

2026

RESTRICTED APPRAISAL REPORT

Property:

Residential Fourplex Rental Property



Located At:

620 W Evans Ridge Cir
Washington, UT

Client:

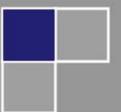
McCann Washington, LLC
(Larence & Cecil McCann)
2485 Anasazi Trail
St. George, UT 84770

File No.

Appraiser File #CM25178

Craig Morley GAA, MNAA
Morley & McConkie L.C.

January 14, 2026



Letter of Transmittal

January 14, 2026

McCann Washington LLC
Larence & Cecil McCann
2458 Anasazi Trail
St George, UT 84770

RE: Appraisal of Real Property – Fourplex
620 W Evans Ridge Circle
Washington, Utah 84780
Parcel No. W-EVR-10

Dear Client,

At your request, Morley & McConkie, LC has completed a real estate appraisal of the four unit residential property located at 620 W Evans Ridge Circle, Washington, Utah. The purpose of this appraisal assignment was to develop an opinion of the as is market value of the fee simple interest in the subject property. The effective date of value, date of inspection, and report date are all January 14, 2026.

The intended use of this appraisal is to assist the client in asset evaluation and related decision making. The intended user of this report is the client identified above. No other use or user is intended.

This appraisal has been prepared in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) and is presented in a Restricted Appraisal Report format, as permitted under USPAP Standards Rule 2-2(b). The report contains a summary of the analyses performed and the conclusions reached. Supporting data, detailed analysis, and additional documentation are retained in the appraiser's work file.

The subject property is improved with a two story, four unit residential building constructed in the mid-1990s and situated on an approximately 0.42-acre site within the Evans Ridge Subdivision. Each unit contains three bedrooms and two bathrooms and is improved with a private one car garage. The property is zoned for multifamily residential use and is considered typical for the surrounding market area.

The valuation process included analysis under both the Sales Comparison Approach and the Income Capitalization Approach, with greatest weight placed on income metrics commonly relied upon by market participants

Larence & Cecil McCann

January 14, 20266

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for small multifamily properties. Market rent was concluded based on current public rental listings, MLS data, and regional market research. The Gross Income Multiplier method was emphasized, with direct capitalization used as a supporting reasonableness check.

Based on the analyses performed, the final opinion of market value of the subject property, as of January 14, 2026, is:

\$1,350,000

(One Million Three Hundred Fifty Thousand Dollars)

This conclusion reflects stabilized market rent, typical investor underwriting assumptions, and prevailing pricing behavior for four-unit residential income properties in Washington County. It assumes the property is conveyed in fee simple interest and in its current as is condition.

If you have any questions regarding this appraisal or would like to discuss the conclusions in greater detail, please feel free to contact me.

Sincerely,



Craig Morley, GAA, MNAA
Certified General Appraiser
Morley & McConkie, LC
St. George, Utah
Phone: (435) 673-7720
License No. 5451219-CG00 – Utah

CM/lb
Enc.

APPRAISAL INFORMATION

Identity of the Client

The client for this appraisal assignment is McCann Washington, LLC, as identified in the Letter of Engagement. The terms of engagement, intended use, intended user, and assignment conditions are documented in the Letter of Engagement and related engagement materials and are incorporated herein by reference.

Intended User(s)

The intended users of this appraisal report are the client identified above, the recipient of the charitable gift, and the Internal Revenue Service. No other parties are intended users of this report.

Restricted Use of the Report

This appraisal is prepared as a Restricted Appraisal Report under the Uniform Standards of Professional Appraisal Practice. Its use is limited to the intended users identified above. The restricted reporting format is considered appropriate given the intended use and scope of the assignment.

Restricted Report Content

In accordance with USPAP, this Restricted Appraisal Report includes a summary of the appraisal results only. The analyses, data, and reasoning supporting the appraiser's opinions and conclusions are retained in the appraiser's work file. Review of the work file and or oral testimony would be required to fully understand the basis for the value conclusions reported herein.

Intended Use

The intended use of this appraisal is to develop an opinion of market value for charitable gift and tax reporting purposes, including compliance with Internal Revenue Service requirements. The appraisal is not intended for lending, financing, or litigation purposes.

Effective Date and Report Date

- **Effective Date of Value:** January 14, 2026
- **Inspection Date:** January 14, 2026
- **Report Date:** January 14, 2026

Type and Definition of Value

- Type of Value: Market Value
- Interest Appraised: Fee Simple Interest

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.”

Source: Office of the Comptroller of the Currency, 12 CFR Part 34, Subpart C, Interagency Appraisal and Evaluation Guidelines.

This appraisal develops the as is market value of the fee simple interest in the subject property as of the effective date of value.

Summary of Assignment Elements

Valuation Problem to Be Solved

The appraisal assignment is to develop an opinion of the as is market value of the real property located at 620 W Evans Ridge Circle, Washington, Utah, as of the effective date of value. The subject property is a four-unit multifamily residential improvement situated on approximately 0.42 acres within the Evans Ridge subdivision.

The improvements consist of a two-story stucco multifamily building constructed in approximately 1995 with a total building area of approximately 4,588 square feet. The property is analyzed in its current physical condition and existing use.

Both the Sales Comparison Approach and the Income Capitalization Approach are developed and applied.

Intended Use of the Appraisal

The intended use of this appraisal is to support valuation for charitable contribution and related tax reporting purposes. The appraisal is prepared in a Restricted Appraisal Report format consistent with USPAP and applicable IRS guidelines.

Intended Users

- Client: McCann Washington, LLC
- Recipient of the charitable gift
- Internal Revenue Service

No other intended users are identified.

Marketing and Exposure Time

Based on analysis of recent sales and active listings of four unit and small multifamily properties within Washington County and the broader St George market area, a reasonable exposure time for a property such as the subject is estimated to be approximately 90 to 180 days, assuming normal market conditions and appropriate exposure.

Scope of Work

The scope of work for this assignment included the following:

- Review of the Letter of Engagement and assignment conditions
 - Review of county parcel records, zoning designation, flood zone data, and tax information
 - Exterior only inspection of the subject improvements
 - Analysis of the subject as a four unit residential income property
 - Research and verification of comparable multifamily sales and listings
 - Development of the Sales Comparison Approach
 - Development of the Income Capitalization Approach
 - Highest and best use analysis as improved
 - Reconciliation of value indications
 - Preparation of a Restricted Appraisal Report and maintenance of a USPAP compliant work file
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Real Property Interest Appraised

The fee simple interest in the subject property is appraised.

Sales and Ownership History

- According to Washington County records, the current owner of the subject property is McCann Washington LLC
 - The subject property has not transferred through an arm's length market sale within the most recent three year period
 - The property is not actively listed for sale and no pending transactions were identified as of the effective date of value
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Valuation Methodology Summary

Cost Approach

The Cost Approach was not developed. Given the age of the improvements and the income producing nature of the property, market participants do not typically rely on this approach when valuing four unit residential income properties.

Income Capitalization Approach

The Income Capitalization Approach was developed. Market supported rental income, vacancy allowance, operating expenses, and capitalization rates derived from comparable properties were applied to estimate value from an income perspective.

Sales Comparison Approach

The Sales Comparison Approach was developed. Recent sales of four unit and small multifamily properties within Washington County and comparable markets were analyzed. Adjustments were made for differences in location, age, condition, unit configuration, and overall utility.

Conclusion of Methodology

Both the Sales Comparison Approach and the Income Capitalization Approach were considered applicable and relevant to this assignment and provide independent support for the final value conclusion. The Cost Approach was not applicable.

