Size	7,950 sf	Condition	Average
Floor Count	1	Exterior Finish	N/A
Property Features	Age Restricted, Surface Parking		
Project Amenities	N/A		
Unit Amenities	N/A		

Rental Survey

Occupancy	100%	Utilities Included in Rent	Water, sewer, garbage
Lease Term	1 - 12 Mo(s).	Rent Premiums	None
Tenant Profile	Age Restricted (55+)	Concessions	None
Survey Date	08/2024	Owner	N/A
Survey Notes	N/A	Management	N/A

Map & Comments



This comparable represents the Juniper Mobile Estates located at 65 Juniper Mobile Estates in Sequim, WA. This park is age restricted to persons 62 and over and consists of 60 gravel pads with asphalt paved roads. The majority of the sites include carports. The pad sites are renting for \$750 per month inclusive of water, sewer and garbage. This property is reportedly 100% occupied. The property has additional area for RV/boat storage at an additional fee.



## Comparable

## Residential - Mobile Home Park

No. 3

Property Name Spruce West MHP  
 Address 301 N 7th Avenue  
 Sequim, WA 98382  
 United States

Government Tax Agency Clallam  
 Govt./Tax ID 0330197401000000

### Unit Mix Detail

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
MH Sites	35	100%		\$475-\$475	N/A
Totals/Avg	35			\$475	N/A



### Improvements

Land Area	0.000 ac	Status	Existing
Net Rentable Area (NRA)	N/A	Year Built	N/A
Total # of Units	35 Pad	Year Renovated	N/A
Average Unit Size	0 sf	Condition	Average
Floor Count	N/A	Exterior Finish	N/A
Property Features	N/A		
Project Amenities	N/A		
Unit Amenities	N/A		

### Rental Survey

Occupancy	100%	Utilities Included in Rent	Water, sewer, garbage
Lease Term	1 - 12 Mo(s).	Rent Premiums	None
Tenant Profile	Age Restricted (55+)	Concessions	None
Survey Date	08/2024	Owner	N/A
Survey Notes	Typical Lease Term:	Management	N/A

Map & Comments



This is the Spruce West Mobile Home Park, located at 301 N 7th Avenue in Sequim, just north of the subject property. This park includes 35 gravel mobile home pads with asphalt paved roads and includes no additional amenities. The home sites are \$310 per month and include water, sewer, and garbage. No concessions are offered. Property management reported occupancy at 100%, which is historically typical for this property.

Comparable

Residential - Mobile Home Park

No. 4

Property Name

Lavender Meadows MHC

Address

974 N Sequim Avenue  
Sequim, WA 98382  
United States

Government Tax Agency

Clallam

Govt./Tax ID

Multiple

Unit Mix Detail

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
MH Sites	217	100%		\$850-\$850	N/A
Totals/Avg	217			\$850	N/A

No image to display.

Improvements

Land Area

38.280 ac

Status

Existing

Net Rentable Area (NRA)

N/A

Year Built

2021

Total # of Units

217 Pad

Year Renovated

N/A

Average Unit Size

0 sf

Condition

Average

Floor Count

N/A

Exterior Finish

N/A

Property Features

Age Restricted, On-Site Management, Surface Parking, Transit Access

Project Amenities

Barbeque Area, Business Center, Clubhouse, Sports Court

Unit Amenities

N/A

Rental Survey

Occupancy

15%

Utilities Included in Rent

None

Lease Term

1 - 12 Mo(s).

Rent Premiums

N/A

Tenant Profile

Age Restricted (55+)

Concessions

N/A

Survey Date

08/2024

Owner

Collective Communities

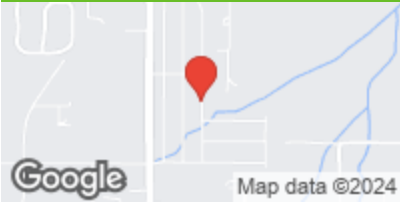
Survey Notes

N/A

Management

N/A

Map & Comments



This is a newer Class B+ age-restricted manufactured housing community which is in the process of leasing vacant spaces. Homes are currently on the market for around \$350,000. Due to the cost of the homes and site rent at this community, the lease-up process has been somewhat slower than anticipated. This community includes a modular clubhouse with a sports court, BBQ areas and shuffleboard. This park operates on public water and sewer with all utilities paid for the tenants directly.

# Comparable

# Residential - Mobile Home Park

No. 5

Property Name Parkwood MHC  
Address 261520 US Highway 101  
Sequim, WA 98382  
United States

Government Tax Agency Clallam  
Govt./Tax ID Multiple

## Unit Mix Detail

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
MH Sites	209	100%		\$650-\$650	N/A
Totals/Avg	209			\$650	N/A



## Improvements

Land Area	60.550 ac	Status	Existing
Net Rentable Area (NRA)	2,637,558 sf	Year Built	1981
Total # of Units	209 Pad	Year Renovated	N/A
Average Unit Size	12,620 sf	Condition	Average
Floor Count	N/A	Exterior Finish	N/A
Property Features	Age Restricted, On-Site Management, Surface Parking		
Project Amenities	Billiards, Clubhouse, Storage Units, Walking Trail		
Unit Amenities	N/A		

## Rental Survey

Occupancy	100%	Utilities Included in Rent	None
Lease Term	1 - 12 Mo(s).	Rent Premiums	N/A
Tenant Profile	Age Restricted (55+)	Concessions	N/A
Survey Date	08/2024	Owner	Parkwood Manufactured Housing Community LLC
Survey Notes	N/A	Management	N/A

Map & Comments



This is a Class B age-restricted manufactured housing community occupied with multi-section (178 sites) and large multi-section homes (31 sites) with recent sales of homes in the \$200,000 - \$250,000 range. The lot rent does not include any utilities as there is a billback for septic and water service. This park is well-maintained and well-managed by a prominent regional MHC operator with communities throughout the state. This community includes walking trails on-site and a pond. The clubhouse includes a manager's office, ping pong table, poker table, fitness center, library, common area and billiards. The interior roads are asphalt and lined with streetlights.

## Comparable

## Residential - Mobile Home Park

No. 6

Property Name Olympic Pines MH/RV Park  
Address 521 N Lee's Creek Road  
Port Angeles, WA 98362  
United States

Government Tax Agency Clallam  
Govt./Tax ID 0630126701000000

### Unit Mix Detail

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
MH Sites	4	10%		\$600-\$600	N/A
RV Sites	37	88%		\$600-\$600	N/A
Single-Family Residence	1	2%		\$1,500-\$1,500	N/A
Totals/Avg	42			\$621	N/A



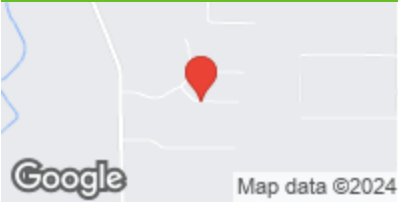
### Improvements

Land Area	2.230 ac	Status	Existing
Net Rentable Area (NRA)	97,139 sf	Year Built	1970
Total # of Units	42 Pad	Year Renovated	N/A
Average Unit Size	2,313 sf	Condition	Average
Floor Count	N/A	Exterior Finish	N/A
Property Features	On-Site Management, Surface Parking		
Project Amenities	Laundry Facility		
Unit Amenities	N/A		

### Rental Survey

Occupancy	98%	Utilities Included in Rent	Water, sewer, garbage
Lease Term	1 - 12 Mo(s).	Rent Premiums	N/A
Tenant Profile	All Ages	Concessions	N/A
Survey Date	07/2024	Owner	Patrick McDonald
Survey Notes	N/A	Management	N/A

Map & Comments



This is a Class C all ages MH/RV park primarily catering to long-term RV tenants. The interior roads are gravelled and there is an on-site manager's office. The manager lives on-site. There are minimal on-site amenities and the property is located just outside of the Port Angeles commercial core with good access to employment opportunities, commercial services and medical services. The lot rent reportedly includes water, sewer and garbage service. The owner is a regional MHC/RV park operator with parks throughout the Pacific Northwest.



