



APPRAISAL REPORT
REAL ESTATE APPRAISAL

Of
28549 AUBERRY ROAD



28549 Auberry Rd, Clovis
Fresno County
California, 93619

As of
March 2, 2024

Prepared For
Lila Townsend

Townsend Properties
2491 Alluvial Ave Suite 609,
Clovis, CA 93611

Prepared By



Mann & Associates
REAL ESTATE VALUATION SINCE 1980
Karen J. Mann, ASA-RP
California; Cert. General
AG007008, exp 4/29/2024

Mann & Associates – Real Estate Valuation



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April 2, 2024

Lila Townsend
Townsend Properties
2491 Alluvial Ave Suite 609
Clovis, CA 93611

RE: Appraisal Report
28549 Auberry
28549 Auberry Rd, Clovis, California 93619
Mann & Associates File No: 129

Mrs. Townsend:

Mann & Associates is proud to present the appraisal that satisfies the agreed upon scope of work with Townsend Properties.

The church campus property, located at 28549 Auberry Rd, Clovis, CA, is configured as, assembly-meeting, religious facility property a single-family residence located in the Clovis/Hills submarket.

The current client requested an abbreviated appraisal report with the appropriate analysis to determine the current Market Value in order to provide the data to a potential seller due to the unique market.

The purpose of this appraisal is to develop an opinion of the As-Is (Fee Simple Estate). The following table conveys the final opinion of value that is developed in this appraisal:

MARKET VALUE CONCLUSION				
VALUATION SCENARIO	INTEREST APPRAISED	EXPOSURE TIME	EFFECTIVE DATE	VALUE
As-Is	Fee Simple Estate	Six to 12 Months	March 2, 2024	\$800,000

This report conforms to the current Uniform Standards of Professional Appraisal Practice (USPAP), and the appraisal guidelines of Townsend Properties.

EXTRAORDINARY ASSUMPTIONS

The use of an extraordinary assumption(s) may have impacted the results of the assignment. We relied on public records for items such as real estate tax information, zoning information and in some cases, site and building size information. We assume this information is accurate. However, should other information be provided that have a material impact on our conclusion, then we would reserve the right to readdress our conclusion.



HYPOTHETICAL CONDITIONS

No Hypothetical Conditions were made for this assignment.

If there are any specific questions or concerns regarding the attached appraisal report, or if Mann & Associates can be of additional assistance, please contact the individuals listed below.

Respectfully Submitted,

MANN & ASSOCIATES

Karen J. Mann, ASA-RP
Appraiser1_Title Certified General Real Estate Appraiser
California License No. AG007008
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EXECUTIVE SUMMARY

PROPERTY IDENTIFICATION

Name	28549 Auberry
Property	Assembly-Meeting - Religious Facil
Address	28549 Auberry Rd
City, State Zip	Clovis, California 93619
County	Fresno County
Market / Submarket	Fresno / Clovis/Hills
Geocode	37.030796,-119.530569
Census Tract	06-019-006405

SITE DESCRIPTION

Number of Parcels	1	
Assessor Parcel Number	118-340-53	
Land Area	Square Feet	Acres
Usable	179,467	4.12
Total	179,467	4.12
Zoning	Exclusive Agricultural (AE40)	
Shape	Triangular	
Topography	Level to Sloping above street grade	

IMPROVEMENT DESCRIPTION

Tenancy	Currently vacant
Gross Building Area (GBA)	6,651
Ground Floor SF	6,651
Total Buildings	2
Floors	1
Year Built	1986
Actual Age	38 Years
Effective Age	25 Years
Economic Life	55 Years
Remaining Useful Life	30 Years
Land To Building Ratio	26.98 : 1
Site Coverage Ratio	3.7%

QUALITATIVE ANALYSIS

Site Quality	Average
Site Access	Average
Site Exposure	Average
Site Utility	Average
Building Quality	Average
Building Condition	Average
Building Appeal	Average

HIGHEST & BEST USE

Proposed Construction	No
As Vacant	Single family residence
As Improved	Current use

EXPOSURE & MARKETING TIME

Exposure Time	Six to 12 Months
Marketing Time	Six to 12 Months

VALUE CONCLUSION

VALUATION SCENARIOS	AS-IS
Interest	Fee Simple Estate
Exposure Time	Six to 12 Months
Effective Date	March 2, 2024
Site Value	Not Presented
Cost Approach	Not Presented
Sales Comparison Approach	\$800,000
Income Capitalization Approach	Not Presented
FINAL VALUE CONCLUSION	\$800,000

AERIAL PHOTOGRAPH



28549 Auberry Rd, Clovis, California 93619
April 2, 2024

SUBJECT PROPERTY PHOTOGRAPHS



Front of Church Building/Worship Center



Front of house



Interior of Sanctuary/Worship Center



Residential quality kitchen by Fellowship Hall



Fellowship Hall



Rear of Church building



Parking lot and driveway



Well and water storage tank



Outcropping and land area on site



Street scene

REGIONAL AREA MAP

PROPERTY IDENTIFICATION

The real property, located at 28549 Auberry Rd, Clovis, CA, is a Church Campus with a single family residence on site in the Clovis/Hills submarket in the unincorporated area known as Prather. Subject has a Clovis legal and mailing address even though the property is located in the unincorporated area of Fresno County.

The assessor parcel Number is: 118-340-53.

LEGAL DESCRIPTION

4.12 AC IN PAR 4 P/M 4643 BK 30 PG 25

CLIENT IDENTIFICATION

The client of this specific assignment is Townsend Properties.

INTENDED USE & INTENDED USERS

The intended use of this appraisal is to assist the client in making internal business decisions related to this asset. Townsend Properties is the only intended user of this report.

PURPOSE

The purpose of this appraisal is to develop an opinion of the As-Is (Fee Simple Estate).

PERSONAL PROPERTY & BUSINESS INTANGIBLE

There is no personal property (FF&E) included in this valuation.

PROPERTY AND SALES HISTORY

Current Owner

The subject property is currently under the ownership of Southern California District - Assemblies of God Inc., according to the Fresno County records.

Current Pending Sale/Under Contract

The subject is currently listed for sale at \$900,000.

We are not aware of any other sale transactions, transfers, listings, pending or recent contracts for sale that have occurred within the last three years. This is based on our interview with the borrower, and a search utilizing Loopnet, CoStar, public records, MLS and various other sources. Given that the noted previous transaction occurred more than three years ago, we have not reconciled this past indication of market value with our current indication of market value reported herein.

Three-Year Sales History

According to county records there has been no transfer of ownership for the subject property in the past three years and the property has been listed for sale during the last three years with a variety of realtors.

EXPOSURE & MARKETING TIME

Marketing time and exposure time are both influenced by price. That is, a prudent buyer could be enticed to acquire the property in less time if the price were less. Hence, the time span cited below coincides with the value opinion(s) formed herein.

USPAP Standard rule 1-2(c)(iv) requires an opinion of exposure time, not marketing time, when the purpose of the appraisal is to estimate market value. In the recent past, the volume of competitive properties offered for sale, sale prices, and vacancy rates have fluctuated little. Sale concessions have not been prevalent. The following information is used to estimate exposure time and marketing time for the subject:

Exposure Time Conclusion

The subject is a assembly-meeting (religious facility) use totaling 6,551 SF (GBA including the Garage area) on 4.1200-acres (179,467 SF) located at 28549 Auberry Rd in Clovis, Fresno County, California. Considering these factors, a reasonable estimate of exposure time for the subject As-Is (Fee Simple Estate) is six to 12 months.

Marketing Time Conclusion

A marketing time estimate is a forecast of a future occurrence. History should be considered as a guide, but anticipation of future events & market circumstances should be the prime determinant. Overall market conditions are expected to remain stable, so a marketing time of six to 12 months is predicted for the subject.

DEFINITION OF MARKET VALUE

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

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in United States 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.¹

PROPERTY RIGHTS APPRAISED

The property rights appraised constitute the Fee Simple interest.

Fee Simple Interest

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat.²

VALUE SCENARIOS

As-Is Market Value

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.³

¹ Office of Comptroller of the Currency (OCC), Title 12 of the Code of Federal Regulation, Part 34, Subpart C -Appraisals, 34.42 (g); Office of Thrift Supervision (OTS), 12 CFR 564.2 (g); This is also compatible with the FDIC, FRS and NCUA definitions of market value.

² The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022

³ The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022

SCOPE OF WORK

The scope of work for this appraisal assignment is outlined below:

- ▶ The appraisal analyzes the regional and local area profiles including employment, population, household income and real estate trends. The local area was inspected to consider external influences on the subject.
- ▶ The appraisal analyzes legal and physical features of the subject including site size, improvement size, flood zone, seismic zone, site zoning, easements, encumbrances, site access and site exposure.
- ▶ The appraisal includes a MA_AnalysisType market analysis for the Fresno market and Clovis/Hills submarket using vacancy, absorption, supply and rent data. Conclusions were drawn for the subject’s competitive position given its physical and locational features, current market conditions and external influences.
- ▶ The appraisal includes a Highest and Best Use analysis and conclusions have been completed for the highest and best use of the subject property As Vacant and As Improved. The analysis considered legal, locational, physical and financial feasibility characteristics of the subject site and existing improvements.
- ▶ In selecting applicable approaches to value, the appraiser considered the agreed upon appraisal scope and assessed the applicability of each traditional approach given the subject’s characteristics and the intended use of the appraisal. As a result, this appraisal developed Sales Comparison Approach. The values presented represent the As-Is (Fee Simple Estate).
- ▶ The assignment was prepared as an Appraisal Report in accordance with USPAP Standards Rules 2, with the analysis stated within the document and representing a brief level of analysis.
- ▶ The author of this report is aware of the Competency Rule of USPAP and meets the standards.

ASSISTANCE PROVIDED

No one provided real property appraisal assistance to the individuals signing this report.

SOURCES OF INFORMATION

The following sources were contacted to obtain relevant information:

INFORMATION PROVIDED	
Property Assessment & Tax	Fresno County Assessor
Zoning & Land Use Planning	City of Clovis Zoning
Site Size	Fresno County Assessor
Building Size	Fresno County Assessor
Supply & Demand	CoStar
Flood Map	FEMA
Demographics	STDB On-Line
Comparable Information	MLS Public Records Loopnet/ and Local agents
Legal Description	Not Provided

The lack of the unavailable items could affect the results of this analysis. As part of the general assumptions and limiting conditions, the subject is assumed to have no adverse easements, significant items of deferred maintenance, or be impacted by adverse environmental conditions.

SUBJECT PROPERTY INSPECTION

PROPERTY INSPECTION				
APPRAISER	INSPECTED	EXTENT	DATE	ROLE
Karen J. Mann, ASA-RP	Yes	Interior & Exterior	March 2, 2024	Primary Appraiser



28549 Auberry Rd, Clovis, California 93619
April 2, 2024

REGIONAL AREA ANALYSIS

INTRODUCTION

In order to understand the subject’s position in the area or region, we have undertaken a brief analysis in order to determine how trends—both historical and projected—in population, employment, personal income, consumer spending, and housing impact supply and demand and influence the subject’s area directly and indirectly. This analysis first begins on a broader spectrum, and without respect to the subject itself, and is highlighted in the Regional Area Analysis. Secondly, we undertake a more narrowly focused study of the aforementioned attributes as they relate directly to the subject and the subject’s neighborhood. This discussion is presented in the forthcoming Local Area Analysis.