Assistance of Others

None.

Extraordinary Assumptions

None.

Hypothetical Conditions

None.

SUBJECT IDENTIFICATION

Identification of the Subject

- Property Address: 620 W Evans Ridge Circle, Washington, Utah 84780
- Assessor Parcel Number: W-EVR-10
- Account Number: 0514128
- Owner of Record: McCann Washington LLC per Washington County records
- Zoning: Residential 3 Multiple Family Residential
- Legal Description: Evans Ridge Subdivision West, Lot 10
- Site Area: Approximately 0.42 acres
- Improvements: Two story residential fourplex
- Building Area: Approximately 4,588 square feet
- Unit Configuration: Four units, each containing three bedrooms and two bathrooms
- Year Built: 1995 per county records
- Construction Type: Frame construction with stucco exterior on slab foundation
- Mechanical Systems: Central gas forced air heating, central air conditioning, individual utility metering for electric, gas, and water
- Occupancy: Income producing residential fourplex

Building and Site Summary

- Unit Mix: Four three bedroom, two bathroom residential units
- Total Building Area: Approximately 4,588 square feet
- Site Area: Approximately 0.42 acres
- Current Use: Income producing residential fourplex
- Utilities: Municipal culinary water, sanitary sewer, electricity, and natural gas
- Zoning Compliance: The existing improvements conform to current multifamily zoning regulations
- Ownership Interest Appraised: Fee simple interest

Description

The subject property is located within the Evans Ridge Subdivision in Washington, Utah and consists of an approximately 0.42 acre parcel improved with a two story, four unit residential building. The improvements

were constructed in approximately 1995 and contain a total building area of approximately 4,588 square feet.

Each unit is similarly configured and includes three bedrooms and two bathrooms. The building is of conventional frame construction with stucco exterior finishes and an asphalt composition shingle roof. Each unit is equipped with standard residential kitchen finishes, central heating and air conditioning, and individual utility services.

The subject includes onsite parking with attached garages associated with the individual units. The property is served by full municipal utilities and is situated within an established residential neighborhood consisting primarily of single family and small multifamily development.

This appraisal develops an opinion of market value of the fee simple interest in the real property only. No value is attributed to personal property, furniture, fixtures beyond real property components, or any business enterprise interest.

The subject property was inspected on an exterior only basis, as stated in the report. The effective date of value and report date are stated in the report. This appraisal is reported in a Restricted Appraisal Report format and has been developed in accordance with the applicable provisions of the Uniform Standards of Professional Appraisal Practice.

General Location

The subject property is located in the Evans Ridge Subdivision within the City of Washington, Washington County, Utah. The neighborhood lies east of Interstate 15 and south of the primary St George urban core. Development in the area is predominantly residential and consists of a mix of single-family homes, duplexes, fourplexes, and other small scale multifamily properties typical of late 1990s and early 2000s construction.

The location benefits from convenient access to employment centers, retail and service amenities, and public schools throughout Washington City and the greater St George area. Interstate 15 provides direct north south connectivity across Washington County, supporting commuter access to St George, Hurricane, La Verkin, and Ivins.

Boundaries and Access

The Evans Ridge neighborhood is generally bordered by established residential subdivisions and undeveloped bench and hillside areas characteristic of eastern Washington City.

Primary access to the subject property is provided by Evans Ridge Circle, which connects to Buena Vista Boulevard and Calle del Sol. These collector roadways provide efficient access to Washington Parkway and Interstate 15. The subject is located approximately one mile east of the Interstate 15 interchange, offering convenient regional access while remaining insulated from freeway related noise and traffic influences.

Land Use and Development Trends

The immediate neighborhood is largely built out, with limited remaining vacant land. Development trends reflect a mature residential area with modest infill and minimal new multifamily construction. Growth within Washington City and the broader St George metropolitan area has continued to place upward pressure on housing demand, particularly within established neighborhoods offering proximity to transportation corridors and services.

Common land uses in the area include:

- Single family residential subdivisions
- Small scale multifamily properties including duplexes and fourplexes
- Public schools, parks, and municipal facilities
- Neighborhood oriented commercial uses along major arterial streets

The zoning framework and established development pattern support continued use of the subject as a small scale income producing residential property.

Demographics and Economic Influences

Washington City forms part of the St George metropolitan area, which has experienced sustained population growth driven by in migration from higher cost western markets, regional job creation, and quality of life factors. Employment within Washington County is supported by health care, education, construction, retail trade, and tourism related industries. These economic drivers contribute to consistent demand for rental housing across a broad range of price points.

Multifamily Market Conditions – NAI Market Update Summary

According to the most recent NAI market update for the St George metropolitan area, the multifamily sector continues to demonstrate overall stability with strong occupancy and investor demand. Key observations from the multifamily section of the report include:

- Occupancy levels for small multifamily properties remain high, with vacancy rates generally low across Washington County
-

- Rental rate growth has moderated from peak post pandemic levels but remains positive, reflecting continued imbalance between housing demand and new supply
- New multifamily construction has been concentrated in larger apartment complexes, with limited development of small scale properties such as fourplexes
- Investor demand for stabilized multifamily assets remains active, supported by favorable demographic trends and long term population growth
- Capitalization rates have experienced modest upward pressure in response to interest rate conditions, though well located and stabilized properties continue to command competitive pricing

The NAI report indicates that small multifamily assets in established neighborhoods tend to benefit from consistent tenant demand and reduced competitive pressure from newer large-scale developments.

Residential Market Trends

- Residential values and rents in Washington County have increased steadily over the past several years
 - Demand for rental housing remains strong, particularly for smaller multifamily properties that offer relative affordability compared to single family homes
 - Vacancy rates for four-unit properties are generally low, especially in established neighborhoods with convenient access to employment and services
-

Conclusions

The subject property is located within a stable and established residential neighborhood that exhibits consistent demand for small multifamily housing. Proximity to Interstate 15, regional employment centers, and community amenities supports continued rental demand.

The existing use of the property as a four unit residential building is consistent with surrounding land uses, zoning regulations, and current market conditions. Based on neighborhood characteristics, demographic trends, and multifamily market conditions summarized in the NAI market update, the current use represents the highest and best use of the site as improved. The outlook for income stability and long term value retention remains favorable within this submarket.

ANALYSIS AND VALUE

HIGHEST AND BEST USE ANALYSIS

Definition

The concept of Highest and Best Use is defined as the reasonably probable and legal use of vacant land or an improved property that is physically possible, legally permissible, financially feasible, and results in the highest value. The following analysis addresses the highest and best use of the subject property as though vacant and as improved, in accordance with USPAP and generally accepted appraisal practice. The analysis has been revised to specifically reflect the Washington fourplex property and its market context.

As Though Vacant

Legally Permissible

The subject property is located within the city of Washington, Utah, and is zoned to allow multifamily residential development, including duplexes, triplexes, and fourplex structures. The zoning designation supports low to moderate density residential uses and is consistent with surrounding land uses. No known zoning overlays, deed restrictions, or land use controls were identified that would prohibit development consistent with the existing fourplex configuration.

Physically Possible

The site is of adequate size, shape, and configuration to support small scale multifamily development. The parcel is generally level and is served by full municipal utilities, including water, sewer, electricity, and paved street access. There are no known physical limitations such as excessive slope, floodplain encumbrances, or adverse soil conditions that would preclude development consistent with zoning allowances.

