



APPRAISAL REPORT  
REAL ESTATE APPRAISAL

Of  
TRUE WORD CHURCH OF THE LIVING GOD



2814 Havenscourt Blvd, Oakland  
Alameda County  
California, 94605

**As of**  
April 20, 2022

**Prepared For**  
Jess Miller  
Loan Administration Dept  
Woodland Hills  
21777 Ventura Blvd,, 211  
Woodland Hills, CA 91364  
Woodland Hills File No: 10891

**Prepared By**



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

# Mann & Associates – Real Estate Valuation



14850 Highway 4 #A326  
Discovery Bay, CA 94505

925.513.3231 – office  
510.612.5122 – direct  
karen@mannaappraisal.com

May 17, 2022

Jess Miller  
Loan Administration Dept  
Woodland Hills Mortgage Corporation  
21777 Ventura Blvd, 211  
Woodland Hills, CA 91364

RE: Appraisal Report  
**True Word Church of the Living God**  
2814 Havenscourt Blvd, Oakland, California 94605

Woodland Hills File No: 10891

Mann & Associates is proud to present the appraisal that satisfies the agreed upon scope of work with Woodland Hills Mortgage Corporation.

The subject property, located at 2814 Havenscourt Blvd, Oakland, CA, was originally constructed as a Mixed Use Property with Retail on the grade (first floor) and offices or residential units on the 2nd floor. The building was constructed circa 1949 and contains some 7,721 sf GBA (per appraiser measurement). The structure has 1.5 restrooms and is currently configured with two separate worship centers on the first floor and the second floor having classrooms, kitchen, fellowship hall and rooms for temporary transient occupancy for sleeping only. Access to the upper level is via a large staircase from the lower level or an exterior staircase at the rear of the building. The classroom areas currently used as sleeping areas were not available to the undersigned appraiser.

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

MARKET VALUE CONCLUSION			
VALUATION SCENARIO	INTEREST APPRAISED	DATE	VALUE
As-Is Market Value	Fee Simple	April 20, 2022	\$1,850,000

This report conforms to the current Uniform Standards of Professional Appraisal Practice (USPAP), and the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA) standards.

## 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 Mann & Associates can be of additional assistance, please contact let me know.

Respectfully Submitted,

**MANN & ASSOCIATES**

Karen J. Mann, ASA-RP  
Certified General Appraiser  
Certified General Real Estate Appraiser  
California License No. AG007008  
Expiration Date 4/29/2024  
925.513.3231  
karen@mannappraisal.com

# TABLE OF CONTENTS

---

## LETTER OF TRANSMITTAL

### INTRODUCTION

Executive Summary	1
Subject Property Photographs	4
Identification of Appraisal Assignment	8
Scope of Work	10

### DESCRIPTIONS & EXHIBITS

Regional Area Analysis	13
Local Area Analysis	16
Exhibits	26
Zoning	30
Improvement Description	32
Market Analysis	35
Highest & Best Use Analysis	40
As Vacant Analysis	40
As-Improved Analysis	41

### VALUATION METHODS

Sales Comparison Approach	44
Reconciliation of Value Conclusions	50
Certification	51

### ADDENDA

Insurable Replacement Cost	
Qualifications of Appraiser & Appraiser License	
Qualifications of Company	
Glossary	53

## EXECUTIVE SUMMARY

PROPERTY IDENTIFICATION	
Name	True Word Church of the Living God
Property	Assembly-Meeting - Religious Facil
Address	2814 Havenscourt Blvd
City, State Zip	Oakland, California 94605
County	Alameda County
Market / Submarket	East Bay / East Bay
Geocode	37.769934,-122.181631
Census Tract	06-001-408600

SITE DESCRIPTION		
Number of Parcels	1	
Assessor Parcel Number	39-3275-14-1	
Land Area	Square Feet	Acres
Usable	6,400	0.15
Total	6,400	0.15
Zoning	Community Commercial - 2 (CC-2)	
Shape	Generally Rectangular	
Topography	Level above street grade	
Flood Zone	Zone X, Flood Insurance is not mandated	

IMPROVEMENT DESCRIPTION	
Net Rentable Area (NRA)	7,721
Gross Building Area (GBA)	7,721
Ground Floor SF	3,816
Units	2
Total Buildings	1
Floors	2
Year Built	1949(Renovated 1980)
Actual Age	73 Years
Effective Age	25 Years
Economic Life	75 Years
Remaining Useful Life	50 Years
Land To Building Ratio	0.83 : 1
Site Coverage Ratio	59.6%
Parking	0.4 / 1,000 SF NRA

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

HIGHEST & BEST USE	
Proposed Construction	No
As Vacant	Mixed Use; Retail/Residential Units
As Improved	Current Use

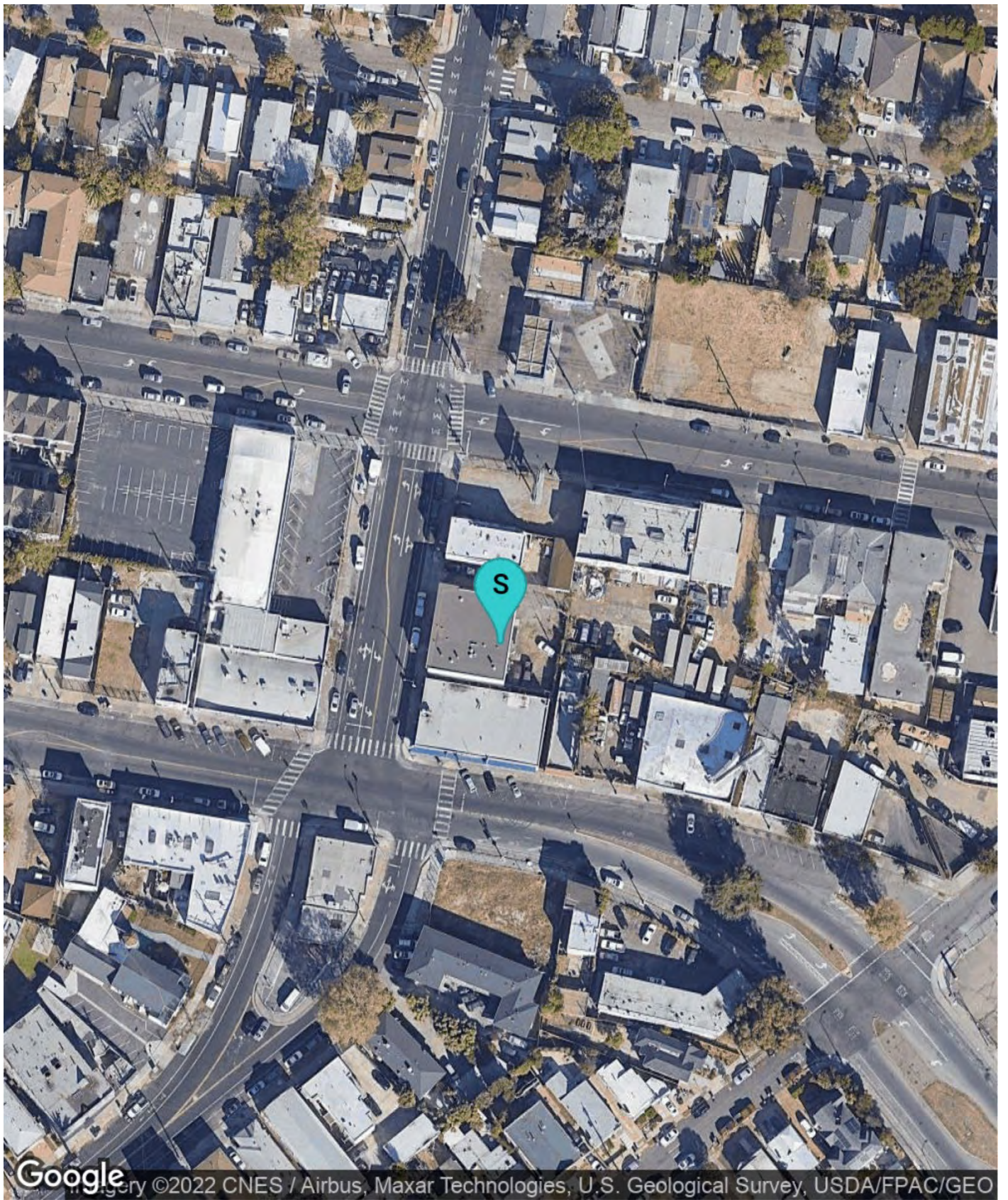
  

EXPOSURE & MARKETING TIME	
Exposure Time	Three to Six Months
Marketing Time	Three to Six Months

VALUE CONCLUSION	
VALUATION SCENARIOS	AS-IS MARKET VALUE
Interest	Fee Simple
Date	April 20, 2022
Site Value	Not Presented
Cost Approach	Not Presented
Sales Comparison Approach	\$1,850,000
Income Capitalization Approach	Not Presented
<b>FINAL VALUE CONCLUSION</b>	<b>\$1,850,000</b>



# AERIAL PHOTOGRAPH



2814 Havenscourt Blvd, Oakland, California 94605  
May 17, 2022



# IDENTIFICATION OF ASSIGNMENT



Front / Side View



Front View



Westerly - street view



Rear of Structure



Interior - Entry



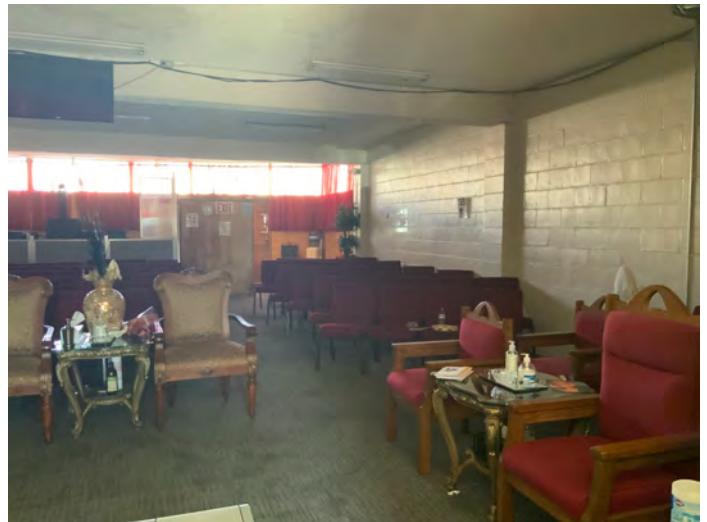
Worship Center

2814 Havenscourt Blvd, Oakland, California 94605  
May 17, 2022





Lavatory in Worship Center



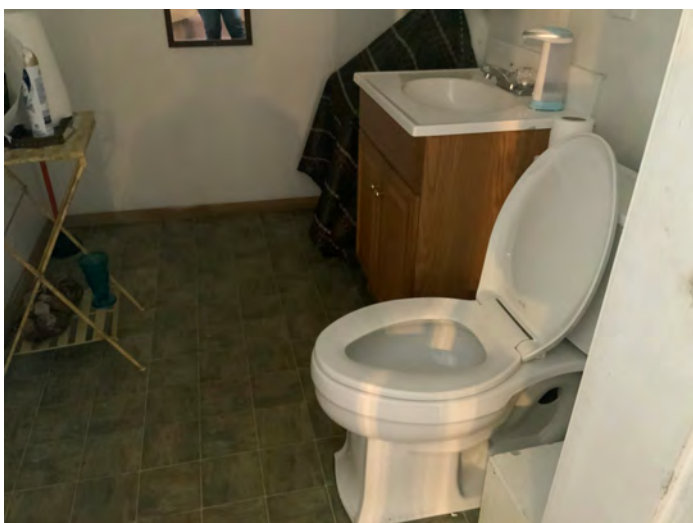
View from Pulpit – Worship Center



2<sup>nd</sup> Worship Center



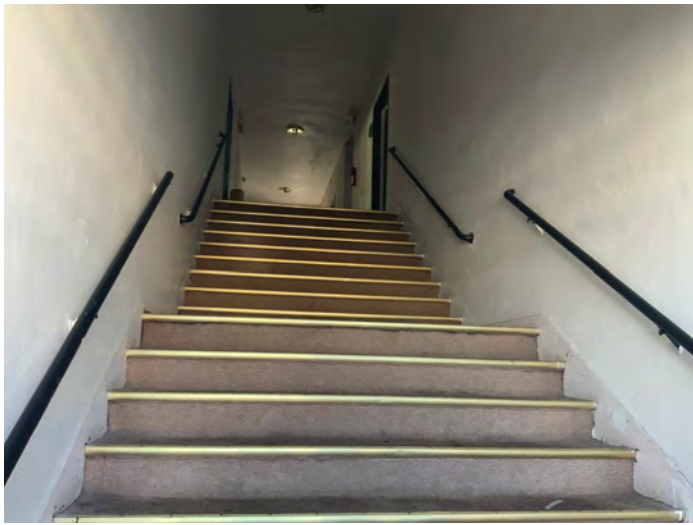
2<sup>nd</sup> Worship Center



Lavatory in 2<sup>nd</sup> worship center



Office in 2<sup>nd</sup> worship center



Stairs to upper level



Classrooms/Temporary sleeping rooms



Fellowship Hall



Fellowship Hall



Kitchen



Kitchen

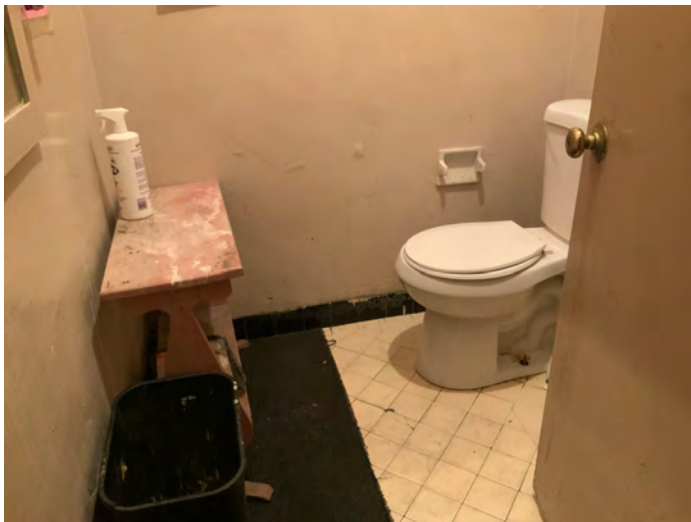




Upper level bathroom #1



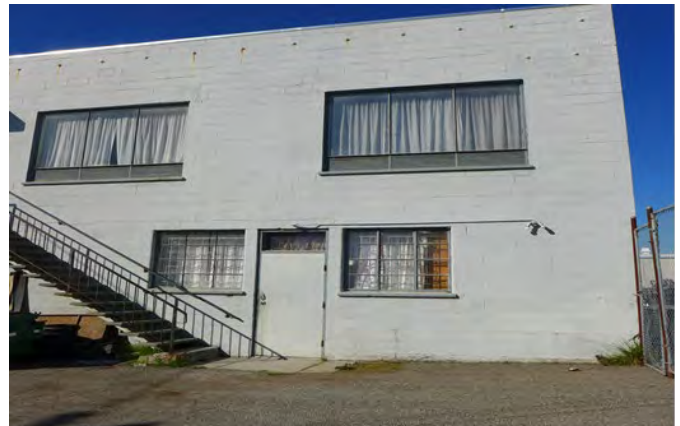
Shower in BA #1 Bathroom



Restroom #2 - upper level



Office in Upper Level





## PROPERTY IDENTIFICATION

The subject property, located at 2814 Havenscourt Blvd, Oakland, CA, was originally constructed as a Mixed Use Property with Retail on the grade (first floor) and offices or residential units on the 2nd floor. The building was constructed circa 1949 and contains some 7,721 sf GBA (per appraiser measurement). The structure has 1.5 restrooms and is currently configured with two separate worship centers on the first floor and the second floor having classrooms, kitchen, fellowship hall and rooms for temporary transient occupancy for sleeping only. Access to the upper level is via a large staircase from the lower level or an exterior staircase at the rear of the building. The classroom areas currently used as sleeping areas were not available to the undersigned appraiser.

