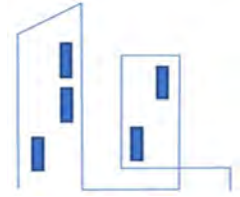


# APPRAISAL REPORT

A. D. Whitmarsh Appraisal, Inc.

Real Estate Appraisal & Consulting  
Commercial / Residential

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## Industrial Building

An Industrial Building (Vacant)

199 Hillcrest Avenue  
San Bernardino, CA 92509

**Date of Value**  
February 10, 2023

**Date of Report**  
March 2, 2023

**Appraised For:**  
Mr. Rick Jackson, Owner  
Jackson Rivero  
LB Property Group, LLC  
9219 Trailhead Point  
Jurupa Valley, CA 92509

**Appraised By:**  
**A. D. Whitmarsh Appraisal, Inc.**  
**Real Estate Appraisal & Consulting**  
**Anthony Whitmarsh**  
100 E. San Marcos Blvd., Suite 400  
San Marcos, CA 92069  
(760) 535-1679

[twhitmarsh@outlook.com](mailto:twhitmarsh@outlook.com)

March 2, 2023

Rick Jackson, Owner  
Jackson Rivero  
9219 Trailhead Point  
Jurupa Valley, CA 92509

Re: Appraisal of: Industrial Building  
Located at: 199 Hillcrest Avenue, San Bernardino, CA 92509

Dear Mr. Jackson,

In accordance with your request, I have made an appraisal of the above-referenced property and I Have Inspected the existing improvements performing an Interior Inspection. The subject improvements consist of An Industrial Building (Vacant) improvement which is 14,400 square feet gross and 14,400 square feet net. The subject's size used in this report is for comparison purposes only. It should be noted that the square footage of the building may vary depending on various measuring techniques. The lot size was estimated to be 25,250 square feet or 0.580 acres.

The purpose of the appraisal is to estimate the Fee Simple **market value** of the subject property. Market value is defined as the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. A complete definition in accordance with the Federal Deposit Insurance Corporation (FDIC) Final Rules, 12 CFR Part 323.2(f) is included in this report.

After completing an analysis of the property as reflected in the attached report, it is our opinion that the market value of said property, as of February 10, 2023, is:

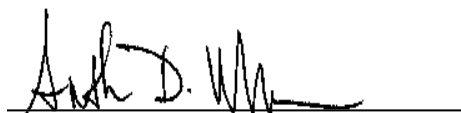
**As Is Fee Simple Value:**

**\$2,600,000**

This report conforms to the Uniform Standards of Appraisal Practice (USPAP) and Title IX of the Financial Institution Reform, Recovery and Enforcement Act of 1989 (FIRREA) as amended June 7, 1994.

This letter transmits the attached report, which reflects our reasoning for the value conclusions reached. Please note the assumptions and limiting conditions that apply to and are a part of the report. If we may be of further assistance to you in this matter, please do not hesitate to call. Thank you once again for using our appraisal services.

Best Regards,

A handwritten signature in black ink, appearing to read 'Anthony D. Whitmarsh', is written over a horizontal line.

Anthony Whitmarsh, CGA  
BREA AG #018113


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## **CERTIFICATE OF APPRAISAL**

- \* That the statements of fact contained in this report are true and are correct.
- \* That Have Not Performed as an appraiser for subject property within three years preceding the date that this assignment was accepted. I have not performed in any other capacity regarding the subject property within three years preceding the date that this assignment was accepted.
- \* The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal and unbiased professional analyses, opinions and conclusions.
- \* I 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.
- \* I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment or report.
- \* That my engagement in this assignment was not contingent upon developing or reporting predetermined results.
- \* That my 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.
- \* My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- \* As of the date of this report, I Anthony Whitmarsh have completed the Standards and Ethics Education Requirements for Candidates and Associate Members of the Appraisal Institute.
- \* That I have made a Interior Inspection of the property that is the subject of this report. In the event that a “desktop inspection” is indicated, the subject property was not physically inspected, or the physical inspection of the property was not a condition of the assignment and all information was obtained from the owner, tenants or other reliable sources including but not limited to the county assessor’s records, other government services, Google Maps, Bing Maps, Redfin, Zillow, MLS services, CoStar, Homes.com, LoopNet, Apartments.com, and other real estate and mapping services.
- \* 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 Practice of the Appraisal Institute.
- \* The use of this report is subject to the requirements of the Appraisal Institute relating to the review by its duly authorized representatives.

- \* That this appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or loan approval.
- \* This appraisal report sets forth all the limiting conditions (imposed by the terms of this assignment or by the undersigned) affecting the analyses, opinions and conclusions contained in this report.
- \* The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- \* That the appraiser has the appropriate knowledge and experience to complete this assignment competently in accordance with the competency provision as required by USPAP. Appraiser qualifications are located near the end of this report.
- \* In determining the subject's value, no other persons have provided the undersigned significant real property appraisal assistance.



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Anthony Whitmarsh  
Certified General Appraiser  
CA# AG018113

## LIMITING CONDITIONS

The following items are contingent and limiting conditions. The appraiser's certification that is contained in this report is subject to the following conditions:

- \* All information provided by the owner orally or in writing regarding rental income, property expenses, repairs completed to the subject property, maintenance records, tenancy, terms of leases, and general information regarding the subject property including photographs are assumed and considered to be accurate as they pertain to the subject property. The appraiser does not claim responsibility for the accuracy of the data, information, estimates or photographs provided by the client and the information was not independently verified.
- \* It is assumed that there are no structural defects hidden by floor or wall coverings or any other hidden or unapparent conditions of the property; that all mechanical equipment and appliances are in good working condition; and that all electrical components and the roofing are in good condition. It is beyond the scope of this appraisal report to test appliances, equipment or fixtures and the appraiser is not an expert to determine the safety or adequate operation of equipment or appliances.
- \* If the client has any questions regarding these items, it is the client's responsibility to order the appropriate inspections. The appraiser does not have the skill or expertise needed to make such inspections. The appraiser assumes no responsibility for these items.
- \* That the subject's improvements are 14,400 square feet. This is only an estimate. The subject's measurements may differ from the information obtained from the county assessor. In some instances, the county assessor may not report the improved size of the property, which is the subject of this report.
- \* The subject's total lot size is 25,250 square feet (0.580 acres) based on information obtained from the county assessor.
- \* It is assumed that the property is in compliance with all applicable federal, state and local laws, ordinances, regulations, building standards, use restrictions and zoning unless the lack of compliance is stated in the appraisal report. Determining and reporting on such compliance were not part of the scope of work for this assignment.
- \* Unless otherwise stated in this report, the past or current existence of hazardous materials or environmental contamination on, below or near the subject property was not observed or known by the appraiser. The appraiser, however, is not qualified to detect such substances or to make determinations about their presence. The presence of substances such as asbestos, urea-formaldehyde foam insulation and other potentially hazardous materials or environmental contamination may affect the value of the property. Unless otherwise stated, the value estimated is predicated on the assumption that there is no such material on, below or affecting the property that would cause a loss in value. No responsibility is assumed for such conditions or for any expertise or engineering assistance required to discover them. The intended user is urged to retain an expert in this field, if desired.

- \* As of the date of value, the subject property is not under contract to be purchased, was not offered for sale, and is not subject to a purchase option. An arms-length transaction Did Not Occur in the three years preceding the date of value. Other transactions may have occurred that are non-arms-length and are indicated in the "Three Year Sales History" of this report.
- \* An asbestos report has not been provided for the subject property, and the appraiser has no expertise in determining the presence of asbestos.
- \* It is assumed that all water, sewer facilities and utilities (whether existing or proposed) are or will be in good working order, are safe for use, and are or will be sufficient to serve the current or proposed uses of the subject property or any structures or other improvements. Determining and reporting on such matters were not part of the scope of work for this assignment.
- \* The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial and unbiased professional analyses, opinions and conclusions.
- \* The information, estimates and opinions furnished by others and contained in this report are assumed to be true, correct and reliable. A reasonable effort has been made to verify such information; however, the appraisers assume no responsibility for its accuracy.
- \* Due to the varying requirements of individual review appraisers, attorneys and fiduciaries, this report cannot be guaranteed to meet any one reviewer's opinion of acceptability. Any changes required by a reviewer will be completed at the client's expense and at the appraiser's option.
- \* That any third-party studies referred to in this report such as tests, hazardous materials, structural, etc., have been verified by the appraiser to the extent of the assumptions, conclusions and recommendations explained. The appraiser does not have the expertise to comment on the accuracy or validity of such reports.
- \* Remediation of environmental conditions, structural defects, unknown conditions, unsuspected conditions and various forms of contamination may significantly affect the market value of the subject property and must be disclosed to the appraiser prior to the completion of this report.
- \* That the value is in accordance with our estimate of highest and best use. All sales have been adjusted to a cash-equivalent price when appropriate and sufficient data was available.
- \* The economic and market projections included in this report are utilized to assist in the valuation process and are based on current and historic economic conditions. Thus, the analyses and valuation are subject to change in the future due to economic forces that cannot be predicted by the appraiser.
- \* That the appraiser assumes no responsibility for any hazardous or toxic waste substances (including those that are on the site either underground or stored) and this appraisal assumes that there are no such influences unless otherwise stated within the body of this report. It should be understood that adverse toxic or

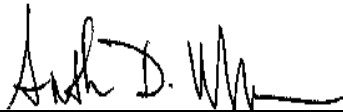
hazardous waste conditions if found on the site could dramatically impact on the indicated value, necessitating an amendment to this report or a reappraisal of the subject property at the client's expense.

- \* The appraiser is not a building inspector; this appraisal report cannot be relied upon to disclose conditions and/or defects in the subject property.
- \* Properties built prior to January 1, 1978, may contain lead-based paint, the presence of such material has not been tested by the appraiser and a report containing a final determination of the presence of lead paint has not been provided. The appraiser has no expertise in determining the presence of lead paint and is not responsible for testing to determine the presence of lead on painted surfaces.
- \* Use of or reliance on this appraisal or appraisal report, regardless of whether such use or reliance is known or authorized by the appraiser, constitutes acknowledgment and acceptance of these general assumptions and limiting conditions, any extraordinary assumptions or hypothetical conditions, and any other terms and conditions stated in this report.
- \* The only users for this report are the intended users as indicated in the Intended Use and Intended User section of this report. Possession of this report does not constitute an intended user, and the use of this report is unauthorized by anyone other than the intended user of this report. The appraiser is not responsible for any adverse circumstances resulting from the unauthorized use of this report.
- \* No part of the appraisal report or the Appraiser's opinions or conclusions may be published or used in any advertising materials, property listings, investment offerings or prospectuses, or securities filings or statements without Appraiser's prior written authorization. Any party who publishes or uses the report or Appraiser's work product without such authorization or who provides the report or Appraiser's work product for such unauthorized use or publication agrees to indemnify and hold Appraiser and Firm harmless from and against all damages, liabilities, losses, causes of actions, expenses, claims and costs, including attorneys' fees, incurred in the investigation and/or defense of any claim arising from or in any way connected to the unauthorized use or publication. The appraiser reserves the right to amend the appraisal report if material information, newly discovered or previously undisclosed, is determined to have an impact on the concluded values or range of values contained in this report.
- \* Unless identified expressly in the agreement, there are no third-party beneficiaries of any Appraisal Services Agreement pertaining to the appraisal, and no other person or entity shall have any right, benefit or interest under such agreement. The identification of a party as an intended user of the appraisal does not mean that the party is a third-party beneficiary of the Appraisal Services Agreement.
- \* Notwithstanding that Appraiser may comment on, analyze or assume certain conditions in the appraisal, Appraiser shall have no monetary liability or responsibility for alleged claims or damages pertaining to: (a) title defects, liens or encumbrances affecting the property; (b) the property's compliance with local, state or federal zoning, planning, building, disability access and environmental laws, regulations and standards; (c) building permits and planning approvals for



- improvements on the property; (d) structural or mechanical soundness or safety; (e) contamination, mold, pollution, storage tanks, animal infestations and other hazardous conditions affecting the property; and (f) other conditions and matters for which licensed real estate appraisers are not customarily deemed to have professional expertise.
- \* Unless the time period is shorter under applicable law, any legal action or claim relating to the appraisal or Appraisal Services Agreement shall be filed in court (or in the applicable arbitration tribunal, if the parties to the dispute have executed an arbitration agreement) within two (2) years from the date of delivery to Client of the appraisal report to which the claims or causes of action relate or, in the case of acts or conduct after delivery of the report, two (2) years from the date of the alleged acts or conduct. The time period stated in this section shall not be extended by any delay in the discovery or accrual of the underlying claims, causes of action or damages. The time period stated in this section shall apply to all non-criminal claims or causes of action of any type.
  - \* To the fullest extent permitted by applicable law, the maximum monetary liability of Appraiser, Firm or Client to one another or to any third party (regardless of whether such party's claimed use or reliance on the appraisal was authorized by Appraiser) for any and all claims or causes of action relating to the appraisal or Appraisal Services Agreement shall be limited to . the total compensation, less expenses, actually received by Appraiser for the appraisal or other services that are the subject of the claim(s) or cause(s) of action. This limitation of liability extends to all types of claims and causes of action, whether in contract or tort, but excludes: (i) claims/causes of action for intentionally fraudulent or criminal conduct, intentionally caused injury, or unauthorized use or publication of the appraisal or Appraiser's work product or (ii) claims/causes of action by Appraiser or Firm for the collection of unpaid compensation for the appraisal or other services (for which the maximum recovery shall be the total amount unpaid and owing to Appraiser, plus applicable interest and late charges).
  - \* All unpaid compensation will be subject to a minimum collection fee equal to 100% of the initial compensation after 90 days of delivery of the appraisal report either by electronic mail or conventional mail or delivery services regardless of whether a signed receipt is obtained.
  - \* No Appraiser, Firm nor Client shall be liable to one another or to any third party for special or consequential damages, including, without limitation, loss of profits or damages proximately caused by loss of use of any property, regardless of whether arising from negligence or breach of the Appraisal Services Agreement or otherwise, and regardless of whether a party was advised or knew of the possibility of such damages.
  - \* Legal claims or causes of action relating to the appraisal or Appraisal Services Agreement are not assignable, except: (i) as the result of a merger, consolidation, sale or purchase of a legal entity, (ii) with regard to the collection of a bona fide existing debt for services but then only to the extent of the total compensation for the appraisal plus reasonable interest, or (iii) in the case of an appraisal performed in connection with the origination of a mortgage loan, as part of the transfer or sale of the mortgage before an event of default on the mortgage or note or its legal equivalent.

- \* In the event that Appraiser or Firm is compelled by subpoena or other legal or administrative process to provide testimony or produce documents relating to the appraisal or Appraiser's services, whether in court, deposition, arbitration or any other proceeding, the party seeking such testimony or documents agrees to compensate Appraiser or Firm, as applicable, for the reasonable time incurred in connection with preparation for and provision of such testimony and/or documents at Appraiser's rates in effect at that time and reimburse reasonable actual expenses.
- \* If any provision of these Terms and Conditions is held, in whole or part, to be unenforceable or invalid for any reason, the remainder of that provision and the remainder of the entire Terms and Conditions will be severable and remain in effect.
- \* Legal matters arising from the contents of this report where the appraiser is required to testify will require the intended user(s) of this report to compensate the appraiser for time to research and prepare for testimony as well as time required for the testimony and any other expenses including travel regardless of the nature of the legal matter.



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Anthony Whitmarsh  
Certified General Appraiser  
CA# AG018113

## SUMMARY OF SALIENT FACTS & CONCLUSIONS

**CLIENT:** Mr. Rick Jackson, Owner for the LB Property Group, LLC  
 Jackson Rivero  
 9219 Trailhead Point  
 Jurupa Valley, CA 92509

**PROPERTY:** Industrial Building  
 199 Hillcrest Avenue  
 San Bernardino, CA 92509

<b>IMPROVEMENT:</b>	An Industrial Building (Vacant)
<b>APN:</b>	0141-281-11-0000
<b>INTEREST APPRAISED:</b>	Fee Simple
<b>IMPROVED SIZE (Gross):</b>	14,400 square feet
<b>IMPROVED SIZE (Net):</b>	14,400 square feet
<b>BUILDINGS</b>	1
<b>TYPE OF REPORT:</b>	Limited Summary Report
<b>PERSONAL PROPERTY INCL.</b>	No Personal Property
<b>INSPECTION:</b>	I Have Inspected the Subject
<b>TYPE OF INSPECTION:</b>	Interior Inspection
<b>YEAR BUILT:</b>	1968
<b>SUBJECT AGE</b>	57 Years
<b>SUBJECT EFFECTIVE AGE</b>	25 Years
<b>CONDITION:</b>	Average
<b>LOT SIZE (SF):</b>	25,250 square feet
<b>LOT SIZE (AC):</b>	0.580 acres
<b>TOPOGRAPHY:</b>	Level Pad, above grade from street level
<b>ZONING:</b>	IL - Light Industrial
<b>SUBJECT SITE EXPOSURE</b>	(Unknown) Cars Per Day
<b>BUILDING CLASS:</b>	Class C/D - Concrete Tilt-up / Crowned Roof
<b>PARKING:</b>	20 Spaces
<b>TENANCY</b>	1 or 2 Tenants
<b>SUBJ CURRENT TENANT(S)</b>	Vacant

### SUMMARY OF SALIENT FACTS & CONCLUSIONS (continued)

<b>SALES COMPARISON \$/SF:</b>	\$190.00 per square foot -
<b>INCOME APPROACH \$/SF:</b>	\$173.77 per square foot
<b>SUBJECT LEASE RATE &amp; TYPE:</b>	\$0.00/SF NNN (Vacant)
<b>MARKET LEASE RATE &amp; TYPE:</b>	\$1.10/SF Triple Net (NNN)
Lowest Market Lease Rate:	\$0.63/SF
Highest Market Lease Rate:	\$1.35/SF
Average Market Lease Rate	\$1.08/SF
Average size of transaction	5,882/SF
Number of transactions	14
Average Marketing Time	4 Months
Typical Lease Terms	1 to 5 Years
<b>AVG. SIZE OF LEASE COMPS:</b>	5,882 Square Feet
<b>SUBJECT'S NET RENTABLE SF:</b>	14,400 Square Feet
<b>PRO-FORMA CAP RATE:</b>	7.00%
<b>EXTRAORDINARY ASSUMP.:</b>	No Extraordinary Assumptions
<b>HYPOTHETICAL CONDITIONS:</b>	No Hypothetical Conditions
<b>EXPOSURE TIME:</b>	3-6 Months
<b>MARKETING TIME:</b>	3-6 Months
<b>SERVICES PRIOR 3 YEARS:</b>	I Have Not Performed Prior Services on Subject Property
<b>3 YEARS ARMS LENGTH SALE:</b>	Did Not Occur
<b>INTENDED USE OF APPRAISAL:</b>	For Marketing Purposes
<b>PURPOSE OF THE APPRAISAL:</b>	Establish the Subject's Market Value

## SUMMARY OF SALIENT FACTS & CONCLUSIONS (continued)

### SUMMARY OF ANALYSIS FOR VARIOUS SUBJECT VALUES

#### VALUE BASED ON WEIGHTED AVERAGES

Value from Weighted Avg:	\$2,744,608
Weighted Average \$/SF	\$190.60

#### RANGE OF SALES AFTER ADJUSTMENTS

High \$/SF	\$215.79
Low \$/SF	\$172.30
Average \$/SF	\$199.76

#### RECONCILED VALUE – SALES APPROACH

Value from Sales Approach	\$2,700,000
Sales Approach \$/SF	\$190.00

#### RECONCILED VALUE – INCOME APPROACH

Value from Income Approach	\$2,500,000
Income Approach \$/SF	\$173.77

#### RECONCILED VALUE – “AS IS” SALES APPROACH

Value from Sales Approach	\$2,700,000
Less Deferred Maintenance	-\$0
Less Rent Loss	-\$0
Less Lease Up Costs	-\$0
	<hr/>

Sales Comparison Approach “As Is”      **\$2,700,000** (rounded)

#### RECONCILED VALUE – “AS IS” INCOME APPROACH

Value from Income Approach	\$2,500,000
Less Deferred Maintenance	-\$0
Less Rent Loss	-\$0
Less Lease Up Costs	-\$0
	<hr/>

Income Approach “As Is”      **\$2,500,000** (rounded)

**CONCLUDED VALUES:****Improvement: An Industrial Building (Vacant)**

Cost Approach	N/Ap
Sales Comparison Approach	\$2,700,000
Income Approach	\$2,500,000
Reconciled Market Value	\$2,600,000
Reconciled Market Value	\$2,600,000
Less Deferred Maintenance	-\$0
Less Rent Loss	-\$0
Less Lease Up Costs	-\$0
Reconciled Market Value "As Is" (rounded)	\$2,600,000

**CONCLUDED VALUES -AS IS:**

Sales Comparison Approach - As Is (rnd)	\$2,700,000
Income Approach - As Is (rnd)	\$2,500,000
Reconciled Market Value – As Is	\$2,600,000
As Is Reconciled Value	\$2,600,000

**DATE OF VALUE:**  
**DATE OF REPORT**  
**APPRAISER:**

February 10, 2023  
 March 2, 2023  
 Anthony Whitmarsh

## Aerial Photo

199 Hillcrest Avenue  
San Bernardino, CA 92509



Aerial View





**Subject Front**





**Subject Paved Parking**



**Subject Side**



**Subject Interior**





**Future Roll up Door**



**Roll up Door**



**Side Entry**





**Subject Interior**

## THE APPRAISAL PROCESS

A systematic process involving research, collection, and analysis of data constitutes the backbone of estimating the market value of real property. With this estimate of market value being the focus of this appraisal problem, a plan is formulated which will lead to a solution. Supporting data is gathered, classified, and analyzed to provide the value estimate. In the process, three approaches to value may be utilized: The Cost Approach, the Income Capitalization Approach, and the Sales Comparison Approach.

The **Cost Approach** requires an analysis of recent sales of similar vacant parcels into an estimate of market value for the subject site. An estimate is then made as to the cost to replace the subject's improvements at today's costs using reliable sources of cost data. Depreciation or obsolescence from all causes is estimated based on the experiences of similar properties. This is then deducted from the reproduction cost if new to arrive at the present worth of the improvements and the site.

The **Sales Comparison Approach** involves the comparison of sales of properties similar to the subject to indicate and provide a basis for determining its value. Comparisons of the comparable properties are made to the subject relative to differences or similarities in time, location and physical characteristics. The appraiser must reconcile a value for the subject by selectively rating the comparable properties as to their overall comparative value.

In the **Income Capitalization Approach**, the property's ability to generate net operating income is fully analyzed. The process begins by estimating potential gross income, then deducting a vacancy allowance and operating expenses. The Figures used are based on the experiences and comparisons of similar properties with the subject. The resultant remainder, the net income, is capitalized at a rate determined by extraction from sales of comparable properties. The basis of this approach is founded on the principle of discounting the anticipated flow of future benefits into a present value indication.

At this point, a reconciliation of values obtained in the three approaches is made into one final estimate of value for the subject property. The quality and quantity of the data used in each approach is reviewed and discussed. The greatest weight is given to that approach or approaches that are felt to be the most reliable and applicable to the appraisal problem involved.



## **DESCRIPTIONS, ANALYSES AND CONCLUSIONS**

## **INTENDED USE/INTENDED USER OF THE APPRAISAL**

The intended use of this appraisal is For Marketing Purposes. This report is intended for use by the client identified in this report. The use of this report by parties other than those identified in this report is not intended by the appraiser. In the event of a sale transaction, the actual sales price may vary from the value indicated in this report due to typical negotiations between buyers and sellers. This appraisal may not be used for any other purpose. The use of this appraisal report by other parties that are not intended is prohibited and the appraiser is not liable for any resultant outcomes by unintended users.

## **SCOPE OF THE APPRAISAL**

The appraisers collected, confirmed and reported data that is considered applicable in the appraisal process. Data collection involved the use of various sources available, including CoStar/Comps.com, Inc., TheMLS, SDMLS, REALIST, city and county records, city and county regulations as well as significant reliance on in-house appraisal files and data. Data from various online sources may have also been used including CBRE, Zillow, Redfin, Nareit, Homes.com, Apartments.com, GlobeSt.com, Commercial Observer and LoopNet.

The information, estimates, and opinions furnished by others and contained in this report are assumed to be true, correct and reliable. The appraisers cannot assume responsibility for accuracy from information sourced through second- and third-party sources. Every reasonable attempt has been made to cross-reference the information provided to the appraisers. The information considered as a primary source based on the appraiser's firsthand knowledge is considered to be accurate and reliable.

