



Vail Appraisal LLC



135 HARLEY HOLLOW LN NE

135 Harley Hollow Ln NE

Check, Virginia 24072

Date of Valuation: August 7, 2025

Date of Report: September 17, 2025

PREPARED FOR

Steve Hodges

135 Harley Hollow Ln NE

Check, VA 24072

19 Church Ave SW,

Roanoke, VA 24011

VA File No: 25126C



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September 17, 2025

Steve Hodges
135 Harley Hollow Ln NE
Check, VA 24072

RE: 135 Harley Hollow Ln NE
135 Harley Hollow Ln NE, Check, Virginia 24072

Vail Appraisal, LLC File No: 25126C

Hodges:

Vail Appraisal, LLC is proud to present the appraisal that satisfies the agreed upon scope of work.

The property features 9,600 square feet of industrial space and 1,782 square feet of office space; as such, the office space represents 10.0% of the total square footage.

The purpose of this appraisal is to develop an opinion of the As-Is Market Value (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 Market Value	Fee Simple Estate	Three to Six Months	August 7, 2025	\$970,000

This report conforms to the current Uniform Standards of Professional Appraisal Practice (USPAP).

Extraordinary Assumptions

No Extraordinary Assumptions were made for this assignment.

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 Vail Appraisal, LLC can be of additional assistance, please contact the individuals listed below.



Sincerely,

VAIL APPRAISAL, LLC

A handwritten signature in dark ink that reads "Christopher M. Vail". The signature is written in a cursive style with a large, prominent "C" and a long, sweeping "V".

Christopher M. Vail, MAI

Certified General Real Estate Appraiser
Virginia License No. 4001016876
Expiration Date 9/30/2025
540-529-7134
Chris@vailappraisal.com

A handwritten signature in dark ink that reads "Matthew Scott Vail". The signature is written in a cursive style with a large, prominent "M" and a long, sweeping "V".

Matthew S. Vail
Certified General Real Estate Appraiser
Virginia License No. 4001017516
Expiration Date 04/30/2027
Matt@vailappraisal.com

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EXECUTIVE SUMMARY

PROPERTY IDENTIFICATION		
Name	135 Harley Hollow Ln NE	
Property	Industrial -	
Address	135 Harley Hollow Ln NE	
City, State Zip	Check, Virginia 24072	
County	Floyd County	
Market / Submarket	Roanoke / Floyd	
Geocode	37.027474,-80.183857	
Census Tract	51-063-920103	
SITE DESCRIPTION		
Number of Parcels	1	
Assessor Parcel Number	20-69	
Land Area	Square Feet	Acres
Usable	2,205,007	50.62
Total	2,205,007	50.62
Zoning	NZ (No Zoning)	
Shape	Irregular	
Topography	Slight Rise above street grade	
Flood Zone	Zone X (Unshaded) & None	
Seismic Zone	No Risk	
IMPROVEMENT DESCRIPTION		
Tenancy	Single-Tenant Owner-Occupied	
Net Rentable Area (NRA)	11,382	
Ground Floor SF	11,382	
Units	1	
Total Buildings	3	
Floors	1	
Year Built	1983 - 2004; (2001 weighted)	
Actual Age	24 Years	
Effective Age	14 Years	
Economic Life	62 Years	
Remaining Useful Life	47 Years	
Land To Building Ratio	193.73 : 1	
Site Coverage Ratio	0.5%	
Parking	2.6 / 1,000 SF NRA	
Office Build Out %	10%	
Clear Height (Feet)	11	
Clear Span (Feet)	40	
Dock High Doors	0	
Ground Level Doors	4	
Yard Storage	Ample	
QUALITATIVE ANALYSIS		
Site Quality	Average	
Site Access	Average	
Site Exposure	Average	
Site Utility	Average	
Building Quality	Average	
Building Condition	Above Average	
Building Appeal	Average	

HIGHEST & BEST USE

Proposed Construction	No
As Vacant	Agricultural or Industrial Use
As Improved	Continued Use as Flex Industrial

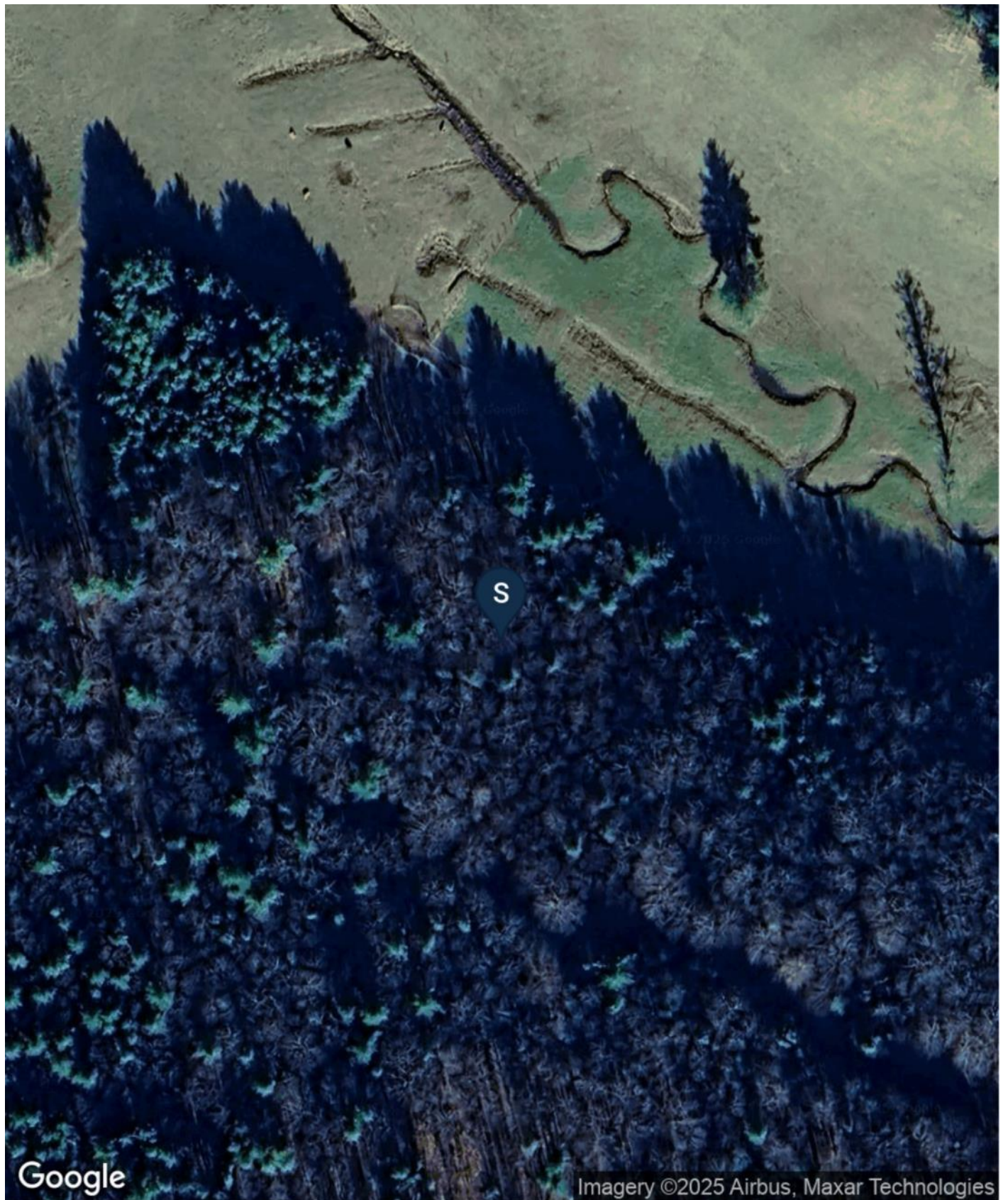
EXPOSURE & MARKETING TIME

Exposure Time	3.0
Marketing Time	3.0

VALUE CONCLUSION

VALUATION SCENARIOS	AS-IS MARKET VALUE
Interest	Fee Simple Estate
Exposure Time	3
Effective Date	August 7, 2025
Site Value	Not Presented
Cost Approach	Not Presented
Sales Comparison Approach	\$970,000
Income Capitalization Approach	Not Presented
FINAL VALUE CONCLUSION	\$970,000