READER SHOULD NOTE: THE ADDRESSES ASSIGNED TO THE SUBJECT IS 2812, 2814 AND 2816 HAVENSCOURT BLVD., CITY OF OAKLAND, STATE OF CALIFORNIA. For ease of reading the property cited in this appraisal is 2814 Havenscourt Blvd, Oakland, CA; This address incorporates all three addresses but for reference, this report will use the subject property address as 2814 Havenscourt Blvd.

The assessor parcel W\_Parcels: 39-3275-14-1.

## LEGAL DESCRIPTION

See Preliminary Title Report

## CLIENT IDENTIFICATION

The client of this specific assignment is Woodland Hills.

## INTENDED USE & INTENDED USERS

The intended use of this appraisal is to assist the client with a potential loan that would be collateralized by this asset. Woodland Hills or assignees are the only intended users of this report.

## PURPOSE

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

## PERSONAL PROPERTY & BUSINESS INTANGIBLE

There is no personal property (FF&E) included in this valuation. value conclusion reported herein.

## PROPERTY AND SALES HISTORY

### Current Owner

According to Alameda County Public Records, legal title to the subject property is held by True Word Church of Living God. The subject property was transferred from Varick Center AME Zion Church to True Word Church of Living God on June 18, 2014, for the consideration of \$570,000 indicating a price paid of \$73.82 PSF. This transaction is recorded under Document Number 144900 of the Public Records of Alameda County. This transfer of ownership is believed to be Arm's Length transaction.

We are not aware of any other sale transactions, listings, pending or recent contracts for sale that have occurred within the last three years. This is based on our interview with the borrower, and a search utilizing Loopnet, CoStar, public records, MLS and various other sources. Given that the noted previous transaction

occurred more than three years ago, we have not reconciled this past indication of market value with our current indication of market value reported herein.

### Current Owner

According to Alameda County Public Records, legal title to the subject property is held by True Word Church of Living God. The subject property was transferred from Varick Center AME Zion Church to True Word Church of Living God on June 18, 2014, for the consideration of \$570,000 indicating a price paid of \$73.82 PSF. This transaction is recorded under Document Number 144900 of the Public Records of Alameda County. This transfer of ownership is believed to be Arm's Length transaction.

### Three-Year Sales History

According to county records there has been no transfer of ownership for the subject property in the past three years and there is no known pending sale or listing of 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
San Francisco Office	PwC			
Current Quarter		2022 Q1	2.0 to 12.0	5.0
Last Quarter		2021 Q4	2.0 to 8.0	4.5
Four Quarters Ago		2021 Q1	2.0 to 8.0	4.5
National Flex / R&D	PwC			
Current Quarter		2022 Q1	- to -	-
Last Quarter		2021 Q4	- to -	-
Four Quarters Ago		2021 Q1	- to -	-
Improved Sales			0.5 to 8.0	4.0
<b>OVERALL AVERAGE</b>				<b>4.5</b>
Exposure Period Conclusion				Three to Six Months
Marketing Time Conclusion				Three to Six Months

### Exposure Time Conclusion

The subject is a assembly-meeting (religious facility) use totaling 7,721 SF (NRA) on 0.1469-acres (6,400 SF) located at 2814 Havenscourt Blvd in Oakland, Alameda County, California. Considering these factors, a reasonable estimate of exposure time for the subject As-Is Market Value (Fee Simple) 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.<sup>1</sup>

## 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.<sup>2</sup>

## 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.<sup>3</sup>

## SCOPE OF WORK

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

- ▶ The appraisal analyzes the regional and local area profiles including employment, population, household income and real estate trends. The local area was inspected to consider external influences on the subject.
- ▶ The appraisal analyzes legal and physical features of the subject including site size, improvement size, flood zone, seismic zone, site zoning, easements, encumbrances, site access and site exposure.
- ▶ The appraisal includes a market analysis for the East Bay market and East Bay 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.

---

<sup>1</sup> 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.

<sup>2</sup> *The Dictionary of Real Estate Appraisal, 6th Ed.* (Chicago: Appraisal Institute 2015)

<sup>3</sup> *The Dictionary of Real Estate Appraisal, 6th Ed.* (Chicago: Appraisal Institute 2015)



- ▶ 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).
- ▶ The assignment was prepared as an Appraisal Report in accordance with USPAP Standards Rules 2, with the analysis stated within the document and representing a fully described level of analysis.
- ▶ The author of this report are aware of the Competency Rule of USPAP and meets the standards.

**ASSISTANCE PROVIDED**

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

**SOURCES OF INFORMATION**

The following sources were contacted to obtain relevant information:

INFORMATION PROVIDED	
Property/Tax	Alameda County Assessor
Zoning	City of Oakland Zoning
Site Size	Alameda County Assessor
Building Size	Alameda County Assessor
Supply & Demand	CoStar
Flood Map	STDB On-Line
Demographics	STDB On-Line
Comparable Information	CoStar and confirmed by local agents
Legal Description	Tax Assessor
Rent Roll	None
Operating Statements	None
Purchase & Sale Document	None
Construction Costs/Budget	Property Owner
INFORMATION NOT PROVIDED	
Title Report	
Phase I Environmental Report	
Lease Documents	

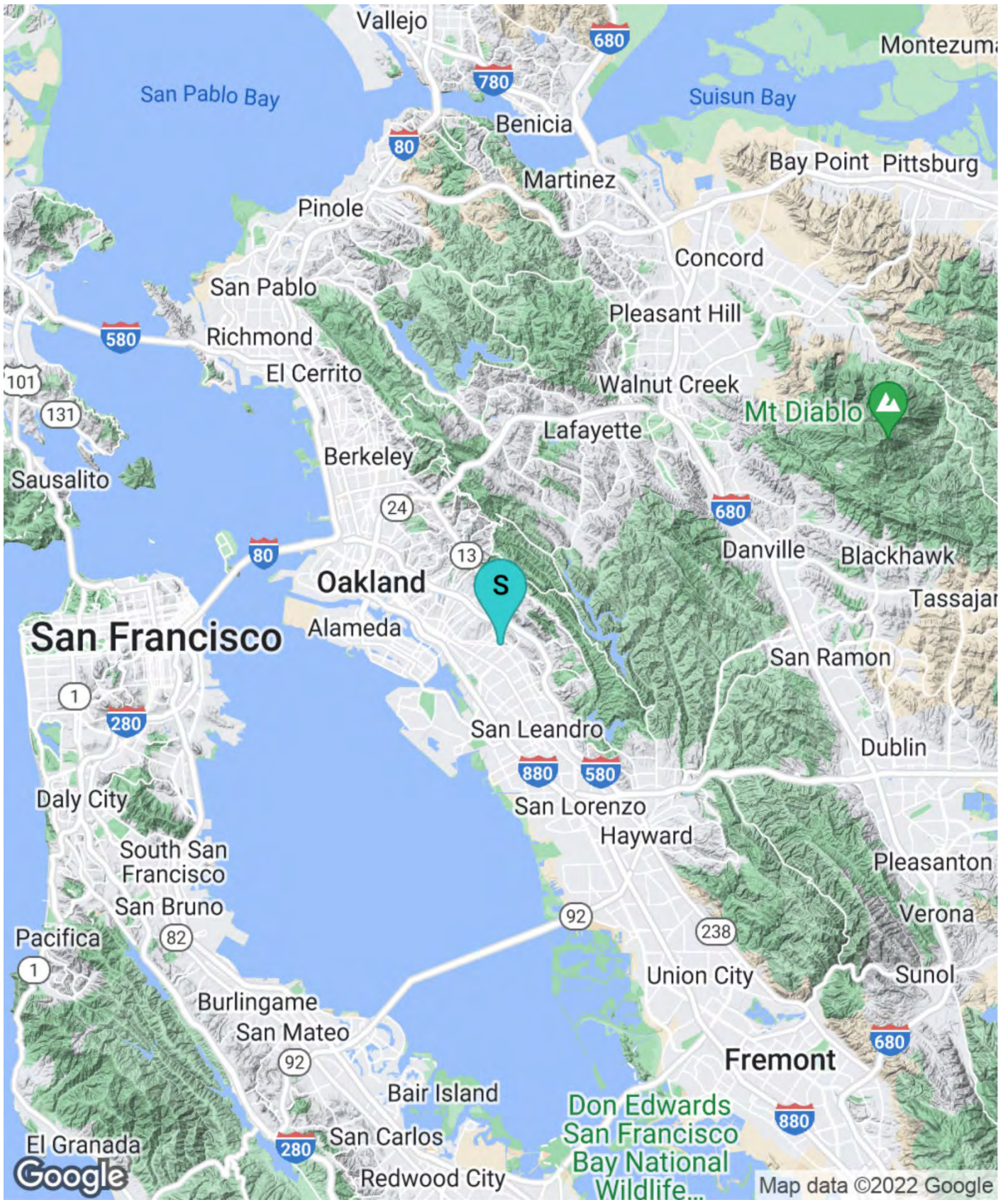
The lack of the unavailable items could affect the results of this analysis. As part of the general assumptions and limiting conditions, the subject is assumed to have no adverse easements, significant items of deferred maintenance, or be impacted by adverse environmental conditions.

**SUBJECT PROPERTY INSPECTION**

PROPERTY INSPECTION				
APPRAISER	INSPECTED	EXTENT	DATE	ROLE
Karen J. Mann, ASA-RP	Yes	Interior & Exterior	April 20, 2022	Primary Appraiser



REGIONAL AREA MAP



2814 Havenscourt Blvd, Oakland, California 94605  
May 17, 2022



# REGIONAL AREA ANALYSIS

## INTRODUCTION

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

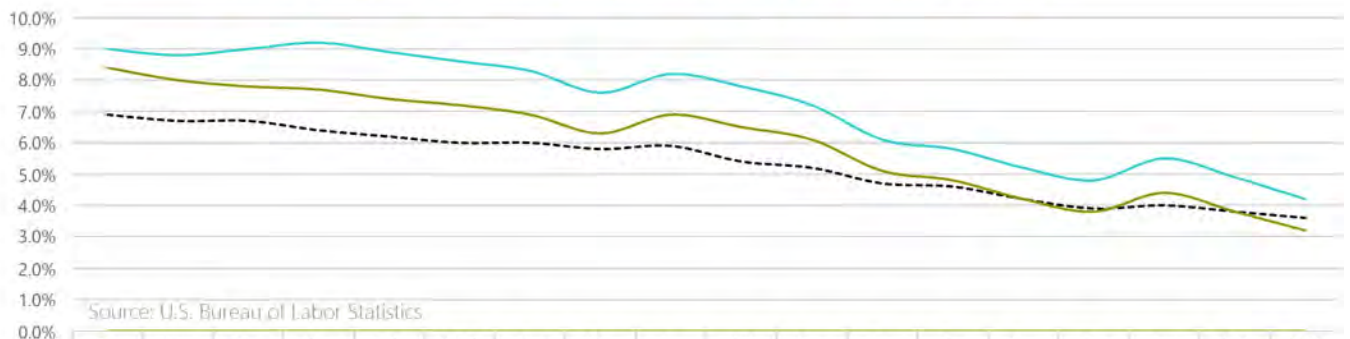
## REGIONAL AREA ANALYSIS

The subject property is located in Oakland, California. The map presented on the previous page illustrates the subject property location relative to the Oakland-Hayward-Berkeley, CA MSA Division metropolitan area.

### Unemployment

The following graphs charts the trailing 18 months and trailing 10 years unemployment rate for the United States, West Region, California, Oakland-Hayward-Berkeley, CA MSA Division, and Alameda County.