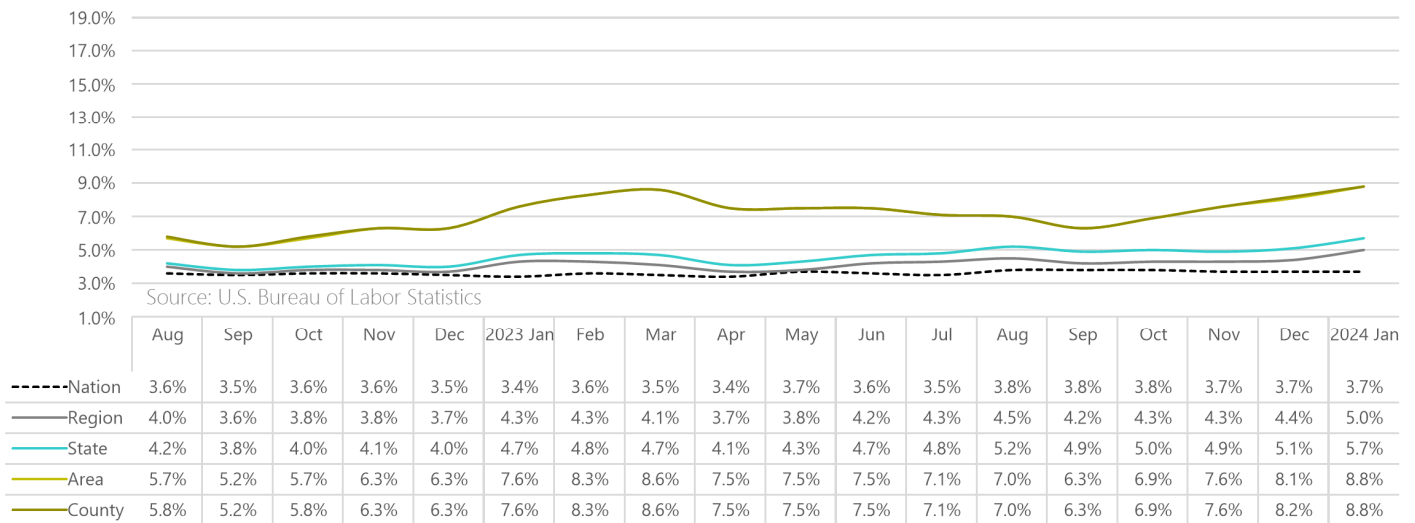
REGIONAL AREA ANALYSIS

The subject property is located in Clovis, California. The map presented on the previous page illustrates the subject property location relative to the Fresno-Madera, CA CBSA metropolitan area.

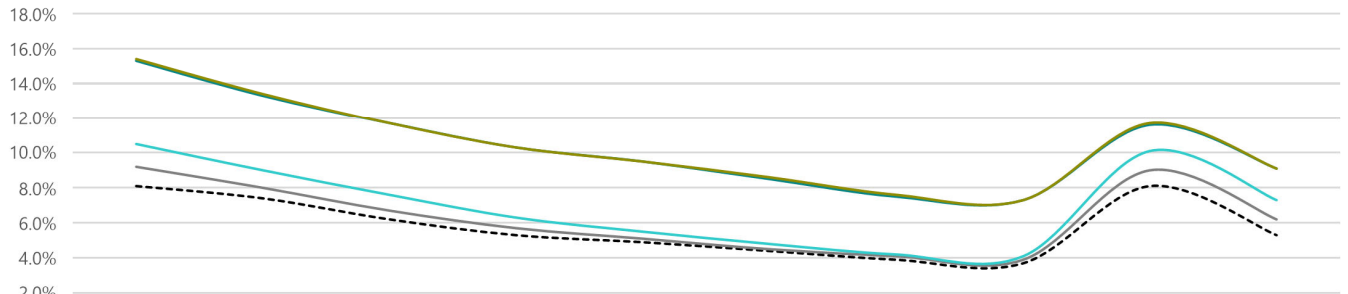
Unemployment

The following graphs charts the trailing 18 months and trailing 10 years unemployment rate for the United States, West Region, California, Fresno-Madera, CA CBSA, and Fresno County.

MONTHLY UNEMPLOYMENT RATE (18 MONTHS)



ANNUAL UNEMPLOYMENT RATE (10 YEARS)



Source: U.S. Bureau of Labor Statistics www.bls.gov

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
-----Nation	8.1%	7.4%	6.2%	5.3%	4.9%	4.4%	3.9%	3.7%	8.1%	5.3%
-----Region	9.2%	8.0%	6.7%	5.7%	5.1%	4.5%	4.1%	3.9%	9.0%	6.2%
-----State	10.5%	9.0%	7.6%	6.3%	5.5%	4.8%	4.2%	4.1%	10.1%	7.3%
-----Area	15.3%	13.3%	11.7%	10.3%	9.5%	8.5%	7.5%	7.3%	11.6%	9.1%
-----County	15.4%	13.4%	11.7%	10.3%	9.5%	8.6%	7.6%	7.3%	11.7%	9.1%

Employment

The following chart shows the trailing 10 years employment for the state of California, Fresno-Madera, CA CBSA, and Fresno County.

STATE & REGIONAL EMPLOYMENT						
YEAR	STATE	% CHG.	AREA	% CHG.	COUNTY	% CHG.
2012	16,541,039	-	425,245	-	371,963	-
2013	16,887,864	2.1%	432,210	1.6%	378,042	1.6%
2014	17,264,518	2.2%	441,086	2.0%	386,366	2.2%
2015	17,647,409	2.2%	448,654	1.7%	395,174	2.2%
2016	17,965,407	1.8%	457,757	2.0%	402,364	1.8%
2017	18,258,064	1.6%	462,197	1.0%	406,265	1.0%
2018	18,469,910	1.1%	469,306	1.5%	412,405	1.5%
2019	18,589,551	0.6%	476,278	1.5%	418,386	1.4%
2020	17,037,036	(9.1%)	449,638	(5.9%)	394,472	(6.1%)
2021	17,568,743	3.0%	460,625	2.4%	403,870	2.3%
CAGR	0.7%	-	1.0%	-	1.0%	-

Source: U.S. Bureau of Labor Statistics www.bls.gov

Map_Local



28549 Auberry Rd, Clovis, California 93619
April 2, 2024

INTRODUCTION

The subject property is located in the Clovis area of the Clovis/Hills submarket. The immediate area of the subject is characterized by residential and commercial uses in the surrounding area.

Demographics

The following information reflects the demographics for the subject’s area.

LOCAL AREA DEMOGRAPHICS							
DESCRIPTION	1 MILE	3 MILE	5 MILE	DESCRIPTION	1 MILE	3 MILE	5 MILE
POPULATION TOTAL				HOUSEHOLDS			
2010 Census	154	2,348	5,000	2010 Census	62	853	1,855
2020 Census	131	2,106	4,752	2020 Census	56	803	1,834
2023 Estimate	131	2,094	4,783	2023 Estimate	55	795	1,831
2028 Projection	129	2,078	4,936	2028 Projection	55	795	1,906
Δ 2010-2020	(14.94%)	(10.31%)	(4.96%)	Δ 2010-2020	(9.68%)	(5.86%)	(1.13%)
Δ 2020-2023	0.00%	(0.57%)	0.65%	Δ 2020-2023	(1.79%)	(1.00%)	(0.16%)
Δ 2023-2028	(1.53%)	(0.76%)	3.20%	Δ 2023-2028	0.00%	0.00%	4.10%
Total Daytime Population	245	1,676	3,691	HOUSEHOLDS BY INCOME (2023 ESTIMATE)			
HOUSING UNITS				<\$15,000			
Total (2023 Estimate)	55	898	2,093		5.5%	4.8%	5.9%
Owner Occupied	81.8%	73.8%	74.5%	\$15,000 - \$24,999	5.5%	5.9%	5.9%
Renter Occupied	18.2%	14.7%	13.0%	\$25,000 - \$34,999	3.6%	3.5%	4.0%
Vacant Housing Units	0.0%	11.5%	12.5%	\$35,000 - \$49,999	10.9%	11.1%	10.7%
Total (2028 Projection)	55	901	2,170	\$50,000 - \$74,999	12.7%	16.4%	17.2%
Owner Occupied	81.8%	74.0%	75.6%	\$75,000 - \$99,999	21.8%	13.8%	12.2%
Renter Occupied	18.2%	14.2%	12.2%	\$100,000 - \$149,999	27.3%	19.6%	17.5%
Vacant Housing Units	0.0%	11.8%	12.2%	\$150,000 - \$199,999	5.5%	13.7%	16.5%
AVERAGE HOUSEHOLD INCOME				\$200,000+			
2023 Estimate	\$104,029	\$122,106	\$117,890		7.3%	11.3%	9.9%
2028 Projection	\$122,997	\$139,970	\$137,454	AVERAGE HOUSEHOLD SIZE			
Δ 2023-2028	18.23%	14.63%	16.60%	2023 Estimate	2.36	2.63	2.61
MEDIAN HOUSEHOLD INCOME				2028 Projection			
2023 Estimate	\$86,289	\$88,527	\$86,119		2.33	2.61	2.59
2028 Projection	\$96,099	\$102,982	\$104,130	Δ 2023-2028	(1.27%)	(0.76%)	(0.77%)
Δ 2023-2028	11.37%	16.33%	20.91%	MEDIAN HOME VALUE			
PER CAPITA INCOME				2023 Estimate			
2023 Estimate	\$41,494	\$47,084	\$44,517		\$483,333	\$517,384	\$527,738
2028 Projection	\$49,818	\$54,540	\$52,260	2028 Projection	\$491,176	\$533,576	\$549,172
Δ 2023-2028	20.06%	15.84%	17.39%	Δ 2023-2028	1.62%	3.13%	4.06%
				AVERAGE HOME VALUE			
				2023 Estimate			
				2028 Projection			
				Δ 2023-2028			

Source: Sites To Do Business Online

Population

The estimate provided by ESRI for the current 2023 population within the subject neighborhood’s 3 mile radius is 2,094 representing a (0.57%) change since 2020. ESRI’s 2020 population estimate for the subject’s 5 mile radius is 4,783, which represents a 0.65% change since 2020.

Looking forward, ESRI estimates that the population within the subject neighborhood’s 3 mile radius is forecasted to change to 2,078 by the year 2028. As for the broader area, ESRI forecasts that the population within the subject’s 5 mile radius will change to 4,936 over the next five years. The population estimates for the next five years within the subject’s 5 mile radius represents a 3.20% change as well as a (1.53%) change within the subject’s 1 mile radius for the same period.

Households

The estimates provided by ESRI indicate that the number of households within the subject neighborhood’s 3 mile radius is 795, which is a (1.00%) change since 2020. Within the subject’s broader 5 mile radius, ESRI estimates that the number of households is 1,831, a (0.16%) change over the same period of time.

By the year 2028, the estimates provided by ESRI indicate that the number of households within the subject neighborhood’s 3 mile radius will change by 0.00% to 795 households. Additionally, ESRI’s estimate for total households over the next five years within the subject’s broader 5 mile radius indicates an expected change of 4.10% which will result in a total household estimate of 1,906.

Looking back, the number of households in the subject neighborhood’s 3 mile radius changed (5.86%) during the ten-year period of 2010 to 2020. Since then it has changed by (1.00%).

Income

Income estimates provided by ESRI for the subject neighborhood’s 3 mile radius indicates that the median household income is \$88,527 and that the average household income is \$122,106. Further, the estimates provided by ESRI indicate that, for the subject’s broader 5 mile radius the median household income is \$86,119, and the average household income is \$117,890. Given that there are reportedly 1,831 households in the subject’s 5 mile radius, it is estimated that the local effective buying income is around \$215,856,590.

CONCLUSION

Based on our observation and the data provided by ESRI, it is perceived that the income and population demographics for the subject neighborhood exhibit above average characteristics in terms of reported population growth and income levels. As previously mentioned, the population growth for the subject’s 3 mile radius has increased (0.57%) since 2020 and based on the projections provided by ESRI, it is expected to continue to increase another (0.76%) during the next 5 years. Lastly, we perceive that, since average household incomes are above the national average (\$122,106, for the subject’s 3 mile radius) and given that the area is well-populated (795 households in a 3 mile radius), developments like the subject should be adequately supported.

