

DATE OF VALUE: AUGUST 21, 2025

LCF LLC

19254 E. Walnut Drive, Rowland Heights, CA 91748

SUBJECT PHOTOGRAPHS



19254 E. Walnut Drive – Front View



19254 E. Walnut Drive – Rear View

SUMMARY OF IMPORTANT FACTS

Property Type:	Office Building
Property Location:	19254 E. Walnut Drive, Rowland Heights, CA 91748
Property Identification:	The two-story building has an effective age of about 25 years. The legal description is Foster and Rowland Tract For Desc See Assessor's Maps Por of Lot 12
Land Area:	13,610 Square Feet
Building Type / Size:	Two story frame and block/7,432 square feet
Year Built / Effective Age:	1987/25 years
Quality / Condition:	Average/Average
Zoning Classification:	Light Manufacturing (M1) classification per the city of Rowland Heights. The subject's improvements appear to be a legally conforming use.
Assessor's Parcel No(s).	Book 8760 Page 002 Parcel(s) 021
Property Owner(s):	Lcf LLC
Ownership Interest Appraised:	100% ownership interest appraised.
Subject's Sale History:	There has been no open market transfer in ownership within the past three years or more. There is no current listing of sale, option or agreement of sale.
Property Rights Appraised:	The value estimated represents the <i>Leased Fee Estate</i> interest, which means that the right of use and occupancy is conveyed by lease to others and that the rights of the leased fee owner are specified by terms contained within the lease(s).
Date of Property Inspection:	The subject was last inspected by David Hayward of Hayward Appraisal Company, Inc. on November 15, 2025. The subject was inspected on various times during the course of this appraisal.
Occupancy Level:	The subject's occupancy level as of the date of value was 33%. The subject's current occupancy level is 33%. Overall occupancy for valuation purposes stabilizes at 95% annually.

SUMMARY OF IMPORTANT FACTS

Appraisal Methodology:

Consideration was given to all three traditional approaches to value. The sales comparison and income capitalization approaches to value were considered to be the most relevant and appropriate for the subject.

Market participants seldom rely on replacement cost as an indicator of market value on an existing building of similar age and design, such as the subject improvements. Therefore, the replacement cost approach was eliminated from use in this appraisal.

It is generally recognized that current market value is less than the cost to acquire land and construct a similar property. New construction is not financially feasible in the local market at this time.

SUMMARY OF IMPORTANT CONCLUSIONS

Highest and Best Use Conclusion:	The existing office use meets the four criteria of legal permissibility, physical possibility, financial feasibility, and maximum profitability and reflects the highest and best use as currently improved. The highest and best use analysis undertaken in this appraisal is not intended to be an exhaustive analysis of every possible use for the subject. Rather, it is intended to provide sufficient analysis of the most likely and most reasonable alternatives.
Market Rent Trend:	Stabilized, with an upward trend near the rate of inflation.
Market Value Trend:	Stabilized, with an upward trend tied closely to future rent trends.
Date of Value (DOV) Occupancy Level:	33% occupancy, 2 tenants.
Estimated Stabilized Occupancy:	95% occupancy, 6 tenants.
Estimated Stabilized Market Rent:	\$178,368 annually; \$2.00 per sq. ft. per month.
Market Expense Basis:	Modified Gross.
Estimated Operating Expenses:	\$50,835 annually; \$0.57 per sq. ft. per month.
Estimated Stabilized Net Operating Income (NOI):	\$118,615 annually; \$1.33 per sq. ft. per month
Estimated Direct Capitalization Rate (OAR):	4.80% to 6.25%
ESTIMATED MARKET VALUE:	\$2,500,000
Value Indications:	
• Income Approach – Direct Capitalization	\$1,900,000 to \$2,470,000
• Sales Comparison Approach	\$2,415,000 to \$2,790,000
• Replacement Cost Approach	Not applicable

SUMMARY OF IMPORTANT CONCLUSIONS

Neighborhood's Major Influence:	The neighborhood's major influences include: <ul style="list-style-type: none">• Retail trade generated by tourism due to destinations such as Hollywood and Pacific Ocean.• manufacturing and trade; the Ports of Long Beach and Los Angeles are the number one and two ports in goods imported or exported on the West Coast• strong education and research promoted at universities such as Cal Poly Pomona, Azusa Pacific and Whittier College.
Subject's Major Strengths:	The subject's major strengths include: <ul style="list-style-type: none">• the geographic location on Walnut Drive.• the ability to benefit from the retail, hotel, and other facilities in close proximity• the quality and condition of the property's construction and maintenance• its close proximity to public parks and recreation areas• the lack of land available for new, competitive construction• the high level of pedestrian traffic throughout the property• the adequate level of both on- and off-street parking• the desirable tenant mix and synergistic uses of the multiple property types.
Subject's Major Risks:	The subject's major risks include: <ul style="list-style-type: none">• the subject property's advanced age, which causes difficulty in competing with newer, competitive projects for tenants• its increased need for repairs, maintenance and capital expenditures for long-lived components, such as roof cover, parking lot, HVAC, etc.
Marketability for Sale:	The most likely purchaser of the subject is considered to be a local investor. Sufficient demand exists for this property type, and supply appears to be in balance.
Estimated Marketing Time:	The marketing period or amount of time necessary to expose the subject to the open market to achieve the estimated market value, is estimated between 3 and 6 months, based on current market conditions. The estimated marketing period assumes that the property will be actively exposed and aggressively marketed to potential purchasers through marketing channels commonly used by sellers of similar properties.