### MONTHLY UNEMPLOYMENT RATE (18 MONTHS)



Source: U.S. Bureau of Labor Statistics

	Oct	Nov	Dec	Jan	Feb	2021 Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	2022 Mar
-----Nation	6.9%	6.7%	6.7%	6.4%	6.2%	6.0%	6.0%	5.8%	5.9%	5.4%	5.2%	4.7%	4.6%	4.2%	3.9%	4.0%	3.8%	3.6%
—Region	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
—State	9.0%	8.8%	9.0%	9.2%	8.9%	8.6%	8.3%	7.6%	8.2%	7.8%	7.2%	6.1%	5.8%	5.2%	4.8%	5.5%	4.9%	4.2%
—Area	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
—County	8.4%	8.0%	7.8%	7.7%	7.4%	7.2%	6.9%	6.3%	6.9%	6.5%	6.1%	5.1%	4.8%	4.2%	3.8%	4.4%	3.8%	3.2%



**ANNUAL UNEMPLOYMENT RATE (10 YEARS)**



	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
-----Nation	8.1%	7.4%	6.2%	5.3%	4.9%	4.4%	3.9%	3.7%	8.1%	5.3%
-----Region										
-----State	10.5%	9.0%	7.6%	6.3%	5.5%	4.8%	4.3%	4.1%	10.2%	7.3%
-----Area										
-----County	8.8%	7.3%	5.9%	4.8%	4.3%	3.7%	3.1%	3.0%	9.0%	6.1%

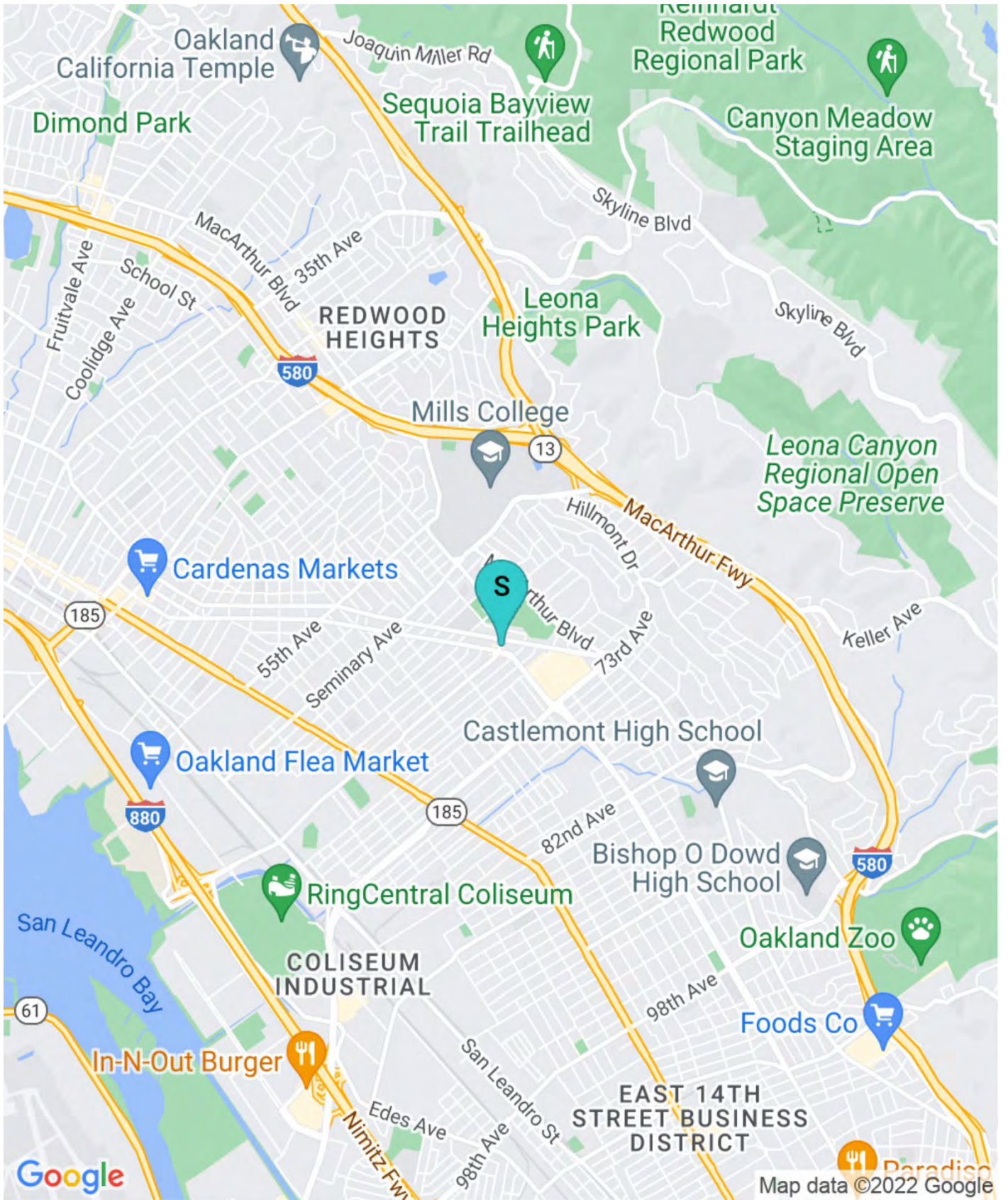
**Employment**

The following chart shows the trailing 10 years employment for the state of California, Oakland-Hayward-Berkeley, CA MSA Division, and Alameda County.

STATE & REGIONAL EMPLOYMENT						
YEAR	STATE	% CHG.	AREA	% CHG.	COUNTY	% CHG.
2012	16,541,039	1.9%	-	-	726,131	3.0%
2013	16,887,864	2.1%	-	-	741,222	2.0%
2014	17,264,518	2.2%	-	-	758,819	2.3%
2015	17,647,409	2.2%	-	-	779,897	2.7%
2016	17,965,407	1.8%	-	-	796,037	2.0%
2017	18,258,064	1.6%	-	-	807,100	1.4%
2018	18,468,143	1.1%	-	-	815,554	1.0%
2019	18,612,607	0.8%	-	-	817,355	0.2%
2020	16,996,666	(9.5%)	-	-	743,193	(10.0%)
2021	17,541,944	3.1%	-	-	760,859	2.3%
<b>CAGR</b>	<b>0.7%</b>	-	-	-	<b>-4.6%</b>	-

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

LOCAL AREA MAP



2814 Havenscourt Blvd, Oakland, California 94605  
May 17, 2022



## INTRODUCTION

The subject property is located in the Oakland area of the East Bay submarket.

## Demographics

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

LOCAL AREA & MSA DEMOGRAPHICS									
DESCRIPTION	1 MILE	3 MILE	5 MILE		DESCRIPTION	1 MILE	3 MILE	5 MILE	
<b>POPULATION TOTAL</b>					<b>HOUSEHOLDS</b>				
2000 Census	42,113	211,376	408,209		2000 Census	13,528	67,115	147,778	0
2010 Census	39,809	202,953	396,608		2010 Census	13,025	66,890	146,329	0
2021 Estimate	41,681	215,015	416,861		2021 Estimate	13,554	70,343	152,396	
2026 Projection	42,353	219,220	427,597		2026 Projection	13,704	71,354	155,943	
Δ 2000-2010	(5.47%)	(3.98%)	(2.84%)	0.00%	Δ 2000-2010	(3.72%)	(0.34%)	(0.98%)	0.00%
Δ 2010-2021	4.70%	5.94%	5.11%	0.00%	Δ 2010-2021	4.06%	5.16%	4.15%	0.00%
Δ 2021-2026	1.61%	1.96%	2.58%	0.00%	Δ 2021-2026	1.11%	1.44%	2.33%	0.00%
Total Daytime Population	32,339	119,616	217,698		<b>HOUSEHOLDS BY INCOME (2021 ESTIMATE)</b>				
<b>HOUSING UNITS</b>					<b>&lt;\$15,000</b>				
Total (2021 Estimate)	14,822	75,593	162,292			14.0%	12.3%	9.5%	0.0%
Owner Occupied	43.2%	45.9%	46.0%	0.0%		\$15,000 - \$24,999	11.2%	8.6%	7.0%
Renter Occupied	48.2%	47.2%	47.9%	0.0%		\$25,000 - \$34,999	10.3%	8.0%	6.4%
Vacant Housing Units	8.6%	6.9%	6.1%	0.0%		\$35,000 - \$49,999	9.9%	10.4%	8.8%
Total (2026 Projection)	14,939	76,455	165,786			\$50,000 - \$74,999	16.2%	15.4%	14.3%
Owner Occupied	43.6%	46.3%	45.7%	0.0%		\$75,000 - \$99,999	12.3%	12.1%	11.4%
Renter Occupied	48.1%	47.1%	48.4%	0.0%		\$100,000 - \$149,999	12.8%	13.9%	15.2%
Vacant Housing Units	8.3%	6.7%	5.9%	0.0%		\$150,000 - \$199,999	7.0%	8.2%	10.5%
<b>AVERAGE HOUSEHOLD INCOME</b>					<b>\$200,000+</b>				
2021 Estimate	\$78,585	\$97,632	\$123,792			6.3%	11.0%	16.9%	0.0%
2026 Projection	\$91,442	\$112,369	\$141,010		<b>AVERAGE HOUSEHOLD SIZE</b>				
Δ 2021-2026	16.36%	15.09%	13.91%	0.00%	2021 Estimate Estimate	3.00	3.01	2.70	0.00
<b>MEDIAN HOUSEHOLD INCOME</b>					<b>2026 Projection Projection</b>				
2021 Estimate	\$55,349	\$65,292	\$82,287			3.02	3.03	2.71	0.00
2026 Projection Projection	\$64,097	\$76,127	\$95,088		<b>Δ 2021-2026</b>				
Δ 2021-2026	15.81%	16.59%	15.56%	0.00%		0.67%	0.66%	0.37%	0.00%
<b>PER CAPITA INCOME</b>					<b>MEDIAN HOME VALUE</b>				
2021 Estimate	\$25,662	\$31,992	\$45,337		2021 Estimate	\$553,635	\$660,941	\$815,082	\$0
2026 Projection	\$29,697	\$36,624	\$51,501		2026 Projection	\$703,577	\$815,272	\$945,886	\$0
Δ 2021-2026	15.72%	14.48%	13.60%	0.00%	<b>Δ 2021-2026</b>				
						27.08%	23.35%	16.05%	0.00%
<b>AVERAGE HOME VALUE</b>					<b>2021 Estimate</b>				
2021 Estimate	\$587,863	\$737,241	\$909,324	\$0	2026 Projection	\$786,973	\$916,169	\$1,053,181	\$0
2026 Projection	\$786,973	\$916,169	\$1,053,181	\$0	<b>Δ 2021-2026</b>				
Δ 2021-2026	33.87%	24.27%	15.82%	0.00%					

Source: Sites To Do Business Online

## Population

The estimate provided by ESRI for the current 2021 population within the subject neighborhood's 3 mile radius is 215,015 representing a 5.94% change since 2010. ESRI's 2020 population estimate for the subject's 5 mile radius is 416,861, which represents a 5.11% change since 2010.

Looking forward, ESRI estimates that the population within the subject neighborhood's 3 mile radius is forecasted to change to 219,220 by the year 2026. As for the broader area, ESRI forecasts that the population within the subject's 5 mile radius will change to 427,597 over the next five years. The population estimates for the next five years within the subject's 5 mile radius represents a 2.58% change as well as a 1.61% change within the subject's 1 mile radius for the same period.

## Households

The estimates provided by ESRI indicate that the number of households within the subject neighborhood's 3 mile radius is 70,343, which is a 5.16% change since 2010. Within the subject's broader 5 mile radius, ESRI estimates that the number of households is 152,396, a 4.15% change over the same period of time.



By the year 2026, the estimates provided by ESRI indicate that the number of households within the subject neighborhood's 3 mile radius will change by 1.44% to 71,354 households. Additionally, ESRI's estimate for total households over the next five years within the subject's broader 5 mile radius indicates an expected change of 2.33% which will result in a total household estimate of 155,943.

Looking back, the number of households in the subject neighborhood's 3 mile radius changed (0.34%) during the ten-year period of 2000 to 2010. Since then it has changed by 5.16%.

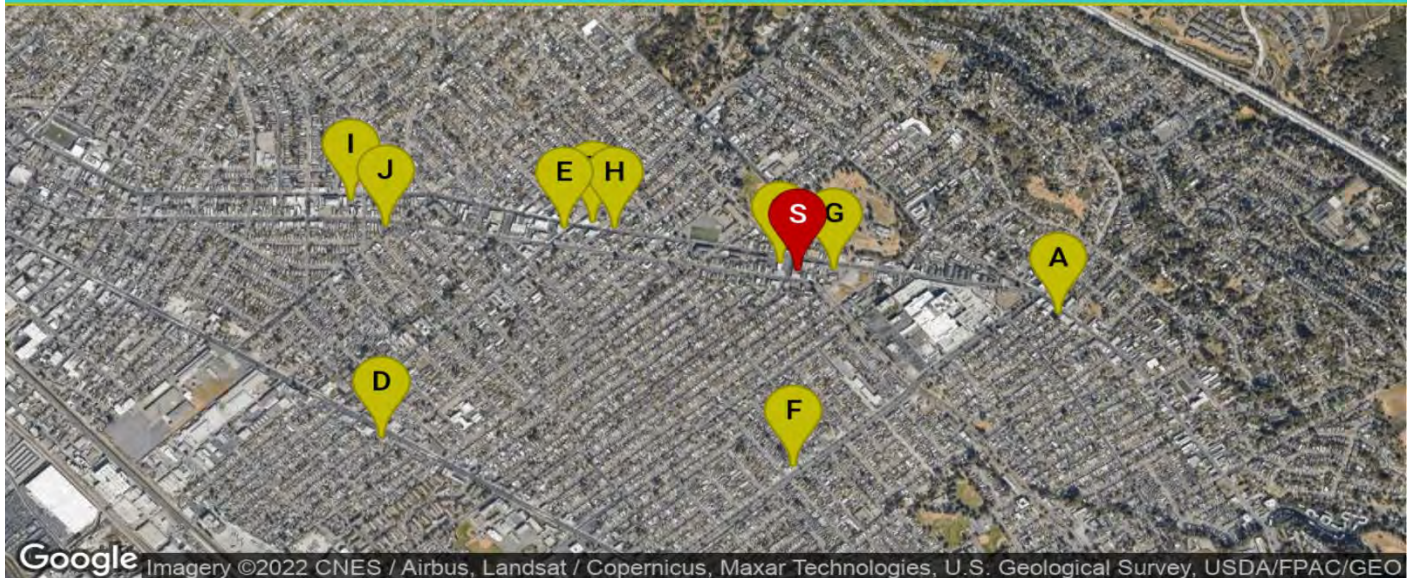
### **Income**

Income estimates provided by ESRI for the subject neighborhood's 3 mile radius indicates that the median household income is \$65,292 and that the average household income is \$97,632. Further, the estimates provided by ESRI indicate that, for the subject's broader 5 mile radius the median household income is \$82,287, and the average household income is \$123,792. Given that there are reportedly 152,396 households in the subject's 5 mile radius, it is estimated that the local effective buying income is around \$18,865,405,632.

### **CONCLUSION**

Based on our observation and the data provided by ESRI, it is perceived that the income and population demographics for the subject neighborhood exhibit above average characteristics in terms of reported population growth and income levels. As previously mentioned, the population growth for the subject's 3 mile radius has increased 5.94% since 2010 and based on the projections provided by ESRI, it is expected to continue to increase another 1.96% during the next 5 years. Lastly, we perceive that, since average household incomes are above the national average (\$97,632, for the subject's 3 mile radius) and given that the area is well-populated (70,343 households in a 3 mile radius), developments like the subject should be adequately supported.