The data collected and confirmed has been reported and analyzed to an extent considered sufficient for this particular appraisal assignment. The scope of the analysis is considered to be appropriate in relation to the complexity of the appraisal assignment.

The scope of the appraisal assignment may also include conditions, restrictions and guidelines set forth by the client that may have an impact on the reconciled market value.

## **PROPERTY RIGHTS APPRAISED**

The fee simple title is regarded as an estate without limitations or restrictions. Anything less than the complete estate results from partial interest that is created by selling, leasing, or otherwise limiting the bundle of rights in a fee estate. An appraisal assignment may require the appraisal of fee simple title or partial interest

such as a leasehold estate or an easement. The three most common types of property rights involved in the appraisal process are defined in *The Appraisal of Real Estate*, 10th ed., p. 122, published in 1992 by the Appraisal Institute as follows:

1. Fee simple estate: "Absolute ownership unencumbered by any other interest or estate; subject only to the limitations of eminent domain, escheat, police power, and taxation.
2. Leased fee estate: "An ownership interest held by a landlord with the right of use and occupancy conveyed by lease to others; the rights of lessor (the leased fee owner) and leased fee are specified by contract terms contained within the lease.
3. Leasehold estate: "The right to use and occupy real estate for a stated term under the conditions conveyed in the lease."

**The property rights of ownership being appraised in this report are those of the Fee Simple estate.**

### **APPRAISAL DATES DEFINED**

As used in this appraisal, the Date of Value is the effective date of the appraisal, either current or at a past point in time. In this instance, the date of value is a past point in time. The Date of Report is the date on which the appraisal process is completed to the point of submission of an appraisal report.

Date of Value: February 10, 2023

Date of Report: March 2, 2023

### **APPRAISAL REPORT**

This is a complete appraisal as defined in the Uniform Standards of Professional Appraisal Practice (USPAP) and performed under Standards Rule 2-2 of USPAP. It has no departure from USPAP standards and contains summarized explanations of the data, reasoning and analyses used to develop the opinion of value. It also includes descriptions of the subject property, the property's locale, the market for the property type, and the appraiser's opinion of the highest and best use. In compliance with Standards Rule 2 this appraisal has been prepared as a restricted report.

### **PERSONAL PROPERTY**

Personal Property could significantly influence the subject property's overall value. Should a transaction be evident that includes personal property of sufficient value

to affect the market value of the real property, then a separate assessment of the personal property, fixtures or intangible items will be included within the report or by reference as a separate valuation. No Personal Property is included in this appraisal.

## **EXPOSURE TIME AND MARKETING TIME**

Exposure time may be defined as the estimated length of time the property interest being appraised would have been offered on the market **prior** to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market.

Marketing time may be defined as: An estimate of the amount of time it might take to sell a property interest in real estate at the estimated market value level during the period immediately **after** the effective date of the appraisal (valuation).

The exposure time and marketing time of a property are similar concepts. The primary difference is that the exposure time is a retrospective estimate, and the marketing time is a prospective estimate. The potential difference in the exposure time versus the marketing time can be attributed to the anticipated changes in market conditions after the date of valuation. If there are no anticipated changes that would have an effect on the marketing time, then the exposure time and the marketing time are essentially the same.

A review of the marketing times of comparable site sales indicates a typical range of between 3-6 Months for non-distressed type properties. Due to the subject's location in the submarket of San Bernardino, we estimate the exposure time and the marketing time for the subject property to be between 3-6 Months. The exposure and marketing time periods assume the property to be marketed by a knowledgeable broker that is familiar with the subject market area. These assumptions also assume the subject to have reasonable exposure to market participants of the subject's type of property. This includes brokers and investors.

## **EXTRAORDINARY ASSUMPTIONS**

An assumption within the context of an appraisal report is that which is taken to be true. Information from data sources or information that is not primarily sourced is assumed to be true. An Extraordinary Assumption is an assumption where if found to be false will most likely change the appraised value. Generally, an Extraordinary Assumption is a fact which is undetermined or unknown. For example, if an area of a particular site exhibits soil contamination the cause of the contamination could be a minor container spill to an underground plume that has percolated to the surface and is visible on a small patch of soil. An Extraordinary Assumption could be made that the extent of the soil contamination is unknown, and a value or

opinion of value could be determined which may change if the contamination is more extensive than its appearance. For the purposes of this appraisal **No Extraordinary Assumptions** were made.

### **HYPOTHETICAL CONDITIONS**

A Hypothetical Condition is a different type of assumption than the preceding in that the assumption is contrary to a fact or a set of facts. A Hypothetical Condition may be valuing a property that has not been built as if it were completed. For the purposes of this appraisal there were **No Hypothetical Conditions**.

## DEFINITION OF MARKET VALUE

Market value is the major focus of most real property appraisal assignments. Both economic and legal definitions of market value have been developed and refined. Continual refinement is essential to the growth of the appraisal profession. This appraisal has been prepared in accordance with the Federal Deposit Insurance Corporation (FDIC) Final Rules, 12 CFR Part 323.2(f), which incorporates the following market value definition:

"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 are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyers and sellers are typically motivated.
2. both parties are well informed or well advised, and act in what they consider their 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."

Alternatively, the Internal Revenue Service (IRS) also has a definition for Market Value and is similar to the FDIC definition. For the purposes of a trust appraisal the following definition applies:

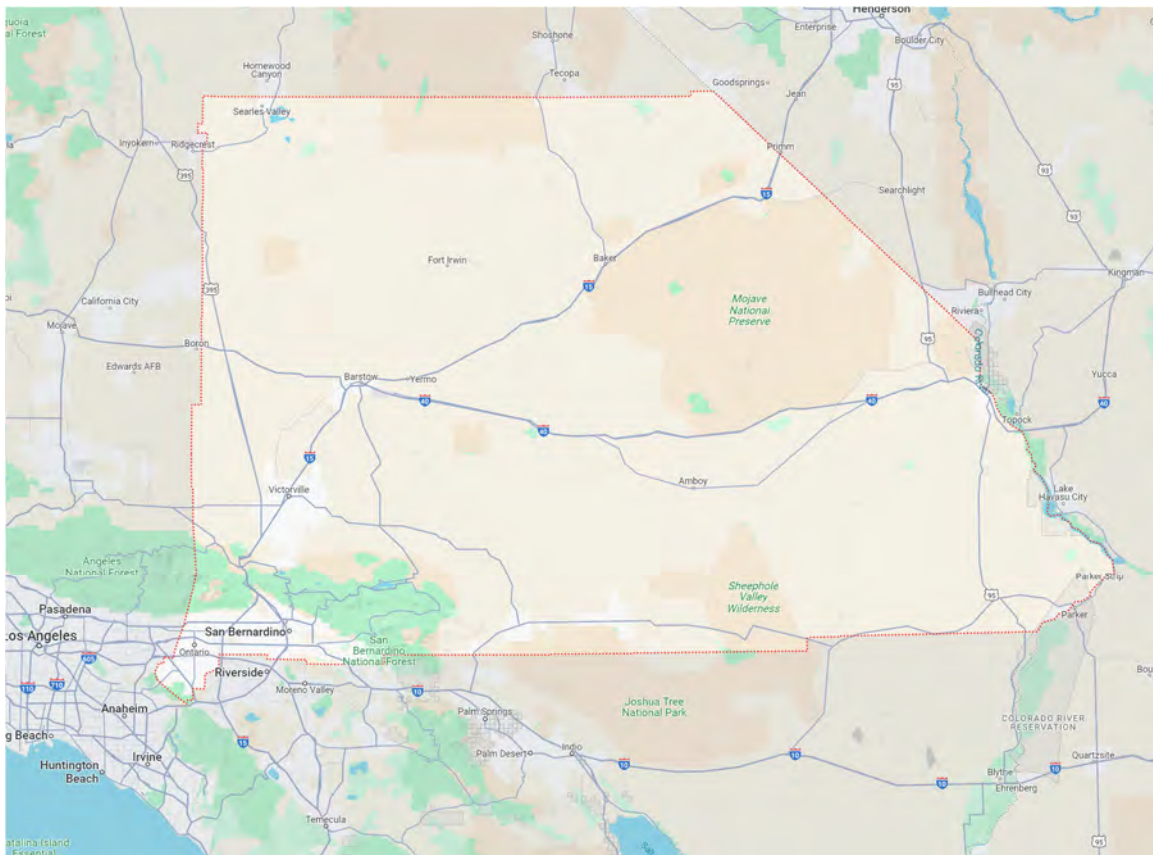
"The fair market value is the price at which the property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of relevant facts. The fair market value of a particular item of property includible in the decedent's gross estate is not to be determined by a forced sale price. Nor is the fair market value of an item of property to be determined by the sale price of the item in a market other than that in which such an item is most commonly sold to the public, taking into account the location of the item wherever appropriate.". IRS Regulation §20.2031-1.

## REGIONAL ANALYSIS COUNTY OF SAN BERNARDINO

The regional and area analysis is included to provide an overview of the four major forces that affect the value of real property - social, economic, governmental, and environmental. This analysis concentrates on the forces specific to the State of California and the San Bernardino County region. Social, political, and economic trends for these areas are presented and analyzed and serve as a basis of comparison. The regional influences on the subject property are discussed as follows.

### Location

San Bernardino County is situated in southwestern the United States in the southern portion of the State of California. San Bernardino County is bordered by Inyo County to the north, Kern and Los Angeles Counties to the west, Orange County to the southwest, Riverside County to the south, and Nevada and Arizona borders to the east. San Bernardino County encompasses approximately 20,105 square miles, which makes it the largest county in the United States. The county is located in the Inland Empire of Southern California.



### Population Trends

The current population for San Bernardino County is estimated at 2,214,281, according to the US Census Bureau as of July 1, 2024. The 2020 census indicated a population of 2,181,664. Thus, San Bernardino County's population increased 1.5% in the past 4 years. The bulk of San Bernardino's recent growth occurred between 2000 to 2020 with an average of 2.46% per year.

The increase in population in San Bernardino County is due to the rise of commuter homebuyers seeking reasonably priced homes and easy access from the area to Orange, Los Angeles, Riverside and San Diego Counties. San Bernardino and Riverside Counties, known as the "Inland Empire," have exhibited significant population growth due to affordable housing and job opportunities in the area, and as a result of out-migration of the population base from Orange and Los Angeles counties.

Much of the growth waned from 2009 – 2012 as the housing crisis was curbed due to recessionary constraints on the housing market and employment in Southern California. From 2012 to present day, the area has continued to grow including the demand for residential housing.

The subject property is located in the five-county Los Angeles Metropolitan Area (L.A.M.A.), which also includes Los Angeles, Orange, Riverside and Ventura Counties and is approximately 34,000 square miles. The total population for this area is larger than 47 states, only New York, Texas and California being larger.

## **GOVERNMENTAL FORCES**

Governmental, political, and legal actions have a significant impact on property values and may overshadow natural market forces. At present, the County of San Bernardino contains 25 incorporated cities and several unincorporated areas or communities with the bulk of the residents living in concentrated corridors along Interstate 10 in the San Bernardino Valley. The seat of county government is located in the City of San Bernardino.

San Bernardino County has a wide range of government services and institutions and consists of several incorporated cities, the largest being the City of San Bernardino followed closely by the City of Fontana. The county has a well-developed educational system with many public-school districts. In addition, there are twelve colleges and universities, with Loma Linda University, University of La Verne and the University of Redlands having regional and national notoriety. The county has substantial fire and police protection, and local government agencies are considered efficient and responsive to community needs.

## **ECONOMIC FORCES**



San Bernardino County benefits from a diverse economy and has historically grown faster than the national economy due to strong population growth, the impact of local federal defense spending, and the prime geographic location, among numerous other favorable characteristics.

San Bernardino County is part of the Southern California Region comprised by Los Angeles, Orange, San Diego, Riverside, and Imperial Counties. These six counties represent approximately 55% of the state population, 54% of its workforce, and only 23% of its land area. The region is a major and broad-based economic area. Specifically, San Bernardino County comprises of the Inland Empire along with Riverside County.

<p>The Inland Empire is one of the largest and fastest-growing logistics hubs in the United States due to its proximity to the southern California ports and its relatively affordable land. Nearly a third of all U.S. imports come through the two Los Angeles ports, and much of that cargo's eventual destination is farther inland, making the metro's rail and highway connections extremely valuable.</p> <p>Housing is also affordable by southern California standards. Many residents commute west and south to job nodes in Los Angeles, Orange County, and San Diego because there are limited opportunities for high-wage workers. Median household income in Inland Empire is \$79,000, well below coastal metros, but higher than the national median of \$73,000.</p> <p>Jobs in transportation and warehousing have persistently grown for over 10 years and account for 75% of job</p>	<p>growth since February 2020. Amazon is a major employer in the Inland Empire, with over three dozen facilities in the metro, and third-party logistics companies have been growing over the past decade. Many retailers have manufacturing and distribution facilities in the Inland Empire, as well.</p> <p>The metropolitan area comprises two counties, Riverside and San Bernardino, as well as 52 incorporated cities. Riverside County has one of the fastest-growing populations in the state, and retirement communities are scattered throughout the metro. As a result, there is outsized demand for health care and education services and employment in the industry expands every year.</p> <p>Tourism is vibrant in Palm Springs, Big Bear, and Temecula, primarily attracting in-state travelers. Payrolls in the leisure and hospitality sector have returned to pre-pandemic levels.</p>
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CoStar

According to CoStar most sectors have recovered since the pandemic with manufacturing and TT&U stabilizing.

INLAND EMPIRE EMPLOYMENT BY INDUSTRY IN THOUSANDS

Industry	CURRENT JOBS		CURRENT GROWTH		10 YR HISTORICAL		5 YR FORECAST	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	100	0.7	-0.39%	1.87%	1.40%	0.80%	-0.06%	-0.10%
Trade, Transportation and Utilities	464	1.5	-0.77%	1.06%	4.55%	1.22%	1.15%	-0.02%
Retail Trade	181	1.1	0.15%	0.61%	1.01%	0.41%	0.20%	-0.01%
Financial Activities	48	0.5	1.62%	1.19%	1.42%	1.49%	-0.05%	-0.03%
Government	253	1.0	3.20%	1.83%	1.34%	0.29%	0.99%	0.44%
Natural Resources, Mining and Construction	119	1.3	1.58%	3.21%	5.41%	2.53%	0.75%	0.10%
Education and Health Services	277	1.0	5.28%	3.91%	4.06%	1.77%	1.37%	0.54%
Professional and Business Services	182	0.7	2.52%	2.35%	3.32%	2.17%	0.24%	0.22%
Information	10	0.3	2.48%	-0.18%	-1.28%	1.20%	0.51%	0.08%
Leisure and Hospitality	182	1.0	1.12%	6.17%	3.05%	1.61%	1.10%	0.87%
Other Services	50	0.8	5.28%	3.19%	1.94%	0.68%	0.15%	0.18%
<b>Total Employment</b>	<b>1,686</b>	<b>1.0</b>	<b>1.79%</b>	<b>2.59%</b>	<b>3.26%</b>	<b>1.36%</b>	<b>0.90%</b>	<b>0.28%</b>

Source: Oxford Economics  
LQ = Location Quotient

The current growth in the Inland Empire Market which includes San Bernardino County indicates a current growth that is below the US Economy but historical growth that exceeds the overall US Economy.

Category	Q2-22 (\$, Thousands)	1-Year Change (%)	3-Year Change (%)
Fuel and Service Stations	32,035	39.2	53.4
Building and Construction	30,802	13.5	49.7
Business and Industry	65,046	11.4	82.2
Restaurants and Hotels	28,318	9	25.1
County & State Pool	44,299	6	71.3
Autos and Transportation	46,857	2.4	39.4
Food and Drugs	12,121	1.6	30.6
General Consumer Goods	47,588	1.2	17.2
<b>Total</b>	<b>307,539</b>	<b>9.5</b>	<b>47.1</b>

Source: HdL Companies; Analysis by UCR Center for Economic Forecasting

Another measure of economic activity for the Inland Empire market is the consumer expenditure as measured by the sales tax receipts. This measurement shows the growth of disposable income in the area, for both resident purchases and transient purchases.

The 1-year change for all categories is 9.5% with a total of \$307,539,000 for Q2 2022, approximately \$1.3 billion per year.

Not surprisingly, receipts from fuel and service stations saw the largest 1-year increase at almost 39.2%. Of note, Restaurants and Hotels saw a 9.0% increase which indicates this sector is continuing to recover with momentum slowing post-pandemic as compared to its 3-year average of 25.1%.

The indicators suggest that the area is experiencing growth and the long-term economic contraction that was forecasted at the outset of the pandemic was unrealized.

### Economic Indicators

The economic indicators, according to recently published data, indicate an unemployment rate of 5.00% which is up from the 3.90% recorded in the previous year and lower than the long-term rate of 7.21%. The Median home price according to Realtor.com for the county was \$510,000, upward trend of 2.0% from last year.



The taxable sales in the cities in San Bernardino County with the exception of Needles have indicated moderate to robust growth post-pandemic.

#### Taxable Sales by City San Bernardino County

City	Q4-21 (\$ Millions)	1-Year Change (%)
Rialto	1,275.4	136.2
Loma Linda	256.4	51.9
Redlands	417.7	30.6
San Bernardino	1,316.2	30.3
Chino Hills	235.2	29.2
Rancho Cucamonga	880.3	28.1
Barstow	181.4	26.0
Yucaipa	110.3	23.1
Hesperia	298.0	21.7
Upland	394.8	21.7
Montclair	369.0	21.5
Victorville	668.5	20.0
Unincorporated SB County	941.4	17.6
Ontario	2,516.5	16.7
Fontana	1,162.4	16.1
Highland	81.1	15.2
Apple Valley	195.5	13.0
Grand Terrace	23.5	12.5
Yucca Valley	103.3	12.1
Twentynine Palms	32.6	12.0
Big Bear Lake	78.9	12.0
Adelanto	51.8	10.5
Chino	721.8	3.5
Colton	262.5	1.8
Needles	15.6	-2.7

Source: California Department of Tax and Fee Administration. Analysis by the UCR Center for Economic Forecasting and Development.

## Employment

The unemployment rate according to the US Bureau of Labor Statistics was 5.1% in October 2023, with the Employment Development Department of the State of California indicating a 5.0% unemployment rate as of November 2023.

Date	Value	Date	Value
October 31, 2023	5.00%	September 30, 2021	6.50%
September 30, 2023	4.80%	August 31, 2021	7.60%
August 31, 2023	5.10%	July 31, 2021	8.10%
July 31, 2023	4.80%	June 30, 2021	8.50%
June 30, 2023	4.90%	May 31, 2021	7.60%
May 31, 2023	4.30%	April 30, 2021	8.20%
April 30, 2023	4.10%	March 31, 2021	8.40%
March 31, 2023	4.50%	February 28, 2021	8.80%
February 28, 2023	4.50%	January 31, 2021	9.10%
January 31, 2023	4.40%	December 31, 2020	9.10%
December 31, 2022	3.60%	November 30, 2020	9.10%
November 30, 2022	4.00%	October 31, 2020	9.40%
October 31, 2022	3.90%	September 30, 2020	10.40%
September 30, 2022	3.70%	August 31, 2020	11.00%
August 31, 2022	4.10%	July 31, 2020	13.00%
July 31, 2022	4.10%	June 30, 2020	13.10%
June 30, 2022	4.10%	May 31, 2020	14.70%
May 31, 2022	3.40%	April 30, 2020	14.00%
April 30, 2022	3.70%	March 31, 2020	5.50%
March 31, 2022	4.20%	February 29, 2020	3.70%
February 28, 2022	4.80%	January 31, 2020	3.90%
January 31, 2022	5.40%	December 31, 2019	3.50%
December 31, 2021	5.00%	November 30, 2019	3.70%
November 30, 2021	5.50%	October 31, 2019	3.70%
October 31, 2021	6.20%	September 30, 2019	3.60%

### CHARTS

The unemployment rate increased to double digits and then stabilized within a year of the end of the pandemic restrictions.

#### EMPLOYMENT AND WAGES

Unemployment Rate and Labor Force (Not Seasonally Adjusted)

[\[Top\]](#)

Area	Year	Time Period	Labor Force	No. of Employed	No. of Unemployed	Unemployment Rate
San Bernardino County	2023	Nov	1,019,900	969,200	50,700	5.0

[More Areas](#) [Historical Data](#) [Get More Info \(Data Library\)](#)

#### Employment by Industry (Not Seasonally Adjusted)

[\[Top\]](#)

Year	Time Period	CES Industry Title	No. of Employed
2023	Nov	Total Wage and Salary	1,734,100
2023	Nov	Total Nonfarm	1,719,000
2023	Nov	Service-Providing	1,495,100
2023	Nov	Total Private	1,453,200
2023	Nov	Private Service Providing	1,229,300

US Bureau of Labor Statistics – December 22, 2023

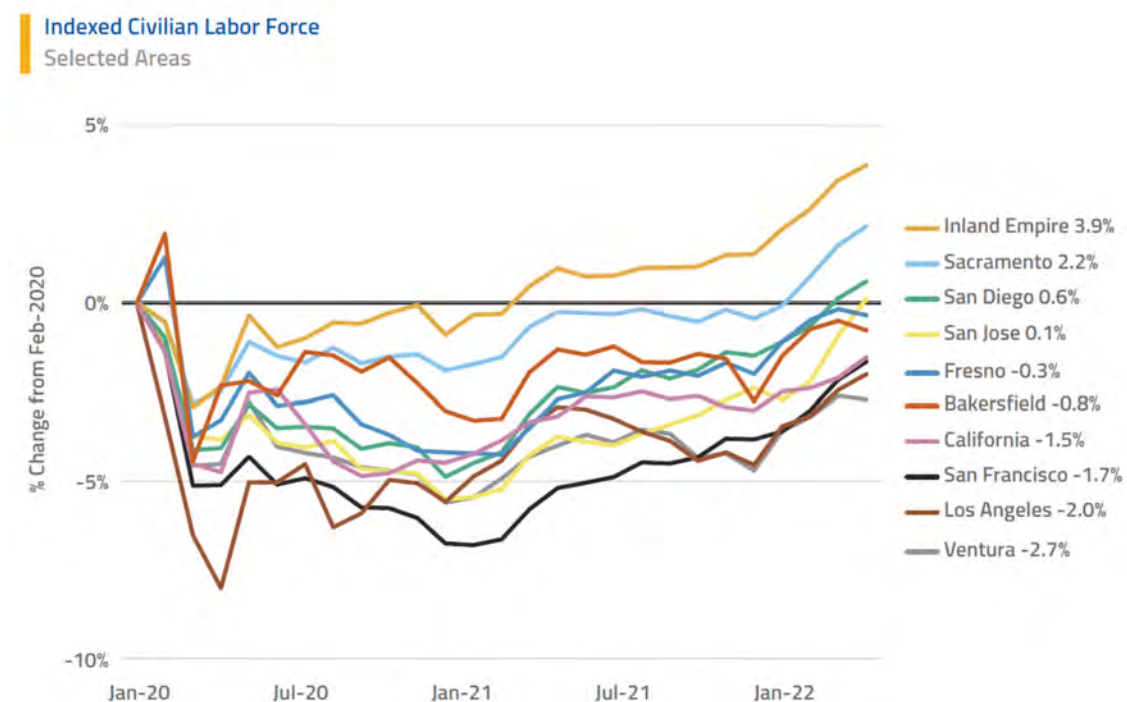
Over the past two years Southern California employment has shown a stable recovery for all MSA's.



Employment trends were impacted by the great recession and the pandemic. Recovery from both of those events indicated a short-term stabilization to a return to wage growth.

Construction and real estate metrics indicated strong growth following the same trend line from general employment.

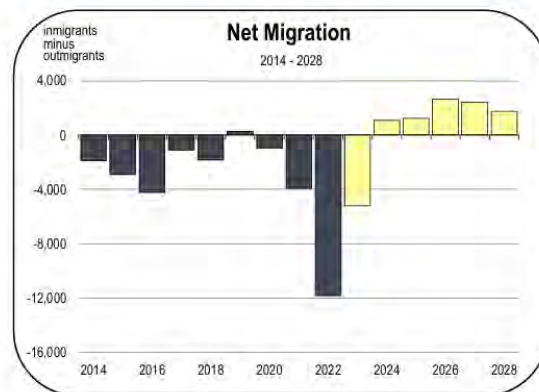
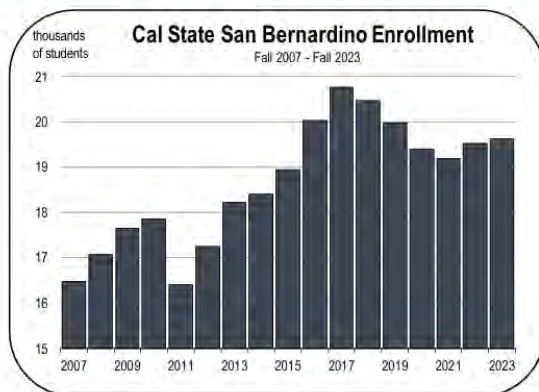
There are still some adjustments to be made in the employment market to establish a vivid trend in future employment. These adjustments are expected to be a result of efficiencies sought by the market versus any weakening due to lingering effects of the pandemic.