SUMMARY OF IMPORTANT CONCLUSIONS

Estimated Exposure Time:

The exposure period, or the amount of time the subject would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of appraisal, is estimated between 3 and 6 months.

Appraiser Comments:

The subject appears to compete successfully with its competitive peer group in terms of rent and occupancy levels.

See the attached Specific Assumptions and Limiting Conditions.

DATE OF VALUE: AUGUST 21, 2025

LCF LLC

Summary of Supporting Data and Analyses

SUBJECT PROPERTY DESCRIPTION

Location / Address:

As shown on the area map (see Area Map), the subject fronts Walnut Drive. This location is commonly known as 19254 E. Walnut Drive in the city of Rowland Heights, California.

Neighborhood Description:

The surrounding neighborhood consists of a variety of property types and uses. The predominant land use is of industrial and commercial properties, which are similar to the subject. The neighborhood life cycle is stabilized without any marked gains or losses. Surrounding property values, rent, and occupancy levels, indicate unfavorable economic characteristics that are not beneficial to the subject. This location also benefits from ready access to freeways and to business and employment centers. Market conditions appear to be adequate related to supply and demand considerations and downward trending property values (see Subject Neighborhood Description Summary).

Site Analysis and Conclusions:

The subject site has been inspected and analyzed in comparison with similar sites in the surrounding area. Based upon our observations and the supporting data (see Subject Site Description Summary), the subject site, as if vacant, is considered to be adequate for development to its highest and best use.

Improvement Analysis and Conclusions:

The subject improvements were inspected and analyzed in comparison with similar developments in the surrounding area. Based upon our observations and supporting data (see Subject Improvement Description Summary), the subject improvements are considered to be typical and consistent with the highest and best use of the property and competitive with its peer group.

Economic Profile and Conclusions:

The subject's tenant base (see Subject Lease Abstract or Summary of Subject's Current Tenants) reflects rent levels and lease terms consistent with its competitive peer group. Current occupancy level is below market levels. Future rent trends are stabilized with an upward trend at a gradual pace near the rate of inflation. Future value trends are stabilizing with a stable trend tied closely to future rental trends. The subject is considered capable of maintaining its economic competitiveness within the near future.

SUBJECT SITE DESCRIPTION SUMMARY

Land Area (SF):¹	13,610	Shape:	Functional
Accessibility:	Average	Function/Utility:	Average
Exposure:	Average	Topography:	Flat and level
Visibility:	Good	Utilities:	All connected
Flood Hazard:²	None apparent	Soils/Geology:⁴	Appears adequate
Earthquake Hazard:²	Unknown	Drainage:	Appears adequate
Zone:³	M1	Environ. Hazards:⁵	None apparent
Excess Land:	None	Easements/Restrictions:⁶	Unknown
Parking Spaces:	14 +/-	CC&Rs:⁷	None
Traffic Pattern:	Average	Landscaping:	Typical
Traffic Volume:	Good		

Assessor's Parcel No(s).	Book	8760	Page	002	Parcel(s)	021
Assessed Values:	Land	\$483,400	Building	\$938,376	Total	\$1,421,776
2024/25 Total Tax Rate:	1.400%		Real Estate Taxes:⁸		\$19,904.79	

Appraiser's Comments: The subject is a 13,610 square foot site on a paved street served by necessary utilities. Access appears to be average. Visibility/exposure is good. There are no adverse soils conditions of which Hayward Appraisal Company, Inc is aware. The shape of the parcel is functional, and results in no specific development limitation. The topography is generally level and poses no specific development limitation. In conclusion, from a physical standpoint, the site is considered adequate for many types of development. The subject site is typical of surrounding sites and is suitable for development to its highest and best use.