Addendum D

# OPERATING DATA

SOURCES AND USES OF FUNDS									
Project Name	Tajmahaul LLC - THV	Square Feet			Loan Amount	\$	927,250		
Address	Sequim, WA	# of Units	20		Balance Check	\$	927,250		
USES					SOURCES				
Line Items	Total Cost	% Total Costs	\$ Per SF	\$ Per Unit	Funded by Loan	Borrower Equity	Deferred Equity		
<b>LAND / LAND WITH EXISTING IMPROVEMENTS</b>									
1) Land / Land with Existing Improvements	\$ 179,496	13.6%	\$ -	\$ 8,975	\$ 0	\$ 179,496	\$ -		
<b>SUBTOTAL LAND</b>	\$ 179,496	13.6%	\$ -	\$ 8,975	\$ 0	\$ 179,496	\$ -		
<b>HARD COST BUDGET ITEMS</b>									
2) Total General Contract Amount	\$ -	0.0%	\$ -	\$ -	\$ -	\$ -	\$ -		
<b>OTHER HARD COSTS (outside general contract)</b>									
3) Tenant Improvements	\$ 305,152	23.1%	\$ -	\$ 15,258	\$ 281,454	\$ 23,698	\$ -		
4) Landscaping / Irrigation	\$ 49,304	3.7%	\$ -	\$ 2,465	\$ 49,304	\$ -	\$ -		
5) Furniture, Fixtures & Equipment	\$ -	0.0%	\$ -	\$ -	\$ -	\$ -	\$ -		
6) Site Costs Not Included in General Contract	\$ 592,185	44.7%	\$ -	\$ 29,609	\$ 569,742	\$ 22,443	\$ -		
7) Miscellaneous Hard Costs	\$ -	0.0%	\$ -	\$ -	\$ -	\$ -	\$ -		
<b>SUBTOTAL HARD COSTS</b>	\$ 946,641	71.5%	\$ -	\$ 47,332	\$ 900,501	\$ 46,141	\$ -		
<b>SOFT COST BUDGET ITEMS</b>									
8) Architect & Engineering Fees	\$ 31,163	2.4%	\$ -	\$ 1,558	\$ -	\$ 31,163	\$ -		
9) Testing (Soil, ESA, Etc.)	\$ 2,256	0.2%	\$ -	\$ 113	\$ -	\$ 2,256	\$ -		
10) Permits	\$ 5,131	0.4%	\$ -	\$ 257	\$ -	\$ 5,131	\$ -		
11) Impact Fees	\$ -	0.0%	\$ -	\$ -	\$ -	\$ -	\$ -		
12) Real Estate Taxes	\$ -	0.0%	\$ -	\$ -	\$ -	\$ -	\$ -		
13) Insurance	\$ -	0.0%	\$ -	\$ -	\$ -	\$ -	\$ -		
14) Survey Costs	\$ -	0.0%	\$ -	\$ -	\$ -	\$ -	\$ -		
15) Inspecting Architect's Fees	\$ -	0.0%	\$ -	\$ -	\$ -	\$ -	\$ -		
16) Third Party Inspection Fees	\$ 3,600	0.3%	\$ -	\$ 180	\$ -	\$ 3,600	\$ -		
17) Title, Date Down & Disbursement Fees	\$ 1,454	0.1%	\$ -	\$ 73	\$ -	\$ 1,454	\$ -		
18) Appraisal Fees	\$ 4,100	0.3%	\$ -	\$ 205	\$ -	\$ 4,100	\$ -		
19) Loan Documentation Fee	\$ 1,500	0.1%	\$ -	\$ 75	\$ -	\$ 1,500	\$ -		
20) Other Soft Costs	\$ -	0.0%	\$ -	\$ -	\$ -	\$ -	\$ -		
<b>SUBTOTAL SOFT COSTS</b>	\$ 49,205	3.7%	\$ -	\$ 2,460	\$ -	\$ 49,205	\$ -		
<b>FINANCING / CARRYING COSTS</b>									
21) Mortgage Banker / Broker Fee	\$ 18,550	1.4%	\$ -	\$ -	\$ -	\$ 18,550	\$ -		
22) Construction Loan Fee	\$ 9,275	0.7%	\$ -	\$ -	\$ -	\$ 9,275	\$ -		
23) Construction Loan Interest (see calculation below)	\$ 24,340	1.8%	\$ -	\$ -	\$ 0	\$ 24,340	\$ -		
24) Other Financing Costs	\$ -	0.0%	\$ -	\$ -	\$ -	\$ -	\$ -		
<b>SUBTOTAL FINANCING / CARRYING COSTS</b>	\$ 52,165	3.9%	\$ -	\$ -	\$ 0	\$ 52,165	\$ -		
<b>CONTINGENCY</b>									
25) Hard Cost Contingency (5% standard)	\$ 94,664	7.2%	\$ -	\$ -	\$ 26,748	\$ 67,916	\$ -		
26) Soft Cost Contingency (3% standard)	\$ 1,476	0.1%	\$ -	\$ -	\$ 0	\$ 1,476	\$ -		
27) Other Contingency Adjustment (see Guidance tab)	\$ -	0.0%	\$ -	\$ -	\$ -	\$ -	\$ -		
<b>SUBTOTAL CONTINGENCY</b>	\$ 96,140	7.3%	\$ -	\$ -	\$ 26,748	\$ 69,392	\$ -		
<b>MISCELLANEOUS COSTS</b>									
28) Developer's Fee	\$ -	0.0%	\$ -	\$ -	\$ -	\$ -	\$ -		
29) Overhead	\$ -	0.0%	\$ -	\$ -	\$ -	\$ -	\$ -		
30) Lease Concessions	\$ -	0.0%	\$ -	\$ -	\$ -	\$ -	\$ -		
31) Marketing	\$ -	0.0%	\$ -	\$ -	\$ -	\$ -	\$ -		
32) Other Miscellaneous Costs	\$ -	0.0%	\$ -	\$ -	\$ -	\$ -	\$ -		
<b>SUBTOTAL MISCELLANEOUS COSTS</b>	\$ -	0.0%	\$ -	\$ -	\$ -	\$ -	\$ -		
<b>PROJECT TOTAL</b>	\$ 1,323,648	100.0%	\$ -	\$ 58,767	\$ 927,250	\$ 396,398	\$ -		
<b>% of Total Costs</b>	100.0%				70.1%	29.9%	0.0%		

# TEMPLATE INSTRUCTIONS

- Input data in yellow cells - no need to input for line items that are not applicable to your project.
- Loan Amount (cell J3) and Balance Check (cell J4) must match upon completion. If there is a discrepancy, Balance Check will be Red.
- Attach final Sources & Uses document to Product Package Doc Man.
- See Guidance tab for additional information.

INTEREST EXPENSE / RESERVE CALCULATION				
Average Outstanding Balance (standard is 50% of construction loan commitment)		\$	463,625	
Construction Loan Proposed Interest Rate (cost of funds + spread)	8.50%			
Interest Rate Sensitivity (2% standard)	2.00%			
Sensitized Interest Rate	10.50%			
Construction Loan Term (in months)	6			
<b>Estimated Construction Loan Interest Expense / Reserve</b>		<b>\$24,340</b>	<<< Auto inputs into Cell D40	

## PROPERTY SURVEY FORM

Property Name PENINSULA TINY HOME VILLAGEAddress 261131 Hwy 101City/ST/Zip Sequim WA 98382

Manager Name / Management Company / Phone Number:

BRODY BROKER / 360-461-6181Tenant Profile (Senior or All-Age) \_\_\_\_\_Year Built (and Expanded or Renovated) 2024

Please fill out the following tables to the best of your knowledge

**Sites in the Community** (this only refers to the spaces in the park, not the homes)

Type	Total Number	Number Vacant
Single Section Pads		
Multi-Section Pads		
Large Multi-Section Pads		
RV Sites	20	20
Single-Family Residence(s)		
Apartment Unit(s)		
<b>Grand Total</b>	20	20

**Manufactured Homes in the Community** (this only refers to the mobile homes, not the spaces)

Type	Total Number	Number of Unoccupied Homes
Single Section Homes		
Multi-Section Homes		
Large Multi-Section Homes		
RVs		
Single-Family Residence(s)		
Apartment Unit(s)		
<b>Grand Total of Homes</b>		

What space numbers are currently vacant NA

How many park-owned homes on-site:

0**VACANCY**As of date of this survey Not Yet Developed

One year ago \_\_\_\_\_

Two years ago \_\_\_\_\_

Three years ago \_\_\_\_\_

Reasons for Vacancy Historically (If Applicable)

Is there an RV/Boat storage area (please indicate # of spaces and cost/month)?

