



TIMBERVIEW MOBILE HOME PARK

10905 Troupeville Road
Valdosta, Georgia 31602

APPRAISAL REPORT

Date of Report: June 9, 2021

Colliers File #: CMH210260



PREPARED FOR
Brian Spear
Sunrise Community Investors
200 9th Avenue North
Safety Harbor, FL 34695

PREPARED BY
COLLIERS INTERNATIONAL
VALUATION & ADVISORY SERVICES

LETTER OF TRANSMITTAL

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June 9, 2021

Brian Spear
Sunrise Community Investors
200 9th Avenue North
Safety Harbor, FL 34695

RE: Timberview Mobile Home Park
10905 Troupeville Road
Valdosta, Georgia 31602

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Mr. Spear:

Pursuant with our engagement, the above captioned property was appraised utilizing best practice appraisal principles for this property type. This appraisal report satisfies the scope of work and requirements agreed upon by Sunrise Community Investors and Colliers International Valuation & Advisory Services.

The date of this report is June 9, 2021. At the request of the client, this appraisal is presented in an Appraisal Report format as defined by *USPAP* Standards Rule 2-2(a). Our appraisal format provides a detailed description of the appraisal process, subject and market data and valuation analyses.

The purpose of this appraisal is to develop an opinion of the As-Is Market Value of the subject property's fee simple interest. At the request of the client, we also provided the value of the NOI attributable to the community owned homes. The following table conveys the final opinion of market value of the subject property that is developed within this appraisal report:

VALUE TYPE	INTEREST APPRAISED	DATE OF VALUE	VALUE
Market Value As-Is	Fee Simple	May 18, 2021	\$1,760,000
OTHER CONCLUSIONS			AS OF MAY 18, 2021
Community Owned Homes			\$570,000

The subject is a Manufactured Housing Community (All Age) totaling 63 homesites located on a 25.10-acre site at 10905 Troupeville Road in Valdosta, Georgia. The improvements were built in 1995, are in average condition and have a remaining economic life of 30 years based on our estimate. There are no common area amenities.

The subject property has a current occupancy level of 93.7%, which is below the stabilized occupancy level estimate of 94% that was developed in this appraisal.

Research of the applicable public records, private data services and an interview of the current owner and/or broker revealed that the subject property has not transferred during the past three years of the effective date of value stated in this report. The property being appraised is known to be the subject of a pending purchase and sale agreement, but the appraiser was unable to obtain the terms of the contract. The current owner and/or broker confirmed that the property is under contract for sale but declined to disclose the details of the agreement.

The manufactured housing industry does not have a standard rating classification. Some in the industry reference a “star” rating system. This rating classification became defunct with the passage of the National Manufactured Housing Construction and Safety Standards Act, commonly known as the HUD Code. This act went into effect on June 15, 1976. Throughout this report, for comparison purposes, we utilize a classification system typical of most real estate asset classes. Class A properties are the highest quality properties, Class B are average/moderate quality properties, and Class C are lower quality properties. The subject is a Class C manufactured housing community (MHC).

The analyses, opinions and conclusions communicated within this appraisal report were developed based upon the requirements and guidelines of the current Uniform Standards of Professional Appraisal Practice (USPAP), the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.

The COVID-19 virus (aka coronavirus) is a serious illness and pandemic that has affected the world and more specifically the United States. The effects thus far include volatility in the stock and capital markets. The impact to demand and ultimately values for real estate is also developing, although there is a wide range of viewpoints with very little consensus on the potential impact. The range of views from market participants suggests the risk premium is widening and we should analyze implications to both near-term and longer-term valuation assumptions. Real estate as an investment type historically takes a longer period of time to be impacted in comparison to alternative investment types, such as stocks and bonds. CIVAS professionals have consulted with market participants in preparation of this assignment to understand and best address how the subject property may be impacted.

The report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter. *USPAP* defines an Extraordinary Assumption as, “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 opinions or conclusions”. *USPAP* defines a Hypothetical Condition as, “that 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”.

The Extraordinary Assumptions and/or Hypothetical Conditions that were made during the appraisal process to arrive at our opinion of value are fully discussed below. We advise the client to consider these issues carefully given the intended use of this appraisal, as their use might have affected the assignment results.

EXTRAORDINARY ASSUMPTIONS

No Extraordinary Assumptions were made for this assignment

HYPOTHETICAL CONDITIONS

No Hypothetical Conditions were made for this assignment.

RELIANCE LANGUAGE

The Appraisal is for the sole use of the Client; however, Client may provide only complete, final copies of the Appraisal report in its entirety (but not component parts) to third parties who shall review such reports in connection with loan underwriting or securitization efforts. Colliers International Valuation & Advisory Services is

not required to explain or testify as to appraisal results other than to respond to the Client for routine and customary questions. Please note that our consent to allow the Appraisal prepared by Colliers International Valuation & Advisory Services or portions of such Appraisal, to become part of or be referenced in any public offering, the granting of such consent will be at our sole and absolute discretion and, if given, will be on condition that Colliers International Valuation & Advisory Services will be provided with an Indemnification Agreement and/or Non-Reliance letter, in a form and content satisfactory to Colliers International Valuation & Advisory Services, by a party satisfactory to Colliers International Valuation & Advisory Services. Colliers International Valuation & Advisory Services does consent to your submission of the reports to rating agencies, loan participants or your auditors in its entirety (but not component parts) without the need to provide Colliers International Valuation & Advisory Services with an Indemnification Agreement and/or Non-Reliance letter.

Colliers International Valuation & Advisory Services hereby expressly grants to Client the right to copy the Appraisal and distribute it to other parties in the transaction for which the Appraisal has been prepared, including employees of Client, other lenders in the transaction, and the borrower, if any.

Our opinion of value reflects current conditions and the likely actions of market participants as of the date of value. It is based on the available information gathered and provided to us, as presented in this report, and does not predict future performance. Changing market or property conditions can and likely will have an effect on the subject's value.

The signatures below indicate our assurance to the client that the development process and extent of analysis for this assignment adhere to the scope requirements and intended use of the appraisal. If you have any specific questions or concerns regarding the attached appraisal report, or if Colliers International Valuation & Advisory Services can be of additional assistance, please contact the individuals listed below.

Sincerely,

**COLLIERS INTERNATIONAL
VALUATION & ADVISORY SERVICES**



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CERTIFICATION

ASSUMPTIONS & LIMITING CONDITIONS

ADDENDA

Community Owned Homes Valuation

Valuation Glossary

Qualifications of Appraisers

Qualifications of Colliers International Valuation & Advisory Services

GENERAL INFORMATION

Property Name	Timberview Mobile Home Park
Property Type	Manufactured Housing Community - All Age
Address	10905 Troupeville Road
City	Valdosta
State	Georgia
Zip Code	31602
County	Brooks
Core Based Statistical Area (CBSA)	Valdosta, GA
Market	Albany
Census Region	South
Census Subregion	South Atlantic
Longitude	-83.369021
Latitude	30.853855
Number Of Parcels	1
Assessor Parcel	146 0004A
Total Taxable Value	\$240,000
Census Tract Number	9603.00

SITE INFORMATION

Land Area	Acres	Square Feet
Usable	25.10	1,093,356
Excess	0.00	0
<u>Surplus</u>	<u>0.00</u>	<u>0</u>
Total	25.10	1,093,356
Topography	Level at street grade	
Shape	Irregular	
Access	Average	
Exposure	Average	
Appeal	Average	
Current Zoning	-	
Flood Zone	Zone X (Unshaded)	
Seismic Zone	Low Risk	

IMPROVEMENT INFORMATION

Number Of Homesites	63
Development Density	2.5 Units/Acre (63 Units / 25.10 Acres)
Total Number Of Common Area Buildings	0
Year Built	1995
Property Class	C
Quality	Average
Condition	Average
Marketability	Average
Parking Type	Driveway
Number Of Parking Spaces	126
Parking Spaces/Homesite	2.0
Project Amenities	There are no common area amenities.

HIGHEST & BEST USE

As Vacant	Development of a manufactured housing community as market conditions warrant
As Improved	Continued use as a manufactured housing community

EXPOSURE TIME & MARKETING PERIOD

Exposure Time	Six Months or Less
Marketing Period	Six Months or Less

VALUATION SUMMARY

Current Occupancy	93.7%
Stabilized Occupancy	94.0%
Current Average Rent/Homesite	\$231/Homesite
Concluded Average Rent/Homesite	\$230/Homesite
Potential Gross Income (PGI)	\$174,380
Vacancy & Credit Loss	6.0%
Effective Gross Income (EGI)	\$163,947
Total Expenses	\$67,049
Net Operating Income (NOI)	\$96,899
Capitalization Rate (OAR)	5.50%

VALUATION SUMMARY

VALUATION INDICES	MARKET VALUE AS-IS
INTEREST APPRAISED	FEE SIMPLE
DATE OF VALUE	MAY 18, 2021

INCOME CAPITALIZATION APPROACH

Direct Capitalization	\$1,760,000
Direct Capitalization \$/Homesite	\$27,937/Homesite
Net Operating Income	\$96,899
NOI \$/Homesite	\$1,538/Homesite
Capitalization Rate	5.50%
INCOME CONCLUSION	\$1,760,000
Income Conclusion \$/Homesite	\$27,937/Homesite

SALES COMPARISON APPROACH

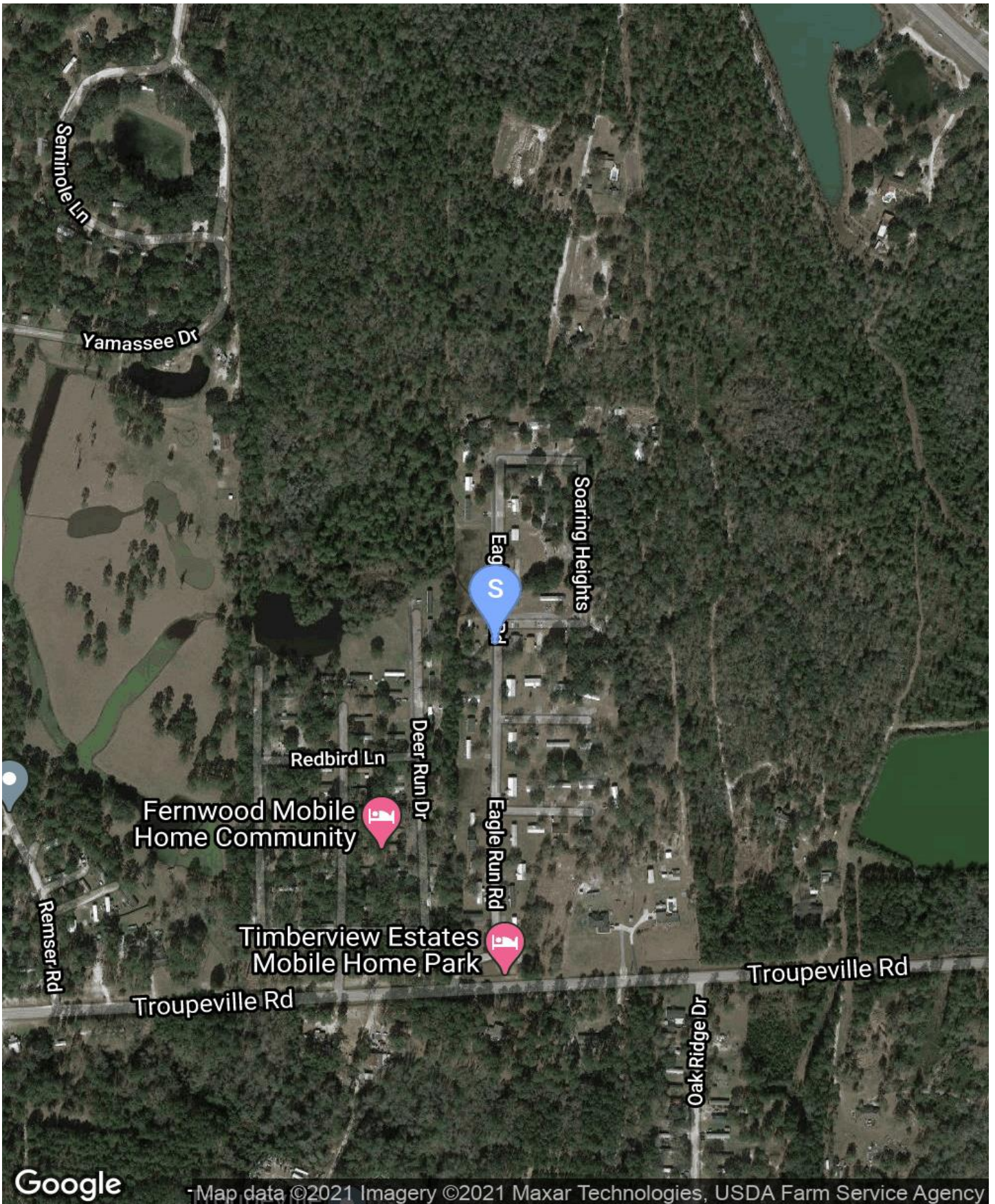
SALES CONCLUSION	\$1,800,000
Sales Conclusion \$/Homesite	\$28,571/Homesite

FINAL VALUE CONCLUSION

FINAL VALUE	\$1,760,000
Final \$/Homesite	\$27,937/Homesite

OTHER CONCLUSIONS

Community Owned Homes	\$570,000
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SUBJECT SIGN



SUBJECT ENTRANCE



TROUPEVILLE ROAD FACING EAST



TROUPEVILLE ROAD FACING WEST



STREET SCENE



STREET SCENE



STREET SCENE



STREET SCENE



EXAMPLE HOMES



EXAMPLE HOMES



MAIL CENTER



TRASH AREA

PROPERTY IDENTIFICATION

The subject is a Manufactured Housing Community (All Age) property totaling 63 homesites. It is located on a 25.10-acre site at 10905 Troupeville Road in Valdosta, Brooks County, Georgia. The assessor's parcel number is: 146 0004A.

The legal description of the subject property is as follows:

& LL 79 TIMBERVIEW ESTATES

CLIENT IDENTIFICATION

The client of this specific assignment is Sunrise Community Investors.

PURPOSE

The purpose of this appraisal is to develop an opinion of the As-Is Market Value of the subject property's fee simple interest. At the request of the client, we also provided the value of the NOI attributable to the community owned homes.

INTENDED USE

The intended use of this appraisal is only for use in internal decision making. The report is not intended for any other use.

INTENDED USERS

Sunrise Community Investors is the only intended user of this report. Use of this report by third parties and other unintended users is not permitted. 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 authors no portion of the report stands alone.

ASSIGNMENT DATES

Date of Report	June 9, 2021
Date of Inspection	May 18, 2021
Valuation Date – As-Is	May 18, 2021

PERSONAL INTANGIBLE PROPERTY

Per the client's specific request, we have provided the value of the NOI attributable to the community owned homes.

No personal property or intangible items are included in this valuation. Removable fixtures in the clubhouse (if any) such as the kitchen appliances and hot water heaters are considered to be real estate fixtures that are essential to the use and operation of the community.

PROPERTY AND SALES HISTORY

Current Owner

The subject title is currently recorded in the name of Timberview LLC, who acquired title to the property on January 26, 2017 as improved for \$1,250,000, as recorded in Book 772, Page 698 of the Brooks County Deed Records.

Three-Year Sales History

Research of the applicable public records, private data services and an interview of the current owner and/or broker revealed that the subject property has not transferred during the past three years of the effective date of value stated in this report.

Subject Sale Status

The property being appraised is known to be the subject of a pending purchase and sale agreement, but the appraiser was unable to obtain the terms of the contract. The current owner and/or broker confirmed that the property is under contract for sale but declined to disclose the details of the agreement.

DEFINITIONS

This section summarizes the definitions of value, property rights appraised, and value scenarios that are applicable for this appraisal assignment. All other applicable definitions for this assignment are located in the Valuation Glossary section of the Addenda.

DEFINITIONS OF VALUE

Given the scope and intended use of this assignment, the following definition of value is applicable:

Market Value

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

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.¹

PROPERTY RIGHTS APPRAISED

The property rights appraised constitute the fee simple interest.

Fee Simple 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.²

VALUE SCENARIOS**As-Is Value**

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

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

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

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

INTRODUCTION

The appraisal development and reporting processes requires gathering and analyzing information about those assignment elements necessary to properly identify the appraisal problem to be solved. The scope of work decision must include the research and analyses that are necessary to develop credible assignment results given the intended use of the appraisal. Sufficient information includes disclosure of research and analyses performed and might also include disclosure of research and analyses not performed. The scope of work for this appraisal assignment is outlined below:

- › The appraisers analyzed the regional and local area economic profiles including employment, population, household income, and real estate trends. The local area was further studied to assess the general quality and condition, and emerging development trends for the real estate market. The immediate market area was inspected and examined to consider external influences on the subject.
- › The appraisers confirmed and analyzed legal and physical features of the subject property including sizes of the site and improvements, flood plain data, seismic zone, zoning, easements and encumbrances, access and exposure of the site, and construction materials and condition of the improvements. This process also included estimating the remaining economic life of the improvements, analysis of the subject's site coverage and parking ratios compared to market standards, a process to identify deferred maintenance and a conclusion of the subject's overall functional utility.
- › The appraisers completed a manufactured housing market analysis that included a market overview. The Valdosta market overview analyzed supply/demand conditions using vacancy, absorption, supply change and rent change statistics. Conclusions were drawn regarding the subject property's competitive position given its physical and locational characteristics, the prevailing economic conditions and external influences.
- › The appraisers conducted a Highest and Best Use analysis, determining 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 property. Development of the Highest and Best Use As-Improved explored potential alternative treatments of the property including demolition, expansion, renovation, conversion, and continued use "as-is."
- › The appraisers confirmed and analyzed financial features of the subject property including historical income/expense data, rent roll, and tax and assessment records. This information as well as trends established by confirmed market indicators was used to forecast performance of the subject property.
- › Selection of the valuation methods was based on the identifications required in USPAP relating to the intended use, intended users, definition and date of value, relevant property characteristics and assignment conditions. As a result, this appraisal developed the Income (Direct Capitalization) and Sales Comparison approaches to value. The resulting value indicators were reconciled within the Analysis of Value Conclusions section. The appraisal develops an opinion of the As-Is Market Value of the subject property's fee simple interest. At the request of the client, we also provided the value of the NOI attributable to the community owned homes. The reasoning for including or excluding traditional approaches to value is developed within the Valuation Methodology section.
- › Reporting of this appraisal is in an Appraisal Report format as required in USPAP Standard 2. The appraiser's analysis and conclusions are fully described within this document.
- › We understand the Competency Rule of USPAP and the authors of this report meet the standards.
- › No one provided significant real property appraisal assistance to appraisers signing this certification.

SOURCES OF INFORMATION

The following sources were contacted to obtain relevant information:

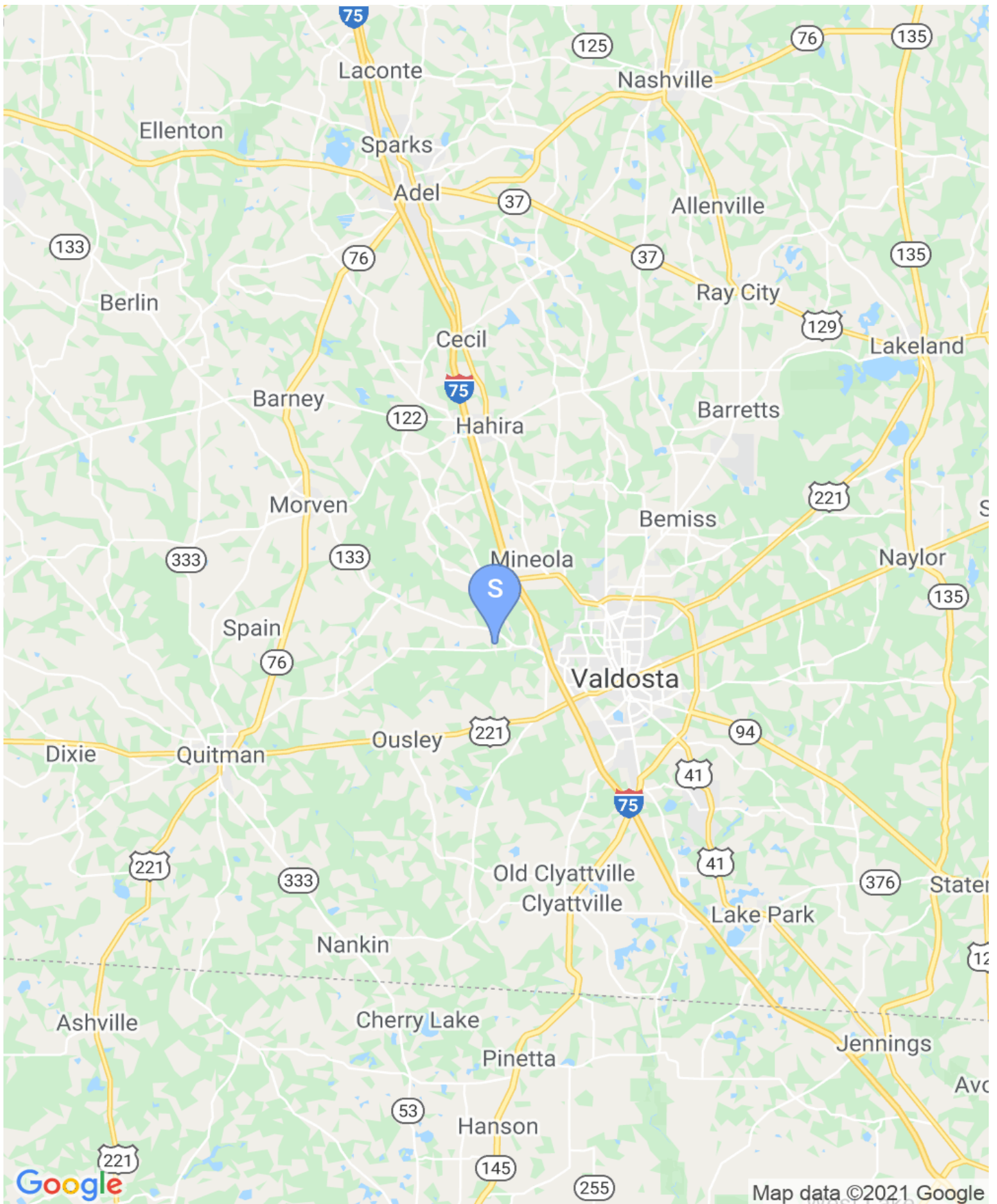
SOURCES OF INFORMATION	
ITEM	SOURCE
Tax Information	Brooks County Tax Assessor
Zoning Information	City of Valdosta Zoning Code
Site Size Information	Brooks County Tax Assessor
Building Size Information	Brooks County Tax Assessor
New Construction	City of Valdosta / Brooks County
Flood Map	InterFlood
Demographics	Pitney Bow es/Gadberry Group - GroundView®
Comparable Information	See Comparable Datasheets for details
Legal Description	Brooks County Property Records
Other Property Data	Brooks County Property Records
Rent Roll	Ow ner
Income/Expense Statements	Ow ner

SUBJECT PROPERTY INSPECTION

The following table illustrates the Colliers International professionals involved with this appraisal report and their status related to the property inspection.

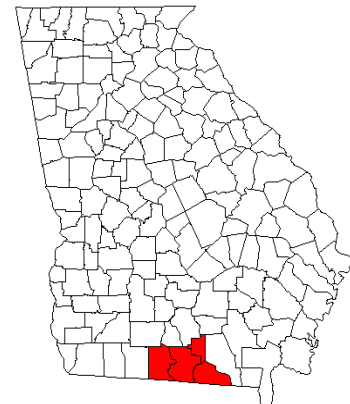
SUBJECT PROPERTY INSPECTION			
APPRAISER	INSPECTED	EXTENT	DATE OF INSPECTION
Nancy Caniff	Yes	Exterior Only	May 18, 2021
Bruce Nell, MAI, AI-GRS, MRICS	No	-	-

The appraiser was not accompanied by the owner on the inspection.