Financially Feasible

Market evidence within Washington City indicates continued demand for rental housing, particularly small multifamily properties that offer attainable rents relative to single family alternatives. Given prevailing rental rates, construction costs, and investor return expectations, development of a four-unit residential building on the site would be financially feasible. Market participants would reasonably expect such a use to generate sufficient income to justify development costs.

Maximally Productive

Among the legally permissible and physically possible alternatives, small scale multifamily development represents the most productive use of the site. A fourplex configuration efficiently utilizes the land while aligning with neighborhood character, zoning intent, and demonstrated market demand.

Conclusion As Though Vacant

The highest and best use of the subject property, as though vacant, is development with a four-unit multifamily residential building consistent with current zoning and surrounding land uses.

As Improved

Legally Permissible

The existing fourplex improvement represents a legally conforming use under current zoning regulations. The property is utilized for residential rental purposes and is consistent with surrounding development patterns. No evidence of nonconformity or legal impediments to continued use was identified.

Physically Possible

The subject is improved with a two story four unit residential building that is appropriately scaled for the site. The improvements are functionally designed for continued residential use and are consistent with typical fourplex construction found in the local market. The building layout, access, and utility connections support ongoing use without functional inadequacy.

Financially Feasible

The property is income producing and demonstrates stable occupancy consistent with market expectations. Current rental operations indicate that the existing improvements generate sufficient income to support continued use. There is no indication that demolition or redevelopment would result in a superior economic return relative to the existing improvements.

Maximally Productive

Given the property's income producing capability, legal conformity, and compatibility with market demand, continued use as a four unit residential rental property represents the maximally productive use of the site. Alternative uses would either be legally restricted, economically inferior, or inconsistent with market behavior.

Conclusion As Improved

The highest and best use of the subject property, as improved, is the continued operation of the existing four-unit multifamily residential building in its current configuration.

VALUATION ANALYSIS AND CONCLUSION

Restricted Appraisal Report

Summary of Valuation Methods

The valuation of the subject property located at 620 W Evans Ridge Circle, Washington, Utah was developed using the Sales Comparison Approach, with secondary support from an income based Gross Income Multiplier analysis. Given the age of the improvements and the availability of meaningful market data for small multifamily properties, the Cost Approach was not developed, as it would not provide a reliable or meaningful indication of market value for this asset type.

The Sales Comparison Approach is considered the most applicable method for valuing 2 to 4 unit residential income properties in Washington County, as market participants primarily rely on recent comparable sales, price per square foot, price per unit, and income multiples when making purchase decisions. The GIM analysis is used as a reasonableness check and to align the sales analysis with investor underwriting behavior.

Property specific information, including unit count, square footage, zoning, and prior sale history, is supported by Washington County parcel records and MLS data.

Subject Property Summary

The subject is a two story four-unit multifamily property constructed in approximately 1995 and containing approximately 4,588 square feet of gross building area. The property is situated on a 0.42-acre lot within the Evans Ridge Subdivision and is zoned R 3 Multiple Family Residential. The improvements consist of four similarly configured units and are considered typical for the submarket. The subject last sold in August 2012 for \$297,500 and again in August 2005 for \$50,500, both of which are considered historical and not directly indicative of current market value but are included for reference and subject confirmation only.

SALES COMPARISON APPROACH

Comparable Sales Considered

The following table summarizes the most relevant 2 to 4 unit sales and listings considered in developing the value opinion. Emphasis is placed on closed transactions, with active listings used only as secondary market context.

Sale #	Address	Units	Year Built	Total SF	Total Sale Price	Price per SF	Status
1	1087 N 1800 W Cir, St George, UT	4	2005	6,097	\$1,239,000	\$203	Closed
2	2062 W 320 S, Hurricane, UT	3	2025	7,215	\$1,500,000	\$208	Closed
3	2550 E 610 N, St George, UT	2	1994	2,004	\$625,000	\$312	Closed
4	2533 E 750 N, St George, UT	2	1992	2,368	\$640,000	\$270	Closed
5	2639 E 700 N 1 4, St George, UT	4	1993	3,846	\$1,179,000	\$307	Active
6	1070 N 1400 W, St George, UT	4	1996	4,136	\$1,250,000	\$302	Active

Closed sales provide price per square foot indications ranging from approximately \$203 to \$312 per square foot. The most directly comparable closed fourplex sale indicates pricing near the lower end of this range, while duplex sales exhibit higher price per square foot levels that reflect differences in unit count, tenant profile, and buyer competition.

SALES COMPARISON APPROACH ANALYSIS

Overview

The Sales Comparison Approach was developed to provide a market based indication of value for the subject property and to serve as a cross check against the Income Capitalization Approach. Small multifamily properties in Washington County are commonly bought and sold based on a combination of price per square foot, price per unit, and perceived income potential. Purchasers typically make qualitative adjustments for unit mix, age, condition, garage parking, and overall functional utility rather than relying on strictly quantified line item adjustments.

The following analysis focuses on the most relevant 2 to 4 unit sales and active listings available, with greatest weight placed on closed fourplex transactions and secondary consideration given to duplex sales and current listings to frame the upper bounds of market pricing.

Comparable Sales and Listings Considered

The most relevant market data includes the following:

- A closed fourplex sale in St George built in the mid 2000s, reflecting similar unit count but larger building size and somewhat newer construction
- Closed duplex sales that demonstrate how pricing escalates for smaller unit counts and higher per unit rents
- Active four-plex listings that reflect current seller expectations for stabilized four unit assets

These sales and listings provide a reasonable framework for evaluating the subject, which is a mid-1990s fourplex with private one car garages and average overall condition.

Price Per Square Foot Analysis

Closed sale data indicates the following price per square foot range:

- Closed fourplex sale: approximately \$200 to \$210 per square foot
- Closed duplex sales: approximately \$270 to \$310 per square foot
- Active fourplex listings: approximately \$300 per square foot

The duplex sales exhibit materially higher price per square foot levels due to fewer units, higher rent per unit, and a different buyer pool. These sales are considered secondary indicators and are not directly comparable without downward adjustment for unit count and income efficiency.

Active fourplex listings are positioned at the high end of the range and reflect seller expectations rather than confirmed transaction prices. These listings are considered aspirational and require downward adjustment to reflect negotiated sale prices.

The subject contains approximately 4,588 square feet. Applying a market supported price per square foot range appropriate for older fourplex product results in the following indications:

- \$250 per square foot × 4,588 SF = \$1,147,000
- \$275 per square foot × 4,588 SF = \$1,262,000
- \$300 per square foot × 4,588 SF = \$1,376,000

Given the subject's age and average condition, placement toward the middle of this range is considered most appropriate.

Price Per Unit Analysis

Price per unit indicators provide additional insight into how investors price small multifamily properties:

- Closed fourplex sale: approximately \$310,000 per unit
- Closed duplex sales: approximately \$312,000 to \$320,000 per unit
- Active fourplex listings: approximately \$295,000 to \$315,000 per unit

The duplex sales reflect higher per unit pricing due to unit scarcity and stronger per unit rent performance. Active fourplex listings reflect current market optimism but require downward adjustment for age and condition differences.

Applying a market supported per unit range of approximately \$325,000 to \$350,000 per unit to the subject yields the following indications:

- $\$325,000 \times 4 \text{ units} = \$1,300,000$
- $\$340,000 \times 4 \text{ units} = \$1,360,000$
- $\$350,000 \times 4 \text{ units} = \$1,400,000$

Given the subject's private garages and functional three bedroom layouts, pricing near the middle of this range is supported, though some downward adjustment from newer or renovated properties is warranted.