LARGEST OFFICE DEVELOPMENTS - ONE-MILE RADIUS



PIN	NAME	ADDRESS, CITY	DIST TO SUBJ	RBA	BUILT	CLASS	%LEASED
A		7403 Macarthur Blvd, Oakland	0.6 mi	9,340	1928	C	100
B		5912 Foothill Blvd, Oakland	0.5 mi	8,047	0	C	100
C		6537 Foothill Blvd, Oakland	0.0 mi	6,238	0	C	100
D		6115 International Blvd, Oakland	1.0 mi	5,460	1926	C	100
E		5859 Foothill Blvd, Oakland	0.5 mi	4,131	1915	C	0
F		2011-2015 73rd Ave, Oakland	0.5 mi	4,000	0	C	100
G		6675-6677 Foothill Blvd, Oakland	0.1 mi	3,750	0	C	100
H		2610 60th Ave, Oakland	0.4 mi	3,489	1920	C	100
I		5361-5367 Foothill Blvd, Oakland	1.0 mi	3,414	1928	C	0
J		5499 Bancroft Ave, Oakland	0.9 mi	3,367	0	C	100

Source: CoStar

NEIGHBORHOOD INDUSTRIAL - ONE-MILE RADIUS

TYPE	RBA	YEAR BUILT	PERCENT LEASED	PROPERTIES
Flex	20,493 SF	1937	100	2
Gen-Ind <25,000 FT	39,397 SF	1959	37	6
Gen-Ind >25,000 FT	0 SF	-	-	0
<b>TOTAL</b>	<b>59,890 SF</b>	<b>1953</b>	<b>58.6</b>	<b>8</b>

Source: CoStar



LARGEST INDUSTRIAL DEVELOPMENTS - ONE-MILE RADIUS



PIN	NAME	ADDRESS, CITY	DIST TO SUBJ	RBA	BUILT	TYPE	%LEASED
A		2701 73rd Ave, Oakland	0.5 mi	11,002	0	Industrial	0
B		6670 Foothill Blvd, Oakland	0.1 mi	10,495	0	Flex	100
C		7134 International Blvd, Oakland	0.8 mi	9,998	1937	Flex	100
D		7515 International Blvd, Oakland	0.8 mi	8,950	2008	Industrial	0
E		1174 73rd Ave, Oakland	1.0 mi	6,000	1925	Industrial	100
F		2614 Seminary Ave, Oakland	0.5 mi	4,837	1935	Industrial	0
G		5914 Camden St, Oakland	0.4 mi	4,428	1940	Industrial	100
H		5357 Foothill Blvd, Oakland	1.0 mi	4,180	1948	Industrial	100
I				0			
J				0			

Source: CoStar

NEIGHBORHOOD RETAIL - ONE-MILE RADIUS

SIZE	RBA	YEAR BUILT	PERCENT LEASED	PROPERTIES
<5,000 FT	243,891 SF	1944	87.7	62
>5,000 FT-<20,000 FT	399,875 SF	1949	83.4	49
>20,000 FT	0 SF	-	-	0
<b>TOTAL</b>	<b>643,766 SF</b>	<b>1947</b>	<b>85.4</b>	<b>114</b>

Source: CoStar



LARGEST RETAIL DEVELOPMENTS - ONE-MILE RADIUS



PIN	NAME	ADDRESS, CITY	DIST TO SUBJ	RBA	BUILT	CLASS	%LEASED
A		5803-5833 Foothill Blvd, Oakland	0.6 mi	14,775	0	C	0
B		6009-6017 International Blvd, Oakland	1.0 mi	14,500	1945	C	100
C	Walgreens	5809 Foothill Blvd, Oakland	0.6 mi	14,250	2018	B	100
D		7800 Macarthur Blvd, Oakland	0.8 mi	14,000	0	C	100
E	Walgreen's	8102 International Blvd, Oakland	1.0 mi	13,913	1997	C	0
F		7101-7105 International Blvd, Oakland	0.8 mi	13,000	1910	C	100
G		5848-5866 Foothill Blvd, Oakland	0.5 mi	12,389	1926	C	100
H		5824-5836 Foothill Blvd, Oakland	0.5 mi	11,464	0	C	100
I		5775 Foothill Blvd, Oakland	0.6 mi	10,000	0	C	100
J		5775 Foothill Blvd, Oakland	0.6 mi	10,000	0	C	100

Source: CoStar

NEIGHBORHOOD MULTI-FAMILY - ONE-MILE RADIUS

CLASS	RBA	YEAR BUILT	UNITS	PROPERTIES
A	0 SF	-	-	0
B	38,548 SF	1961	54	7
C	1,886,377 SF	1954	1,854	324
<b>TOTAL</b>	<b>1,924,925 SF</b>	<b>1954</b>	<b>1,916</b>	<b>334</b>

Source: CoStar



LARGEST MULTI-FAMILY DEVELOPMENTS - ONE-MILE RADIUS



PIN	NAME	ADDRESS, CITY	DIST TO SUBJ	RBA	BUILT	CLASS	STORIES
A	Pueblo Alegre	1800-1812 57th Ave, Oakland	0.9 mi	14,560	1929	C	1
B		1430 Seminary Ave, Oakland	1.0 mi	14,403	0	C	3
C		1459 Seminary Ave, Oakland	1.0 mi	14,184	0	C	3
D		7629 Lockwood St, Oakland	0.6 mi	14,040	1961	C	2
E		7886 Ney Ave, Oakland	0.9 mi	13,924	1961	C	2
F		1733 Seminary Ave, Oakland	0.9 mi	13,600	1929	C	2
G		5917 Bromley Ave, Oakland	0.8 mi	13,413	1930	C	1
H		7732 Macarthur Blvd, Oakland	0.8 mi	13,008	1928	C	3
I		1269-1301 75th Ave, Oakland	0.9 mi	12,893	1943	C	1
J		7123 Holly St, Oakland	0.5 mi	12,588	1963	C	2

Source: CoStar

TOTAL DEVELOPMENT OVERLAY - ONE-MILE RADIUS

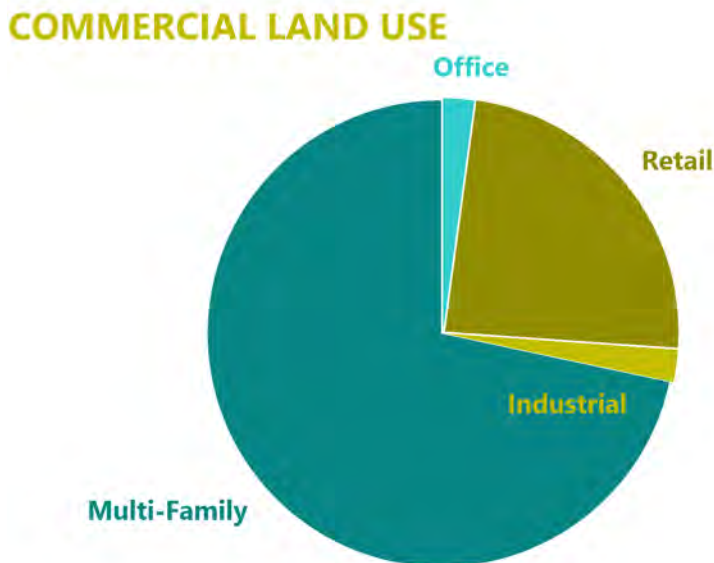


Source: CoStar

The land use in the subject’s immediate neighborhood consists of a significant amount of commercial property, comprising of a mix of many property types. Commercial uses in the area include the Regional malls and many other larger-sized multitenant retail centers, medium-sized retail/industrial/distribution-type



properties, small- to- medium sized freestanding office and retail properties, as well as service-related uses, restaurants, gas stations/convenience stores and banks. The following chart illustrates the high concentration of multifamily and office compared to industrial and retail properties.



**ECONOMIC INFLUENCES**

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

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

**GOVERNMENT INFLUENCE**

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

Zoning in the area is mixed, including commercial, residential and industrial designations. Zoning code is enforced by the municipality and enforcement in all areas of City of Oakland 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 Alameda County and are assessed based on valuation. Considering broad authority of the county administration, the assessments in the neighborhood are similar to other neighborhoods in the metropolitan area. There are no known special assessments that affect property in the neighborhood.

### 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. Public bus and BART (public transit) service is available throughout the area. Overall, access within the neighborhood is average for the metropolitan area.

### ENVIRONMENTAL INFLUENCES

The subject area is considered to be a typical neighborhood with average building size and density. There are no extraordinary topographical features, nuisances or hazards. Public utilities are available in most all areas in quantities from public and private sources. The area has both public and private schools in adequate supply and quality.

### LOCAL AREA SUMMARY

The market benefits from a diverse blend of residential, commercial, and community uses and close proximity to many recreational activities. Although the area suffered during the recession of the late 2000's and into the 2010's, the market has been strengthening since roughly 2011-2012, due to the good livability factors associated with the region. The outlook for this market area is good into the foreseeable future. The last 12 years has seen a large shift of population from San Francisco (and the Peninsula) to the East Bay; resulting in a scarcity of supply, and increasing real property prices.



# SITE DESCRIPTION

The subject site consists of one parcel and has 6,400 SF (0.1469 AC) of land area. The size of the site area was estimated based on the assessor's parcel map. It is perceived that there is no surplus or excess land at the subject. If a professional survey is provided then precise measurements may be available. Unless otherwise noted, the usable site area has been utilized herein. The following summaries the salient characteristics of the subject site.

**Address** 2814 Havenscourt Blvd, Oakland, California.

**Census Tract** 06-001-408600

<b>Number of Parcels</b>	1	
<b>Assessor Parcel</b>	39-3275-14-1	
<b>Land Area</b>	Square Feet	Acres
Economic Unit (Primary) Site Size	6,400	0.15
Usable Site Size	6,400	0.15
<b>Total Land Area</b>	6,400	0.15
<b>Excess/Surplus Land</b>	No	
<b>Corner</b>	No	
<b>Permitted Building Height</b>	45 Feet	
<b>Floor Area Ratio (FAR)</b>	Not Available	
<b>Site Topography</b>	Level Above street grade	
<b>Site Shape</b>	Generally Rectangular	
<b>Site Grade</b>	Above street grade	
<b>Site Quality</b>	Average	
<b>Site Access</b>	Average	
<b>Site Exposure</b>	Average	
<b>Site Utility</b>	Average	
<b>Utilities</b>	All available	

**Comments** Subject parcel is an interior parcel on a thoroughfare street.

**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
Street 1	Minor Arterial	Two-Way	4								

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

**Flood Plain** Subject is not located in a 100 year flood zone; flood insurance is not mandated.

**Seismic** The subject is in a low 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.
<b>Soils</b>	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.
<b>Hazardous Waste</b>	We have not conducted an independent investigation to determine the presence or absence of toxins on the subject property. If questions arise, the reader is strongly cautioned to seek qualified professional assistance in this matter. Please see the Assumptions and Limiting Conditions for a full disclaimer.
<b>Site Rating</b>	Overall, the subject site is considered average as a assembly-meeting site in terms of its location, exposure and access to employment, education and shopping centers, recognizing its location along minor arterial.
<b>Site Conclusion</b>	In the final analysis of the site, no significant detriments were discovered which would inhibit development according to its highest and best use. The site displays adequate accessibility and locational features for the current use. The site's physical and legal characteristics appear to be supportive of and suitable for the subject's current use.



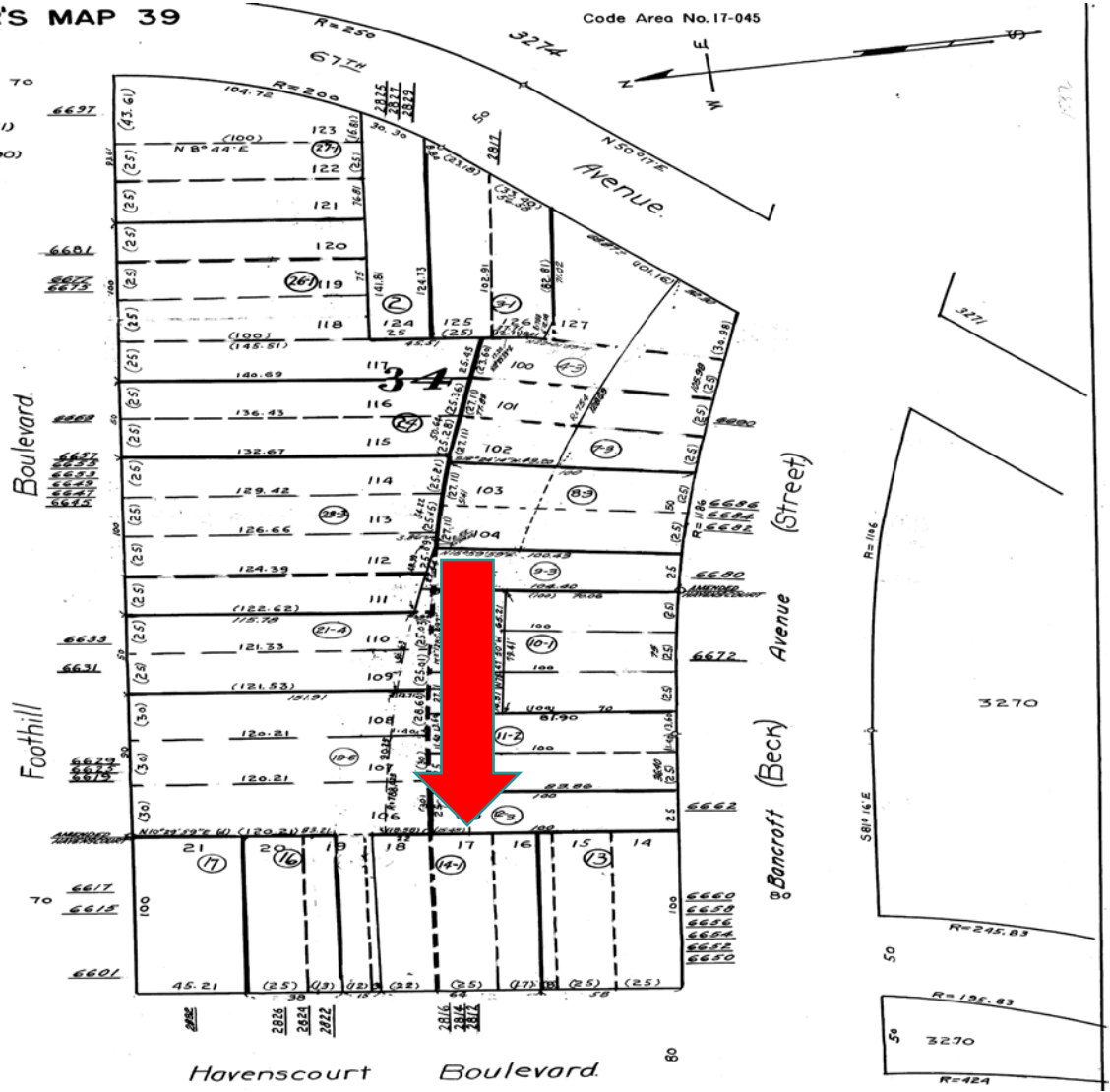
3275

ASSESSOR'S MAP 39

Code Area No. 17-045

Amended Map  
of  
Havenscourt.(Bk 28 Pg 61)  
Havenscourt.(Bk 26 Pg 90)  
Scale 1/4"=40ft.