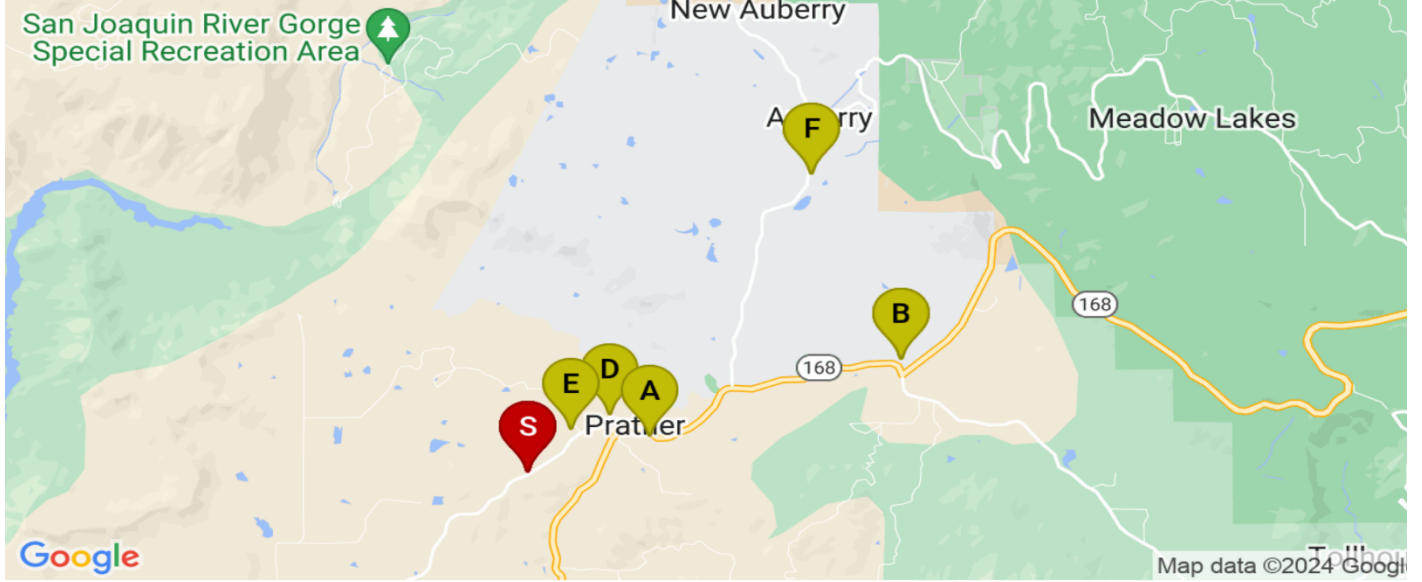
SURROUNDING LAND USES

The following tables and maps highlight the development in and around the subject.

LOCAL AREA OFFICE - FOUR-MILE RADIUS				
CLASS	RBA	YEAR BUILT	PERCENT LEASED	PROPERTIES
A	0 SF	-	-	0
B	20,963 SF	1993	100.0	3
C	36,423 SF	1991	100.0	4
TOTAL	57,386 SF	1991	100.0	7

Source: CoStar

LARGEST OFFICE DEVELOPMENTS - FOUR-MILE RADIUS



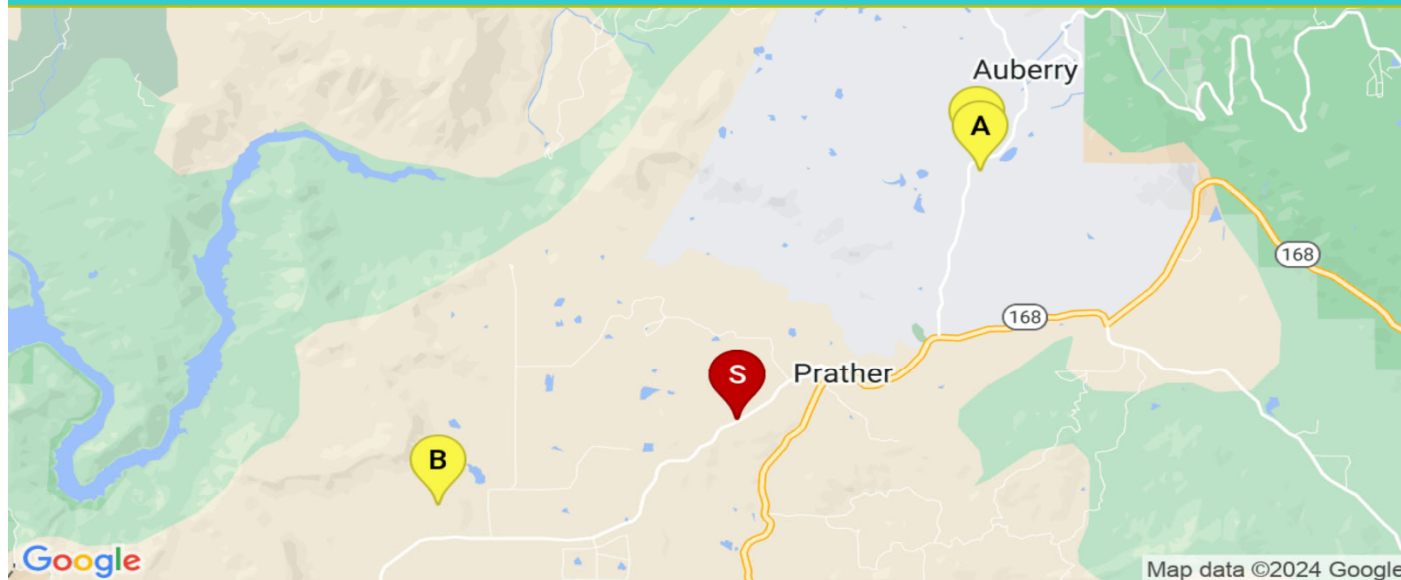
PIN	NAME	ADDRESS, CITY	DIST TO SUBJ	RBA	BUILT	CLASS	%LEASED
A		29688 Auberry Rd, Prather	1.1 mi	15,438	1995	C	100
B		31975-31985 Lodge Rd, Auberry	3.4 mi	12,563	1985	B	100
C		31975-31985 Lodge Rd, Auberry	3.4 mi	12,563	1985	B	100
D		29369 Auberry Rd, Prather	0.9 mi	7,222	1992	C	100
E		29143 Auberry Rd, Prather	0.6 mi	7,200	2005	B	100
F		32968 Auberry Rd, Auberry	3.8 mi	1,200	1998	B	100
G		32968 Auberry Rd, Auberry	3.8 mi	1,200	1998	B	100
"							

LOCAL AREA INDUSTRIAL - FOUR-MILE RADIUS

TYPE	RBA	YEAR BUILT	PERCENT LEASED	PROPERTIES
Flex	0 SF	-	-	0
Gen-Ind <25,000 FT	15,559 SF	1974	100	3
Gen-Ind >25,000 FT	0 SF	-	-	0
TOTAL	15,559 SF	1974	100.0	3

Source: CoStar

LARGEST INDUSTRIAL DEVELOPMENTS - FOUR-MILE RADIUS



PIN	NAME	ADDRESS, CITY	DIST TO SUBJ	RBA	BUILT	TYPE	%LEASED
A		32180 Auberry Rd, Auberry	3.2 mi	6,438	1971	Industrial	100
B		24941 Auberry Rd, Clovis	2.7 mi	4,900	1978	Industrial	100
C		32387 Auberry Rd, Auberry	3.3 mi	4,221	N/A	Industrial	100
D				0			

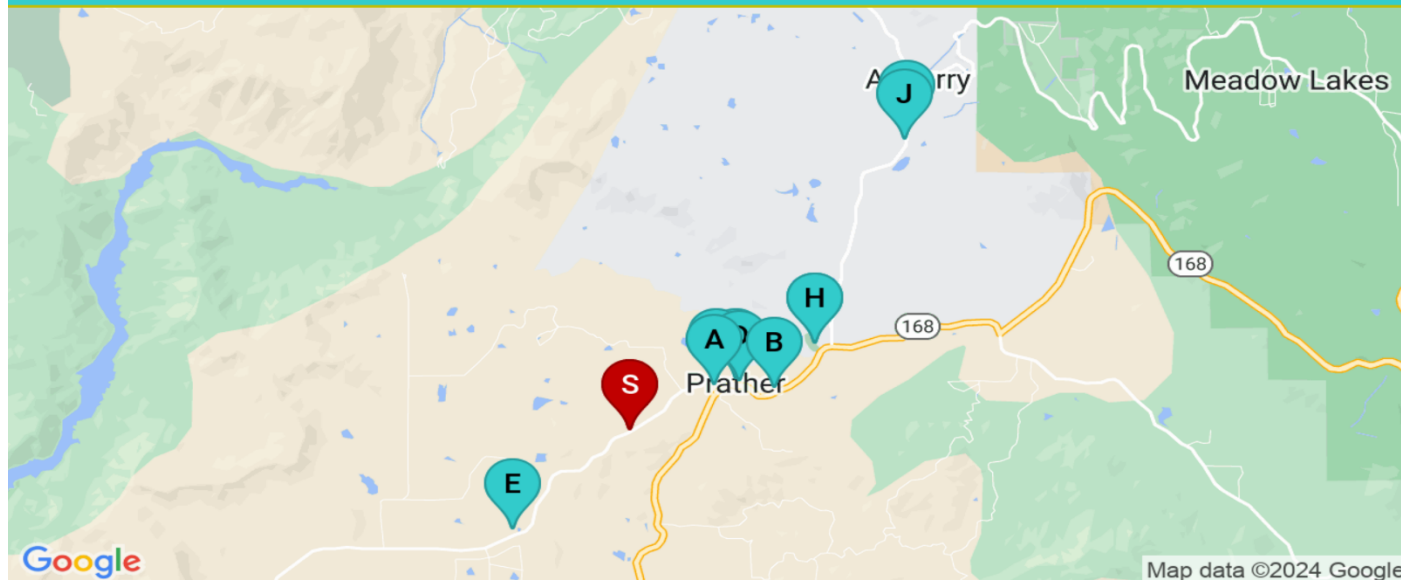
Source: CoStar

LOCAL AREA RETAIL - FOUR-MILE RADIUS

SIZE	RBA	YEAR BUILT	PERCENT LEASED	PROPERTIES
<5,000 FT	26,540 SF	1978	100.0	9
>5,000 FT- <20,000 FT	67,430 SF	1987	100.0	7
>20,000 FT	86,109 SF	1989	100.0	3
TOTAL	180,079 SF	1987	100.0	19

Source: CoStar

LARGEST RETAIL DEVELOPMENTS - FOUR-MILE RADIUS



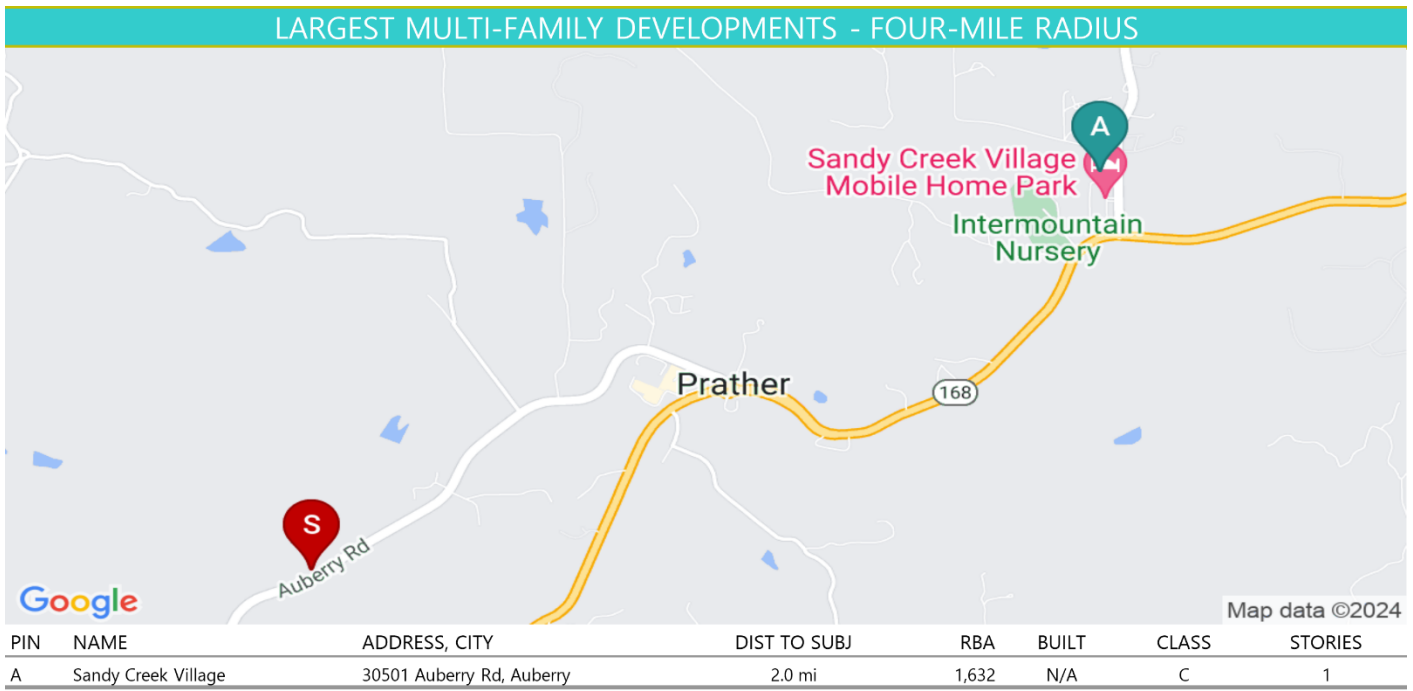
PIN	NAME	ADDRESS, CITY	DIST TO SUBJ	RBA	BUILT	CLASS	%LEASED
A	Canyon Fork Center	29424-29494 Auberry Rd, Prather	0.8 mi	36,050	1985	C	100
B	Western Color Growers	29935 Auberry Rd, Prather	1.3 mi	30,000	N/A	C	100
C		29412 Auberry Rd, Prather	0.9 mi	20,059	1996	B	100
D		29533 Auberry Rd, Prather	1.1 mi	16,400	1980	B	100
E	Ace Hardware	29181 Auberry Rd, Prather	1.4 mi	11,000	N/A	C	100
F		33033 Auberry Rd, Auberry	3.8 mi	9,680	1970	C	100
G		29481 Auberry Rd, Prather	1.0 mi	9,026	2017	C	100
H	Intermountain Nursery	30443 Auberry, Prather	1.8 mi	7,662	1984	0	100
I	Intermountain Nursery	30443 Auberry, Prather	1.8 mi	7,662	1984	0	100
J		33170 Rock Tree Rd, Auberry	3.7 mi	6,000	1996	C	100