Qualitative Adjustment Considerations

The following qualitative adjustments were considered in reconciling the comparable sales and listings to the subject:

- **Age and Condition:** The subject's mid 1990s construction warrants a downward adjustment relative to newer fourplex and townhome style product.
- **Unit Mix:** Three-bedroom two bathroom units are superior to typical two bedroom configurations and support upward adjustment relative to many older fourplex properties.
- **Garages:** Private one car garages provide a meaningful functional advantage and support pricing above comparable properties with surface or shared parking only.
- **Size and Efficiency:** The subject's unit sizes are typical for the market and do not suffer from functional obsolescence.

- **Market Position:** Active listings indicate strong seller sentiment, but closed sales suggest that negotiated prices remain somewhat below asking levels for older assets.

Reconciliation and Value Indication

When reconciling the price per square foot and price per unit analyses, greatest weight is placed on the mid-range indicators that reflect typical buyer behavior for stabilized four-unit properties with average condition.

Both analytical frameworks support value indications clustering between approximately \$1,300,000 and \$1,400,000. Placement toward the middle of this range is supported by the subject's garage parking and favorable unit mix, while its age and lack of recent modernization temper upward pressure on value.

Sales Comparison Approach Value Conclusion

Based on the analysis of comparable sales and listings, with consideration given to physical differences, market conditions, and investor behavior, the Sales Comparison Approach supports a market value indication of:

\$1,350,000 (rounded)

This conclusion is consistent with, and provides strong corroboration for, the value indication developed under the Income Capitalization Approach.

INCOME CAPITALIZATION APPROACH

MARKET RENT ANALYSIS

Subject Unit Description

The subject property is improved with four residential units, each configured with three bedrooms, two bathrooms, and a private one car garage. The improvements were constructed in the mid 1990s and reflect average quality and condition for that vintage. While the private garage provides a measurable functional benefit relative to conventional apartment inventory, the subject does not compete directly with newer townhome style developments or master planned communities that command premium rents.

Market Overview and Context

According to the NAI Excel 2025 Midyear Market Report for Washington County, three bedroom two bathroom multifamily units represent the highest priced conventional apartment segment, though vacancy has increased modestly due to the delivery of new supply. Average asking rents and vacancy levels reported by NAI Excel primarily reflect newer institutional grade apartment projects and therefore tend to overstate achievable rents for older fourplex product.

Market participants differentiate clearly between newer townhomes and master planned community units versus older fourplex and small multifamily properties. Townhomes generally command higher rents due to newer construction, upgraded finishes, and community amenities. Older fourplex properties, even with garages, typically rent below these premium levels.

Summary of Market Rent Evidence

The following table summarizes relevant market rent indicators derived from NAI Excel multifamily data and from publicly marketed rental offerings and MLS sourced information where rent data was disclosed.

Source	Location / Property Type	Unit Type	Garage	Reported Rent
NAI Excel Midyear 2025	Washington County average	3 Bed 2 Bath apartment	Typically shared or surface	\$1,876 average
NAI Excel Midyear 2025	Washington County average	All multifamily units	Mixed	\$1,620 average
Public listing	Desert Color area	3 Bed 2 Bath apartment	1 car garage	\$1,725
Public listing	St George Washington area	3 Bed 2 Bath apartment	No garage	\$1,650 to \$1,700
MLS sourced rental	Washington County	3 Bed 2 Bath unit	Garage	Approximately \$1,750
MLS sourced rental	Washington County	3 Bed 2 Bath unit	No garage	Approximately \$1,600 to \$1,675

The NAI Excel data establishes an upper benchmark for three bedroom two bathroom apartment products countywide but reflects newer projects with higher amenity packages. Public listings and MLS sourced rental data provide more direct evidence for older, garage equipped multifamily units similar to the subject.

Reconciliation of Market Rent

The subject's private one car garage supports placement toward the upper end of rents observed for older three bedroom units. However, the subject's age, design, and finish level warrant downward adjustment from the NAI Excel average and from newer Desert Color and townhome oriented developments.

Based on the weight of evidence, market rent for the subject units is best bracketed by older three bedroom offerings with garages rather than by newer townhome or institutional apartment projects.

The supported market rent range for the subject units is:

\$1,650 to \$1,800 per month per unit

Greater weight is placed on public listings and MLS rental evidence reflecting similar age and utility, with secondary consideration given to NAI Excel aggregate data as an upper market reference.

Concluded Market Rent

Based on the foregoing analysis, the concluded market rent for each subject unit, as of the effective date, is:

\$1,725 per month per unit

This conclusion reflects market rent for the subject as currently improved and does not assume renovation, modernization, or repositioning to compete with newer townhome style product.

INCOME CAPITALIZATION ANALYSIS

PRIMARY WEIGHT ON GROSS INCOME MULTIPLIER

Overview

The Income Capitalization Approach was developed as a primary valuation support, with greatest weight placed on the Gross Income Multiplier method, consistent with how buyers typically analyze small 2 to 4 unit residential income properties in Washington County. Market participants in this segment commonly price assets based on stabilized gross income multiples, using direct capitalization as a secondary reasonableness check rather than as a stand alone determinant of value.

This emphasis is appropriate for the subject, given its small scale, residential character, and the way comparable fourplex and duplex sales are marketed, negotiated, and transacted.

Stabilized Market Income

Based on the revised and supported market rent conclusion of **\$1,725 per month per unit**, the subject's stabilized income is summarized as follows:

- Market rent per unit: \$1,725 per month
- Number of units: 4
- Monthly gross income: \$6,900
- **Annual stabilized gross income: \$82,800**

This income reflects market rent and assumes typical stabilized occupancy.

Gross Income Multiplier Analysis

Review of comparable sales and active listings provided for this assignment indicates that small multifamily properties are consistently priced at mid to upper teen gross income multiples, even in cases where listings do not explicitly disclose rent rolls. Asking prices and sale prices, when paired with typical market rents for similar unit types, imply GIMs that cluster in a relatively narrow band.

Based on the sales and listings considered, the following market supported GIM range is concluded for small four unit properties in this submarket:

- **Lower end:** approximately **16.0**
- **Upper end:** approximately **18.0**
- **Most common investor target:** approximately **16.5 to 17.5**

Applying this GIM range to the subject's stabilized gross income yields the following indications:

- $\$82,800 \times 16.0 = \$1,325,000$
- $\$82,800 \times 16.5 = \$1,366,000$
- $\$82,800 \times 17.0 = \$1,408,000$
- $\$82,800 \times 17.5 = \$1,449,000$
- $\$82,800 \times 18.0 = \$1,490,000$

Given the subject's mid 1990s construction, average condition, and lack of recent modernization, the upper end of the range is considered less applicable, while the mid range best reflects how buyers would price the subject relative to competing fourplex inventory.

Direct Capitalization Support and Implied Capitalization Rates

Although secondary in emphasis, direct capitalization was used as a reasonableness check. Typical operating expense ratios for older fourplex properties in this market range from 30 percent to 35 percent of effective gross income, with many investor underwriting models clustering near the lower end when utilities are largely tenant paid.

For purposes of this analysis, an expense ratio of 30 percent is considered reasonable and market supported.

- Effective gross income: \$82,800
- Operating expenses (30%): \$24,840
- **Net operating income: \$57,960**

Capitalization Rate Range

NAI market commentary and observed investor pricing behavior support capitalization rates for residential income properties generally in the 4.5 percent to 5.5 percent range for stabilized assets in Washington County, with newer product trading at the lower end and older properties toward the upper end of the range.