INTRODUCTION

The Valdosta, GA is a region of four counties in south-central Georgia. The MSA comprises the counties of Brooks, Echols, Lanier and Lowndes. As of the 2010 census the population was of 139,588. The city of Valdosta is the largest city in the area, located in the county of Lowndes. The area is intersected by numerous highways, with Interstate 75, and U.S. Routes 41, 84 and 129 among the most important. Two main airports serve the area: Valdosta Regional Airport, and Quitman Brooks County Airport.



Lowndes County is located along the Florida border and is one of southern Georgia's major educational, commercial and manufacturing centers. The defense industry has a strong presence in the Valdosta Metropolitan Area. The MSA is home to the Moody Air Force Base, located approximately nine miles northeast of Valdosta, within Lowndes and Lanier counties. Agriculture, manufacturing, retail trade and service industries impact the region's economy. The presence of a large state correctional facility in Lanier County contributes to the area's economic development.

DEMOGRAPHIC ANALYSIS

The following is a demographic study of the region sourced by *Pitney Bowes/Gadberry Group - GroundView®*, an on-line resource center that provides information used to analyze and compare the past, present, and future trends of geographical areas. Demographic changes are often highly correlated to changes in the underlying economic climate. Periods of economic uncertainty necessarily make demographic projections somewhat less reliable than projections in more stable periods. These projections are used as a starting point, but we also consider current and localized market knowledge in interpreting them within this analysis. Please note that our demographics provider sets forth income projections in constant dollars which, by definition, reflect projections after adjustment for inflation. We are aware of other prominent demographic data providers that project income in current dollars, which do not account for inflation. A simple comparison of projections for a similar market area made under the constant and current dollar methodologies can and likely will produce data points that vary, in some cases, widely. Further, all forecasts, regardless of demographer methodology(ies), are subjective in the sense that the reliability of the forecast is subject to modeling and definitional assumptions and procedures.

Population

According to Pitney Bowes/Gadberry Group - GroundView®, a Geographic Information System (GIS) Company, the Valdosta metropolitan area had a 2020 total population of 147,961 and experienced an annual growth rate of 0.6%, which was lower than the Georgia annual growth rate of 1.0%. The metropolitan area accounted for 1.4% of the total Georgia population (10,720,000). Within the metropolitan area the population density was 91 people per square mile compared to the higher Georgia population density of 182 people per square mile and the higher United States population density of 92 people per square mile.

POPULATION			
YEAR	US	GA	CBSA
2010 Total Population	308,745,538	9,687,653	139,588
2020 Total Population	330,412,290	10,720,000	147,961
2025 Total Population	341,167,877	11,227,578	151,138
2010 - 2020 CAGR	0.7%	1.0%	0.6%
2020 - 2025 CAGR	0.6%	0.9%	0.4%

Source: Pitney Bowes/Gadberry Group - GroundView®

POPULATION DENSITY			
YEAR	US	GA	CBSA
2020 Per Square Mile	92	182	91
2025 Per Square Mile	95	191	93

Source: Pitney Bowes/Gadberry Group - GroundView®

The 2020 median age for the metropolitan area was 32.31, which was 18.34% younger than the United States median age of 38.24 for 2020. The median age in the metropolitan area is anticipated to grow by 0.65% annually, increasing the median age to 33.38 by 2025.

MEDIAN AGE			
YEAR	US	GA	CBSA
2020	38.24	36.91	32.31
2025	38.97	37.73	33.38
CAGR	0.38%	0.44%	0.65%

Source: Pitney Bowes/Gadberry Group - GroundView®

Education

Valdosta Metropolitan Area is home to a group of colleges and universities offering undergraduate and graduate level programs. The Valdosta State University has an enrollment of over 13,000 students and is also site of the Georgia Governor's Honor Program. The Wiregrass Georgia Technical College is located one mile northwest of the city limits on Interstate 75. This college serves 11 counties in the south-central Georgia area with an enrollment of 6,198 students. Another important institution with presence in the area is the Embry-Riddle Aeronautical University-Worldwide at Moody Campus, which offers an online program.

Household Trends

The 2020 number of households in the metropolitan area was 54,665. The number of households in the metropolitan area is projected to grow by 0.6% annually, increasing the number of households to 56,415 by 2025. The 2020 average household size for the metropolitan area was 2.59, which was 0.37% larger than the United States average household size of 2.58 for 2020. The average household size in the metropolitan area is anticipated to decrease by 0.14% annually, reducing the average household size to 2.58 by 2025.

NUMBER OF HOUSEHOLDS			
YEAR	US	GA	CBSA
2020	124,774,359	3,930,468	54,665
2025	128,904,424	4,100,093	56,415
CAGR	0.7%	0.8%	0.6%

Source: Pitney Bowes/Gadberry Group - GroundView®

AVERAGE HOUSEHOLD SIZE			
YEAR	US	GA	CBSA
2020	2.58	2.66	2.59
2025	2.58	2.67	2.58
CAGR	0.00%	0.10%	(0.14%)

Source: Pitney Bowes/Gadberry Group - GroundView®

The Valdosta metropolitan area had 40.12% renter occupied units, compared to the lower 34.26% in Georgia and the lower 34.78% in the United States.

HOUSING UNITS			
	US	GA	CBSA
Owner Occupied	65.22%	65.74%	59.88%
Renter Occupied	34.78%	34.26%	40.12%

Source: Pitney Bowes/Gadberry Group - GroundView®

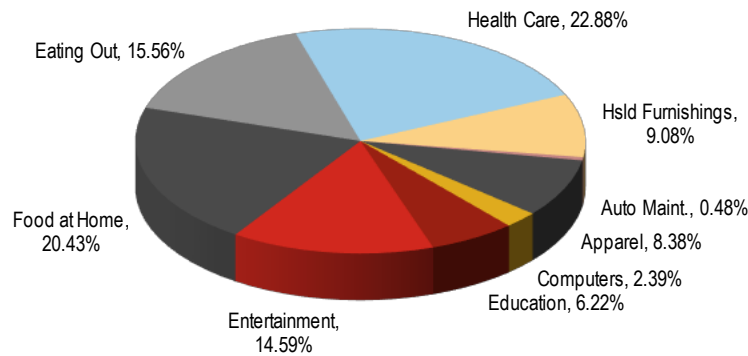
The 2020 median household income for the metropolitan area was \$40,529, which was 35.5% lower than the United States median household income of \$62,847. The median household income for the metropolitan area is projected to grow by 3.5% annually, increasing the median household income to \$48,247 by 2025.

As is often the case when the median household income levels are lower than the national average, the cost of living index is also lower. According to the American Chamber of Commerce Researchers Association (ACCRA) Cost of Living Index, the Valdosta, GA MSA's cost of living is 91.3 compared to the national average score of 100. The ACCRA Cost of Living Index compares groceries, housing, utilities, transportation, health care and miscellaneous goods and services for over 300 urban areas.

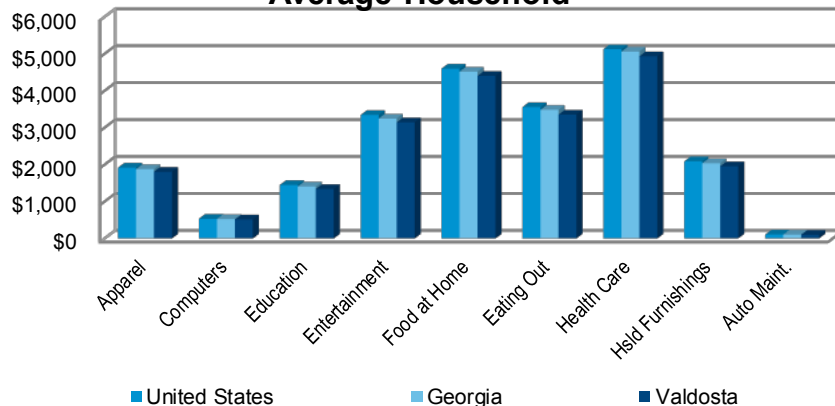
MEDIAN HOUSEHOLD INCOME			
YEAR	US	GA	CBSA
2020	\$62,847	\$58,191	\$40,529
2025	\$75,115	\$70,361	\$48,247
CAGR	3.6%	3.9%	3.5%

Source: Pitney Bowes/Gadberry Group - GroundView®

Consumer Spending Valdosta



Consumer Spending Comparison Average Household

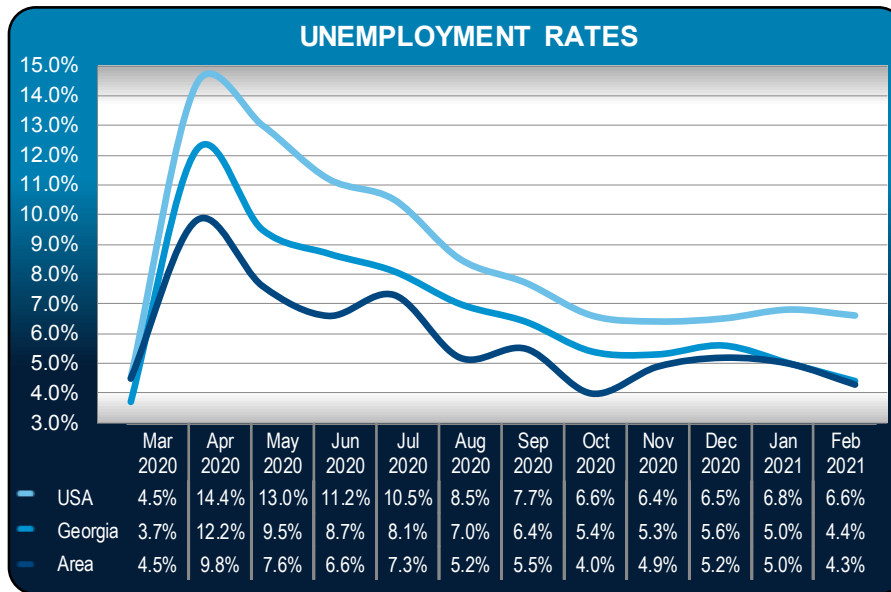


EMPLOYMENT

Total employment has increased annually over the past decade in the state of Georgia by 1.9% and increased annually by 0.7% in the area. From 2018 to 2019 unemployment decreased in Georgia and in the area by 0.5%. In the state of Georgia unemployment has decreased over the previous month by 0.6% and decreased by 0.7% in the area.

EMPLOYMENT & UNEMPLOYMENT STATISTICS 2010 - 2019							
TOTAL EMPLOYMENT					UNEMPLOYMENT RATE		
Year	Georgia		Valdosta, GA Metropolitan Statistical Area		United States*	Georgia	Valdosta, GA Metropolitan Statistical Area
	Total	% Δ Yr Ago	Total	% Δ Yr Ago			
2010	4,207,266	(2.0%)	57,911	(6.9%)	9.6%	10.7%	9.6%
2011	4,258,833	1.2%	57,900	(0.0%)	8.9%	10.1%	9.9%
2012	4,339,369	1.9%	59,077	2.0%	8.1%	9.0%	9.1%
2013	4,363,292	0.6%	58,304	(1.3%)	7.4%	8.1%	8.0%
2014	4,407,067	1.0%	58,035	(0.5%)	6.2%	7.1%	7.2%
2015	4,446,515	0.9%	58,902	1.5%	5.3%	6.1%	6.0%
2016	4,653,740	4.7%	60,558	2.8%	4.9%	5.4%	5.3%
2017	4,862,552	4.5%	61,393	1.4%	4.4%	4.8%	4.6%
2018	4,912,487	1.0%	61,516	0.2%	3.9%	4.0%	4.0%
2019	4,966,157	1.1%	61,501	(0.0%)	3.7%	3.5%	3.5%
CAGR	1.9%	-	0.7%	-	-	-	-

Source: U.S. Bureau of Labor Statistics *Unadjusted Non-Seasonal Rate



The preceding chart depicts unemployment trends in the region, Georgia and the U.S. Overall levels of unemployment in the region experienced a minor decline throughout the past three months. By the end of February 2021, unemployment in the region was 0.1% lower than Georgia’s and 2.3% lower than the national average.

TOP EMPLOYERS

EMPLOYER NAME	EMPLOYEES	INDUSTRY
Moody Air Force Base	5,500	Public Administration
South Georgia Medical Center & Smith Northview Hospital	2,875	Healthcare/Social Assistance
Valdosta State University	1,545	Education
Lowndes County School District	1,425	Education
Valdosta City School District	1,386	Education
Fresh Beginnings Inc. and Elead1one	1,100	Wholesale/Retail Trade
Lowe's Distribution Center	906	Distribution Service
Wild Adventures	800	Arts/Entertainment/Recreation
Walmart Supercenters	700	Wholesale/Retail Trade
City of Valdosta	585	Public Administration

Source: <http://www.valdostacity.com>

The preceding chart depicts the top employers in the Valdosta Metropolitan Statistical Area. The largest employers in region fall within the public administration, healthcare/social assistance, and education sectors. Moody Air Force Base is the area's largest employer with over 5,000 military and civilian employees. Additionally, over 12,000 military retirees and their family members live in Valdosta, Lowndes County, and the contiguous counties. This population contributes to the area's personal income and gross domestic product. The second largest employer in the area is South Georgia Medical Center and Smith Northview Hospital. A locally operated 373-bed hospital that serves residents across a 15-county area. Within the education sector, Valdosta State University (VSU) is the third largest employer in the region. Located in the heart of the city of Valdosta, this institution of higher education serves more than 11,000 national and international students. VSU provides approximately 1,400 on-campus jobs many more off-campus jobs that exist due to university-related spending.

AIRPORT STATISTICS

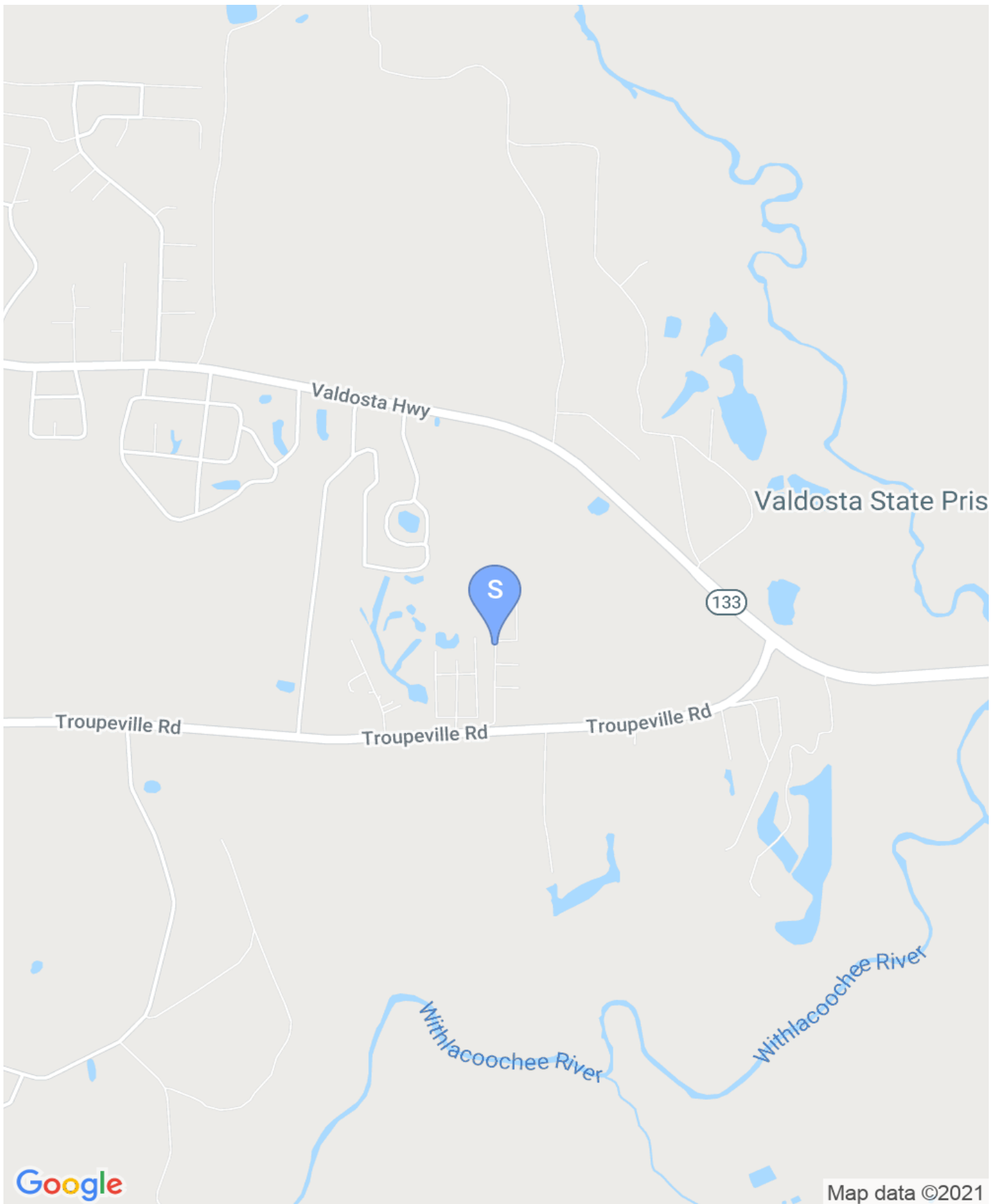
The following chart summarizes the local airport statistics.

JACKSONVILLE INTERNATIONAL AIRPORT (JAX)		
YEAR	ENPLANED PASSENGERS	% CHG
2009	2,777,041	-
2010	2,755,719	(0.8%)
2011	2,700,514	(2.0%)
2012	2,579,023	(4.5%)
2013	2,549,070	(1.2%)
2014	2,589,198	1.6%
2015	2,716,465	4.9%
2016	2,729,129	0.5%
2017	2,701,861	(1.0%)
2018	3,135,508	16.0%
2019	3,479,923	11.0%

Source: U.S. Department of Transportation

SUMMARY

The Valdosta MSA is home to a diverse economy that has strong influences in the defense, manufacturing, and education services. Additionally, the presence of the Moody Air Force Base in the area has a major impact on the regional economy including sectors and industries supported by the military. The MSA's location and availability of efficient transportation infrastructure make it a desirable manufacturing and logistics hub. These factors should have a positive impact and will benefit the regional economy for years to come.



INTRODUCTION

In this section of the report, we provide details about the local area and describe the influences that bear on the real estate market as well as the subject property. A map of the local area is presented on the prior page. Below are insights into the local area based on fieldwork, interviews, demographic data and experience working in this market.

LOCAL AREA PROFILE

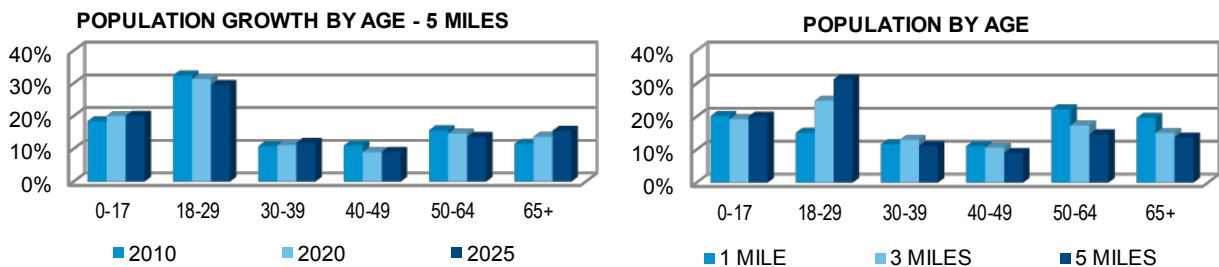
The subject property is located in Valdosta, Georgia, within Brooks County. According to the 2010 census, the population was 54,518, making it the 14th largest city in the state. Valdosta is located in the central portion of the county, approximately 230 miles south of Atlanta and 15 miles north of the state's border with Florida. Valdosta is served by major highways including Interstate 75, U.S. Routes 41, 84 and 221, and State Routes 41 and 133. Air transportation is served by the Valdosta Regional Airport, a public use airport located three miles south of the city's central business district. The city is home to the Valdosta State University, an institution of higher education with an enrollment of over 13,000 students, and to the Valdosta Wake Compound, a main action sport facility that hosts international wakeboard events and attracts hundreds of visitors per year. The Moody Air Force base is located approximately nine miles east of the city,

DEMOGRAPHIC PROFILE

Below is a demographic study of the area, sourced by *Pitney Bowes/Gadberry Group - GroundView®*, an on-line resource center that provides information used to analyze and compare the past, present, and future trends of properties and geographical areas. Please note that our demographics provider sets forth income projections in constant dollars which, by definition, reflect projections after adjustment for inflation. We are aware of other prominent demographic data providers that project income in current dollars, which do not account for inflation. A simple comparison of projections for a similar market area made under the constant and current dollar methodologies can and likely will produce data points that vary, in some cases, widely. Further, all forecasts, regardless of demographer methodology(ies), are subjective in the sense that the reliability of the forecast is subject to modeling and definitional assumptions and procedures.

LOCAL AREA DEMOGRAPHICS							
DESCRIPTION	1 MILE	3 MILES	5 MILES	DESCRIPTION	1 MILE	3 MILES	5 MILES
POPULATION				AVERAGE HOUSEHOLD INCOME			
2000 Population	617	5,578	26,373	2020	\$63,094	\$69,113	\$72,707
2010 Population	940	6,861	31,988	2025	\$70,520	\$81,437	\$88,717
2020 Population	886	7,244	33,747	Change 2020-2025	11.77%	17.83%	22.02%
2025 Population	863	7,346	34,303	MEDIAN HOUSEHOLD INCOME			
Change 2000-2010	52.35%	23.00%	21.29%	2020	\$44,736	\$48,257	\$44,717
Change 2010-2020	(5.74%)	5.58%	5.50%	2025	\$63,313	\$63,906	\$59,141
Change 2020-2025	(2.60%)	1.41%	1.65%	Change 2020-2025	41.53%	32.43%	32.26%
POPULATION 65+				PER CAPITA INCOME			
2010 Population	129	805	3,700	2020	\$27,366	\$28,605	\$29,813
2020 Population	174	1,091	4,620	2025	\$31,298	\$34,115	\$36,577
2025 Population	196	1,264	5,340	Change 2020-2025	14.37%	19.26%	22.69%
Change 2010-2020	34.88%	35.53%	24.86%	2020 HOUSEHOLDS BY INCOME			
Change 2020-2025	12.64%	15.86%	15.58%	<\$15,000	10.6%	15.8%	19.1%
NUMBER OF HOUSEHOLDS				\$15,000-\$24,999	5.3%	5.7%	10.3%
2000 Households	251	1,724	9,635	\$25,000-\$34,999	19.7%	13.8%	11.7%
2010 Households	398	2,237	11,567	\$35,000-\$49,999	14.9%	15.7%	12.4%
2020 Households	396	2,413	12,265	\$50,000-\$74,999	14.1%	14.0%	12.9%
2025 Households	395	2,498	12,634	\$75,000-\$99,999	14.9%	13.0%	10.4%
Change 2000-2010	58.57%	29.76%	20.05%	\$100,000-\$149,999	16.4%	12.5%	12.1%
Change 2010-2020	(0.50%)	7.87%	6.03%	\$150,000-\$199,999	3.5%	7.4%	5.9%
Change 2020-2025	(0.25%)	3.52%	3.01%	\$200,000 or greater	0.0%	2.2%	5.2%
HOUSING UNITS (2020)				MEDIAN HOME VALUE			
Owner Occupied	307	1,667	7,092	AVERAGE HOME VALUE	\$106,250	\$134,462	\$154,667
Renter Occupied	100	768	5,152	HOUSING UNITS BY UNITS IN STRUCTURE			
HOUSING UNITS BY YEAR BUILT				1, detached	240	1,454	8,241
Built 2010 or later	0	32	331	1, attached	0	43	232
Built 2000 to 2009	101	444	2,227	2	0	33	282
Built 1990 to 1999	171	708	2,835	3 or 4	0	48	560
Built 1980 to 1989	81	584	2,208	5 to 9	0	97	952
Built 1970 to 1979	15	437	1,900	10 to 19	0	137	611
Built 1960 to 1969	13	112	1,194	20 to 49	0	36	218
Built 1950 to 1959	15	48	924	50 or more	0	31	113
Built 1940 to 1949	0	0	191	Mobile home	167	556	1,035
Built 1939 or earlier	0	46	455	Boat, RV, van, etc.	0	0	0

Source: Pitney Bowes/Gadberry Group - GroundView®



Transportation Routes

Major traffic arteries are shown in the chart below:

MAJOR ROADWAYS & THOROUGHFARES			
HIGHWAY	DIRECTION	FUNCTION	DISTANCE FROM SUBJECT
Interstate 75	north-south	Interstate Highway	This is within three miles of the subject property.
U.S. Route 221	north-south	Local Highway	This is within five miles of the subject property.
U.S. Route 41	north-south	Local Highway	This is within six miles of the subject property.
SURFACE STREETS	DIRECTION	FUNCTION	DISTANCE FROM SUBJECT
Troupeville Road	east-west	Secondary Arterial	The subject property fronts this street.