Source: CoStar

LOCAL AREA MULTI-FAMILY - FOUR-MILE RADIUS

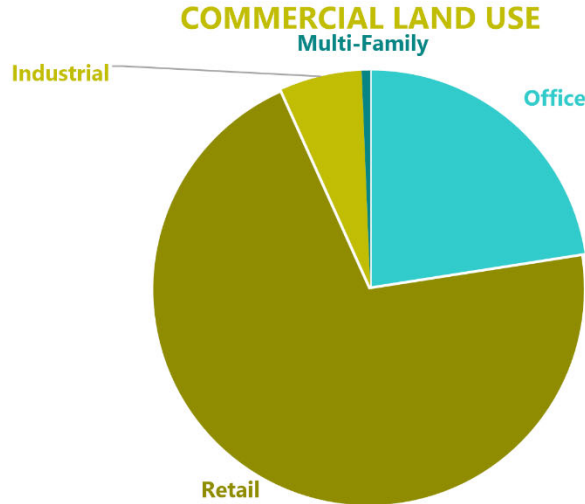
CLASS	RBA	YEAR BUILT	UNITS	PROPERTIES
A	0 SF	-	-	0
B	0 SF	-	-	0
C	1,632 SF	#DIV/0!	45	1
TOTAL	1,632 SF	0	45	1

Source: CoStar



CMA3_TotalDevMap

The land use in the subject’s immediate neighborhood consists of a some commercial property, comprising of a mix of many property types needed for residents in a quasi-rural area. Commercial uses in the area include retail, religious properties, equestrian uses, small weekender ranch/farm properties.



ECONOMIC INFLUENCES

The local area economic status is important to recognize as the measurement of income levels provides an indication of the ability of the area population to buy, rent and maintain property. The economic status of an area also provides an indication of the population’s appetite for goods and services. Relevant economic information includes income levels, property ownership vs. rent, property rent levels, rent level trends, property vacancy and new construction.

The vast majority of the housing units within the area are owner occupied, which contrasts with relative similarity to other parts of Clovis.

GOVERNMENT INFLUENCE

Governmental considerations relate to zoning, building codes, regulations, flood plain restrictions, special assessment, property tax and empowerment zones.

Zoning in the area is mixed, including commercial, residential and industrial designations. Zoning code is enforced by the municipality and enforcement in all areas of City of Clovis is considered to be strong. Rezoning is typically discouraged and requires public input in all municipalities. Building codes are in force and require a certain standard of construction quality and design. This is a typical influence on properties similar to the subject and falls in line with the zoning classification.

Property taxes in the area are established by Fresno County and are assessed based on valuation. Considering broad authority of the county administration, the assessments in the neighborhood are similar to other neighborhoods in the metropolitan area. There are no known special assessments that affect property in the neighborhood.

ENVIRONMENTAL INFLUENCES

The subject area is considered to be a typical unincorporated neighborhood for this locale with average building size and density. There are no extraordinary topographical features, nuisances or hazards. Public utilities are minimal as most properties in this area have on-site wells and septic systems. The area has access both public and private schools in adequate supply.

LOCAL AREA SUMMARY

The market benefits from a diverse blend of residential, commercial, and community uses as typically found in a rural residential area with City services located within 30 minutes (westerly) and close proximity to many recreational activities.

SITE DESCRIPTION

The subject property consists of one parcel with a total site area of 179,467 SF (4.12 AC) which is based on information obtained from Fresno County Assessor. It is perceived that there is no surplus or excess land at the subject. For the purposes of this report we have relied on this site area and reserve the right to amend our analysis upon receipt of a formal legal plan. The following summaries the salient characteristics of the subject site.

Address	28549 Auberry Rd, Clovis, California.	
Census Tract	06-019-006405	
Number of Parcels	1	
Assessor Parcel	118-340-53	
Land Area	Square Feet	Acres
Economic Unit (Primary) Site Size	179,467	4.12
Usable Site Size	179,467	4.12
Total Land Area	179,467	4.12
Excess/Surplus Land	No	
Corner	No	
Floor Area Ratio (FAR)	Not Available	
Site Topography	Level to Sloping Above street grade	
Site Shape	Triangular	
Site Grade	Above street grade	
Site Quality	Below Average	
Site Access	Average	
Site Exposure	Average	
Site Utility	Average	
Utilities	Electric	
Comments	118-340-53 - ;	

Adjacent Properties

North	Rural Residential
South	Rural Residential
East	Rural Residential
West	Rural Residential

Accessibility Access to the subject site is considered average overall.

STREET & TRAFFIC DETAIL

	Type	Direction	Lanes	Lights	Curbs	Sidewalks	Signals	Median	Parking	Center Lane	Bike Lane
Street Improvements Auberry Rd	Thoroughfare	Two-Way	2								

Frontage
Auberry Rd feet; Adequate.

Exposure & Visibility Exposure of the subject is average balancing the frontage on Auberry Rd, the primary local arterial, with the obscured visibility to southbound traffic from the newer building constructed to the north. This building was constructed up against the front property line obscuring visibility of the subject to some degree.

Flood Plain

Seismic The subject is in a Subject_Seismic area.

Easements A preliminary title report was not available for review. During the property inspection, no adverse easements or encumbrances were noted. This appraisal assumes that there are no adverse easements present. If questions arise, further research is advised.

Soils A detailed soils analysis was not available for review. Based on the development of the subject, it appears the soils are stable and suitable for the existing improvements.

Hazardous Waste I have not conducted an independent investigation to determine the presence or absence of toxins on the subject property. If questions arise, the reader is strongly cautioned to seek qualified professional assistance in this matter. Please see the Assumptions and Limiting Conditions for a full disclaimer.

Site Rating Overall, the subject site is considered below average as a assembly-meeting site in terms of its location, exposure and access to employment, education and shopping centers, based on its location along a thoroughfare.

Site Conclusion In conclusion, the site’s physical characteristics appear to be supportive of the subject’s current use and there were no significant detriments discovered that would inhibit development in accordance with its highest and best use.

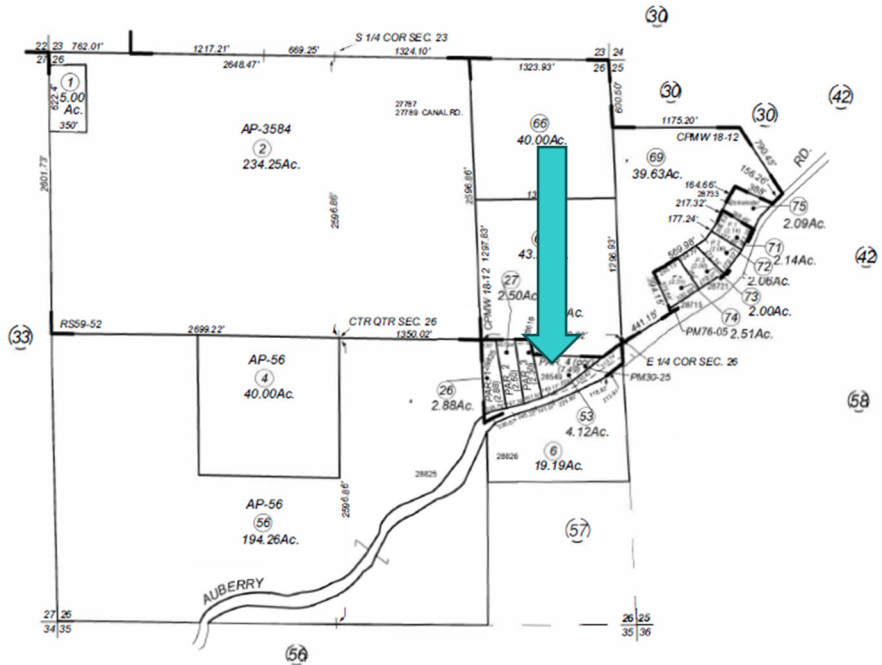
FLOOD MAP

*-NOTE-
This map is for Assessment purposes only.
It is not to be construed as portraying legal
ownership or divisions of land for purposes
of zoning or subdivision law.*

SUBDIVIDED LAND & POR. SEC'S. 25 & 26, T. 10 S., R. 22 E., M.D.B. &M.

Tax Rate Area
199-002

118-34



Agricultural Preserve
Certificate of Parcel Map Waiver 18-13 - Doc 19-0144231 11-27-19
Parcel Map No. 4643 - Bk. 30, Pg. 25
Record of Survey - Bk. 59, Pg. 52
Parcel Map No. 8193 - Bk. 76, Pgs. 05-07

Assessor's Map Bk.118 - Pg.34
County of Fresno, Calif.

Note - Assessor's Block Numbers Shown in Ellipses
Assessor's Parcel Numbers Shown in Circles

1/14/2021

ZONING MAP

The subject is located in the Exclusive Agricultural (AE40) zoning area which is The "AE" District is intended to be an exclusive district for agriculture and for those uses which are necessary and an integral part of the agricultural operation. This district is intended to protect the general welfare of the agricultural community from encroachments of non-related agricultural uses which by their nature would be injurious to the physical and economic well-being of the agricultural district . .

ZONING	
Designation	Exclusive Agricultural (AE40)
Zoning Authority	City of Clovis
Permitted Uses	With a Conditional Use Permit the current use is a legal use
Current Use	Religious Facility
Current Use Legally Permitted	
Conforming Use	The bulk of the improvements including the parking do not conform to the requirements ordinance, but, however are deemed legal.
Conforming Lot	Subject site is less than the AE40 Zone, however, the current use as sfr/religious predates the zoning ordinance, therefore, the current use would be grandfathered.
Zoning Change	Not Likely

PARKING REQUIREMENTS

Parking varies by use but is stated as one space per 1,000 SF. The subject provides 39 parking spaces and is therefore conforming to zoning requirements.

ZONING CONCLUSION

The current use for the subject property is religious facility but is not a permitted use based on the current zoning guidelines. A zoning change for the subject does not appear likely. Based on the foregoing, it appears that the subject's improvements are not a legally conforming use of the subject site. Per Client the Use Permit may or may not be in effect, however, per City planners the Use Permit was previously granted for a religious use and is assumed to be available for continued use as a Church Campus. User of this report should verify the presence of the CUP (Conditional Use Permit).