AERIAL PHOTOGRAPH



SUBJECT PROPERTY PHOTOGRAPHS



Dwelling



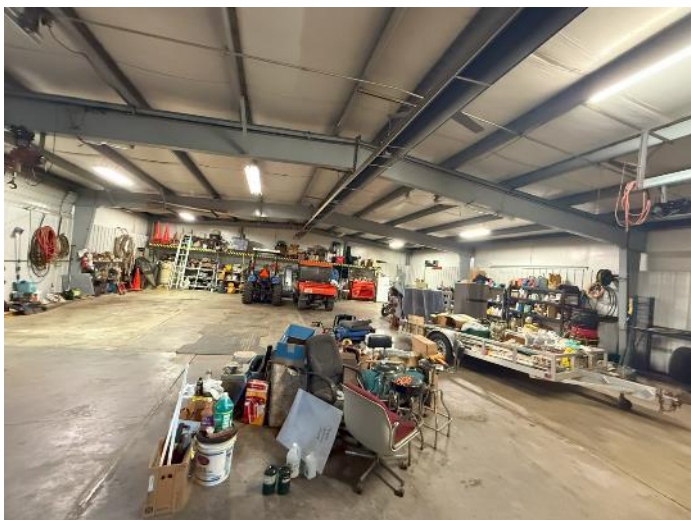
Dwelling



Dwelling Interior



Dwelling Interior



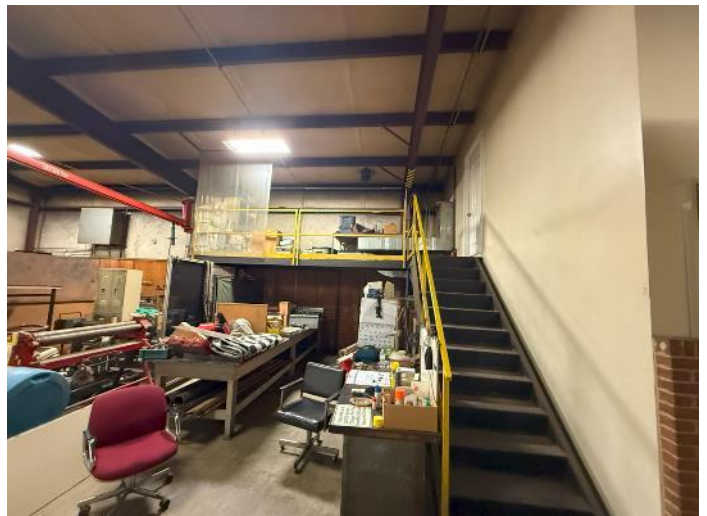
Shop 1



Shop 1



Shop 1



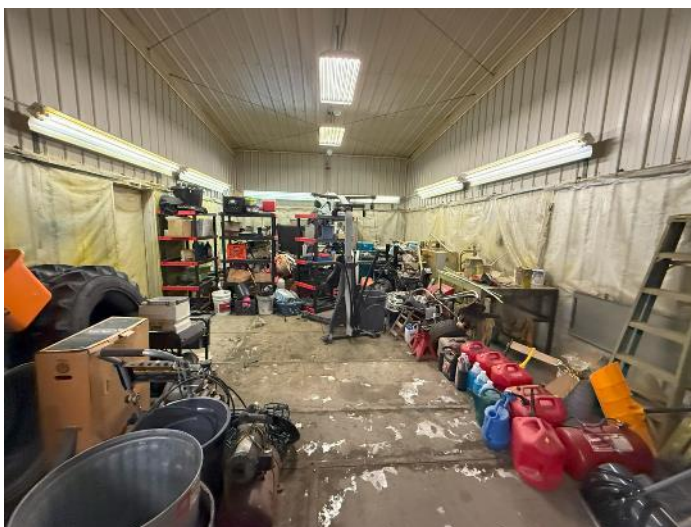
Shop 2



Shop 2



Shop 2



Shop 2 Spray Booth



Shop 2



Site View

IDENTIFICATION OF ASSIGNMENT

PROPERTY IDENTIFICATION

The property features 9,600 square feet of industrial space and 1,782 square feet of office space; as such, the office space represents 10.0% of the total square footage.

The assessor parcel number is: 20-69.

LEGAL DESCRIPTION

MEADOW RUN TR 1 PB 7/95

CLIENT IDENTIFICATION

The client of this specific assignment is Steve Hodges.

INTENDED USE & INTENDED USERS

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

PURPOSE

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

PERSONAL PROPERTY & BUSINESS INTANGIBLE

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

PROPERTY AND SALES HISTORY

Current Owner/Three-Year Sales History

The subject title is currently recorded in the name of Daniel Steven Hodges who acquired title to the property on December 1, 1983 for the improvements for \$50,000, as recorded in the Floyd County Deed Records. According to county records there has been no transfer of ownership for the subject property in the past three years and there is no known pending sale or listing of the subject.

TAXES & ASSESSMENT**Tax History**

The subject's assessment history is shown in the following table:

SUBJECT PROPERTY ASSESSMENT AND TAX HISTORY					
YEAR	TOTAL ASSESSED VALUE	TAX RATE	TAXES	TAXES/SF	CHANGE
2025	\$777,500	0.00670	\$3,421	\$0.30	51.1%
2024	\$566,200	0.00670	\$2,264	\$0.20	0.0%

Current Taxation & Assessment Description

The subject's assessed values and property taxes for the current year are summarized in more detail in the following table.

ASSESSMENT & TAXES (2025)						
TAX RATE AREA	Floyd County				TAX RATE	0.0067
ASSESSOR PARCEL #	LAND	IMPROVEMENTS	TOTAL	EXEMPTIONS	TAXABLE	BASE TAX
20-69	\$390,000	\$387,500	\$777,500	\$0	\$777,500	\$3,421.00
Subtotal	\$390,000	\$387,500	\$777,500	\$0	\$777,500	\$3,421.00
Subtotal \$/NRA	\$34.26	\$34.04	\$68.31	\$0.00	\$68.31	\$0.30
TOTAL BASE TAX \$/NRA / \$ TOTAL					\$0.30	\$3,421.00

Source: Floyd County Assessment & Taxation

As shown in the table above, the most recent total assessment for the subject is \$777,500. There are no exemptions in place. In this instance, the Assessed (taxable) value is \$777,500. The conclusion shown in the table above is based on our findings discussed below.

Taxes Conclusion

According to Floyd County, real estate taxes for the subject property are current as of the date of this report. It should be noted that we did not find any current or pending tax liens associated with the subject.

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 & MARKETING TIME			
SOURCE	YEAR/QUARTER	MONTHS RANGE	AVERAGE
Improved Sales		0.9 to 23.8	9.2
OVERALL AVERAGE			9.2
Exposure Period Conclusion		Three to Six Months	
Marketing Time Conclusion		Three to Six Months	
Most Probable Buyer		Owner-User	

Exposure Time Conclusion

The subject is an industrial-flex use totaling 10,704 SF (NRA) on 50.6200-acres (2,205,007 SF) located at 135 Harley Hollow Ln NE in Check, Floyd County, Virginia. Considering these factors, a reasonable estimate of exposure time for the subject As-Is Market Value (Fee Simple Estate) is three to six 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 three to six 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

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.

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 Value**

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

² The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, Chicago, Illinois, 2015

³ The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, Chicago, Illinois, 2015

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 an industrial market analysis for the Roanoke market and Floyd 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 Market Value (Fee Simple Estate).
- ▶ The assignment was prepared as an Restricted Appraisal Report in accordance with USPAP Standards Rules 2, with the analysis stated within the document and representing a fully described level of analysis.
- ▶ The author of this report are aware of the Competency Rule of USPAP and meets the standards.

ASSISTANCE PROVIDED

Matthew S. Vail provided real property appraisal assistance to the appraiser signing this certification. Assistance provided includes miscellaneous administrative assistance, such as file and exhibit preparation, as well as data entry relating to area descriptions and other routine front-half related duties.

SOURCES OF INFORMATION

The following sources were contacted to obtain relevant information:

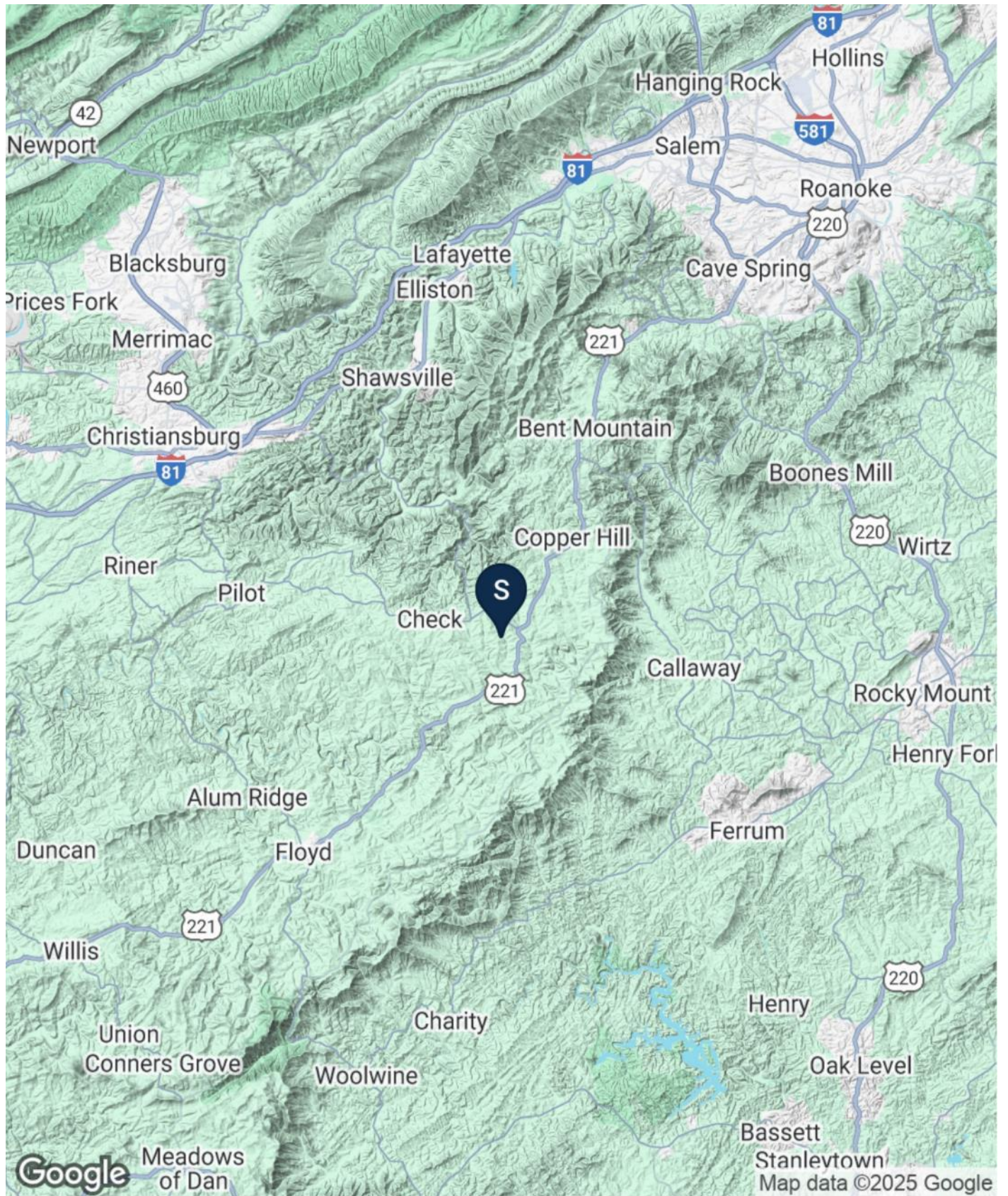
INFORMATION PROVIDED	
Property Assessment & Tax	Floyd County Assessor
Zoning & Land Use Planning	Floyd County
Site Size	Floyd County Assessor
Building Size	Floyd County Assessor
Flood Map	FEMA
Demographics	STDB On-Line
Comparable Information	MLS Public Records Confirmed by Local Agents
Legal Description	Assessor

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
Christopher M. Vail, MAI	No	None	August 7, 2025	Primary Appraiser
Matthew S. Vail	Yes	Interior & Exterior	August 7, 2025	Associate Appraiser
ALSO PRESENT	COMPANY	EXTENT	DATE	AFFILIATION
Steve Hodges		Interior & Exterior	August 7, 2025	Owner

REGIONAL AREA MAP



INTRODUCTION

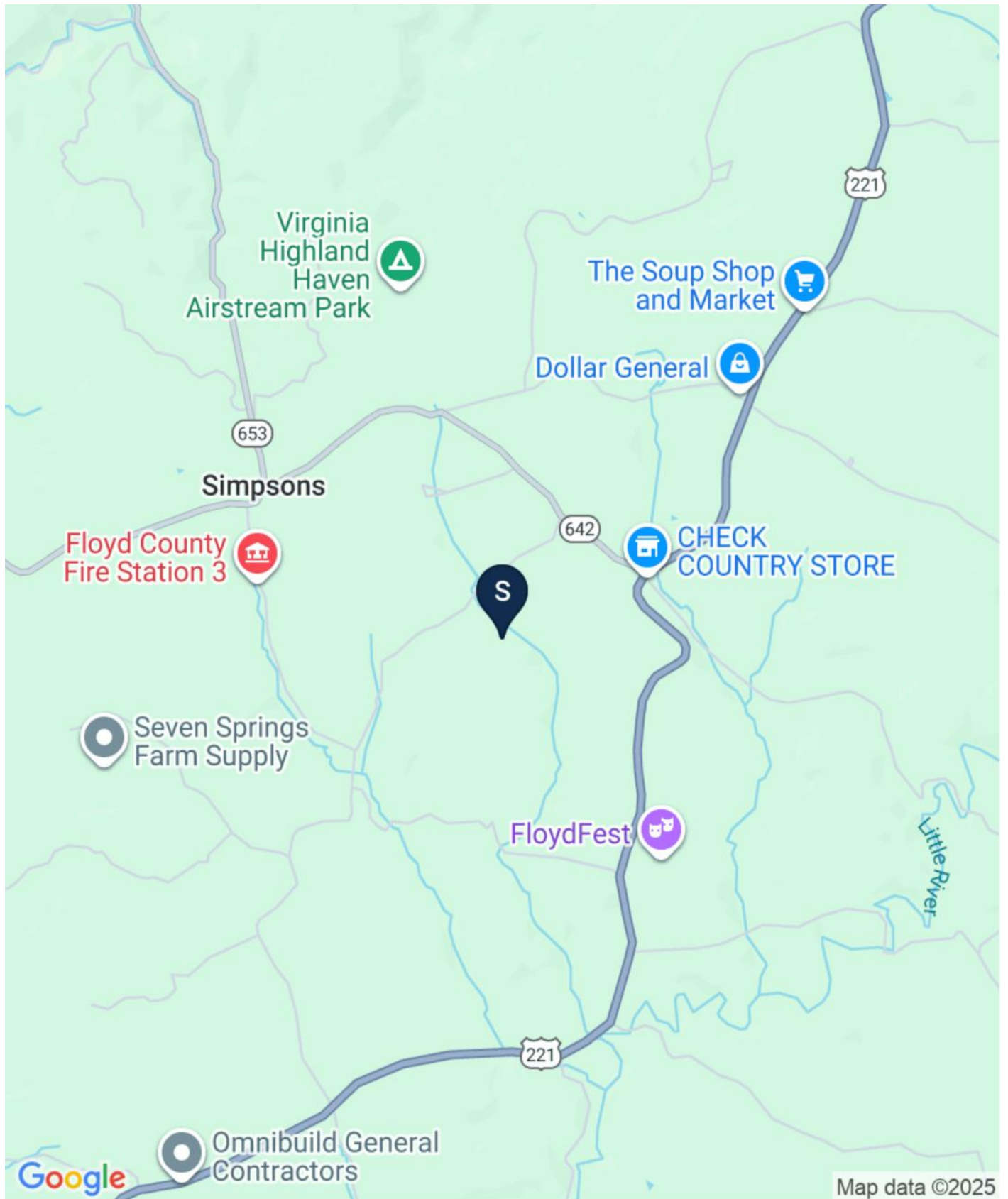
In order to understand the subject's position in the area or region, we have undertaken a brief analysis in order to determine how trends—both historical and projected—in population, employment, personal income, consumer spending, and housing impact supply and demand and influence the subject's area 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 within the Blacksburg-Christiansburg-Radford submarket area of the Roanoke, Virginia MSA. This MSA includes the above referenced areas as well as Floyd County, Giles County, and Pulaski County. Montgomery County is considered to be the economic hub of the MSA, with the Town of Blacksburg providing consistent economic impact primarily as a result of the presence of Virginia Tech. The area has recovered with the rest of the US following the recession of 2008. Currently the unemployment rates are at ~3% which is below that of the US as a whole. The predominate employment sector of the MSA is Education and Manufacturing, with Virginia Tech being the largest employer in the area followed by Volvo Group North America, Inc.

The MSA has had many positive economic announcements over the last several quarters including the expansion announcement of '1901 Group, LLC' which is investing \$4 million to grow its operations center in Blacksburg and create 805 new jobs. The area is known also for its proximity to recreational activities including the New River, Jefferson National Forest, and Mountain Lake Lodge. Overall, the Blacksburg-Christiansburg-Radford MSA is stable with consistent activity taking place in the economic sector. The following charts depict the unemployment rates of the immediate area, state, region and country.

LOCAL AREA MAP



LOCAL AREA ANALYSIS INTRODUCTION

The subject property is located in the Check area of the Floyd submarket. The immediate area of the subject is characterized by agricultural and single-family uses, there are some in-home office and retail uses nearby as well.