**Rental Information:**Current Average Space Rent \$800

Utilities Included in Rent (and provider):

Utility	Included In Lot Rent?	Please indicate if Reimbursed or Paid by Tenant Directly	Provider?
Water	<u>N</u>	<u>R</u>	<u>sequim city</u>
Sewer	<u>N</u>	<u>R</u>	<u>" "</u>
Trash Removal	<u>N</u>	<u>R</u>	<u>Murrays</u>
Electricity	<u>N</u>	<u>R</u>	<u>PUD</u>
Gas	<u>N</u>	<u>NA</u>	<u>NA</u>
Phone	<u>N</u>	<u>NA</u>	<u>NA</u>
Cable	<u>N</u>	<u>R</u>	<u>Wave</u>

Who reads the utility meters (if any) in the park? NAIs subleasing allowed in the park? NoPlease indicate the length of the leases and the permitted annual increases 1 yearIs there rent control in your area NoSpace rent for new residents? \$800/MoAre rent increases conducted on anniversary dates or one time for the whole park? 1 timeWhen was date of your last rent increase? NA

How much was last rent increase for? NA

When will next increase be and how much?  
when its full will increase to \$850

Please list historical rent increases over the last several years.

Last Year NA

2 Years Prior NA

3 Years Prior NA

**Parking:**

No. of sites w/ carports or garages? 0

**Amenities** (please check any applicable boxes):

AMENITIES			
Amenity	Yes	Amenity	Yes
Basketball		Swimming pool	
Billiards		Spa	
Clubhouse	<input checked="" type="checkbox"/>	Sauna	
Exercise Room	<input checked="" type="checkbox"/>	Tennis Court	
Horseshoes		Volleyball Court	
Playground		RV Storage	
Shuffleboard		Other	
Water Amenities (lakes, ponds, etc.)			

**Common Area Buildings (Clubhouse, laundry building, etc.):** Please list all buildings in the park.

Building	Square Footage?	Heating/Air Conditioning	Deferred Maintenance?
Community	480	Yes	NA New

**Security features:**

Guarded Gate ( ) Perimeter Fence ☒ Security Patrol ( )  
 Other \_\_\_\_\_

**Laundry:**

Number of Laundry Rooms and the number of washers and dryers per room? NA  
 Are the washers and dryers owned or leased? From who? NA

**General Information:**

Are there any persistent maintenance problems? NA

If all residents in park do not pay the same space rent, how is resident's rent level determined (for example: location in park, number of years living at park?)

NA

Please List Any Recent or Planned Capital Expenditures w/ Costs

NA

Please List Any Other Communities Owned or Managed in Subject Market w/ total unit count, Current Asking Rent (w/ included utilities and current vacancy)

NA

TINY HOME VILLAGE																											
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	TOTAL	Month 13	Month 14	Month 15	Month 16	Month 17	Month 18	Month 19	Month 20	Month 21	Month 22	Month 23	Month 24	TOTAL	
Ordinary Income/Expense																											
Income	8000	10400	12800	14400	15200	16000	16000	16000	16000	16000	16000	16000	172800	18000	18000	18000	18000	18000	18000	18000	18000	18000	18000	18000	18000	216000	
Misc- Income:	250	400	500	600	600	600	600	600	600	600	600	600	6550	625	625	625	625	625	625	625	625	625	625	625	625	7500	
COGS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
GROSS PROFIT	8250	10800	13300	15000	15800	16600	16600	16600	16600	16600	16600	16600	179350	18625	18625	18625	18625	18625	18625	18625	18625	18625	18625	18625	18625	223500	
EXPENSE:																											
Management Fee (8%)	640	832	1024	1152	1216	1280	1280	1280	1280	1280	1280	1280	13824	1440	1440	1440	1440	1440	1440	1440	1440	1440	1440	1440	1440	17280	
Landscaping	500	500	500	500	500	500	500	500	500	500	500	500	6000	500	500	500	500	500	500	500	500	500	500	500	500	6000	
Prof. Services										500			500										500			500	
Taxes				2000						2000			4000				2100						2100			4200	
Insurance	2500												2500	2750												2750	
Utilities-Water/Sewer/Garbage	150	150	150	150	150	150	150	150	150	150	150	150	1800	150	150	150	150	150	150	150	150	150	150	150	150	1800	
TOTAL EXPENSE BEFORE DEBT SERVICE	3790	1482	1674	3802	1866	1930	1930	1930	1930	4430	1930	1930	28624	4840	2090	2090	4190	2090	2090	2090	2090	2090	4690	2090	2090	32530	
Debt Service 15 YR	7566	7566	7566	7066	7566	7566	7566	7566	7566	7566	7566	7566	90792	7566	7566	7566	7566	7566	7566	7566	7566	7566	7566	7566	7566	90792	
TOTAL EXPENSE	11356	9048	9240	10868	9432	9496	9496	9496	9496	11996	9496	9496	119416	12406	9656	9656	11756	9656	9656	9656	9656	9656	12256	9656	9656	129772	
GROSS PROFIT													179350													223500	
TOTAL EXPENSE													-119416													-129772	
NET INCOME													59934													93728	

YEAR 1	
Gross Annual Rents	\$179,350
Less Vacancy (5%)	\$8,968
Effective Gross Income	\$170,383
Less:	
Management (8%)	\$13,824
Cleaning & Maintenance	\$6,000
Insurance	\$2,500
Real Estate Taxes	\$4,000
Repairs	\$0
Legal Fees	\$500
Utilities	\$1,800
Advertising	\$0
Supplies	\$0
Misc.	\$0
Replacement Reserves	\$0
Total Annual Expenses	\$28,624
NOI (Net Operating Income)	\$141,759
Maximum loan amount to be serviced is computed as:	
NOI / Req'd DSC Ratio	\$113,407
Loan Constant	0.075
Max Sales amount supported	\$1,512,091

YEAR 2	
Gross Annual Rents	\$223,500
Less Vacancy (5%)	\$11,175
Effective Gross Income	\$212,325
Less:	
Management (8%)	\$17,280
Cleaning & Maintenance	\$6,000
Insurance	\$2,500
Real Estate Taxes	\$4,000
Repairs	\$0
Legal Fees	\$1,000
Utilities	\$6,550
Advertising	\$0
Supplies	\$0
Misc.	\$1,000
Replacement Reserves	\$0
Total Annual Expenses	\$38,330
NOI (Net Operating Income)	\$173,995
Maximum loan amount to be serviced is computed as:	
NOI / Req'd DSC Ratio	\$139,196
Loan Constant	0.075
Max Sales amount supported	\$1,855,947

Addendum E

# LEGAL DESCRIPTION



Clallam County Assessor & Treasurer

Property Search Results > 40212 TAJMAHAUL LLC for Year 2023 - 2024

Property

Account

Property ID:

40212

Geographic ID:

0430221390000000

Type:

Real

Tax Area:

0202 - 323 PORT ST CNTY RDS FD3 FD3EMS L H2 SQP&R

Open Space:

N

Historic Property:

N

Multi-Family Redevelopment:

N

Township:

Range:

Legal Description:

LOT 1 PACLAND SP V19 P34

Agent Code:

Land Use Code:

91

DFL:

N

Remodel Property:

N

Section:

Location

Address:

W HWY 101  
SEQUIM, WA 98382

Neighborhood:

Carlsborg Comm

Neighborhood CD:

2355000

Mapsco:

Map ID:

C22

Owner

Name:

TAJMAHAUL LLC

Mailing Address:

224 W WASHINGTON ST  
SEQUIM, WA 98382

Owner ID:

251631

% Ownership:

100.0000000000%

Exemptions:

Pay Tax Due

Select the appropriate checkbox next to the year to be paid. Multiple years may be selected.


Year - Statement ID	Tax	Assessment	Penalty	Interest	Total Due
2024 - 25713 (Balance)	\$563.52	\$2.11	\$0.00	\$0.00	\$565.63

Total Amount to Pay: \$

\*Convenience Fee not included

Taxes and Assessment Details

Property Tax Information as of 07/30/2024

Amount Due if Paid on:  **NOTE:** If you plan to submit payment on a future date, make sure you enter the date and click RECALCULATE to obtain the correct total amount due.

Click on "Statement Details" to expand or collapse a tax statement.