Source: California Employment Development Department; Analysis by UCR Center for Economic Forecasting and Development

Labor force growth in the Inland Empire has outpaced all major areas in the state at 3.9% and is better than the overall State of California at -1.5%.

# San Bernardino County Economic Forecast



- Job consolidation in the public sector is forecast at an annual average negative growth rate of 0.5 percent resulting in 3,500 jobs lost between 2024-2028.
- The County of San Bernardino is the largest employer with 16,000 workers.
- CSU San Bernardino employs 2,100 staff, faculty, and administrators and has a Fall 2023 enrollment of 19,621 students.

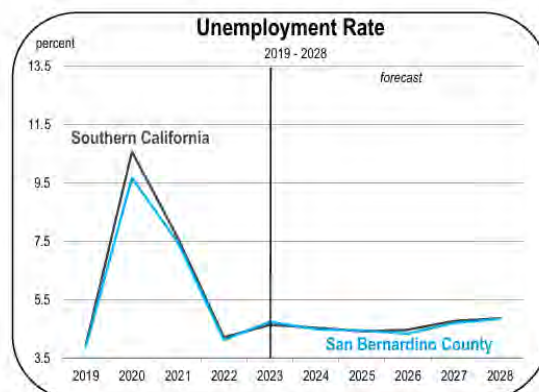
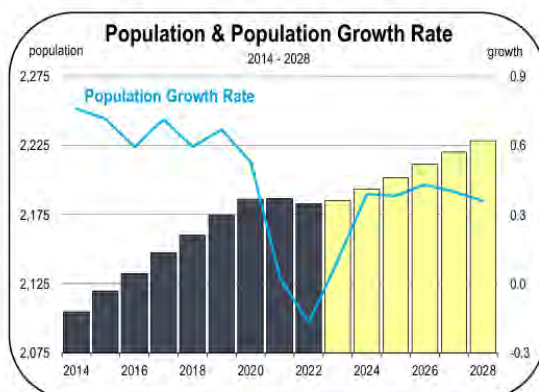
- The fastest growing city in the County is Ontario, followed by Chino, Adelanto, and Victorville.
- Expanding job opportunities and affordable housing will lead to a wave of in-migration over the forecast period. An average of 1,800 net migrants are expected each year between 2024 and 2028. The county will approach 2.23 million residents by 2028.

## Population Growth

- Population growth decreased slightly in 2022, falling just 0.2 percent but rebounded in 2023 with 0.1 percent growth. Out-migration in 2022 was the highest since 2009.
- In 2023, out-migration will be half of what it was in 2022, and will be offset by the positive natural increase in population. Thus, the county population will increase slightly by 2,200 residents.
- During the forecast period population is expected to increase at an average annual rate of 0.4 percent led by both positive in-migration and the natural increase in population.

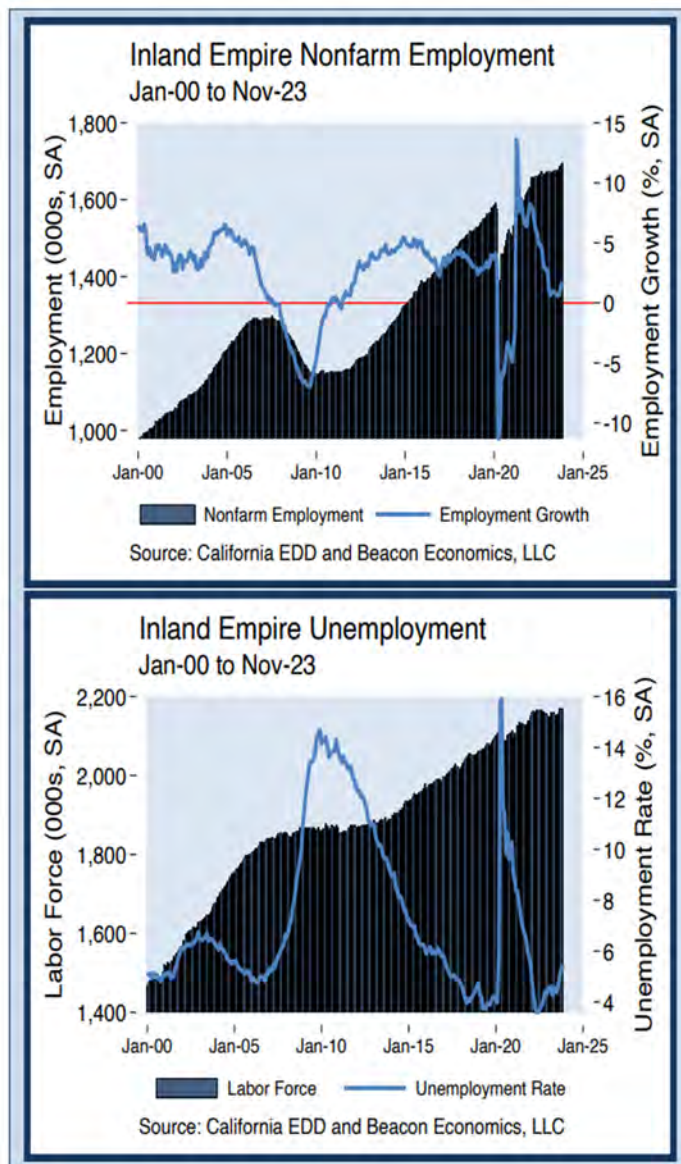
## Unemployment and Inflation Rates

- The unemployment rate in San Bernardino County averaged 4.1 percent in 2022 which was 0.1 percent less than the composite rate for Southern California.
- The unemployment rate is not expected to rise much over the short-term forecast. Labor markets are expected to loosen some in 2023 and 2024 as the growth of the labor force expands, but unemployment rates will remain historically low.
- The unemployment rate is expected to average 4.7 percent in 2023 and 4.6 percent over the forecast period.



DOT - CA

Net migration and population growth are positive post- pandemic and are anticipated to show moderate growth into the future.



Beacon Economics (UC Riverside) published a report on Employment Growth for the Inland Empire. This report is consistent with the other reports and analysis concluding the area has recovered from the pandemic. Stark recoveries from the unemployment rate and also employment growth show a rebound in both categories.

The pandemic brought uncertainty to different sectors of the economy after the observed effects of the pandemic on factors of the economy and also lifestyles not only in the Inland Empire specifically but also generally in the State of California and the country as a whole.

Along with the observed effects of the pandemic there were also forecasted effects of the pandemic that were unrealized. These unrealized consequences that were forecasted because of the pandemic also had an impact on the local economy and the

overall economy in general. The recovery that is observed post-pandemic also includes the stabilization of markets without the markets being influenced by the unrealized forecasted effects of the pandemic. As the severe stages of the pandemic came to pass these unrealized predictions were less relevant in the decision-making process of buyers, investors and developers underpinning a rapid return to the market, evidenced by the sharp changes in the graphical data.

Typically, sudden market changes are considered outliers or may be interpreted as a market with significant vulnerabilities. In the case of data, much of the market decline could be attributed to both a lack of information and a lack of meaningful conclusions and the resulting predictions were based on the lack of information from the COVID-19 virus.

The lack of data and market experience in regard to a pandemic presented a difficult set of predictors for the market that were unreliable. At the beginning of



the pandemic, market participants were relying on information that did not accurately predict the market's response to the virus resulting in sharp changes in the market. A positive side effect was the purging of inefficient investments from the marketplace. It appears though the market adjustment was more pronounced due to the inaccuracies in the predictors used for both the market and the COVID-19 virus. In conclusion, the markets weathered both the actual effects and the unrealized predictions of the pandemic into a strong recovery and a more efficient market. It is anticipated that any future outbreaks will be handled with better data and with confidence by the market participants.

### Southern California: Inland Empire (MSA)

<b><i>Inland Empire (MSA) Seasonally Adjusted Employment Changes</i></b>							
Industry	Nov-23	Oct-23	MoM (000s)	MoM (%)	Nov-22	YoY (000s)	YoY (%)
<b>Farm</b>	14.4	14.2	0.2	1.1	14.2	0.2	1.2
<b>Total Nonfarm</b>	1,695.1	1,690.0	5.1	0.3	1,666.2	28.9	1.7
<b>Total Private</b>	1,431.2	1,427.6	3.7	0.3	1,412.7	18.5	1.3
<b>Construction</b>	124.8	124.1	0.7	0.6	115.2	9.6	8.3
<b>NR/Mining</b>	1.6	1.6	0.0	0.7	1.6	0.0	0.0
<b>Manufacturing</b>	98.1	97.9	0.2	0.2	99.2	-1.0	-1.0
Durable Goods	59.2	59.1	0.2	0.3	60.5	-1.3	-2.1
Non-Durable Goods	38.9	38.8	0.1	0.1	38.6	0.2	0.6
<b>Trade,Transport,Util.</b>	455.6	455.3	0.2	0.1	458.3	-2.7	-0.6
Wholesale Trade	66.2	66.2	0.0	0.0	70.1	-3.9	-5.6
Retail Trade	181.6	181.3	0.4	0.2	179.7	2.0	1.1
Transport,Warehouse,Util.	207.7	207.9	-0.2	-0.1	208.5	-0.8	-0.4
<b>Information</b>	9.9	9.9	0.0	0.1	10.3	-0.4	-3.9
<b>Financial Activities</b>	45.1	44.8	0.4	0.8	47.6	-2.5	-5.2
Finance and Insurance	23.2	23.1	0.1	0.5	24.3	-1.1	-4.7
Real Estate	21.9	21.7	0.3	1.2	23.3	-1.3	-5.7
<b>Professional/Business</b>	182.5	182.2	0.3	0.2	180.9	1.6	0.9
Prof Sci and Tech	53.2	53.6	-0.3	-0.6	50.9	2.3	4.5
Management	9.0	9.0	-0.0	-0.2	8.8	0.2	2.2
Admin Support	120.3	119.7	0.6	0.5	121.2	-0.9	-0.7
<b>Education/Health</b>	284.5	284.0	0.6	0.2	272.3	12.2	4.5
Educational Services	20.4	20.4	-0.1	-0.3	20.5	-0.1	-0.5
Health Care	264.2	263.6	0.6	0.2	251.8	12.3	4.9
<b>Leisure and Hospitality</b>	178.8	178.7	0.1	0.1	178.6	0.2	0.1
Arts and Entertainment	20.0	19.6	0.4	2.0	19.9	0.1	0.8
Accommodation and Food	158.8	159.0	-0.3	-0.2	158.7	0.0	0.0
<b>Other Services</b>	50.2	49.1	1.2	2.3	48.7	1.5	3.1
<b>Government</b>	263.9	262.4	1.4	0.5	253.5	10.4	4.1
Federal Government	21.8	21.5	0.2	1.1	20.9	0.9	4.2
State Government	27.7	27.8	-0.1	-0.3	28.4	-0.7	-2.5
Local Government	214.4	213.2	1.3	0.6	204.2	10.2	5.0
<b>Labor Force</b>	2,169.4	2,166.3	3.1	0.1	2,153.9	15.5	0.7
<b>Employment</b>	2,051.1	2,052.1	-1.0	-0.0	2,058.8	-7.7	-0.4
<b>Unemployment</b>	118.3	114.2	4.1	3.5	95.1	23.2	24.4
<b>Unemployment Rate</b>	5.5	5.3	0.2	-	4.4	1.0	-

Source: California's Employment Development Department and Beacon Economics, LLC

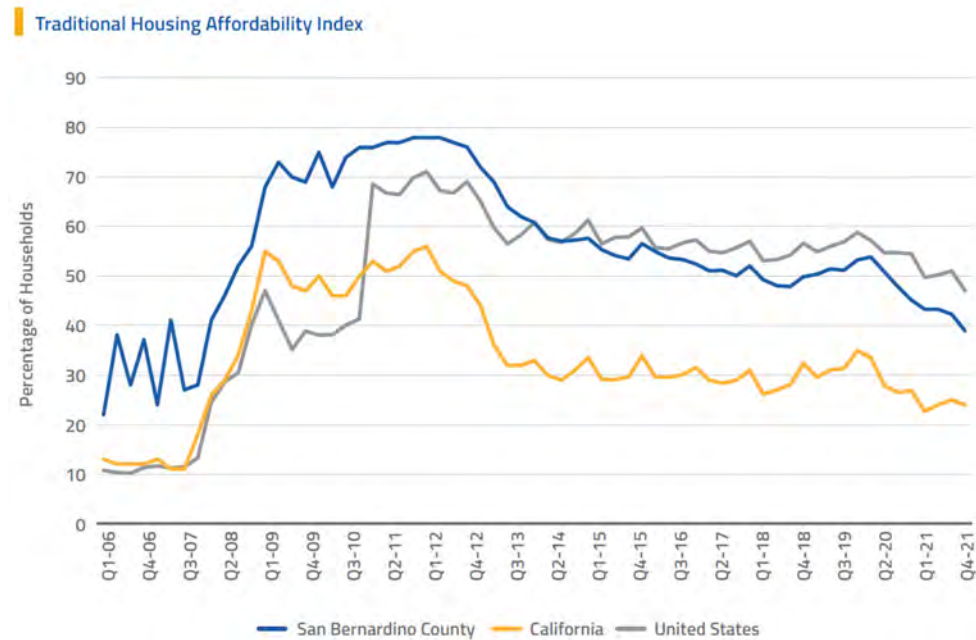
On the previous page the table indicates the breakdown of employment for the Inland Empire with a good distribution of Private and Non-Private employment with an unemployment rate of 5.5%.



Below is a summary of San Bernardino County's largest employers. It is not uncommon for the public sector to dominate employment participation including military, school districts, universities, municipalities and county governments. Employment participation in the private sector is dominated by retail-based companies with distribution centers located within the county.

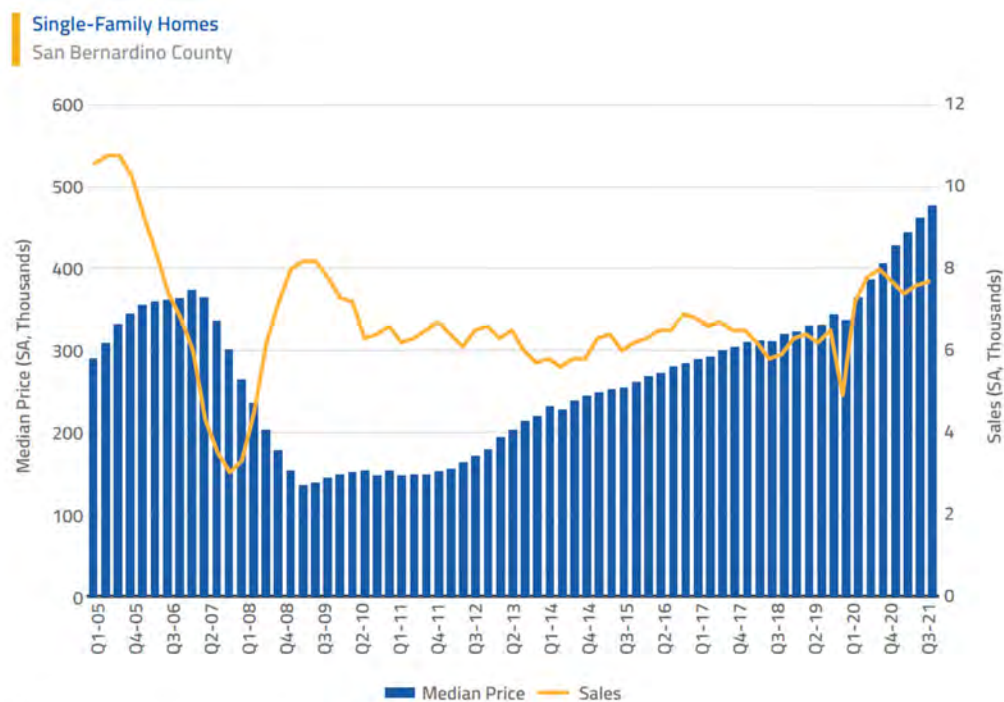
Employer Name	Location	Industry
<a href="#">Amazon Fulfillment Ctr</a>	Redlands	Mail Order Fulfillment Service
<a href="#">Amazon Fulfillment Ctr</a>	San Bernardino	Mail Order Fulfillment Service
<a href="#">Arrowhead Regional Medical Ctr</a>	Colton	Hospitals
<a href="#">Big Bear Mountain Resorts</a>	Big Bear Lake	Resorts
<a href="#">Burlington Distribution Ctr</a>	San Bernardino	Distribution Centers (whls)
<a href="#">California State Univ Sn</a>	San Bernardino	Schools-Universities & Colleges Academic
<a href="#">Dignity Health Cmnty Hosp-Sn</a>	San Bernardino	Hospitals
<a href="#">Esri-Environmental Sys</a>	Redlands	Geographics Information Systems
<a href="#">Fedex Ground</a>	Bloomington	Delivery Service
<a href="#">Inland Empire Health Plan</a>	Rancho Cucamonga	Health Plans
<a href="#">Loma Linda Univ Health Board</a>	Loma Linda	Univ/Clg-Governing Body/Regent/Trustee
<a href="#">Loma Linda University Med Ctr</a>	Loma Linda	Hospitals
<a href="#">Mountain High Ski Resort</a>	Wrightwood	Skiing Centers & Resorts
<a href="#">Ontario International Airport</a>	Ontario	Airports
<a href="#">Ontario-Montclair School Dist</a>	Ontario	School Districts
<a href="#">Patton State Hospital</a>	Patton	Hospitals
<a href="#">Primary Care Assoc Med Group</a>	Ontario	Physicians & Surgeons
<a href="#">Redlands Community Hospital</a>	Redlands	Hospitals
<a href="#">San Antonio Regional Hospital</a>	Upland	Hospitals
<a href="#">San Bernardino County Sch Supt</a>	San Bernardino	Schools & Educational Services NEC
<a href="#">San Bernardino County Sheriff</a>	San Bernardino	General Justice Public Order & Safety Activit
<a href="#">St Bernardine Medical Ctr</a>	San Bernardino	Hospitals
<a href="#">St Mary's Medical Ctr</a>	Apple Valley	Hospitals
<a href="#">Transportation Department</a>	San Bernardino	State Government-Regulation & Administration-
<a href="#">YRC Freight</a>	Bloomington	Trucking-Motor Freight

## Real Estate



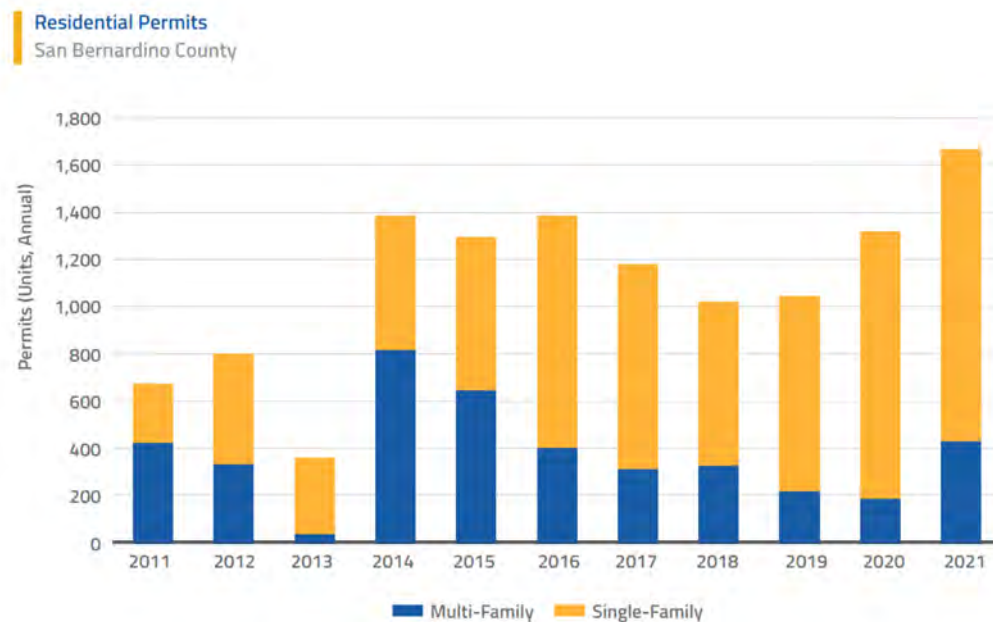
Source: California Association of Realtors; Analysis by UCR Center for Economic Forecasting and Development

Due to the affordability of residential real estate in San Bernardino County sales continue a modest growth rate after experience a rapid decline in Q1 2009.



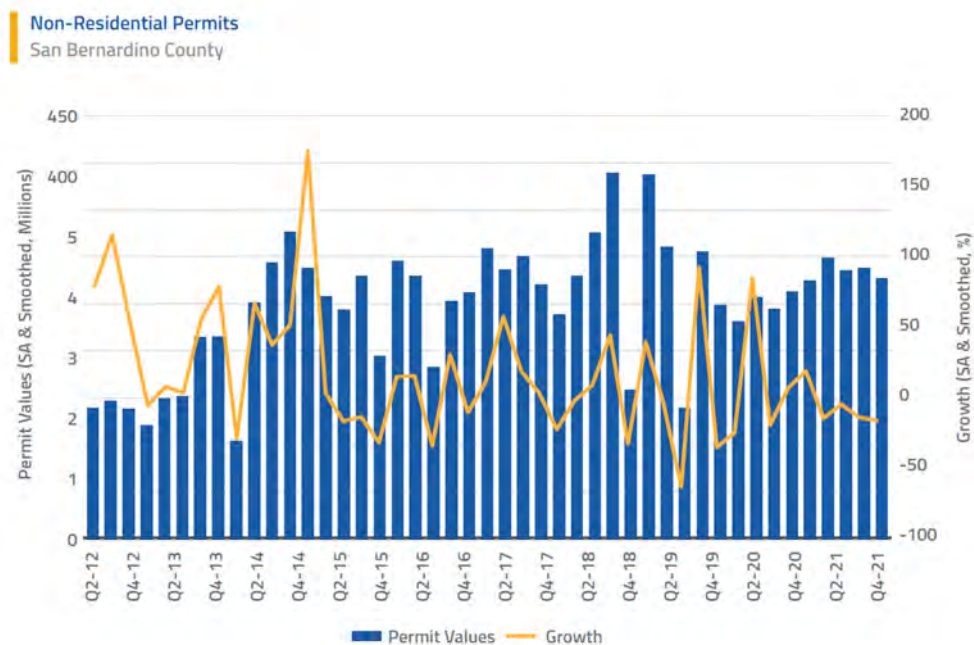
Source: Corelogic; Analysis by UCR Center for Economic Forecasting and Development

As demand in the area rebounded from 2013 to present day, residential building permit activity has remained above 1,000 permits per year since 2014 with Single-Family permits outpacing Multi-Family Permits in recent years.



Source: Construction Industry Research Board (CIRB); Analysis by UCR Center for Economic Forecasting and Development

Non-Residential permits have yet to recover from their highs of late 2018 and early 2019. This is partially due to larger projects dominating construction as national retailers seek warehouse space in this market due to its access to Southern California.