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	311	1,620	3,354	2010 Census	108	673	1,384
2020 Census	318	1,633	3,375	2020 Census	108	688	1,427
2025 Estimate	322	1,678	3,442	2025 Estimate	114	730	1,492
2030 Projection	329	1,713	3,488	2030 Projection	118	755	1,534
Δ 2010-2020	2.25%	0.80%	0.63%	Δ 2010-2020	0.00%	2.23%	3.11%
Δ 2020-2025	1.26%	2.76%	1.99%	Δ 2020-2025	5.56%	6.10%	4.56%
Δ 2025-2030	2.17%	2.09%	1.34%	Δ 2025-2030	3.51%	3.42%	2.82%
Total Daytime Population	176	1,100	2,192	HOUSEHOLDS BY INCOME (2025 ESTIMATE)			
HOUSING UNITS				<\$15,000	0.0%	4.4%	8.3%
Total (2025 Estimate)	138	836	1,792	\$15,000 - \$24,999	1.8%	7.7%	7.8%
Owner Occupied	72.5%	74.4%	69.9%	\$25,000 - \$34,999	10.5%	6.7%	5.4%
Renter Occupied	10.1%	12.9%	13.3%	\$35,000 - \$49,999	28.1%	17.9%	15.8%
Vacant Housing Units	17.4%	12.7%	16.7%	\$50,000 - \$74,999	16.7%	16.3%	16.0%
Total (2030 Projection)	141	858	1,832	\$75,000 - \$99,999	5.3%	11.0%	12.3%
Owner Occupied	73.8%	75.8%	71.1%	\$100,000 - \$149,999	30.7%	21.5%	18.3%
Renter Occupied	9.9%	12.2%	12.6%	\$150,000 - \$199,999	2.6%	10.7%	11.3%
Vacant Housing Units	16.3%	12.0%	16.3%	\$200,000+	4.4%	4.0%	4.8%
AVERAGE HOUSEHOLD INCOME				AVERAGE HOUSEHOLD SIZE			
2025 Estimate	\$88,099	\$89,133	\$88,308	2025 Estimate	2.82	2.30	2.31
2030 Projection	\$94,507	\$97,142	\$97,448	2030 Projection	2.79	2.27	2.27
Δ 2025-2030	7.27%	8.99%	10.35%	Δ 2025-2030	(1.06%)	(1.30%)	(1.73%)
MEDIAN HOUSEHOLD INCOME				MEDIAN HOME VALUE			
2025 Estimate	\$56,523	\$67,172	\$67,559	2025 Estimate	\$227,083	\$272,887	\$294,022
2030 Projection	\$61,645	\$79,203	\$78,374	2030 Projection	\$252,778	\$296,429	\$318,227
Δ 2025-2030	9.06%	17.91%	16.01%	Δ 2025-2030	11.32%	8.63%	8.23%
PER CAPITA INCOME				AVERAGE HOME VALUE			
2025 Estimate	\$37,065	\$38,437	\$38,343	2025 Estimate	\$355,126	\$338,209	\$337,700
2030 Projection	\$40,321	\$42,408	\$42,895	2030 Projection	\$389,119	\$362,512	\$367,314
Δ 2025-2030	8.78%	10.33%	11.87%	Δ 2025-2030	9.57%	7.19%	8.77%

Source: Sites To Do Business Online

Population

Esri estimates the current 2025 population of the neighborhood 3 mile radius of the subject property to be 1,678 representing a 2.76% change since 2020. The total trade area 5 mile radius of the subject is estimated to have a population of 3,442, which represents a 1.99% change since 2020.

Looking forward, the population of the neighborhood 3 MILE radius is forecasted to change to 2.76% by the year 2030. The population within the total trade area 5 mile radius is forecasted to change to 3,488 over the next five years. Overall, total trade area 5 mile radius population is expected to change by 3,488 over the next five years.

Households

Esri estimates that the number of households in the neighborhood 3 mile radius of the subject is 730, which is a 6.10% change since 2020. Within the total trade area 5 mile radius, the number of households is estimated to be 1,492, a 4.56% change over the same period of time.

By the year 2030, Esri estimates that the number of households in the neighborhood 3 mile radius will change by 3.42% to 755, households. Additionally, households in the entire trade area are expected to change by 2.82% to 1,534 households over the next five years.

The number of households in the neighborhood 3 mile radius of the subject changed 2.23% from 2010 to 2020; and since then it has changed by 6.10%.

Income

According to Esri, the neighborhood 3 mile radius of the subject property has an estimated median household income of \$67,172 and an average household income of \$89,133. Esri reports that the total trade area 5 mile radius has a median household income of \$67,559, and an average household income of \$88,308. With 1,492 households currently in the total trade area 5 mile radius of the subject property, local effective buying income is estimated to be about \$131,755,536.

CONCLUSION

Based on the Esri data presented above, the demographics in the subject neighborhood are above average, with upside potential. Population growth has increased by 2.76% since 2020 and is expected to increase 2.09% over the next 5 years in the 3 mile radius neighborhood. Average household incomes are above average at nearly \$89,133, and the area is populated with 730 households in a 3 mile radius around the subject property. Population growth and strong income levels are a good signal for potential office locations.

SURROUNDING LAND USES

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

LOCAL AREA INDUSTRIAL - FIVE-MILE RADIUS				
TYPE	RBA	YEAR BUILT	PERCENT LEASED	PROPERTIES
Flex	7,870 SF	2003	100	2
Gen-Ind <25,000 FT	0 SF	-	-	0
Gen-Ind >25,000 FT	0 SF	-	-	0
TOTAL	7,870 SF	2003	100.0	2

Source: CoStar



PIN	NAME	ADDRESS, CITY	DIST TO SUBJ	RBA	BUILT	TYPE	%LEASED
A		6000 Floyd Hwy N, Check	0.9 mi	5,000	N/A	Flex	100
B		218 Jerry, Check	1.6 mi	2,870	2003	Flex	100
C				0			
D				0			
E				0			
F				0			
G				0			
H				0			
I				0			
J				0			

Source: CoStar

LOCAL AREA RETAIL - FIVE-MILE RADIUS				
SIZE	RBA	YEAR BUILT	PERCENT LEASED	PROPERTIES
<5,000 FT	3,780 SF	1982	100.0	2
>5,000 FT-<20,000 FT	9,026 SF	2017	100.0	1
>20,000 FT	0 SF	-	-	0
TOTAL	12,806 SF	2007	100.0	3

Source: CoStar



PIN	NAME	ADDRESS, CITY	DIST TO SUBJ	RBA	BUILT	CLASS	%LEASED
A		7105 Floyd Hwy N, Copper Hill	1.6 mi	9,026	2017	B	100
B		1011 Wilson Cemetery Rd NE, Check	2.6 mi	1,920	2004	C	100
C		1483 Daniels Run, Check	1.4 mi	1,860	1960	C	100
D							
E							
F							
G							
H							
I							
J							

Source: CoStar



The land use in the subject's immediate neighborhood consists of a significant amount of rural agricultural property with some industrial uses.

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 Floyd County 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 Floyd 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 area. There are no known special assessments that affect property in the neighborhood.

ACCESS/PUBLIC TRANSPORTATION

The streets within the neighborhood are laid out in a grid pattern with major streets generally along the section and ½ section lines. The major north/south streets in the neighborhood include Route 221. The major east/west streets include Daniels Run Rd NE.

PLAT MAP

The subject property consists of one parcel with a total site area of 2,205,007 SF (50.62 AC) which is based on information obtained from Floyd County Assessor. It is perceived that there is no surplus or excess land at the subject. For the purposes of this report, I have relied on this site area and reserve the right to amend my analysis upon receipt of a formal legal plan.

Address	135 Harley Hollow Ln NE, Check, Virginia.		
Census Tract	51-063-920103		
Number of Parcels	1		
Assessor Parcel	20-69		
Land Area		Square Feet	Acres
Economic Unit (Primary) Site Size		2,205,007	50.62
Usable Site Size		2,205,007	50.62
Total Land Area		2,205,007	50.62
Excess/Surplus Land	No		
Corner	No		
Permitted Building Height	N/A		
Floor Area Ratio (FAR)	N/A Permitted		
Site Topography	Slight Rise		
Site Shape	Irregular		
Site Grade	Above street grade		
Site Quality	Average		
Site Access	Average		
Site Exposure	Average		
Site Utility	Average		
Utilities	AEP		
Adjacent Properties			
North	Poff Dr NE		
South	Pine Branch		
East	Route 221		
West	Kings Store Rd		
Accessibility	Access to the subject site is considered average overall.		

STREET & TRAFFIC DETAIL

Street Improvements	Type	Direction	Lanes	Lights	Curbs	Sidewalks	Signals	Median	Parking	Center Lane	Bike Lane
Harley Hollow	Neighborhood street	Two-Way	2								
Frontage											
Harley Hollow	483 Feet										

Exposure & Visibility Exposure of the subject is average balancing the frontage on Harley Hollow Ln NE a two-lane rural neighborhood road.