IMPROVEMENT DESCRIPTION

The information presented below is a basic description of the existing improvements that is used in the valuation of the property. Reliance is placed on information provided by sources deemed dependable for this analysis. It is assumed that there are no hidden defects, and that all structural components are functional and operational, unless otherwise noted. If questions arise regarding the integrity of the improvements or their operational components, it may be necessary to consult additional professional resources.

OVERVIEW

The property, located at 28549 Auberry Rd, Clovis, CA, is a church campus with a worship center and a detached single-family residence on site. The property is located in the unincorporated area of Fresno County within the Clovis/Hills submarket proximate to the Prather community.

#DIV/0!

Property Type	Assembly-Meeting - Religious Facility
Tenancy	
Net Rentable Area (NRA)	0
Gross Building Area (GBA)	6,651
Total Buildings	2
Density Per Unit (AC)	0.0
Floors	1
Year Built	1986; (1986 weighted); Renovated: 1986 - 1990; (1988 weighted)
Age/Life Analysis	
Actual Age	38
Effective Age	17
Economic Life	60
Remaining Useful Life	43
Overall Building Quality	Average
Overall Building Condition	Average
Overall Building Appeal	Average
Land to Building Ratio	26.98 : 1
Site Coverage Ratio	3.71% (Based On Total Overall Site Area)
Floor Area Ratio (FAR)	0.04
Total Parking Spaces	16 - Garage, Surface spaces
Parking Ratio	- / 1,000 SF NRA

BUILDING	GBA	YEAR BUILT	YEAR REN.	ACT. AGE	EFF. AGE	ECON. LIFE	REM. LIFE	FLOORS	CLASS
Worship Cen	4,125	1986	1990	38	18	60	42	1	D
Residence	2,526	1986	1986	38	15	60	45	1	0
TOTAL	6,651	1986	1986 - 1990	38	17	60	43.14	1	D and 0

Size

Signage

There is a monument style sign along Auberry Rd.

Site Coverage Ratio

3.7% (6,651 SF footprint / 179,467 SF site), which is within market standards (20-35%) for similar religious facility buildings in the area.

Deferred Maintenance	Minimal deferred maintenance; Roof on worship center may be on the end of the economic cycle. Drainage behind the garage of the house appears to be substandard.
Functional Design	The building features a functional Religious Facility design with typical site coverage and adequate off-street parking and the presence of the house allows for either pastoral residency or for increased classroom and office areas with garage storage area include in GBA .
ADA Comment	This analysis assumes that the subject complies with all ADA requirements. Please refer to the Assumptions and Limiting Conditions section.
Hazardous Materials	A Phase I report was not provided. This appraisal assumes that the improvements are constructed free of all hazardous waste and toxic materials, including (but not limited to) unseen asbestos and mold. Please refer to the Assumptions and Limiting Conditions section regarding this issue.

INTRODUCTION

The highest and best use of the subject property provides the foundation for the valuation section. Highest and best use is defined in the 7th edition of *The Dictionary of Real Estate Appraisal* (Appraisal Institute, Chicago, 2022), as follows:

1. The reasonably probable use of property results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.
2. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid.
3. The highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future.

Highest and best use analysis uses the following steps for the subject:

- ▶ Highest & Best Use As Vacant
- ▶ Determination of the ideal improvements
- ▶ Highest & Best Use As Improved
- ▶ Conclusion of the Highest & Best Use

The analysis of highest and best use can be thought of as the logical end of a spectrum of market analysis procedures, running from the macroeconomic overview of a general market study, through more detailed marketability studies and analyses of financial feasibility, to the formal analysis of highest and best use. In theory, the highest and best use is commonly described as that reasonable and most profitable use that will support its highest present value. The highest and best use, or most profitable use, must be legally permissible, physically possible, financially feasible, and maximally productive.

This section develops the highest and best use of the subject property As-Vacant and As Improved.

AS VACANT ANALYSIS

In this section the highest and best use of the subject as vacant is concluded after taking into consideration financial feasibility, maximal productivity, marketability, legal, and physical factors.

Legally Permissible

Private restrictions, zoning, building codes, historic district controls, and environmental regulations are considered, if applicable to the subject site. The legal factors influencing the highest and best use of the subject site are primarily government regulations such as zoning ordinances. Permitted uses of the subject's Exclusive Agricultural (AE40) include with a conditional use permit the current use is a legal use projects. Zoning change is not likely; therefore, uses outside of those permitted by the AE40 zoning are not considered moving forward in the as-vacant analysis.

Physical Possible

The test of what is physically possible for the subject site considers physical and locational characteristics that influence its highest and best use. In terms of physical features, the subject site totals 4.1200-acres (179,467 SF), it is triangular in shape and has a level to sloping topography. The site has average exposure and average overall access. There are no physical limitations that would prohibit development of any of the by-right uses on the site.

Financial Feasibility

Based on the analysis of the subject's market and an examination of costs, a newly constructed building similar to the subject would likely have a value commensurate with its cost; however, a speculative build is not prudent and the site should only be developed for an identified user.

Maximum Productivity

There is only one use that creates value and at the same time conforms to the requirements of the first three tests. Financial feasibility, maximal productivity, marketability, legal, and physical factors have been considered and the highest and best use of the subject site as-vacant concluded to be single family residence.

AS IMPROVED ANALYSIS

The legal factors influencing the highest and best use of the subject property are primarily governmental regulations such as zoning and building codes. The subject's improvements were constructed in 1986; (1986 weighted) and are a legal, conforming use. The physical and location characteristics of the subject improvements have been previously discussed in this report. The project is of average quality construction and in average condition, with adequate site coverage and parking ratios. Therefore, the property, as improved, meets the physical and location criteria as the highest and best use of the property.

In addition to legal and physical considerations, analysis of the subject property as improved requires consideration of alternative uses. The five possible alternative treatments of the property are demolition (not warranted as the improvements contribute substantial value to the site), expansion (not warranted, no excess or surplus land), renovation (not warranted), conversion (not applicable), and continued use "as-is".

Among the five alternative uses, current use is the Highest and Best Use of the subject As Improved.

MOST PROBABLE BUYER

Based on the type of property and the income generating potential of the improvements, it is our opinion that the most probable buyer for the subject would be local or a regional purchaser who wants to establish a ministry in this locale.

VALUATION METHODS

In traditional valuation theory, the three approaches to estimating the value of an asset are the cost approach, sales comparison approach, and income capitalization approach. Each approach assumes valuation of the property at the property's highest and best use. From the indications of these analyses, an opinion of value is reached based upon expert judgment within the outline of the appraisal process.

SITE VALUATION

The site value is not a specific scope requirement of this assignment. Characteristics specific to the subject property do not warrant that a site value is developed.

COST APPROACH

The cost approach considers the cost to replace the proposed improvements, less accrued depreciation, plus the market value of the land. The cost approach is based on the understanding that market participants relate value to cost. The value of the property is derived by adding the estimated value of the land to the current cost of constructing a reproduction or replacement for the improvements and then subtracting the amount of depreciation in the structure from all causes. Profit for coordination by the entrepreneur is included in the value indication.

The Cost Approach is not a specific scope requirement of this assignment.

SALES COMPARISON APPROACH

The sales comparison approach estimates value based on what other purchasers and sellers in the market have agreed to as price for comparable properties. This approach is based upon the principle of substitution, which states that the limits of prices, rents, and rates tend to be set by the prevailing prices, rents, and rates of equally desirable substitutes. In conducting the sales comparison approach, I gather data on reasonably substitutable properties and make adjustments for transactional and property characteristics. The resulting adjusted prices lead to an estimate of the price one might expect to realize upon sale of the property.

The Sales Comparison Approach is a specific scope requirement of this assignment. Characteristics specific to the subject property warrant that this valuation technique be developed. However, we have applied a revenue multiplier to the subject's revenue instead of a price to the unit of measure. Based on this reasoning, the Improved Sales Comparison Approach is presented within this appraisal.

INCOME CAPITALIZATION APPROACH

The income capitalization approach ("income approach") simulates the reasoning of an investor who views the cash flows that would result from the anticipated revenue and expense on a property throughout its lifetime. The net income developed in our analysis is the balance of potential income remaining after vacancy and collection loss, and operating expenses. This net income is then capitalized at an appropriate rate to derive an estimate of value or discounted by an appropriate yield rate over a typical projection period in a discounted cash flow analysis. Thus, two key steps are involved: (1) estimating the net income applicable to the subject and (2) choosing appropriate capitalization rates and discount rates. The appropriate rates are ones that will provide both a return on the investment and a return of the investment over the life of the particular property.

The Income Approach is not a scope requirement for this assignment. The subject property type is not typically analyzed on an income basis by buyers and sellers, reducing the applicability of this valuation technique. Therefore, the Income Approach is not developed.

CORRELATION AND CONCLUSION

Based on the agreed upon scope with the client, the subject's specific characteristics and the interest appraised, this appraisal developed Sales Comparison Approach. The values presented represent the As-Is (Fee Simple Estate)

INTRODUCTION

In the Sales Comparison Approach, the value of a property is estimated by comparing it with similar, recently sold properties in the surrounding or competing areas. Inherent in this approach is the principle of substitution, which holds that when a property is replaceable in the market, its value tends to be set by the cost of buying an equally desirable property, assuming that no costly delay occurs in making the substitution.

COMPARABLE SELECTION

Through the analysis of sales of verified arm's-length transactions, market value and price trends are identified. The sales utilized are comparable to the subject in physical, functional, and economic characteristics.

Comparable sales are presented, which were selected due to their similarity in physical, locational, and qualitative attributes. They represent the most recent and relevant comparable sale available for this analysis. Emphasis was given to the subject's location and similarly positioned properties.

UNIT OF COMPARISON

The most relevant unit of comparison is the price per SF GBA. This best reflects the unit of comparison used by buyers and sellers in this market for the subject property type.

ADJUSTMENTS

Adjustments to the comparable sales were considered and made when warranted for property rights, financing terms, conditions of sale, expenditures after sale and market conditions.

1. **Property Rights** - All of the sales comparables were fee simple sales reflecting the property rights appraised herein per the agreed upon scope of work.
2. **Financing** - The sales all reflected typical cash equivalent, lender-financed transactions and no adjustments were required for financing terms.
3. **Sale Conditions** - None of the comparables required a condition of sale adjustment, as all were confirmed to be arm's length transactions.
4. **Expenditures After Sale** - Expenses that the buyer incurs after purchase (deferred maintenance, HVAC repairs, etc.).
5. **Market Conditions (Time)** - Based on the analysis performed, which includes research and interpretation of value trends of the comparables presented herein, a market conditions adjustment is market demonstrated.