Public Transportation is not available near the subject property.

Economic Factors

The city of Valdosta is a commercial hub in southern Georgia, with a diversified economic base that includes defense, manufacturing and retail trade. The vicinity of the Moody Air Force Base contributes to the local economy making the defense sector its largest employer. Valdosta is a significant provider of forest products, mostly turpentine, with numerous manufacturing plants that supply 80% of the world’s demand. The retail sector is well represented by the Valdosta Mall, one of the region’s major shopping centers, featuring a group of national chain stores. The area is also served by several large stores and numerous restaurants from local and international franchises. Valdosta economy benefits from the city’s proximity to Wild Adventures, a major regional theme and waterpark located five miles of the city’s southwest border.

Community Services

Community services and facilities are readily available in the surrounding area. These include public services such as fire stations, hospitals, police stations, and schools (all ages). The subject property is located in the Brooks County School District. GreatSchools.org is an on-line tool that rates every school on a scale of one to ten based on test scores. They also track parents rating of the school on a one to five scale. The following chart details the ratings of schools nearest to the subject.

SCHOOL DISTRICTS							
SCHOOL DISTRICT	NUMBER OF SCHOOLS						TOTAL
	ELEMENTARY	MIDDLE	HIGH	PUBLIC	CHARTER		
Brooks County School District	2	2	1	4	0		4

HIGH SCHOOLS							
HIGH SCHOOLS	GREATSCHOOLS RATING	PARENT RATING	SCHOOL TYPE	GRADES SERVED	DISTANCE FROM SBJ.	CITY LOCATION	TOTAL ENROLLMENT
Lowndes High School	7	4	public	9-12	2.98 miles	Valdosta	2,865
Valdosta High School	4	4	public	9-12	6.53 miles	Valdosta	2,117
Brooks County High School	4	3	public	6-12	11.96 miles	Quitman	514

Source: GreatSchools.org

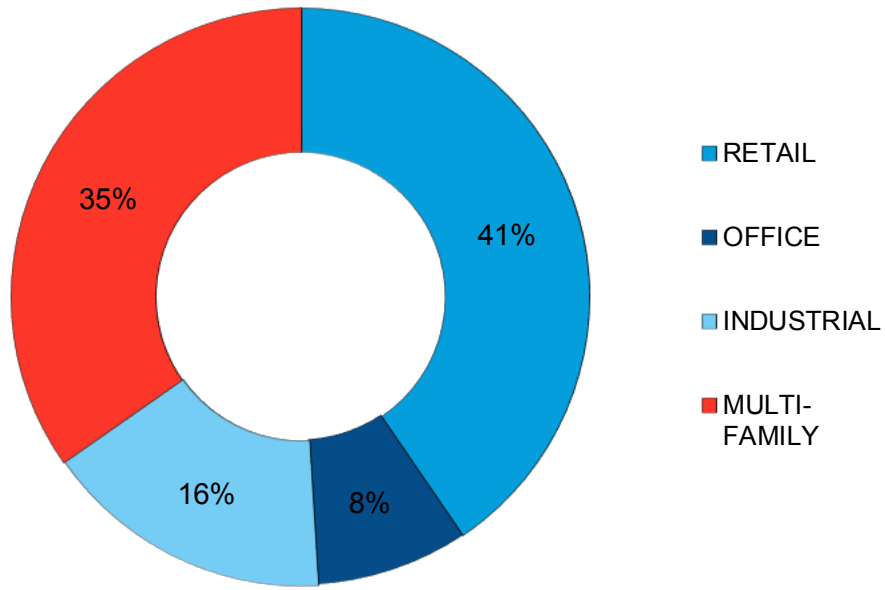
IMMEDIATE AREA PROFILE

This section discusses uses and development trends in the immediate area that directly impact the performance and appeal of the subject property.

Predominant Land Uses

Significant development in the immediate area consists of retail and industrial uses along major arterials that are interspersed with multi-family complexes and single-family residential development removed from arterials. The local area has a mix of commercial uses nearby and the composition is shown in the following graph.

COMMERCIAL AREA COMPOSITION



©CoStar

Residential Development

Residential users in the immediate area are primarily single-family residential.

Multi-Family Development

The following chart shows a summary of multi-family data by type in the immediate area from CoStar.

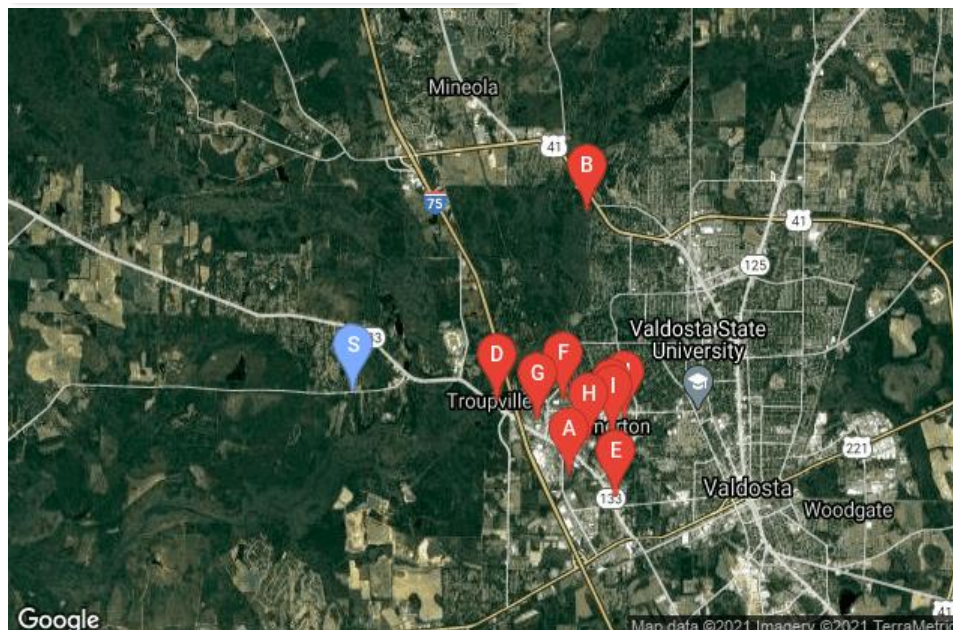
MULTI-FAMILY SUMMARY			
CLASS	PROPERTIES	NRA (SF)	AVG YR BLT
A	2	380,796	2001
B	16	727,975	1997
C	33	669,468	1989
TOTAL	51	1,778,239	1992

Source: CoStar

The largest three multi-family properties are at 1601 Norman Drive, 3715 North Valdosta Road and 1606-1618 Victory with an NRA of 327,248 SF, 296,496 SF and 166,054 SF that were built in 1996, 1998 and 1961, respectively. The closest large multi-family property in proximity to the subject is at 1415 North Saint Augustine Road with an NRA of 132,080 SF that was built in 1989. The majority of properties were constructed before 2000. The following chart and map show the subject property and its location relative to the 10 largest multi-family properties in the immediate area from CoStar.

LARGEST MULTI-FAMILY PROPERTIES						
NAME	DISTANCE	MAP PIN	CLASS	NRA (SF)	STORIES	YEAR BUILT
Spring Chase Apartments	3.1 Miles	A	B	327,248	2	1996
The Links Apartments	3.9 Miles	B	A	296,496	2	1998
Multi-family Building	3.5 Miles	C	C	166,054	14	1961
The Gables of St. Augustine	2.0 Miles	D	C	132,080	3	1989
West Towne Cottages	3.8 Miles	E	C	86,998	1	1995
Baytree Condominiums	2.9 Miles	F	A	84,300	2	2003
HeatherGlen Condos	2.5 Miles	G	B	67,500	2	2006
805 Harmon Heights	3.3 Miles	H	B	61,000	2	2009
Willow Trace	3.6 Miles	I	B	39,610	2	1984
Baytree Ridge Apartments	3.7 Miles	J	C	36,532	2	1990

Source: CoStar



Retail Development

The following chart shows a summary of retail data by type in the immediate area from CoStar.

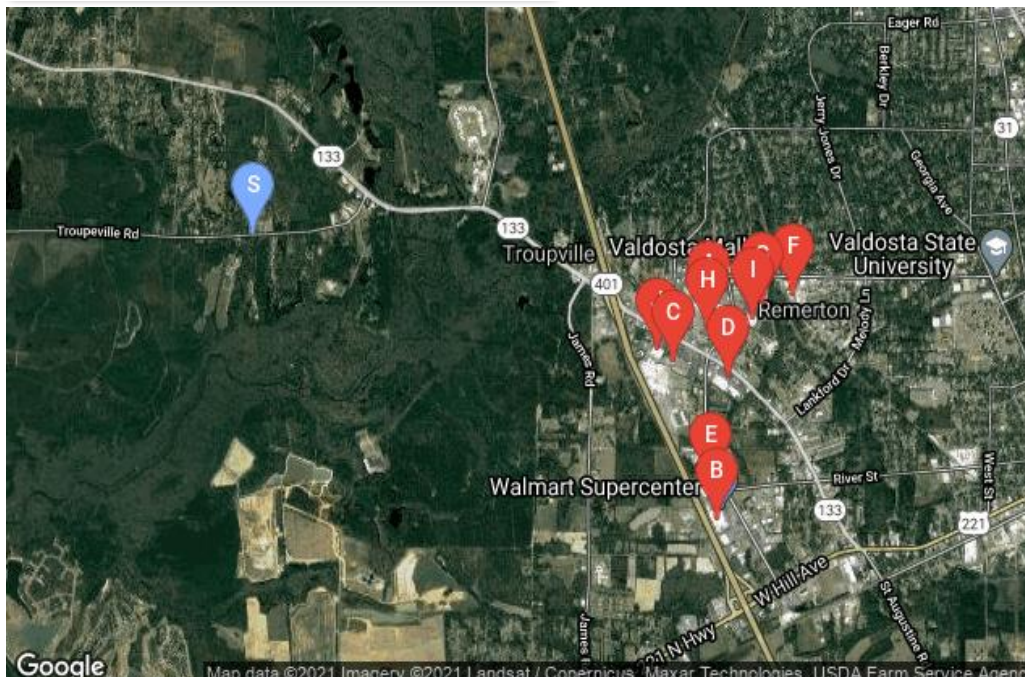
RETAIL SUMMARY					
TYPE	PROPERTIES	NRA (SF)	AVG YR BLT	OCCUPANCY	AVG RENT
General Retail	222	2,074,325	1995	95.4	\$13.08
TOTAL	222	2,074,325	1995	95.4	\$13.08

Source: CoStar

The largest three retail properties are at 1700 Norman Drive, 340 Norman Drive and 1106 North Saint Augustine Road with an NRA of 464,742 SF, 204,299 SF and 169,896 SF that were built in 1983, 2004 and 1994, respectively. The closest large retail property in proximity to the subject is at 1200 North Street Augustine Road with an NRA of 81,524 SF that was built in 1997. The majority of properties were constructed before 2000. The following chart and map show the subject property and its location relative to the 10 largest retail properties in the immediate area from CoStar.

LARGEST SHOPPING CENTERS							
NAME	DISTANCE	MAP PIN	TYPE	NRA (SF)	% LEASED	YEAR BUILT	AVG RENT
Valdosta Mall	2.9 Miles	A	Regional Mall	464,742	100.0	1983	N/Av
Walmart Supercenter	3.4 Miles	B	General Retail	204,299	100.0	2004	N/Av
Lowe's Home Improvement	2.8 Miles	C	Community Center	169,896	100.0	1994	N/Av
Retail Building	3.1 Miles	D	Community Center	169,325	95.9	1985	\$12.43
Retail Building	3.2 Miles	E	General Retail	116,273	100.0	1997	N/Av
Retail Building	3.4 Miles	F	General Retail	109,750	100.0	2019	N/Av
Retail Building	3.2 Miles	G	General Retail	101,792	100.0	1997	N/Av
Retail Building	2.9 Miles	H	Regional Mall	93,729	100.0	1982	N/Av
Retail Building	3.2 Miles	I	General Retail	89,151	100.0	1999	N/Av
Retail Building	2.6 Miles	J	Neighborhood Center	81,524	100.0	1997	N/Av

Source: CoStar



Office Development

The following chart shows a summary of office data by class in the immediate area from CoStar.

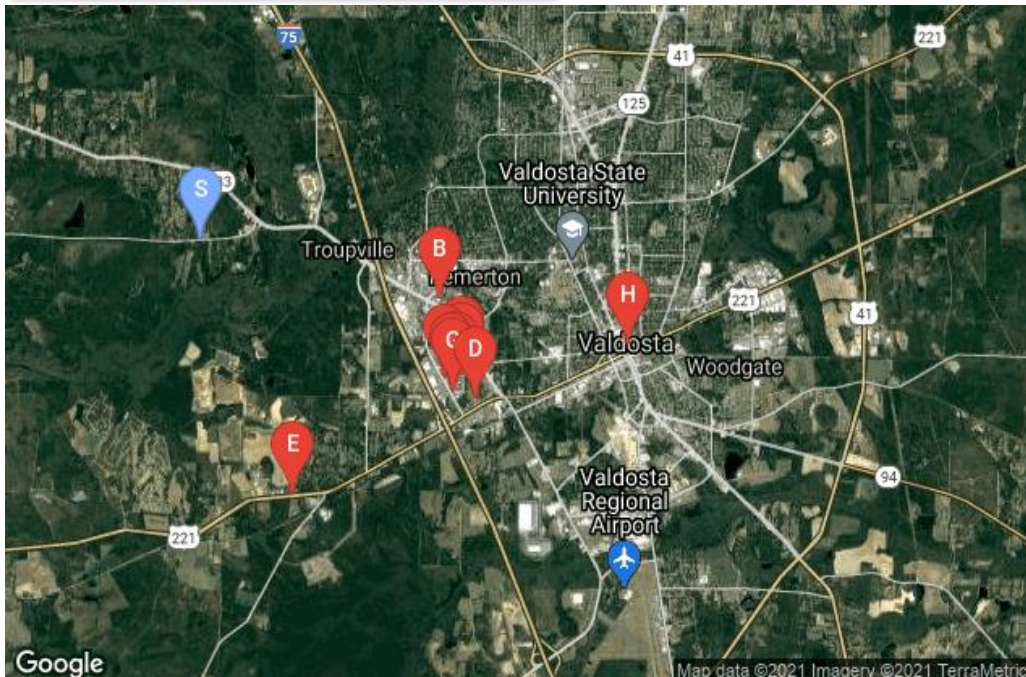
OFFICE SUMMARY					
CLASS	PROPERTIES	NRA (SF)	AVG YR BLT	OCCUPANCY	AVG RENT
B	53	280,682	1993	92.5	\$11.24
C	55	153,763	1986	96.4	-
TOTAL	108	434,445	1989	94.4	\$11.24

Source: CoStar

The largest three office properties are at 348 Enterprise Drive, 1591-1705 Norman Drive and 275 Norman Drive with an NRA of 23,973 SF, 22,287 SF and 19,902 SF, respectively. The closest large office property in proximity to the subject is the second property which is detailed above. The majority of properties were constructed before 2000. The following chart and map show the subject property and its location relative to the 10 largest office properties in the immediate area from CoStar.

LARGEST OFFICE BUILDINGS							
NAME	DISTANCE	MAP PIN	CLASS	NRA (SF)	% LEASED	YEAR BUILT	AVG RENT
Office Building	3.7 Miles	A	B	23,973	100.0	2000	N/Av
Office Building	3.1 Miles	B	B	22,287	100.0	-	N/Av
Office Building	3.6 Miles	C	B	19,902	100.0	1985	N/Av
Office Building	4.0 Miles	D	B	12,537	100.0	2008	N/Av
Office Building	3.3 Miles	E	C	10,500	100.0	2001	N/Av
Office Building	3.6 Miles	F	B	10,419	100.0	-	N/Av
Office Building	3.7 Miles	G	B	10,343	100.0	-	N/Av
Office Building	5.5 Miles	H	B	10,000	0.0	2005	\$12.00
Office Building	3.5 Miles	I	B	8,664	100.0	1994	N/Av
Office Building	3.6 Miles	J	B	8,422	0.0	-	N/Av

Source: CoStar



Industrial Development

The following chart shows a summary of industrial data by type in the immediate area from CoStar.

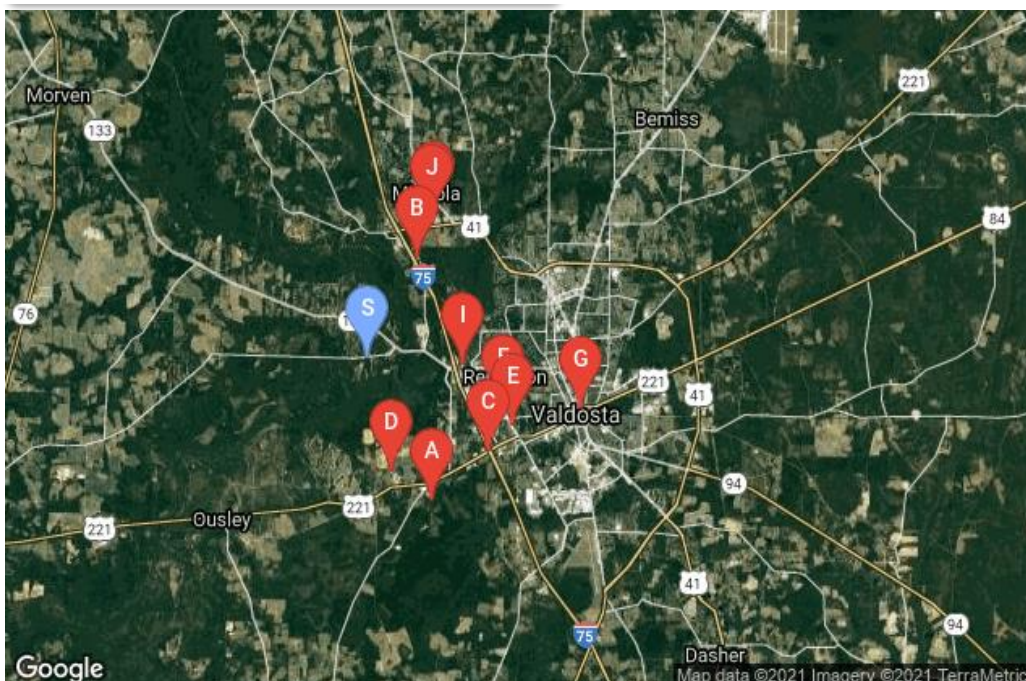
INDUSTRIAL SUMMARY					
TYPE	PROPERTIES	NRA (SF)	AVG YR BLT	OCCUPANCY	AVG RENT
Industrial	69	682,867	1993	97.5	\$6.10
Flex	20	148,268	1987	99.1	\$12.50
TOTAL	89	831,135	1992	97.8	\$7.53

Source: CoStar

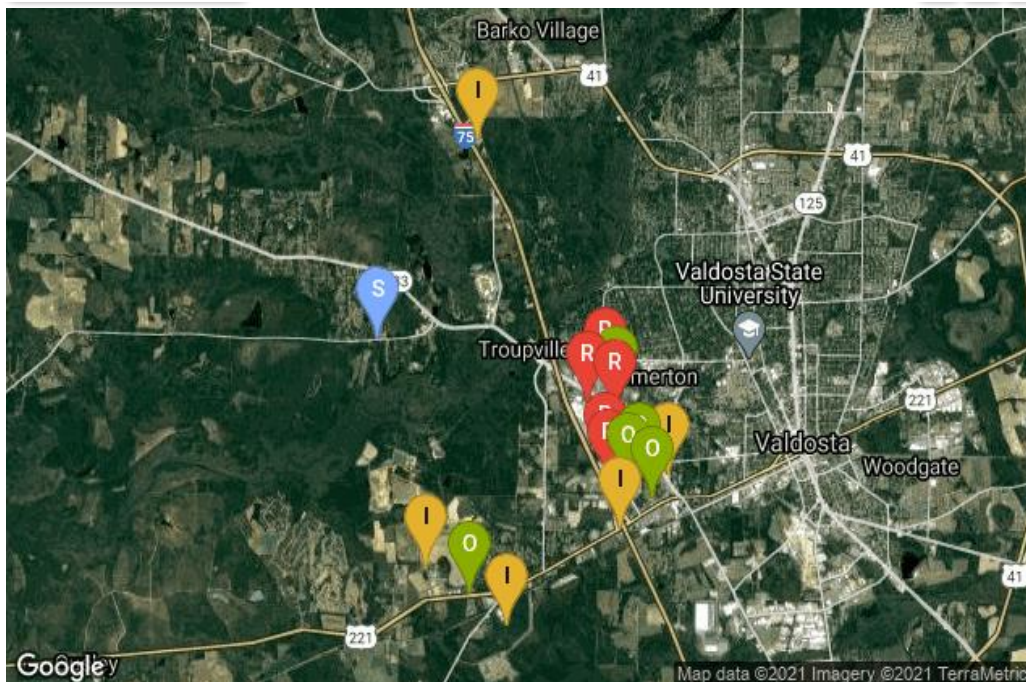
The largest three industrial properties are at 2509 Rocky Ford Road, 3671 Coleman Road and 2126-2150 West Hill Avenue with an NRA of 111,791 SF, 31,390 SF and 26,180 SF that were built in 1991, 2006 and 1993, respectively. The closest large industrial property in proximity to the subject is at 2001 Springhill Drive with an NRA of 16,781 SF that was built in 1900. The majority of properties were constructed before 2000. The following chart and map show the subject property and its location relative to the 10 largest industrial properties in the immediate area from CoStar.

LARGEST INDUSTRIAL PROPERTIES							
NAME	DISTANCE	MAP PIN	TYPE	NRA (SF)	% LEASED	YEAR BUILT	AVG RENT
Industrial Building	3.8 Miles	A	Industrial	111,791	100.0	1991	N/Av
Industrial Building	2.7 Miles	B	Industrial	31,390	100.0	2006	N/Av
Industrial Building	3.8 Miles	C	Industrial	26,180	100.0	1993	N/Av
Industrial Building	2.8 Miles	D	Industrial	25,000	100.0	1995	N/Av
Industrial Building	4.0 Miles	E	Industrial	23,290	100.0	1987	N/Av
Industrial Building	3.6 Miles	F	Industrial	18,345	100.0	1984	N/Av
Industrial Building	5.5 Miles	G	Industrial	16,958	100.0	1997	N/Av
Industrial Building	3.8 Miles	H	Industrial	16,878	100.0	1998	N/Av
Industrial Building	2.4 Miles	I	Flex	16,781	100.0	1900	N/Av
Industrial Building	3.8 Miles	J	Industrial	16,365	100.0	2007	N/Av

Source: CoStar



The following map shows the subject property and the largest retail, office, and industrial properties in the immediate area from CoStar.