1. According to the county Assessor's parcel map.
2. We did not determine any flood or earthquake hazards, and no professional studies were made available to us, if any.
3. The zoning classification and permitted uses are according to city codes.
4. We did not determine the suitability of soils and underlying geology, and no professional studies were made available to us, if any.
5. We did not determine any environmental hazards, and no professional studies were made available to us, if any.
6. We only considered easements and restrictions furnished to us in a title report.
7. We only considered conditions, covenants, and restrictions furnished to us by the client, if any.
8. The appraised value assumes that the subject property sold on the date of value and that all property taxes are current. If the subject property were sold, a reassessment at that sale price (market value) would occur. The consequences of this reassessment have been considered and its possible impact as an additional expense to be paid by the "new" owner.

Source: Hayward Appraisal Company, Inc., subject's ownership/management and various secondary sources, including public records.

SUBJECT IMPROVEMENT DESCRIPTION SUMMARY

Type/Use:	Light Industrial	No. of Stories:	Two
Gross Building Area SF:¹	7,432 Square Feet	Construction Type:	Class C
Rentable Bldg. Area SF:¹	7,432 Square Feet	Quality:	Average
Year Built:	1987	Foundation:	Concrete
No. of Units:	6	Frame:	Block
Effective Age:²	25 years	Roof Cover:⁵	Built-up composition
Remaining Econ. Life:²	45 years	Exterior Condition:	Average
Overall Condition:	Average	Interior Condition:	Average
HVAC:	Yes	Exterior Walls:	Block
Elevator:	None	Fire Sprinklered:	Unknown
Tenancy:	Multi-tenant	Demising Walls:	Drywall
Restrooms:	Yes	ADA Compliant:⁶	Appears adequate
Deferred Maintenance:³	None Noted	Environmental Issues:⁷	Unknown
Capital Expenditures:⁴	None Noted	Security:	Adequate
Electrical:	Adequate		

Appraiser's Comments: The subject's building improvements are considered to be typical and consistent with the highest and best use of the subject site.

1. *According to the subject's ownership/management, supporting data, or floor plans.*
2. *Based upon our visual observation and experience.*
3. *Excessive deferred maintenance was not noted*
4. *Capital expenditures were not noted*
5. *Roof cover is reported to be in average condition.*
6. *We did not determine American with Disabilities Act compliance, and no professional studies were made available to us, if any.*
7. *We did not determine any environmental issues and no professional studies were made available to us, if any*

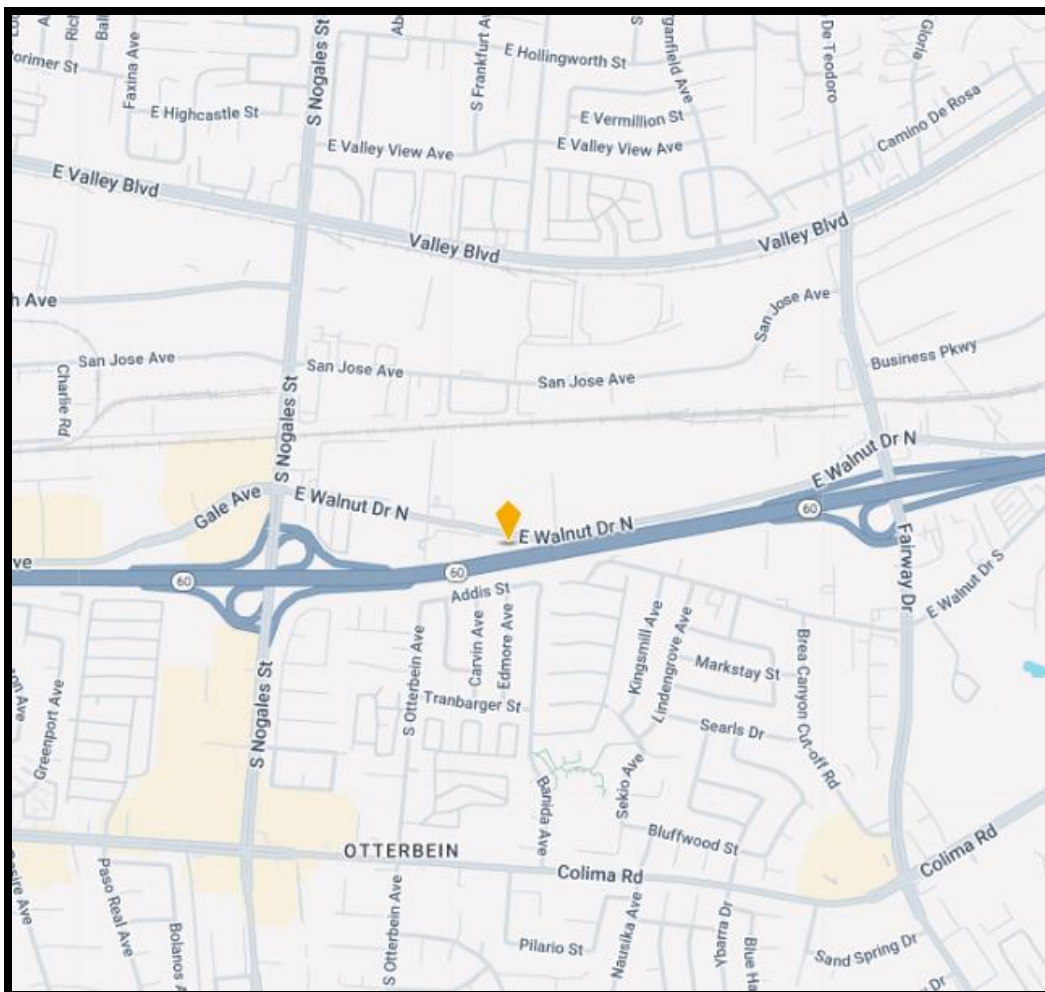
Source: Hayward Appraisal Company, Inc., subject's ownership/management and various secondary sources, including public records.