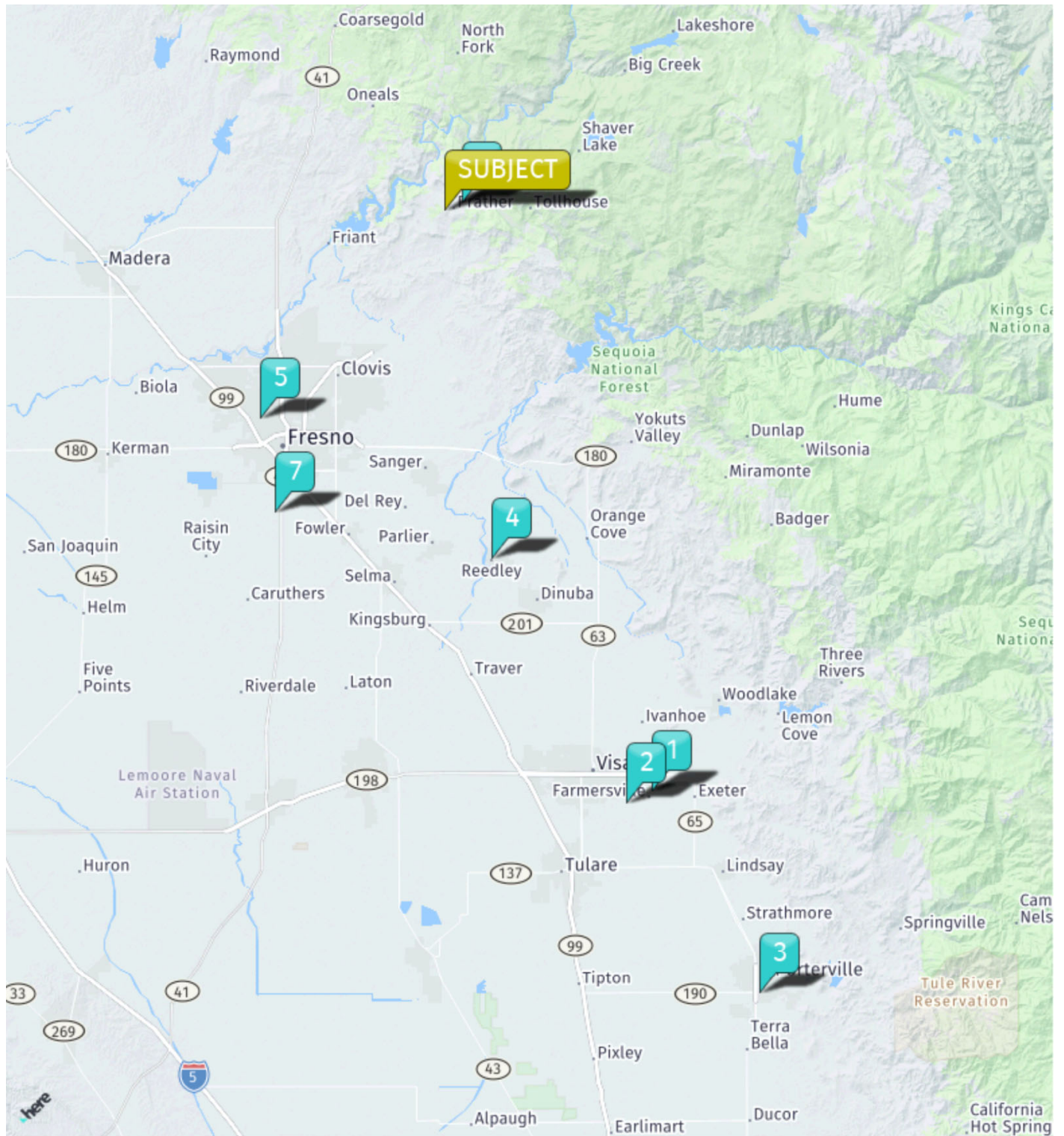
QUANTITATIVE ADJUSTMENT PROCESS

Quantitative percentage adjustments are also made for location and physical characteristics such as size, age, site and parking ratios, access, exposure, quality and condition, as well as other applicable elements of comparison. Where possible the adjustments applied are based on paired data or other statistical analysis. It should be stressed that the adjustments are subjective in nature and are meant to illustrate the logic in deriving a value opinion for the subject property by the Sales Comparison Approach.

PRESENTATION

The subject and comparable property attributes are presented on the following Improved Sales Comparison Table, location map and photographs. This is followed by analysis of the subject and comparable sales and the value conclusion indicated using the Sales Comparison Approach.

IMPROVED SALES COMPARISON TABLE								
SUBJECT	COMP 1	COMP 2	COMP 3	COMP 4	COMP 5	COMP 6	COMP 7	
Name	28549 Auberry	480 E. Front	2450 Road 148	711 W Poplar Ave	914 J Street	723 W. Clinton Ave	30443 Auberry	345 W. Jefferson
Address	28549 Auberry Rd	480 E Front St	Rd 148	711 W Poplar Ave	914 J St	723 W Clinton Ave	30443 Auberry Rd	345 W Jefferson Ave
City	Clovis	Farmersville	Visalia	Porterville	Reedley	Fresno	Prather	Fresno
State	CA	CA	CA	CA	CA	CA	CA	CA
Zip	93619	93223	93292	93257	93654	93705	93651	93706
County	Fresno	Tulare	Tulare	Tulare	Fresno	Fresno	Fresno	Fresno
Submarket	Clovis/Hills	-	-	-	-	-	-	-
SALE INFORMATION								
Transaction Price	\$280,000	\$160,000	\$840,000	\$270,000	\$370,000	\$1,100,000	\$850,000	
Transaction Price \$/SF NRA	\$90	\$51	\$168	\$109	\$64	\$144	\$142	
Property Rights ¹	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Financing ²	Cash	Cash Equivalent	Cash	Cash	Cash equivalent	Cash Equivalent	Not disclosed	
Sale Conditions ³	Arms Length	Arms Length	Arms Length	Arms Length	Arms Length	-	Arms Length	
Expenditures After Sale ⁴	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Market Conditions ⁵	2/15/2024	1/19/2024	12/4/2023	8/29/2023	1/25/2023	-	-	Listing
Sale Status	Recorded	Recorded	Recorded	Recorded	Recorded	Listing	-	In Contract
Recording Number	07370	02973	6605811	80097	06679	-	-	N/A
Marketing Status	Open Market	Off Market	Off Market	Off Market	Open Market	-	-	N/A
Marketing Period (Days)	294	-	-	-	97	763	-	27
Total Transactional Adjustments	\$0 0%	\$0 0%	\$0 0%	\$0 0%	\$0 0%	\$0 0%	\$0 0%	\$0 0%
Adjusted \$/SF (NRA)	\$90	\$51	\$168	\$109	\$64	\$144	\$142	\$142
PHYSICAL INFORMATION								
GBA (SF)	6,651	3,107	3,133	5,001	2,477 (5%)	5,792	7,662	6,000
Year Built/Ren	1986	1963	1950 15%	1950 / 1950 15%	1948 / 1948 15%	1930 / 1930 25%	1972 / 1972 0%	1966 / 1966
Location	Average	Below Average 20%	Fair 40%	Average	Average	Above Average (5%)	Average	Average
Access	Average	Average	Average	Average	Average	Average	Average	Average
Exposure	Average	Average	Average	Good (20%)	Average	Average	Average	Average
Quality	Average	Average	Below Average 15%	Average	Average	Average	Average	Average
Condition	Average	Average	Average	Average	Good (10%)	Below Average 5%	Average	Average
Appeal	Average	Average	Average	Average	Average	Average	Average	Average
Land to Building Ratio	-	8.4 5%	6.4	1.4 10%	4.8 10%	5.2	1.09 10%	10.0
Business Value Included	None	None	None	None	None	None	Business Value (30%)	None
CapitalizationRate	-	0	0	0	0	0	3.43	0
Property Comments	Church & SFR	Church 5%	Church 5%	Church 5%	Church 5%	Church 5%	Nursery/No CUP 15%	Church & 2 SFR
Total Physical Adjustments	\$27 30%	\$38 75%	\$17 10%	\$16 15%	\$19 30%	(\$7) (5%)	\$0 0%	\$0 0%
Adjusted \$/SF (NRA)	\$117	\$89	\$185	\$125	\$83	\$137	\$142	\$142



COMPARABLE	LABEL	ADDRESS	MILES FROM SUBJECT
COMPARABLE 1	1	480 E Front St, Farmersville, CA, 93223	53.3
COMPARABLE 2	2	Rd 148, Visalia, CA, 93292	53.6
COMPARABLE 3	3	711 W Poplar Ave, Porterville, CA, 93257	73.1
COMPARABLE 4	4	914 J St, Reedley, CA, 93654	30.3
COMPARABLE 5	5	723 W Clinton Ave, Fresno, CA, 93705	24.0
COMPARABLE 6	6	30443 Auberry Rd, Prather, CA, 93651	1.7
COMPARABLE 7	7	345 W Jefferson Ave, Fresno, CA, 93706	29.9

28549 Auberry Rd, Clovis, California 93619
 April 2, 2024

IMPROVED SALES PHOTOGRAPHS



COMPARABLE 1



COMPARABLE 2



COMPARABLE 3



COMPARABLE 4



COMPARABLE 5



COMPARABLE 6

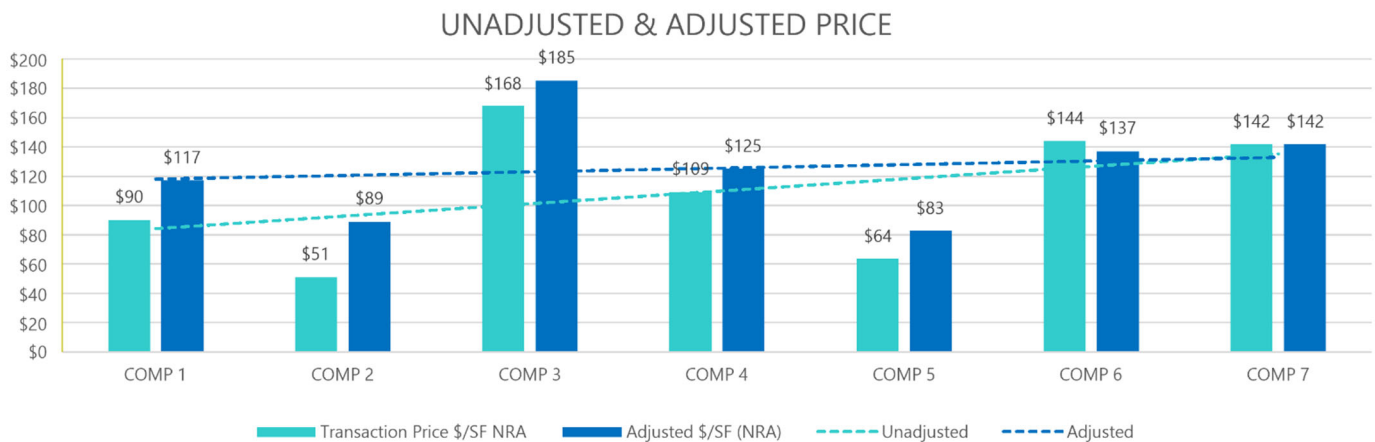


COMPARABLE 7

MARKET PARTICIPANTS

We surveyed several brokers in the market who are familiar with the subject’s trade area. Based on the indicated economic and physical characteristics of the subject, market value estimates ranging from \$125-\$175 PSF were provided. According to the market value conclusion presented herein, these estimates appear reasonable, and have therefore been considered herein as a reliable indication of market value for the subject.

SALES COMPARISON APPROACH CONCLUSION



Based on general bracketing, the comparable sales support an adjusted unit value range from \$83/SF to \$185/SF, with a unit value of \$120/SF concluded for the subject property. The following table summarizes the analysis of the comparables, reports the reconciled price per SF value conclusion, and presents the concluded value of the subject property by the Sales Comparison Approach.

IMPROVED SALES COMPARISON APPROACH CONCLUSION (NRA)							
	TRANSACTION	ADJUSTMENT				NET	GROSS
	PRICE	TRANSACTIONAL ¹	ADJUSTED	PROPERTY ²	FINAL	ADJ	ADJ
1	\$90	0%	\$90	30%	\$117	30%	30%
2	\$51	0%	\$51	75%	\$89	75%	75%
3	\$168	0%	\$168	10%	\$185	10%	50%
4	\$109	0%	\$109	15%	\$125	15%	45%
5	\$64	0%	\$64	30%	\$83	30%	40%
6	\$144	0%	\$144	(5%)	\$137	(5%)	55%
7	\$142	0%	\$142	0%	\$142	0%	0%
HIGH	\$168	0%	\$168	75%	\$185	75%	75%
AVG	\$110	0%	\$110	22%	\$125	22%	42%
MED	\$109	0%	\$109	15%	\$125	15%	45%
LOW	\$51	0%	\$51	(5%)	\$83	(5%)	0%
SUBJECT SF (NRA)		\$/SF CONCLUSION		VALUE			
6,651		x	\$120	=	\$798,120		
INDICATED VALUE (ROUNDED TO NEAREST \$10,000)				\$0	\$800,000		

¹Cumulative ²Additive

SALES COMPARISON APPROACH

SALES COMPARISON APPROACH	
Indicated Value	\$800,000
\$/SF NRA	-

RECONCILIATION OF VALUE CONCLUSIONS

Based on the agreed upon scope with the client, the subject’s specific characteristics and the interest appraised, this appraisal developed Sales Comparison Approach. The values presented represent the As-Is (Fee Simple Estate).

The Reconciliation of Value Conclusions is the final step in the appraisal process and involves the weighing of the individual valuation techniques in relationship to their substantiation by market data, and the reliability and applicability of each valuation technique to the subject property. Below, the individual strengths and weaknesses of each approach are analyzed.