Applying this range produces the following value indications:

- $\$57,960 \div 4.5\% = \$1,288,000$
- $\$57,960 \div 5.0\% = \$1,159,000$
- $\$57,960 \div 5.5\% = \$1,054,000$

Implied Capitalization Rate from GIM Pricing

When the GIM based indications are compared to the stabilized NOI, the implied capitalization rates fall within a market consistent range:

- Value at \$1,366,000 implies a cap rate of approximately **4.2%**
- Value at \$1,408,000 implies a cap rate of approximately **4.1%**
- Value at \$1,325,000 implies a cap rate of approximately **4.4%**

These implied rates are consistent with aggressive investor pricing for small multifamily properties and confirm that buyers are willing to **accept lower effective cap rates** for well located, garage equipped fourplex assets with stable income profiles.

Reconciliation of Income Indicators

Greatest weight is placed on the GIM analysis, as it most closely reflects how buyers and sellers price comparable four unit residential income properties. The direct capitalization analysis serves as a secondary support and confirms that the GIM derived value indications are reasonable and internally consistent when typical expense ratios are applied.

Given the subject's age, condition, and competitive position, the most supportable GIM for the subject is concluded near the lower middle of the market range, rather than at the high end reserved for newer or recently renovated properties.

Income Approach Value Conclusion

Based primarily on the Gross Income Multiplier method, with support from direct capitalization and implied capitalization rate analysis, the Income Capitalization Approach supports a market value range of approximately:

\$1,300,000 to \$1,400,000

Placing greatest weight on the central tendency of market pricing behavior, the concluded value indication from the Income Capitalization Approach is:

\$1,350,000 (rounded)

This conclusion reflects stabilized market rent, typical investor underwriting, and prevailing pricing behavior for four unit residential income properties in Washington County.

RECONCILIATION OF SALES COMPARISON AND INCOME APPROACHES

Both the Sales Comparison Approach and the Income Capitalization Approach were developed and considered in the final value conclusion. Each approach provides meaningful insight into market behavior for small multifamily properties; however, both are subject to data limitations that must be recognized and addressed in the reconciliation process.

Sales Comparison Considerations

Sales data for four unit properties within the immediate market area is limited. Only one closed fourplex sale was identified that is reasonably comparable in terms of use and unit count. While this sale provides relevant insight into investor behavior, it must be interpreted with caution, as it is larger than the subject, benefits from different locational influences, and appears to be an outlier when compared to broader market indicators derived from duplex sales and current fourplex listings.

Closed duplex sales, although not identical in unit count, provide important secondary evidence. These sales demonstrate how pricing escalates with improved rent levels, smaller unit counts, and heightened buyer competition. When adjusted for differences in unit mix, scale, and income efficiency, the duplex sales help establish the upper bounds of value for small multifamily assets and bracket the subject's likely market position.

On a price per square foot basis, the subject reasonably falls below the upper range established by duplex sales and below current fourplex asking prices, but above older, distressed, or inferior properties. After accounting for the subject's age, condition, and private garage amenities, the sales data collectively supports pricing materially above older legacy fourplex transactions and below newer or renovated product.

Active fourplex listings were considered as indicators of current market sentiment and seller expectations. These listings were not relied upon as direct evidence of value, but they provide context regarding the price levels at which owners are currently marketing comparable assets.

Income Capitalization Considerations

The Income Capitalization Approach was given significant weight due to the subject's income producing nature and the way investors typically evaluate four unit residential properties. Stabilized market rent was developed based on current public rental data, MLS information, and NAI Excel market benchmarks, resulting in a concluded market rent of \$1,725 per unit per month.

Application of market supported Gross Income Multipliers in the mid to upper teen range produced value indications that are materially higher than the lone closed fourplex sale, reinforcing the conclusion that the single sale represents a lower end data point rather than the central tendency of the market. The GIM analysis is considered particularly persuasive given the limited number of closed fourplex sales and the consistency of investor underwriting practices across comparable assets.

Direct capitalization was used as a secondary support and confirms that the GIM based indications are internally consistent when typical expense ratios and lower market capitalization rates are applied.

Final Reconciliation

In reconciling the two approaches, greatest weight is placed on the Income Capitalization Approach, specifically the Gross Income Multiplier analysis, due to its alignment with market participant behavior and the subject's stabilized income profile. The Sales Comparison Approach provides important context and boundary conditions but is constrained by a limited number of directly comparable fourplex sales and the presence of an apparent outlier transaction.

The final value conclusion reflects a balance between the income based indications and the adjusted sales data, with downward consideration given to the subject's age and average condition and upward consideration given to its favorable unit mix, private garages, and stabilized market rent potential.

The Final Opinion of Market Value of the As Is, Fee Simple Interest as of the Effective Date As Stated in Report

\$1,350,000

This conclusion reflects current market behavior for stabilized four unit residential income properties in Washington County and is consistent with both the Sales Comparison Approach and the Income Capitalization Approach as developed in this restricted use appraisal.

CERTIFICATE OF APPRAISAL

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 are limited only by the reported assumptions and limiting conditions and are my personal, impartial, 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.
- The appraiser has not performed prior services regarding the subject property within the previous three years of the appraisal date.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results
- 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 was developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
- Craig Morley made a personal exterior inspection of property that is the subject of this report.
- None provided significant real property appraisal assistance to the person(s) signing this certification.



Craig Morley, GAA, MNAA
Certified General Appraiser – Utah
License No. 54512190-CG00
Expiration: June 30, 2027

Date: January 14, 2026

STATEMENT OF LIMITING CONDITIONS

This appraisal is subject to the following assumptions and limiting conditions:

1. **Legal, Title & Ownership Assumptions**

The legal description is assumed correct. The appraiser accepts no responsibility for legal matters, including title, encumbrances, liens, or ownership disputes. The property is appraised as though free and clear, under competent ownership and management, unless otherwise stated.

2. **Survey, Measurements & Plans**

No survey was conducted. Property dimensions, building sizes, and land area are based on public records, third-party data, or field observations considered reliable but not verified. If final surveys or plans differ materially from those relied upon, the appraiser reserves the right to amend the report at an additional cost.

3. **Physical & Environmental Conditions**

Unless stated otherwise, it is assumed that:

- The property has no hidden structural or environmental defects.
- There are no hazardous materials or environmental contamination present.
- The improvements are in average condition with functioning mechanical systems.
- No engineering, pest, or environmental inspections were performed.
- ADA compliance, flood zone status, and wetland presence were not independently verified.

The appraiser is not qualified to detect environmental hazards or perform technical inspections.

4. **Zoning, Code Compliance & Regulatory Approvals**

The appraisal assumes compliance with zoning, building codes, and all required permits or licenses unless otherwise noted. No guarantee is made as to the property's code compliance or future development potential.

5. **Valuation Assumptions & Use Limitations**

- Value conclusions are as of the effective date stated in the report and are subject to change due to market conditions.
- Any forecasts, projections, or income/expense estimates are intended for valuation purposes only and do not predict future performance.
- If prepared for mortgage lending, the appraisal assumes the property will reach typical occupancy and be in satisfactory condition upon completion.
- Separate land and improvement values should not be used independently or combined with values from other sources.

- Trade fixtures, furnishings, mineral rights, and similar items are excluded unless otherwise stated.

6. Intended Use & Users

This report is intended solely for the use of the identified client. No third party may rely on it without prior written consent. Unauthorized use is strictly prohibited, and any party using it contrary to these terms agrees to indemnify the appraiser.