SUBJECT PROPERTY ANALYSIS

The following discussion draws context and analysis on how the subject property is influenced by the local and immediate areas.

Subject Property Analysis

The uses adjacent to the property are noted below:

- › **North** - Single-family residential property
- › **South** - Troupeville Road, Vacant land, Single-family residential neighborhood
- › **East** - Vacant land, Single-family residential neighborhood
- › **West** - Manufactured Housing Community: Fernwood Mobile Home Community

Subject Conclusion

Trends in the local and immediate areas, adjacent uses and the property's specific location features indicate an overall typical external influence for the subject, which is concluded to have a good position in context of competing properties. The city of Valdosta benefits from its strategic location in close proximity to Moody Air Force Base, which constitutes a key factor for the stability and growth of its local economy. The presence of a thriving manufacturing industry and numerous retail businesses make the subject's location appealing to current and potential tenants and investors.

General Description The subject site consists of 1 parcel. As noted below, the subject site has 1,093,356 SF (25.10 AC) of land area. The area is estimated based on the assessor's parcel map, and may change if a professional survey determines more precise measurements. Going forward, our valuation analyses will utilize the usable site area. The following discussion summarizes the subject site size and characteristics.

Assessor Parcel 146 0004A

Number Of Parcels 1

Land Area	Acres	Square Feet
Primary Parcel	25.10	1,093,356
Excess Land	0.00	0
<u>Surplus Land</u>	<u>0.00</u>	<u>0</u>
Total Land Area	25.10	1,093,356

Shape Irregular - See Plat Map For Exact Shape

Topography Level at street grade

Zoning -

Drainage Assumed Adequate

Utilities All available to the site, including public water and sewer

Street Improvements	Street	Direction	No. Lanes	Street Type	Curbs	Sidewalks	Streetlights	Center Lane	Gutters
Troupeville Road	Secondary Street	two-way	two-lane	minor arterial					

Frontage The subject has approximately 400 feet of frontage on Troupeville Road.

Accessibility **Average** - The subject is located within three miles of Interstate 75. Access to the subject is offered through a full-access driveway on Troupeville Road.

Exposure **Average** - The subject has adequate exposure on a minor arterial.

Seismic The subject is in a low risk zone.

Flood Zone Zone X (Unshaded). This is referenced by Community Number 130281, Panel Number 13027C0280C, dated September 02, 2009. Zone X (unshaded) is a moderate and minimal risk area. Areas of moderate or minimal hazard are studied based upon the principal source of flood in the area. However, buildings in these zones could be flooded by severe, concentrated rainfall coupled with inadequate local drainage systems. Local stormwater drainage systems are not normally considered in a community's flood insurance study. The failure of a local drainage system can create areas of high flood risk within these zones. Flood insurance is available in participating communities, but is not required by regulation in these zones. Nearly 25-percent of all flood claims filed are for structures located within these zones. Minimal risk areas outside the 1-percent and .2-percent-annual-

chance floodplains. No BFEs or base flood depths are shown within these zones. (Zone X (unshaded) is used on new and revised maps in place of Zone C.)

Easements

A preliminary title report was not available for review. During the on-site inspection, no adverse easements or encumbrances were noted. This appraisal assumes that there is no negative value impact on the subject improvements. If questions arise regarding easements, encroachments, or other encumbrances, further research is advised.

Soils

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

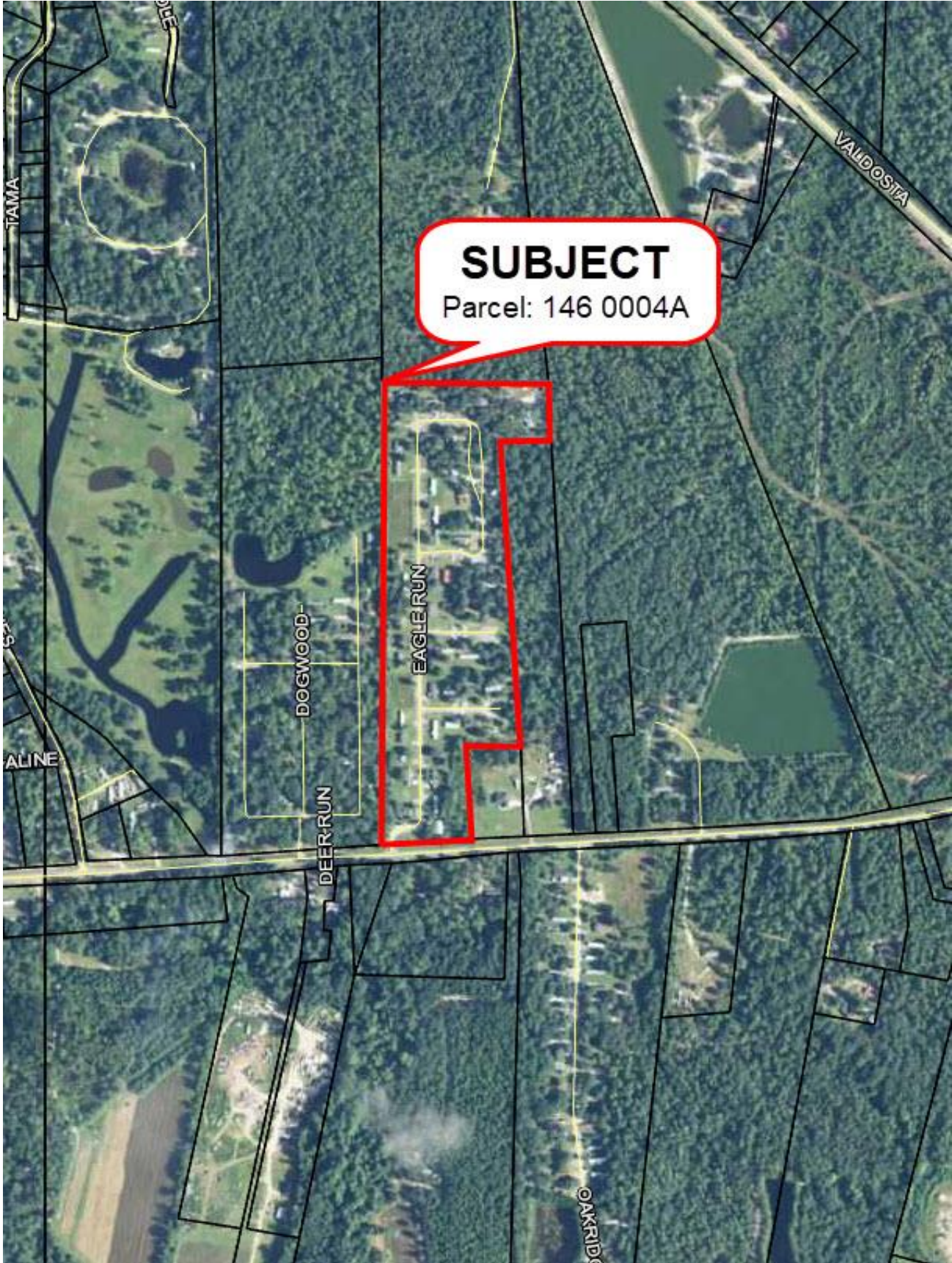
Hazardous Waste

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.

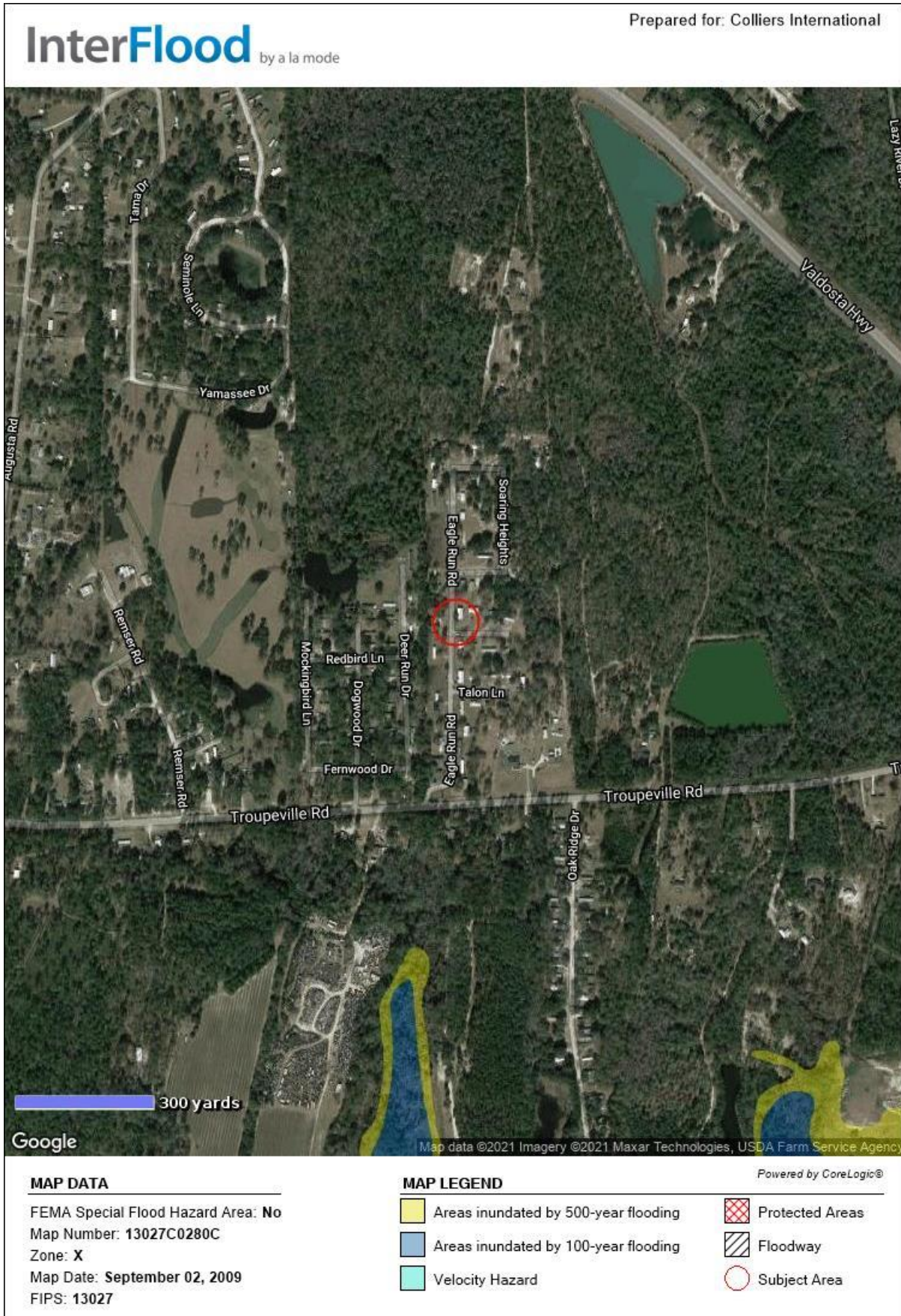
Conclusion

Overall, the subject site is considered an average residential site in terms of its location, exposure, and access to employment, education and shopping centers. All of these characteristics provide supporting uses for the subject site making it desirable for multifamily development. Overall there are no known factors that would limit the site's development according to its highest and best use.

PARCEL MAP



FLOOD MAP



Introduction	The information presented below is a basic description of the existing improvements. This information is used in the valuation of the property. Reliance has been placed upon 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.
Property Type	Manufactured Housing Community - All Age
Number of Homesites	63
Number Of Common Area Buildings	0
Year Built	1995
Age/Life Analysis	
Actual Age	26 Years
Effective Age	25 Years
Economic Life	55 Years
Remaining Life	30 Years - Assuming regular maintenance and periodic capital improvements
Quality	Average
Condition	Average
Appeal	Average
Marketability	Average
Density	2.5 Sites/Acre (63 Sites / 25.10 Acres)
Parking Total	126
Homesite Parking Spaces	126 - Concrete
On Street Parking Spaces	-
Visitor Parking Spaces	-
Parking Spaces/Homesite	2.0
Parking Comment	Parking is adequate and is consistent with the other communities in the market

Homesite Mix The chart below details the homesite mix at the subject property.

HOMESITE MIX		
HOMESITE TYPES	NO. HOMESITES	% OF TOTAL
Standard	63	100.0%
TOTAL	63	100%

Common Area Buildings There are no common area buildings at the subject property.

Project Amenities There are no common area amenities.

Site Improvements Asphalt streets and streetlights

Landscaping	The subject has a typical amount of landscaping. There are mature plantings surrounding the property. Plantings throughout the property include trees, flowers, mowed lawn, shrubs and hedges.
Deferred Maintenance	Deferred maintenance is measured as the cost of repairing or restoring the item to new or reasonably new condition. Based on our interview with the property manager and the onsite inspection by the field appraiser, no observable deferred maintenance exists.
Hazardous Materials	This appraisal assumes that the improvements are constructed free of all hazardous waste and toxic materials, including (but not limited to) asbestos. Please refer to the Assumptions and Limiting Conditions section regarding this issue.
ADA Compliance	This analysis assumes that the subject complies with all ADA requirements. Please refer to the Assumptions and Limiting Conditions section regarding this issue.
Conclusion	The subject improvements are a Class C manufactured housing community in average condition for their age and for the surrounding neighborhood.

INTRODUCTION

Assessment of real property is established by an assessor that is an appointed or elected official charged with determining the value of each property. The assessment is used to determine the necessary rate of taxation required to support the municipal budget. A property tax is a levy on the value of property that the owner is required to pay to the municipality in which it is situated. Multiple jurisdictions may tax the same property.

The subject property is located within Brooks County. The assessed value and property tax for the current year are summarized in the following table.

ASSESSMENT & TAXES						
Tax Year	2020			Millage Rate	27.771800%	
District	099			Taxes Current	Yes	
APN	LAND	IMPV	TOTAL	EXEMPTIONS	TAXABLE	BASE TAX
146 0004A	\$131,747	\$468,253	\$600,000	\$0	\$240,000	\$6,665
Totals	\$131,747	\$468,253	\$600,000	\$0	\$240,000	\$6,665
Total/Homesite	\$2,091	\$7,433	\$9,524	\$0	\$3,810	\$106
ADDITIONAL TAX CHARGES						
Fire Protection						\$20.0
Total Additional Tax Charges						\$20
Total Additional Tax Charges Per Homesite						\$0
Total Base Tax & Additional Tax Charges						\$6,685
Total Base Tax & Additional Tax Charges Per Homesite						\$106

Source: Brooks County Assessment & Taxation

SUBJECT PROPERTY ANALYSIS

The total taxable value for the subject property is \$240,000 or \$3,810/Homesite. There are no exemptions in place. Total taxes for the property are \$6,685 or \$106/Homesite.

As part of the scope of work, we researched assessment and tax information related to the subject property. The following are key factors related to local assessment and taxation policy. Real property in Brooks County is assessed at 40% of market value. Real property is reassessed annually. The next scheduled reassessment date is January 1 2022. In addition to scheduled reassessments, properties in Brooks County are reassessed upon sale, conversion, renovation or demolition.

According to the staff representative at the Brooks County tax commissioner's office, real estate taxes for the subject property are current as of the date of this report.

TAX COMPARABLES

To determine if the assessment and taxes on the subject property are reasonable, we considered historical information, as well as information from similar properties in the market. They are illustrated in the table below.

TAX COMPARABLES									
	SUBJECT	COMP 1	COMP 2	COMP 3	COMP 4	COMP 5	LOW	HIGH	AVG
Property Name	Timberview Mobile Home Park	Fernwood	Val Del MHP	Wiregrass Estates	Oak Ridge Village	Azalea Landing MHP			
Address	10905 Troupeville Road	11 Fernwood Drive	3980 Val Del Road	2841 Hwy 84	220 Oak Ridge Drive	4195 Bemiss Road			
City, State	Valdosta, GA	Valdosta, GA	Hahira, GA	West Valdosta, GA	Valdosta, GA	Valdosta, GA			
APN	146 0004A	146 0003A	0071 040	0059 091A	146 0034	0146A 061			
Year Built	1995	1992	1900	2001	1990	1997			
Homesites	63	73	53	41	70	70			
Taxable \$	\$240,000	\$340,880	\$135,282	\$114,161	\$246,668	\$95,346			
Taxable \$/Site	\$3,810	\$4,670	\$2,552	\$2,784	\$3,524	\$1,362			
Total Taxes	\$6,685	\$9,487	\$3,658	\$3,087	\$6,870	\$3,386	\$3,087	\$9,487	\$5,298
Taxes Per Site	\$106	\$130	\$69	\$75	\$98	\$48	\$48	\$130	\$84

The comparable properties reflect taxes ranging from \$48 to \$130/Homesite with an average of \$84/Homesite. The taxes for the subject property are within this range.

CONCLUSION

The subject property is under contract and is subject to reassessment following the sale. The concluded tax burden is as follows:

APPLICABILITY OF CURRENT TAX LIABILITY	
As-Is Market Value	\$880,000
x Adjustment for County RMV	40%
= Estimated Assessed Value	\$352,000
x Current Millage Rate (\$1,000)	27.772
= Stabilized Taxes Estimate	\$9,776
= Stabilized Tax Estimate	\$9,776
Stabilized Taxes/Homesite	\$155.17

INTRODUCTION

Zoning requirements typically establish permitted and prohibited uses, building height, lot coverage, setbacks, parking and other factors that control the size and location of improvements on a site. The zoning characteristics for the subject property are summarized below:

ZONING SUMMARY	
Municipality Governing Zoning	City of Valdosta Planning & Zoning Department
Current Zoning	Could not be verified.
Current Use	Manufactured Housing Community

ZONING CONCLUSIONS

The zoning could not be verified.

Detailed zoning studies are typically performed by a zoning or land use expert, including attorneys, land use planners, or architects. The depth of our analysis correlates directly with the scope of this assignment, and it considers all pertinent issues that have been discovered through our due diligence. Please note that this appraisal is not intended to be a detailed determination of compliance, as that determination is beyond the scope of this real estate appraisal assignment.

DEFINITIONS

As with all real estate, the manufactured housing industry has its own language. Market participants (buyers, sellers, lenders, and third parties such as brokers, inspectors, and appraisers) and community residents (those that live in manufactured housing communities) often use phrases such as Mobile Home Park or manufactured housing community, and mobile home or manufactured house interchangeably. The following provides definitions for key phrases and concepts in the industry.

Factory Built

A factory built home is built off site under a controlled environment, and then located to the site. Some minimal finish may (and probably will) be required on-site.

Mobile Home

By definition, a mobile home is a factory built housing unit built prior to June 15, 1976 before the Housing and Urban Development (HUD) code came into effect. Under this code, all homes are now built according to Federal Manufactured Home Construction and Safety Standards.

Manufactured Home

A manufactured home is a factory built housing unit built to meet or exceed the HUD code that came into effect June 15, 1976. A manufactured home has (or should have unless it was removed) a metal tag certifying that it was built in compliance with the HUD Code affixed to the outside of the home.

Modular Home

A modular home is a factory built home built after June 15, 1976 that is built in accordance with local (city, county, and/or state) building code requirements. Usually, a modular home is built to BOCA, UBC, or SEBC requirements. Theoretically, a factory built home could be built to both the HUD Code and another code—the home would be considered a manufactured home because it meets the HUD Code.

Manufactured Housing Community (MHC)

A manufactured housing community is a residential community within which manufactured homes are sited. A MHC is sometimes called a mobile home park or a trailer park—these phrases are left over from the 1950s-1970s—current industry nomenclature prefers the phrase manufactured housing community. Typically, a MHC is also a land lease community where the residents own their home and pay a rent (usually monthly) for their site.

Single Section

A factory built home that is delivered to the home site in one section is considered a single-sectional. This phrase is preferred to singlewide which is non-specific. Single Section Homes are typically 18 feet or less in width and 90 feet or less in length. Below is an image of such a unit.



Multi-Section

A factory built home that is delivered to the home site in more than one section is considered a multi-sectional. This phrase is preferred to doublewide which is non-specific. Multi-section homes are twenty feet or more wide and are 90 feet in length or less in width. Below is an image of such a unit.



INTRODUCTION

The manufactured housing industry is unique in that it is a combination of individual home ownership and home site rental. The portion of the industry most relevant to the appraisal of the subject properties are the home site rental, as the interest typically appraised is the interest held by the community owner. The other portion (home ownership) is also relevant because the rental of the site is dependent on a potential tenant's ability to place a home on it. So while the value of the homes is not directly considered in the analysis, the ability of potential tenants to place homes on the sites is considered in the analysis. An in depth discussion of manufactured housing construction, sales, ownership and financing is presented below.

Manufactured Housing History

The evolution of the manufactured housing community (MHC) began in the 1920s, when the first camping trailer was built in Michigan. Camping trailers adapted to other uses such as short term, transportable housing.

The need for short term housing, on-base housing during World War II resulted in the creation of house trailers. House trailers were the next generation of camping trailers. Post World War II, the need for short term, off-base housing emerged, due in part to large construction projects (dams, highways, pipelines, energy facilities) in undeveloped areas. House trailers were ideal for this type of housing. Post construction, the trailers could move to the next location. The trailers were expanded, refined, and improved, and became mobile homes in the 1960s. Mobile home parks were developments in which mobile homes were placed.

The phrase manufactured home came into being in the mid-1970s with the passage and enactment of the National Manufactured Housing Construction and Safety Standards Act, commonly known as the HUD Code. This act, and these standards, went into effect on June 15, 1976. The Act required that factory built homes be built in accordance with the HUD Code. (Factory built homes built after this date, constructed in accordance with a code other than the HUD Code, are known as modular homes.) Due to enactment of these standards, there has not been a *mobile home* built in the United States since June 15, 1976. Finally, on October 8, 1990, Congress enacted Public Law 96-399, officially changing the phrase "mobile home" to manufactured home".

Improvements in the public perception of manufactured housing makes the manufactured homes more attractive to people who otherwise would not have considered it. Along with stricter building codes, the manufactured housing industry has been successful in banishing false concepts regarding construction of manufactured housing. Historically, manufactured homes had the reputation of being unsafe, as they were thought to be more

prone to fire and wind than conventional housing. However, studies have shown that site built homes are more likely to experience a fire.

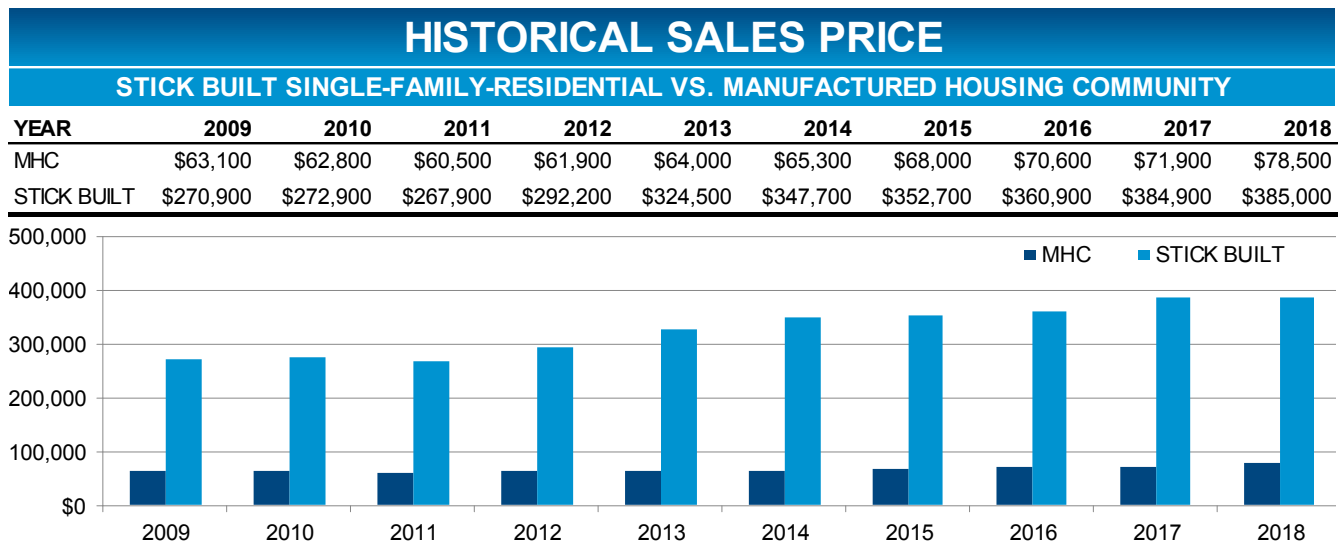
Regarding the “wind factor,” most homes are built to withstand winds of up to 70 miles per hour. Tornadoes usually have winds ranging from 112 to 200 miles per hour. Neither site built homes nor manufactured homes are designed to withstand these excessive winds. Manufactured homes have also had the perception of being a depreciating asset once purchased, much like a vehicle. Although age is a factor, the condition of the home is the most significant factor.