As previously discussed, the **Cost Approach** was not presented in this analysis. This approach has limited application due to the age of the improvements and lack of market based evidence to support accrued depreciation. Additionally, investors typically do not place emphasis on replacement cost in establishing value for properties with stabilized income in place such as the subject. The exclusion of the Cost Approach does not diminish the credibility of the value conclusion.

The price per square foot method has been presented in the **Sales Comparison Approach**. There have been limited properties similar to the subject in use within in the expanded market area with similar market conditions, which increases the validity of this approach. The most likely buyer for the subject would most likely be an owner-user and consequently, this approach is given primary weight.

The **Income Approach** to value is generally considered to be the best and most accurate measure of the value of income-producing properties. The value estimate by this approach best reflects the analysis that knowledgeable buyers and sellers carry out in their decision-making processes regarding this type of property. Sufficient market data was available to reliably estimate gross income, vacancy, expenses and capitalization rates for the subject property. The property is being purchased by an owner-user and consequently, this approach is given little emphasis. The income a religious property receives is based on the tithes, offerings and/or donations of the attendees. The donations are intended for the support of the entity not for the lease of the land/building area. Therefore, the Income Approach is not applicable and was not utilized herein.

After considering all factors relevant to the valuation of the subject property, emphasis is placed on the Sales Comparison Approach as concluded below.

RECONCILIATION OF VALUES	
VALUATION SCENARIOS	AS-IS
Interest	Fee Simple Estate
Date	March 2, 2024
SALES COMPARISON APPROACH	
SALES COMPARISON APPROACH	
Indicated Value	\$800,000
\$/SF GBA	\$120
FINAL VALUE CONCLUSION	
FINAL VALUE CONCLUSION	\$800,000
\$/SF GBA	\$120

CERTIFICATION

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

- ▶ The statements of fact contained in this report are true and correct.
- ▶ The reported analyses, opinions, and conclusions of the signer are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- ▶ The signer of this report has no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- ▶ Karen J. Mann, ASA-RP has performed no services, specifically as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- ▶ The signer is not biased with respect to the property that is the subject of this report or to the parties involved with this assignment.
- ▶ The engagement in this assignment was not contingent upon developing or reporting predetermined results.
- ▶ The compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- ▶ The reported analysis, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the *Code of Professional Ethics* and *Standards of Professional Appraisal Practice* of the Appraisal Institute, and the *Uniform Standards of Professional Appraisal Practice*, as set forth by the Appraisal Standards Board of the Appraisal Foundation.
- ▶ Karen J. Mann, ASA-RP inspected the property that is the subject of this report.
- ▶ No one provided significant real property appraisal assistance to the appraisers signing the certification.
- ▶



Karen J. Mann, ASA-RP
Certified General Real Estate Appraiser
California License No. AG007008
Expiration Date 4/29/2024

ASSUMPTIONS & LIMITING CONDITIONS

- ▶ Information presented in this report has been obtained from reliable sources, and it is assumed that the information is accurate.
- ▶ This analysis assumes that the information provided for this appraisal accurately reflect the current condition of the subject property.
- ▶ This report shall be used for its intended purpose only, and by the party to whom it is addressed. Possession of this report does not include the right of publication.
- ▶ The appraiser may not be required to give testimony or to appear in court by reason of this appraisal, with reference to the property in question, unless prior arrangements have been made.
- ▶ The statements of value and all conclusions shall apply as of the dates shown herein.
- ▶ There is no present or contemplated future interest in the property by the appraiser which is not specifically disclosed in this report.
- ▶ Without the written consent or approval of the author neither all, nor any part of, the contents of this report shall be conveyed to the public through advertising, public relations, news, sales, or other media. This applies particularly to value conclusions and to the identity of the appraiser and the company with which the appraiser is connected.
- ▶ This report must be used in its entirety. Reliance on any portion of the report independent of others, may lead the reader to erroneous conclusions regarding the property values. Unless approval is provided by the author no portion of the report stands alone.
- ▶ We assume no responsibility for matters legal in character, nor do we render any opinion as to title, which is assumed to be marketable. All existing liens, encumbrances, and assessments have been disregarded, unless otherwise noted, and the property is appraised as though free and clear, under responsible ownership, and competent management.
- ▶ The appraisal has provided exhibits to assist the client(s)/intended user(s) to understand from a graphical standpoint some of the salient issues which impact the subject property. We have made no survey of the property and if further verification is required, a survey by a registered surveyor is advised.
- ▶ The appraiser assumes no responsibility for determining if the property requires environmental approval by the appropriate governing agencies, nor if it is in violation thereof, unless otherwise noted herein. This analysis assumes that no asbestos or other hazardous materials are stored or found in or on the subject property. If evidence of hazardous materials of any kind occurs, the reader should seek qualified professional assistance. If hazardous materials are discovered and if future market conditions indicate an impact on value and increased perceived risk, a revision of the concluded values may be necessary.
- ▶ The valuation stated herein assumes professional management and operation of the buildings throughout the lifetime of the improvements, with an adequate maintenance and repair program.
- ▶ **The liability of Mann & Associates, its principals, agents, and employees is limited to the client. Further, there is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions. The appraiser is in no way responsible for any costs incurred to discover or correct any deficiency in the property.**
- ▶ The appraiser is not qualified to detect the presence of toxic or hazardous substances or materials which may influence or be associated with the property or any adjacent properties, has made no investigation or analysis as to the presence of such materials, and expressly disclaims any duty to note the degree of fault. Mann & Associates and its principals, agents, employees, shall not be liable for any costs, expenses, assessments, or penalties, or diminution in value, property damage, or personal injury (including death) resulting from or otherwise attributable to toxic or hazardous substances or materials, including without limitation hazardous waste, asbestos material, formaldehyde, or any smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids, solids or gasses, waste materials or other irritants, contaminants or pollutants.
- ▶ The appraiser assumes no responsibility for determining if the subject property complies with the Americans with Disabilities Act (ADA). Mann & Associates, its principals, agents, and employees, shall not be liable for any costs, expenses, assessments, penalties or diminution in value resulting from non-compliance.
- ▶ This appraisal assumes that the subject meets an acceptable level of compliance with ADA standards; if the subject is not in compliance, the eventual renovation costs and/or penalties would negatively impact the present value of the subject. If the magnitude and time of the cost were known today, they would be reduced from the reported value conclusion.
- ▶ Unless otherwise noted herein, a detailed soils study was not provided for this analysis. The subject's soils and sub-soil conditions are assumed to be suitable based upon a visual inspection of the subject property and surrounding properties, which did not indicate evidence of excessive settling or unstable soils. No certification is made regarding the stability or suitability of the soil or sub-soil conditions.

Resume and credentials of
KAREN J. MANN, ASA-RP

STATE CERTIFIED - GENERAL APPRAISER
California License #AG007008 - Exp April 29, 2024
Office Location:: Discovery Bay, CA
Prior Office location 1980 – 2010: Fremont, CA

EXPERIENCE:

05/2023 – Present

WestRock Appraisals

- National Review Appraiser – (Part-time)

09/2022 – 09/2023

Opteon

- National Review Appraiser

7/1989-Present

President/Chief Appraiser of Mann and Associates

- Managed and reviewed appraisals for employees, continued education and developed business to flex with the economy – right sized the firm after the National Recession 2007 – 2011
- Primary marketeer for the firm to attract new business.
- Develop and negotiate the engagement for the contract of services; provide a letter of engagement to the proposed client.
 - For Every Commercial appraisal report
 - Collect and analyze economic market data to determine the overall market trends based on the type of property under appraisal.
 - Consider the over versus undersupply of property types and market trends.
 - Review and understand zoning to develop the highest and best use of a parcel as if vacant.
 - Review and analyze title reports and legal descriptions.
 - Research and analyze encumbrances and/or easements which could affect the utility of parcel.
 - Research and analyze demographics and market data for regional and locational analysis.
 - Analyze income stream and compare with market rates.
 - Provide vacant land analysis.
 - Analyze proposed costs versus marketability of proposed improvements.
 - Utilize Excel and Word to produce a credible appraisal report
- Provide appraisal or valuation services to an array of clients including attorneys, banks, mortgage brokers and CPA's.
- Maintain schedules for on-time delivery of reports.
- Good communication skills
- Very good computer skills via a variety of apps/programs (ie Teams, Excel, Word, PowerPoint, Google maps, measurement software, Commercial property data (Costar/Comps), Public records via NDC, Lease analysis data vis Costar, CCIM data for demographic overview).
- Can read and understand building plans.
- Subscriptions to replacement cost new manuals.
- Capable in the measurement and calculations of building areas.

- | | |
|-------------------------|--|
| April 2015 – March 2016 | <p>Mountain Seed Appraisal Management (Part-time)</p> <ul style="list-style-type: none"> • Review Appraiser – Commercial & Residential |
| May 1985-Sept. 1989 | <p>Independent Fee Appraiser & Partner of Lidster-Mann Assoc.</p> <ul style="list-style-type: none"> • Achieved Vice Presidency of the firm and shared all management responsibilities, with a special emphasis on review of appraisals, and the marketing of the firm's services. |
| 1983-1985 | <p>Independent Fee Appraiser of Lidster Assoc.</p> <ul style="list-style-type: none"> • Worked as a full-time appraiser with emphasis on residential appraisals, with exposure and beginning training into the development of non-residential properties (ie land, churches, retail, industrial, etc.). |
| 1980-1982 | <p>Trainee for Lidster Associates & Roessler Associates</p> <ul style="list-style-type: none"> • Worked as a full-time appraiser, with emphasis on residential appraisals, but with exposure to commercial properties as well. |

TYPE OF PROPERTY APPRAISED

- Single Family Residence
 - Custom homes – largest home 40,000 sf GLA
 - Homes under construction – prospective valuations
 - Estate valuations – retrospective valuations
 - Dissolution valuations
 - Properties with an on-site ADU
 - Multi-residential properties 2-4 units
- Commercial properties
 - 5 – 150-unit apartment complexes
 - Retail uses
 - Industrial uses
 - Office uses
 - Agricultural uses
 - Restaurants
 - Hotel/Motels
- Other properties:
 - Vacant Land
 - Proposed construction
 - Feasibility studies
 - Agricultural properties
 - Religious Properties – (Appx 1600)
 - Special Use Properties
 - Marinas
 - RV Parks

COVERAGE AREA

- Residential
 - Alameda County, Contra Costa County, San Joaquin County and other areas upon demand
- Commercial
 - Northern California and Nevada
- Special property uses and/or unique properties
 - Nationwide
- Review Commercial Appraisals
 - Nationwide

Expert Witness and/or 730 Expert in the following Courts (a variety of property types) – which included the preparation of an Appraisal Report, deposition and trial testimony (both bench and jury trials).

- Alameda County Superior Court
- Alameda County Tax Court
- Santa Clara County Superior Court
- Contra Costa County Superior Court
- San Francisco Superior Court
- Marin County Superior Court
- FEWA Forensic Expert Witness Association, past member

PROFESSIONAL ORGANIZATION MEMBERSHIPS & POSITIONS:

American Society of Appraisers, (Awarded 2 designations as follows)

ASA -Urban / Commercial - 1996 ASA – Residential 1986

Appraisal Institute, Senior Residential Appraiser designation (SRA) – 1987

Member of the Appraisal Institute 1984 - 2018

Royal Institution of Chartered Surveyors, MRICS designation in 2009

Largest International Valuation and Related Studies organization

Member of RICS 2005 - 2019

- Real Property Committee Member of the Americas (2011 – 2015)

CCIM (Certified Commercial Investment Member) 2018-Present

Associate Member

AUTHORED SEMINARS

- Beat the Clock and Make More Money
- Incredible Income Opportunities for Residential Appraisers
- Profitable Appraising
- Building New Skillsets for Appraisers
- How to Measure Buildings and Calculate the Building Areas
- How to operate Virtual Office and why
- Valuation of Religious Properties – it takes more than a Prayer
- Vexing Valuation Issues – How to work with an Appraiser
- Valuing Religious Properties – It takes more than a Prayer

FEDERAL GOVERNMENTAL ADVISORY PARTICIPATION:

- Provided testimony regarding the “Appraisal Regulatory Process”, June 2012 to the U.S. House of Representatives in Washington DC (June 2012 Testimony was filmed and on C-Span)
- Quoted in “The Financial Crisis Inquiry Report”, authorized edition January 2011

HOBBIES

- Boating/cruising
- Fishing
- RV Camping
- Sewing
- Yacht Club activities and leadership
- Community leadership

GLOSSARY

This glossary contains the definitions of common words and phrases, used throughout the appraisal industry, as applied within this document. Please refer to the publications listed in the **Works Cited** section below for more information.