## CALIFORNIA ASSOCIATION OF REALTORS® Research & Economics San Bernardino County Market Update

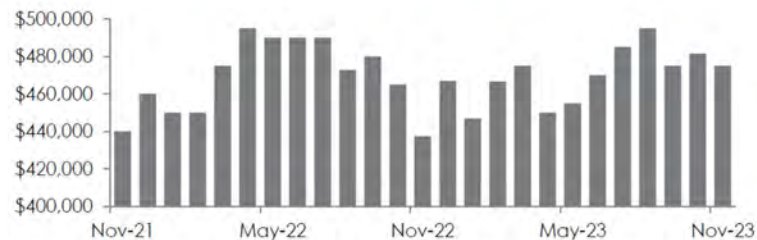
Trends At A Glance For: **November 2023**

Median Price  
For SF Detached Homes

**\$475,000**

-1.3% MTM

8.6% YTY



Home Sales  
For SF Detached Homes

**-5.6% YTY**

-17.2% MTM

-29.3% YTD

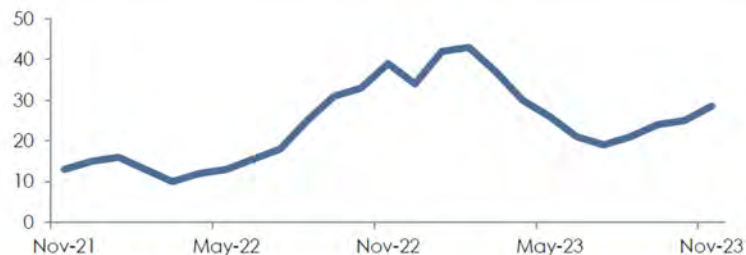
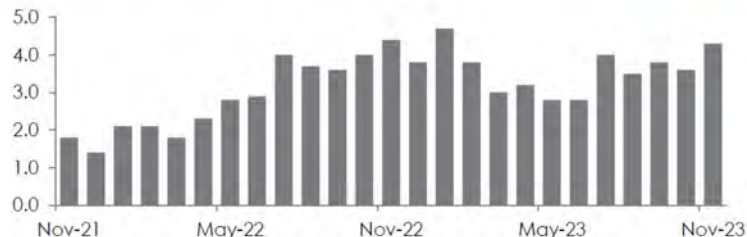


Unsold Inventory  
For SF Detached Homes

**4.3 Months**

19.4% MTM

-2.3% YTY



Median Time on Market  
For SF Detached Homes

**29 Days**

14.0% MTM

-26.9% YTY



525 S. Virgil Ave. Los Angeles, CA 90020 | 213-739-8200 | [www.car.org/marketdata](http://www.car.org/marketdata) | [research@car.org](mailto:research@car.org)



The median price of detached homes has recently declined but is still 8.6% higher than the previous year. Overall home sales have decreased during the past year. A variety of factors contributed to this decline including homeowners who have sub 4.5% interest rates and find it difficult to replace their current housing without taking a “step down” based on their current improvements due to higher interest rates.

## Conclusions

The Residential Real Estate market has indicated a pattern of sustained growth for the past several years with full recovery from any effects of the pandemic. Future challenges remain, higher mortgage rates and increasing regulatory requirements for development. Job growth and wages are expected to remain on their upward trends. Even if there is a negative effect from any of those factors or other outside influences, the market remains as the affordable market in the southland with only San Bernardino County able to compete with affordable real estate.

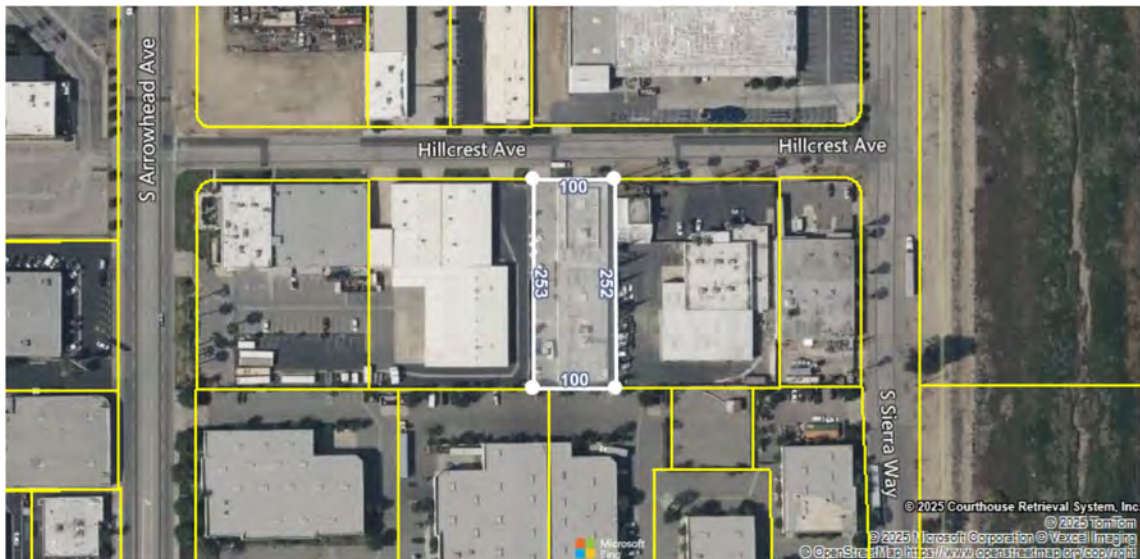
The Commercial Real Estate market is expected to remain strong as long as regulatory constraints are maintained at reasonable levels. San Bernardino County has experienced sustained growth in the manufacturing sector, which is a sector that can easily fall under regulatory obstacles. The growth in the Office sector is expected to be modest with Retail maintaining steady growth as less efficient retail uses are converted to more efficient uses both within the Retail sector and crossing over to other sectors as re-purposed properties.

In general, San Bernardino County has a competitive advantage that surrounding areas cannot readily deliver, affordable real estate. As real estate prices reach historic highs in surrounding areas, the Inland Empire, including San Bernardino County, will continue to offer an affordable alternative to commercial investors, business owners and residential buyers and renters.

## SITE ANALYSIS

<b>LOCATION:</b>	199 Hillcrest Avenue San Bernardino, CA 92509
<b>ASSESSOR PARCEL NO.</b>	0141-281-11-0000
<b>LOT SIZE (SF):</b>	25,250 square feet
<b>LOT SIZE (AC):</b>	0.580 acre(s)
<b>TOPOGRAPHY:</b>	Level Pad, above grade from street level





### **STREET IMPROVEMENTS:**

Hillcrest Avenue is a paved roadway that is improved with streetlights, sidewalks and gutters.

### **SOILS CONDITIONS:**

No soils report was provided for review, and the appraisers have no expertise in soils surveys or geotechnical engineering. The buyers stated that a soils report has been compiled regarding the subject site, but the appraisers have not been provided with this report. This value assumes that there are no adverse elements pertaining to the soil that would impact the subject's value. To the best of the appraisers' knowledge, the appraisers did not observe any evidence of adverse soils conditions upon inspection or if no inspection was performed, upon review of aerial pictures of the subject site.

### **ACCESSIBILITY/FRONTAGE/VISIBILITY:**

The subject property is located on Hillcrest Avenue, a street providing access to the area's commercial district. The subject's access is average for this market. The traffic count is estimated at (Unknown) vehicles per day.

### **TOXIC WASTE INFORMATION:**

The appraisers were not provided with environmental reports or studies pertaining to toxic or potentially hazardous materials that may impact on the subject property. This valuation assumes that there are no adverse environmental, toxic or hazardous materials that impact the subject property. None were evidenced upon the inspection of the property or if no inspection was performed upon review of aerial pictures.

**UTILITIES:**

All utilities are available at the site and are in place underground except for electricity. These utilities include electricity, natural gas, water, sewer, telephone and cable television.

**EASEMENTS:**

The appraiser was not provided with a preliminary title report. No adverse easements were noted during inspection. The valuation assumes that there are no unknown adverse elements of title (adverse easements or encroachments) or unpaid taxes that would impact the subject's value. The subject's appraised value is based on a clear title.

**SURROUNDING USES:**

The surrounding uses are primarily commercial. Residential uses are considered to be secondary, and tertiary uses from the subject site as they are approximately ¼ mile to the south. These uses include high density residential and single family residential. The surrounding uses are not considered to have a negative impact on the subject property.

Surrounding Uses	
Surrounding Use North	Commercial
Surrounding Use East	Commercial
Surrounding Use South	Commercial
Surrounding Use West	Commercial

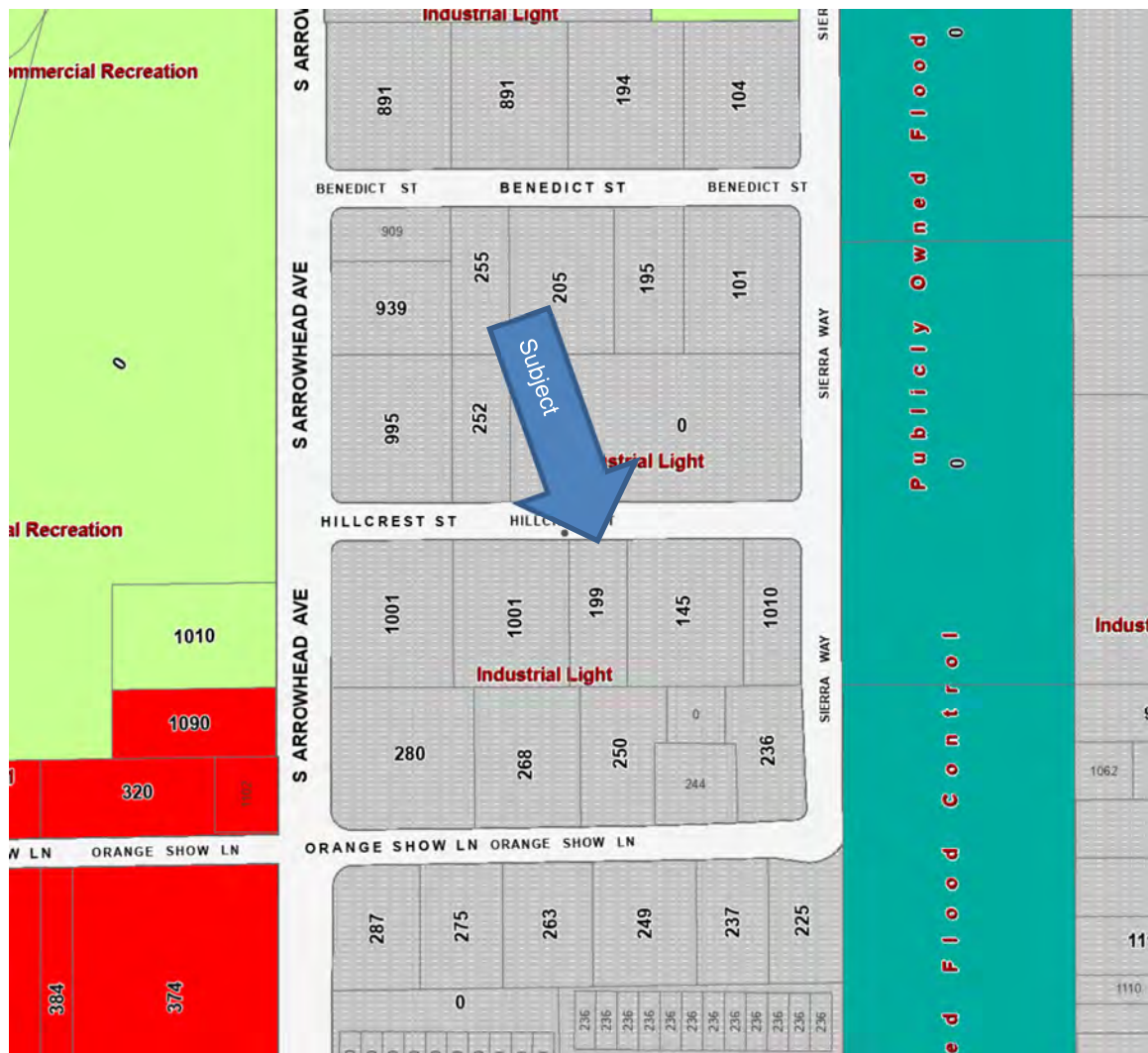
**EARTHQUAKE ZONE:**

The site is not located in a special earthquake study zone; however, all properties in California are subject to some degree of seismic risk. The Alquist-Priolo Special Study Zone Act of 1972 was enacted by the State of California to regulate development near active earthquake faults. The act requires the state geologist to delineate "special study zones" along known active faults in California. Cities and counties affected by the identified zones must limit certain development projects within the zones unless geological investigations demonstrate the sites are not threatened by surface displacement from future faulting.

**ZONING:**

IL - Light Industrial is intended to accommodate development that is consistent with the subject's improvements.





**Zoning Map**  
**Site Zoned IL - Light Industrial**

**Site Analysis for Subject: An Industrial Building (Vacant)**

<b>Site Analysis</b> <b>199 Hillcrest Avenue</b> <b>San Bernardino, 92408</b> <b>Assessor Parcel Number: 0141-281-11-0000</b>	
Assessor Parcel Number	0141-281-11-0000
Access	Good
Lot Size (SF)	25,250
Lot Size (AC)	0.58
Coverage Ratio	1
Topography	Level Pad, Level Surrounding
Parcel Shape	Rectangular
Corner Location	No
Frontage	100 Feet
Existing Improvements	Yes
Proposed Improvements	No
Zoning	IL
Zoning Description	Light Industrial
Zoning Conformity	Yes
Encroachments	None Apparent
Utilities	
Electricity	Yes
Solar Power Output (kWh)	None
Natural Gas	Yes
Water	Municipal
Sewer	Municipal
Sanitation/Rubbish	Yes
Telephone	Yes
Cable TV	Yes
Septic	No
Well Water	No
Propane	No
Flood Zone	X
FIRMS / Flood Map	06071C-8683J
Flood Map Revised Date	9/2/2016
Curb Cutouts	One
Alley Access	No
Street Circulation	Good
Exposure / Traffic Visibility	Good
Traffic Count (Day 1,000s)	Unknown
View	Area
Soils Report(s) Provided	None
External Influences	None
Landscaping	Adequate
Insepction	Yes

### **IMPROVEMENT ANALYSIS**

The subject's improvements are considered to be in Average condition. The subject property is undergoing a minor remodel with debris from the prior tenant being removed, two roll-up doors are being restored so there will be a total of 3 roll up doors, interior paint and renovation and the restoration of 400-amp electrical services. This minor renovation is considered to make the subject more marketable during resale while costs are considered nominal.

The improvements are receiving average maintenance and are currently vacant. The parking is typical and sufficient for this type of improvement. The subject size based on the assessor's records is 14,400 square feet and was built in 1968. The subject's age as of the date of value, February 10, 2023, is 57 years with an effective age of 25 years. The subject's building class is considered to be: Class C/D - Concrete Tilt-up / Crowned Roof.

When differences in improved square footage exist between marketing brochures, rent rolls and other sources and these differences are absent any new construction or renovation, the assessor's records regarding improved size were used. The assessor's records are considered to reflect the best information available regarding the improvements permitted.

On the following pages is a summary of the improvements.

<b>Improvement Analysis</b> <b>199 Hillcrest Avenue</b> <b>San Bernardino, 92408</b> <b>Assessor Parcel Number: 0141-281-11-0000</b> <b>Industrial Building</b>			
Gross Building Area (SF)	14,400	Construction Quality	Average
Net Building Area (SF)	14,400	Construction Type	Concrete Block
Assessor's Building Area (SF)	14,400	Roof Pitch	Crowned
Current Occupancy	14,400	Roof Material	Rollled Asphalt
Current Vacancy SF	0	Foundation	Cast in place concrete
Vacancy Date of Value	0.00%	Floor Covering	Concrete/Tile
Vacancy as of Date of Value	Change	Ceiling	Acoustic/Partial
Vacancy at Stabilization	5.00%	Walls	Block
Current Use	Vacant	Windows	Metal Frame
Number of Buildings	1	Doors	Metal Frame
Number of Units	1 or 2	Overhead Doors	3
Number of Stories	1	Lighting Fixtures	Typical Commercial
Number of Stairways	None	Plumbing	Standard / Operable / Not Inspected
Number of Elevators	None	HVAC	Roof Mounted / Operable / Not Inspected
Exterior Condition	Average Assumed	Electrical Service	Typical Commercial
Interior Condition	Average Assumed	Fire Protection	Fire Extinguishers / Sprinklers
Year Built	1968	Adverse Environmental Condition	None Noted
Age	57	Personal Property / FF&E	None Included in Value
Condition	Average Assumed	Parking	20
Items of Deferred Maintenance	Unknown	Spaces/1,000 SF (Gr Bldg)	1.39
Short Life Items < 10 Years	Unknown	Street Parking	Yes
Long Life Items > 10 Years	Unknown	Loading Docks	0
Functional Utility	Good	#REF!	IL
Economic Life	60	Conforming	Yes
Effective Year Built	2,000	Legal Non-conforming	No
Effective Age	25	Non-conforming	No
Remaining Economic Life	35	Type of Inspection	Interior
Estimated Depreciation	41.67%	Exterior Design / Appeal	Avg/Avg

## **HIGHEST AND BEST USE COMMENTARY**

The appraisers must properly develop the highest and best use conclusions of an improved property from two perspectives: 1) as vacant, and 2) as improved. Highest and best use can be defined as:

1. "The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability."<sup>1</sup>
2. Highest and best use of land or a site as though vacant can be defined as: "Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that a parcel of land is vacant or can be made vacant through demolishing of any improvements."<sup>2</sup>
3. Highest and best use of property as improved is defined as: "The use that should be made of a property as it exists. An existing property should be renovated or retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one."<sup>3</sup>

In determining the highest and best use of a site, several general guidelines are adhered to, these being that the intended improvements are:

1. legally permissible
2. physically possible
3. economically feasible
4. maximally productive

### **Highest and Best Use "As Vacant"**

The highest and best use of the subject site "as vacant" assumes that the land value is determined by potential use. The anticipated use of the land is the value additive. Without this anticipated use, land has no value. The use, among reasonable alternative uses which yield the highest present land value after payments for the other factors of production, is the highest and best use of the land as though vacant.

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<sup>1</sup>The Dictionary of Real Estate Appraisal, Third Edition, Appraisal Institute, Chicago, 1993. p. 171.

<sup>2</sup>Ibid., p. 171.

<sup>3</sup>Ibid., p. 171.



**Legally Permissible**

The subject site is zoned IL - Light Industrial. The IL - Light Industrial zoning is intended for commercial development similar to the subject.

**Physically Possible**

The subject site is level, and the adjacent lots are developed. Of the uses that are legally permissible, it appears that most uses are physically possible on the subject site. The subject site is large enough to accommodate any number of developments including a development similar to the subject.

**Financially Feasible**

Most projects would find strong acceptance in the subject's marketplace.

**Maximally Productive**

The maximally productive use for the subject land, if vacant, would most likely be for the development of a Industrial Building.

**Highest and Best Use "As Improved"**

The subject's analysis as vacant is to improve the property as a Industrial Building. The current improvements are operating at a level which are considered successful within the market. The occupancy of the subject is below market levels, and the tenants appear to be favorable to long term leases and renewals. The current improvements are exhibiting a level of return that is significantly above the underlying land value. The subject's continued use of the existing improvements is considered to be the Highest and Best Use of the subject as currently improved and maintained.

## **COST APPROACH**

The Cost Approach is based on the premise that a prudent buyer would not pay more for a property than the cost to reproduce it. The estimated replacement or reproduction cost new of the improvements, less any accrued depreciation, is added to the estimated land value to produce an indicated market value for the subject. The "Real Estate Appraisal Terminology," op.cit., defines The Cost Approach as:

"That approach in appraisal analysis which is based on the proposition that informed buyers would pay no more than the cost of producing a substitute property with the same utility as the subject property. It is particularly applicable when the property being appraised involves relatively new improvements which represent the highest and best use of the land or when relatively unique or specialized improvements are located on the site for which there exist no comparable properties on the market."

In the case of the subject, the appraisers considered the cost on a replacement cost basis. Replacement cost is defined as:

"The cost of construction at current prices of a building having utility equivalent to the building being appraised but built with modern materials and according to current standards, design and layout."

## **COST APPROACH – REASON FOR EXCLUSION**

In our opinion, the cost approach is not a reliable indicator of value for the subject as improved for the following reasons.

- A. The building improvements are not new; the estimation of depreciation becomes an exercise that requires significant research to develop a reliable estimate of depreciation.
- B. Investors in the market today put little emphasis on the cost approach in the purchasing decision of similar older properties.
- C. The availability of vacant land is scarce in the subject's market and determining market value would be unreliable due to insufficient data.

## **SALES COMPARISON APPROACH**

This approach involves comparing sales of similar properties found in the general area with the subject and making adjustments for differences between them. The adjustments are made for each category of difference, as if the comparable possessed the same characteristics as the subject and then are accumulated in total. These differences include lot size, location, amenities, financing terms not consistent with the general market, and other factors. A range of adjusted values for the subject is calculated in this approach. The appraisers must then reconcile the range into a final indicated value by selectively rating the comparables as to their overall similarity. Further, this approach has been defined in "Real Estate Appraisal Terminology," op.cit., as:

"Traditionally, an appraisal procedure in which the market value estimated is predicated upon prices paid in actual market transactions and current listings, the former fixing the higher limit of value in a declining market, and the latter fixing the higher limit in any market. It is a process of analyzing sales of similar recently sold properties in order to derive an indication of the most probable sales price of the property being appraised. The reliability of this technique is dependent upon; (a) the availability of comparable sales data, (b) the verification of the sales data, (c) the degree of comparability of the extent of adjustment necessary for time differences, and (d) the absence of non-typical conditions affecting the sales price."

While the data sources of the comparable properties utilized in this report have been identified, the appraisers also utilize other sources available such as sales or purchases verified with individuals, realtors, brokers, builders and lenders. The appraisers also utilize past appraisals completed in-house when applicable to the subject property. The comparable sales utilized in the market data analysis sections are considered similar to the subject property with regard to location, physical features, site characteristics, etc. The appraisers may have relied on information furnished by others. The information, with regard to prices, terms, etc., of each comparable is considered to be reliable and accurate but is not guaranteed.

The following page summarized the comparable land sales that were analyzed with adjustments for physical characteristics, in addition to a market time adjustment.

## **MARKET SALES ANALYSIS**

### **An Industrial Building (Vacant)**

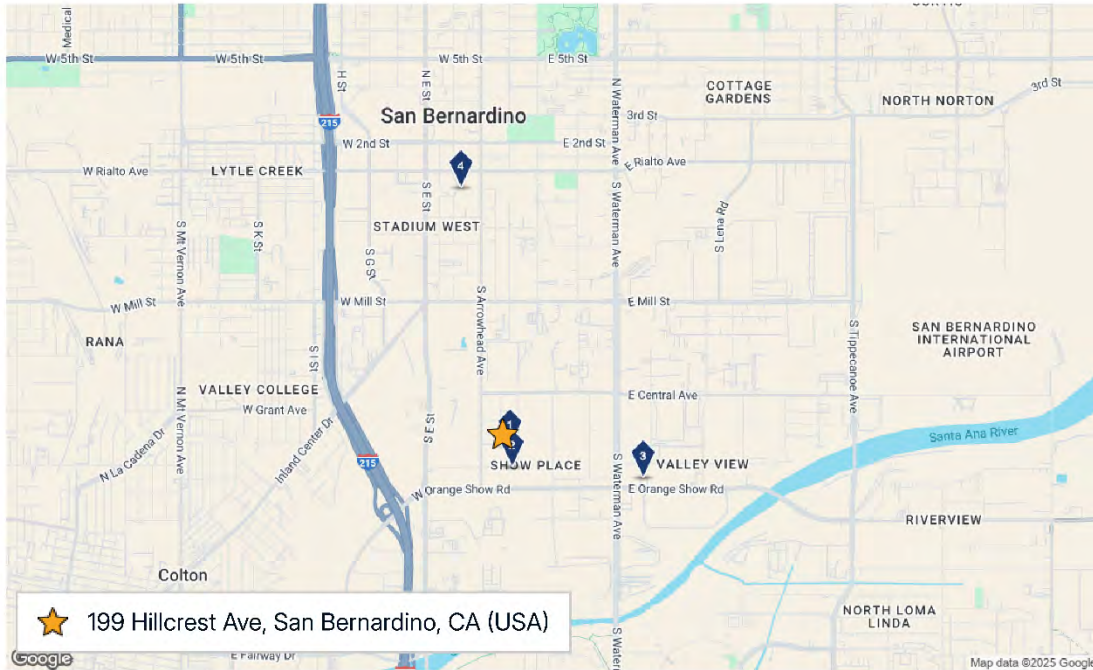
There were several sales that would compete with the subject and based on the available data were sufficiently similar to the subject in age, size and appeal. As a result, the comparable sales selected provided analogous market features for the subject, and the dissimilar characteristics were adjusted.

On the following pages, the best comparable sales were considered based on size, age and proximity to the subject. The following sales were considered comparable to the subject property.

An Industrial Building (Vacant), named as such due to its current buildout and that it is occupied.