Year	Statement ID	First Half Base Amt.	Second Half Base Amt.	Penalty	Interest	Base Paid	Amount Due
▶ Statement Details							
2024	25713	\$565.71	\$565.63	\$0.00	\$0.00	\$565.71	\$565.63
▶ Statement Details							
2023	25810	\$703.24	\$703.15	\$0.00	\$0.00	\$1406.39	\$0.00
▶ Statement Details							
2022	25890	\$696.20	\$696.15	\$0.00	\$0.00	\$1392.35	\$0.00
▶ Statement Details							
2021	26010	\$705.05	\$705.01	\$0.00	\$0.00	\$1410.06	\$0.00
▶ Statement Details							
2020	26137	\$788.33	\$788.27	\$0.00	\$0.00	\$1576.60	\$0.00
▶ Statement Details							
2019	26291	\$760.86	\$760.81	\$0.00	\$0.00	\$1521.67	\$0.00

Values

(+) Improvement Homesite Value:	+	\$0
(+) Improvement Non-Homesite Value:	+	\$0
(+) Land Homesite Value:	+	\$0
(+) Land Non-Homesite Value:	+	\$152,684

(+) Curr Use (HS):	+	\$0	\$0
(+) Curr Use (NHS):	+	\$0	\$0
(=) Market Value:	=	\$152,684	
(-) Productivity Loss:	-	\$0	
(=) Subtotal:	=	\$152,684	
(+) Senior Appraised Value:	+	\$0	
(+) Non-Senior Appraised Value:	+	\$152,684	
(=) Total Appraised Value:	=	\$152,684	
(-) Senior Exemption Loss:	-	\$0	
(-) Exemption Loss:	-	\$0	
(=) Taxable Value:	=	\$152,684	

Taxing Jurisdiction

Owner: TAJMAHAUL LLC  
% Ownership: 100.000000000000%  
Total Value: \$152,684  
Tax Area: 0202 - 323 PORT ST CNTY RDS FD3 FD3EMS L H2 SQP&R

Levy Code	Description	Levy Rate	Appraised Value	Taxable Value	Estimated Tax		
ST SCH2	STATE SCHOOL PT 2	0.8091306662	\$152,684	\$152,684	\$123.54		
STATE SCH	STATE SCHOOL PT 1	1.5082776643	\$152,684	\$152,684	\$230.29		
CC GENERAL	CLALLAM COUNTY GENERAL	0.7396379723	\$152,684	\$152,684	\$112.93		
DEVDISBLT	DEVELOPMENT DISABILITIES COUNTY	0.0205451200	\$152,684	\$152,684	\$3.14		
LND ASSMT	LAND ASSESSMENT COUNTY	0.0015400000	\$152,684	\$152,684	\$0.24		
TAX REFUND	TAX REFUND FUND COUNTY	0.0000000000	\$152,684	\$152,684	\$0.00		
VET RELIEF	VETERAN'S RELIEF COUNTY	0.0092452999	\$152,684	\$152,684	\$1.41		
CAPT IMP	CAPITAL IMPROVEMENT PORT DISTRICT	0.1105115198	\$152,684	\$152,684	\$16.87		
PRK REC	SEQUIM AQUATIC RECREATION CNTR	0.0000000000	\$152,684	\$152,684	\$0.00		
CC RD GEN	CLALLAM COUNTY ROAD GENERAL	0.7783333431	\$152,684	\$152,684	\$118.84		
LIB	LIBRARY COUNTY	0.2936226339	\$152,684	\$152,684	\$44.83		
SD #323 CP	SD 323 CP	0.4344942546	\$152,684	\$152,684	\$66.34		
SD 323 GEN	SD 323 M & O	0.8669527351	\$152,684	\$152,684	\$132.37		
FIRE 3 BD	FIRE DIST #3 EMS	0.3541857166	\$152,684	\$152,684	\$54.08		
FIRE 3 GEN	FIRE DIST #3 GENERAL	1.1200147039	\$152,684	\$152,684	\$171.01		
HOSP 2 GEN	HOSPITAL DIST #2 GENERAL	0.3177019449	\$152,684	\$152,684	\$48.51		
CON FUTURE	CONSERVATION FUTURES	0.0178280580	\$152,684	\$152,684	\$2.72		
Total Tax Rate:		7.3820216326					
					Taxes w/Current Exemptions:	\$1,127.12	
					Taxes w/o Exemptions:	\$1,127.12	

Improvement / Building

Sketch

No sketches available for this property.

Property Image



### Land

#	Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
1	9120	9120	0.0000	55321.00	0.00	0.00	\$152,684	\$0

### Roll Value History

Year	Improvements	Land Market	Current Use	Total Appraised	Taxable Value
2024	N/A	N/A	N/A	N/A	N/A
2023	\$0	\$152,684	\$0	\$152,684	\$152,684
2022	\$0	\$183,221	\$0	\$183,221	\$183,221
2021	\$0	\$152,684	\$0	\$152,684	\$152,684
2020	\$0	\$152,684	\$0	\$152,684	\$152,684
2019	\$0	\$152,684	\$0	\$152,684	\$152,684
2018	\$0	\$152,684	\$0	\$152,684	\$152,684
2017	\$0	\$152,684	\$0	\$152,684	\$152,684
2016	\$0	\$152,684	\$0	\$152,684	\$152,684
2015	\$0	\$152,684	\$0	\$152,684	\$152,684
2014	\$0	\$152,684	\$0	\$152,684	\$152,684
2013	\$0	\$152,684	\$0	\$152,684	\$152,684
2012	\$0	\$152,684	\$0	\$152,684	\$152,684
2011	\$0	\$18,025	\$0	\$18,025	\$18,025
2010	\$0	\$19,085	\$0	\$19,085	\$19,085
2009	\$0	\$19,085	\$0	\$19,085	\$19,085
2008	\$0	\$19,085	\$0	\$19,085	\$19,085
2007	\$0	\$190,855	\$0	\$190,855	\$190,855
2006	\$0	\$165,965	\$0	\$165,965	\$165,965
2005	\$0	\$165,965	\$0	\$165,965	\$165,965

### Deed and Sales History

#	Deed Date	Type	Description	Grantor	Grantee	Volum
1	05/22/2024	QUIT CLAIM	QUIT CLAIM DEED	COWPUNK LLC	TAJMAHAUL LLC	
2	04/12/2024	WARRANTY D	WARRANTY DEED	CLALLAM PROPERTY MANAGEMENT LLC	COWPUNK LLC	
3	03/29/2021	WARRANTY D	WARRANTY DEED	RBDW RE LLC	CLALLAM PROPERTY MANAGEMENT LLC	
4	07/16/2020	WARRANTY D	WARRANTY DEED	BP WEST COAST PRODUCTS	RBDW RE LLC	
5	06/14/2018	BARGAIN AN	BARGAIN AND SALE DEED	SHIRLEY W CHEN TTE	BP WEST COAST PRODUCTS	
		40214	SETH M AND REBECCA J LARSON	261133 HWY 101 SEQUIM, WA 98382	LOT 2 PACLAND SP V19 P34	
		40215	BP WEST COAST PRODUCTS	51 CARLSBORG RD SEQUIM, WA 98382	LOT 3 PACLAND SP V19 P34	
6	02/09/2016	EASEMENT	EASEMENT	SHIRLEY W CHEN TTE	CLALLAM COUNTY PUBLIC WORKS DEPT	

		40214	SETH M AND REBECCA J LARSON	261133 HWY 101 SEQUIM, WA 98382	LOT 2 PACLAND SP V19 P34
		40215	BP WEST COAST PRODUCTS	51 CARLSBORG RD SEQUIM, WA 98382	LOT 3 PACLAND SP V19 P34
7	08/25/2015	EASEMENT	EASEMENT	SHIRLEY W CHEN TTE	CLALLAM COUNTY
8		WARRANTY D	WARRANTY DEED	CHEN 1995 FAM TRST TTE*	SHIRLEY W CHEN TTE
9		WARRANTY D	WARRANTY DEED	SHIRLEY W CHEN	SHIRLEY W CHEN FAMILY TRUST
10		PERSONAL R	PERSONAL REPRESENTATIVES DEED	DAVID T F CHEN	SHIRLEY W CHEN
11		WARRANTY D	WARRANTY DEED	PACLAND INC	PROFESSIONAL DATA CORP899
12		WARRANTY D	WARRANTY DEED	PROFESSIONAL DATA CORP	DAVID T F/SHIRLEY W CHEN899

Payout Agreement

No payout information available..

Addendum F

# CLIENT CONTRACT INFORMATION

# Real Estate Technical Services

HO-WA-FBAS

Seattle, WA 98101  
Phone: 206-340-8057  
elizabeth.parker4@usbank.com

7/19/2024

Todd R.. Henderson  
CBRE, Inc.  
1420 Fifth Ave Suite 1700  
Seattle, WA 98101  
United States

RE: Appraisal                      W HWY 101  
Assignment:                      Sequim, WA 98382  
RETECHS File: 24-003420-01-01

Dear Todd R.. Henderson:

This Appraisal Engagement Agreement (this "Agreement") is made effective as of 7/19/2024 (the "Effective Date") between U.S. Bank National Association (the "Bank") and Todd R.. Henderson ("Appraiser") on behalf of CBRE, Inc. ("Appraisal Company"). This letter confirms that the Bank has engaged Appraiser's services for an appraisal (the "Appraisal") of the above referenced property (the "Property"), as further described in the Addendum to this Agreement (the "Addendum"). U.S. Bank Real Estate Technical Services ("RETECHS") is the department of the Bank that has primary responsibility for the engagement of appraisers.