Zoning NZ (No Zoning); None

ZONING	
Designation	NZ (No Zoning)
Zoning Authority	Floyd County
Permitted Uses	All permissible uses.
Prohibited Uses	None
Current Use	Industrial Flex
Current Use Legally Permitted	Yes
Conforming Use	The bulk of the improvements as well as the parking conform to the requirements ordinance.
Conforming Lot	The bulk of the improvements as well as the parking conform to the requirements ordinance.
Zoning Change	No
Parking Spaces Required	0
Parking Spaces Provided	30

Source: Floyd County Planning & Zoning Department

Parking Requirements Parking varies by use but is stated as one space per 1,000 SF. The subject provides 30 surface parking spaces, or 2.6 spaces per 1,000 SF of NRA, which is within market standards (3-5/1,000 SF) for industrial () property type.

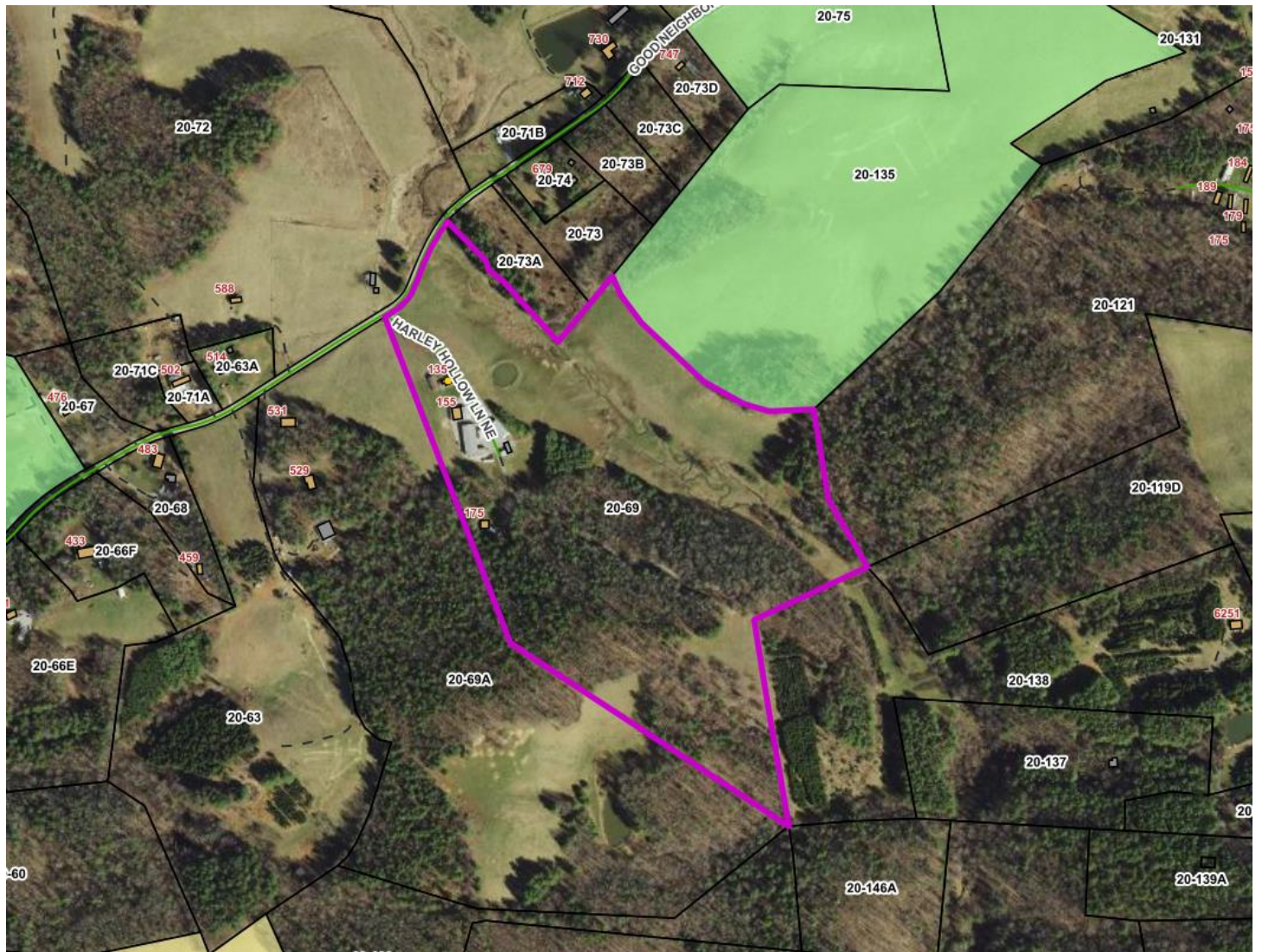
Flood Plain Zone X (Unshaded). This is referenced by Panel Number 51063C0095C, dated April 16, 2008. Zone X (unshaded) is a moderate and minimal risk area. Areas of moderate or minimal hazard are studied based upon the principal source of flood in the area. However, buildings in these zones could be flooded by severe, concentrated rainfall coupled with inadequate local drainage systems. Local storm water drainage systems are not normally considered in a community's flood insurance study. The failure of a local drainage system can create areas of high flood risk within these zones. Flood insurance is available in participating communities but is not required by regulation in these zones. Nearly 25% of all flood claims filed are for structures located within these zones. Minimal risk areas outside the 1% and 0.2% annual chance floodplains. No BFEs or base flood depths are shown within these zones. (Zone X (unshaded) is used on new and revised maps in place of Zone C.)

Seismic The subject is in a no risk 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.

ZONING MAP



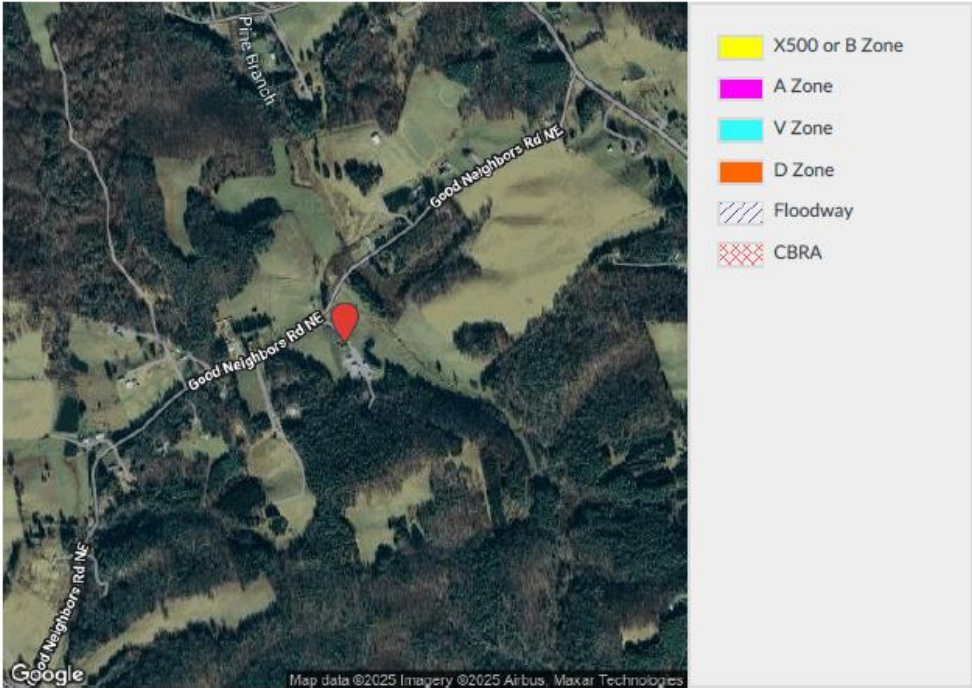
135 HARLEY HOLLOW LN NE CHECK, VA 24072-3095

LOCATION ACCURACY: 📍 Excellent

Flood Zone Determination Report

Flood Zone Determination: **OUT**

COMMUNITY	510199	PANEL	0095C
PANEL DATE	April 16, 2008	MAP NUMBER	51063C0095C



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 features 9,600 square feet of industrial space and 1,782 square feet of office space; as such, the office space represents 10.0% of the total square footage. The subject's dwelling consists of 1782sf with 2 bedrooms and 2 bathrooms. The original structure is a manufactured residence, but has been continuously maintained and added onto. The structure is considered to be in good-average condition. There are two metal workshops that have been previously utilized for the owner's metal working and fabrication business. These buildings are 6,600sf and 3,000sf respectively. They are in good-average condition overall as well.