## Comparable Sales Map

### Comparable Sales



#### Sale Comps List

	Property Name Address	City	Type	Size	Sale Information
1	145 Hillcrest Ave	San Bernardino	Warehouse ★★★★☆	20,000 SF	Sold: \$4,350,000 (\$217.50/SF)
2	Bldg 9 237 W Orange Show Ln	San Bernardino	Warehouse ★★★★☆	11,678 SF	Sold: \$2,800,000 (\$239.77/SF)
3	Bldg 2 380 E Orange Show Rd	San Bernardino	Manufacturing ★★★★☆	8,682 SF	Sold: \$1,950,000 (\$224.60/SF)
4	123 S D St	San Bernardino	Warehouse ★★★★☆	12,850 SF	Sold: \$2,460,000 (\$191.44/SF)



## Comparable Sales

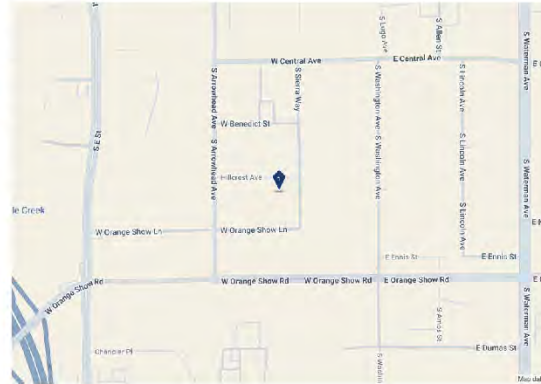


### 145 Hillcrest Ave

San Bernardino, CA 92408 (San Bernardino County) - San Bernardino Submarket



Warehouse



### Sale Summary

Sold	4/20/2023	Land Area	50,530 SF/1.16 AC
Sale Price	\$4,350,000 (\$21750/SF)	Sale Comp Status	Research Complete
RBA (% Leased)	20,000 SF (100%)	Sale Comp ID	6382448
Price Status	Confirmed	Parcel Numbers	0141-281-15
Built	1985		

### Contacts

Type	Name	Location	Phone
Recorded Buyer	Asad-Shalabi, LLC	-	(844) 287-1451
True Buyer	Asad-Shalabi, LLC	-	(844) 287-1451
Contacts	Adele Schneidereit		
Buyer Broker	Lee & Associates	Riverside, CA 92507	(951) 276-3600
Contacts	Rocky Moran (949) 300-5817		
Recorded Seller	BHK Estate 2, LLC	Los Angeles, CA 90017	-
True Seller	Tae Woo Kim	Los Angeles, CA 90017	(201) 423-5339
Contacts	Tae Kim (201) 423-5339		
Listing Broker	KW Commercial- Inland Empire	Ontario, CA 91764	(909) 980-6868
Contacts	Rene Ramos, Jr. (909) 935-0937, Robert Bagley (209) 408-7946, Daniel Richards (909) 243-7747 X222		

### Transaction Details

Sale Date	4/20/2023	Hold Period	88 Months
Sale Price	\$4,350,000 (\$21750/SF)	Recording Date	4/26/2023
Land Price	\$86/SF (\$3,749,970.31/SF)	Zoning	IL
Sale Type	Investment	% Improved	6200%
Time On Market	3 Months 7 Days	Document Number	094959

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## Comparable Sales



### 145 Hillcrest Ave

San Bernardino, CA 92408 (San Bernardino County) - San Bernardino Submarket



Warehouse

#### Transaction Details (Continued)

Parcel Number 0141-281-15

#### Transaction Notes

BHK Estate 2, LLC sold this industrial building to Asad-Shalabi, LLC for \$4,350,000 or \$217.50 per square foot.

The property was on the market for four months with an initial asking price of \$4,500,000.

All information in the comparable has been verified by sources deemed reliable.

#### Assessment At Sale

Assessed Year	Total Assessed	Improved Assessed	Land Assessed	% Improved	Tax Amount
2023	\$1,098,787	\$736,242	\$362,545	6700%	\$55,232.69

#### Sale History

Sale Date	Price	Sale Type	Buyer	Seller
4/20/2023	\$4,350,000 (\$217.50/SF)	Investment	Asad-Shalabi, LLC	Tae Woo Kim
12/22/2015	\$985,000 (\$49.25/SF)	Investment	Tae Woo Kim	Catherine Wentz

#### Tenants at Sale

Tenant Name	Floor	SF Occupied	Employees	Move Date	Expiration
Rudolph Foods West Inc	1	18,946	5	-	-

Showing 1 of 1 Tenants

#### Property Details

Tenancy	Single	Clear Height	18'
Drive Ins	4 total	Sprinklers	Wet
Docks	2 exterior	Power	2,000a/277 - 480v 3p 4w Heavy
Levelers	None	Building FAR	0.40
Cross Docks	None		
Parking Spaces	40 Surface Spaces; Ratio of 2.00/1,000 SF		

#### Amenities

• Air Conditioning	• Fenced Lot	• Floor Drains	• Front Loading
• Storage Space	• Yard		

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## Comparable Sales

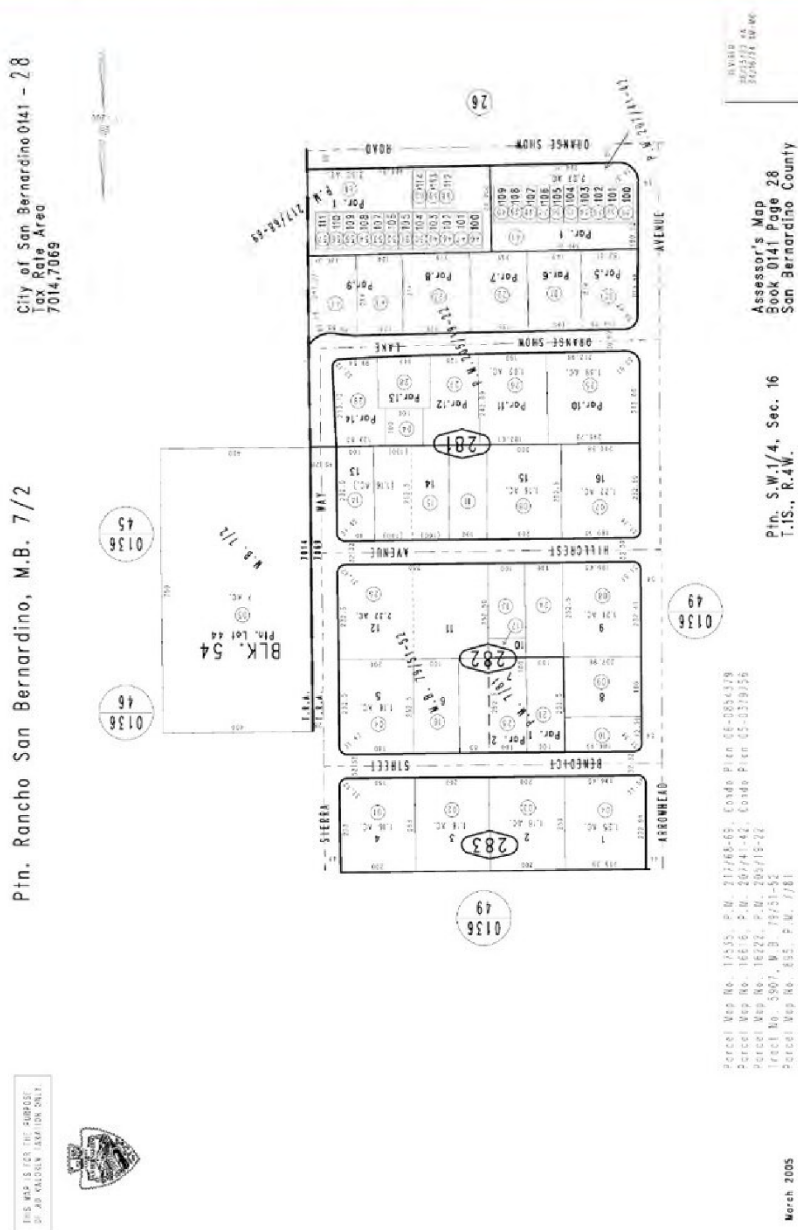


**145 Hillcrest Ave**

San Bernardino, CA 92408 (San Bernardino County) - San Bernardino Submarket



Warehouse



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INC.**

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## Comparable Sales

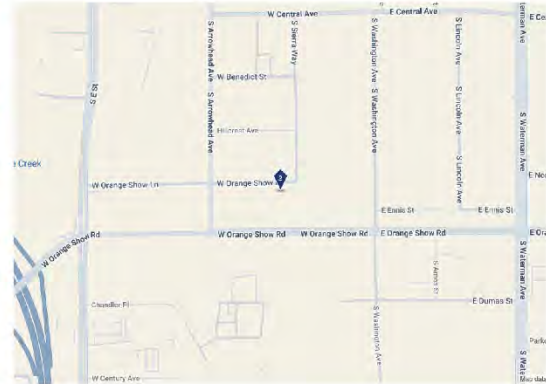


### 237 W Orange Show Ln - Bldg 9

San Bernardino, CA 92408 (San Bernardino County) - San Bernardino Submarket



Warehouse



### Sale Summary

Sold	4/30/2025	Land Area	26,572 SF/0.61 AC
Sale Price	\$2,800,000 (\$239.77/SF)	Sale Comp Status	Research Complete
RBA	11,678 SF	Sale Comp ID	7166172
Price Status	Confirmed	Parcel Numbers	0141-281-43
Built	2006		

### Contacts

Type	Name	Location	Phone
Recorded Buyer	Cf4 LLC	-	(909) 888-8696
True Buyer	Daart Engineering Company, Inc.	San Bernardino, CA 92408	(909) 888-8696
Buyer Broker	Voit Real Estate Services	Ontario, CA 91761	(909) 545-8000
Contacts	Shy Assar (949) 981-4494, Ian Ozimec (949) 500-4648		
Recorded Seller	Nelnik Properties LLC	Los Angeles, CA 90017	-
True Seller	Dunn Property Group	Los Angeles, CA 90017	(213) 580-1400
Listing Broker	Lee & Associates	Riverside, CA 92507	(951) 276-3600
Contacts	Alexey Zabolotskikh (909) 831-2100, Trent Kimsey (951) 901-9195, Craig Yocum (909) 228-4748		

### Transaction Details

Sale Date	4/30/2025	Recording Date	4/30/2025
Sale Price	\$2,800,000 (\$239.77/SF)	Transfer Tax	\$3,080
Land Price	\$105/SF (\$4,590,094.84/SF)	Zoning	LI
Sale Type	Owner User	% Improved	85.73%
Time On Market	11 Months 2 Days	Document Number	098597
Parcel Number	0141-281-43		

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## Comparable Sales



### 237 W Orange Show Ln - Bldg 9

San Bernardino, CA 92408 (San Bernardino County) - San Bernardino Submarket



Warehouse

#### Transaction Notes

Daart Engineering Company, Inc. purchased the 11,678 square foot industrial building at 237 W Orange Show Ln for \$2,800,000 (\$239.77 PSF). The purchase was financed showing an associated loan of \$1,411,500. The asset had been on market for 11 months 2 days with a listed asking price of \$2,950,000. The buyer purchased the asset since they were looking at a steep lease renewal at 20% above market, as mentioned by the buyer's agents.

Information on this transaction was confirmed with parties involved.

#### Assessment At Sale

Assessed Year	Total Assessed	Improved Assessed	Land Assessed	% Improved	Tax Amount
2025	\$1,877,531	\$1,609,573	\$267,958	85.73%	\$23,259.01

#### Sale History

Sale Date	Price	Sale Type	Buyer	Seller
4/30/2025	\$2,800,000 (\$239.77/SF)	Owner User	Daart Engineering Company, Inc.	Dunn Property Group
4/30/2025	Not Disclosed	Individual Property*	Daart Engineering Company Inc	Cf4 LLC
12/22/2006	\$1,400,000 (\$119.88/SF)	Investment or Owner User	Unknown Company	Essex Realty Management, Inc.

\*Non-arm's Length Sale Comp

#### For Lease At Sale

Number of Spaces	1	Total Available	11,678 SF
Smallest Space	11,678 SF	Asking Rent	\$115 SF/mo
Max Contiguous	11,678 SF	Industrial Available	11,678 SF

#### Property Details

Tenancy	Single	Clear Height	24'
Drive Ins	2 total	Crane	None
Docks	None	Power	400a/277 - 480v 3p
Levelers	None	Building FAR	0.44
Parking Spaces	19 Surface Spaces; Ratio of 1.80/1,000 SF		

#### Amenities

- 24 Hour Access
- Cooler
- Skylights

#### Property Notes

Essex Orangeshow Phase II is located in a master planned business park. Zoned Light Industrial, the buildings feature .45 gpm/3000 sf Fire Sprinkler system and possible fenceable yards.

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## Comparable Sales

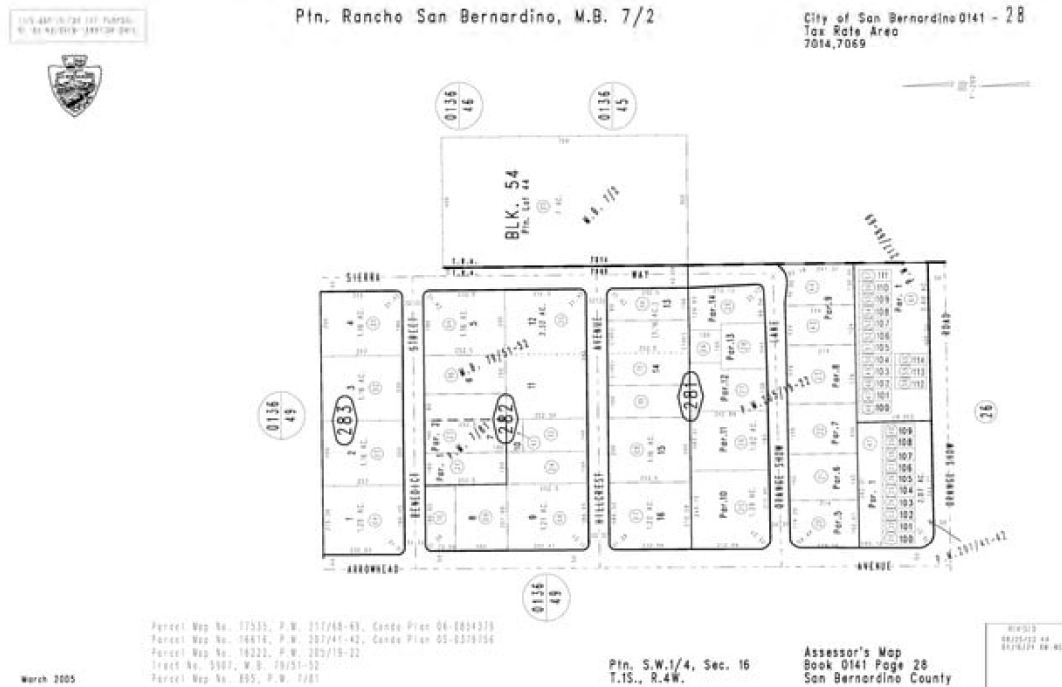


**237 W Orange Show Ln - Bldg 9**

San Bernardino, CA 92408 (San Bernardino County) - San Bernardino Submarket



Warehouse



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## Comparable Sales



### 380 E Orange Show Rd - Bldg 2

San Bernardino, CA 92408 (San Bernardino County) - San Bernardino Submarket



Manufacturing



### Sale Summary

Sold	4/15/2025	Land Area	21,780 SF/0.50 AC
Sale Price	\$1,950,000 (\$224.60/SF)	Sale Comp Status	Research Complete
RBA (% Leased)	8,682 SF (100%)	Sale Comp ID	7133531
Price Status	Confirmed	Parcel Numbers	0280-142-38
Built	2006	Sale Conditions	1031 Exchange

### Contacts

Type	Name	Location	Phone
Recorded Buyer	Ivan Gonzalez	-	(951) 906-3622
Recorded Buyer	Miriam Gonzalez	Orlando, FL 32801	(909) 486-0563
True Buyer	Miriam Gonzalez	Orlando, FL 32801	(909) 486-0563
Contacts	Miriam Gonzalez (909) 486-0563		
True Buyer	Ivan Gonzalez	-	(951) 906-3622
Contacts	Ivan Gonzalez (951) 906-3622		
Recorded Seller	Elz Holding Lic	-	-
True Seller	Shandong Zhang	Redlands, CA 92374	(909) 792-8877
Contacts	Shandong Zhang (909) 792-8877		
Listing Broker	1000 Realty Corp	San Marino, CA 91108	(626) 656-8600
Contacts	Min Yang (626) 523-2198		
Listing Broker	IRN Realty	Arcadia, CA 91007	(626) 447-5100
Contacts	Jeffrey Cheng (626) 255-5104		

### Transaction Details

Sale Date	4/15/2025	Hold Period	45 Months
Sale Price	\$1,950,000 (\$224.60/SF)	Recording Date	4/15/2025
Land Price	\$90/SF (\$3,900,000.00/SF)	Transfer Tax	\$2145

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## Comparable Sales



### 380 E Orange Show Rd - Bldg 2

San Bernardino, CA 92408 (San Bernardino County) - San Bernardino Submarket



Manufacturing

#### Transaction Details (Continued)

Sale Type	Owner User	Zoning	IL
Time On Market	9 Months 20 Days	Document Number	081133
Sale Conditions	1031 Exchange		
Parcel Number	0280-142-38		

#### Transaction Notes

A private individual seller sold the 8,682 square foot building at 380 E Orange Show Rd to a private individual buyer for \$1,950,000. This was a 1031 exchange. The purchase was financed showing an associated loan of \$992,5000, and the information was verified by the listing broker and the buyer in this transaction.

#### Assessment At Sale

Assessed Year	Total Assessed	Improved Assessed	Land Assessed	% Improved	Tax Amount
2025	\$0	\$0	\$0	-	\$22,991.63

#### Sale History

Sale Date	Price	Sale Type	Buyer	Seller
4/15/2025	\$1,950,000 (\$224.60/SF)	Owner User	Miriam Gonzalez	Shandong Zhang
7/9/2021	\$1,580,000 (\$181.99/SF)	Owner User	Shandong Zhang	Tony & Roseann Harris Living Trust
6/21/2019	\$3,990,500 (\$139.56/SF)	3 Property Portfolio	Tony & Roseann Harris Living Trust	Joyce Seidner

#### Property Details

Tenancy	Single	Clear Height	18'
Drive Ins	2 total	Power	400a/277 - 480v 3p
Docks	None	Building FAR	0.40
Levelers	None		
Parking Spaces	15 Surface Spaces; Ratio of 1.73/1,000 SF		

#### Amenities

• Air Conditioning	• Conferencing Facility	• Fenced Lot	• Reception
• Security System	• Skylights	• Smoke Detector	• Yard

#### Property Notes

Orangeshow Business Park features 4 industrial buildings with no association fee, 400 amps, 277/480V, 0.30gpm/2000sf sprinkler system, access to the 10 & 15 fwys, fencing around the project, and street frontage on Orangeshow Rd.

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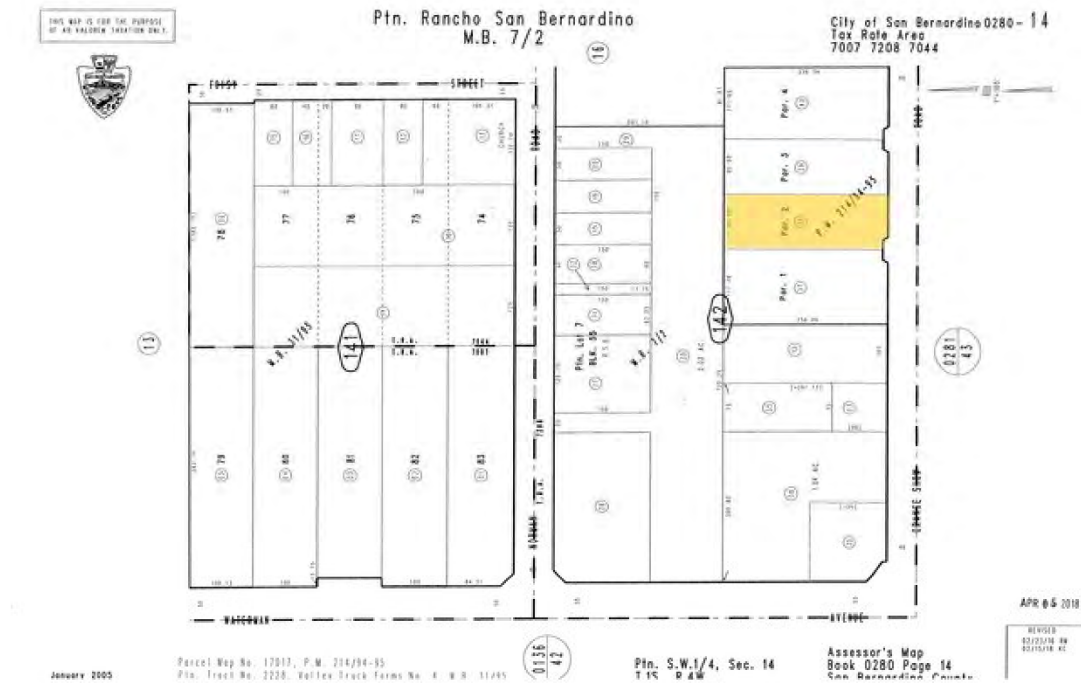
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## Comparable Sales



**380 E Orange Show Rd - Bldg 2**

San Bernardino, CA 92408 (San Bernardino County) - San Bernardino Submarket



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## Comparable Sales

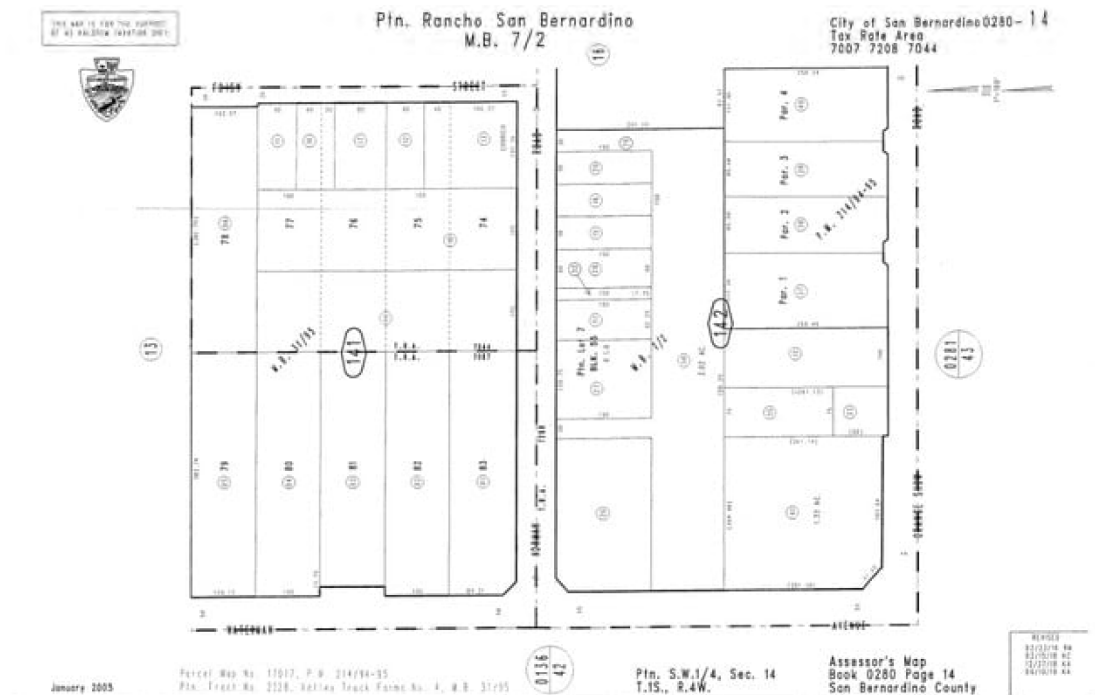


### 380 E Orange Show Rd - Bldg 2

San Bernardino, CA 92408 (San Bernardino County) - San Bernardino Submarket



Manufacturing



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## Comparable Sales

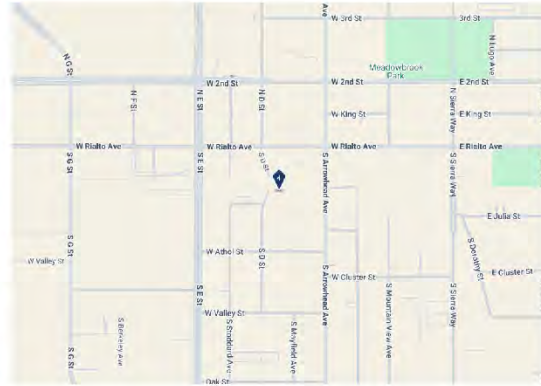


**123 S D St**

San Bernardino, CA 92401 (San Bernardino County) - San Bernardino Submarket



Warehouse



### Sale Summary

Sold	8/4/2025	Actual Cap Rate	6.00%
Sale Price	\$2,460,000 (\$191.44/SF)	Sale Comp Status	In Progress
RBA (% Leased)	12,850 SF (100%)	Sale Comp ID	7275374
Price Status	Confirmed	Parcel Numbers	0136-122-82
Built	1969	Sale Conditions	1031 Exchange
Land Area	48,787 SF/1.12 AC		

## Contacts

Type	Name	Location	Phone
Buyer Broker	Voit Real Estate Services	Gardena, CA 90248	(424) 329-7500
Contacts	David Fufts (323) 791-0038		
Recorded Seller	Westbrook Family 2001 Living Trust	-	-
True Seller	Westbrook Family 2001 Living Trust	San Bernardino, CA 92407	(909) 883 9658
Listing Broker	Lee & Associates	Riverside, CA 92507	(951) 276-3600
Contacts	Rick Lazar (951) 316-1298, Spencer Hull (909) 477-0197		

### Transaction Details

Sale Date	8/4/2025	Hold Period	12 Months
Sale Price	\$2,460,000 (\$191.44/SF)	Zoning	LI
Land Price	\$50/SF (\$2,196,437.58/SF)	% Improved	6791%
Sale Type	Investment		
Sale Conditions	1031 Exchange		
Parcel Number	0136-122-82		

## Comparable Sales


**123 S D St**

San Bernardino, CA 92401 (San Bernardino County) - San Bernardino Submarket



Warehouse

### Transaction Notes

This transaction is being researched.