7. Testimony & Legal Proceedings

The appraiser is not obligated to provide testimony or attend legal proceedings unless prior arrangements have been made. Additional fees apply for preparation, appearance, or testimony related to the report.

8. Reliance on Third-Party Data

Information from external sources (e.g., public records, clients, agents) is assumed to be reliable but was not independently verified. No responsibility is accepted for inaccuracies in this data

9. Use of Sketches, Exhibits & Graphics

Maps, sketches, and exhibits are included for illustrative purposes only. Their accuracy is not guaranteed and should not be relied upon for decision-making

10. Confidentiality & Publication Restrictions

Possession of the report does not imply publication rights. No part may be shared, quoted, or published without written consent, including reference to value conclusions or the appraiser's identity.

11. Limitations of Expertise

The appraiser does not claim expertise in legal, engineering, environmental, or specialized technical matters. The client is urged to consult appropriate professionals as needed.

12. Revisions & Amendments

The appraiser reserves the right to revise this report if future information (e.g., surveys, final plans, measurements) reveals material differences.

13. Insurance & Syndication Use

Any insurable value estimate is for general reference only. This report is not intended for use in real estate syndications or securities offerings without written authorization.

14. Dispute Resolution

Any disputes arising from this report shall be resolved through binding arbitration under the commercial rules of the American Arbitration Association.

15. Acceptance of Conditions

Use of this report constitutes acknowledgment and acceptance of these assumptions and limiting conditions. The client is responsible for reviewing the report and notifying the appraiser of any known errors or omissions.

ADDENDUM

Subject Photos



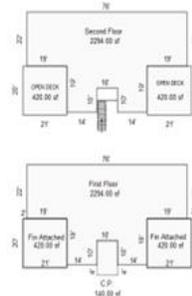


Property Report for Parcel W-EVR-10

Data Updated: 12/14/2025



[Click here for images](#)



Bathrooms-8

[Click here for sketches](#)

Account Summary

Account Number: 0514128
Parcel ID: W-EVR-10
Owner Name: McCann Washington LLC

Subdivision: Evans Ridge
Situs Address: 620 W Evans Ridge Cir Apt 1
Washington, UT 84780

Building Characteristics

Building Number: 1
Property Type: Multiple Unit
Year Built: 1995
Square Feet: 4588
Units: 4
Exterior: Frame Stucco
Roof Cover: Composition Shingle
HVAC Desc: Central Air to Air

Bedrooms: 12
Bathrooms: 8
Garage Square Feet: 840
Basement Sq. Ft.: N/A
Basement Sq. Ft. Finished: N/A
Swimming Pool: N/A
Fireplaces: N/A
Finished Attic: N/A

Property Information

Acres: 0.42000000

Zoning: Residential-3 (R-3) - Multiple Family Residential

Is Property in a Special Flood Hazard Area? Yes

Is Property in a 0.2% Annual Chance Flood Area? No

Is Property in a Floodway? Yes

** Determination of flood zone information is based upon 2009 FEMA Digital Flood Insurance Rate Map Database but does not substitute for a Flood Verificaton letter. For more information, please visit the FEMA Flood Map Service Center website <https://msc.fema.gov/portal/home> or contact your municipal Engineering department.
City zoning information is based on the best available information and should be independently verified by contacting each municipality directly.*

Voting Districts

Washington County Precinct: 27WAS:04

U.S. Senate District: 28

U.S. Congressional District: 3

Utah House District: 73

Washington County School

Board District: 4

** Visit Vote.Utah.gov or the [Washington County Elections Viewer](#) for more voting information.*

Utilities

Culinary Water: Washington City

Sewer: Washington City

Electricity: Washington City

Natural Gas: Dominion Energy (Questar Gas)

Internet Service Providers (Cable): TDS

** For more information on Internet services available in your area, see Decision Data.org, <https://decisiondata.org/internet-providers-by-zip-code-plus-tv/>*

Tax Information

Tax District: Washington City

Residential Classification: Primary

Book & Page: N/A

Reference Document: 20180039789

Community/Public Services

Law Enforcement: Washington

Fire Protection: Washington Fire Dept

** In an emergency, ALWAYS dial 9-1-1!*

Schools:

Sandstone Elementary

Pine View Intermediate

Pine View Middle

Pine View High

** For more information, including bus routes, visit the Washington Co. School District at <https://www.washk12.org/> or Iron Co. School District at <https://irondistrict.org/>*

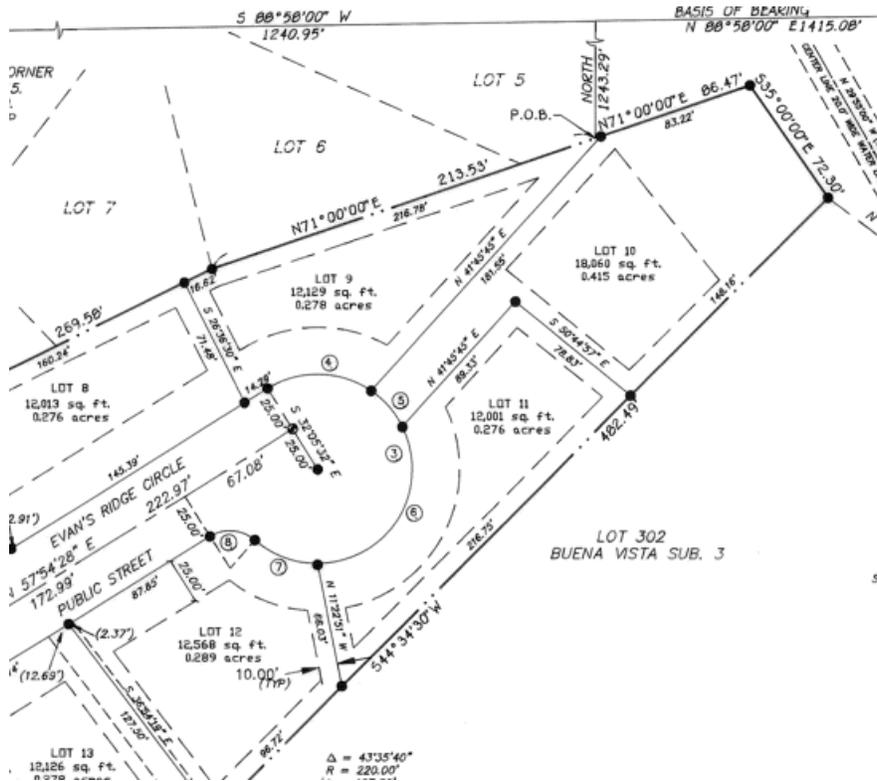
Solid Waste Collection Day: Friday

** For more information on solid waste and recycling services, visit the Washington County Solid Waste website at <http://www.wcsww.org/>*