**1. Fee and Timing for the Appraisal.** The fee for the Appraisal includes all expenses and an allowance for any technical assistance Appraiser feels necessary or appropriate.

The original, signed Appraisal should be delivered as instructed in this Agreement no later than the specified due date. **If delays are anticipated or occur, Appraiser must immediately request an extension of the due date in writing from the RETECHS Job Manager in order to avoid late fees.**

If the Appraisal is not received on or before the specified due date, the Bank reserves the right, in its sole discretion, to either cancel this Agreement for cause without payment of the fee or deduct a late fee from the fee.

Additionally, the Bank reserves the right to cancel this Agreement at any time without cause. Upon such cancellation, payment of the fee will be limited to actual time spent and any out-of-pocket expenses incurred by Appraiser up to the date of termination.

Appraiser agrees that it and all personnel associated with the Appraisal will be available to discuss concerns the Bank might have regarding the analysis and the value conclusions in the Appraisal. The Bank reserves the right to withhold payment if, in Bank's sole discretion, Appraiser fails to address our concerns with the Appraisal within



five working days after receipt of notice regarding the Bank's concerns.

**2. Property Contact and Property Information.** Please arrange an inspection of the Property and make an initial request for information with the property contact listed in the Addendum. Appraiser's initial request for information should be made in writing within two business days of receipt of this Agreement and a copy of the request should be sent to the RETECHS Job Manager. Any questions regarding this Agreement should be emailed to the RETECHS Job Manager at elizabeth.parker4@usbank.com.

**3. Appraisal Requirements.** The Appraisal must be prepared in accordance with the requirements of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) and the current edition of Uniform Standards of Professional Appraisal Practice (USPAP). Additional requirements for the Appraisal, if any, will be described in the Addendum. Appraiser agrees that it and its employees and subcontractors are trained in such standards.

It is agreed that the Appraiser is the individual engaged to perform the Appraisal, and such person must sign the Appraisal Certification unless another appraiser acceptable to RETECHS is agreed upon and their name entered into the Additional Instructions comments in the addendum of this Agreement.

If the Appraisal contains wording or disclaimers which limit Appraiser's or Appraisal Company's professional liability to the Bank, the Bank reserves the right to reject the Appraisal and the Bank will not be responsible for any expenses incurred in the completion of the Appraisal. In the event that the Bank accepts an Appraisal that includes wording or disclaimers which limit professional liability to the Bank, the Bank shall not be bound by such disclaimers or limitations of professional liability.

A copy of the following items must be included in the addenda of each copy of the final Appraisal report:

- A. Valid Certification/License
- B. Qualifications

**During the term of this Agreement, if Appraiser determines or is requested by anyone other than RETECHS to make changes to the terms of this Agreement or the scope of work necessary to complete the Appraisal, Appraiser must contact RETECHS in writing. Any changes to this Agreement must be authorized by RETECHS.**

**4. Appraiser as Independent Contractor.** The Bank and Appraiser agree that Appraiser is an independent contractor. Appraiser will not for any reason be deemed to be an employee of the Bank. Appraiser reports directly to the Bank. All Appraisals performed under this Agreement will be performed for and at the direction of the Bank.

**5. Confidential Information.** To enable Appraiser to complete the Appraisal, the Bank may provide Appraiser with Confidential Information (as defined hereafter). "Confidential Information" includes information of a private, proprietary or technical nature and includes (A) all information marked "confidential" or similarly marked or information that, in the exercise of reasonable business judgment, is recognizable as confidential; (B) any information of or about the Bank's customers, including the fact that someone is a customer or prospective customer, all lists of customers, former customers, applicants, prospective customers, and all personal or financial information relating to and identified with such persons ("Customer Information"); (C) the value conclusion or the direction of the value conclusion arrived by Appraiser under this Agreement; (D) the terms and

conditions and existence of this Agreement. Information provided to Appraiser by the Bank is not confidential if:

- it was known to Appraiser before the Bank or the customer provided it to Appraiser; or
- it was public knowledge before the Bank or the customer provided it to Appraiser; or
- it becomes available from a third party, not subject to any confidentiality restrictions, after the Bank or
- customer provided it to Appraiser.

Appraiser or the Appraisal Company and its employees or subcontractors, if any, must (1) hold Confidential Information in confidence and use such information and disclose such information only to those employees as necessary for the purposes of completing the Appraisal and meeting all applicable professional obligations; (2) not discuss any of the value conclusions or the direction of the value conclusions with any persons other than those specified in (1) of this paragraph and RETECHS personnel unless otherwise permitted in writing by RETECHS personnel; (3) protect Confidential Information using at least the same degree of care, but no less than a reasonable degree of care, as one would to protect its own confidential information of a similar nature to prevent the unauthorized disclosure of such Confidential Information; (4) maintain safeguards against the destruction, loss, alteration of, or unauthorized access to Confidential Information. If Appraiser or its employees or subcontractors maintain, process, or otherwise access Customer Information, data security policies and procedures designed to ensure compliance with the safeguards for Customer Information contained in the Gramm-Leach-Bliley Act (GLBA) and its associated regulations must be established and maintained, including: (a) security and confidentiality of Customer Information; (b) protection against anticipated threats or hazards to the security or integrity of Customer Information; and (c) protection against the unauthorized access or use of Customer Information.

Upon completion of the Appraisal, Appraiser has the right to retain and use the Confidential Information for the sole purpose of fulfilling its professional licensing obligations, provided that the obligations set forth in the immediately preceding paragraph continue. After this retention period has expired, Appraiser must destroy all Confidential Information.

In the event that Appraiser, or the Appraisal Company or its employees are requested pursuant to, or required by, applicable law, regulation, or legal process to disclose any of the Confidential Information, Appraiser agrees that it will promptly notify the Bank orally, and confirm in writing, so that the Bank may seek a protective order or other appropriate remedy or, in its sole discretion, waive compliance with the terms of this Confidential Information section. It is further agreed that, in the absence of a protective order or other appropriate remedy, or receipt of a waiver hereunder, Appraiser will furnish only that portion of the Confidential Information which Appraiser or its representatives are advised by counsel is legally required, and Appraiser will exercise reasonable efforts to obtain reliable assurance that confidential treatment will be accorded the Confidential Information. Appraiser and its representatives are entitled to rely, in good faith, upon its counsel in making its determination of what Confidential Information is legally required to be furnished under such circumstances.

If Appraiser suffers or learns of any actual or suspected security breach or unauthorized disclosure that either compromises or could compromise any Confidential Information, Appraiser must: (i) notify the Bank; (ii) estimate the effect on the Bank; (iii) specify the



corrective action to be taken; and (iv) take corrective action to prevent further breach.

Upon request, Appraiser agrees to disclose in detail what steps Consultant has taken and is taking to ensure confidentiality of Confidential Information.

If Appraiser has any questions about the obligations as set forth above, or about how to meet the obligations set forth above, please contact the RETECHS Job Manager for this assignment immediately. The RETECHS Job Manager will assist in meeting the obligations if at all possible. It is essential that the Confidential Information be maintained as confidential and upon conclusion of any applicable professional licensing obligations, the Confidential Information is destroyed.

**6. Conflicts of Interest.** By accepting this Agreement, Appraiser and any employee or subcontractor associated with this Agreement certify that Appraiser has no direct or indirect interest, financial or otherwise, in the Property or transaction, or relationship with the ownership or borrower, and agree not to accept or pursue any additional appraisals, or related assignments, of the Property for a minimum of one year from the delivery date of the final appraisal report without written consent from RETECHS.

**7. Limitation of Liability.** THE BANK WILL NOT BE LIABLE FOR ANY SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES, INCLUDING LOST PROFITS ARISING OUT OF OR RELATED TO THIS AGREEMENT AND THE SERVICES AND/OR PRODUCTS SUPPLIED UNDER THIS AGREEMENT, EVEN IF THE PARTIES HAVE KNOWLEDGE OF THE POSSIBILITY OF SUCH DAMAGES AND WHETHER OR NOT SUCH DAMAGES ARE FORESEEABLE.