2-28-2015  
10:51  
4-25-2015

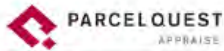


3279

2814 Havenscourt Blvd, Oakland, California 94605  
May 17, 2022

4/19/22, 10:15 PM

Property Detail Printout



County Last Updated: 04/19/2022

## Property Location

Address: 2814 HAVENS COURT BLVD	City: OAKLAND	Zip: 94605-2023
APN#: 039 -3275-014-01	Use Code: Office Building	County: Alameda
Tract: HAVENS COURT	Census Tract: 4086.00	Zone:
Map Page/Grid: /	Legal Desc:	
Total Assessed Value: 973,330	Tax Amount: 15,183.26	
Percent Improvement: 0.64	Tax Year / Assessor Year: 2021 / 2021	

## Current Owner Information

Current Owner: TRUE WORD CHURCH OF LIVING GOD	Owner Address: 1045 83RD AVE
City, State, Zip: OAKLAND, CA, 94621-1805	Owner Occupied: No
Last Transaction: 11/05/2018	Deed Type: deed of trust
Amount: 620,000	Document: 0000213201

## Last Sale Information

Transferred From: VARICK CENTER AME ZION CHURCH	Seller Address:
Recording / Sale Date: 06/18/2014 / 06/10/2014	Prior Recording / Sale Date: /
Most Recent Sale Price: 570,000	Prior Sale Price:
Document Number: 0000144900	Prior Document No.:
Document Type: grant deed/deed of trust	Prior Document Type:

## Lender Information

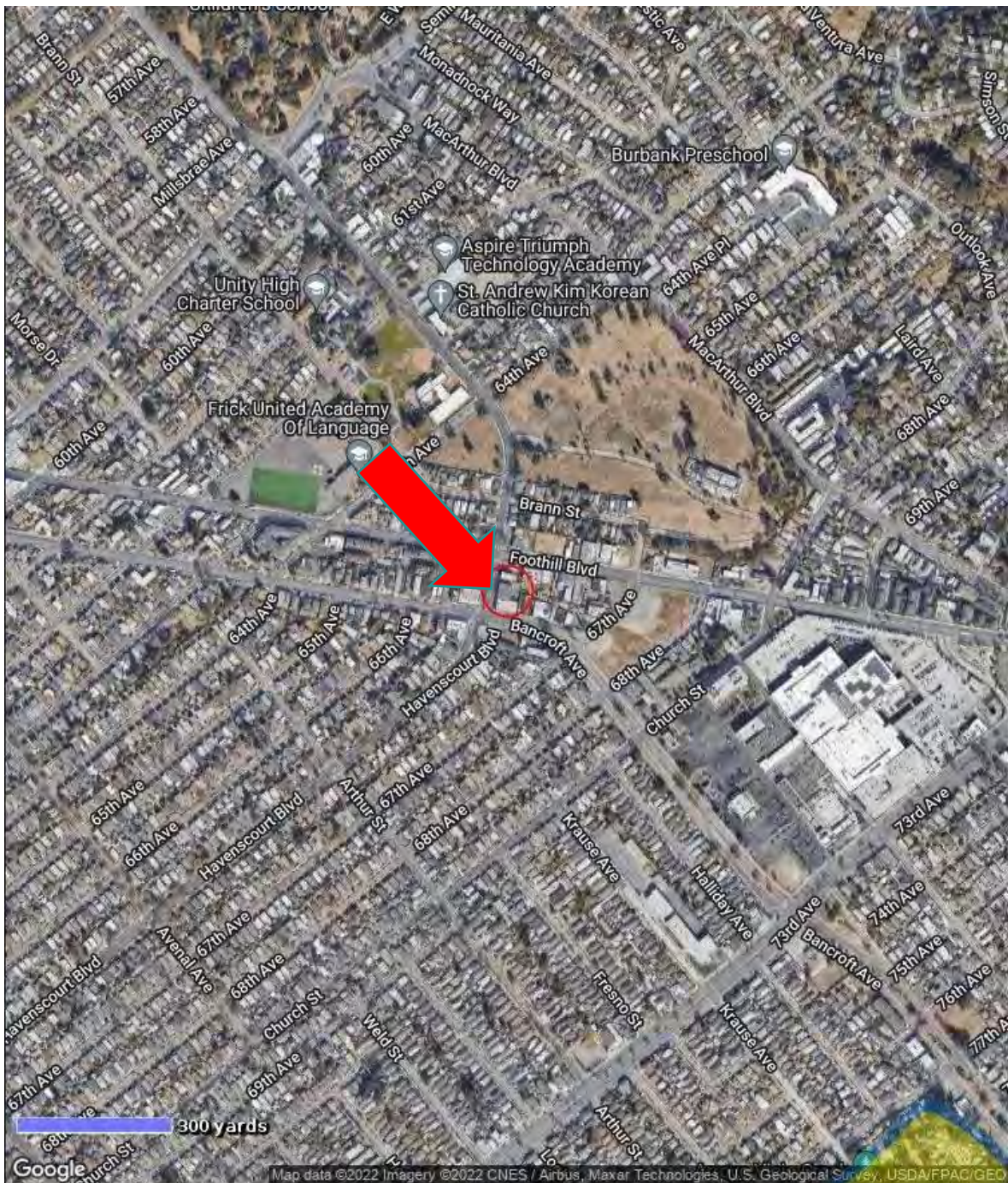
Lender: MALGESINI 401K PLAN	Full/Partial: F
Loan Amount / 2nd Trust Deed: 280,000 / 290,000	Loan Type: conventional

## Physical Information

Building Area: 7,560	# of Bedrooms: 0	Lot Size Sqft / Acreage: 6,400 / 0.15
Additional: 0	# of Bathrooms: 1.50	Year Built / Effective: 1949 / 0
Garage: 0	# of Stories: 2	Heating:
First Floor: 0	Total Rooms: 0	Cooling:
Second Floor: 0	# of Units: 0	Roof Type:
Third Floor: 0	Garage/Carport:	Construction/Quality: Masonry / 6
Basement Finished: 0	Fireplaces: 0	Building Shape: Rectangle
Basement Unfinished: 0	Pool/Spa: No	View:



# FLOOD MAP



## MAP DATA

FEMA Special Flood Hazard Area: No  
 Map Number: 06001C0095G  
 Zone: X  
 Map Date: August 03, 2009  
 FIPS: 06001

## MAP LEGEND

- Areas inundated by 500-year flooding
- Areas inundated by 100-year flooding
- Velocity Hazard
- Protected Areas
- Floodway
- Subject Area

Powered by CoreLogic®

2814 Havenscourt Blvd, Oakland, California 94605  
 May 17, 2022

### CURRENT TAXATION & ASSESSMENT DESCRIPTION

In California, proposition 13 establishes that annual increases of assessed value of real property should not exceed 2% per year except in cases of a change in ownership, completion of new construction, and/or in the case of a value restoration due to a prior year decline in value (Prop 8) assessment. The total assessment for the subject property for the tax year 2020 is \$973,330 or \$126.06 PSF. There are no exemptions in place. The total tax bill for the property is \$15,183 or \$1.97 PSF. This is within the general range for comparable religious facility uses in the area. The subject's assessed values and property taxes for the current year are summarized in more detail in the following table.

ASSESSMENT & TAXES (2020)							
TAX RATE AREA						TAX RATE	1.5599%
ASSESSOR PARCEL #	LAND	IMPROVEMENTS	TOTAL	EXEMPTIONS	TAXABLE	BASE TAX	
39-3275-14-1	\$349,961	\$623,369	\$973,330	\$0	\$973,330	\$15,183	
Subtotal	\$349,961	\$623,369	\$973,330	\$0	\$973,330	\$15,183	
Subtotal \$/GBA	\$45.33	\$80.74	\$126.06	\$0.00	\$126.06	\$1.97	
<b>TOTAL BASE TAX \$/GBA / \$ TOTAL</b>					<b>\$1.97</b>	<b>\$15,183</b>	

Source: Alameda County Assessment & Taxation

The last assessment for the subject was January 2019 with future assessments scheduled annually (next assessment estimated to be in January 2020). In this instance, the assessment is equal to the market value multiplied by the assessment ratio. The Alameda County Tax Authority usually reassesses upon sale. Based on the foregoing, and the current assessment's relationship to market value, we perceive that the risk of a reassessment is low. Should a reassessment occur, we believe it could be around 1.3% of market value.



## ZONING

The subject is located in the Community Commercial - 2 (CC-2) zoning area which is The CC-2 Zone is intended to create, maintain, and enhance areas with a wide range of commercial businesses with direct frontage and access along the City's corridors and commercial areas..

ZONING	
Designation	Community Commercial - 2 (CC-2)
Zoning Authority	City of Oakland
Permitted Uses	Civic Activities Essential Service, Limited Child Care Activities, Recreational Assembly, Community Education, Nonassembly Cultural, Administrative, Health Care,
Current Use	Religious Facility
Current Use Legally Permitted	Yes
Conforming Use	The improvements do not conform to the bulk requirements of the ordinance.
Conforming Lot	The improvements do not conform to the bulk requirements of the ordinance.
Zoning Change	No
Parking Spaces Required	
Parking Spaces Provided	3

Source: City of Oakland Planning & Zoning Department

## PARKING REQUIREMENTS

Parking varies by use but is stated as one space per 1,000 SF. The subject provides 3.0 parking spaces and is therefore conforming to zoning requirements. The parking ratio of 0.4 per 1,000 SF is at the low end of the typical range of 3-5 / 1,000 SF but within zoning requirements.

## ZONING CONCLUSION

The current use for the subject property is religious facility and is a permitted use based on the current zoning guidelines. No zoning change is believed to be eminent Based on the foregoing, it appears that the subject's improvements are a legally conforming use of the subject site.



ZONING MAP



## 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 subject property, located at 2814 Havenscourt Blvd, Oakland, CA, is a assembly-meeting, religious facility property with improvements located in the East Bay submarket.

<b>Property Type</b>	Assembly-Meeting - Religious Facility
<b>Tenancy</b>	Single-Tenant Owner-Occupied
<b>Net Rentable Area (NRA)</b>	7,721
<b>Gross Building Area (GBA)</b>	7,721
<b>Total Buildings</b>	1
<b>Density Per Unit (AC)</b>	13.6
<b>Floors</b>	2
<b>Year Built</b>	1949(Renovated 1980)
<b>Age/Life Analysis</b>	
Actual Age	73
Effective Age	25
Economic Life	75
Remaining Useful Life	50
<b>Overall Building Quality</b>	Average
<b>Overall Building Condition</b>	Average
<b>Overall Building Appeal</b>	Average
<b>Land to Building Ratio</b>	0.83 : 1
<b>Site Coverage Ratio</b>	59.63% (Based On Total Overall Site Area)
<b>Floor Area Ratio (FAR)</b>	1.21
<b>Total Parking Spaces</b>	3 - Surface spaces
<b>Parking Ratio</b>	0.4 / 1,000 SF NRA

**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.

### COMPONENT DESCRIPTION

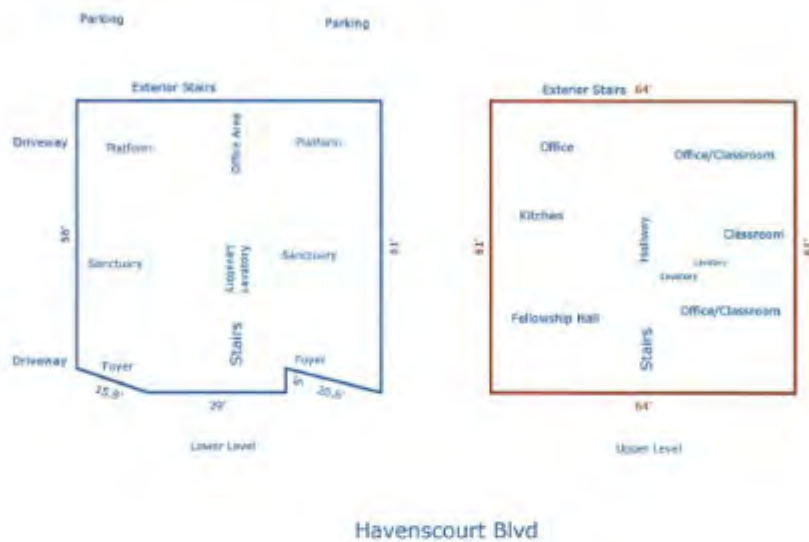
<b>Foundation</b>	Concrete;
<b>Exterior Walls/Framing</b>	Stucco & wood Exterior; Wood frame construction
<b>Roof</b>	Composition and tar & gravel
<b>Elevator</b>	None;

<b>Heating &amp; AC (HVAC)</b>	Space heaters;
<b>Insulation</b>	Standard for era
<b>Lighting</b>	Incandescent;
<b>Electrical</b>	Standard;
<b>Interior Walls</b>	Lath&Plaster/Drywall;
<b>Doors and Windows</b>	Casement;
<b>Ceilings</b>	Appx 12' ceiling height - as typical for the era of construction
<b>Plumbing</b>	Standard;
<b>Floor Covering</b>	Low Pile Cpt;Vinyl & Tile;
<b>Fire Protection</b>	Average;
<b>Interior Finish/Build-Out</b>	The interior has been fully built out. The lower level contains two separate church campus worship centers; the upper level is configured as fellowship hall w/kitchen, lavatory, and classrooms. Some of the upper-level classrooms are configured as temporary sleeping areas for temporary, transient guests.
<b>Site Improvements</b>	Cyclone fence; Parking at the rear of the property (behind the structure). Access to upper level via exterior staircase or interior staircase.
<b>Landscaping</b>	None, the building covers the entire site.
<b>Signage</b>	Signage is displayed on the structure as typical for the area.
<b>Parking</b>	Parking varies by use but is stated as one space per 1,000 SF. The subject provides 3 surface parking spaces, or 0.4 spaces per 1,000 SF of NRA, which is within market standards (3-5/1,000 SF) for assembly-meeting (religious facility) property type.
<b>Site Coverage Ratio</b>	59.6% (3,816 SF footprint / 6,400 SF site), which is within market standards (20-35%) for similar Religious Facility buildings in the area.
<b>Deferred Maintenance</b>	Some flooring, interior and exterior wood (paint) show signs of wear and are considered deferred maintenance.
<b>Functional Design</b>	The building will feature a functional Religious Facility design with typical site coverage. In urban areas, street parking is typical off-site C137No parking.
<b>ADA Comment</b>	This analysis assumes that the subject complies with all ADA requirements. Please refer to the Assumptions and Limiting Conditions section.
<b>Hazardous Materials</b>	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.