KEY FACTORS

Location is the primary factor in the resale of a manufactured home. A permanently sited, well-maintained manufactured home may appreciate in value at the same rate as the surrounding neighborhood. A study conducted by Foremost Insurance Company, indicated that manufactured homes built since 1973 have appreciated on a nationwide basis.

Another study conducted by the University of Georgia, indicated the average life expectancy of a manufactured home is 55 years. In addition to better construction techniques and a higher quality product, manufactured homes have also increased in size, ranging from 700 to 2,400 square feet with up to five bedrooms.

The construction and design of manufactured housing has greatly improved and has proven more cost effective than conventional site-built housing. Factory built homes typically cost 33% to 50% of comparable site built houses. This lower cost is attributed to factors involved in the actual construction of manufactured housing, such as no weather delays, volume savings resulting from bulk purchases of materials, quality control at each step of construction, and assembly line construction. This difference in costs is attractive to first time homebuyers. The following chart details the cost of a manufactured home versus a single family residential home:



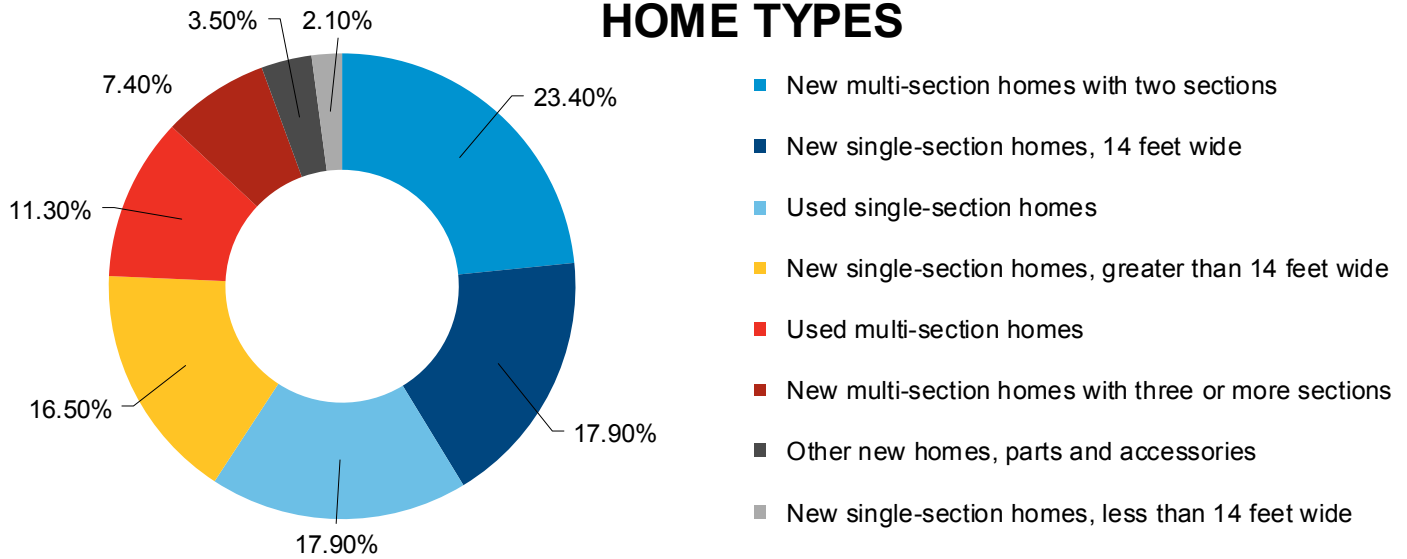
2019 data not yet released

Source: U.S. Commerce Department's Census Bureau via U.S. Department of Housing and Urban Development

MARKET SEGMENTS

The following chart details the percentages for home sales according to type of home sold.

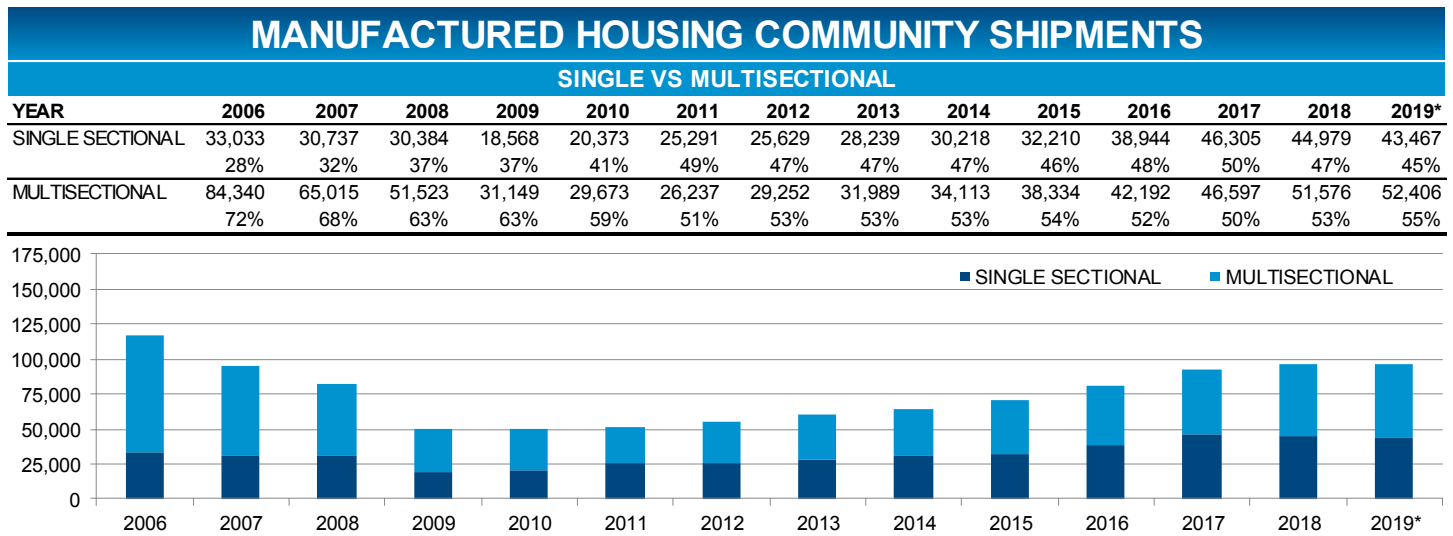
HOME TYPES



The largest product segment is new multi-section homes with two sections, which accounts for approximately 23.4% of revenue. Total new homes account for 67.3% of industry revenue. Used homes, which account for 29.3% of industry revenue, are obtained through trade-ins or repossessed homes purchased from or sold on a consignment basis for consumer finance companies. Multi-section homes account for approximately 78% of industry revenue compared with 61.2% in 1998. Higher demand for multi-section homes has been driven by a greater acceptance of manufactured homes as a variable housing alternative by higher-income buyers.

NEW HOME MIX

The following chart shows the distribution between single and multi-section homes in new home shipments over the past decade. The trend is toward a balance between single and multi-section homes.



*Annualized through November

Source: U.S. Commerce Department's Census Bureau via U.S. Department of Housing and Urban Development

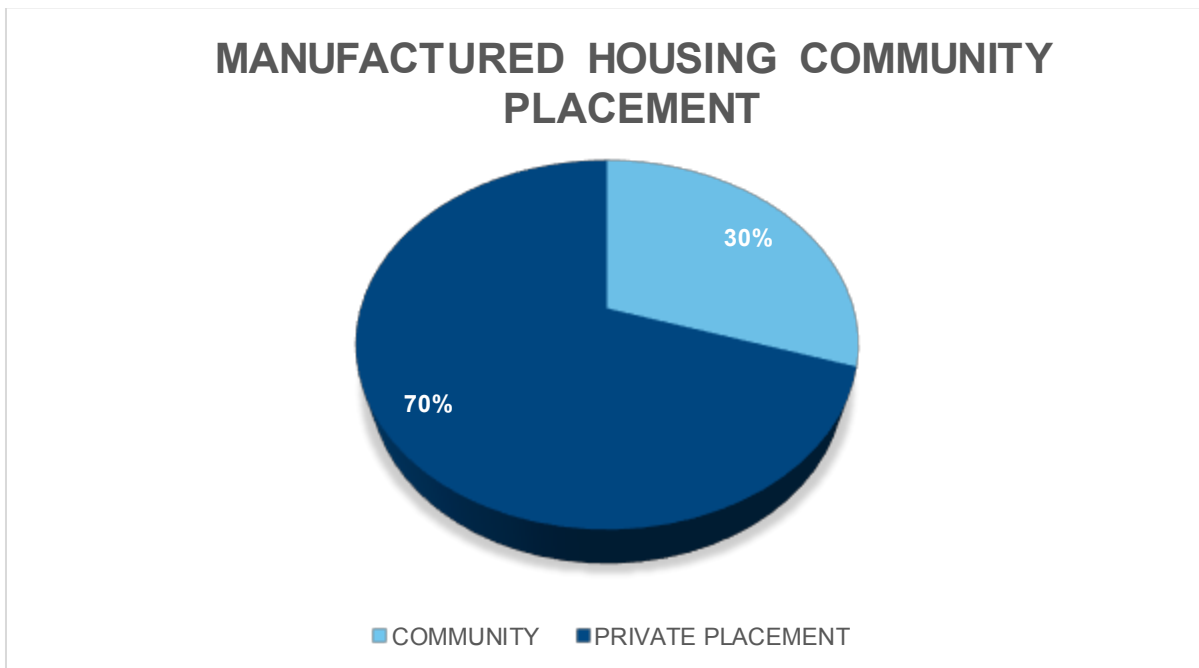
MANUFACTURED HOUSING COMMUNITY OWNERSHIP (ALSO KNOWN AS LAND LEASE COMMUNITIES)

Investors

Historically, the typical manufactured home community investor was a small partnership or individuals. However, as the communities have improved in design and image, as well as proven to be low risk investments, REITs, pension funds or national investment groups have begun including them in their portfolios.

Barriers To Entry

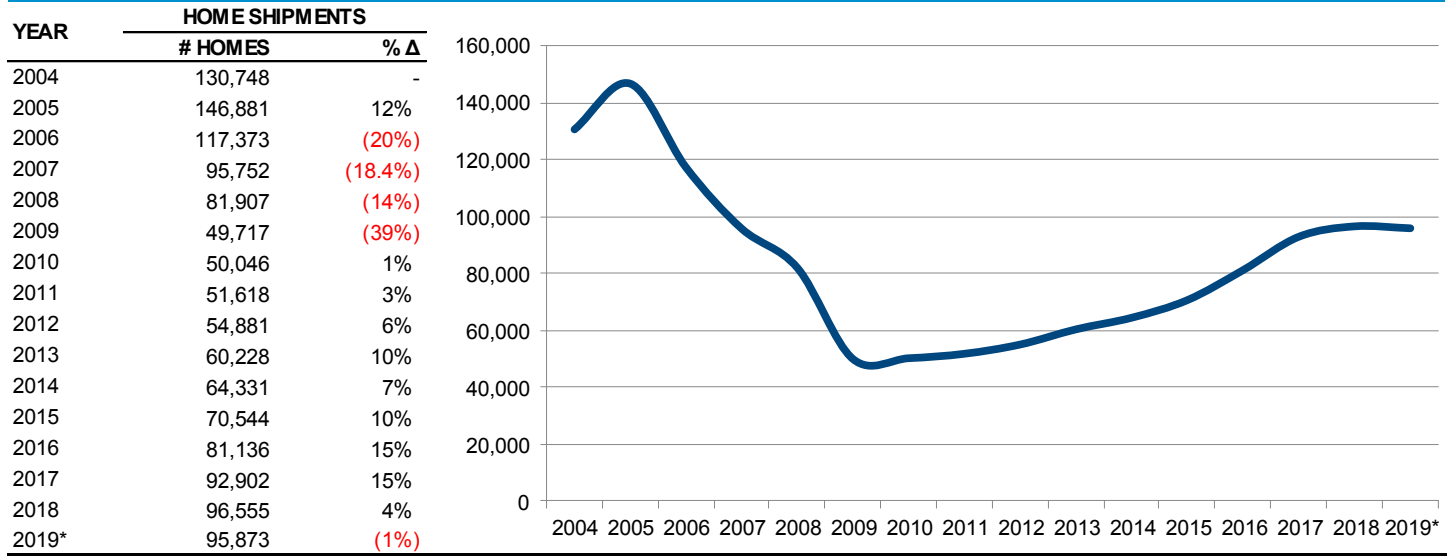
Generally, barriers to entry are considered to be significant across the US. It may be costly to purchase suitable land to begin operations. This varies between regions and is generally dependent on existing populations, infrastructure, facilities, transport, and development. Zoning is the biggest barrier to new construction. This is generally due to a negative public perception of these facilities. Additionally, it may take several years to achieve high occupancy rates, which can hinder revenue growth.



MANUFACTURED HOME SHIPMENTS

Manufactured home shipments steadily increased from 1991 to 1998, according to the Manufactured Housing Institute (MHI). The peak of the market was 1998 when nearly 373,000 new units were delivered to the market. This growth trend was primarily fueled by a combination of economics and demographics. The following chart shows trends in the shipment of homes over the past eight years.

MANUFACTURED HOME SHIPMENTS



*Annualized through November

Source: U.S. Commerce Department's Census Bureau via Institute for Building Technology & Safety

During 2006, industry revenue continued to rise as interest rates increased and demand for low-cost housing grew. The inventory of unsold site-built homes reached a historically high peak in the second half of 2006. This continued to quell demand for manufactured housing.

In 2007, the large supply of available, moderately priced, site-built homes continued to suppress revenue growth in the industry. Average Monthly Manufactured Housing Shipments per year are estimated to have declined by 18.5% in 2007. This trend of declining shipments has continued through 2009. It appears to have leveled out over the past year and there has even been a slight uptick in shipments.

CLASSIFICATIONS/QUALITY RATINGS

Types of Communities

The first distinction that can be made between communities is between lifestyle and affordable housing. Lifestyle communities typically have newer, higher quality homes and community amenities. Affordable housing communities have a higher percentage of older used homes and few if any amenities. Ultimately most manufactured housing communities are “affordable” housing. However, these communities are geared toward lower income families than the typical single family community. Investors in manufactured housing typically specialize in one type of community and there are distinct investment philosophies that are tied to each type.

The next distinction that can be made is between all age and senior or age restricted (55+) communities. The all age community is the largest segment representing ±60% of the market. Operators of these sites provide leases for vacant lots within an established manufactured home community for all ages. These leases are usually on a month-by-month basis or for an entire year. Families and first-time homebuyers are large users of these manufactured home sites. This is due to these facilities providing a more affordable means of home ownership, an increase in popularity of manufactured home sites for families and as holiday homes. All-age communities are typically a mix of affordable and lifestyle.

The age restricted or 55+ communities generally provide more facilities and services for occupants, who tend to stay for longer periods of time than the family and first home buyers segments. This segment has increased in popularity for retirees. These communities are primarily lifestyle communities.

Rating System

A star rating system is a common system with an origin in the Woodall Rating Guide. The guide ceased to be published in the early 1970s and most of the highest rated communities in existence today were constructed since 1980, at least a decade after the guide ceased publication. There is no standard rating system. Many have their own rating criteria that they reference.

In this appraisal we utilize an alphabetic classification system. The highest classified buildings are Class A. Quality but slightly inferior assets are Class B. Class C buildings are the oldest buildings, lowest quality, and often have no amenities. These are still functional assets in fair to average condition. Assets that are not functional and in poor condition are not classified. This system reflects industry standards and can be translated to both industry vernacular and standards used in other related real estate industries, most notably apartment complexes. The following chart shows our classification overview.

MANUFACTURED HOUSING COMMUNITIES RATING GUIDE				
CATEGORY	CLASS A	CLASS B	CLASS C	UNRATABLE
Density	Low (4-7 sites/acre)	Medium (10 sites/acre or less)	High (15 sites/acre or less)	High (15+ sites per acre)
Age	Built Since 1980	Built Since 1970	Built Prior to 1980	Built Prior to 1980
Amenities	Resort Style	Standard to None (if high enough quality)	Few to none	None
Quality/Layout	Subdivision Quality	High Quality grid or curvilinear layout	Medium to Low Quality/Typical Grid Layout	Grid Layout
Roads	Asphalt or Concrete	Asphalt or Concrete	Mostly Asphalt or Concrete (Some Gravel & Dirt)	All Gravel & Dirt
Utilities	Public Utilities	Usually Public Utilities	Mix of Public and Private	Mix of Public and Private
Parking	2 Off-Street per Site	1 to 2 Off Street per Site	Mix of Off Street and On Road	On Road Parking Only
Homes (Quality)	Excellent	Good to Excellent	Average to Good	Fair
Homes (Age)	Built After 1980	Majority Built after 1980	Built after 1976	Built before 1976
Homes (Mix)	Mostly Multi-Section	Single and Multisection	Primarily Single Sectional	Primarily Single Sectional
COMPARISON TO STAR RATING				
Star Rating (Non-Woodall)	Five Star	Three to Four Star	Two to Three Star	One Star or Unratable
Star Rating (Woodall)	N/A	N/A	N/A	N/A

DEMAND FACTORS

Demographics

For each of the two types of communities previously detailed there are differing demographic bases. All-Age communities typically serve low income earners and first time home owners. Senior (55+) communities serve low to high middle income retirees. There are also some higher income retirees who see manufactured housing as an option to maintain multiple residences.

Location aspects desired by residents in All-Age communities include proximity to employment, shopping, and major traffic arteries. Affordable housing community residents are employed primarily in industrial parks and retail centers rather than in offices. For those with children, school districts play a major role in choice of location. Manufactured housing can offer an entry point to a high quality school district for an affordable monthly payment.

Location aspects for Senior (55+) communities are different. Important to these residents are community amenities, climate, proximity to family, along with medical and retail support services. For some these homes are an affordable second home.

Another factor is the ease of relocation. For people who work in jobs that require regular geographic relocation, manufactured home sites provide an affordable and easy way to move between states as required for employment or personal reasons.

The Economy

Manufactured housing follows shifts in the economy as does other forms of residential real estate, but it often works at counter cycles.

Several factors have combined to increase the demand for manufactured housing communities over the last few years, specifically, the declining homeownership and household formation rates. Since the collapse of the housing bubble, both people and banks have become more averse to financial risk, especially for mortgages. Homeownership became harder to obtain and coupled with the sharp increase in foreclosures, many renters were back in the market for manufactured housing communities. Job losses, decreased incomes, reduced asset values and other financial hits that occurred as a result of the Great Recession have forced others to downsize as well. Another wave of former homeowners may be entering the rental market soon as a recent Inspector General report indicates that nearly half of the mortgages modified in 2009 under the Home Affordable Modification Program (HAMP) are in default again.

Homeownership rates have steadily declined from a historical high of 69.2% in 4Q 2004 to 65.0% in 2Q 2013. For each one percentage point decline in homeownership, there is a shift of approximately 1.1 million households to the rental market. While still considered low, interest rates began slowly climbing this year and coupled with some recent news from Case-Shiller about rising home prices, there may be a short-term jump in single-family sales as fence-sitters move in to the market. Single-family home prices rose 12.2% from last year as builders are unable to put homes up fast enough to keep up with the slowly returning residential demand. Part of the current uptick in home sales has come from investors snapping up foreclosures or other distressed properties to put on the rental market.

These trends have also resulted in a shift in manufactured housing communities renting rather than selling and financing homes.

Financing

Financing of homes and the availability of credit has had a major impact on trends in the industry over the past couple of decades. The following paragraphs provide an overview of MHC finance since the early 2000s.

- › **Early 2000s** - As noted above, the lending environment for this industry has changed. As early as 1999, consumer lenders began to tighten underwriting standards and limit the credit availability for manufactured home loans. This was due to the increasing rate of loan defaults in the industry and the significant losses that dealers experienced upon the repossession and resale of homes. Consequently lenders began to exit the market. For example, In October 2002, Conseco discontinued providing home-only financing for the industry, filing for Chapter 11 bankruptcy protection in December 2002. The Conseco situation affected the asset backed securitization market; a significant source of long-term capital for originators of manufactured housing home-only loans. Following this, remaining lenders have tightened their credit standards and terms, and increased interest rates which have reduced lending volumes.
- › **The Availability and Cost of Consumer Financing** – One third of all manufactured home purchases are financed through credit. There is a higher risk in financing manufactured homes compared to financing conventional dwellings and as a result finance is not as readily available as it is for conventional dwellings. Higher interest rates make borrowing more costly, causing demand for manufactured housing to decline.
- › **Dodd-Frank Impact** – New rules mandated by the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank) took effect on January 14th and are expected to have a significant impact on residential mortgage markets.

Three rules should be the most challenging for the manufactured housing industry, and are primarily meant to protect the buyer. First is the ability to repay (ATR) rule, which requires lenders to verify that borrowers can actually make the mortgage payments. This rule defines a “qualified mortgage” (QM) and explains how that designation relates to the lender’s level of liability stemming from the origination process.

Then there is the high-cost mortgage loan/home ownership and equity protections act (HOEPA) rule. A non-QM loan will be classified as “high-cost” or “predatory” based on tripping one of two triggers, either an annual percentage rate (APR) cap or a points and fees cap.

Finally, the loan originator compensation (LO Comp) rule mandates who can be classified as a loan originator based on their activities or actions. Any compensation paid to any individual defined as a loan originator must be included in the calculation of points and fees. That means this rule can potentially influence every other rule, limit and increased liability that comes with exceeding points and fees thresholds.

There are several possibilities for the way these rules will play out. One is that the caps are too low for lenders, so high-cost loans do not originate and potential borrowers are turned away. Another possibility is that retailers and factories cut their profit margins just to keep the lights on and try to survive until the rule can be changed, which involves a great amount of risk. A third possibility is an interest rate “buy-down” to induce lenders to make the loan. In many cases, the MH retailer will be the source of the buy-down through seller points. If this occurs, the entire MH market will adjust by increasing the cost of manufactured homes.

This will likely adversely impact both buyers and sellers as some consumers will be priced out of homes. That will negatively impact retailers and manufacturers. For those consumers who can still afford the home, they will be paying more for less simply because of the limits placed on lenders through this “consumer protection” rule.