### Assessment At Sale

Assessed Year	Total Assessed	Improved Assessed	Land Assessed	% Improved	Tax Amount
2025	\$297,834	\$202,253	\$95,581	67.91%	\$3,809.73

### Sale History

Sale Date	Price	Sale Type	Buyer	Seller
8/4/2025	\$2,460,000 (\$191.44/SF)	Investment	-	Westbrook Family 2001 Living Trust
8/29/2024	Not Disclosed	Individual Property*	Westbrook Family 2001 Living Trust	Westbrook Harold Truitt
7/13/2016	Not Disclosed	Individual Property	Botts Family Trust	Botts Robert E & Beverly A

\*Non-arms Length Sale Comp

### Tenants at Sale

Tenant Name	Floor	SF Occupied	Employees	Move Date	Expiration
JB Wholesale Roofing & Building Supplies	1	12,825	7	Jan 2021	Oct 2031

Showing 1 of 1 Tenants

### Property Details

Tenancy	Single	Clear Height	24'
Drive Ins	3 total/ 10' w x 16' h	Crane	None
Docks	None	Power	200a/
Levelers	None	Building FAR	0.26
Parking Spaces	24 Surface Spaces; Ratio of 1.87/1,000 SF		

### Amenities

- Fenced Lot

### Property Notes

Single tenant industrial asset.

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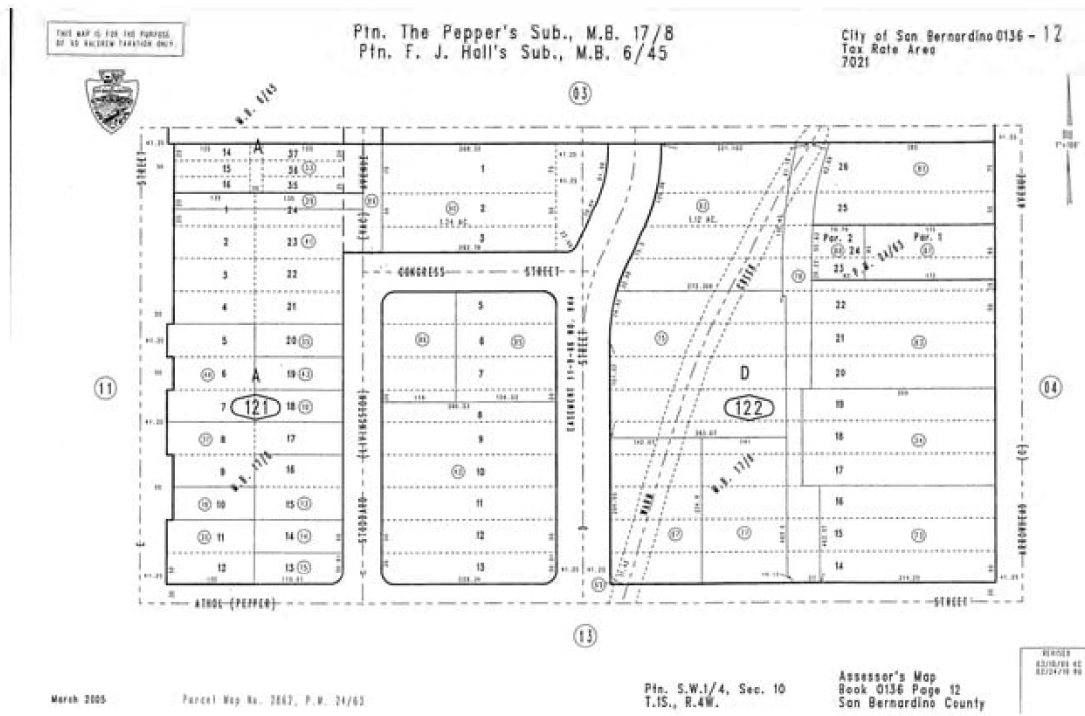
## Comparable Sales


**123 S D St**

San Bernardino, CA 92401 (San Bernardino County) - San Bernardino Submarket



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Comparable Sales Adjustment Grid															
Description		Subject		Comparable Sale 1			Comparable Sale 2			Comparable Sale 3			Comparable Sale 4		
Adress		199 Hillcrest Avenue		145 Hillcrest Ave			237 W Orange Show Ln			380 E Orange Show Rd			123 S D St		
City, State Zip		San Bernardino, CA 92408		San Bernardino, CA 92408-2117			San Bernardino, CA 92408			San Bernardino, CA 92408			San Bernardino, CA 92401		
APN#		0141-281-11-0000		APN# 0141-281-15			APN# 0141-281-43			APN# 0280-142-38			APN# 0136-122-82		
Marketing		N/Ap		Marketing Time 97 Days			Marketing Time 337 Days			Marketing Time 293 Days			Marketing Time Not Reported		
CoStar # / MLS #		N/Ap		Comp ID 6382448			Comp ID 7166172			Comp ID 7133531			Comp ID 7275374		
Document #		N/Ap		Document # 094959			Document # 098597			Document # 081133			Document # Not Reported		
						Price Per SF					Price Per SF				
Sales Price		N/Ap		\$ 4,350,000		\$217.50		\$ 2,800,000		\$239.77		\$ 1,950,000		\$224.60	
Sales Price/SF/\$				Price Per SF		\$217.50		Price Per SF		\$239.77		Price Per SF		\$224.60	
Sales Terms		N/Ap		Investment		0.00% \$0.00		Investment		0.00% \$0.00		Investment		0.00% \$0.00	
Financing		Assumed Conv.		Conv.		0.00% \$0.00		Conv.		0.00% \$0.00		Conv.		0.00% \$0.00	
Sale Date (0%) Yr. Adj.		8/25/2025		4/20/2023		0.00% \$0.00		4/30/2025		0.00% \$0.00		4/15/2025		0.00% \$0.00	
Adjusted Value/SF				Adjusted Total		\$217.50		Adjusted Total		\$239.77		Adjusted Total		\$224.60	
				Adjustments				Adjustments				Adjustments			
				% \$				% \$				% \$			
Location		San Bernardino		San Bernardino		0.00% \$0.00		San Bernardino		0.00% \$0.00		San Bernardino		0.00% \$0.00	
Access		Good		Similar		0.00% \$0.00		Similar		0.00% \$0.00		Similar		0.00% \$0.00	
Bldg Size (Gross)		14,400		20,000		0.00% \$0.00		11,678		0.00% \$0.00		8,682		0.00% \$0.00	
Year Built		1968		1985		(4.00%) (\$8.70)		2006		(10.00%) (\$23.98)		2006		(10.00%) (\$22.46)	
Construction Quality		Average		Similar		0.00% \$0.00		Similar		0.00% \$0.00		Similar		0.00% \$0.00	
Condition		Average Assumed		0		0.00% \$0.00		Good		0.00% \$0.00		0		0.00% \$0.00	
Exposure / Traffic Visibility		Good		Similar		0.00% \$0.00		Similar		0.00% \$0.00		Similar		0.00% \$0.00	
Coverage Ratio		57.03%		40%		0.00% \$0.00		44%		0.00% \$0.00		40%		0.00% \$0.00	
Spaces/1,000 SF (Gr Bldg)		1.39		2.00		0.00% \$0.00		1.80		0.00% \$0.00		1.73		0.00% \$0.00	
NOI/SF per Month		\$1.01		Not Reported		0.00% \$0.00		Not Reported		0.00% \$0.00		Not Reported		0.00% \$0.00	
CAP Rate - Pro-forma		7.00%		Not Reported		0.00% \$0.00		Not Reported		0.00% \$0.00		Not Reported		0.00% \$0.00	
Income Potential		Local Tenant		Similar		0.00%		Similar		0.00%		Similar		0.00%	
				Total Adjustment		(\$8.70)		Total Adjustment		(\$23.98)		Total Adjustment		(\$22.46)	
Net Adjustment				Net		(4.00%)		Net		(10.00%)		Net		(10.00%)	
Total Gross Adjustment				Gross		4.00%		Gross		10.00%		Gross		10.00%	
Weighted Average				Wtd Avg.		20.00%		Wtd Avg.		15.00%		Wtd Avg.		15.00%	
Adjusted Price / SF						\$208.80				\$215.79				\$202.14	
														\$172.30	

I was able to find recent comparable sales data from the subject's market area. The values of improved properties have experienced a slight increase in this market as lease rates remain stable with some rates slightly increasing. Vacancies in this market are currently less than 10%.

The subject's net adjustments had a wide range of adjustments and resulting adjusted values. Taking into account the subject's size, location and age, the middle range of values was considered appropriate after the adjustments were made to the comparable sales.

**Terms of the sale (financing)** are an adjustment for any financing considerations that are not typical in the market. By definition, anything less than a cash-equivalent sale would be adjusted. This includes below or above current market interest rates, an atypical payback period, seller financing, buy-downs and exchange influences.

**Date of sale** (Market Conditions) is an adjustment to reflect any appreciation or depreciation in value over time.

**Sales condition** is the adjustment for any unusual circumstances surrounding the buying influences of a property. This would include distress sales due to bankruptcy, delinquent taxes, partnership splits, and holding periods for the entitlement process or less than arms-length transactions.

**Location** is an adjustment to reflect the surrounding area's economic, social, physical and political influences. The sales were adjusted based on their proximity to freeway access, services, beach influence and appeal of the adjacent area. The location of Comparable Sales was considered to be superior if there was superior traffic exposure, corner location or commercial intensity. Adjustments were made for longer access to nearby freeways.

**Access** is an adjustment that takes into account an auto-centric environment where the ability to gain entry to a given site without impediments of traffic, inferior roads, external influences, partial traffic circulation, divided roadways, inadequate signaling and a lack of curb cutouts may impact value. This adjustment could also be applied to pedestrian centric sites based on ease of access to pedestrians.

**Lot size/Parking/Coverage** would indicate a difference in the potential for future development and parking. The subject site has on-site parking consisting of 20 spaces.

**Quality/Condition/Age** is an adjustment to reflect the construction quality, maintenance and age of the comparable sales. Age adjustment is primarily a function of appeal and updating. An older building may have received extensive renovations indicating that the property's effective age is similar to buildings that are newer. A condition adjustment was considered necessary. The age adjustment reflects a 2.50% adjustment for every 10 years of difference in age.



Adjustments	
Annual market condition adjustment	0.00%
Age Adjustment Per Year	0.25%

The sales were weighted based on the gross adjustments and net adjustments, with sales with lower gross adjustments and sales most similar to the subject receiving the most weight.

Value based on Weighted Averages			
Comparable Sale	Wt. %	Adj Value	Contribution
Comparable Sale 1	20.00%	\$ 208.80	\$41.76
Comparable Sale 2	15.00%	\$ 215.79	\$32.37
Comparable Sale 3	15.00%	\$ 202.14	\$30.32
Comparable Sale 4	50.00%	\$ 172.30	\$86.15
	100.00%		\$190.60
<b>Value based on Weighted Averages</b>			<b>\$190.60</b>

The value based on weighted averages was \$190.60 per square foot indicating a value of \$2,744,608.

Value - Weighted Averages	
Value Based on Weighted Average	\$190.60
Gross Building Area	x 14,400
Value - Weighted Averages	\$2,744,608

The lowest adjusted price per square foot was \$172.30 and the highest was \$215.79 with an average of \$199.76.

Summary of Adjusted Values			
Comparable Sale	Gross Adj %	Net Adj %	Adj. Value
Comparable Sale 1	4.00%	(4.00%)	\$ 208.80
Comparable Sale 2	10.00%	(10.00%)	\$ 215.79
Comparable Sale 3	10.00%	(10.00%)	\$ 202.14
Comparable Sale 4	10.00%	(10.00%)	\$ 172.30
<b>High</b>			<b>\$215.79</b>
<b>Low</b>			<b>\$172.30</b>
<b>Average</b>			<b>\$199.76</b>

After a review of the comparable sales the middle range was considered most representative of the subject's market value as of the date of value.

Reconciled Value - Sales Approach	
Reconciled Price/SF	\$190.00
Gross Building Area	x 14,400
Value - Sales Approach (Rnd)	\$2,700,000

The estimated market value of the subject property via the Sales Comparison Approach is \$190.00 per square foot or \$2,700,000, rounded:

**14,400 square feet x \$190.00 /SF = \$2,700,000 (rounded)**

**\$2,700,000**

## **INCOME CAPITALIZATION APPROACH**

### **An Industrial Building (Vacant)**

In this approach, the income potential from the property as an income-producing operation is analyzed and measured against the market's expectations. The stability of the income stream, factors of risk, rent increase potential, vacancy rates, operating expenses and other matters all influence the indicated value from this approach.

The steps in the approach are, first, to survey rents to determine the economic (market) rents for the subject. From this, the annual income for the property is determined. Secondly, an estimate from market data is made for vacancies and collection losses. This is deducted from the gross income to determine the effective gross income.

The third step requires analysis and estimation of operating expenses. The expenses include taxes, insurance, management and other costs associated with the operation of the property in a sound manner. These are totaled and subtracted from the effective gross income to arrive at the net annual operating income.

The final step in this approach requires an analysis of market data to obtain capitalization rates from sales of similar income-producing properties. After reconciliation of the rates obtained from the market, a rate applicable to the subject is divided into the net income stream to determine the value of this approach.

Typically, there are two "models" that are standard tools for valuing the subject in the Income Capitalization Approach. The Direct Capitalization Model as explained above assumes capitalization in perpetuity, or that the first year's income is representative of the future cash flows, and thus direct capitalization can be applied.

The Discounted Cash Flow Model projects the subject cash flows over a specific holding period. The cash flows incorporate the varied occupancy levels, vacancy deductions, operating expenses, etc., of the subject and indicate a net cash flow after all deductions to the income potential have been made. The net cash flows are discounted to their present value at an appropriate rate.

The Direct Capitalization Model is used in this analysis as the best indicator of value in the Income Capitalization Approach because it is the more highly recognized technique for income-producing properties. Principals involved in these types of transactions use this technique more often when the property is leased at market rent and is at stabilized occupancy.

***The lease rates represented in this report are analyzed on a per square foot per month basis.***

## Triple Net (NNN) Lease Analysis

The following Industrial Building leases were contracted on an NNN or modified gross basis. There was limited data in the market for this type of improvement. A summary of 14 transactions follow. The summary begins with a listing of the comparable leases.

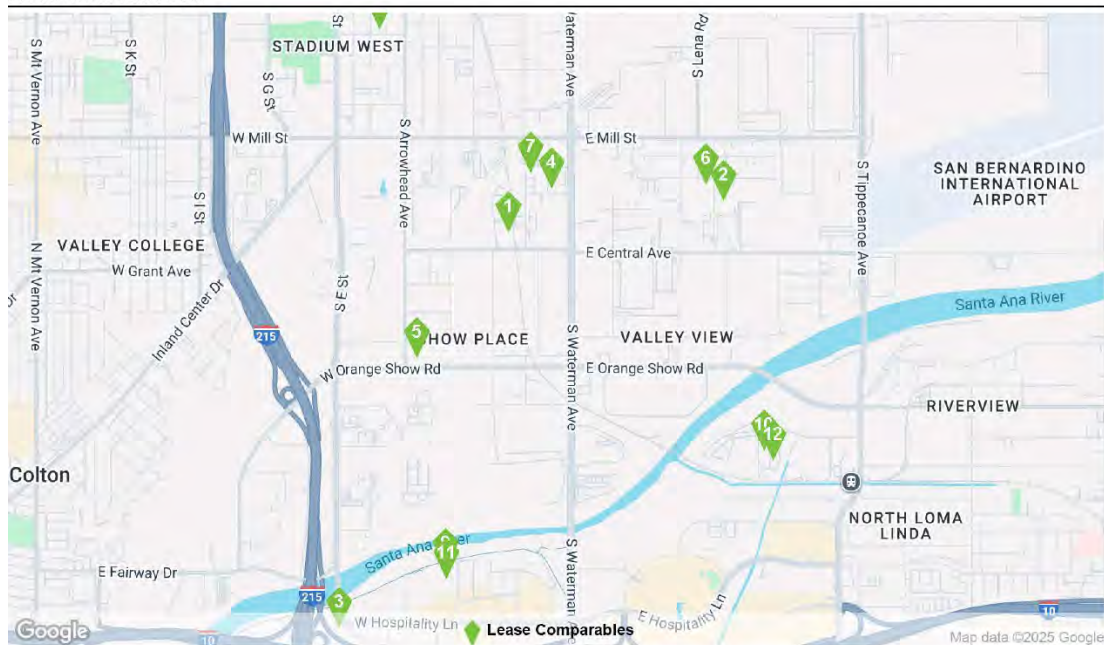
### Map of Comparable Leases - An Industrial Building (Vacant)

#### Lease Comps Summary

#### Lease Comps Report

Deals	Asking Rent Per SF	Starting Rent Per SF	Avg. Months On Market
<b>14</b>	<b>\$1.00</b>	<b>\$1.08</b>	<b>4</b>

#### LEASE COMPARABLES



#### SUMMARY STATISTICS

Rent	Deals	Low	Average	Median	High
Asking Rent Per SF	14	\$0.63	\$1.00	\$1.00	\$1.35
Starting Rent Per SF	7	\$0.92	\$1.08	\$1.11	\$1.25
Effective Rent Per SF	-	-	-	-	-
Asking Rent Discount	7	-17.6%	-3.6%	-0.8%	8.0%
TI Allowance	-	-	-	-	-
Months Free Rent	-	-	-	-	-

Lease Attributes	Deals	Low	Average	Median	High
Months on Market	14	1	4	2	21
Deal Size	14	3,182	5,882	5,181	10,960
Deal in Months	8	12.0	37.0	36.0	60.0
Floor Number	14	1	1	1	1

There 14 transactions that were analyzed with a low of \$0.63/SF NNN, or adjusted NNN, to a high of \$1.35/SF NNN or adjusted NNN. The subject's net rentable size is 14,400 square feet and the transactions analyzed averaged 5,882 square feet. In this market 1 to 5-year terms it is typical for this type of improvement.

On the following pages is a summary of the lease transactions.

## Lease Comps Summary

		Lease				Rents	
Property Name - Address	Rating	SF Leased	Floor	Sign Date	Type	Rent	Rent Type
1 785 S Lugo Ave	★★★★★	12,400	1st	8/26/2025	New Lease	\$1.40/mg	Asking
2 Airport Business Park, SB 701 Gifford Ave	★★★★★	4,261	1st	8/5/2025	New Lease	\$0.85	Asking
3 1936-1940 S E St	★★★★★	9,325	1st	7/18/2025	New Lease	\$0.63	Asking
4 Bldg 6 665-675 Lincoln Ave	★★★★★	5,932	1st	6/18/2025	New Lease	\$1.25	Asking
2 Airport Business Park, SB 701 Gifford Ave	★★★★★	4,431	1st	6/3/2025	New Lease	\$1.00/ig	Asking
2 Airport Business Park, SB 701 Gifford Ave	★★★★★	4,431	1st	2/17/2025	New Lease	\$1.00/mg	Starting
5 290 W Orange Show Rd	★★★★★	4,141	1st	2/17/2025	New Lease	\$1.25/mg	Starting
6 703 E Santa Fe St	★★★★★	7,500	1st	1/14/2025	New Lease	\$0.92/mg	Starting
7 Bldg 9 Phase II 619 S Allen St	★★★★★	10,960	1st	11/19/2024	New Lease	\$0.99/nnn	Asking
2 Airport Business Park, SB 701 Gifford Ave	★★★★★	4,261	1st	11/6/2024	New Lease	\$1.00/mg	Starting
8 380 Athol St	★★★★★	6,000	1st	8/1/2024	New Lease	\$1.20/fs	Starting
9 1808 Commercenter W	★★★★★	3,182	1st	7/1/2024	New Lease	\$1.11	Starting
10 Bldg 2 1425 S Victoria Ct	★★★★★	6,947	1st	4/4/2024	New Lease	\$1.35	Asking
11 1814 Commercenter W	★★★★★	7,380	1st	3/7/2024	New Lease	\$0.87	Asking
12 Bldg 12 1468 S Gage St	★★★★★	3,600	1st	1/15/2024	New Lease	\$1.21/mg	Starting



## Lease Comps Details

### Lease Comps Report



#### 785 S Lugo Ave

San Bernardino, CA 92408 - San Bernardino Submarket



#### LEASE

SF Leased:	12,400 SF
Sign Date:	Aug 2025
Space Use:	Industrial
Lease Type:	Direct
Floor:	1st Floor

#### RENTS

Asking Rent:	\$1.40/MG
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#### CONCESSIONS AND BUILDOUT

Buildout Status:	Partial Build-Out
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#### LEASE TERM

Start Date:	Nov 2025
Expiration Date:	Nov 2026
Lease Term:	1 Year

#### TIME ON MARKET

Date On Market:	Jul 2025
Date Off Market:	Aug 2025
Months on Market:	2 Months

#### TIME VACANT

Date Occupied:	Nov 2025
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#### LEASING REP

##### Lee & Associates

3240 Mission Inn Ave  
Riverside, CA 92507-4069  
Rocky Moran (951) 276-3681  
**Lee & Associates Commercial Real Esta...**  
3535 Inland Empire Blvd  
Ontario, CA 91764  
Scott R. Ostlund (909) 989-7771

#### MARKET AT LEASE

Vacancy Rates	2025 Q3	YOY
Current Building	0.0%	↔ 0.0%
Submarket 1-3 Star	6.4%	▲ 0.3%
Market Overall	8.5%	▲ 0.9%

Same Store Asking Rent/SF	2025 Q3	YOY
Current Building	\$0.66	▼ -0.8%
Submarket 1-3 Star	\$1.11	▼ -1.9%
Market Overall	\$1.09	▼ -3.3%

Submarket Leasing Activity	2025 Q3	YOY
12 Mo. Leased SF	6,499,741	▲ 10.7%
Months On Market	5.5	▼ -0.2

#### PROPERTY

Property Type:	Industrial	Rentable Area:	12,400 SF
Status:	Built 1962	Stories:	1
Tenancy:	Single	Floor Size:	12,400 SF
Class:	C	Ceiling Height:	16'
Construction:	Reinforced Concrete	Vacancy at Lease:	0.0%
Parking:	24 Surface Spaces a...	Land Acres:	0.69

## Lease Comps Details

### Lease Comps Report

#### 2 701 Gifford Ave - Airport Business Park, SB

San Bernardino, CA 92408 - San Bernardino Submarket



#### MARKET AT LEASE

Vacancy Rates	2025 Q3	YOY
Current Building	2.3%	▼ -7.0%
Submarket 2-4 Star	12.6%	▲ 2.9%
Market Overall	8.5%	▲ 0.9%

Same Store Asking Rent/SF	2025 Q3	YOY
Current Building	\$1.23	▼ -1.5%
Submarket 2-4 Star	\$0.99	▼ -3.4%
Market Overall	\$1.09	▼ -3.3%

Submarket Leasing Activity	2025 Q3	YOY
12 Mo. Leased SF	6,499,741	▲ 10.7%
Months On Market	5.5	▼ -0.2

#### LEASE

SF Leased:	4,261 SF
Sign Date:	Aug 2025
Space Use:	Industrial
Lease Type:	Direct
Floor:	1st Floor
Suite:	701#104