**BUILDING SKETCH**

IMPROVEMENTS SKETCH



Scale: 1" = 30'

AREA CALCULATIONS

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GBA1	First Floor	3816.50	3816.50
GBA2	Second Floor	3904.00	3904.00
		64'	
	<b>Net BUILDING Area</b>	<b>(rounded)</b>	<b>7721</b>

BUILDING AREA BREAKDOWN			
Breakdown			Subtotals
<b>First Floor</b>			
64.0	x	56.0	3584.00
0.5	x	5.0	20.0
		5.0	29.0
0.5	x	5.0	15.0
<b>Second Floor</b>			
64.0	x	61.0	3904.00
	<b>5 Items</b>	<b>(rounded)</b>	<b>7721</b>

## MARKET ANALYSIS

In this section, market conditions which influence the subject property are analyzed. An overview of MA\_AnalysisType supply and demand conditions for the East Bay market and East Bay submarket are presented. Key supply and demand statistics for the most recent quarter, last year and historical averages over the past 10 years are summarized in the tables below.

MARKET AND SUBMARKET DATA SUMMARY (10 YEARS)					
INVENTORY SUPPLY (SF)				VACANCY (%)	
QTR	YEAR	MARKET	SUBMARKET	MARKET	SUBMARKET
Q1	2022	239,652,178	31,601,204	8.6%	9.5%
Q4	2021	239,800,625	31,625,148	8.5%	10.1%
Q3	2021	239,829,044	31,625,148	8.8%	10.0%
Q2	2021	239,828,515	31,624,031	8.7%	10.0%
	2021	239,800,625	31,610,440	8.5%	9.9%
	2020	239,539,427	31,654,199	7.7%	8.0%
	2019	239,122,782	31,607,266	6.1%	4.3%
	2018	237,870,639	31,650,267	6.0%	5.2%
	2017	236,984,336	31,090,627	6.2%	4.5%
	2016	237,476,626	31,010,146	5.9%	4.8%
	2015	236,808,585	31,025,769	6.3%	4.6%
	2014	236,362,510	31,024,942	7.3%	5.8%
	2013	236,187,627	30,685,924	7.8%	5.9%
	2012	235,510,348	30,688,811	8.5%	6.4%

RENT \$/SF				NET ABSORPTION (SF)	
QTR	YEAR	MARKET	SUBMARKET	MARKET	SUBMARKET
Q1	2022	\$3.23	\$3.66	(174,636)	154,189
Q4	2021	\$3.22	\$3.69	484,929	(17,521)
Q3	2021	\$3.18	\$3.59	(127,358)	(22,960)
Q2	2021	\$3.19	\$3.53	(244,156)	(18,366)
	2021	\$3.22	\$3.45	(1,843,590)	(688,106)
	2020	\$3.24	\$3.63	(3,382,780)	(1,121,906)
	2019	\$3.26	\$3.49	921,470	249,097
	2018	\$3.10	\$3.12	1,188,216	310,792
	2017	\$2.72	\$2.95	(1,042,544)	152,113
	2016	\$2.43	\$2.66	1,526,444	(84,593)
	2015	\$2.14	\$2.23	2,805,645	385,452
	2014	\$2.01	\$2.23	1,416,240	364,347
	2013	\$1.88	\$2.20	2,354,049	123,998
	2012	\$1.84	\$2.20	2,094,208	(122,319)

Source: CoStar Property®

The East Bay market demonstrates positive conditions. There has been little variance in supply over the last year. Vacancy has continued to decrease slight over the last year to the most recent figure at 4.2%. Asking rents increased in each quarter of 2015 with an additional increase in Q1 2016. Net absorption was positive for the last year.

The East Bay MA\_AnalysisType submarket demonstrates mostly stable conditions. Vacancy had only minor fluctuations between 4.3% and 5.2% throughout 2015. Asking rents were relatively stable as well ranging from a low of \$20.73/SF to a high of \$21.96/SF with the most recent figure in-between at \$21.56/SF. It is noted that rents in this submarket are historically above that of the Portland MSA. Net absorption was negative in Q4 2015 but is positive again from Q1 2016.

VACANCY

The following tables provide visual illustration of the long term and short term MA\_AnalysisType vacancy for the East Bay market and East Bay submarket.

LONG TERM VACANCY



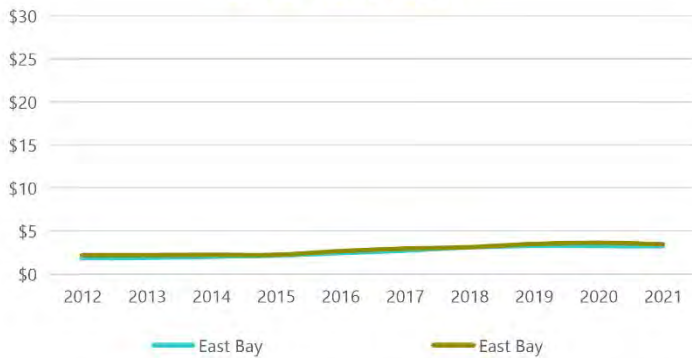
SHORT TERM VACANCY



RENTAL RATES

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

LONG TERM RENT



SHORT TERM RENT



DELIVERIES

The following tables provides the recently delivered and under construction MA\_AnalysisType supply for the East Bay market and East Bay submarket:

DELIVERIES (SF)						
QTR	YEAR	MARKET	% OF TOTAL	SUBMARKET	% OF TOTAL	
Q1	2022	62,550	0.0%	0	0.0%	
Q4	2021	54,740	0.0%	0	0.0%	
Q3	2021	41,515	0.0%	0	0.0%	
Q2	2021	304,341	0.1%	13,591	0.0%	
	2021	483,455	0.2%	13,591	0.0%	
	2020	745,247	0.3%	56,334	0.2%	
	2019	1,654,855	0.7%	3,850	0.0%	
	2018	1,629,773	0.7%	603,280	1.9%	
	2017	1,525,716	0.6%	167,362	0.5%	



UNDER CONSTRUCTION (SF)						
QTR	YEAR	MARKET	BUILDINGS	SUBMARKET	BUILDINGS	
Q1	2022	860,754	19	75,240		1
Q1	2021	687,912	21	13,591		1
Q1	2020	866,040	16	0		0
Q1	2019	2,202,528	39	46,334		1
Q1	2018	2,413,008	40	324,614		4

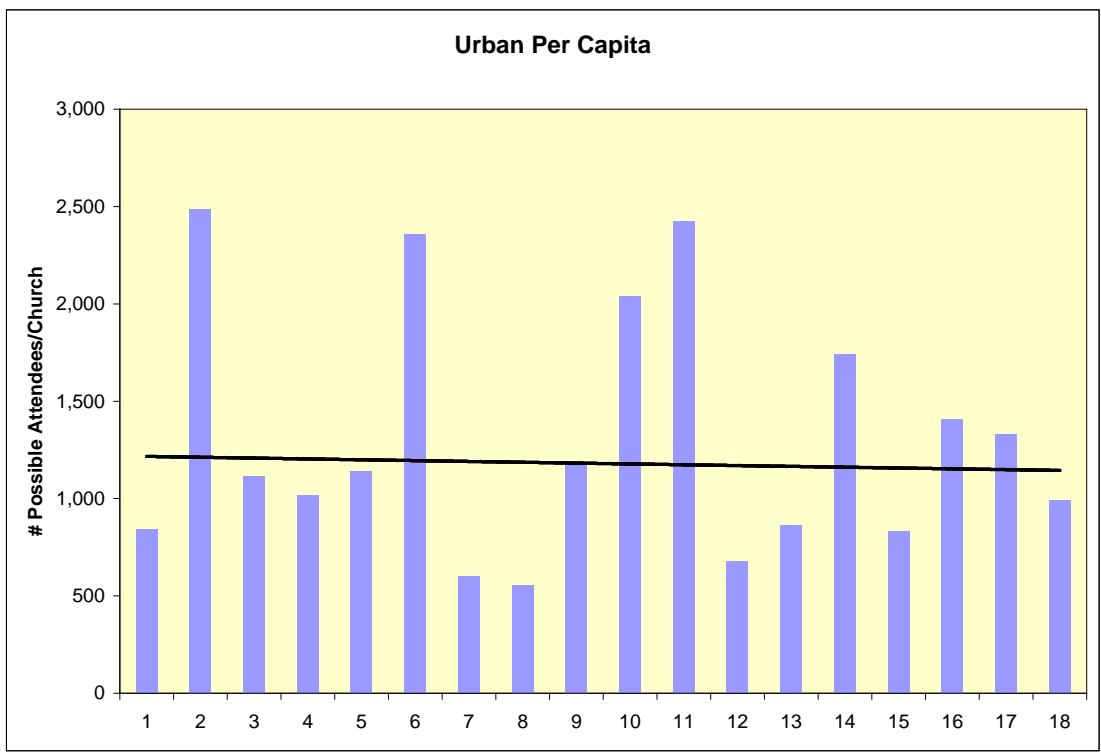
**MARKET INTERVIEWS**

As part of this analysis, recent transactions and trends were discussed with knowledgeable local brokers, agents, and owners. Of the participants that were interviewed, the majority pointed to a bottoming in pricing in the residential and the commercial markets in the immediate area and was optimistic of new activity and recently completed transactions.

**CHURCHES PER CAPITA BY CITY AND BY AREA CLASSIFICATION**

City/Community Name	Classification	Population	# of Churches	Per Capita Indicator	Survey Date
Farmersville	Rural	10,000	13	769	2007
Hanford	Rural	44,350	52	853	2005
Jackson	Rural	4,000	11	364	2004
LeMoore	Rural	20,650	23	898	2003
<b>Average</b>				<b>721</b>	
Brentwood	Suburban	48,900	30	1,630	2009
Chico	Suburban	85,000	186	457	2009
Citrus Heights	Suburban	90,000	30	3,000	2003
Clovis	Suburban	95,128	92	1,034	2009
Danville	Suburban	43,243	21	2,059	2007
Elk Grove	Suburban	141,430	75	1,886	2009
Eugene, OR	Suburban	400,000	290	1,379	2004
Eureka	Suburban	42,200	41	1,029	2008
Fairfield	Suburban	105,000	66	1,591	2008
Gilroy	Suburban	50,000	36	1,389	2005
Hayward	Suburban	140,000	86	1,628	2005
Hollister	Suburban	31,000	30	1,033	2003
Lincoln	Suburban	37,000	15	2,467	2009
Livermore	Suburban	73,345	49	1,497	2003
Los Banos	Suburban	29,150	27	1,080	2004
Manteca	Suburban	50,000	31	1,613	2005
Merced	Suburban	69,805	35	1,994	2005
Modesto	Suburban	225,000	172	1,308	2005
Napa	Suburban	71,412	59	1,210	2003
Novato	Suburban	47,630	14	3,402	2003
Pacifica	Suburban	38,390	24	1,600	2003
Pleasanton	Suburban	70,000	27	2,593	2006
Portland, OR	Suburban	536,240	300	1,787	2003
Redding	Suburban	93,308	72	1,296	2003
Roseville	Suburban	102,191	85	1,202	2009
Salinas	Suburban	152,677	118	1,294	2008
Santa Maria	Suburban	135,300	85	1,592	2004
Union City	Suburban	60,000	16	3,750	2004
Vacaville	Suburban	88,625	51	1,738	2008
Visalia	Suburban	96,000	100	960	2003
Windsor	Suburban	25,920	12	2,160	2006
Woodland	Suburban	50,614	43	1,177	2003
<b>Average</b>				<b>1,682</b>	
Bakersfield	Urban	328,692	391	841	2009
Fremont	Urban	209,000	84	2,488	2006
Fresno	Urban	490,000	439	1,116	2009
Las Vegas	Urban	591,536	580	1,020	2008
Modesto	Urban	200,000	175	1,143	2004
Mountain View	Urban	73,100	31	2,358	2005
Oakland	Urban	400,000	667	600	2005
Palo Alto	Urban	62,299	112	556	2005
Pittsburg	Urban	56,769	48	1,183	2007
Redwood City	Urban	75,402	37	2,038	2003
Reno	Urban	211,000	87	2,425	2009
Sacramento	Urban	460,242	679	678	2009
San Jose	Urban	1,006,892	1165	864	2009
San Leandro	Urban	80,000	46	1,739	2003
San Mateo	Urban	94,650	114	830	2009
Sparks, NV	Urban	86,000	61	1,410	2008
Stockton	Urban	270,000	203	1,330	2005
Vallejo	Urban	125,000	126	992	2004
<b>Average</b>				<b>1,312</b>	

Per Capita Indicators		
Minimum	457	Suburban
Maximum	3750	
Average	1,682	
Minimum	556	Urban
Maximum	2,488	
Average	1,312	
Minimum	364	Rural
Maximum	898	
Average	721	



**CONCLUSION:**

The City of Oakland is reported to currently have some 600 churches within the City Limits. Currently the population for the City of Oakland is rounded to some 400,000 people. Oakland has a per capita of some 666 people per church, which falls just below the norm for the area. It appears that the City’s number of churches is within the range for an urban area. Multiple denominations exist in the City which lowers the per capita, due to ethnic influences which results in several denominations of different dialect within the City Limits. This is not unusual for an urban center like Oakland.



## INTRODUCTION

The highest and best use of the subject property provides the foundation for the valuation section. Highest and best use is defined in the 6<sup>th</sup> 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 Community Commercial - 2 (CC-2) include civic activities essential service, limited child care activities, recreational assembly, community education, nonassembly cultural, administrative, health care, projects. Zoning change is not likely; therefore, uses outside of those permitted by the CC-2 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 0.1469-acres (6,400 SF), it is generally rectangular in shape and has a level topography. The site has average exposure and average overall access. There are no physical limitations that would prohibit development of any of the by-right uses on the site. It is typical for commercial and non-commercial uses in this locale to lack on site parking, therefore, the site can readily be configured for most commercial (retail) uses and ancillary uses also allowed under the current zoning parameter.

### **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 building would not be prudent and the site should only be developed for an identified user with an identified use.

### **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 current use. The current use is configured with two separate worship centers on the first floor, which is accessible to all attendees. The upper level (configured for office space, fellowship hall and temporary transient sleeping rooms does not have adequate ADA access for a use slated for worship centers. The current use with two separate religious uses does appear to bring maximum productivity to the site, with secondary consideration to the upper level area.

### **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 1949 and are a legal, conforming use. The physical and location characteristics of the subject improvements have been previously discussed in this report. The project is of average quality construction and in average condition, with adequate site coverage. 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, the current use is the Highest and Best Use of the subject As Improved.

### **MOST PROBABLE BUYER**

Based on the type of property and the income generating potential of the improvements, it is my opinion that the most probable buyer for the subject would be local owner-user.

## COST APPROACH

---

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

### SITE VALUATION

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

### COST APPROACH

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

The Cost Approach is not a specific scope requirement of this assignment due to the lack of vacant land in the area with similar zoning and parcel area (a basis of the Cost Approach) and the estimation of Accrued Depreciation would certainly be very difficult to ascertain due to the age of the building.