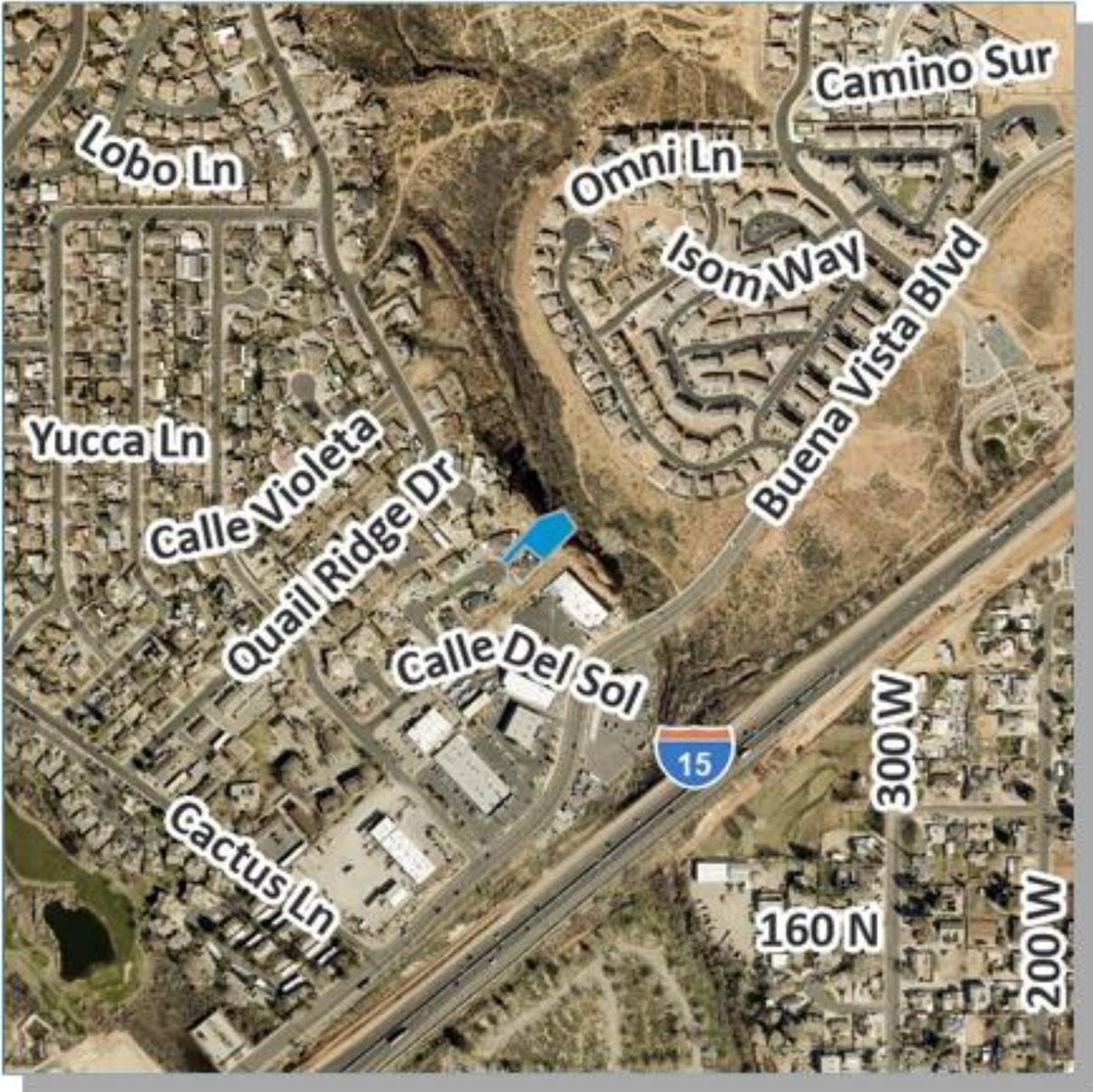
Plat Map



Parcel highlighted in blue.

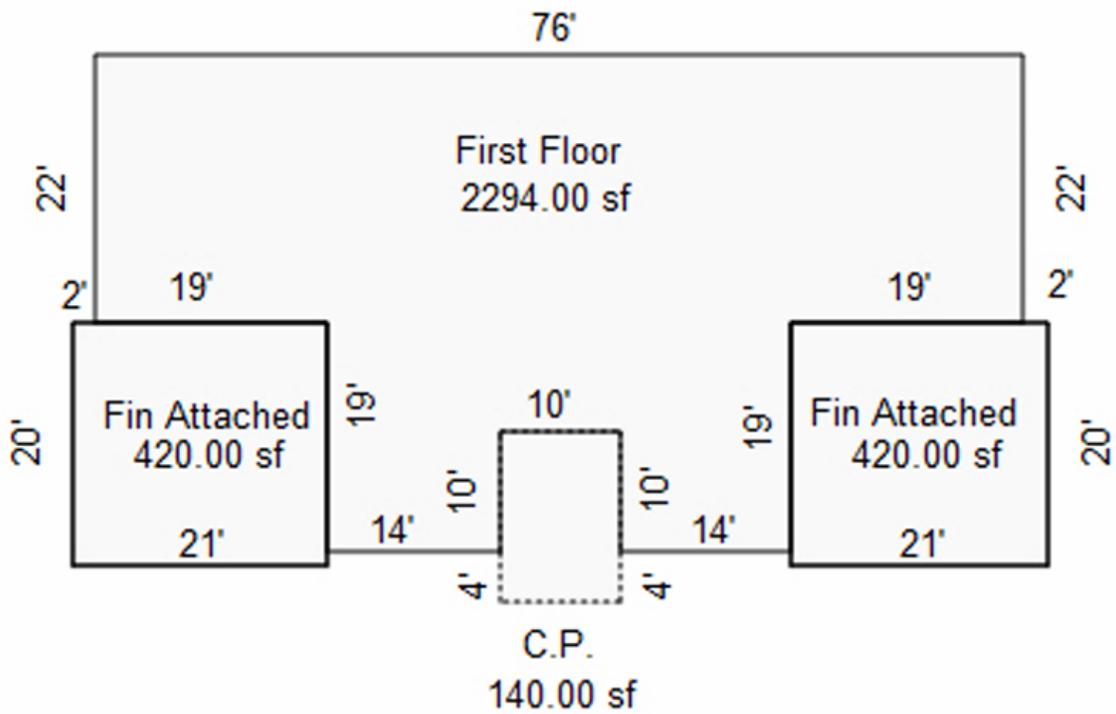
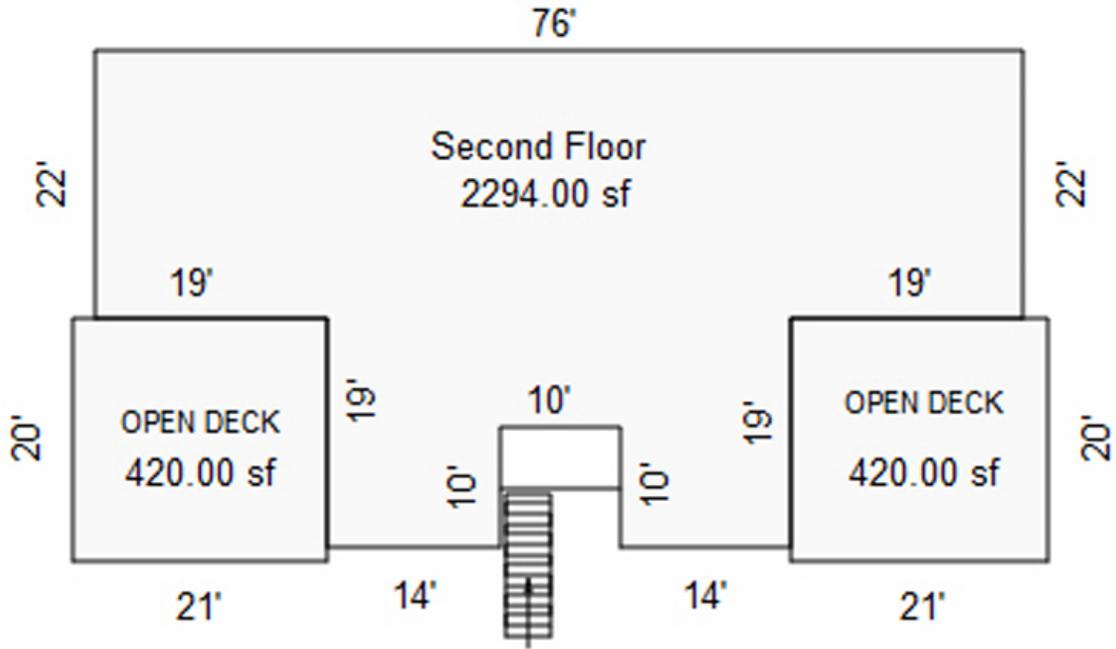