#### LEASE TERM

Start Date:	Sep 2025
Expiration Date:	Sep 2026
Lease Term:	1 Year

#### TIME ON MARKET

Date On Market:	Jun 2025
Date Off Market:	Aug 2025
Months on Market:	3 Months

#### LEASING REP

**S & D Associates**  
 1020 N Batavia St, Suite B  
 Orange, CA 92867-5529  
 David Arroba (714) 997-7956

#### PROPERTY

Property Type:	Industrial	Rentable Area:	45,476 SF
Status:	Built 2006	Stories:	1
Tenancy:	Multi	Floor Size:	45,476 SF
Class:	B	Ceiling Height:	18'
Construction:	Masonry	Vacancy at Lease:	2.3%
Parking:	87 Surface Spaces a...	Land Acres:	2.59

## Lease Comps Details

### Lease Comps Report



#### 1936-1940 S E St

San Bernardino, CA 92408 - San Bernardino Submarket



#### LEASE

SF Leased:	<b>9,325 SF</b>
Sign Date:	<b>Jul 2025</b>
Space Use:	<b>Flex</b>
Lease Type:	<b>Direct</b>
Floor:	<b>1st Floor</b>
Suite:	<b>1936</b>

#### RENTS

Asking Rent:	<b>\$0.63</b>
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#### LEASE TERM

Start Date:	<b>Aug 2025</b>
Expiration Date:	<b>Aug 2028</b>
Lease Term:	<b>3 Years</b>

#### TIME ON MARKET

Date On Market:	<b>Oct 2023</b>
Date Off Market:	<b>Jul 2025</b>
Months on Market:	<b>21 Months</b>

#### TIME VACANT

Date Vacated:	<b>Jan 2024</b>
Date Occupied:	<b>Aug 2025</b>
Months Vacant:	<b>19 Months</b>

#### LEASING REP

**Allied Commercial Real Estate**  
 9327 Fairway View Pl, Suite 300  
 Rancho Cucamonga, CA 91730-0968  
 Tony M. Guglielmo, CCIM (909) 786-4300...  
 Steven D. Roppel (909) 297-0881

#### MARKET AT LEASE

Vacancy Rates	2025 Q3	YOY
Current Building	0.0%	▼ -50.1%
Submarket 2-4 Star	7.2%	▲ 0.7%
Market Overall	6.6%	▲ 0.9%

Same Store Asking Rent/SF	2025 Q3	YOY
Current Building	\$0.72	▼ -1.5%
Submarket 2-4 Star	\$1.67	▲ 0.3%
Market Overall	\$2.24	▲ 0.4%

Submarket Leasing Activity	2025 Q3	YOY
12 Mo. Leased SF	353,229	▼ -14.5%
Months On Market	10.3	▲ 1.5

#### PROPERTY

Property Type:	<b>Retail</b>	Rentable Area:	<b>18,600 SF</b>
Status:	<b>Built 1989</b>	Stories:	<b>2</b>
Tenancy:	<b>Multi</b>	Floor Size:	<b>9,300 SF</b>
Class:	<b>C</b>	Vacancy at Lease:	<b>0.0%</b>
Construction:	<b>Reinforced Concrete</b>	Land Acres:	<b>1.01</b>
Parking:	<b>30 Surface Spaces a...</b>		

## Lease Comps Details

### Lease Comps Report



#### 665-675 Lincoln Ave - Bldg 6

San Bernardino, CA 92408 - San Bernardino Submarket



#### MARKET AT LEASE

Vacancy Rates	2025 Q2	YOY
Current Building	0.0%	↔ 0.0%
Submarket 1-3 Star	6.0%	▼ -0.5%
Market Overall	7.8%	▲ 0.8%

Same Store Asking Rent/SF	2025 Q2	YOY
Current Building	\$1.16	▼ -9.5%
Submarket 1-3 Star	\$1.11	▼ -1.3%
Market Overall	\$1.10	▼ -2.7%

Submarket Leasing Activity	2025 Q2	YOY
12 Mo. Leased SF	6,439,771	▲ 52.0%
Months On Market	6.4	▲ 1.5

#### LEASE

SF Leased:	5,932 SF
Sign Date:	Jun 2025
Space Use:	Industrial
Lease Type:	Direct
Floor:	1st Floor
Suite:	665

#### LEASE TERM

Start Date:	Jul 2025
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#### TIME ON MARKET

Date On Market:	Feb 2025
Date Off Market:	Jun 2025
Months on Market:	5 Months

#### LEASING REP

##### Lee & Associates Commercial Real Esta...

9838 Research Dr  
Irvine, CA 92618  
Bobby Martinez (949) 727-1200 X104  
Skyler Serrano (949) 790-3180  
Steffan Morris (949) 790-3190  
Lauren Miller (949) 727-1200

#### PROPERTY

Property Type:	Industrial
Status:	Built 2002
Tenancy:	Multi
Class:	B
Construction:	Reinforced Concrete
Parking:	21 Surface Spaces a...

#### RENTS

Asking Rent:	\$1.25
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#### TIME VACANT

Date Occupied:	Jul 2025
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#### TENANT REP

##### Allied Commercial Real Estate

9327 Fairway View Pl, Suite 300  
Rancho Cucamonga, CA 91730-0968  
Bill Faulkner (909) 578-8233



## Lease Comps Details

### Lease Comps Report

**2 701 Gifford Ave - Airport Business Park, SB**  
San Bernardino, CA 92408 - San Bernardino Submarket



#### LEASE

SF Leased: **4,431 SF**  
Sign Date: **Jun 2025**  
Space Use: **Industrial**  
Lease Type: **Direct**  
Floor: **1st Floor**  
Suite: **101**

#### RENTS

Asking Rent: **\$1.00/IG**

#### LEASE TERM

Start Date: **Jul 2025**

#### TIME ON MARKET

Date On Market: **May 2025**  
Date Off Market: **Jun 2025**  
Months on Market: **1 Months**

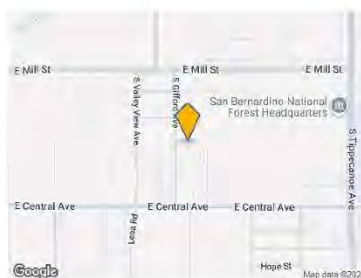
#### TIME VACANT

Date Vacated: **Jun 2025**  
Date Occupied: **Jul 2025**  
Months Vacant: **24 Days**

#### LEASING REP

**S & D Associates**

1020 N Batavia St, Suite B  
Orange, CA 92867-5529  
David Arroba (714) 997-7956



#### MARKET AT LEASE

Vacancy Rates	2025 Q2	YOY
Current Building	9.7%	▲ 9.7%
Submarket 2-4 Star	11.5%	▲ 0.4%
Market Overall	7.8%	▲ 0.8%

Same Store Asking Rent/SF	2025 Q2	YOY
Current Building	\$1.23	▼ -1.5%
Submarket 2-4 Star	\$0.99	▼ -2.9%
Market Overall	\$1.10	▼ -2.7%

Submarket Leasing Activity	2025 Q2	YOY
12 Mo. Leased SF	6,439,771	▲ 52.0%
Months On Market	6.4	▲ 1.5

#### PROPERTY

Property Type:	<b>Industrial</b>	Rentable Area:	<b>45,476 SF</b>
Status:	<b>Built 2006</b>	Stories:	<b>1</b>
Tenancy:	<b>Multi</b>	Floor Size:	<b>45,476 SF</b>
Class:	<b>B</b>	Ceiling Height:	<b>18'</b>
Construction:	<b>Masonry</b>	Vacancy at Lease:	<b>9.7%</b>
Parking:	<b>87 Surface Spaces a...</b>	Land Acres:	<b>2.59</b>



## Lease Comps Details

### Lease Comps Report

#### 2 701 Gifford Ave - Airport Business Park, SB

San Bernardino, CA 92408 - San Bernardino Submarket



#### LEASE

SF Leased:	<b>4,431 SF</b>
Sign Date:	<b>Feb 2025</b>
Space Use:	<b>Industrial</b>
Lease Type:	<b>Direct</b>
Floor:	<b>1st Floor</b>
Suite:	<b>105</b>

#### RENTS

Asking Rent:	<b>\$0.85/MG</b>
Starting Rent:	<b>\$1.00/MG</b>

#### CONCESSIONS AND BUILDOUT

Asking Discount:	<b>-17.65%</b>
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#### LEASE TERM

Start Date:	<b>Mar 2025</b>
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#### TIME ON MARKET

Date On Market:	<b>Jan 2025</b>
Date Off Market:	<b>Feb 2025</b>
Months on Market:	<b>2 Months</b>

#### TIME VACANT

Date Vacated:	<b>Jan 2025</b>
Date Occupied:	<b>Mar 2025</b>
Months Vacant:	<b>2 Months</b>



#### LEASING REP

##### S & D Associates

1020 N Batavia St, Suite B  
Orange, CA 92867-5529  
David Arroba (714) 997-7956

#### MARKET AT LEASE

Vacancy Rates	2025 Q1	YOY
Current Building	0.0%	↔ 0.0%
Submarket 2-4 Star	11.9%	▲ 3.5%
Market Overall	7.4%	▲ 0.6%

Same Store Asking Rent/SF	2025 Q1	YOY
Current Building	\$1.24	▼ -1.1%
Submarket 2-4 Star	\$1.01	▼ -1.5%
Market Overall	\$1.11	▼ -1.5%

Submarket Leasing Activity	2025 Q1	YOY
12 Mo. Leased SF	6,614,095	▲ 54.7%
Months On Market	6.9	▲ 1.7

#### PROPERTY

Property Type:	<b>Industrial</b>	Rentable Area:	<b>45,476 SF</b>
Status:	<b>Built 2006</b>	Stories:	<b>1</b>
Tenancy:	<b>Multi</b>	Floor Size:	<b>45,476 SF</b>
Class:	<b>B</b>	Ceiling Height:	<b>18'</b>
Construction:	<b>Masonry</b>	Vacancy at Lease:	<b>0.0%</b>
Parking:	<b>87 Surface Spaces a...</b>	Land Acres:	<b>2.59</b>

## Lease Comps Details

### Lease Comps Report



#### 290 W Orange Show Rd

San Bernardino, CA 92408 - San Bernardino Submarket



#### TENANT

Tenant Name: **Burtronics**  
Industry: **Wholesaler**

#### LEASE

SF Leased: **4,141 SF**  
Sign Date: **Feb 2025**  
Space Use: **Industrial**  
Lease Type: **Direct**  
Floor: **1st Floor**  
Suite: **101**

#### RENTS

Asking Rent: **\$1.25/MG**  
Starting Rent: **\$1.25/MG**

#### CONCESSIONS AND BUILDOUT

Asking Discount: **0.00%**

#### LEASE TERM

Start Date: **Feb 2025**  
Expiration Date: **Mar 2027**  
Lease Term: **2 Years 1 Month**

#### TIME ON MARKET

Date On Market: **Jan 2024**  
Date Off Market: **Feb 2025**  
Months on Market: **14 Months**

#### TIME VACANT

Date Vacated: **Jan 2024**  
Date Occupied: **Feb 2025**  
Months Vacant: **13 Months**

#### MARKET AT LEASE

Vacancy Rates	2025 Q1	YOY
Current Building	0.0%	▼ -34.5%
Submarket 2-4 Star	11.9%	▲ 3.5%
Market Overall	7.4%	▲ 0.6%

Same Store Asking Rent/SF	2025 Q1	YOY
Current Building	\$1.25	▼ -7.1%
Submarket 2-4 Star	\$1.01	▼ -1.5%
Market Overall	\$1.11	▼ -1.5%

Submarket Leasing Activity	2025 Q1	YOY
12 Mo. Leased SF	6,614,095	▲ 54.7%
Months On Market	6.9	▲ 1.7

#### LEASING REP

**Allied Commercial Real Estate**  
9327 Fairway View Pl, Suite 300  
Rancho Cucamonga, CA 91730-0968  
Tony M. Guglielmo, CCIM (909) 786-4300...  
Bill Faulkner (909) 578-8233

#### TENANT REP

**Allied Commercial Real Estate**  
9327 Fairway View Pl, Suite 300  
Rancho Cucamonga, CA 91730-0968  
Tony M. Guglielmo, CCIM (909) 786-4300...  
Bill Faulkner (909) 578-8233

#### PROPERTY

Property Type:	<b>Industrial</b>	Rentable Area:	<b>32,404 SF</b>
Status:	<b>Built 2005</b>	Stones:	<b>1</b>
Tenancy:	<b>Multi</b>	Floor Size:	<b>32,404 SF</b>
Class:	<b>B</b>	Ceiling Height:	<b>18'</b>
Construction:	<b>Reinforced Concrete</b>	Vacancy at Lease:	<b>0.0%</b>
Parking:	<b>60 Surface Spaces a...</b>	Land Acres:	<b>0.80</b>

#### LEASE NOTES

Burtronics, a highly respected local business specializing in technological supplies and equipment, has leased Condo 101 for a two-year term. Bill Faulkner and Tony Guglielmo of Allied Commercial Real Estate represented the landlord and tenant.

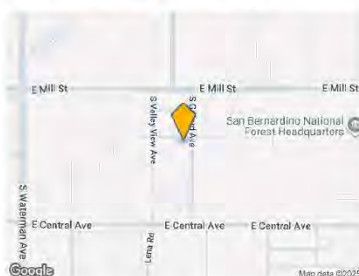
## Lease Comps Details

### Lease Comps Report



#### 703 E Santa Fe St

San Bernardino, CA 92408 - San Bernardino Submarket



#### TENANT

Tenant Name: **Ovi Auto**

#### LEASE

SF Leased: **7,500 SF**  
 Sign Date: **Jan 2025**  
 Space Use: **Industrial**  
 Lease Type: **Direct**  
 Floor: **1st Floor**

#### RENTS

Asking Rent: **\$1.00/MG**  
 Starting Rent: **\$0.92/MG**

#### CONCESSIONS AND BUILDOUT

Asking Discount: **8.00%**  
 Buildout Status: **Full Build-Out**  
 Space Condition: **Average**

#### LEASE TERM

Start Date: **Jan 2025**  
 Expiration Date: **Jan 2028**  
 Lease Term: **3 Years**

#### TIME ON MARKET

Date On Market: **Oct 2024**  
 Date Off Market: **Jan 2025**  
 Months on Market: **4 Months**

#### TIME VACANT

Date Vacated: **Oct 2024**  
 Date Occupied: **Jan 2025**  
 Months Vacant: **3 Months**

#### MARKET AT LEASE

Vacancy Rates	2025 Q1	YOY
Current Building	0.0%	↓ -100.0%
Submarket 1-2 Star	4.7%	↑ 1.0%
Market Overall	7.4%	↑ 0.6%

Same Store Asking Rent/SF	2025 Q1	YOY
Current Building	\$1.00	↓ -0.3%
Submarket 1-2 Star	\$1.22	↑ 0.5%
Market Overall	\$1.11	↓ -1.5%

Submarket Leasing Activity	2025 Q1	YOY
12 Mo. Leased SF	6,614,095	↑ 54.7%
Months On Market	6.9	↑ 1.7

#### LEASING REP

**MGR Real Estate**  
 3800 Concourse, Suite 100  
 Ontario, CA 91764-5904  
 Jerry Tomeo, IV (909) 996-8877

#### PROPERTY

Property Type:	<b>Industrial</b>	Rentable Area:	<b>7,500 SF</b>
Status:	<b>Built 1950</b>	Stories:	<b>1</b>
Tenancy:	<b>Single</b>	Floor Size:	<b>7,500 SF</b>
Class:	<b>C</b>	Ceiling Height:	<b>10'</b>
Construction:	<b>Reinforced Concrete</b>	Vacancy at Lease:	<b>0.0%</b>
Parking:	<b>20 Surface Spaces a...</b>	Land Acres:	<b>0.69</b>

## Lease Comps Details

### Lease Comps Report



#### 619 S Allen St - Bldg 9 Phase II

San Bernardino, CA 92408 - San Bernardino Submarket



#### LEASE

SF Leased:	10,960 SF
Sign Date:	Nov 2024
Space Use:	Industrial
Lease Type:	Direct
Floor:	1st Floor

#### RENTS

Asking Rent:	\$0.99/NNN
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#### LEASE TERM

Start Date:	Apr 2025
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#### TIME ON MARKET

Date On Market:	Sep 2024
Date Off Market:	Nov 2024
Months on Market:	2 Months

#### TIME VACANT

Date Occupied:	Apr 2025
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#### LEASING REP

##### CBRE

4141 Inland Empire Blvd, Suite 100  
 Ontario, CA 91764-5004  
 Sione Fua (909) 218-2000  
 Richard Lee (909) 418-2010

#### MARKET AT LEASE

Vacancy Rates	2024 Q4	YOY
Current Building	100%	▲ 100%
Submarket 1-3 Star	6.3%	↔ 0.0%
Market Overall	7.4%	▲ 1.9%

Same Store Asking Rent/SF	2024 Q4	YOY
Current Building	\$0.99	▲ 2.4%
Submarket 1-3 Star	\$1.13	▲ 1.5%
Market Overall	\$1.13	▲ 0.5%

Submarket Leasing Activity	2024 Q4	YOY
12 Mo. Leased SF	6,718,360	▲ 57.6%
Months On Market	6.2	▲ 1.7

#### PROPERTY

Property Type:	Industrial	Rentable Area:	10,960 SF
Status:	Built 1991	Stories:	1
Tenancy:	Single	Floor Size:	10,960 SF
Class:	C	Ceiling Height:	18'
Construction:	Reinforced Concrete	Vacancy at Lease:	100%
Parking:	10 Surface Spaces a...	Land Acres:	0.50



## Lease Comps Details

### Lease Comps Report

**2 701 Gifford Ave - Airport Business Park, SB**  
San Bernardino, CA 92408 - San Bernardino Submarket



#### LEASE

SF Leased: **4,261 SF**  
Sign Date: **Nov 2024**  
Space Use: **Industrial**  
Lease Type: **Direct**  
Floor: **1st Floor**  
Suite: **103**

#### RENTS

Asking Rent: **\$0.85/MG**  
Starting Rent: **\$1.00/MG**

#### CONCESSIONS AND BUILDOUT

Asking Discount: **-17.65%**  
Buildout Status: **Partial Build-Out**  
Space Condition: **Average**

#### LEASE TERM

Start Date: **Dec 2024**

#### TIME ON MARKET

Date On Market: **Aug 2024**  
Date Off Market: **Nov 2024**  
Months on Market: **3 Months**

#### TIME VACANT

Date Vacated: **Aug 2024**  
Date Occupied: **Dec 2024**  
Months Vacant: **3 Months**

#### LEASING REP

**S & D Associates**  
1020 N Batavia St, Suite B  
Orange, CA 92867-5529  
David Arroba (714) 997-7956



#### MARKET AT LEASE

Vacancy Rates	2024 Q4	YOY
Current Building	0.0%	▼ -7.0%
Submarket 2-4 Star	8.4%	▲ 2.1%
Market Overall	7.4%	▲ 1.9%

Same Store Asking Rent/SF	2024 Q4	YOY
Current Building	\$1.25	▲ 0.1%
Submarket 2-4 Star	\$1.02	▲ 0.7%
Market Overall	\$1.13	▲ 0.5%

Submarket Leasing Activity	2024 Q4	YOY
12 Mo. Leased SF	6,718,360	▲ 57.6%
Months On Market	6.2	▲ 1.7

#### PROPERTY

Property Type:	<b>Industrial</b>	Rentable Area:	<b>45,476 SF</b>
Status:	<b>Built 2006</b>	Stories:	<b>1</b>
Tenancy:	<b>Multi</b>	Floor Size:	<b>45,476 SF</b>
Class:	<b>B</b>	Ceiling Height:	<b>18'</b>
Construction:	<b>Masonry</b>	Vacancy at Lease:	<b>0.0%</b>
Parking:	<b>87 Surface Spaces a...</b>	Land Acres:	<b>2.59</b>



## Lease Comps Details

### Lease Comps Report



#### 380 Athol St

San Bernardino, CA 92401 - San Bernardino Submarket



#### LEASE

SF Leased:	6,000 SF
Sign Date:	Aug 2024
Space Use:	Industrial
Lease Type:	Direct
Floor:	1st Floor

#### RENTS

Asking Rent:	\$1.20/FS
Starting Rent:	\$1.20/FS

#### CONCESSIONS AND BUILDOUT

Asking Discount:	0.00%
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#### LEASE TERM

Start Date:	Sep 2024
Expiration Date:	Aug 2027
Lease Term:	3 Years

#### TIME ON MARKET

Date On Market:	May 2024
Date Off Market:	Aug 2024
Months on Market:	3 Months

#### TIME VACANT

Date Vacated:	Jun 2024
Date Occupied:	Sep 2024
Months Vacant:	2 Months



#### LEASING REP

**Allied Commercial Real Estate**  
 9327 Fairway View Pl, Suite 300  
 Rancho Cucamonga, CA 91730-0968  
 Bill Faulkner (909) 578-8233  
 Tony M. Guglielmo, CCIM (909) 786-4300...

#### MARKET AT LEASE

Vacancy Rates	2024 Q3	YOY
Current Building	0.0%	↔ 0.0%
Submarket 1-3 Star	6.0%	▼ -0.5%
Market Overall	7.8%	▲ 2.9%

Same Store Asking Rent/SF	2024 Q3	YOY
Current Building	\$1.21	▲ 2.8%
Submarket 1-3 Star	\$1.13	▲ 2.8%
Market Overall	\$1.13	▲ 1.6%

Submarket Leasing Activity	2024 Q3	YOY
12 Mo. Leased SF	5,871,837	▲ 45.5%
Months On Market	5.7	▲ 1.9

#### PROPERTY

Property Type:	Industrial	Rentable Area:	6,000 SF
Status:	Built 1971	Stories:	1
Tenancy:	Single	Floor Size:	6,000 SF
Class:	C	Ceiling Height:	16'
Construction:	Masonry	Vacancy at Lease:	0.0%
Parking:	15 Surface Spaces a...	Land Acres:	0.68

## Lease Comps Details

### Lease Comps Report



#### 1808 Commercenter W

San Bernardino, CA 92408 - San Bernardino Submarket



#### TENANT

Tenant Name: **SoCal Compressor, LLC**  
Industry: **Services**

#### LEASE

SF Leased: **3,182 SF**  
Sign Date: **Jul 2024**  
Space Use: **Flex**  
Lease Type: **Direct**  
Floor: **1st Floor**  
Suite: **B**

#### RENTS

Asking Rent: **\$0.95**  
Starting Rent: **\$1.11**

#### CONCESSIONS AND BUILDOUT

Asking Discount: **-16.84%**  
Buildout Status: **Partial Build-Out**

#### LEASE TERM

Start Date: **Aug 2024**  
Expiration Date: **Aug 2029**  
Lease Term: **5 Years**

#### TIME ON MARKET

Date On Market: **Feb 2024**  
Date Off Market: **Jul 2024**  
Months on Market: **5 Months**

#### TIME VACANT

Date Occupied: **Aug 2024**

#### MARKET AT LEASE

Vacancy Rates	2024 Q3	YOY
Current Building	0.0%	↔ 0.0%
Submarket 1-3 Star	6.0%	↓ -0.5%
Market Overall	7.8%	↑ 2.9%

Same Store Asking Rent/SF	2024 Q3	YOY
Current Building	\$1.07	↑ 5.7%
Submarket 1-3 Star	\$1.13	↑ 2.8%
Market Overall	\$1.13	↑ 1.6%

Submarket Leasing Activity	2024 Q3	YOY
12 Mo. Leased SF	5,871,837	↑ 45.5%
Months On Market	6.4	↑ 5.0

#### LEASING REP

**Lee & Associates**  
3240 Mission Inn Ave  
Riverside, CA 92507-4069  
Sarah Tabor (949) 391-5049  
David Mudge Jr. (951) 276-3838

#### TENANT REP

**SPERRY - Gateway Group**  
652 Central Ave  
Upland, CA 91786  
Henry Liu (626) 705-3509  
Alex Liu (626) 757-2684  
**SPERRY Gateway Group**  
652 Central Ave  
Upland, CA 91786  
Michael Liu (626) 679-2876

#### PROPERTY

Property Type:	<b>Flex</b>	Rentable Area:	<b>17,691 SF</b>
Status:	<b>Built 1980</b>	Stories:	<b>1</b>
Tenancy:	<b>Multi</b>	Floor Size:	<b>17,691 SF</b>
Class:	<b>C</b>	Vacancy at Lease:	<b>0.0%</b>
Construction:	<b>Reinforced Concrete</b>	Land Acres:	<b>0.93</b>
Parking:	<b>20 Surface Spaces a...</b>		

## Lease Comps Details

### Lease Comps Report



#### 1425 S Victoria Ct - Bldg 2

San Bernardino, CA 92408 - San Bernardino Submarket



#### LEASE

SF Leased:	6,947 SF
Sign Date:	Apr 2024
Space Use:	Industrial
Lease Type:	Direct
Floor:	1st Floor
Suite:	B1

#### RENTS

Asking Rent:	\$1.35
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#### CONCESSIONS AND BUILDOUT