COMPETITION

There are two types of competition for a manufactured housing community. The first is the most obvious; a community must directly compete with other manufactured housing communities in the market for residents. The second is the indirect competition the properties have from single family homes and from apartments:

Direct

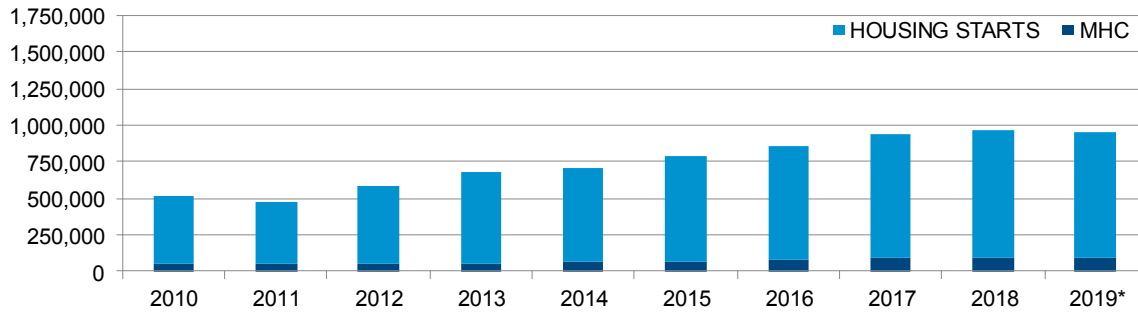
There are several factors that influence a customer's decision to lease a site within a particular manufactured home community, including

- › **Homes** - As with single family residential residents want the quality of the homes in their community to be as good if not better than their own. The quality of manufactured homes has improved significantly in recent years. So communities with a higher percentage of newer homes are more attractive.
- › **Amenities** - Most manufactured home communities offer a wide range of community facilities, such as swimming pools, clubhouses, cable television services, golf courses and others. Particularly for retirees or those who intend to utilize the facilities provided, the quality and condition of amenities can be very important.
- › **Quality** - Factors that go into the quality of a community include the streets, homes, lighting, amenities, and parking. These all contribute to the overall “feel” of the community. The previous discussion on lifestyle versus affordable housing bears repeating here. Lifestyle communities tend to be higher quality communities. However, simply because a community is an affordable housing option does not necessarily mean it is a low quality community. A well located affordable housing community may well be better maintained and have a higher occupancy than a competing lifestyle community.
- › **Management/Reputation** - If a manufactured home community, or the operating company, has a poor reputation for quality of facilities, resident noise, or lack of service, this can result in lost revenues and residents. Well maintained, friendly, and clean communities are more likely to be preferable to potential and existing residents. The impact of management is hard to overlook. A competent manager, with experience in selling and financing homes or with renting in a primarily rental home community, is invaluable. They can be the difference between maintaining or increasing occupancy and losing residents. Likewise the ability of a management company to provide homes for sales and financing is equally important. This is one reason for recent consolidation that has taken place in the industry. Smaller owner/operators are increasingly having difficulty in this area.
- › **Costs** - Costs include the purchase and finance of a home, rents, and utilities. This again has been an issue for smaller owner/operators. A community located in an area with high utility costs may have to offer much lower rent to attract residents from the lower utility cost areas in the market.
- › **Location** - For people looking to live within a particular region, or close to family, relatives or friends, the location of a manufactured home community may be the most important consideration. For an established manufactured home community with a high occupancy rate, a lack of good quality lots in a good position can deter new residents. Similarly, if a site is located near an undesirable feature, such as electricity towers or a freeway, this may be difficult to lease out.

Indirect

Manufactured housing sits somewhere between apartments and single family residential on the spectrum of home ownership. Residents typically own their own home but rent the land. In retirement areas and in many lifestyle communities the relationship to other components of the residential market more closely resembles single family residential. However, for affordable housing communities and for communities with a high percentage of community owned rental homes the relationship more closely resembles apartments. The following chart details the percentages of new housing starts to manufactured housing shipments:

HOUSING STARTS VS. SHIPMENTS										
YEAR	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019*
MHC	50,046	51,618	54,881	60,228	64,331	70,544	81,136	92,902	96,555	95,873
HOUSING STARTS	471,000	431,000	535,000	618,000	648,000	715,000	782,000	849,000	876,000	859,000
TOTAL	521,046	482,618	589,881	678,228	712,331	785,544	863,136	941,902	972,555	954,873
MHC (% of Total)	10%	11%	9%	9%	9%	9%	9%	10%	10%	10%



*Annualized through November

Source: U.S. Commerce Department's Census Bureau via U.S. Department of Housing and Urban Development

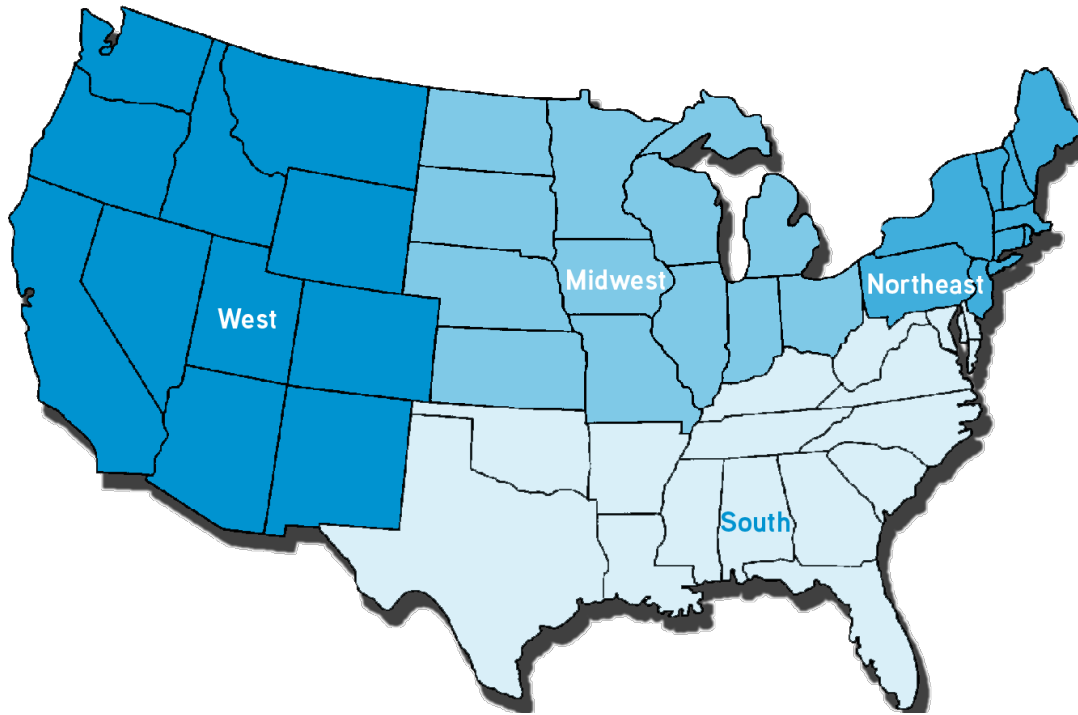
You can see the relationship between manufactured housing demonstrates the relationship overall between single family residential and manufactured housing. During the height off the housing bubble the number of shipments decreased significantly relative to new housing starts. This was also a period of declining occupancy in many communities. The crash of single family markets resulted in an increase (relative to new housing starts) in the percentage of shipments to housing starts. Below are some factors that impact potential residents decision-making regarding living in manufactured housing communities.

- › **The total price of a manufactured home and lot rent.** The purchase of a manufactured home and rent of a community lot is generally considerably more affordable than a traditional home and land package. For this reason, manufactured home communities are popular with the over 55 years of age group, first home buyers, families, and low income groups. Community owners generally try to get the cost of the home and the lot rent to equal less than the average rent of a comparable 2 to 3 bedroom apartment in the property's area.
- › **The level of interest rates and mortgage defaults.** During periods of low mortgage interest rates, demand for manufactured home sites decreases as people feel they can afford a traditional home and land, apartment or condominium. However, as interest rates increase, mortgage defaults can result in stronger demand for more affordable alternatives.
- › **Attractiveness of manufactured homes.** Newer homes are more comparable to single family or site built homes.
- › **The social status of living in a manufactured home community.** The lower costs are often offset by a perceived lower level of social status. This has been reduced somewhat by improvements in the public perception of manufactured homes. In the past, manufactured home communities had a negative image of poor, unkempt housing, with dilapidated cars parked in the yards, creating an eyesore for neighboring property owners. Fortunately, for the manufactured home industry, the "trailer park" image is giving way to a newer concept; well designed and groomed communities which closely resemble conventional subdivisions.

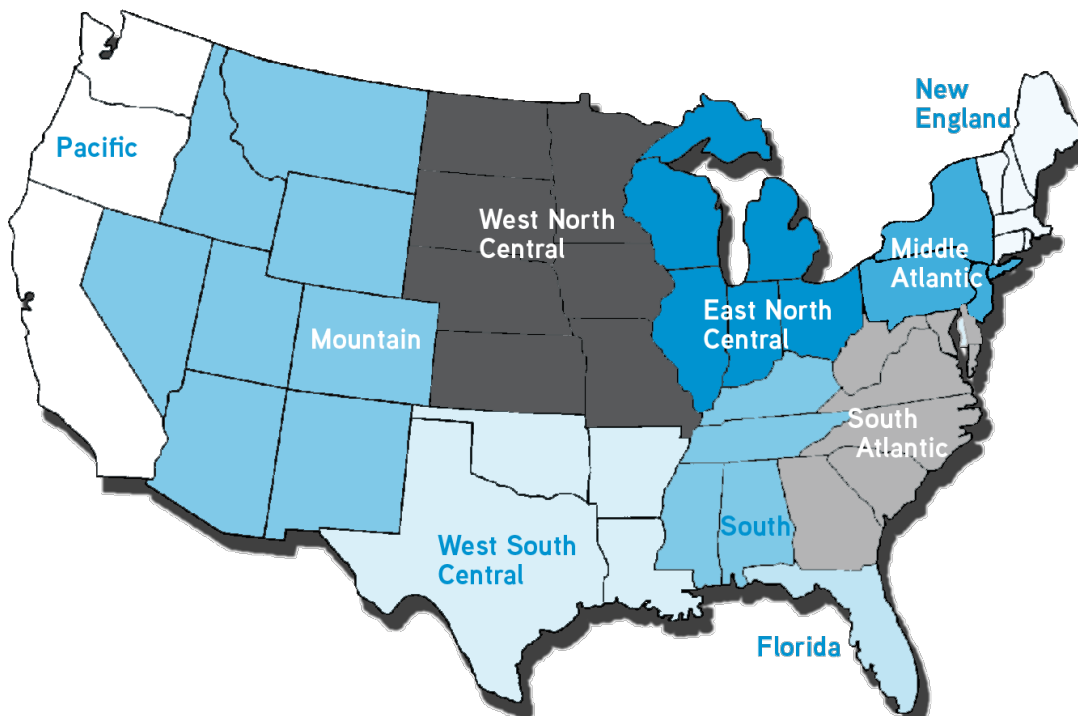
REGIONAL ANALYSIS

National MHC data was available from state governments, manufactured housing industry groups, and the federal government. The Census Bureau identifies four major regions in the country which are further subdivided into nine “sub”-regions. For the purpose of analysis an additional “sub”-region is added. Florida is a unique enough state that it is separated from the “South Atlantic” sub-region and analyzed separately. The following maps show the delineation of the regions and sub regions.

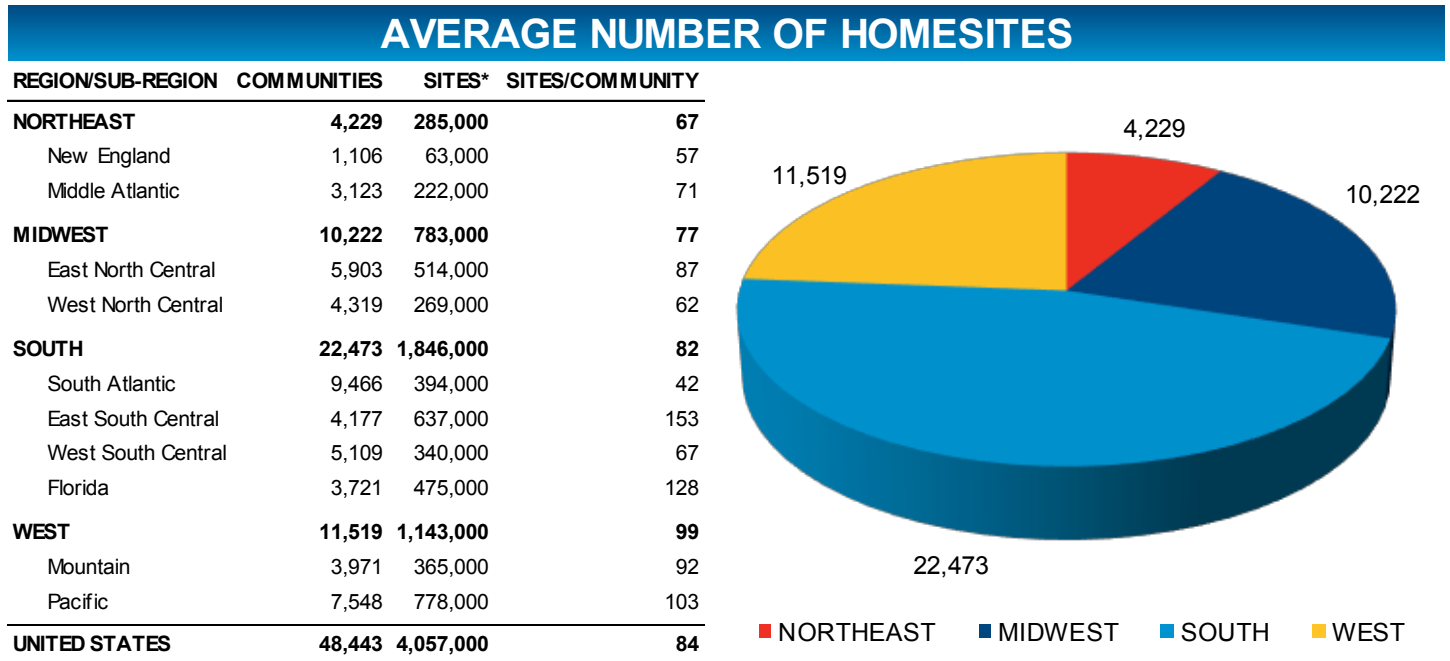
Regions



Sub-Regions



The following chart shows the different regions and sub-regions and identifies the number of communities and homesites in each area.



The northeast is the smallest region and the South is the largest. The Pacific sub-region is the largest sub-region, while the New England sub-region is the smallest. The East South Central has the largest communities (on average) with the Florida having the second largest. The South Atlantic has the smallest communities with an average of 42 sites per property. The following paragraphs examine each region separately.

Northeast

New York and Pennsylvania have the most communities with just under 1,500 homesites each. New Jersey, Massachusetts, and Connecticut have the largest communities with average community sizes of 151, 146, and 124 respectively.

Midwest

Michigan has the most homesites in the Midwest with nearly 200,000 homesites. This is mostly the result of larger properties. Michigan communities have most homesites per community in the Midwest, with an average of 155 homesites per community. Ohio has the most communities but with much fewer sites per community at 68.

South

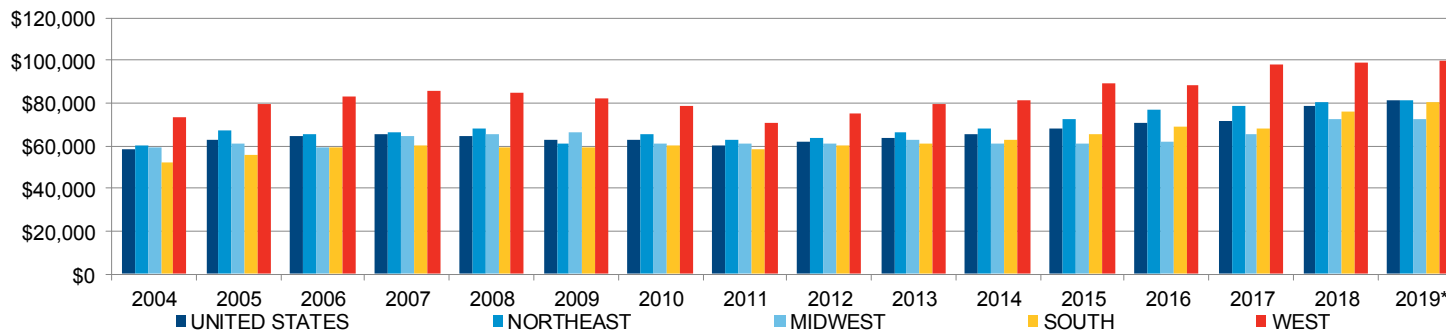
Florida has more homesites than any other state by a significant margin with over 400,000 homesites. North Carolina has ±4,100 communities but they have an average size of just 30 homesites per community.

West

California has the most homesites of any state in the country and consequently in the west as well. It has over 560,000 sites in nearly 4,000 communities. The average number of homesites in California’s communities is 151. Other states with many communities include Arizona (±1,000), Colorado (±1,100), Oregon, (±1,400), and Washington (±2,100).

The following chart shows the average home price by region in the United States. The Western region has the highest priced homes with the Pacific sub-region having the highest cost of living overall.

AVERAGE SALES PRICE OF NEW MANUFACTURED HOMES BY REGION & SIZE OF HOME															
UNITED STATES				NORTHEAST			MIDWEST			SOUTH			WEST		
YEAR	TOTAL	SINGLE	DOUBLE	TOTAL	SINGLE	DOUBLE	TOTAL	SINGLE	DOUBLE	TOTAL	SINGLE	DOUBLE	TOTAL	SINGLE	DOUBLE
2004	\$58,200	\$32,900	\$63,400	\$60,200	\$38,100	\$67,600	\$58,800	\$34,500	\$63,100	\$52,300	\$31,200	\$59,600	\$73,200	\$38,600	\$71,100
2005	\$62,600	\$34,100	\$68,700	\$67,000	\$40,400	\$75,700	\$60,600	\$35,800	\$66,500	\$55,700	\$32,700	\$64,700	\$79,900	\$38,900	\$76,400
2006	\$64,300	\$36,100	\$71,300	\$65,300	\$40,500	\$73,100	\$59,100	\$35,900	\$67,400	\$58,900	\$35,400	\$68,700	\$83,400	\$41,200	\$79,600
2007	\$65,400	\$37,300	\$74,200	\$66,100	\$43,300	\$75,200	\$64,900	\$39,200	\$72,700	\$59,900	\$36,100	\$71,100	\$85,500	\$41,300	\$84,800
2008	\$64,700	\$38,000	\$75,800	\$68,400	\$46,100	\$77,700	\$65,700	\$39,400	\$74,500	\$59,600	\$36,900	\$72,700	\$84,900	\$42,700	\$87,100
2009	\$63,100	\$39,600	\$74,500	\$61,400	\$44,200	\$69,300	\$66,200	\$41,100	\$75,700	\$59,400	\$38,700	\$72,800	\$82,100	\$44,500	\$83,300
2010	\$62,800	\$39,500	\$74,500	\$65,700	\$44,000	\$76,900	\$60,600	\$41,400	\$74,500	\$60,100	\$38,600	\$72,700	\$78,600	\$42,100	\$82,000
2011	\$60,500	\$40,600	\$73,900	\$62,700	\$41,600	\$75,800	\$60,800	\$42,800	\$76,500	\$58,400	\$40,000	\$71,900	\$70,600	\$41,800	\$80,200
2012	\$62,200	\$41,100	\$75,700	\$63,400	\$41,300	\$76,400	\$60,900	\$43,300	\$77,300	\$60,100	\$40,700	\$73,600	\$75,300	\$41,500	\$84,200
2013	\$64,000	\$42,200	\$78,600	\$66,500	\$44,300	\$79,600	\$62,900	\$43,300	\$80,000	\$61,200	\$41,700	\$76,500	\$79,100	\$44,600	\$86,600
2014	\$65,358	\$45,050	\$82,058	\$68,258	\$47,483	\$84,900	\$61,100	\$46,425	\$80,742	\$63,000	\$44,175	\$79,617	\$81,017	\$48,308	\$91,050
2015	\$68,058	\$45,550	\$86,700	\$72,533	\$50,125	\$91,158	\$60,708	\$46,433	\$83,808	\$65,133	\$44,575	\$82,642	\$88,800	\$47,108	\$102,158
2016	\$70,658	\$46,850	\$89,458	\$76,900	\$48,925	\$99,508	\$61,700	\$46,383	\$86,417	\$68,625	\$45,667	\$86,392	\$88,225	\$55,058	\$100,242
2017	\$71,983	\$48,283	\$92,808	\$78,608	\$52,442	\$97,775	\$65,108	\$47,733	\$87,142	\$68,300	\$47,883	\$88,592	\$97,900	\$50,658	\$111,333
2018	\$78,600	\$52,592	\$99,542	\$80,008	\$53,567	\$101,492	\$72,308	\$53,658	\$96,933	\$75,875	\$51,692	\$96,717	\$99,133	\$57,900	\$111,958
2019*	\$81,633	\$53,056	\$103,544	\$81,378	\$53,733	\$106,956	\$72,167	\$54,200	\$98,056	\$79,967	\$52,711	\$101,211	\$99,944	\$51,822	\$114,189



*Through September

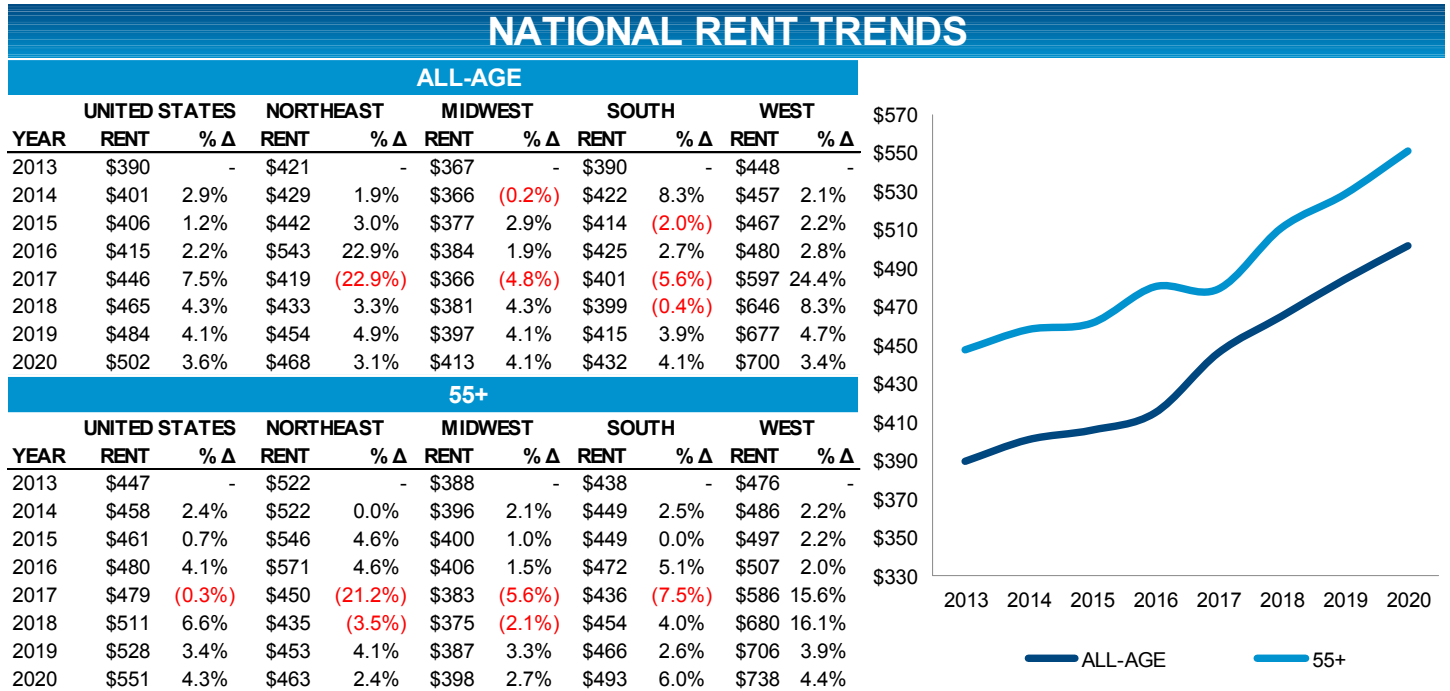
Source: U.S. Commerce Department's Census Bureau via U.S. Department of Housing and Urban Development

NATIONAL RENT & OCCUPANCY TRENDS

JLT & Associates performs an annual survey of seventy-one major markets throughout the United States and includes 751 “55+” communities with 197,936 homesites and 1,285 “All Ages” communities with 362,936 homesites. These surveys include rent and occupancy trends.