Property Type	Industrial -
Tenancy	Single-Tenant Owner-Occupied
Net Rentable Area (NRA)	11,382
Gross Building Area (GBA)	11,382
Total Buildings	3
Floors	1
Year Built	1983 - 2004; (2001 weighted)
Age/Life Analysis	
Actual Age	24
Effective Age	14
Economic Life	62
Remaining Useful Life	47
Overall Building Quality	Average
Overall Building Condition	Above Average
Overall Building Appeal	Average
Land to Building Ratio	193.73 : 1
Site Coverage Ratio	.49% (Based On Total Overall Site Area)
Floor Area Ratio (FAR)	0.00 (N/A Permitted)
Total Parking Spaces	030 - Surface spaces
Parking Ratio	2.6 / 1,000 SF NRA
Warehouse SF	9,600
Office SF	1,104
Office Build Out	10.00%
Clear Height (Feet)	11
Clear Span (Feet)	40
Dock High Doors	0
Grade Level Doors	4
Rail Doors	0
Cross Docks	0
Yard Storage	Ample
Loading Dock Levelers	No
Truck Maneuverability	Adequate

Size The net rentable area (NRA) and gross building area (GBA) are shown in the following table. The sizes are taken from public records and confirmed during site inspection.

BUILDING INFORMATION											
BUILDING	GBA	NRA	OFFICE BUILD	YEAR BUILT	YEAR REN.	ACT. AGE	EFF. AGE	ECON. LIFE	REM. LIFE	FLOORS	CLASS
Office	1,782	1,782	100.00%	1983	1983	42	10	70	60	1	D
Metal Buildin	6,600	6,600	0.00%	2004	2004	21	15	60	45	1	S
Metal Buildin	3,000	3,000	0.00%	2004	2004	21	15	60	45	1	S
TOTAL	11,382	11,382	1,104	1983 - 2004	1983 - 2004	24	14	62	47.35	1	D and S

COMPONENT DESCRIPTION

Foundation	Poured concrete slab
Exterior Walls/Framing	Frame, Metal
Roof	Shingle, Metal
Elevator	None
Heating & AC (HVAC)	Heat Pump, Wood Stove, Suspended Gas Heaters
Insulation	Fiberglass insulation between studs, joists, and beams
Lighting	Various
Electrical	Assumed adequate and to code
Interior Walls	Drywall, Metal
Doors and Windows	Double hung and casement windows
Ceilings	Drywall, Metal
Plumbing	Standard plumbing for an industrial building
Floor Covering	LVP, Concrete
Fire Protection	None
Interior Finish/Build-Out	The interior of the subject is typical for an industrial building with LVP, Concrete flooring throughout the office space and sealed concrete in the warehouse space. There are Drywall ceilings in the office space and exposed metal siding and some insulation in the warehouses.
Site Improvements	Asphalt Driveway, Gravel Parking area, pole sheds, and equipment sheds. There is a single-wide trailer that is parked on a semi-permanent foundation that is considered to be in fair condition.
Landscaping	Landscaping around the building perimeter consists of shrubs and trees. The landscaping is well established and well maintained.
Signage	None
Parking	Parking varies by use but is stated as one space per 1,000 SF. The subject provides 30 surface parking spaces, or 2.6 spaces per 1,000 SF of NRA, which is within market standards (3-5/1,000 SF) for industrial () property type.

Site Coverage Ratio	0.5% (11,382 SF footprint / 2,205,007 SF site), which is within market standards (20-35%) for similar buildings in the area.
Deferred Maintenance	There were no signs of deferred maintenance at the time of inspection.
Functional Design	The building features a functional design with typical site coverage and adequate off-street parking.
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.

SUBJECT PROPERTY ANALYSIS

In this section, market conditions which influence the subject property are analyzed. An overview of Industrial supply and demand conditions for the Roanoke market and Floyd submarket are presented. Key supply and demand statistics for the most recent quarter, last year and historical averages over the past 5 years are summarized in the tables below.

INDUSTRIAL MARKET AND SUBMARKET DATA SUMMARY (5 YEARS)					
INVENTORY SUPPLY (SF)				VACANCY (%)	
QTR	YEAR	MARKET	SUBMARKET	MARKET	SUBMARKET
Q2	2025	38,960,628	168,721,544	4.5%	5.5%
Q1	2025	38,960,628	168,711,544	3.8%	4.7%
Q4	2024	38,960,628	168,711,544	3.7%	3.5%
Q3	2024	38,746,914	168,552,427	2.8%	4.8%
	2024	38,960,628	168,711,544	3.7%	5.0%
	2023	38,746,914	168,167,483	3.0%	4.3%
	2022	38,899,065	166,738,790	3.4%	4.4%
	2021	38,497,445	164,660,603	3.3%	5.4%
	2020	38,497,445	164,564,016	3.3%	6.1%
RENT \$/SF				NET ABSORPTION (SF)	
QTR	YEAR	MARKET	SUBMARKET	MARKET	SUBMARKET
Q2	2025	\$5.16	\$4.26	(298,373)	(1,376,166)
Q1	2025	\$5.28	\$4.29	(39,724)	(1,911,441)
Q4	2024	\$5.32	\$4.11	(144,027)	2,189,166
Q3	2024	\$5.40	\$4.35	105,547	(87,998)
	2024	\$5.32	\$4.11	(44,743)	1,863,636
	2023	\$5.19	\$4.10	(20,041)	1,467,552
	2022	\$4.84	\$3.82	370,623	3,698,235
	2021	\$4.52	\$2.77	(7,302)	1,138,629
	2020	\$4.17	\$3.02	88,266	733,199

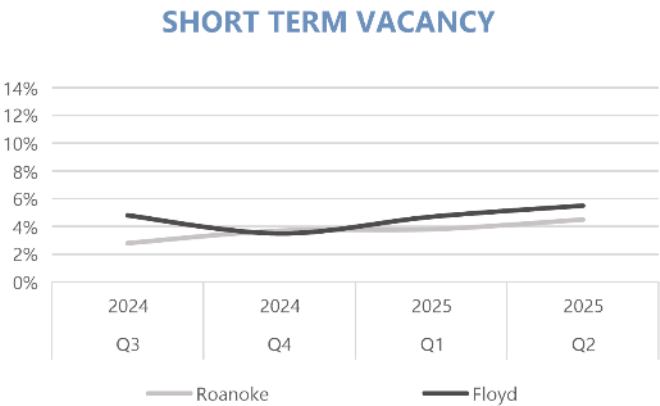
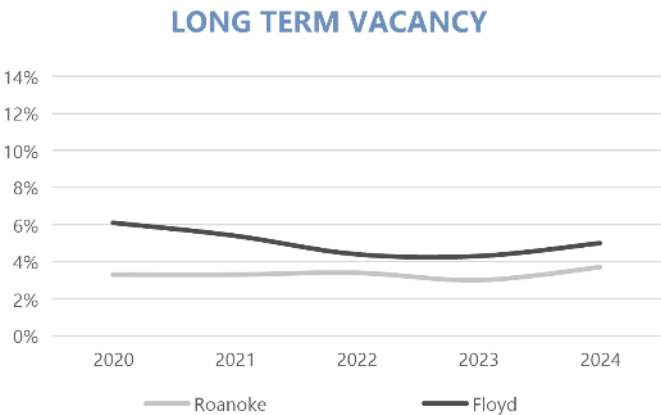
Source: CoStar Property®

The Roanoke Industrial market demonstrates positive conditions. There has been little variance in supply over the last year.

The Floyd Industrial submarket demonstrates mostly stable conditions. Vacancy had only minor fluctuations around 5.5% throughout 2024. Asking rents were relatively stable as well ranging from a low of \$3.00/SF to a high of \$4.35/SF with the most recent figure in-between at \$4.26/SF.

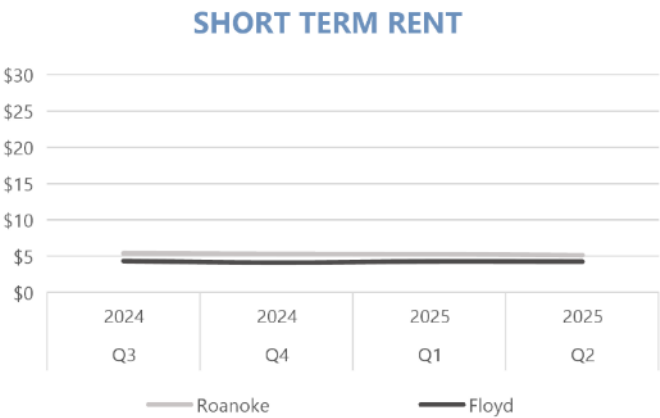
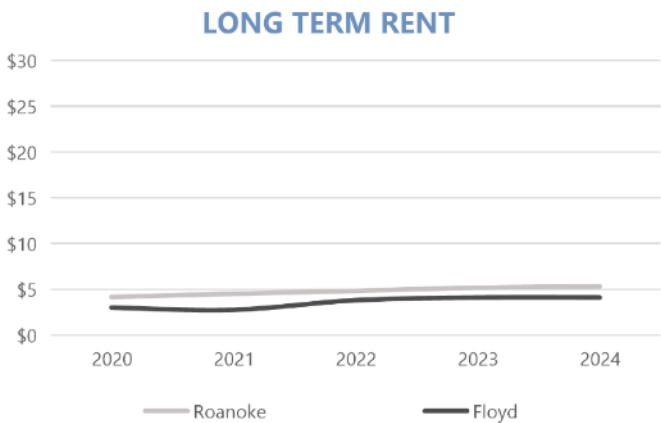
VACANCY

The following tables provide visual illustration of the long term and short term Industrial vacancy for the Roanoke market and Floyd submarket.