SUBJECT NEIGHBORHOOD DESCRIPTION SUMMARY

Location:	Suburban	Land Use Change:	Not likely
Built-Up:	Over 80%	Predominant Use:	Commercial
Growth Rate:	Stable	Predominant Occupancy:	Retail tenants
Property Values:	Stable	Rental Demand:	Average
Demand / Supply:	In balance	Vacancy Trend:	Up
Marketing Time:	6 to 12 mos.	Development Trend:	Down
Maintenance / Condition:	Average	Employment Trend:	Down
Transportation / Access:	Average	Population Trend:	Up
Property Compatibility:	Good	Adverse Influences:	None noted

Source: Hayward Appraisal Company, Inc.

Neighborhood Map



DATE OF VALUE: AUGUST 21, 2025
Income Approach Summary

LCF LLC

Income Approach Summary

INCOME APPROACH

The income approach analyzes the subject's income-producing capabilities. The income 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.

Analysis of Market Rent:

The income to investment properties consist of rent. Varying rental characteristics affect the quality of income. Rent analysis involves studies of comparable market rentals (see Comparable Lease Summary) and the subject property's recent leases and/or rental agreement (see Summary of Recent Leases -- The Subject). The comparable rental properties were analyzed and adjusted, if necessary, due to conditions of lease, market condition, location, physical characteristics, and intended use. Discussions with market participants were also undertaken regarding typical lease terms and market trends as of the date of value.

Conclusion of Vacancy and Collection Loss:

This is an allowance for reductions in potential income attributable to vacancies, tenant turnover, and non-payment of rent. In the direct capitalization process, a market-derived, stabilized vacancy and collection loss estimate is subtracted from potential gross income in order to arrive at effective gross income (EGI).

In the case of this subject, 5% has been estimated as the stabilized vacancy and collection loss factor.

Conclusion of Stabilized Potential Gross Income:

The concluded estimate of market rent for the subject is \$2.00 per square foot per month. The conclusion of market lease terms is shown in the Concluded Market Lease Terms -- The Subject.

The estimated stabilized gross annual income (see Stabilized Potential Gross Income -- The Subject) is \$178,368.

Conclusion of Operating Expenses:

For valuation purposes it was necessary to review the subject's operating expense history and review comparable properties' expense ratios and industry guidelines for similar properties. The estimated expenses for the subject property is \$50,835

Conclusion of Net Operating Income:

The subject's net operating income (NOI) is \$118,615 based upon the estimated income and expense levels noted above.

DATE OF VALUE: AUGUST 21, 2025

LCF LLC

Income Approach Summary

Conclusion of Overall Capitalization Rate (OAR):

Investment risk in the income approach is reflected in the rate of return or overall capitalization rate (OAR) used in the capitalization process. An array of value – influencing elements were considered in the rate selection process. The typical value – influencing elements include rent/expense growth, property value growth, due diligence risk, leverage risk, management risk, holding period uncertainty, environmental contamination risk and general physical and economic attractiveness.

For selection of the direct capitalization rate utilized in the income approach, OARs were derived from comparable sale properties (see Overall Capitalization Rate Summary) and investor surveys (see Investor Rate Survey) were also considered.

The overall capitalization rate range estimated for the subject is between 4.80% and 6.25%.

Income Approach -- Direct Capitalization Method Conclusion of Value:

The estimated stabilized value range value of the subject via the direct capitalization analysis (see Direct Capitalization Stabilized Summary) is \$1,900,000 to \$2,470,000.