**8. Indemnification.** Appraiser and the Appraisal Company shall indemnify, defend and hold the Bank harmless from and against all liabilities, losses, costs and expenses (including attorneys' fees and other legal costs) incurred in connection with claims arising from Appraiser or its employees, agents, or subcontractors' (1) intentional or negligent acts, omissions, misconduct, or misrepresentations, except to the extent caused by the intentional or negligent acts, omissions, misconduct or misrepresentations of the Bank, (2) breach of any obligations or warranties under this Agreement, or (3) violation of any applicable law, statute, or regulation.

**9. Compliance with Governmental Regulations.** Appraiser agrees to comply with any and all applicable laws and regulations in the performance of the Appraisal.

**10. Subcontractors.** Appraiser may not subcontract any services under this Agreement without the prior written approval of RETECHS. In the event that RETECHS consents to the use of subcontractors, Appraiser (1) may not use subcontractors based outside of the United States; (2) is fully responsible and liable for any action or inaction of subcontractors; (3) must ensure that all subcontractors are aware of and comply with the terms and conditions of this Agreement (including, without limitation, the provisions regarding Confidential Information set forth in Section 5); and (4) is responsible for the costs and resources required for monitoring and management of subcontractor. RETECHS and any other departments of the Bank have the right to periodically review significant subcontractors and may terminate this Agreement if a subcontractor does not meet the Bank's risk assessment requirements. The fees and costs of such subcontractor(s) must be included in the fee as specified in this Agreement, unless otherwise agreed to in writing by the parties.

**11. Modification and Waiver.** This Agreement sets forth the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior negotiations and dealings. No change in, addition to, or waiver of any of the provisions

of this Agreement will be binding upon either party unless they are in writing and signed by or accepted in RIMS by both parties. No waiver by either party of any breach by the other party of any of the provisions of this Agreement shall be construed as a waiver of any subsequent breach, whether the same or of a different provision in this Agreement.

**12. Notification of Significant Events.** In addition to the notification requirements stated elsewhere in this Agreement, Appraiser agrees to notify RETECHS if, at any time that it is performing services under this Agreement, Appraiser experiences financial difficulty, catastrophic events, compliance lapses, or legal or regulatory action and, at any time during or after the term of this Agreement, Appraiser receives any complaints regarding Appraiser or the Bank related to the Appraisal.

**13. Governing Law.** This Agreement shall be construed in accordance with and governed by the laws of the State of Minnesota.

**14. Severability.** In the event any provision of this Agreement conflicts with the laws of the State of Minnesota or if any provision is held to be invalid by a court with jurisdiction over the parties to this Agreement, such provision shall be deleted from this Agreement and this Agreement shall be construed to give effect to the remaining provisions thereof.

**15. Regulatory Audit and Risk Assessment.** The Bank is regularly audited by multiple government agencies having supervisory and regulatory authority over the Bank (the "Regulatory Authorities") and by the Bank's own internal auditors. The Bank is required to audit and perform periodic vendor risk assessments on its vendors, both of which may be performed onsite upon request by the Bank. Appraiser must fully cooperate with the Bank's efforts to meet its regulatory obligations and comply in a timely manner with the Bank's requests for documentation and information. Appraiser must make books, records, and operations relating to all services provided to the Bank available for audit or inspection by the Regulatory Authorities, the Bank, or by the Bank's independent auditors promptly upon request, but with at least forty-eight (48) hours' advance notice. If a deficiency is determined in any such audit report or risk assessment, Appraiser must also provide to the Bank all documentation related to resolution of the deficiencies and the corrective actions implemented to prevent its recurrence.

**16. Use of Name and/or Trademarks.** Appraiser and Appraisal Company may not use the Bank's trademarks, trade names, service marks, logos, or other brand marks without prior written approval by the Bank.

**17. Attorney Fees.** In all disputes and matters arising under this Agreement, the parties agree that the prevailing party will be entitled to recover its reasonable attorney fees, court costs, and other legal expenses from the other party.

**18. Notice.** Any notice to any party in connection with this Agreement must be in writing and must be sent by personal delivery, electronic mail, overnight courier or certified United States mail return receipt requested addressed to such party at the address specified below, or at such other or additional address as such party has specified to the other party in writing. All periods of notice (if any) are measured from the date of delivery of the notice if personally delivered, from the date of sending if sent by electronic mail, from the first business day after the date of sending if sent by overnight courier, or from three days after the date of mailing if mailed.

**To Bank:**  
U.S. Bank National Association HO-WA-FBAS  
Elizabeth Parker

Seattle, WA98101

**To Appraiser:**

CBRE, Inc.  
1420 Fifth Ave Suite 1700  
Seattle, WA98101  
Attn: Todd R.. Henderson

**19. Survival of Certain Provisions.** Appraiser's obligations under Sections 5, 8, 9 and 15 will survive any termination or the expiration of this Agreement.

**20. Counterparts.** This Agreement may be executed in any number of counterparts, including counterparts delivered by electronic means, all of which taken together shall constitute one and the same instrument and either of the parties hereto may execute this Agreement by signing any such counterpart or indicating acceptance in the RIMS system.

**21. Waiver of Jury Trial.** APPRAISER HEREBY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION RELATING TO THIS AGREEMENT OR PERFORMANCE OF THE SERVICES UNDER THIS AGREEMENT.

**22. Compliance with Fair and Responsible Lending.** The Appraiser agrees to comply with applicable fair lending laws including the Equal Credit Opportunity Act (ECOA) and the Fair Housing Act (FHA), as well as other federal, state, or local laws that prohibit discrimination. Appraiser also agrees to comply with federal and state laws and regulations that prohibit unfair, deceptive, or abusive acts or practices.

The appraiser will not base the analysis, process, and/or opinion of the subject property's market value either completely or partially on race, ethnicity, color, religion, national origin, sex, age, familial status, sexual orientation, gender identity, disability, or any other basis prohibited by law. This includes both current and prospective owners or occupants of the property (or properties in the vicinity of the subject property), or the racial or ethnic composition of the area in which the property is located.

**23. Delivery Instructions.** Please upload the final Appraisal report including all addenda to RIMS. Additionally, if requested, deliver hard copies of the Appraisal report as directed in the Addendum.

**24. Invoice.** Appraiser must send its invoice to RETECHS including its contact information, invoice date and tax ID on the invoice. Upload the invoice as a separate document in RIMS. Do not include the invoice as part of an Appraisal report uploaded to RIMS. You must contact RETECHS if any invoice is unpaid after 45 days.

**25. Miscellaneous Terms** Headings are inserted for the convenience of the parties only and are not to be considered when interpreting this Agreement.

Sincerely,

Elizabeth Parker  
RETECHS Senior Review Appraiser – NW Region | RETECHS  
elizabeth.parker4@usbank.com

This document was generated using the Real Estate Information Management System (RIMS) and was authenticated using the RIMS User ID for Elizabeth Parker. The original copy of this document will be kept on file. The Bank and RETECHS reserve the right to compare any returned documents with the original, with the understanding that any discrepancy between documents defaults to the original document unless the Bank has agreed to the change in writing.

Acceptance of the electronic award of this engagement in the RIMS system constitutes acceptance by Appraiser of this engagement under the terms of this Agreement.

**If this Agreement has been faxed to you, you must sign below and include a signed copy in your appraisal:**

Appraiser: \_\_\_\_\_

Date: \_\_\_\_\_

## ADDENDUM TO ENGAGEMENT LETTER RETECHS FILE # 24-003420-01-01

Borrower: Tajmahaul LLC

Property Contact/Affiliation: Joshua Mccudden / Account Officer

Property Contact Information: Phone: 360-738-2601 : Email - joshua.mccudden@usbank.com

Alternate Property Contact Information: Not Provided

### PROPERTY DATA

Property Address: W HWY 101  
Sequim, WA 98382  
United States

Property Type: Land - Multi-Family-Other

Property Description: LAND CURRENTLY - TO BE USED TO CONSTRUCT A 20-UNIT TINY HOME VILLAGE WITH A COMMON BUILDING

Legal Description: LOT 1 PACLAND SP V19 P34

### APPRAISAL ASSIGNMENT

Appraisal Fee: \$4,000.00

Due Date: 8/9/2024

Report Type: Summary

Report Format: Narrative

<u>Premise</u>	<u>Qualifier</u>	<u>Interest</u>	<u>Comment</u>
Market Value	As-Is	Fee Simple	
Prospective Market Value	Upon Completion	Fee Simple	
Prospective Market	Upon Stabilization	Leased Fee	