RENTAL RATES

The following tables provide a visual illustration of rental Industrial trends for the Roanoke market and Floyd submarket in the short and long term:



CONCLUSION

Overall, typical market participants would recognize these general industrial conditions and the subject’s positioning in the immediate market area as having a positive overall influence when contemplating purchase of the subject.

HIGHEST & BEST USE

The highest and best use of the subject property provides the foundation for the valuation section. Highest and best use is defined in the 6th edition of *The Dictionary of Real Estate Appraisal* (Appraisal Institute, Chicago, 2015), as follows:

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.

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 NZ (No Zoning) include all legal uses. No zoning change is anticipated for the subject; therefore, uses outside of those permitted by the No 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 50.6200-acres (2,205,007 SF), it is irregular in shape and has a slight rise topography. The site has average exposure along a rural neighborhood street and average overall access. The subject property is within rural location of in Check, Virginia that is experiencing typical population and real estate development growth. 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 agricultural use.

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 1983 - 2004; (2002 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 above 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, continued use as flex industrial is the Highest and Best Use of the subject As Improved.

MOST PROBABLE BUYER

Based on the type of property and review of the market segment, it is our opinion that the most probable buyer for the subject would be local owner-user.

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. Therefore, this appraisal does not provide a valuation of the subject site.

COST APPROACH

The Cost Approach is not a specific scope requirement of this assignment. Characteristics specific to the subject property do not warrant that this valuation technique is developed. Based on the preceding information, the Cost Approach will not be presented.

IMPROVED SALES COMPARISON APPROACH

The Sales Comparison Approach is a specific scope requirement of this assignment. Considering the applicability of this approach in relation to the subject property's characteristics, we consider the application of this approach to be warranted.

INCOME APPROACH

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.

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 Market Value (Fee Simple Estate) This appraisal does not develop the Cost or Income Approaches, the impact of which is addressed in the reconciliation section.

The Valuation will be presented in the following order:

- ▶ Sales Comparison Approach
- ▶ Reconciliation of Value Conclusions

SALES COMPARISON APPROACH

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. 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 Selection

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 NRA. 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.). No adjustments are warranted based on review of the sales.
5. **Market Conditions (Time)** - Based on research and interpretation of value trends, the analysis applies an upward market conditions adjustment of 2% annually reflecting the relatively consistent appreciation that occurred between the oldest comparable sale date up through the effective valuation date. Well-positioned and stabilized commercial buildings have experienced continued capitalization rate compression over the past several quarters in the Roanoke market.

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
Address	135 Harley Hollow	1376 Franklin	221 Precast Way	9075 Virgil H.	3000 Peppers
City	Check	Floyd	Troutville	Rocky Mount	Christiansburg
State	VA	VA	VA	VA	VA
Zip	24072	24091	24175	24151	24073
County	Floyd	Floyd	Botetourt	Franklin	Montgomery
Submarket	Floyd	Floyd	Botetourt	Franklin County	New River Valley

SALE INFORMATION

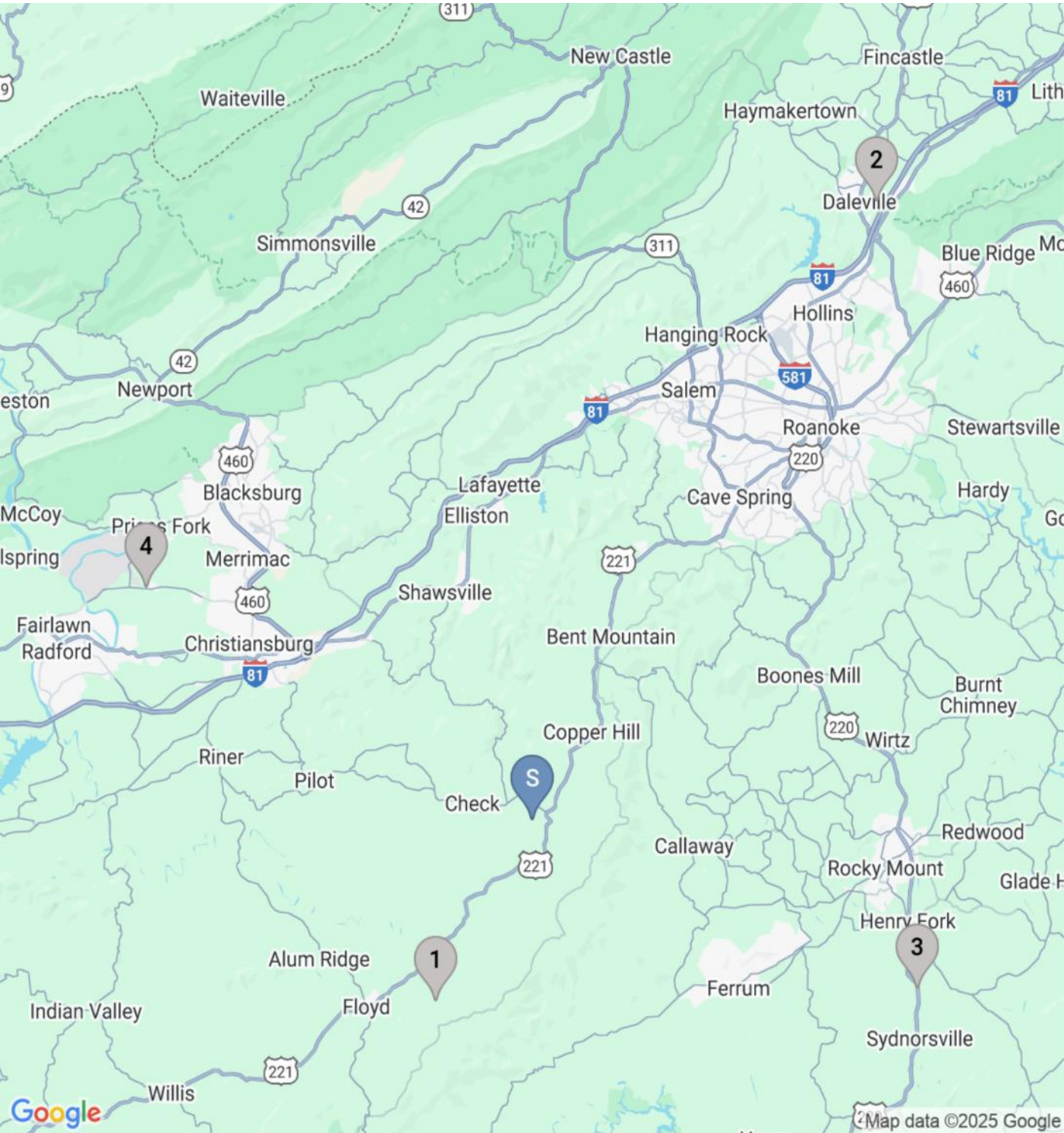
Transaction Price	\$1,490,000	\$833,000	\$460,000	\$1,405,000
Transaction Price \$/SF NRA	\$58	\$69	\$126	\$95
Property Rights ¹	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Financing ²	Conventional	Conventional	Cash	Conventional
Sale Conditions ³	Normal	Normal	Normal	Normal
Expenditures After Sale ⁴	\$0	\$0	\$0	\$0
Market Conditions ⁵	1/19/2024 4.8%	5/15/2023 6.9%	8/15/2023 6.1%	8/26/2023 6.0%
Sale Status	Recorded	Recorded	Closed	Closed
Recording Number	N/A	230001318	DB 1202 P2268	DB 2023 PB
Marketing Status	Open Market	Open Market	Open Market	Open Market
Marketing Period (Months)	-	23.8 Months	2.9 Months	0.9 Months
Total Transactional Adjustments	\$3 5%	\$5 7%	\$8 6%	\$6 6%
Adjusted \$/SF (NRA)	\$61	\$74	\$134	\$101

PHYSICAL INFORMATION

NRA (SF)	11,382	25,500	12,160	3,643 (20%)	14,760
Year Built/Ren	1983 - 2004; (2001 weighted)	2014	2000	1957	1989 – 2001 (1994 avg)
Location	Average	Average	Average	Average	Above Average (5%)
Access	Average	Average	Average	Average	Above Average (5%)
Exposure	Average	Average	Average	Above Average (5%)	Average
Quality	Average	Average	Above Average (5%)	Average	Average
Condition	Above Average	Average 5%	Average 5%	Average 5%	Average 5%
Appeal	Average	Below Average 10%	Average	Average	Above Average (5%)
Site Coverage	0.5%	1.8%	2.3%	0.1%	3.6%
Usable Land Acres (Total)	50.62	32.	11.991 10%	26.71	8.33 10%
Total Physical Adjustments		\$9 15%	\$7 10%	(\$27) (20%)	\$0 0%
Adjusted \$/SF (NRA)		\$70	\$81	\$107	\$101