DATE OF VALUE: AUGUST 21, 2025
Income Approach Summary

LCF LLC

SUMMARY OF SUBJECT'S CURRENT TENANTS

Tenant Name/Suite No.	Lease Date	Bldg Sq. Ft.	Exp. Reimb. \$/PSF/Mo.¹	Remaining Term	Annual Escalation	Monthly Base Rent²
S1 102	Unk.		N/A	Unknown	CPI	\$3,000.00
S2 104	Unk.		N/A	Unknown	CPI	\$800.00
S3 201	Vacant		N/A	Unknown	CPI	\$0.00
S4 202	Vacant		N/A	Unknown	CPI	\$0.00
S5 203	Vacant		N/A	Unknown	CPI	\$0.00
S6 204	Vacant		N/A	Unknown	CPI	\$0.00

DOV Occupancy Level 33%
 (08/21/2025)

Stabilized Occupancy Level: 95%

Source: Tenant leases, lease abstracts and/or tenant rent roll.
 Compiled by: Hayward Appraisal Company, Inc

CONCLUDED MARKET LEASE TERMS -- THE SUBJECT

Category	Amounts
-----------------	----------------

Estimated Market Lease Terms:

- Effective Rent Per Sq. Ft. Per Month..... \$2.00
- Annual Escalation CPI
- Free Rent None
- Average Lease Term 5 years

Source: Hayward Appraisal Company, Inc.

STABILIZED POTENTIAL GROSS INCOME -- THE SUBJECT

Category	Assumptions	Totals
<i>Stabilized Gross Income</i>	7,432 SF @ \$2.00 / SF x 12 mos. =	\$178,368
<i>Other Income:</i>		
• Laundry/Telephone.....		
• Public Utilities		
• Expense Recoveries (CAM)		
• Parking/Storage.....		
• Miscellaneous		
<i>Total Stabilized Potential Gross Income</i>		\$178,368

Source: Hayward Appraisal Company, Inc.

OVERALL CAPITALIZATION RATE SUMMARY

Data No.	Location	Sale Date	Sale Price	Occupancy¹ Level	NOI² \$/SF	Reported OAR³
-----------------	-----------------	------------------	-------------------	------------------------------------	------------------------------	---------------------------------

Office Buildings

R1	1901 W. Pacific Avenue West Covina, CA	07/25	\$2,650,000	100%	\$11.62	6.25%
R2	1300 Potrero Grande Drive Rosemead, CA	06/25	\$1,250,000	100%	\$10.65	6.16%
R3	11227-11229 Valley Blvd El Monte, CA	11/24	\$2,500,000	50%	\$19.64	4.80%
R4	515-525 S. 2 nd Avenue Covina, CA	08/24	\$1,690,000	100%	\$14.25	5.19%

Subject Property

— — — — —

Indicated OAR range for the Subject..... 4.80% to 6.25%

1. *Occupancy level as of the date of sale.*
2. *Net operating income (NOI) per square foot of building area at time of sale.*
3. *Overall capitalization rate (OAR) indicated at time of sale.*

Source: Costar, CREXI, and secondary sources.
 Compiled by: Hayward Appraisal Company, Inc.

RealtyRates.com INVESTOR SURVEY - 4th Quarter 2025*						
OFFICE - ALL TYPES						
Item	Input					OAR
Minimum						
Spread Over 10-Year Treasury	1.06%	DCR Technique	1.10	0.060430	0.80	5.32
Debt Coverage Ratio	1.10	Band of Investment Technique				
Interest Rate	5.32%	Mortgage	80%	0.060430	0.048344	
Amortization	40	Equity	20%	0.072270	0.014454	
Mortgage Constant	0.060430	OAR				6.28
Loan-to-Value Ratio	80%	Surveyed Rates				5.90
Equity Dividend Rate	7.23%					
Maximum						
Spread Over 10-Year Treasury	6.71%	DCR Technique	2.15	0.136166	0.50	14.64
Debt Coverage Ratio	2.15	Band of Investment Technique				
Interest Rate	10.97%	Mortgage	50%	0.136166	0.068083	
Amortization	15	Equity	50%	0.154474	0.077237	
Mortgage Constant	0.136166	OAR				14.53
Loan-to-Value Ratio	50%	Surveyed Rates				13.66
Equity Dividend Rate	15.45%					
Average						
Spread Over 10-Year Treasury	3.39%	DCR Technique	1.63	0.085100	0.68	9.34
Debt Coverage Ratio	1.63	Band of Investment Technique				
Interest Rate	7.65%	Mortgage	68%	0.085100	0.057443	
Amortization	30	Equity	33%	0.117482	0.038182	
Mortgage Constant	0.085100	OAR				9.56
Loan-to-Value Ratio	67.5%	Surveyed Rates				9.68
Equity Dividend Rate	11.75%					
*3rd Quarter 2025 Data			Copyright 2025 RealtyRates.com™			