Rent Trends

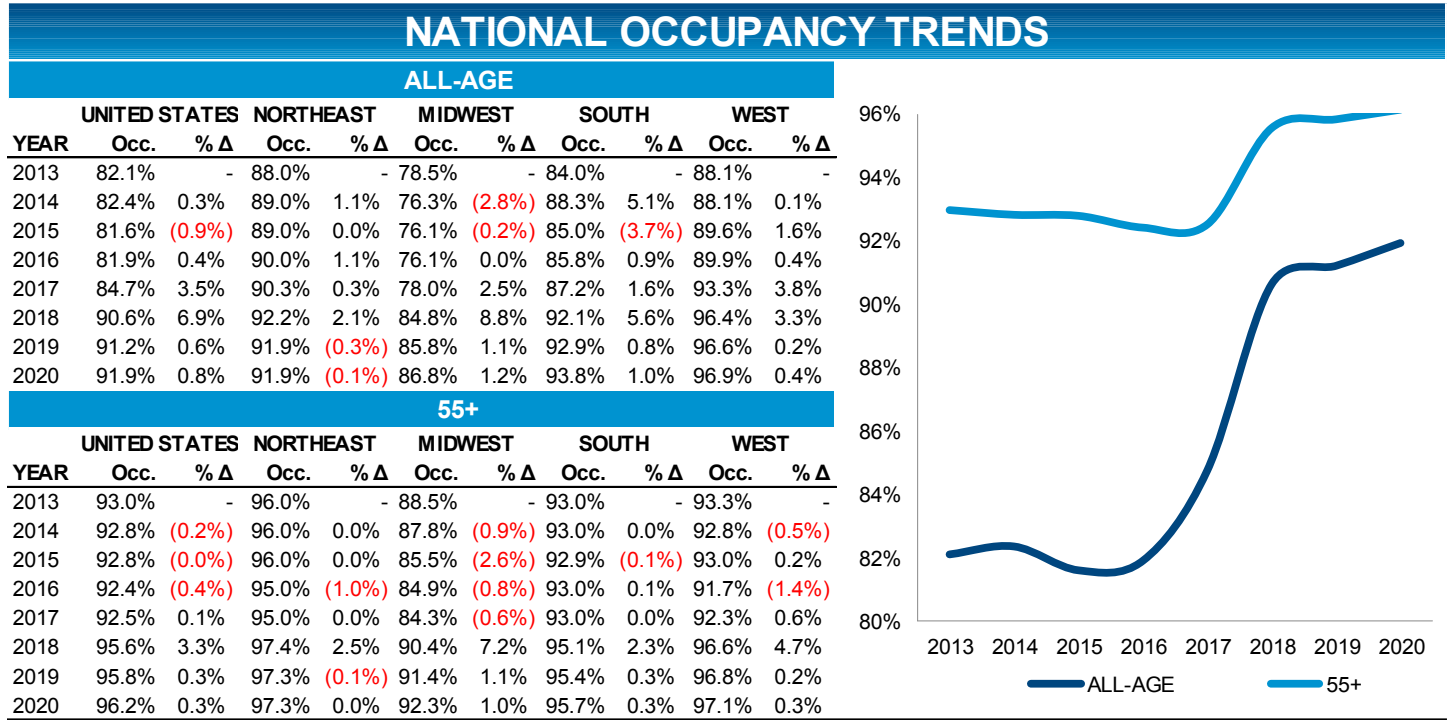
The following chart details rent trends in the different regions and nationally. The rents are also categorized by all-age versus age-restricted (55+) communities. Generally speaking age-restricted communities command higher rents. Rents have been increasing steadily over the past several years. An initial surge in 2009 was followed by more moderate rent increases in recent years.



Source: JLT & Associates

Occupancy Trends

The following chart details occupancy trends over the past couple of years both regionally and nationally. The rents are also categorized by all-age versus age-restricted (55+) communities. Generally speaking age-restricted communities are better occupied. Occupancy declined in 2009 almost universally. This has leveled off and some areas are even seeing occupancy growth.



Source: JLT & Associates

SUBJECT'S MARKET AREA

This section of the report provides an overview of market trends that influence demand for manufactured home communities in the subject's market area and surrounding areas. The major factors requiring consideration are the supply and demand conditions that influence multi-family development. The following paragraphs discuss existing supply and potential inventory. Demand will also be analyzed by examining vacancy, rent levels, and absorption rates.

JLT & Associates Data

The supplemental rents come from a survey conducted by JLT & Associates. JLT & Associates performs an annual survey of the MA.JLT.Market manufactured housing market. The survey includes 0 communities, with a total of 0 homesites. The chart below details the composition of the market.

MARKET			
	AVG COMMUNITY SIZE	COMMUNITIES	HOMESITES
All Age	-	0	0
Age Restricted (55+)	-	0	0
TOTAL	-	0	0

SUPPLY

Existing Supply

The majority of existing supply in the subject's immediate neighborhood has been constructed in the 1980s and earlier. The market vacancy survey includes manufactured home communities within five miles of the subject. The communities included in the vacancy survey range in size from 25 sites to 74 sites. The following chart presents manufactured home community developments that are considered to compete with the subject.

VACANCY SURVEY AS OF MAY 2021				
PROJECT	YEAR BUILT	HOMESITES	VACANT HOMESITES	VACANCY
Timberview Mobile Home Park	1995	63	4	6.3%
Fernwood MHC	1984	74	13	17.6%
Oak Ridge Village	1989	70	14	20.0%
Kinchafoonee Creek Estates	1980	54	4	7.4%
Pitts Trailer Park	1980	25	0	0.0%
Little River	1980	38	18	47.4%
TOTAL/AVG	1985	324	53	16.4%

Source: Colliers International Valuation & Advisory Services

Proposed & Potential Supply

According to the City of Valdosta Planning Department, there are no manufactured home communities planned or proposed in the immediate market area. No additional communities are anticipated in the subject's general area due to zoning restrictions, land costs, and difficulty in obtaining construction financing.

Governmental Considerations

Local governmental jurisdictions have historically viewed manufactured home communities as less desirable land uses. However, as communities are being encouraged to provide affordable housing options to receive certain funding from State and Federal sources, their need for manufactured home communities to be maintained and located in their jurisdictions has increased.

Rent Levels

Property managers in the subject's market area indicate that rents have increased annually over the past few years. Typical rent increases are based on CPI. According to our recent survey, no concessions are currently

offered in the market and have been historically rare throughout the area. Overall, rent levels are anticipated to increase at modest rates for the next few years.

Affordability

Manufactured housing communities often provide affordable housing option, thereby creating a sustained demand for this housing type. In order to determine the affordability of owning a manufactured home in the subject property (leasing a homesite), several housing options are analyzed below. They include owning a manufactured home at the subject property, purchasing a single-family home or renting an apartment. These various housing options are evaluated to estimate the subject property's competitive 'position' in the housing market. The following table illustrates the housing comparison.

AFFORDABILITY ANALYSIS				
COMPARISON/HOUSING TYPE	MH IN SUBJECT PROPERTY	SINGLE-FAMILY HOME		APARTMENTS
Bedroom/Bath Count	2/1 - 3/2 BR/BA	2/1 - 4/2 BR/BA		2 BR
Purchase Price	\$20,000	\$135,000	- \$190,000	-
Down Payment or Deposit	\$1,000	\$27,000	- \$38,000	One Months Rent
Amount Financed	\$19,000	\$108,000	- \$152,000	-
Rate	7.00%	3.00%	- 3.00%	-
Term (Years)	20	30	- 30	-
Monthly Mortgage Payment	\$147	\$455	- \$641	-
Taxes	\$8	\$169	- \$238	-
Insurance	\$25	\$100	- \$100	-
Site Rent	\$230	-	-	-
TOTAL MONTHLY PAYMENT*	\$411	\$724	- \$978	\$750 - \$1,000

* Excludes maintenance and utilities.

Manufactured Homes in the Subject Property

The costs for purchasing a manufactured home in the subject property include the costs of the home (down payment, monthly mortgage payments), taxes, insurance, and the monthly homesite rent. The purchase price utilized is based upon the typical price of homes recently listed/sold at the subject property. The homes that are located in the community would typically include seller or bank financing. Seller financing typically has higher rates with shorter terms than traditional bank financing. The taxes and insurance estimates are made based on typical rates. These costs are added to the current average site rent at the subject property. The indicated monthly expense is displayed in the table above.

Apartment

The asking rents at apartment complexes within or near the subject's neighborhood and surrounding areas were researched for this analysis. The city has a good mix of one, two and three bedroom units. The total cost of renting sites at the subject property is below the range of rents at apartment complexes in the subject's immediate area. Therefore, in comparison to renting an apartment the subject's rents are considered reasonable.

Single Family

The costs for purchasing a single-family home includes the price of the home (down payment and monthly mortgage payment), real estate taxes, and insurance. The purchase price is based upon the current average price of single-family homes in the subject's area (based on Census Data). The finance rates are based upon current financing options for single-family homes. The taxes are based upon information provided by the county. The insurance for these homes is based on typical insurance rate for single-family rates in the subject area. The total monthly expense is presented in the table above. The total cost of renting a site at the subject property is below the total cost of owning a home in the subject's immediate area. Therefore, in comparison to home ownership the subject's rents are considered reasonable.

Conclusion

Renting an apartment is considered to be the least similar to purchasing a manufactured home in the subject property. Many of the amenities are often inferior; in addition, apartments have common walls and no yards. Renting a manufactured home site at the subject property is considered to be most similar to purchasing a single-family home; however, the monthly cost for a manufactured home is much lower than the cost of purchasing a single-family home in the area. Overall, the monthly housing costs discussed above demonstrate the affordability of purchasing a manufactured home.

DEMAND

The projects listed in the supply section (including the subject) indicate 10.8% adjusted vacancy in the subject’s market area at the current time. According to the majority of managers who participated in our market survey, occupancy is typically above 90%. Overall vacancy rates have historically remained stable, in spite of changing economic conditions over the past few years. This is in part due to a stable resident base. Generally, when a resident wants to move out of the community, the manufactured home is sold in place with nominal rent loss or vacancy occurring in the community. In addition, the resident sometimes has a significant financial commitment in site improvements. The historically low vacancy rates for established communities continue to stimulate investment demand.

SUBJECT MARKETABILITY

The subject is an average quality park in average condition, appears to have been regularly well-maintained made over the years, and has above average appeal compared to the typical market supply. The subject’s stable, quality income stream further enhances the subject’s marketability. Overall, the subject has average to good marketability. The subject would likely attract a local or regional investor experienced in manufactured housing community ownership.

TRANSACTION TRENDS

Most Probable Buyer Profile/Activity

In the open market, the subject property type would command most interest from regional and local buyers that are actively pursuing similar small investment properties. There is currently steady buyer demand for substitute properties of the subject based on the volume of sale transactions and reports by buyers, sellers and other market participants during confirmation of market transactions. The most probable buyer is a regional and local investor.

General Vacancy Conclusion

As summarized in the table below this market analysis relied on various published data sources and field research for assessing how supply/demand conditions influence the long-term vacancy estimate of the subject property.

MARKET VACANCY ANALYSIS & CONCLUSION			
MARKET DATA	MIN	MAX	AVERAGE
CIVAS Comparable Survey	0.0%	47.4%	16.4%
SUBJECT ANALYSIS			Current
Subject History			6.3%
VACANCY RATE CONCLUSIONS			6.0%

#N/A

SUMMARY OF MARKET ANALYSIS

The subject is an average quality community in average condition, appears to have been regularly well-maintained over the years, and has average appeal compared to the typical market supply. The subject's stable, quality income stream further enhances the subject's marketability. In the open market, the subject property type would command most interest from regional and local buyers that are actively pursuing similar small investment properties. There is currently steady buyer demand for substitute properties of the subject based on the volume of sale transactions and reports by buyers, sellers and other market participants during confirmation of market transactions. The most probable buyer is a regional and local investor.

EXPOSURE TIME & MARKETING PERIOD

Exposure time is defined as "The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective opinion based on an analysis of past events assuming a competitive and open market" (The Dictionary of Real Estate Appraisal, Appraisal Institute, 2015). Reasonable exposure time is impacted by the aggressiveness and effectiveness of a property's exposure to market participants, availability and cost of financing, and demand for similar investments. Exposure time is best established based the recent history of marketing periods for comparable sales, discussions with market participants and information from published surveys.

The following information was taken into consideration to develop estimates of exposure time and marketing period for the subject property:

EXPOSURE TIME & MARKETING PERIOD				
SOURCE	QUARTER	RANGE		AVG
PriceWaterhouse Coopers				
Southeast Region Apartment	1Q 21	3.0 to	6.0	4.8
AVERAGE		3.0 to	6.0	4.8

The availability of acquisition financing factors into exposure time. In recent quarters, financing has been available for well-positioned commercial real estate, particularly for stabilized assets within core MSAs and owner/user deals. For second tier or marginal properties, financing has been available but subject to more stringent requirements. Based on review of the local capital market, we conclude that adequate financing options would have been available to consummate a sale of the property on the date of value.

Exposure Time Conclusion

The preceding information generally supports an exposure time range from 0 to 6 months for Manufactured Housing Community (All Age) properties. The subject property is of average quality and is in average condition. Based on its overall physical and locational characteristics, the subject has average overall appeal to investors. Considering these factors, a reasonable estimate of exposure time for the subject property is six months or less.

Marketing Period Conclusion

Marketing period is very similar to exposure time, but reflects a projected time period to sell the property, rather than a retrospective estimate. We have reviewed open listings and discussed the market with local participants, and given the nature of the subject property, we feel that a time period of six months or less is supported for the subject's marketing period.

INTRODUCTION

The highest and best use of an improved property is defined as that reasonable and most probable use that will support its highest present value. The highest and best use, or most probable 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

Legal Factors

The legal factors that possibly influence the highest and best use of the subject site are discussed in this section. Private restrictions, zoning, building codes, historic district controls, and environmental regulations are considered, if applicable to the subject site. The zoning characteristics for the subject property are summarized below:

ZONING SUMMARY	
Municipality Governing Zoning	City of Valdosta Planning & Zoning Department
Current Zoning	Could not be verified.
Current Use	Manufactured Housing Community

The potential use that meets the requirements of the legal permissibility test is a manufactured housing community.

Physical & Locational Factors

Regarding physical characteristics, the subject site is irregular in shape and has level topography with average access and average exposure. The uses adjacent to the property are noted below:

- › **North** - Single-Family Residential Property
- › **South** - Troupeville Road, Vacant Land, Single-Family Residential Neighborhood
- › **East** - Vacant Land, Single-Family Residential Neighborhood
- › **West** - Manufactured Housing Community: Fernwood Mobile Home Community

Given the subject’s location and surrounding uses, physical and locational features best support development of a manufactured housing community as market conditions warrant for the site’s highest and best use as-vacant.

Feasibility Factors

The financial feasibility of those uses that meet the legal and physical tests discussed is analyzed further in this section. Supply and demand conditions affect the financial feasibility of possible uses. Indicators of feasibility, which typically indicate favorable or non-favorable supply and demand conditions, include construction financing and proposed projects. Financial feasibility factors generally support immediate development of the subject site.

As-Vacant Conclusion

Based on the previous discussion, the subject’s highest and best use as-vacant is concluded to be development of a manufactured housing community as market conditions warrant.

AS-IMPROVED ANALYSIS

Legal Factors

The legal factors influencing the highest and best use of the property support the subject’s use as-improved.

Physical & Locational Factors

The physical and location characteristics of the subject improvements have been previously discussed in this report. In summary, the subject’s improvements were constructed in 1995 and have a remaining economic life of 30 years based on our estimate. The project is of average quality construction and in average condition, with

adequate service amenities. The subject improvements as-improved are sufficiently supported by site features including its irregular shape, level topography, average access and average exposure. Further, the subject's location supports the subject improvements as-improved with similar and homogeneous developments present in the subject's immediate market area. Physical and location factors influencing the highest and best use of the property support the subject's use as-improved.

Alternative Uses & Feasibility Factors

In addition to legal and physical considerations, analysis of the subject property as-improved requires the treatment of two important issues: 1) consideration of alternative uses for the property; and 2) the marketability of the most probable use. The five possible alternative treatments of the property are demolition, expansion, renovation, conversion, and the subject's use as-improved.

- › **Demolition** The subject improvements contribute significant value above the current land value. Therefore, demolition is not applicable in this case.
- › **Expansion** The subject property comprises approximately 25.10 acres (1,093,356 SF) and is improved with a manufactured housing community (all age). The subject site does not contain additional site area for expansion; therefore, expansion of the subject is not considered a viable option.
- › **Renovation** The subject property is approximately, 26 years old and is in average condition with on-going maintenance and upgrades. Renovation, in the form of capital expenditures, would not increase the rent levels or value appreciably. For this reason, renovation is not appropriate.
- › **Conversion** Taking the subject property's manufactured housing community (all age) use and converting it to another use is neither appropriate nor applicable to this property.
- › **Continued Use "As-Is"** The final option is the continued use of the property 'As-Is'. This is legal, physically possible, and financially feasible. Therefore, continued use, as a manufactured housing community (all age), is considered appropriate.

Among the five alternative uses, the subject's use as-improved is supported to be its Highest and Best Use.

Marketability Factors

As previously indicated in the Market Analysis, the subject property has average marketability. The condition of the property reflects average maintenance and appeal. In general Manufactured Housing Community supply/demand conditions and immediate market area trends support viable short and long-term operations of the subject's use as-improved.

As-Improved Conclusion

Legal, physical, and market considerations have been analyzed to evaluate the highest and best use of the property. This analysis is presented to evaluate the type of use that will generate the greatest level of future benefits possible from the property. Based on the previous discussion, the highest and best use of the subject property as-improved is concluded to be continued use as a manufactured housing community.

INTRODUCTION

The following presentation of the appraisal process deals directly with the valuation of the subject property. The following paragraphs describe the standard approaches to value that were considered for this analysis.

INCOME APPROACH

The Income Approach is based on the premise that properties are purchased for their income producing potential. It considers both the annual return on the invested principal and the return of the invested principal. This valuation technique entails careful consideration of contract rents currently in place, projected market rents, other income sources, vacancy allowances, and projected expenses associated with the efficient operation and management of the property. The relationship of these income estimates to property value, either as a single stream or a series of projected streams, is the essence of the income approach. The three fundamental methods of this valuation technique include Direct Capitalization, Discounted Cash Flow and Effective Gross Income Multiplier.

- **Direct Capitalization**

This method analyzes the relationship of one year's stabilized net operating income to total property value. The stabilized net operating income is capitalized at a rate that implicitly considers expected growth in cash flow and growth in property value over a buyer's investment horizon. The implied value may be adjusted to account for non-stabilized conditions or required capital expenditures to reflect an as is value.

- **Discounted Cash Flow (DCF)**

The DCF analysis models a property's performance over a buyer's investment horizon from the date of acquisition through the projected sale of the property at the end of the holding period. Net cash flows from property operations and the reversion are discounted at a rate reflective of the property's economic and physical risk profile.

- **Effective Gross Income Multiplier**

Also known as the EGIM, this method is appropriate within the Income Approach because it is recognized that purchasers are concerned with the income-producing ability of the property. The EGIM is derived by dividing the effective gross annual income of each comparable into the sales price. The EGIM has the advantages of simplicity and easy calculation. It is based on the premise that rents and sales prices move in the same direction and, essentially, in the same proportion as do net income and sales prices. The EGIM is typically used without adjustments. The final selection of an effective income multiplier is based upon the applicability of each comparable and a range is established.

Development of the Income Approach is a specific scope requirement of this assignment. Characteristics specific to the subject property warrant that this valuation technique is developed. The subject is an investment property; therefore, the Income Approach represents the decision making process of knowledgeable buyers and sellers of this property type. The Direct Capitalization method is used in this analysis. Neither the Discounted Cash Flow analysis, nor the EGIM method contribute substantially to estimating value beyond the direct capitalization method and is not used in this analysis.

SALES COMPARISON APPROACH

The Sales Comparison Approach is based on the principle of substitution, which asserts that no one would pay more for a property than the value of similar properties in the market. This approach analyzes comparable sales by applying transactional and property adjustments in order to bracket the subject property on an appropriate unit value comparison. The sales comparison approach is applicable when sufficient data on recent market transactions is available. Alternatively, this approach may offer limited reliability because many properties have unique characteristics that cannot be accounted for in the adjustment process.

Development of 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. Sufficient sales data is available to provide a credible value estimate by the Sales Comparison Approach. Based on this reasoning, the Sales Comparison Approach is presented within this appraisal.

LAND VALUATION

Development land in the subject marketplace is most often valued utilizing the Sales Comparison Approach. Development of the subject site value is not a specific scope requirement of this assignment. Characteristics specific to the subject property do not warrant that a site value is developed. Therefore, this appraisal does not provide valuation of the subject site.

COST APPROACH

The Cost Approach is a set of procedures through which a value indication is derived for the fee simple estate by estimating the current cost to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial incentive or profit; deducting depreciation from the total cost; and adding the estimated land value. Adjustments may then be made to the indicated value of the fee simple estate in the subject property to reflect the value of the property interest being appraised. For investment properties, this valuation technique is most often relied upon as a test of financial feasibility for proposed construction.

Development of the Cost Approach is not a specific scope requirement of this assignment. Characteristics specific to the subject property do not warrant that this valuation technique is developed. The Cost Approach has limited applicability due to the age of the improvements and lack of market based data to support an estimate of accrued depreciation. Based on the preceding information, the Cost Approach will not be presented.

RECONCILIATION OF VALUE CONCLUSIONS

The Income (Direct Capitalization) and Sales Comparison approaches are used to value the subject property, which will be reconciled into the final opinion of market value in the Analysis of Value Conclusions section.

INTRODUCTION

As previously discussed within the Valuation Methods section, the Direct Capitalization method is used in this analysis, and Discounted Cash Flow analysis is not developed.

Subject Income History

There are a total of 63 manufactured home sites at the subject with a current occupancy of 93.7%. The rents range from \$230/site to \$240/site per month with an average rent of \$231/site. The chart below details the rent history at the subject property.

SUBJECT LEASING INFORMATION									
HOMESITE TYPE	HOMESITE SUMMARY			HOMESITE PERCENT	% OCC- UPIED	ASKING RENT		ACTUAL RENT	
	OCC	VAC	TOT	OF TOTAL	PER SITE AVERAGE	TOTAL \$/MO	PER SITE AVERAGE	TOTAL \$/MO	
Standard	59	4	63	100.0%	94%	\$230	\$14,490	\$231	\$14,531
TOTAL/AVG	59	4	63	100%	93.7%	\$230	\$14,490	\$231	\$14,531

Subject Utility Structure

- › **Water** - Included in the rent
- › **Sewer** - Included in the rent
- › **Garbage** - Included in the rent
- › **Gas** - Not included in the rent - directly billed from utility company
- › **Electricity** - Not included in the rent - directly billed from utility company
- › **Cable** - Not included in the rent - directly billed from utility company

ANALYSIS OF RENT COMPARABLES

Unit of Comparison

The analysis is conducted on a rent per month basis, reflecting market behavior. This unit of comparison is predominantly used in this market.