### SALES COMPARISON APPROACH

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

The Sales Comparison Approach is a specific scope requirement of this assignment. Characteristics specific to the subject property warrant that this valuation technique to be developed. Based on this reasoning, the Sales Comparison Approach is presented within this appraisal.

### INCOME CAPITALIZATION APPROACH

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

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



**CORRELATION AND CONCLUSION**

Based on the agreed upon scope with the client, the subject's specific characteristics and the interest appraised, this appraisal developed Sales Comparison approach. The values presented represent the As-Is Market Value (Fee Simple) This appraisal does not develop the Cost Approach nor the Income Approach as the most probable user would use the value indicators as demonstrated by the marketplace. The typical buyer would not use either the Income Approach nor the Cost Approach; therefore, exclusion is not unusual for a property like the subject.

## INTRODUCTION

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

## COMPARABLE SELECTION

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

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

## UNIT OF COMPARISON

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

## ADJUSTMENTS

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

- 1. Property Rights** - All of the sales comparables were fee simple sales transaction 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 the analysis performed, which includes research and interpretation of value trends of the comparables presented herein, a market conditions adjustment of 10% is applied on an Annual basis reflecting the relatively consistent appreciation that occurred between the oldest comparable sale date up through the effective valuation date.

## QUANTITATIVE ADJUSTMENT PROCESS

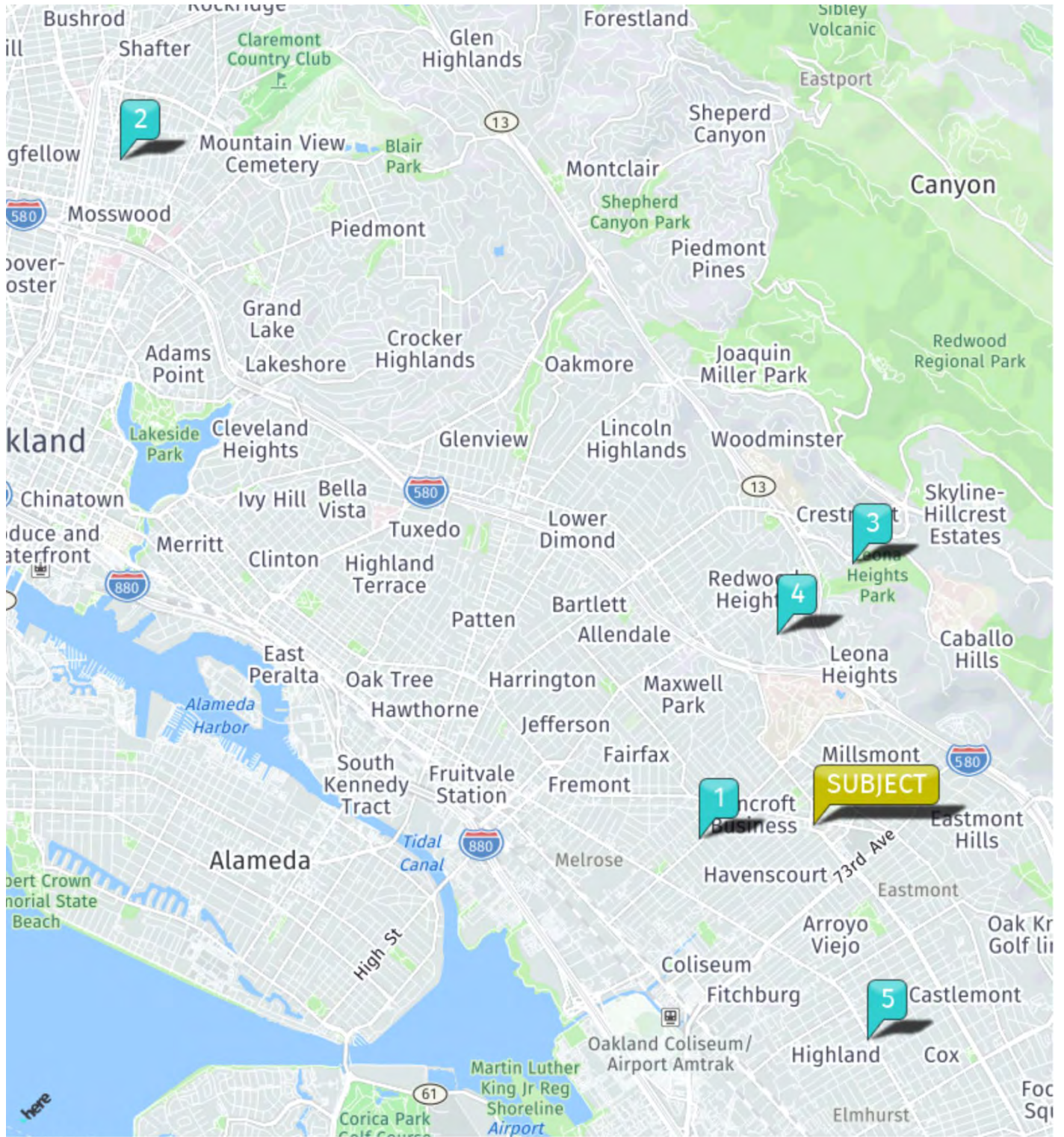
Quantitative percentage adjustments are also made for location and physical characteristics such as size, age, site and parking ratios, access, exposure, quality and condition, as well as other applicable elements of comparison. Where possible the adjustments applied are based on paired data or other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

PRESENTATION

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

IMPROVED SALES COMPARISON TABLE										
	SUBJECT	COMP 1	COMP 2	COMP 3	COMP 4	COMP 5				
Address	2814 Havenscourt Blvd	2111 Seminary Ave	479 42nd St	4500 Redwood Rd	4677 Tompkins Ave	8901 International Blvd				
City	Oakland	Oakland	Oakland	Oakland	Oakland	Oakland				
State	CA	CA	CA	CA	CA	CA				
Zip	94605	94621	94609	94619	94619	94621				
County	Alameda	Alameda	Alameda	Alameda	Alameda	Alameda				
SALE INFORMATION										
Transaction Price		\$830,000	\$1,650,000	\$5,000,000	\$1,647,000	\$760,000				
Transaction Price \$/SF GBA		\$334	\$330	\$254	\$202	\$174				
Property Rights <sup>1</sup>		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple				
Financing <sup>2</sup>		Conv Loan	50% down; 50%	50% down; 50%	Cash	Cash				
Sale Conditions <sup>3</sup>		Arms Length	Arms Length	Arms Length	Arms Length	Arms Length				
Expenditures After Sale <sup>4</sup>		\$0	\$0	\$0	\$0	\$0				
Market Conditions <sup>5</sup>		3/24/2022 0.7%	3/9/2022 1.2%	9/2/2021 6.3%	2/16/2021 11.7%	4/20/2021 10.0%				
Sale Status		Recorded	Recorded	Recorded	Recorded	Recorded				
Recording Number		61209	50571	293096	64651	152210				
Marketing Status		Open Market	Open Market	Open Market	Open Market	Open Market				
Marketing Period (Days)		78 Days	-	288 Days	197 Days	106 Days				
Total Transactional Adjustments		\$2 1%	\$4 1%	\$16 6%	\$24 12%	\$17 10%				
<b>Adjusted \$/SF (GBA)</b>		<b>\$336</b>	<b>\$334</b>	<b>\$270</b>	<b>\$226</b>	<b>\$191</b>				
PHYSICAL INFORMATION										
GBA (SF)	7,721	2,484 (25%)	5,000	19,697 15%	8,164	4,367				
NRA (SF)	7,721	2,484	5,000	19,697	8,164	4,367				
Year Built/Ren	1949 / 1980	1908	1900 / 1980	1965	1956 / 1980	1936 / 1980				
Location	Average	Average	Average	Good (10%)	Average	Average				
Access	Average	Average	Average	Good (10%)	Average	Average				
Exposure	Average	Average	Average	Average	Average	Average				
Quality	Average	Average	Average	Average	Average	Average				
Condition	Below Average	Above Average (5%)	Good (15%)	Below Average	Below Average	Below Average				
Appeal	Average	Average	Average	Average	Average	Average				
Parking Ratio	0.4	4.0	-	1.4	0.6	-				
Site Coverage	59.6%	47.0%	66.9%	15.7%	66.8%	100.0% 20%				
Total Physical Adjustments		(\$101) (30%)	(\$50) (15%)	(\$13) (5%)	\$0 0%	\$38 20%				
<b>Adjusted \$/SF (GBA)</b>		<b>\$235</b>	<b>\$284</b>	<b>\$257</b>	<b>\$226</b>	<b>\$229</b>				





COMPARABLE	LABEL	ADDRESS	MILES FROM SUBJECT
COMPARABLE 1	1	2111 Seminary Ave, Oakland, CA, 94621	0.7
COMPARABLE 2	2	479 42nd St, Oakland, CA, 94609	6.1
COMPARABLE 3	3	4500 Redwood Rd, Oakland, CA, 94619	1.7
COMPARABLE 4	4	4677 Tompkins Ave, Oakland, CA, 94619	1.2
COMPARABLE 5	5	8901 International Blvd, Oakland, CA, 94621	1.4

2814 Havenscourt Blvd, Oakland, California 94605  
 May 9, 2022



IMPROVED SALES PHOTOGRAPHS



COMPARABLE 1



COMPARABLE 2



COMPARABLE 3



COMPARABLE 4



COMPARABLE 5

## ANALYSIS OF COMPARABLE SALES

The comparable sales indicate an overall unadjusted unit value range from \$174/SF to \$334/SF, and an average of \$259/SF. After adjustments, the comparables indicate a narrower range for the subject property from \$226/SF to \$284/SF, and \$246/SF on average. The adjustment process is summarized below.

### **Sale No. 1 (\$235/SF Adjusted) - - -**

Comp #1 is the most recently closed sale and is located closest in proximity to the subject. #1 was on the market for some 78 days. The improvements were reportedly built in 1908 with a 2,484 sf structure. The lower level of the structure is configured as a worship center, with the upper level for offices and/or classrooms. The property has 10 on site parking spaces. The property was most likely originally constructed as a single family residence, but was converted to a religious use. #1 is located on a street with high traffic volume.

### **Sale No. 2 (\$284/SF Adjusted) - - -**

Comparable #2 is located on at the corner of a busy street with good traffic exposure. The property was listed for sale via MLS as well as alternative Costar. The property is fairly similar in Gross building area and land area. This is also a recently closed transaction. The structure was reportedly built 1900, although it appears there has been some updating over the years.

### **Sale No. 3 (\$257/SF Adjusted) - - -**

Comparable #3 was on the market for some 288 days. It was confirmed that this property had an abundance of deferred maintenance (requiring an upward condition adjustment). #3 is located on a busy thoroughfare street. And is larger in Gross Building area as well as land area.

### **Sale No. 4 (\$226/SF Adjusted) - - -**

Comparable #4 was on the market for 191 days and reflects a structure in similar overall condition as the property under appraisal. #4 is generally considered similar in Gross Building Area and is located on a street with increased traffic count as a feeder street. Eventhough the property was leased at the time of the sale, the purchasers are reported to plan to occupy the property as owner/users.

### **Sale No. 5 (\$229/SF Adjusted) - - -**

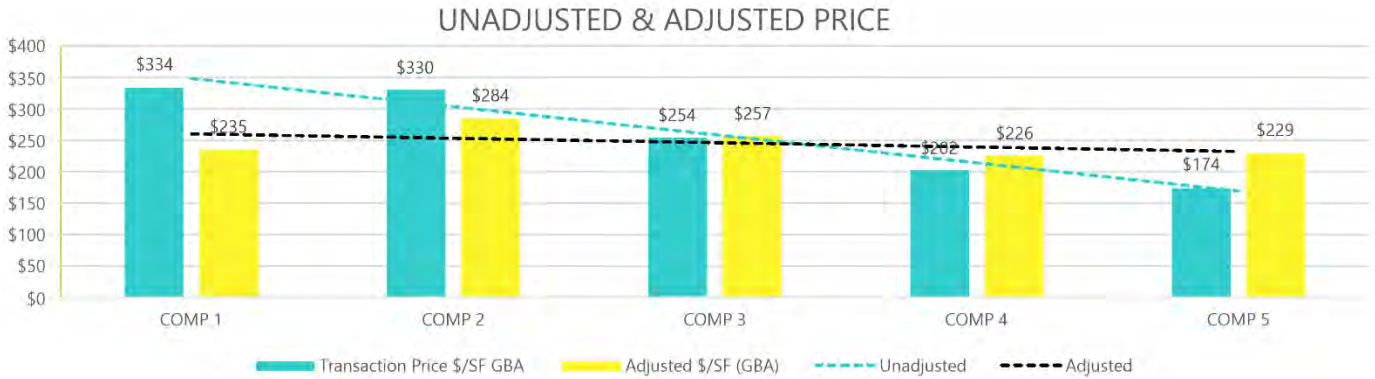
Comparable #5 was on the market for 106 days. #5 was reported to have some deferred maintenance and is slightly smaller than the subject building area and parcel area. #5 was reportedly constructed 1936. #5 is the oldest transaction utilized in this data set for this analysis.

## 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, the comparables utilized herein were confirmed to be the most recent and the most similar comparables currently available for comparison to the subject. 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 \$226/SF to \$284/SF, with a unit value of \$240/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 (GBA)							
TRANSACTION	PRICE	ADJUSTMENT			FINAL	NET ADJ	GROSS ADJ
		TRANSACTIONAL <sup>1</sup>	ADJUSTED	PROPERTY <sup>2</sup>			
1	\$334	1%	\$336	(30%)	\$235	(30%)	31%
2	\$330	1%	\$334	(15%)	\$284	(14%)	16%
3	\$254	6%	\$270	(5%)	\$257	1%	41%
4	\$202	12%	\$226	0%	\$226	12%	12%
5	\$174	10%	\$191	20%	\$229	32%	30%
HIGH	\$334	12%	\$336	20%	\$284	32%	41%
AVG	\$259	6%	\$271	(6%)	\$246	0%	26%
MED	\$254	6%	\$270	(5%)	\$235	1%	30%
LOW	\$174	1%	\$191	(30%)	\$226	(30%)	12%
<b>SUBJECT SF (GBA)</b>		<b>\$/SF CONCLUSION</b>		<b>VALUE</b>			
7,721		x	\$240	=	\$1,853,040		
<b>INDICATED VALUE (ROUNDED TO NEAREST \$10,000)</b>			\$240		<b>\$1,850,000</b>		

<sup>1</sup>Cumulative <sup>2</sup>Additive

SALES COMPARISON APPROACH

SALES COMPARISON APPROACH

Indicated Value	<b>\$1,850,000</b>
\$/SF NRA	\$240

## 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).

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 (which increases the unreliability of this method due to the excessive accrued depreciation) and lack of market based evidence to support accrued depreciation. Additionally, investors typically do not place emphasis on replacement cost in establishing value for properties with stabilized income in place such as the subject. The exclusion of the Cost Approach does not diminish the credibility of the value conclusion.