DIRECT CAPITALIZATION *STABILIZED* SUMMARY -- THE SUBJECT

<i>Stabilized</i> Gross Rental Income ¹	\$178,368
Expense Recovery ²	
Other Income ³	
Total Gross Income.....	\$178,368
Less: Vacancy & Collection Loss @ 5%.....	(\$8,918)
Effective Gross Income (EGI).....	\$169,450
Less: Operating Expenses @ 30%.....	(\$50,835)
Net Operating Income (NOI).....	\$118,615
Overall Capitalization Rate ⁵ (OAR)	4.80% to 6.25%
Indicated <i>Stabilized</i> Values (rd).....	\$1,900,000 to \$2,470,000
Indicated Value per Sq. Ft./Unit (rd)	\$255 to \$335

-
1. See “*Stabilized Potential Gross Income – The Subject*” table shown previously in this section.
 2. Estimated common area maintenance (CAM) and utility expense pass-throughs paid by the tenants, if any.
 1. Other miscellaneous income is derived from telephone, laundry, parking, and off-hour utilities usage fees, if any.
 2. See “*Reconstructed Operation Expenses – The Subject*” table shown previously in this section.
 3. See “*Overall Capitalization Rate Summary*” and “*Investor Rate of Return Survey*” tables shown previously in this section.

Source: Hayward Appraisal Company, Inc.

DATE OF VALUE: AUGUST 21, 2025
Sales Comparison Approach Summary

LCF LLC

Sales Comparison Approach Summary

SALES COMPARISON APPROACH

The sales comparison approach provides an estimate of market value based on analyzing transactions of similar properties in the market area. The method is based on the proposition that an informed purchaser would pay no more for a property than the cost of acquiring an existing one with the same utility. When there are an adequate number of sales of truly similar properties with sufficient information for comparison, a range of values for the subject can be developed.

Analysis of Comparable Sales:

Comparable sales were analyzed on the basis of price per square foot. The unit of comparison selected is the result of interviews with buyers and sellers in the marketplace. Comparable Sales Summary summarizes the comparable sales within the parameters that were identified and used in the valuation analysis. Adjustments to increase comparability included terms of sale, market conditions, location, type of use, and physical and economic characteristics. The primary adjustment factors were location and physical and economic characteristics.

The location adjustment takes into account differences in the comparables relative to their surrounding environs, exposure, corner, view, traffic access, surrounding land uses, proximity to major transportation routes, distance/time between employment centers and/or residential centers, economics, and demographics in the immediate area.

The physical characteristics adjustment takes into account differences in the comparables relative to building and land sizes, building age and condition, quality of construction, and functionality.

The economic characteristics adjustment takes into account differences in the comparables relative to their income-producing abilities, operating expense ratios, and occupancy levels.

Conclusion of the Sale Comparison Approach to Value:

The indicated estimated stabilized value range of the subject via the sale comparison approach (see Sales Comparison Value Indicators Summary -- The Subject) ranges from \$2,415,000 to \$2,790,000. The indicated price per square foot range is supported by the comparable sale properties and the overall average after considering the need for adjustments for the subject's location, physical characteristics, and economic characteristics.

COMPARABLE SALES SUMMARY

Data No.	Name/Location	Sale Date	Age (Yrs.)	Bldg. Size (SF)	Sale Price		Overall Comparability ¹
					Total	Per SF	

Office Buildings

R1	450 W. San Jose Avenue Claremont, CA	08/25	41	7,050	\$2,737,000	\$388.23	Similar
R2	464 E. Bonita Avenue San Dimas, CA	02/25	45	5,343	\$1,900,000	\$355.61	Sl. Inferior
R3	501 S. 1 st Avenue Arcadia, CA	12/24	70	6,527	\$2,900,000	\$444.31	Superior
R4	3042 Santa Anita Avenue El Monte, CA	08/24	84	7,798	\$2,800,000	\$359.07	Similar

Subject Property

41 7,432

Overall Averages:²

60 6,680 \$2,584,250 \$386.81

1. Data item's overall qualitative comparison to the subject.
2. The use of averages is not directly applicable to the subject but is presented as an overall observation from market data presented.

Source: Costar, CREXI, public records, and various secondary sources.
 Compiled by: Hayward Appraisal Company, Inc.

DATE OF VALUE: AUGUST 21, 2025
Sales Comparison Approach Summary

LCF LLC

SALES COMPARISON VALUE INDICATORS -- THE SUBJECT

Indicated Value per Sq. Ft.		Subject Building Sq. Ft.		Total Value Indication¹ (rd)
\$325.00	x	7,432	=	\$2,415,000
\$375.00	x	7,432	=	\$2,790,000

1. Indicates value assuming stabilized occupancy.

Source: Hayward Appraisal Company, Inc.