Buildout Status:	Full Build-Out
Space Condition:	Excellent

#### LEASE TERM

Start Date:	May 2024
Expiration Date:	May 2027
Lease Term:	3 Years

#### TIME ON MARKET

Date On Market:	Feb 2024
Date Off Market:	May 2024
Months on Market:	3 Months

#### TIME VACANT

Date Vacated:	Feb 2024
Date Occupied:	May 2024
Months Vacant:	3 Months



#### PROPERTY

Property Type:	Flex	Rentable Area:	23,748 SF
Status:	Built 1988	Stories:	2
Tenancy:	Multi	Floor Size:	21,523 SF
Class:	B	Ceiling Height:	22'
Construction:	Masonry	Vacancy at Lease:	15.8%
Parking:	Ratio of 2.00/1,000 SF	Land Acres:	1.91

#### MARKET AT LEASE

Vacancy Rates	2024 Q2	YOY
Current Building	15.8%	▼ -68.4%
Submarket 1-3 Star	6.5%	▲ 1.5%
Market Overall	7.0%	▲ 3.2%

Same Store Asking Rent/SF	2024 Q2	YOY
Current Building	\$0.92	▲ 1.9%
Submarket 1-3 Star	\$1.12	▲ 3.8%
Market Overall	\$1.13	▲ 2.8%

Submarket Leasing Activity	2024 Q2	YOY
12 Mo. Leased SF	4,237,518	▲ 19.7%
Months On Market	5.2	▼ -2.3

## Lease Comps Details

### Lease Comps Report



#### 1814 Commercenter W

San Bernardino, CA 92408 - San Bernardino Submarket



#### LEASE

SF Leased: **7,380 SF**  
 Sign Date: **Mar 2024**  
 Space Use: **Flex**  
 Lease Type: **Direct**  
 Floor: **1st Floor**  
 Suite: **H, I**

#### RENTS

Asking Rent: **\$0.87**

#### LEASE TERM

Start Date: **Apr 2024**

#### TIME ON MARKET

Date On Market: **Feb 2024**  
 Date Off Market: **Mar 2024**  
 Months on Market: **1 Months**

#### TIME VACANT

Date Vacated: **May 2024**  
 Date Occupied: **Apr 2024**

#### LEASING REP

##### Lee & Associates

3240 Mission Inn Ave  
 Riverside, CA 92507-4069  
 Sarah Tabor (949) 391-5049



#### MARKET AT LEASE

Vacancy Rates	2024 Q1	YOY
Current Building	10.3%	▲ 10.3%
Submarket 1-3 Star	7.1%	▲ 3.3%
Market Overall	6.8%	▲ 3.9%

Same Store Asking Rent/SF	2024 Q1	YOY
Current Building	\$1.02	▲ 5.2%
Submarket 1-3 Star	\$1.12	▲ 5.1%
Market Overall	\$1.13	▲ 4.7%

Submarket Leasing Activity	2024 Q1	YOY
12 Mo. Leased SF	4,274,563	▲ 129.0%
Months On Market	1.4	▼ -8.7

#### PROPERTY

Property Type: **Flex**  
 Status: **Built 1981**  
 Tenancy: **Multi**  
 Class: **C**  
 Construction: **Reinforced Concrete**  
 Parking: **20 Surface Spaces a...**

Rentable Area: **21,952 SF**  
 Stories: **1**  
 Floor Size: **21,952 SF**  
 Vacancy at Lease: **10.3%**  
 Land Acres: **1.99**



## Lease Comps Details

### Lease Comps Report



#### 1468 S Gage St - Bldg 12

San Bernardino, CA 92408 - San Bernardino Submarket



#### MARKET AT LEASE

Vacancy Rates	2024 Q1	YOY
Current Building	0.0%	↔ 0.0%
Submarket 1-2 Star	3.7%	↓ -1.5%
Market Overall	6.8%	↑ 3.9%

Same Store Asking Rent/SF	2024 Q1	YOY
Current Building	\$1.15	↑ 5.4%
Submarket 1-2 Star	\$1.22	↑ 5.2%
Market Overall	\$1.13	↑ 4.7%

Submarket Leasing Activity	2024 Q1	YOY
12 Mo. Leased SF	4,274,563	↓ -14.2%
Months On Market	5.2	↑ 3.1

#### TENANT

Tenant Name:	Environmental Regulatory Compliance, LLC
Industry:	Professional, Scientific, and Technical Services

#### LEASE

SF Leased:	3,600 SF
Sign Date:	Jan 2024
Space Use:	Industrial
Lease Type:	Direct
Floor:	1st Floor

#### RENTS

Asking Rent:	\$1.20/MG
Starting Rent:	\$1.21/MG

#### CONCESSIONS AND BUILDOUT

Asking Discount:	-0.83%
Buildout Status:	Full Build-Out
Space Condition:	Average

#### LEASE TERM

Start Date:	Jan 2024
Expiration Date:	Jan 2029
Lease Term:	5 Years

#### TIME ON MARKET

Date On Market:	Jan 2024
Date Off Market:	Jan 2024
Months on Market:	1 Months

#### TIME VACANT

Date Occupied:	Jan 2024
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#### LEASING REP

**KW Commercial- Inland Empire**  
 3595-1 Inland Empire Blvd  
 Ontario, CA 91764  
 Rene Ramos, Jr. (909) 980-6868 X107  
 Robert Bagley (909) 980-6868 X110  
 Jacob Bernardy (909) 980-6868 X105  
 Daniel W. Richards (909) 243-7747 X222

#### TENANT REP

**KW Commercial- Inland Empire**  
 3595-1 Inland Empire Blvd  
 Ontario, CA 91764  
 Rene Ramos, Jr. (909) 980-6868 X107  
 Daniel W. Richards (909) 243-7747 X222  
 Robert Bagley (909) 980-6868 X110  
 Jacob Bernardy (909) 980-6868 X105

#### PROPERTY

Property Type	Industrial	Rentable Area:	3,600 SF
Status:	Built 1980	Stories:	1
Tenancy:	Single	Floor Size:	3,600 SF
Class:	C	Ceiling Height:	17'
Construction:	Reinforced Concrete	Vacancy at Lease:	0.0%
Parking:	11 Surface Spaces a...	Land Acres:	0.35

## Subject Lease Comments

I reviewed 14 lease transactions with an average of \$1.08/SF and a range of \$0.63/SF to \$1.35/SF. Based on the improvements, location and market appeal, I reconciled the market lease rate at \$1.10/SF Triple Net (NNN).



The average marketing time for the survey of analyzed properties is 4 months with a typical lease term of 1 to 5 years.

The subject is in Average condition, and it is likely that 2<sup>nd</sup> generation TI's would need to be performed to accommodate a new tenant.

Due to the subject's age and condition, the lease rates were reconciled at the lower end of the range.

The subject is in a market that has average vacancy for Industrial Buildings. Typically, a new tenant would have some second-generation tenant improvements completed as part of a lease agreement. The upper range of lease rates is \$1.35/SF, the lower end of the range is \$0.63/SF and the average lease rate is \$1.08/SF. As a result, the

lower range of the lease rates was considered appropriate for the subject property and the lease rate of \$1.10 per square foot on a Triple Net (NNN) basis is considered to represent the subject's market lease rate.

<b>Summary of Lease Transactions</b>	
Number of Lease Transactions	14
Average Size (SF) Of Lease Comp	5,882
Average Marketing Time (Mo.)	4
Typical Lese Term (Years)	1 to 5
Lowest Lease Rate	\$0.63
Highest Lease Rate	\$1.35
Average Lease Rate	\$1.08
Market Lease Rate	\$1.10
Actual Lease Rate	Unk or Vac
Rent Loss Calculated	No

To determine the value using the Income Approach both a market lease rate and a market capitalization rate were reconciled, respectively. The Net Income is based on a market lease rate, on a square foot basis, annualized after taking into account expenses, less the property taxes.

In a triple net lease, the property taxes are paid by the tenant and not by the owner, so this expense is not included in the calculation. In some instances, a lease agreement may have the property taxes capped at a given amount. The amount over the maximum that the tenant will pay is the landlord's responsibility. This type of lease provision is not typical for the subject's market and in a pro-forma market analysis for the market lease agreements that are typical of the market is used.

In a modified gross lease, industrial gross lease or a full-service gross lease the property taxes are generally paid for by the owner. In California, property taxes fall under Proposition 13, where a property is assessed upon the transfer to different owners, or different beneficial owners with or without an actual sale occurring. Once a transfer occurs, the property may be reassessed to current

market value, generally, the assessors enroll, or accept, the purchase price and a new valuation base for property taxes commences.

Since the property tax basis changes based on a market sale or transfer between beneficial owners the transaction would result in a reassessment of the property tax value either using the sale price or another value enrolled by the assessor if the sale price is not considered to be market value by the assessor. To account for this change in the property tax expense, the property taxes are accounted for in the capitalization rate. By taking the reconciled capitalization rate and adding the property taxes to the rate I can account for the property tax expense based on the new value of the subject property in a hypothetical sale versus using the existing property tax expense which may be a tax basis established years ago in a different real estate market.

The collection loss of 1% accounts for any potential expenses that may be incurred by the owner in collecting past due rents or unpaid rents. This is added to the market vacancy rate at stabilization for the subject property and deducted from the Potential Gross Income (PGI) to arrive at the Adjusted Gross Income (AGI). Any other expenses not related directly to the subject improvements are accounted for and this income is known as the Effective Gross Income (EGI). At this point, the operating expenses for the subject property that are incurred by the owner or landlord are accounted for, generally expressed as a percentage known as the expense ratio. This final expense is accounted for with the remaining income, known as Net Operating Income, or NOI. The NOI is then divided by the Capitalization Rate, or cap rate, to arrive at the market value based on the subject's income based on the formula below:

$$\text{Value} = \text{Net Income} \div \text{Capitalization Rate}$$

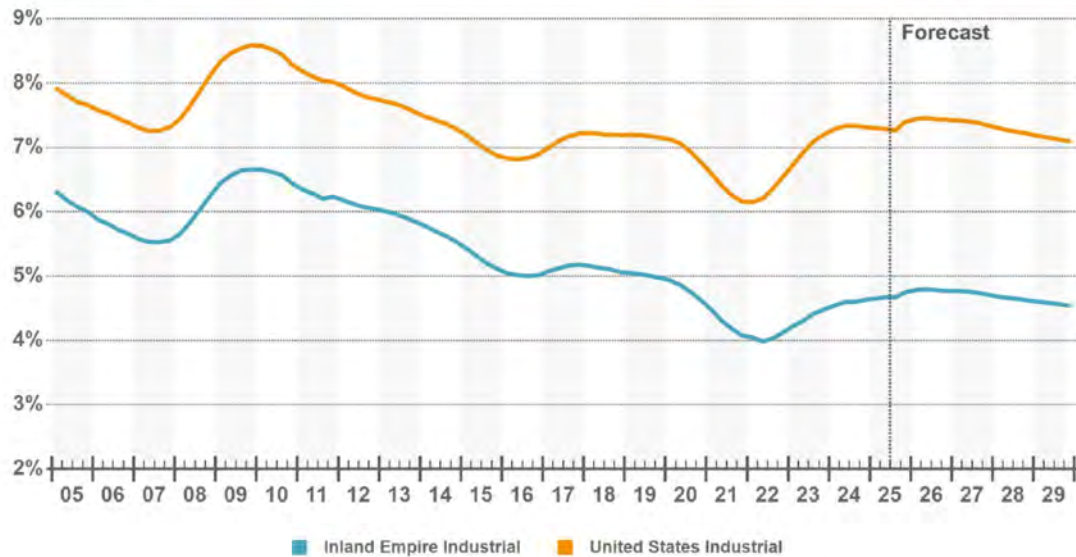
The capitalization rate, expressed as a percentage, is the rate of return of the investment of the property. This should not be mistaken with the rate of return **on** the investment of the property, which is the income based on the down payment and loan servicing costs of a buyer.

The capitalization rate provides a guideline for how long the investment based on market value would be returned to the buyer on an all-cash basis. For example, a capitalization of 5.00% would indicate that the value of the subject if purchased at the value indicated in the Income Approach would take 20 years to get back the initial investment on a straight-line basis without discounting the investment or income based on the cost of money. A 10.00% cap rate would indicate a 10-year return on investment. As an extreme example, a 1.00% cap rate would mean a 100-year return on the investment of a property. As a result, the capitalization rate is a reliable measure of investors' tolerance to obtain a return in a given market or for a given type of property for a given period of time.

## Cap Rates

199 Hillcrest St - Cannabis Approved

### MARKET CAP RATE



Cap rates have declined over the last 10 years stabilizing at sub 5.00% rates and a slight increase since 2022.

### CAP RATE SUMMARY OF SALES IN PAST YEAR

Geography	Transactions	Low	Bottom 25%	Median	Average	Top 25%	High
United States	1,139	1.0%	5.1%	7.0%	7.2%	9.7%	25.0%
Inland Empire	28	3.0%	4.6%	5.6%	5.7%	7.0%	7.7%
Inland Empire East	24	4.7%	5.1%	5.7%	5.9%	7.1%	7.7%
San Bernardino	6	5.3%	5.3%	6.4%	6.2%	6.9%	7.0%
Selected Sale Comps	0	-	-	-	-	-	-

The average cap rates over 6 recent transactions is 6.2% with a high of 7.0% and a low of 5.3% with a median of 6.4%. Due to the subject's current vacancy and inherit risk to an investor buying the subject property, the subject's cap rate was reconciled at 7.00%.

Income Analysis Summary		
NNN Basis		
Current Tenant: Vacant		
	Pro Forma	Actuals
Rent per SF (Net Area)	\$1.100	\$0.00
Square Feet (Net Area)	14,400	14,400
PGI	\$190,080	\$0
Vacancy Rate + 1% Collection Loss	3.00%	
Vacancy	(\$5,702)	
AGI	\$184,378	
Other	\$0	\$0
EGI	\$184,378	
Operating Expenses	\$9,219	\$0
NOI	\$175,159	
Expense Ratio	5.00%	
Annual Expense per SF	\$0.64	\$0.00
Cap Rate	7.00%	
Tax Rate	0.00%	
Overall Cap Rate	7.00%	7.00%
Value	\$2,502,267	
Value per SF (Net Area)	\$173.77	
Value per SF (Gross Area)	\$173.77	
Actual income was not provided, is unknown, the subject is owner occupied or the subject is vacant		
Indicated Value per SF (Gross Area)	\$173.77	
Subject Size (Gross Area)	14,400	
Indicated Value (rounded)	\$2,500,000	

The value from the Income Approach for An Industrial Building (Vacant) Improvements, using a capitalization rate of 7.00% is \$2,500,000 rounded based on \$173.77/SF.

The subject actual lease rate is \$0.00/SF (vacant) on a NNN basis. The subject lease rate was reconciled at \$1.10/SF on a Triple Net (NNN) basis.

## ANALYSIS AND FINAL RECONCILIATION

In this report, the appraiser attempted to analyze the various items and elements in the market that affect value. These elements include items relating to the specific subject site and improvements as well as how they are influenced by the subject neighborhood and the city. It is the opinion of the appraisers that sufficient data has been assembled and analyzed for the purpose of judging the typical purchaser's reaction in the marketplace. The final step in the appraisal process is the reconciliation of the data analyzed and using the applicable approaches to value to develop a final reconciled value conclusion.

The **Cost Approach** is based upon the assumption that no prudent purchaser would pay more for a given property than that for which they could buy the land and build the improvements with similar utility. If the land value exceeds the Sales Approach and Income Capitalization Approach, it may be an indicator that the subject's highest and best is different than its' current use. In the case of the subject property the Cost Approach was not used.

The results via the **Sales Comparison Approach** are believed to be reliable as an indicator of value, since in this approach one compares similar recent sales from the subject area. The interactions of informed buyers and sellers are reflected in the market approach, and the sales utilized are considered to be comparable to the subject property after the appropriate adjustments have been made.

The results via the **Income Capitalization Approach** are believed to be a reliable indicator of value for the typical investor. The subject is an occupant stabilized Industrial Building. Market leases were analyzed to arrive at an estimate as to the lease rates that the subject would generate. The income was capitalized in order to arrive at a valuation that a typical investor would use to purchase properties similar to the subject.

The approaches used are reconciled to determine market value. If necessary, a deduction may be made from the reconciled value to account for deferred maintenance, rent loss for below market rents (economic vacancy), excessive credit loss and collection, absorption costs during a lease up period (physical vacancy), and any costs to cure of a physical or economic condition. If any deductions were made, they are indicated in the report. Market vacancy is not deducted at this time as it was accounted for in the Income Approach.

Based on the foregoing it is my opinion that the "as is" Fee Simple market value of the subject property, bound by the assumptions as set forth within the body of this report as of February 10, 2023, are as follows:

The subject property is considered to be in a good location and is an attractive building that should find good acceptance in the market.



**CONCLUDED VALUES:****Improvement: An Industrial Building (Vacant)**

<b>Cost Approach</b>	<b>\$N/Ap</b>
<b>Sales Comparison Approach</b>	<b>\$2,700,000</b>
<b>Income Approach</b>	<b>\$2,500,000</b>
 <b>Reconciled Market Value</b>	 <b>\$2,600,000</b>
 <b>Reconciled Market Value</b>	 <b>\$2,600,000</b>
<b>Less Deferred Maintenance</b>	<b>-\$0</b>
<b>Less Rent Loss</b>	<b>-\$0</b>
<b>Less Lease Up Costs</b>	<b>-\$0</b>
	<hr/>
 <b>Reconciled Market Value "As Is" (rounded)</b>	 <b>\$2,600,000</b>

**Reconciled Value****\$2,600,000****Two Million Six Hundred Thousand Dollars and No Cents**

## **QUALIFICATIONS OF APPRAISER**

**Anthony Whitmarsh**  
**A.D. Whitmarsh Appraisal, Inc.**  
**Commercial Real Estate Appraiser**  
**100 E. San Marcos Blvd., Suite 400**  
**San Marcos, CA 92069**  
**(760) 535-1679**  
**twhitmarsh@outlook.com**

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### **Education/Languages:**

- Certified General Appraiser (California) AG018113, Exp. 01/09/2026
- Bachelor of Arts - Economics, SDSU – 1991
- Fluency in Spanish

### **Volunteer Experience**

#### **Interfaith Community Services – Jan 2009 to November 2021**

Prepare and serve on a weekly basis 100-150 meals to the underserved community of North County

#### **Taxpayer Advocacy Panel – February 2019 to April 2021**

Serve as a panel member assisting the Internal Revenue Service (IRS) and the Department of Treasury to improve the services provided to taxpayers. Includes providing recommendations to be implemented by the IRS and a review of the delivery of existing services to taxpayers.

### **Professional Summary:**

Commercial Real Estate Appraiser with 29 years of experience working in a variety of capacities from national banks to independent fee appraiser.

### **Experience Includes:**

- |                             |                               |                                   |
|-----------------------------|-------------------------------|-----------------------------------|
| • Expert Testimony          | • Partial Interest Valuation  | • Commercial Property Valuations  |
| • Staff Training            | • Appraisal Review            | • Due Diligence Analysis          |
| • Tax Appeal Presentations  | • Multi-family Valuations     | • Employee Management (max 40)    |
| • Developing Market Reports | • Out of State Valuations     | • Workflow Efficiency             |
| • Client Relationship       | • Planning Revenue Growth     | • Residential Property Valuations |
| • Property Tax Negotiations | • Statistical Market Analysis | • Commercial Land Valuations      |
| • Prospective Valuations    | • Current Market Valuations   | • Retrospective Valuations        |
| • Lien Strip Valuations     | • Estate Valuations           | • General Consultation            |
| • Judgment Creditors        | • Possessory Interest         | • Business Valuations             |

### **Types of Properties Appraised:**

- Regional Shopping Centers
- Retail Strip Centers
- Possessory Interest: Retail, Industrial, Docks and Parking Lots
- Office Buildings: Mid-Rise, High Rise, Specialty, Medical
- Proposed Construction: SFR, Condominium Towers, Industrial, Retail and Office
- 15 to 250+ Unit Subdivisions, w/discount cash flow analysis
- Industrial Improvements: Warehouse, Flex, Distribution & Manufacturing
- Auto-Repair: Maintenance and repair, Auto Body w/Paint Booths, Oil & Lube centers
- Retail: Storefronts, Fast Food, Gas Stations, Restaurants, Automotive Dealerships,
- Leased Fee Interest Commercial & Retail Improvements

**A. D. Whitmarsh Appraisal, Inc**  
**Real Estate Appraisal & Consulting**

### **Types of Properties Appraised – continued:**

- Leasehold Interest Commercial & Retail Improvements
- Leased Fee Residential
- Apartments: Garden, Mid-Rise & High-Rise
- Apartment to Condo Conversions
- 2-4 Unit Multi-Family Improvements
- Airplane Hangars: both fee simple and possessory interests
- Vacant Residential Land: proposed downtown condo developments & SFR
- Vacant Commercial Land
- Estate Valuation both in state and multi-state, including fractional interests
- Single Family Residences: Detached / Attached / Subdivision / Custom / In-fill
- Single Family Residences: Complex exceeding 10,000 SF living space
- Single Family Residences: Complex Ocean front view amenity and remote location
- Municipal Landfills with post-use analysis
- Daycare Facilities (Adult & Children)
- Private University (smaller campus)
- Aggregate/Asphalt Plants
- Nursery (plants)
- Clean Room Manufacturing Facilities,
- Cold Storage Warehouses
- Contractor Storage Yards
- Land Under Freeway Overpasses (Airspace)
- Land for Conservation and Mitigation

### **Professional Appraisal Experience:**

#### **Whitmarsh Appraisal & A.D. Whitmarsh Appraisal, Inc / 1990 to present**

Research and report valuations of commercial and residential properties for property owners, investors, judgement creditors, lending institutions (prime and sub-prime), mortgage brokers, government agencies, land development companies, fiduciaries, CPA's and attorneys. Provided credible and defensible results for these clients.

Researched and reported valuation errors occurring in real estate transactions.

Provided due diligence appraisals for the US Department of Treasury.

Provided due diligence appraisals for properties surrounding the development of Petco Park.

Skilled in depositions, authoring reports, statistical analysis and regulations related to real estate valuations.

General consultation for existing projects, repositioning of existing assets, proposed developments and cost analysis.

#### **Whitmarsh Appraisal (Tax Representative for Protax, LLC 2009-2017) Real Estate Appraiser / Consultant / Tax Agent**

Property tax agent representing owners of commercial and complex residential real estate at hearings in the state of California. Obtained and presented evidence which was cross-examined by the assessor's office and performed cross-examinations of the representatives from the assessor's office. Approximately 1,000+ cases presented over a ten-year period. Developed a positive reputation amongst county assessors and deputy assessors in the State of California.

## Real Estate Related Courses Completed

AI*. IRS Symposium – Estate Appraisals, Fractional Valuation & Conservation Easements	Environmental Contamination Valuation & Cost to Cure of Income Properties
AI*: Apartment Appraisal (Course 330)	AI*: Basic Income Capitalization (Course 310)
AI*: Business & Professional Ethics (Course 420)	AI*: (USPAP) 15-Hour National Course
Appraisal of Industrial / Flex Properties	Full-Service Hotels
Appraising Self-Storage Facilities	Appraising Fast Food Facilities
Divorce & Estate Appraisals	Limited-Service Hotels
Appraisal of Single Tenant Distribution Centers	Work file Documentation – Regulations
Real Estate Appraisal 101	Real Estate Appraisal 201
Laws and Regulations for California Appraisers	Appraisal Applications of Regression Analysis
Appraising and Analyzing Retail Shopping Centers	Ad Valorem Tax Consultation
Cost Approach Overview	Computer Cash Flow Modeling (Argus & Excel)
Appraising Green Buildings	Construction Details and Trends
Residential Report Writing	2-4 Unit Analysis
Appraisal of REO and Foreclosures	Land and Site Valuation
Essentials of Disclosures and Disclaimers	Valuing and Analyzing Income Properties
AI*: Contemporary Approaches to Land Appraisal	AI*: Effective Appraisal Writing
AI*: Applying Economic Forecast – SD Region	AI*: Appraising Special Purpose Properties
AI*: Reappraising, Readdressing, Reassigning	Risk Investment Assessment for Real Estate
AI*: San Diego Regional Economics	Fair Lending and the Appraiser - B of A Seminars
Residential Concessions - B of A Seminars	Value Trends Workshop - B of A Seminars
Residential Appraisal Quality - B of A Seminars	CRA Certification - B of A Seminars
Econ441, SDSU – Econometrics & Applied Statistics	Subdivision Analysis and Valuation

**AI\* = Appraisal Institute**