CONFIRMATION INFORMATION

Company	Costar	Waldvogel	Property Navigators	Long & Foster
Name	Costar	Jason Fountain	Tricia Johnson	Darin Greear
Affiliation	GIS, Costar	Agent, GIS, CoStar	Listing Agent	Listing Agent



COMPARABLE	LABEL	ADDRESS	MILES FROM SUBJECT
COMPARABLE 1	1	1376 Franklin Pike SE, Floyd, VA, 24091	8.9
COMPARABLE 2	2	221 Precast Way, Troutville, VA, 24175	30.7
COMPARABLE 3	3	9075 Virgil H. Goode Hwy, Rocky Mount, VA, 24151	19.0
COMPARABLE 4	4	3000 Peppers Ferry Rd, Christiansburg, VA, 24073	20.2

IMPROVED SALES PHOTOGRAPHS



COMPARABLE 1



COMPARABLE 2



COMPARABLE 3



COMPARABLE 4

Analysis of Comparable Sales

The comparable sales indicate an overall unadjusted unit value range from \$58/SF to \$126/SF, and an average of \$87/SF. After adjustments, the comparables indicate a narrower range for the subject property from \$70/SF to \$107/SF, and \$90/SF on average. The adjustment process is summarized below.

Sale No. 1 (\$70/SF Adjusted) - Former lumber manufacturing plant located in Floyd, VA. Open market transaction of industrial property. No unusual terms or conditions noted.

This comparable represents the low-end of the adjusted range. This property transferred without any comparable dwelling/office space compared to the subject.

Sale No. 2 (\$81/SF Adjusted) - Industrial facility located in a rural area of Troutville, proximate to Daleville in Botetourt County. The facility was converted to a brewery in 2013 but shuttered a few years later. After sitting empty for some time and having all brewhouse equipment liquidated, the facility was offered for sale as an industrial property. Arm's-length sale to consolidated pipe & supply for their Botetourt County headquarters as a pipe supply company. No unusual terms or conditions.

This comparable is representative of a vacant, rural industrial site that had market appeal to a different owner-user. This sale transferred with a separate office building with inferior finishes compared to the subject.

Sale No. 3 (\$107/SF Adjusted) - Property is a 1800sf workshop with 12' clear height, as well as an average condition single-family residence, and a below average pole barn. The site is 26.71 ac and is largely cleared, and mostly flat. The subject transferred from one owner-user to another via a traditional arm's length transaction, each acting in their own best interest. Cash was utilized for the purchase and may have impacted the negotiated contract price.

This comparable is representative of the property type of the subject with a dwelling and an inferior industrial space as compared to the subject.

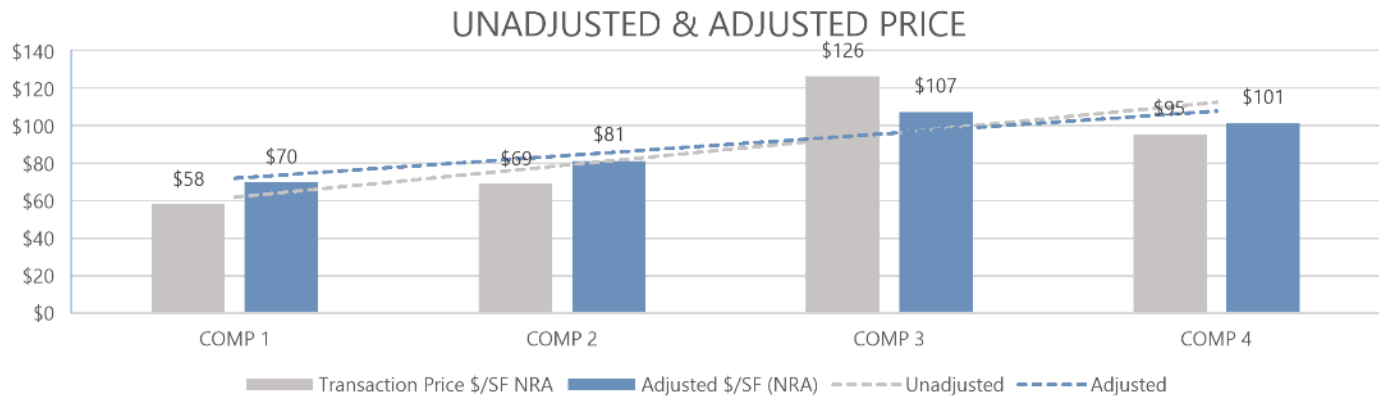
Sale No. 4 (\$101/SF Adjusted) - The property is a 2-parcel mostly cleared site with a converted dwelling office building, and 3 metal buildings formerly occupied by an owner-user for a landscaping business. Property is located just outside the major commercial district in Christiansburg, and is along the main arterial thoroughfare in the submarket area. The sale appears to reflect typical motivation and arm's length distance between buyer and seller. Listing agent conveys that multiple offers were received resulting in a higher than listing sales price.

This comparable is given most consideration in the Sales Comparison Approach, however its superior location along a minor arterial thoroughfare, it's cleared/usable site, and proximity to a larger market area it is considered to be superior to the subject for its appeal and functional utility.

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 \$75-\$95 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 \$70/SF to \$107/SF, with a unit value of \$90/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 PRICE	ADJUSTMENT				NET ADJ	GROSS ADJ
		TRANSACTIONAL ¹	ADJUSTED	PROPERTY ²	FINAL		
1	\$58	5%	\$61	15%	\$70	21%	20%
2	\$69	7%	\$74	10%	\$81	17%	27%
3	\$126	6%	\$134	(20%)	\$107	(15%)	36%
4	\$95	6%	\$101	0%	\$101	6%	36%
HIGH	\$126	7%	\$134	15%	\$107	21%	36%
AVG	\$87	6%	\$93	1%	\$90	7%	30%
MED	\$82	6%	\$88	5%	\$91	12%	31%
LOW	\$58	5%	\$61	(20%)	\$70	(15%)	20%
SUBJECT SF (NRA)		\$/SF CONCLUSION			VALUE		
11,382		x	\$85	=	\$967,470		
INDICATED VALUE (ROUNDED TO NEAREST \$10,000)				\$85	\$970,000		

¹Cumulative ²Additive

SALES APPROACH RECONCILIATION

SALES COMPARISON APPROACH

SALES COMPARISON APPROACH

Indicated Value	\$970,000
\$/SF NRA	\$85

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 Market Value (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, this approach does not reflect the mindset of the typical market participant and has been excluded accordingly. 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 several recent sales of properties similar to the subject in the market area in the current 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** is not developed for this assignment. The property is largely vacant as of the effective date of the report, and the most likely market participant for the subject is an owner-user. This approach does not represent the typical mindset of this type of buyer, and therefore this approach is not included.

After considering all factors relevant to the valuation of the subject property, all emphasis is placed on the Sales Comparison Approach in the following As-Is market value.

RECONCILIATION OF VALUES	
VALUATION SCENARIOS	AS-IS MARKET VALUE
Interest	Fee Simple Estate
Date	August 7, 2025
SALES COMPARISON APPROACH	
SALES COMPARISON APPROACH	
Indicated Value	\$970,000
\$/SF NRA	\$85
FINAL VALUE CONCLUSION	
FINAL VALUE CONCLUSION	
\$/SF NRA	\$85

ADDENDA

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.
- ▶ Christopher M. Vail, MAI 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.
- ▶ Christopher M. Vail, MAI inspected the property that is the subject of this report.
- ▶ Matthew S. Vail provided significant real property appraisal assistance to the appraisers signing the certification.
- ▶ The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

As of the date of this report, Christopher M. Vail, MAI has completed the continuing education program for Designated Members of the Appraisal Institute.

MARKET VALUE CONCLUSION				
VALUATION SCENARIO	INTEREST APPRAISED	EXPOSURE TIME	EFFECTIVE DATE	VALUE
As-Is Market Value	Fee Simple Estate	Three to Six Months	August 7, 2025	\$970,000



Christopher M. Vail, MAI
Certified General Real Estate Appraiser
State of Virginia License No. 4001016876
Expiration Date 9/30/2025

September 17, 2025

Date



Matthew S. Vail
Certified General Real Estate Appraiser
State of Virginia License No. 4001017516
Expiration Date 04/30/2027

September 17, 2025

Date

- ▶ 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 Vail Appraisal, LLC, 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. Vail Appraisal, LLC 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)*. Vail Appraisal, LLC, 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.