Works Cited:

- Appraisal Institute. *The Appraisal of Real Estate*. 15th ed. Chicago: Appraisal Institute, 2020. PDF.
- Appraisal Institute. *The Dictionary of Real Estate Appraisal*. 6th ed. 2015. PDF.
- The Appraisal Foundation. *2020-2021 Uniform Standards of Professional Appraisal Practice (USPAP)*. Eff. January 1, 2020 through December 31, 2021 PDF.

Band of Investment

A technique in which the capitalization rates attributable to components of an investment are weighted and combined to derive a weighted-average rate attributable to the total investment (i.e., debt and equity, land and improvements). (Dictionary, 6th Edition)

Common Area

1. The total area within a property that is not designed for sale or rental but is available for common use by all owners, tenants, or their invitees, e.g., parking and its appurtenances, malls, sidewalks, landscaped areas, recreation areas, public toilets, truck and service facilities.
2. In a shopping center, the walkways and areas onto which the stores face and which conduct the flow of customer traffic. (ICSC) (Dictionary, 6th Edition)

Common Area Maintenance (CAM)

1. The expense of operating and maintaining common areas; may or may not include management charges and usually does not include capital expenditures on tenant improvements or other improvements to the property.
 - CAM can be a line-item expense for a group of items that can include maintenance of the parking lot and landscaped areas and sometimes the exterior walls of the buildings.
 - CAM can refer to all operating expenses.
 - CAM can refer to the reimbursement by the tenant to the landlord for all expenses reimbursable under the lease. Sometimes reimbursements have what is called an administrative load. An example would be a 15% addition to total operating expenses, which are then prorated among tenants. The administrative load, also called an administrative and marketing fee, can be a substitute for or an addition to a management fee.
2. The amount of money charged to tenants for their shares of maintaining a center's common area. The charge that a tenant pays for shared services and facilities such as electricity, security, and maintenance of parking lots. The area maintained in common by all tenants, such as parking lots and common passages. The area is often defined in the lease and may or may not include all physical area to be paid for by all tenants. Items charged to common area maintenance may include cleaning services, parking lot sweeping and maintenances, snow removal, security, and upkeep. (ICSC) (Dictionary, 6th Edition)

Debt Coverage Ratio (DCR)

The ratio of net operating income to annual debt service ($DCR = NOI/IM$), which measures the relative ability of a property to meet its debt service out of net operating income; also called *debt service coverage ratio (DSCR)*. A larger *DCR* typically indicates a greater ability for a property to withstand a reduction of income, providing an improved safety margin for a lender. (Dictionary, 6th Edition)

Discount Rate

A rate of return on capital used to convert future payments or receipts into present value; usually considered to be a synonym for *yield rate*. (Dictionary, 6th Edition)

Effective Age

The age of property that is based on the amount of observed deterioration and obsolescence it has sustained, which may be different from its chronological age. (Dictionary, 6th Edition)

Effective Date

1. The date on which the appraisal or review opinion applies. (SVP)
2. In a lease document, the date upon which the lease goes into effect. In a lease document, the date upon which the lease goes into effect. (Dictionary, 6th Edition)

Exposure Time

1. The time a property remains on the market.
2. 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 on an analysis of past events assuming a competitive and open market. (Dictionary, 6th Edition)

External Obsolescence

An element of depreciation; a diminution in value caused by negative externalities and generally incurable on the part of the owner, landlord, tenant. (Dictionary, 6th Edition)

Extraordinary Assumption

An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis. (Dictionary, 6th Edition)

An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinion or conclusions.

(USPAP, 2020-2021 ed.)

Fee Simple Estate

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat. (Dictionary, 6th Edition)

Functional Obsolescence

The impairment of functional capacity of improvements according to market tastes and standards. (Dictionary, 6th Edition)

Functional Utility

The ability of a property or building to be useful and to perform the function for which it is intended according to current market tastes and standards; the efficiency of a building's use in terms of architectural style, design and layout, traffic patterns, and the size and type of rooms. (Dictionary, 6th Edition)

Gross Building Area (GBA)

Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the region. (Dictionary, 6th Edition)

Gross Leasable Area (GLA)

1. Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved.
2. Gross leasable area plus all common areas.
3. For residential space, the total area of all floor levels measured from the exterior of the walls and including the superstructure and substructure basement; typically does not include garage space. (Dictionary, 6th Edition)

Highest & Best Use

1. The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.
2. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (IVS)
3. [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions) (Dictionary, 6th Edition)

Highest and Best Use of Land or a Site as Though Vacant

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 the parcel of land is vacant or can be made vacant by demolishing any improvements. (Dictionary, 5th Edition)

Highest and Best Use of Property as Improved

The use that should be made of a property as it exists. An existing improvement 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. (Dictionary, 5th Edition)

Hypothetical Condition

1. A condition that is presumed to be true when it is known to be false. (SVP)
2. A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Comment: Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. (USPAP, 2020-2021 ed.) (Dictionary, 6th Edition)

Lease Types

Absolute Net Lease - A lease in which the tenant pays all expenses including structural maintenance, building reserves, and management; often a long-term lease to a credit tenant.

Gross Lease - A lease in which the landlord receives stipulated rent and is obligated to pay all of the property's operating and fixed expenses; also called full-service lease.

Modified Gross Lease - A lease in which the landlord receives stipulated rent and is obligated to pay some, but not all, of the property's operating and fixed expenses. Since assignment of expenses varies among modified gross leases, expense responsibility must always be specified. In some markets, a modified gross lease may be called a double net lease, net net lease, partial net lease, or semi-gross lease. (Dictionary, 6th Edition)

Leased Fee Interest

The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires. (Dictionary, 6th Edition)

Market Area

The geographic region from which a majority of demand comes and in which the majority of competition is located. Depending on the market, a market area may be further subdivided into components such as primary, secondary, and tertiary market areas, or the competitive market area may be distinguished from the general market area. (Dictionary, 6th Edition)

Market Rent

The most probable rent that a property should bring in a competitive and open market reflecting the conditions and restrictions of a specified lease agreement, including the rental adjustment and revaluation, permitted uses, use restrictions, expense obligations, term, concessions, renewal and purchase options, and tenant improvements (TIs). (Dictionary, 6th Edition)

Market Value

A type of value that is the major focus of most real property appraisal assignments. Both economic and legal definitions of market value have been developed and refined, such as the following.

1. The most widely accepted components of market value are incorporated in the following definition: The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress.
2. Market value is described, not defined, in the Uniform Standards of Professional Appraisal Practice (USPAP) as follows: A type of value, stated as an opinion, that presumes the transfer of a property (i.e., a right of ownership or a bundle of such rights), as of a certain date, under specific conditions set forth in the definition of the term identified by the appraiser as applicable in an appraisal. Comment: Forming an opinion of market value is the purpose of many real property appraisal assignments, particularly when the client's intended use includes more than one intended user. The conditions included in market value definitions establish market perspectives for development of the opinion. These conditions may vary from definition to definition but generally fall into three categories:
 1. the relationship, knowledge, and motivation of the parties (i.e., seller and buyer);
 2. the terms of sale (e.g., cash, cash equivalent, or other terms); and

3. the conditions of sale (e.g., exposure in a competitive market for a reasonable time prior to sale).

Appraisers are cautioned to identify the exact definition of market value, and its authority, applicable in each appraisal completed for the purpose of market value. (USPAP, 2020-2021 ed.)

USPAP also requires that certain items be included in every appraisal report. Among these items, the following are directly related to the definition of market value:

- Identification of the specific property rights to be appraised.
 - Statement of the effective date of the value opinion.
 - Specification as to whether cash, terms equivalent to cash, or other precisely described financing terms are assumed as the basis of the appraisal.
 - If the appraisal is conditioned upon financing or other terms, specification as to whether the financing or terms are at, below, or above market interest rates and/or contain unusual conditions or incentives. The terms of above- or below-market interest rates and/or other special incentives must be clearly set forth; their contribution to, or negative influence on, value must be described and estimated; and the market data supporting the opinion of value must be described and explained.
3. The following definition of market value is used by agencies that regulate federally insured financial institutions in the United States: The most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:
 - Buyer and seller are typically motivated;
 - Both parties are well informed or well advised, and acting in what they consider their best interests;
 - A reasonable time is allowed for exposure in the open market;
 - Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
 - The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.(12 C.F.R. Part 34.42(g); 55 *Federal Register* 34696, August 24, 1990, as amended at 57 *Federal Register* 12202, April 9, 1992; 59 *Federal Register* 29499, June 7, 1994)
 4. The International Valuation Standards Council defines *market value* for the purpose of international standards as follows: The estimated amount for which an asset or liability should exchange on the *valuation date* between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion. (IVS)
 5. The Uniform Standards for Federal Land Acquisitions defines *market value* as follows: Market value is the amount in cash, or on terms reasonably equivalent to cash, for which in all probability the property would have sold on the effective date of the appraisal, after a reasonable exposure time on the open competitive market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither acting under any compulsion to buy or sell, giving due consideration to all available economic uses of the property at the time of the appraisal. (Uniform Appraisal Standards for Federal Land Acquisitions) (Dictionary, 6th Edition)

Marketing Time

An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Appraisal Standards Board of The Appraisal Foundation and Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property and Personal Property Market Value Opinion" address the determination of reasonable exposure and marketing time.) (Dictionary, 6th Edition)

Net Operating Income (NOI)

The actual or anticipated net income that remains after all operating expenses are deducted from effective gross income but before mortgage debt service and book depreciation are deducted. Note: This definition mirrors the convention used in corporate finance and business valuation for EBITDA (earnings before interest, taxes, depreciation, and amortization). (Dictionary, 6th Edition)

Obsolescence

One cause of depreciation; an impairment of desirability and usefulness caused by new inventions, changes in design, improved processes for production, or external factors that make a property less desirable and valuable for a continued use; may be either functional or external. (Dictionary, 6th Edition)

Parking Ratio

A ratio of parking area or parking spaces to an economic or physical unit of comparison. Minimum required parking ratios for various land uses are often stated in zoning ordinances. (Dictionary, 6th Edition)

Rentable Area

For office or retail buildings, the tenant's pro rata portion of the entire office floor, excluding elements of the building that penetrate through the floor to the areas below. The rentable area of a floor is computed by measuring to the inside finished surface of the dominant portion of the permanent building walls, excluding any major vertical penetrations of the floor. Alternatively, the amount of space on which the rent is based; calculated according to local practice.

(Dictionary, 6th Edition)

Replacement Cost

The estimated cost to construct, at current prices as of a specific date, a substitute for a building or other improvements, using modern materials and current standards, design, and layout. (Dictionary, 6th Edition)

Scope of Work

1. The type of data and the extent of research and analyses. (SVP)
2. The type and extent of research and analyses in an appraisal or appraisal review assignment. (USPAP, 2020- 2021 ed.) (Dictionary, 6th Edition)

Stabilized Occupancy

1. The occupancy of a property that would be expected at a particular point in time, considering its relative competitive strength and supply and demand conditions at the time, and presuming it is priced at market rent and has had reasonable market exposure. A property is at stabilized occupancy when it is capturing its appropriate share of market demand.
2. An expression of the average or typical occupancy that would be expected for a property over a specified projection period or over its economic life. (Dictionary, 6th Edition)

Tenant Improvements (TIs)

1. Fixed improvements to the land or structures installed for use by a lessee.
2. The original installation of finished tenant space in a construction project; subject to periodic change for succeeding tenants. (Dictionary, 6th Edition)

Vacancy and Collection Loss

A deduction from potential gross income (*PGI*) made to reflect income reductions due to vacancies, tenant turnover, and nonpayment of rent; also called *vacancy and credit loss* or *vacancy and contingency loss*. (Dictionary, 6th Edition)

END OF APPRAISAL REPORT