Value

Add'l Instructions:	<p>Please upload an electronic copy of the completed appraisal to the rimscentral.com web site in addition to distribution of hard copies.</p> <p>Invoice Reminders - The invoice must include your contact information, invoice date and tax ID. Upload the invoice as a separate document in RIMS. Do not include the invoice as part of the appraisal report uploaded to RIMS.</p> <p>You must contact RETECHS if any invoice is unpaid after 45 days.</p>
RFP Confidentiality:	This request for bid and the information described herein are both considered confidential by U.S. Bank and should not be discussed with anyone outside of your firm and U.S. Bank. Upon engagement, the confidentiality provisions in the engagement letter apply.
Approaches to Value:	<p>Income Approach Description: Income Approach</p> <p>Cost Approach Description: Cost approach</p> <p>Sales Comparison Approach Description: Sales comparison approach</p>
Intended Use:	<p>Intended Use is Loan Underwriting Description: The intended use of this appraisal is for loan underwriting and-or credit decisions.</p>
Intended User:	<p>Intended User is U.S. Bank Description: The intended users of this report is U.S. Bank National Association, and its parent, affiliates, subsidiaries and assigns.</p>
Remaining Economic Life:	Please include your estimated remaining economic life of the improvements.
Source of Property Size:	Disclose the source of land and improvement sizes and steps taken (if any) to confirm the size. If there is a discrepancy from multiple sources reviewed, disclose which source was relied upon and why.
Inspection:	<p>Inspect Subject and Comparables Description: An interior and exterior inspection of the subject property, as well as an inspection of all comparable properties utilized</p>
Disclosure of Subject Inspection:	The report must disclose who inspected the property and the extent of the inspection.
FEMA County Disaster Confirmation:	Due to the potential impact of disasters, disasters in the property's market must be acknowledged and considered. Therefore, please disclose when the subject property is in a County on the RETECHS FEMA Disaster Declarations List. If on the list, discuss whether or not there is an impact on the subject property valuation. The RETECHS FEMA Disaster Declarations List has Counties that have recently been

declared a disaster area by the Federal Emergency Management Agency (FEMA). The list is in the Vendor Reference Documents section of RIMSCentral.

**Special Flood Hazard Areas - Insurable Cost Template:** If the subject is located within a Special Flood Hazard Area, provide the Community Name, Panel number, date of the flood map reviewed, and designated flood zone. Special Flood Hazard Areas start with the letter A or V. For each proposed or existing individual subject structure that is affixed to the ground and is believed to be in the Special Flood Hazard Area, provide a separate estimate of insurable replacement cost even if the structure does not contribute value. If completing the Insurable Cost Template, please note other structures on the property that are not included and why so all buildings are accounted for. Use the Insurable Cost Template which is located in the Vendor Reference Documents section of RIMSCentral. If you are unable to locate the template, contact RETECHS. Follow the instructions on the template and include the completed template in the report addenda. If using an Income Approach, include the flood insurance premium as an expense.

**Highest and Best Use:** If the Highest and Best Use conclusion is different than the current or proposed use, or is to demolish the existing improvements when a planned redevelopment is not mentioned in the request for proposal, contact the RETECHS Job Manager to discuss.

**Disclosure of Comparable Verification:** Descriptions of comparables should disclose whether the data was confirmed, the person who confirmed the data and the confirmation source. If the source is confidential, then list the source as confidential.

**Disclosure of Comparable Inspection:** Descriptions of comparables should disclose whether the comparable was physically observed and by whom. The source of photos should be disclosed.

**Comparable Analysis:** Summarize the reasoning that supports the adjustment process to the comparable data. The analysis must provide sufficient information, whether qualitative or quantitative, to enable the reader to understand the rationale for the conclusions. It is inadequate to simply present the comparable data with conclusions for the subject property. In addition to closed sales/leases, analyze and discuss available listings, pending transactions and failed transactions. Discuss current market conditions with knowledgeable brokers. Also, if using a foreclosure sale as a comparable transaction, analyze the transaction and discuss whether or not it represents a distressed sale.

**Certification Signature:** By submitting a bid for this RFP, you agree to sign the appraisal certification. You must obtain RETECHS approval for an individual (other than yourself) to sign the certification. RETECHS must confirm that a RETECHS-approved appraiser is a signatory on the appraisal. Preferably state who will sign the certification in the RIMS bid comments field. Alternatively email the RETECHS Job Manager for this assignment. If you are awarded the job after making such a disclosure, that indicates RETECHS approval. At least one appraisal signatory must be a U.S. Bank RETECHS approved appraiser who has a valid license/certification or has received a temporary license/certification in the subject property state. If a temporary permit is needed, please quote an appraisal turn time adequate to obtain the temporary permit as per state requirements. A copy of the temporary permit is to be



included in the appraisal addenda.

Addenda Requirements - certification/license and qualifications:	The following items must be included in the Report addenda: 1) Qualifications of signatory appraisers. 2) Either a copy of valid certification/license for each signatory appraiser or a screen shot from the ASC National Registry evidencing their license/certification status. 3) At least one appraisal signatory must be a U.S. Bank RETECHS approved appraiser who has a valid license/certification or has received a temporary permit for the subject property state. 4) Include a copy of any temporary permit obtained in the subject property state for this assignment.
Report Contents:	A self-contained report describes pertinent information and is to include: a full market overview, an individual discussion and analysis of each rent and sale comparable, an individual comparable write up, photos of comparables observed, an individual discussion and analysis of each income and expense type and a chart presenting Income and/or Sale Comps and any adjustments. A summary report summarizes pertinent information and is to include: a brief market overview, a summarized comparable discussion, photos of comparables observed, a summarized income and expense discussion and a chart presenting Income and/or Sale comparables and any adjustments. For Restricted Plus report contents, refer to the U.S. Bank Restricted Plus Report Requirements document located in the Vendor Reference Documents section of RIMSCentral. This document can be used as a template or you can provide your own format if it includes the required items in the document. If you are unable to locate this document, contact RETECHS.
DCF Programs:	RETECHS is aware of several acceptable DCF programs. If using a DCF program other than ARGUS, please advise RETECHS. If using ARGUS, the following reports should be included in the appraisal addenda: A) the annual cash flow printout, B) the Input Assumptions (select all), C) the Lease Expiration report - All Terms, D) the Occupancy and Absorption Rate Report, E) the Presentation Rent Roll and F) the Individual Tenant Cash Flows. We reserve the right to request an electronic copy of the ARGUS file and you agree to perform some sensitivity testing if requested by RETECHS during the review process.
Late Fee:	If the appraisal is delivered after the specified delivery date without prior written authorization from RETECHS, a late fee of \$100 per business day until the appraisal is received may be deducted at the sole discretion of RETECHS. We reserve the right to withhold payment and/or impose a late fee, if after being notified of issues raised in the review process, you fail to respond or resolve them within 5 business days.
Customer Confidential Information:	Customer Confidential Information: If you are engaged to complete this appraisal assignment, please 1) notify RETECHS if you receive any customer confidential information that may have been provided to you by the bank's customer, their representative, or employees of US Bank, 2) ensure that no such information is included in the appraisal report or in addendum materials, 3) destroy or redact any such information. Customer Confidential Information includes information about any individuals, including business customers and personnel, that is subject to protection under laws, regulations, contractual agreements,

and/or company policy. This would include but not be limited to customer social security numbers, consumer account numbers, customer personal financial data, insurance policy numbers, and any customer personal data including information that can be used to identify an individual, family or household. Please contact RETECHS if you are unsure as to whether something is considered customer confidential.