DATE OF VALUE: AUGUST 21, 2025
Cost Approach Summary

LCF LLC

Cost Approach Summary

REPLACEMENT COST APPROACH

The cost approach estimates the value of the vacant site and adds to it the depreciated cost of the improvements. The cost approach is based on the proposition that an informed purchaser would pay no more for the subject than the cost to acquire similar land and construct similar improvements.

This method is particularly applicable when the property being appraised involves relatively new improvements, which represent the highest and best use of the land. It is also highly relevant when relatively unique or specialized improvements are located on the site and no comparable properties exist on the market.

The cost approach is not applicable in this appraisal. Hayward Appraisal Company has discussed pricing methodology with various developers, investors, and brokers active in the local market. Most respondents indicated that properties similar to the subject are most often analyzed via an income analysis, including both direct capitalization and a direct capitalization analysis. Secondary consideration is given to an analysis of comparable sales. The cost approach is rarely used as a means to estimate market value for similar properties in the local market. Therefore, the cost approach has not been presented. It is generally recognized that current market value is less than the cost to acquire land and construct a similar property and new construction is not financially feasible in the local market.

DATE OF VALUE: AUGUST 21, 2025
Reconciliation

LCF LLC

Reconciliation

RECONCILIATION OF VALUE

Hayward Appraisal Company, Inc. was instructed to estimate the market value of the subject. In analyzing the subject, the three traditional approaches to value were considered: the income, sales comparison, and cost approaches. The value indications reached for each approach are summarized in the following table:

SUMMARY OF MARKET VALUE INDICATIONS

Valuation Methodology		
Income Analysis	Comparable Sales	Replacement Cost
\$1,900,000 to \$2,470,000	\$2,415,000 to \$2,790,000	Not applicable

Source: Hayward Appraisal Company, Inc.

The income approach is predicated on the principle of anticipated economic benefits and, therefore, best reflects the investment characteristics of the subject.

The sales comparison approach is predicated on the principle that an investor would pay no more for an existing property than for a comparable property with similar utility. This approach is contingent on the reliability and comparability of available market data and reflects the actions of all market participants.

The cost approach is predicated on the principle that an investor would pay no more for an existing property than it would cost to acquire land and construct a building with similar utility and fee simple property rights. The cost approach was eliminated from consideration as previously discussed.

Based on the foregoing market data and analysis, it is concluded that the market value of the subject is:

FINAL MARKET VALUE CONCLUSION

Value Appraised	Property Rights	Date of Value	Estimated Value¹
Market Value "As Is"	Leased Fee	August 21, 2025	\$2,500,000

1. This market value estimate is subject to the assumptions and limiting conditions stated throughout this summary report.

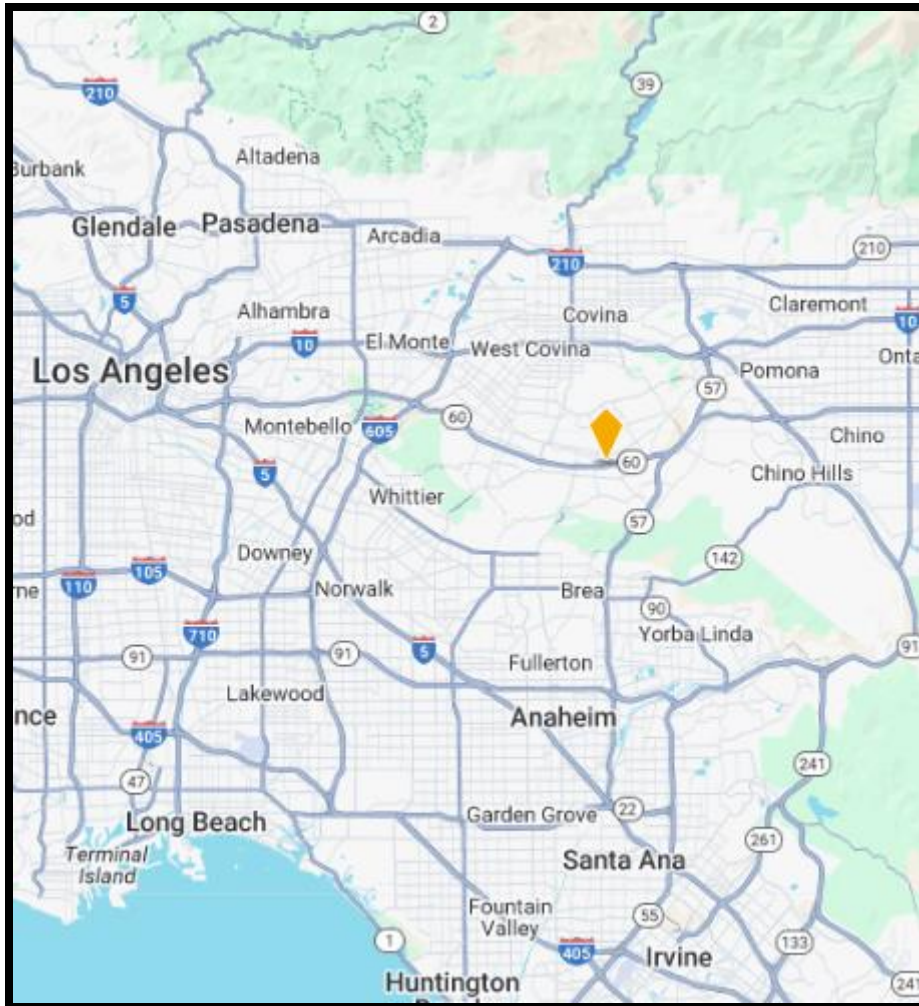
Source: Hayward Appraisal Company, Inc.