Location Map



Overview Map

Building Sketch



County Treasure

Account 0514128

<u>Location</u>	<u>Owner</u>	<u>Value</u>		
Account Number 0514128	Name MCCANN WASHINGTON LLC	Market (2025)	\$994,000	
Parcel Number W-EVR-10	2458 ANASAZI TRL	Taxable	\$546,700	
Tax District 13 - Washington City	SAINT GEORGE, UT 84770	Tax Area: 13	Tax Rate: 0.006577	
Acres 0.42		Type	Actual	Assessed Acres
Situs 620 W EVANS RIDGE CIR , WASHINGTON		Primary	\$994,000	\$546,700 0.420
Legal Subdivision: EVAN'S RIDGE (W) Lot: 10		Improved		
Parent Accounts 0121239				
Parent Parcels W-BV-3-301-A				
Child Accounts				
Child Parcels				
Sibling Accounts				
Sibling Parcels				

CURRICULUM VITAE

Craig Morley, GAA, MNA

CRAIG MORLEY
Certified General Appraiser



OVERVIEW

Craig Morley has 40 years of appraisal experience and is one of the most knowledgeable appraisers in the industry. This extensive knowledge provides him the ability to write extremely reliable commercial and residential appraisals. He has served on multiple state and national boards and helped shape industry changing legislation. Craig has developed and taught courses for real estate agents and real estate appraisers. As a Supervisory Appraiser, Craig enjoys working with new appraiser trainees. Craig has completed a three year term on the Appraisal Foundation's Appraisal Standards Board. He has been qualified in district and federal courts as an expert witness and given expert testimony in a wide range of valuation cases.

APPRAISAL EXPERIENCE

01/1992 to Current Accurity - Morley & McConkie LC	Founding Partner Certified General Appraiser
03/1985 to 01/1992 Blake, Ence & Morley	Certified General Appraiser, Partner

368 E Riverside Dr, Bldg 4
St. George, UT 84790

T: (435) 673-7720

craig@sutap.com

morleyandmconkie.com

PARTIAL LIST OF COMPLETED APPRAISAL EDUCATION

Total Hours of Appraisal Continuing Education (as tracked from 2014)	161	2016 Appraisal Summit & Expo No 216	09/2016
		CCIM Utah RealCon 2016	10/2016
Financial Analysis, Direct & Yield Capitalization of Income Properties	5/2000	UAA Real Estate Conference & Value Expo	04/2017
Manufacture Housing Appraisal	04/2002	2018-2019 7-Hour National USPAP Update Course	01/2018
Loan Fraud & Misleading Appraisal Report	10/2002	2018 Appraisal Summit & Expo	09/2018
Appraising REO & Foreclosure Properties	05/2007	2019 Appraisers Conference & Trade Show	04/2019
Real Estate Core, Mortgage Core-Law	05/2009	2021 Appraisal Summit, Day 1	11/2021
The FHA Appraisal - 50 Most Common Deficiencies	06/2013	2021 Appraisal Summit, Day 2	11/2021
43 County Board of Equalization Hearing Officer Training	04/2014	2022-2023 7-Hour National USPAP Update Course	12/2021
UVE Panel Discussion	09/2014	2022 ACTS - Day 1	04/2022
FHA SFR Appraising Handbook 4000.1	08/2015	2022 ACTS - Day 2	04/2022
		State of the Profession	01/2023
St. George Symposium 2016	05/2016	2023 ACTS - Day 1	04/2023

- VA and FHA Approved (UT, NV, AZ)
- Utah State Certified General Appraiser
License No. 5451219-CG00
- Nevada State Certified General Appraiser
License No. A.0003469-CG
- Arizona State Certified General Appraiser
License No. CGA-31924
- Member of the
National Association of Appraisers
- General Accredited Appraiser by
National Association of REALTORS
- Utah Appraisers Association
Continuing Education Instructor
- Past Chairman of National Assoc. of Realtors
Real Property Valuation Committee
- Former President of:
National Association of Appraisers
Washington County Assoc. of Realtors
Utah Association of Appraisers
- Expert Witness

ADDITIONAL PROFESSIONAL EXPERIENCE

01/1983 to 03/1985 Investment Systems Consultants	Feasibility studies and market surveys
01/1981 to 01/1983 Bushnell Real Estate, Inc.	Real estate marketing
08/1978 to 01/1981 M-13 Construction	General contractor, construction, journeyman mason.

LETTER OF ENGAGEMENT



REAL ESTATE APPRAISALS, CONSULTING, & FEASIBILITY STUDIES

APPRAISAL ENGAGEMENT FORM

Thank you for choosing Morley & McConkie, LC for your appraisal needs. We strive to provide you with the best customer service in the industry. If for any reason you feel like you need help filling out this form or have any questions regarding the different types of appraisals, fees, coverage areas, etc., please feel free to call us at (435)673-7720 or email us at orders@sutap.com or mm@sutap.com.

Intended Use of Appraisal:	Donation						
Client Name:	McCann Washington, LLC (Lawrence & Cecil McCann)						
Intended User (s):	McCann Washington, LLC (Lawrence & Cecil McCann)						
Billing Name:	McCann Washington, LLC (Lawrence & Cecil McCann)			Billing Phone Number:	206-949-6955		
Billing Address:	2485 Anasazi Trail		City:	St George	State:	UT	Zip: 84770
Property to be Appraised:	620 W Evans Ridge Cir		City:	Washington	State:	UT	Zip: 84780
Contact for Access to Property:	Red Rock Property Management			Contact Phone:	4354292282		
Email:	cecilm46@gmail.com & nmarchant@epwealth.com						
Notes for Appraiser:							

*Please note, all appraisals must have the retainer amount paid in full as part of the engagement process. The remaining balance is due prior to the delivery of the report. This does not apply to Government or City affiliates. The quoted fee includes the electronic delivery of the report ONLY. Hard copy fees are \$15 per residential report, and \$40 per commercial report, plus an additional \$10 shipping fee should the report(s) need to be mailed.

Email Approved Order 12/18/2025

Kelsey Neighbor 12/18/2025

Client Name/Intended User Signature _____ Date _____

Morley & McConkie Representative _____ Date _____

(For Office Use Only)

Appraisal Type:	GP						
Seller/Owner Name:	MCCANN WASHINGTON LLC			Current/Retro Date:			
Tax ID:	W-EVR-10		Estimated Delivery Date:				
Property Type:	MULTI-FAM		Fee:	\$850		Appraiser Assigned:	Craig
# of Copies Requested:	1		Preferred Method of Delivery:			Email	
Payment Arrangement:	<input checked="" type="checkbox"/> Visa or Mastercard	<input type="checkbox"/> Check at Inspection	<input type="checkbox"/> Check by Mail	<input checked="" type="checkbox"/> Other: \$425			
LOE Taken By	Kelsey N	Invoice Number			Paid Date		

Morley & McConkie Appraisals: 368 E. Riverside Drive, Bldg. #4, St. George, UT 84790