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

The **Income Approach** to value is generally considered to be the best and most accurate measure of the value of income-producing properties; however, the subject is not an income producing property. The income stream as received via tithes and offerings is not based on a lease agreement for the land and the building, therefore, the income received by the religious entity is intended solely for the ministry; therefore, the application of the Income Approach is not typically performed for a religious property and is not utilized herein.

RECONCILIATION OF VALUES	
VALUATION SCENARIOS	AS-IS MARKET VALUE
Interest	Fee Simple
Date	April 20, 2022
SALES COMPARISON APPROACH	
SALES COMPARISON APPROACH	
Indicated Value	\$1,850,000
\$/SF NRA	\$240
FINAL VALUE CONCLUSION	
FINAL VALUE CONCLUSION	\$1,850,000
\$/SF NRA	\$240

## CERTIFICATION

---

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

- ▶ The statements of fact contained in this report are true and correct.
- ▶ The reported analyses, opinions, and conclusions of the signer are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- ▶ The signer of this report has no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- ▶ Karen J. Mann, ASA-RP has not performed 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. And Title XI of the FIRREA of 1989 as amended (12 U.S.C.3331 et seq.) and any implementing regulations.
- ▶ Karen J. Mann, ASA-RP inspected the property that is the subject of this report.
- ▶ No one provided significant real property appraisal assistance to the appraisers signing the certification.
- ▶ 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, Karen J. Mann, ASA-RP has completed the continuing education program for Designated Members of the American Society of Appraisers.



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



## ASSUMPTIONS & LIMITING CONDITIONS

---

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



Business, Consumer Services & Housing Agency  
**BUREAU OF REAL ESTATE APPRAISERS**  
**REAL ESTATE APPRAISER LICENSE**

**Karen J. Mann**

has successfully met the requirements for a license as a residential and commercial real estate appraiser in the State of California and is, therefore, entitled to use the title:

“Certified General Real Estate Appraiser”

This license has been issued in accordance with the provisions of the Real Estate Appraisers' Licensing and Certification Law.

BREA APPRAISER IDENTIFICATION NUMBER: AG 007008

Effective Date: April 30, 2022

Date Expires: April 29, 2024

Loretta Dillon, Deputy Bureau Chief, BREA

## GLOSSARY

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

### Works Cited:

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

### Band of Investment

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

### Common Area

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

### Common Area Maintenance (CAM)

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

### Debt Coverage Ratio (DCR)

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



**Discount Rate**

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

**Effective Age**

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

**Effective Date**

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

**Exposure Time**

1. The time a property remains on the market.
2. The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based on an analysis of past events assuming a competitive and open market. (Dictionary, 6th Edition)

**External Obsolescence**

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

**Extraordinary Assumption**

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

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

(USPAP, 2020-2021 ed.)

**Fee Simple Estate**

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

**Functional Obsolescence**

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

**Functional Utility**

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

**Gross Building Area (GBA)**

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

**Gross Leasable Area (GLA)**

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

**Highest & Best Use**

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

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

Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements. (Dictionary, 5th Edition)

**Highest and Best Use of Property as Improved**

The use that should be made of a property as it exists. An existing improvement should be renovated or retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one. (Dictionary, 5th Edition)

**Hypothetical Condition**

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

**Lease Types**

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

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

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

**Leased Fee Interest**

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

**Market Area**

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

**Market Rent**

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

**Market Value**

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

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



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

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

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

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

**Marketing Time**

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

**Net Operating Income (NOI)**

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

**Obsolescence**

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

**Parking Ratio**

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

**Rentable Area**

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

(Dictionary, 6th Edition)

**Replacement Cost**

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

**Scope of Work**

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

**Stabilized Occupancy**

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

**Tenant Improvements (TIs)**

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

**Vacancy and Collection Loss**

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



## Resume and credentials of KAREN J. MANN, ASA

STATE CERTIFIED - GENERAL APPRAISER

[www.mannappraisal.com](http://www.mannappraisal.com)

[karen@mannappraisal.com](mailto:karen@mannappraisal.com)

California License #AG007008 - Exp April 29, 2022

Renewed with Expiration of April 29, 2024

### EXPERIENCE:

#### 1989-Present

##### President/Chief Appraiser of **Mann and Associates**

- A woman owned business – Incorporated in 1989
- Offices in Fremont, Discovery Bay, Brentwood and San Jose (2000 - 2008)
- Managed and reviewed appraisals of my employees (up to 17 appraisers); continued education and developed business to flex with the economy – right sized the firm after the National Recession 2007 – 2011.
- Budgets and fiscal oversight, growth and contraction
- Oversee and develop operations for staff (clerical and appraisal)
- Provide motivation and education to staff and self
- Developed database system and developed a Virtual Office model for appraisers
- Developed and implemented “state of the art” technology prior to the mainstream use of such technology
- Expanded and contracted the physical firm as the market dictated
- Provide financial support for advanced education opportunities to staff on a mandated annual basis
- Provide appraisal services to an array of clients including attorneys, banks, mortgage brokers and CPA’s.

#### May 1985-Sept. 1989

Independent Fee Appraiser & Partner of Lidster-Mann Assoc.

- Achieved Vice Presidency of the firm and shared all management responsibilities, with a special emphasis on review of appraisals, and the marketing of the firm’s services.

#### 1983-1985

Independent Fee Appraiser of Lidster Assoc.

- Worked as a full-time appraiser with emphasis on residential appraisals, with exposure and beginning training into the development of non-residential properties (ie land, churches, retail, industrial, ECT).

#### 1980-1982

Apprentice/Trainee for Lidster Associates & Roessler Associates

- Worked as a full-time appraiser, with emphasis on residential appraisals, but with exposure to commercial properties as well.

#### TYPE OF PROPERTY APPRAISED

- Single Family Residence
  - Custom homes – largest home 40,000 sf GLA
  - Homes under construction
  - Estate valuations – retrospective valuations

- Dissolution valuations
- Properties with an on site ADU
- Multi-residential properties 2-4 units
- Commercial properties
  - 5 – 100 unit apartment complexes
  - Retail uses
  - Industrial uses
  - Office uses
  - Agricultural uses
  - Restaurants
- Other properties:
  - Religious Properties – Appx 1600 properties
  - Yacht Clubs
  - Marinas
  - RV Parks

### AREAS SERVED:

Alameda County -	Residential, commercial and other uses
Contra Costa County -	Residential, commercial & other uses
San Joaquin County -	Residential, commercial & other uses
Santa Clara County -	Residential, commercial & other uses
Solano County -	Residential, commercial & other uses
Statewide	Religious Properties
Multi- State	Religious Properties (Nevada, Oregon, Washington +)

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

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

### PROFESSIONAL ORGANIZATION MEMBERSHIPS & POSITIONS:

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

#### **ASA -Urban / Commercial - 1996 ASA – Residential 1986**

1995-96 Chapter 42 (San Jose Chapter) - President

1994-95 Chapter 42 (San Jose Chapter) - 1st Vice President

Active Chapter member since 1986 – San Jose and San Francisco Chapters

2013 – 2014 Elected, Secretary/Treasurer RP Committee for RP Discipline

2013 – 2014 RP Governance Chair

Real Property Committee member (2007-2015)

Speaker – Hollywood National Meeting (8 hour seminar developed)

Education Trained

Speaker – San Antonio National Meeting (Seminar on Religious property Valuation)  
 2012 – 2015 ASA- CA – Chairperson (California coalition for lobbying efforts in the State of California)  
 2018 – 2020 Member of RP National Committee  
 2020 – 2021 Media representative for Real Property discipline of ASA

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

Member of the Appraisal Institute 1984 - 2018

2007 – Vice Chair – Leadership Development & Nominating Committee  
 2005-2007 National – Leadership Development and Nominating Committee  
 2005-2007 National Committees – Education Committee  
 2003-2005 Chapter Services Chair, Region I  
 2002 Northern California-Chapter President  
 2001 Northern California - Chapter Vice President  
 2000 Northern California - Chapter Treasurer  
 1999 Northern California - Chapter Secretary  
 2002-2005 National Committee-Education Publication  
 2003-2005 National Committee – Chapter Services Committee  
 1998-2004 National Committee - Residential Admissions Board  
 1995-2001 National Committee - Communications Committee  
 1995-2001 National Committee - Public Relations Committee  
 1994-2003 Region I Representative  
 1994 South Bay Chapter President  
 1993 South Bay Chapter 1st Vice President  
 1992 South Bay Chapter Secretary  
 1990-96 South Bay Chapter Director  
 1989-96 Chairman of Vendors Faire of the Monterey Bay Appraisal Seminar  
 Reviewer of The Dictionary of Real Estate Appraisal, Fifth Edition

Royal Institution of Chartered Surveyors, MRICS designation in 2009

Largest International Valuation and Related Studies organization

Member of RICS 2005 - 2019

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

FEWA – Forensic Expert Witness Association,

Sacramento/Sierra Chapter, Chairman (2012/2013)

Course: April, 2012 – SEAK Expert Witness (3 days), Las Vegas, NV

## PROFESSIONAL AWARDS AND OTHER ASSOCIATION SERVICE & AFFILIATION

- APPRAISAL FOUNDATION
  - Served on SEC committed regarding effects of Financing Concessions
- Delegate to Romania to meet with appraisers from that country– American Society of Appraisers)
- YMCA - Fremont & Newark-Board of Members & awarded Hall of Partners
- Golden West F. C. U. – Served on the Board of Directors for two years
- LEADS Club - Leader of the Year
- Member of Bay East MLS Association
- Chamber of Commerce - Fremont – served on the Board of Directors
- Chamber of Commerce – Discovery Bay – served on the Board of Directors
- Graduate of Leadership 2000 Program - Fremont Chamber of Commerce
- Discovery Bay Yacht Club – Rear Commodore (2008 – 2009) & Vice Commodore (2010), Commodore (2011) – Jr. Staff Commodore (2012) – Staff Commodore (2013+)
- Awarded the Blue Gavel – International Past Commodores Association
- Karen was appointed onto the CEO search committee for Appraisal Institute and for FEWA



- Appeared in the Technology Today - Video (1995) for the Appraisal Institute
- Was appointed to the 717 Task Force for Education (2004) – Appraisal Institute
- Was appointed to the Center for Property Economics - Planning (2001) – Appraisal Institute
- Chair of the Summer Conference – Residential Seminars – Toronto (2004) – Appraisal Institute
- Published “Beat the Clock and Make More Money” Published in VIP magazine for the Appraisal Institute (Fall, 2004)
- Was the subject of the feature article by US Chamber of Commerce High Tech Office (1994)
- Served on the merger “task force” for Northern California, San Jose, Monterey, Fresno, and Central Valley Chapters – Appraisal Institute
- Speaker (3 years) at Appraisal Today Conference in South San Francisco
- Leadership Development Coordinator of 2008 Retreat – San Francisco Chapter of ASA
- Was interviewed by various newspapers between 2006 – 2013 including Wall Street Journal and Bloomberg News regarding the trends in the appraisal industry

## **AUTHORED SEMINARS**

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

## **FEDERAL GOVERNMENTAL ADVISORY PARTICIPATION:**

- Provided testimony regarding the “Appraisal Regulatory Process”, June 2012 to the U.S. House of Representatives in Washington DC
  - (June 2012 Testimony was filmed and on C-Span)
- Provided testimony regarding the “causes and what I knew and when” about the current Federal Financial Crisis. The FCIC will then report to the President and Congress regarding the current financial/banking crisis (September 2010) (see [www.fcic.gov](http://www.fcic.gov))
- Quoted in “The Financial Crisis Inquiry Report”, authorized edition January 2011

**EVIDENCE OF INSURANCE  
APPRAISER'S PROFESSIONAL LIABILITY INSURANCE**

ITEM 1:	POLICYHOLDER - ISSUED TO THE AMERICAN SOCIETY OF APPRAISERS  NAMED INSURED: Gavello Mann Enterprises dba: Mann & Assoc.	POLICY NO. NAC 1380  EVIDENCE NO. 8000567 EFFECTED WITH UNDERWRITERS AT LLOYD'S OF LONDON (NOT INCORPORATED) LLOYD'S ILLINOIS, INC. 181 W. MADISON ST., SUITE 3870 CHICAGO, IL 60602-4541
ITEM 2:	MAILING ADDRESS OF NAMED INSURED: Suite A326 14850 Highway 4 Discovery Bay, CA 94505	
ITEM 3:	COVERAGE PERIOD:  INCEPTION: 10/23/2021    EXPIRATION: 10/23/2022	BOTH DAYS AT 12:01 A.M. LOCAL STANDARD TIME AT THE MEMBERS MAILING ADDRESS
ITEM 4:	RETROACTIVE DATE: N/A	
ITEM 5:	LIMIT OF LIABILITY:	
A)	LIMIT IN ALL (INCLUDING COSTS, CHARGES AND EXPENSES) IN RESPECT OF EACH INCIDENT	\$ 1,000,000
B)	LIMIT IN THE AGGREGATE (INCLUDING COSTS, CHARGES AND EXPENSES) FOR EACH ANNUAL PERIOD	\$ 1,000,000
ITEM 6:	DEDUCTIBLE EACH CLAIM:	\$ 2,500
ITEM 7:	TOTAL PREMIUM:	\$ 2,121
ITEM 8:	ENDORSEMENTS AT COVERAGE PERIOD INCEPTION DATE: AIF2612 (08/10)      NMA 1256      NMA1477      AIF2657 (10/05) AIF2612M(08/08) AIF2612L(07/03) AIF2612N(08/09) LMA3100 LSW 1001	

THIS DOCUMENT (EVIDENCE OF INSURANCE) IS ISSUED AS NOTICE OF INSURANCE FOR INFORMATION ONLY. IT DOES NOT CONSTITUTE A LEGAL CONTRACT OF INSURANCE. THE MASTER POLICY AND THE APPLICATION OF THE INSURED, IF ANY, FORM THE ENTIRE CONTRACT. THIS EVIDENCE WHICH IS FURNISHED IN ACCORDANCE WITH, AND IN ALL RESPECTS IS SUBJECT TO, THE TERMS OF THE MASTER POLICY, A COPY OF WHICH IS ATTACHED HERETO FOR INFORMATION PURPOSES ONLY AND REPLACES ANY OTHER EVIDENCE PREVIOUSLY ISSUED COVERING THE INSURANCE DESCRIBED HEREIN.

AIF 2612 EVI (11/06)

---

END OF APPRAISAL REPORT

---