DATE OF VALUE: AUGUST 21, 2025
The Subject Exhibits

LCF LLC

The Subject Exhibits

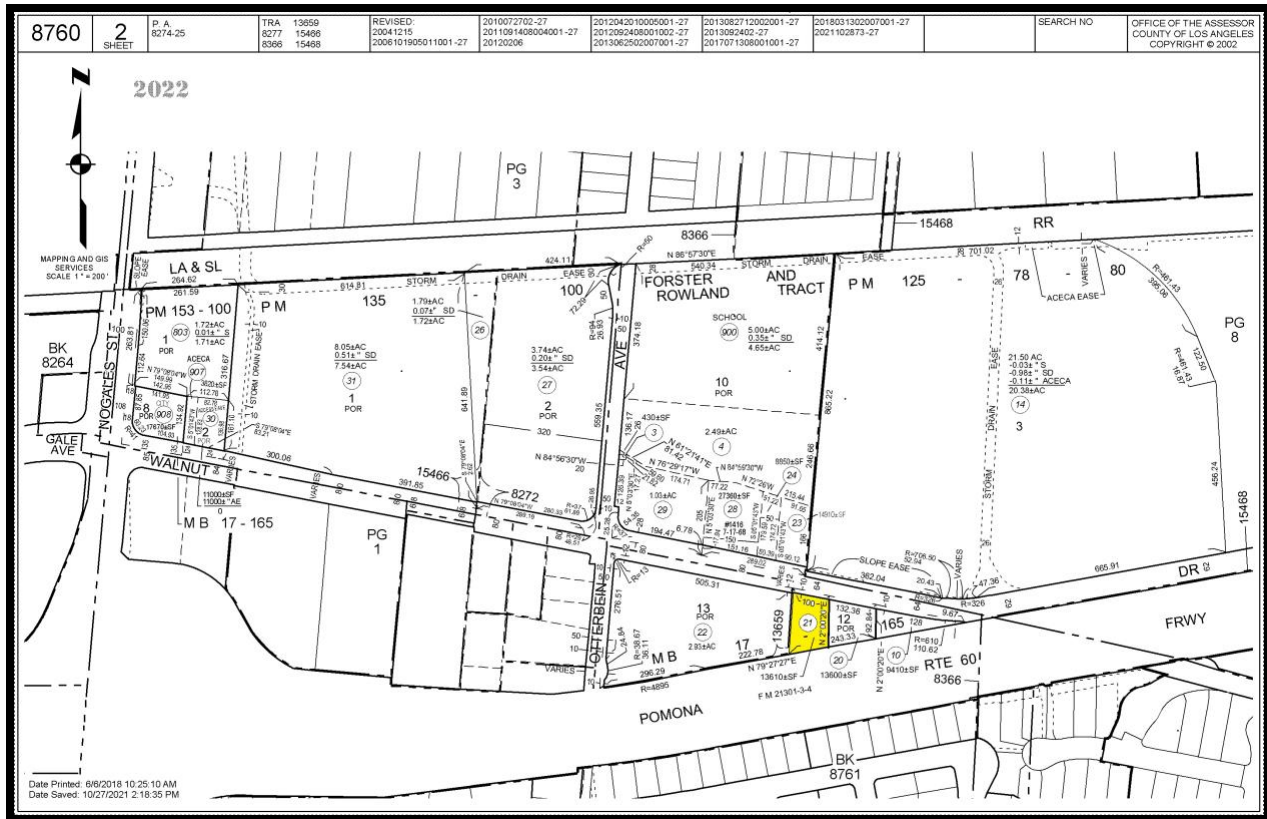
Area Map



DATE OF VALUE: AUGUST 21, 2025
 The Subject Exhibits

LCF LLC

Parcel Map



Zoning Map