Engagement Letter Terms and Conditions:	Please refer to the blank copy of the engagement letter showing the terms and conditions for this assignment. You can access this blank engagement letter under the Reference Documents link under the My Customers tab in RIMS. Submitting a bid indicates that you agree that your bid, if accepted, will be governed by the terms and conditions of the engagement letter. If you are awarded the project, you will be sent a completed engagement letter for this assignment at which point both parties will be bound by the terms and conditions of the engagement letter.
Most Probable Buyer:	The most probable buyer is to be concluded in the report based on market evidence (who purchased comparables) and/or discussions with market participants. If the most probable buyer is an owner-occupant, no deductions and discounts are appropriate. If the most probable buyer is an investor, deductions and discounts should be applied when appropriate. If the most probable buyer is uncertain, contact RETECHS to discuss. We may request an estimate of deductions and discounts for informational purposes.
Subcontractors:	Remember if using subcontractors to adhere to the subcontractor requirements in the engagement letter which includes receiving prior written approval from RETECHS for this assignment.
Conflicts of Interest:	Prior to submitting a bid, determine if your company currently has any involvement with the subject property such as property management, leasing, brokerage, or involvement with financing and advise RETECHS.
Inspection of Subject Property:	The extent of the inspection is defined in the Inspection scope. A personal on-site inspection of subject property must be completed by a state certified general appraiser unless otherwise approved by RETECHS for this assignment.
Market Forecasts:	For proposed or unstabilized properties, provide published metro area and submarket forecasts for markets where this data is available for the property type.
Market Participant Comments:	In markets where there are few transactions, provide current, subject or sector-specific, market participant comments regarding items such as projected absorption, projected stabilized vacancy, rents, cap/discount rates and sales prices. Identify the type (investor, broker, etc.) and number of individuals interviewed.
Illegal / Non-Conforming Uses:	If you become aware of an illegal or non-conforming use or activity at the subject property, contact the RETECHS immediately to discuss.
Subject Property	If you do not receive a timely response from the property contact to your

Information: request for property information, contact RETECHS to discuss. Do not complete the appraisal without informing RETECHS of missing property information when vital to the property valuation such as rent roll, income/expense data, etc. If you observe significant discrepancies in the rent roll or financial statements, contact the RETECHS job manager immediately to discuss

Artificial Intelligence: Information provided by U.S. Bank or by the borrower is not to be used with an external Artificial Intelligence (AI) system or exposed to the internet. If you utilize AI in writing the appraisal report, you must disclose to what extent AI was used in the appraisal.

Income Property Expense Analysis: Do not rely on dated subject operating history or dated expense comparables without considering whether trending is appropriate to reflect expense levels anticipated as of the date of value.

Subject Lease Review: When valuing a leased property, the appraiser is to: Verify accuracy of rent roll or lease abstracts against leases; Verify accuracy of any Argus or cash flow input against leases; and Must read/review adequate leases to substantiate the quantity and durability of the gross income stream to include any individual leases whose rent or term may materially impact value.

Address Report to: Elizabeth Parker  
RETECHS Senior Review Appraiser – NW Region  
U.S. Bank  
1420 5th Ave., Suite 700  
Seattle, WA 98101

Delivery Instructions: 0 Copy to:  
Elizabeth Parker  
U.S. Bank  
HO-WA-FBAS  
1420 5th Ave., Suite 700  
Seattle, WA 98101

0 Copy to:  
Joshua Mccudden  
US Bank  
PD-WA BHSB  
121 W Holly St  
Bellingham, WA 98225

Addendum G

# QUALIFICATIONS



VALUATION & ADVISORY SERVICES / MOUNTAIN NORTHWEST DIVISION

## Andrew Chapman

VAS- Senior Vice President

National Practice Leader | Manufactured Housing & RV Park

**M** +1 206 501 0352

**E** andrew.chapman@cbre.com

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### Clients Represented

- Altus Group
- Banner Bank
- Bellwether Enterprise
- Berkadia
- California BoC
- Capital One
- Chase Bank
- Cove Communities
- Five Star Bank
- Greystone
- JLL Capital Markets
- KeyBank
- Kampgrounds of America (KOA)
- Numerica CU
- Park Preservations NW
- PGIM
- ROC USA
- Sun Communities
- Three Pillar Communities
- US Bank
- Vanderbilt Mortgage
- Walker & Dunlop

### Education

- University of Washington, Bachelors-Foster School of Business/Marketing focused

### Professional Experience

Andrew Chapman joins the CBRE Seattle office as a Senior Vice President leading CBRE's Manufactured Housing (MHC) and RV Park valuation team. As the national leader, Mr. Chapman will oversee strategy development and manage all MHC appraisal work across the United States. Mr. Chapman has specialized in Manufactured Housing since 2014 and has managed and appraised properties across a broad spectrum of assignments, including conventional manufactured housing, RV parks (resort, seasonal, extended-stay, membership, overnight), HUD and affordable projects, Freddie and Fannie agency debt, mixed-use communities (self-storage, RV and/or manufactured housing, etc.) and complex proposed developments.

With respect to manufactured housing, he has extensive experience valuing property portfolios, proposed developments or proposed expansions, properties impacted by natural disasters, properties in lease-up and properties with community-owned homes. He has been involved in appraisal related matters across the US and Canada.

Mr. Chapman has over 14 years' experience in real estate providing valuation and appraisal services, court deposition, market studies, rent analysis, feasibility studies, income and expense analysis and providing cash flow projections for sectors specializing in manufactured housing and RV parks.

Prior to joining CBRE, Mr. Chapman worked at JLL Valuation & Advisory, Colliers Valuation and SH&H Valuation & Consulting.

### Licenses

Certified General Real Estate Appraiser I the following States:

Alaska, Arizona, California, Colorado, Hawaii, Idaho, Illinois, Iowa, Maine, Missouri, Montana, Nevada, North Dakota, Oklahoma, Oregon, Utah and Washington

### Awards

- Immediate Impact Award – JLL 2022



State of Washington

DEPARTMENT OF LICENSING  
BUSINESS AND PROFESSIONS DIVISION  
APPRAISER PROGRAM  
PO Box 9021  
Olympia, WA 98507-9021

ANDREW PETER CHAPMAN  
3648 S HEATHER PL  
BELLINGHAM WA 98226-4182

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	<b>STATE OF WASHINGTON</b> DEPARTMENT OF LICENSING - BUSINESS AND PROFESSIONS DIVISION THIS CERTIFIES THE PERSON OR BUSINESS NAMED BELOW IS AUTHORIZED AS A	
<b>CERTIFIED GENERAL REAL ESTATE APPRAISER</b>		
<b>ANDREW PETER CHAPMAN</b>		
1102266 License Number	03/06/2014 Issue Date	09/26/2025 Expiration Date
		 Marcus J Glasper, Director



VALUATION & ADVISORY SERVICES / WEST DIVISION

## Todd Henderson, MAI, AI-GRS

Managing Director, Pacific Northwest

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**M** +1 206 819 1677

**E** todd.henderson@cbre.com

### Clients Represented

- Major National Financial Institutions
- Regional Financial Institutions
- Life Insurance Companies
- Core Investors
- Non-Core Investors
- Private Investors
- REITS
- Attorneys
- Development Companies
- Low Income Developers
- Non-Profit Owners

Certified General Real Estate Appraiser Licenses:

Washington #1101931

Oregon #C000954

Idaho #CGA-4213

### Professional Experience

Todd Henderson is a Managing Director of Valuation & Advisory Services within the Pacific Northwest Region leading the Seattle, Portland and Spokane valuation offices. Mr. Henderson has been involved in real estate appraisal and consulting throughout the State of Washington, Oregon and Idaho, with over 25 years of varied commercial real estate experience in the Pacific Northwest.

As Managing Director, Mr. Henderson leads a valuation and advisory staff specializing in all types of commercial valuations and consulting assignments covering Washington, Oregon and Idaho in primary, secondary and tertiary markets. Valuation assignments include institutional and private capital investment properties as well as market rate and affordable/low-income developments.

### Education

- California State University  
Fresno - History- Magna  
Cum Laude

### Professional Affiliations / Accreditations

- Designated Member (MAI), Appraisal Institute
- Appraisal Institute - General Review Specialist (AI-GRS)
- AI Leadership, Development & Advisory Council (LDAC) 2012 to 2014
- 2015 President's Award, Seattle Chapter of the Appraisal Institute
- CBRE RISE Award Winner - 2018 and 2019
- Appraisal Institute Volunteer of Distinction - June 2017
- Former Board of Directors, Seattle Chapter of the Appraisal Institute
- Former and current board member for various local non-profit groups



State of Washington

DEPARTMENT OF LICENSING  
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	<b>STATE OF WASHINGTON</b> DEPARTMENT OF LICENSING - BUSINESS AND PROFESSIONS DIVISION THIS CERTIFIES THE PERSON OR BUSINESS NAMED BELOW IS AUTHORIZED AS A	
<b>CERTIFIED GENERAL REAL ESTATE APPRAISER SUPERVISOR</b>		
<b>TODD ROBERT HENDERSON</b>		
1101931 License Number	04/05/2008 Issue Date	04/05/2026 Expiration Date
		 Marcus J Glasper, Director



## **CBRE VALUATION & ADVISORY SERVICES**

### **ANDREW CHAPMAN**

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Senior Vice President  
(206) 501-0352  
[andrew.chapman@cbre.com](mailto:andrew.chapman@cbre.com)

### **TODD HENDERSON, MAI, AI-GRS**

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Managing Director  
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