Selection of Comparables

A complete search of the area was conducted in order to find the most comparable communities in terms of age, appeal, condition, number of homesites, and amenities. The subject is in average condition with average appeal for the market area considering its vintage. Some communities do not have active management that is available to confirm rent and occupancy levels. Some local MHC's were not included as rent comparables because we were unable to contact management and verify rent / occupancy. We then expanded our search to include communities located further from the subject property. Overall, the comparables selected in this analysis are similar properties to the subject property.

Concessions

None of the comparables were offering concessions at the time of survey. Please see the data sheets for full details.

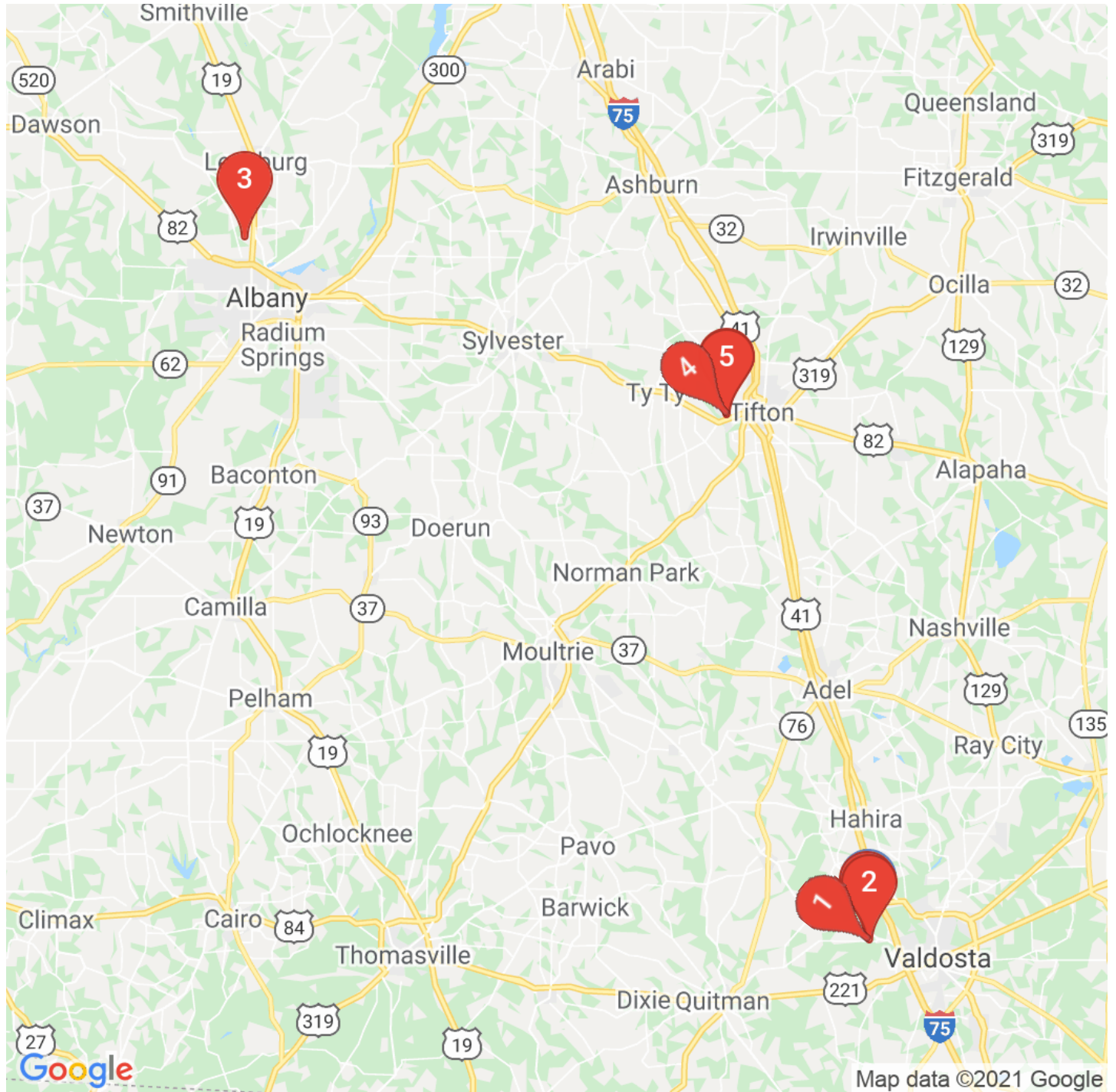
Presentation

The following presentation summarizes the comparables most similar to the subject property. A Rent Comparable Summation Table, Rent Comparable Location Map, Data Sheets, and analysis of the rent comparables is presented on the following pages.

RENT SUMMATION TABLE

COMPARABLE	SUBJECT	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3	COMPARABLE 4	COMPARABLE 5
Name	Timberview Mobile Home Park	Fernwood MHC	Oak Ridge Village	Kinchafoonee Creek Estates	Pitts Trailer Park	Little River
Address	10905 Troupeville Road	55 Fernwood Drive	220 Oak Ridge Drive	Kinchafoonee Creek Road	3417 US-82	3415 W US Hwy 82
City	Valdosta	Valdosta	Valdosta	Leesburg	Tifton	Tifton
State	GA	GA	GA	GA	GA	GA
Zip	31602	31602	31602	31763	31793	31793
PHYSICAL INFORMATION						
Resident Type	All Age	All Age	All Age	All Age	All Age	All Age
Property Class	C	C	C	C	C	C
Homesites	63	74	70	54	25	38
Types	Standard	Standard	Standard	Standard	Standard	Standard
Year Built	1995	1984	1989	1980	1980	1980
Location	Average	Average	Average	Average	Average	Average
Appeal	Average	Average	Average	Average	Average	Average
Quality	Average	Average	Average	Average	Average	Average
Condition	Average	Average	Average	Average	Average	Average
RENT INFORMATION						
Occupancy	93.7%	82.0%	80.0%	93.0%	100.0%	52.0%
\$/Homesite Avg	\$231	\$250	\$225	\$200	\$275	\$275

RENT COMPARABLE LOCATION MAP



COMPARABLE KEY

COMP	DISTANCE	NAME	ADDRESS	OCC %	\$/SITE AVG
SUBJECT	-	Timberview Mobile Home Pa	10905 Troupeville Road, Valdosta, GA	93.7%	\$231
No. 1	0.2 Miles	Fernwood MHC	55 Fernwood Drive, Valdosta, GA	82.0%	\$250
No. 2	0.4 Miles	Oak Ridge Village	220 Oak Ridge Drive, Valdosta, GA	80.0%	\$225
No. 3	72.7 Miles	Kinchafoonee Creek Estate	Kinchafoonee Creek Road, Leesburg, GA	93.0%	\$200
No. 4	42.1 Miles	Pitts Trailer Park	3417 US-82, Tifton, GA	100.0%	\$275
No. 5	42.0 Miles	Little River	3415 W US Hwy 82, Tifton, GA	52.0%	\$275

COMPARABLE 1

LOCATION INFORMATION

Name	Fernw ood MHC
Address	55 Fernw ood Drive
City, State, Zip Code	Valdosta, GA, 31602
MSA	Counties not in a metropolitan area

PHYSICAL INFORMATION

Project Design	Manufactured Housing
Number of Units	74
Year Built	1984
Resident Type	All Age
Location	Average
Quality	Average
Condition	Average
Appeal	Average

Amenities



FERNWOOD MHC

OCCUPANCY

Vacant Units	13
Occupancy Rate	82%

UTILITIES

	INCL. IN RENT	NOT INCL. IN RENT
Electricity		✓
Water	✓	
Sew er	✓	
Garbage	✓	
Gas		✓
Cable/Satellite		✓

CONFIRMATION

Name	Manager
Source	Fernw ood
Date	5/3/2021
Phone Number	Confidential

REMARKS

Water, sew er and trash are included in the rent.

UNIT MIX

<u>DESCRIPTION</u>	<u>SITES</u>	<u>LOW</u>	<u>HIGH</u>	<u>AVG RENT</u>
Standard	74	\$250	\$250	\$250

COMPARABLE 2

LOCATION INFORMATION

Name	Oak Ridge Village
Address	220 Oak Ridge Drive
City, State, Zip Code	Valdosta, GA, 31602
MSA	Counties not in a metropolitan area

PHYSICAL INFORMATION

Project Design	Manufactured Housing
Number of Units	70
Year Built	1989
Resident Type	All Age
Location	Average
Quality	Average
Condition	Average
Appeal	Average

Amenities



OAK RIDGE VILLAGE

OCCUPANCY / ABSORPTION

Vacant Units	14
Occupancy Rate	80%

UTILITIES

	INCL. IN RENT	NOT INCL. IN RENT
Electricity		✓
Water	✓	
Sewer	✓	
Garbage		✓
Gas		✓
Cable/Satellite		✓

CONFIRMATION

Name	Manager
Source	Oak Ridge Village
Date	5/10/2021
Phone Number	Confidential

REMARKS

Water, sewer and trash are included in the rent.

UNIT MIX

DESCRIPTION	UNITS	LOW	HIGH	AVG RENT
Multi-Section	35	\$225	\$225	\$225
Single Section	35	\$225	\$225	\$225

COMPARABLE 3

LOCATION INFORMATION

Name	Kinchafoonee Creek Estates
Address	Kinchafoonee Creek Road
City, State, Zip Code	Leesburg, GA, 31763
MSA	Albany, GA

PHYSICAL INFORMATION

Project Design	Manufactured Housing
Number of Units	54
Year Built	1980
Resident Type	All Age
Location	Average
Quality	Average
Condition	Average
Appeal	Average

Amenities



KINCHAFOONEE CREEK ESTATES

OCCUPANCY / ABSORPTION

Vacant Units	4
Occupancy Rate	93%

UTILITIES

	<u>INCL. IN RENT</u>	<u>NOT INCL. IN RENT</u>
Electricity		✓
Water		✓
Sewer		✓
Garbage		✓
Gas		✓
Cable/Satellite		✓

CONFIRMATION

Name	Manager
Source	Kinchafoonee Creek Estates
Date	5/10/2021
Phone Number	Confidential

REMARKS

No utilities are included in the rent.

UNIT MIX

<u>DESCRIPTION</u>	<u>UNITS</u>	<u>LOW</u>	<u>HIGH</u>	<u>AVG RENT</u>
Standard	54	\$200	\$200	\$200

COMPARABLE 4

LOCATION INFORMATION

Name	Pitts Trailer Park
Address	3417 US-82
City, State, Zip Code	Tifton, GA, 31793
MSA	Tifton

PHYSICAL INFORMATION

Project Design	Manufactured Housing
Number of Units	25
Year Built	1980
Resident Type	All Age
Location	Average
Quality	Average
Condition	Average
Appeal	Average

Amenities



PITTS TRAILER PARK

OCCUPANCY / ABSORPTION

Vacant Units	0
Occupancy Rate	100%

UTILITIES	INCL. IN RENT	NOT INCL. IN RENT
-----------	---------------	-------------------

Electricity		✓
Water	✓	
Sewer	✓	
Garbage		✓
Gas		✓
Cable/Satellite		✓

CONFIRMATION

Name	Manager
Source	Pitts Trailer Park
Date	5/10/2021
Phone Number	Confidential

REMARKS

Water and sewer are included in the rent.

UNIT MIX

DESCRIPTION	UNITS	LOW	HIGH	AVG RENT
Standard	25	\$275	\$275	\$275

COMPARABLE 5

LOCATION INFORMATION

Name Little River
 Address 3415 W US Hwy 82
 City, State, Zip Code Tifton, GA, 31793

PHYSICAL INFORMATION

Project Design Manufactured Housing
 Number of Units 38
 Year Built 1980
 Resident Type All Age
 Location Average
 Quality Average
 Condition Average
 Appeal Average



Amenities

LITTLE RIVER

OCCUPANCY / ABSORPTION

Vacant Units 18
 Occupancy Rate 52%

UTILITIES	INCL. IN RENT	NOT INCL. IN RENT
Electricity		✓
Water	✓	
Sewer		✓
Garbage		✓
Gas		✓
Cable/Satellite		✓

CONFIRMATION

Name Manager
 Source Little River
 Date 5/10/2021
 Phone Number Confidential

REMARKS

Water is included in the rent.

UNIT MIX

DESCRIPTION	UNITS	LOW	HIGH	AVG RENT
Standard	38	\$275	\$275	\$275

DISCUSSION OF RENTAL ADJUSTMENTS

Adjustments for differences between the subject property and the comparables can be made quantitatively or qualitatively. Adjustments for some differences can be derived from the market and are addressed below. Other items for which dollar adjustments are more difficult to derive are addressed in the Qualitative Adjustments paragraph.

Adjustments

The subject property and the comparables vary to some degree in terms of physical characteristics, project amenities, parking, and utilities. The following grid illustrates the quantitative adjustments applied to the comparables (when necessary) in order to make the comparables similar to the subject in terms of these features.

RENT COMPARABLE ADJUSTMENT TABLE												
	\$ ADJ.	SUBJECT		COMP 1	COMP 2	COMP 3	COMP 4	COMP 5				
PHYSICAL PROJECT FEATURES												
Location	-	Average		Average	Average	Average	Average	Average	Average	Average	Average	Average
Appeal	-	Average		Average	Average	Average	Average	Average	Average	Average	Average	Average
Condition	-	Average		Average	Average	Average	Average	Average	Average	Average	Average	Average
Physical Subtotal Adjustment				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PROJECT AMENITIES												
Clubhouse	\$5	No	No	\$0	No	\$0	No	\$0	No	\$0	No	\$0
Pool	\$5	No	No	\$0	No	\$0	No	\$0	No	\$0	No	\$0
Project Amenities Subtotal Adjustment				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PARKING												
Carport	\$5	Yes	No	\$5	No	\$5	No	\$5	No	\$5	No	\$5
Guest	\$5	No	No	\$0	No	\$0	No	\$0	No	\$0	No	\$0
Garage	\$10	No	No	\$0	No	\$0	No	\$0	No	\$0	No	\$0
Parking Subtotal Adjustment				\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5
UTILITIES INCLUDED IN RENT												
Water	\$15	Yes	Yes	\$0	Yes	\$0	No	\$15	Yes	\$0	Yes	\$0
Sewer	\$15	Yes	Yes	\$0	Yes	\$0	No	\$15	Yes	\$0	No	\$15
Garbage	\$12	Yes	Yes	\$0	No	\$12	No	\$12	No	\$12	No	\$12
Utilities Subtotal Adjustment				\$0	\$12	\$42	\$12	\$12	\$12	\$12	\$12	\$27
TOTAL ADJUSTMENTS				\$5	\$17	\$47	\$17	\$17	\$17	\$17	\$17	\$32

RENT COMPARABLE ADJUSTMENT GRID

The following tables adjust the comparables to the subject property quantitatively.

RENT COMPARABLE ADJUSTMENT SUMMARY

COMPARABLE 1	NO. HOMESITES	EFF. RENT \$/HOMESITE	ADJUSTMENTS				TOTAL ADJ	ADJUSTED \$/HOMESITE
			PHYSICAL	PROJECT	PARKING	UTILITES		
Standard	74	\$250	\$0	\$0	\$5	\$0	\$5	\$255
COMPARABLE 2								
Multi-Section	35	\$225	\$0	\$0	\$5	\$12	\$17	\$242
Single Section	35	\$225	\$0	\$0	\$5	\$12	\$17	\$242
COMPARABLE 3								
Standard	54	\$200	\$0	\$0	\$5	\$42	\$47	\$247
COMPARABLE 4								
Standard	25	\$275	\$0	\$0	\$5	\$12	\$17	\$292
COMPARABLE 5								
Standard	38	\$275	\$0	\$0	\$5	\$27	\$32	\$307

MARKET RENT ANALYSIS

The following tables summarize the various indicators of market rent, and provide the market rent analysis and conclusions for the subject property.

STANDARD HOMESITE CONCLUSION

COMP	HOMESITE TYPE	RENT/MONTH	ADJUSTED RENT/MONTH	NET
		\$/HOMESITE	\$/HOMESITE	ADJUSTMENT %
2	Multi-Section	\$225	\$242	7.0%
2	Single Section	\$225	\$242	7.0%
3	Standard	\$200	\$247	19.0%
1	Standard	\$250	\$255	2.0%
4	Standard	\$275	\$292	5.8%
5	Standard	\$275	\$307	10.4%
LOW		\$200	\$242	2.0%
HIGH		\$275	\$307	19.0%
AVERAGE		\$242	\$264	8.5%
MEDIAN		\$238	\$251	7.0%

SUBJECT ANALYSIS & CONCLUSIONS

HOME SITES	HOMESITE TYPE	ASKING RENT	ACTUAL RENT	CONCLUDED RENT
		\$/HOMESITE	\$/HOMESITE	\$/HOMESITE
63	Standard	\$230	\$231	\$230

The rent comparables unadjusted rent per month ranges from \$200 to \$275 with an average rent of \$242. The rent comparables adjusted rent per month ranges from \$242 to \$307 with an average rent of \$264. There are 63 subject units for this unit type. The comparables presented are above the subject's rents and there is upside associated with the subject's rents.

POTENTIAL RENTAL INCOME

The gross rental income equals the total gross income based the rent conclusions presented previously and is summarized in the following table.

POTENTIAL GROSS INCOME

HOMESITE TYPE	HOME-SITES	ASKING RENT			ACTUAL RENT			CONCLUDED MARKET RENT			CONTRACT V. MARKET
		\$/SITE (MO.)	MONTH	ANNUAL	\$/SITE (MO.)	MONTH	ANNUAL	\$/SITE (MO.)	MONTH	ANNUAL	
Standard	63	\$230	\$14,490	\$173,880	\$231	\$14,531	\$174,376	\$230	\$14,490	\$173,880	100.3%
TOTAL	63	\$230	\$14,490	\$173,880	\$231	\$14,531	\$174,376	\$230	\$14,490	\$173,880	100.3%

INCOME & EXPENSE ANALYSIS

The preceding section addressed potential risks associated with the cash flow of the subject property. Having addressed potential risks, it is appropriate to analyze historical revenues and operating expenses. Operating expenses include those items necessary to maintain the subject property and generate income at the forecasted level. Expenses associated with debt financing, depreciation, or other accounting items are disregarded. Expenses are estimated based on one or more of the following sources: (1) historical or projected operation of the subject; (2) comparable expense properties; (3) published operating sources; or (4) individual suppliers. The expense comparables reflect varying accounting methods with respect to individual line items and reserves for replacement expenses. On a line-item basis, due to the variances in accounting and classification, their applicability is diminished. The following section provides supporting information and discusses the individual expense conclusions for the subject property.

SUBJECT OPERATING HISTORICALS						
YEAR	2019		2020		COLLIERS FORECAST	
	TOTAL	\$/SITE	TOTAL	\$/SITE	PROFORMA	
INCOME ITEMS	TOTAL	\$/SITE	TOTAL	\$/SITE	TOTAL	\$/SITE
Potential Rental Income	\$249,948	\$3,967	\$252,136	\$4,002	\$173,880	\$2,760
TOTAL RENTAL INCOME	\$249,948	\$3,967	\$252,136	\$4,002	\$173,880	\$2,760
OTHER INCOME						
Miscellaneous Income	\$416	\$7	\$63	\$1	\$500	\$8
TOTAL OTHER INCOME	\$416	\$7	\$63	\$1	\$500	\$8
POTENTIAL GROSS INCOME (PGI)	\$250,364	\$3,974	\$252,199	\$4,003	\$174,380	\$2,768
Vacancy	\$0	-	\$0	-	(\$10,433)	(\$166)
EFFECTIVE GROSS INCOME (EGI)	\$250,364	\$3,974	\$252,199	\$4,003	\$163,947	\$2,602
EXPENSE ITEMS						
Real Estate Taxes	(\$14,729)	(\$234)	(\$10,726)	(\$170)	(\$9,776)	(\$155)
Property Insurance	\$0	-	\$0	-	(\$3,150)	(\$50)
Gas & Electricity	(\$8,287)	(\$132)	(\$6,959)	(\$110)	(\$6,930)	(\$110)
Water & Sewer	(\$4,474)	(\$71)	(\$8,685)	(\$138)	(\$8,820)	(\$140)
Trash Removal	(\$8,106)	(\$129)	(\$7,254)	(\$115)	(\$7,245)	(\$115)
Repairs & Maintenance	(\$6,321)	(\$100)	(\$5,468)	(\$87)	(\$6,300)	(\$100)
Off-Site Management	\$0	-	\$0	-	(\$6,558)	(\$104)
On-Site Management	(\$3,246)	(\$52)	(\$10,986)	(\$174)	(\$11,025)	(\$175)
General & Administrative	(\$4,766)	(\$76)	(\$2,333)	(\$37)	(\$4,725)	(\$75)
Reserves	\$0	-	\$0	-	(\$2,520)	(\$40)
TOTAL EXPENSES	(\$49,930)	(\$793)	(\$52,410)	(\$832)	(\$67,049)	(\$1,064)
NET OPERATING INCOME (NOI)	\$200,434	\$3,181	\$199,788	\$3,171	\$96,899	\$1,538

OTHER INCOME

In the following section, we analyzed and made conclusions for the other income items of the subject property.

OTHER INCOME ANALYSIS & CONCLUSIONS

MISCELLANEOUS INCOME				ANALYSIS
YEAR	SUBJECT			
	TOTAL	\$/HOMESITE	%EGI	
2019	\$416	\$7	0.2%	The concluded amount is all inclusive of income associated with miscellaneous income. The conclusion is based within the historical income.
2020	\$63	\$1	0.0%	
CONCLUSION	\$500	\$8	0.3%	

Vacancy and Credit Loss

This category was discussed in depth in the market analysis section of this report. Please reference that discussion for a full analysis. Our conclusions incorporated into the cash flow model are summarized in the tables which follow:

INCOME LOSS	
Vacancy Rate Conclusion	6.0%
TOTAL	6.0%

Effective Gross Income (EGI) Conclusion

Effective gross income equals the potential gross income less vacancy and credit loss, and is stated as follows:

EFFECTIVE GROSS INCOME (EGI)					ANALYSIS
YEAR	TOTAL	\$/HOMESITE	%EGI	Δ CHG	
2019	\$250,364	\$3,974	100.0%	-	The concluded EGI is below the historical figures as it only includes lot rent. Overall, it is deemed reasonable.
2020	\$252,199	\$4,003	100.0%	0.7%	
PROFORMA	\$163,947	\$2,602	100.0%	(35.0%)	

Analysis of Operating Expenses

Expenses are estimated based on one or more of the following sources: (1) historical or projected operation of the subject; (2) comparable expense properties; (3) published operating sources; or (4) individual suppliers. The expense comparables reflect varying accounting methods with respect to individual line items and reserves for replacement expenses. On a line-item basis, due to the variances in accounting and classification, their applicability is diminished. The following section provides supporting information and discusses the individual expense conclusions for the subject property. The operating expenses for the subject property were presented previously. The following chart summarizes comparable expenses.

EXPENSE COMPARABLES

COMPARABLE	COMP 1	COMP 2	COMP 3	COMP 4	COMP 5	COMP 6	LOW	HIGH	AVG
City	Marietta	Albany	NW Atlanta	Stockbridge	Macon	SE Atlanta	-	-	-
State	GA	GA	GA	GA	GA	GA	-	-	-
Expense Year	2018 Ann.	T12 2018	T12 2018	T3 2020	Ann. 2019	T12 2019	2018	2019	-
Actual/Budget	Actual	Actual	Actual	Actual	Actual	Actual	-	-	-
Homesites	143	130	91	139	109	288	91	288	150
Building Class	C	C	C	C	C	C	-	-	-
EGI (\$/HOMESITE)	\$3,470	\$1,901	\$3,261	\$2,606	\$3,906	\$4,284	\$1,901	\$4,284	\$3,238
EXPENSE ITEMS	\$/HOMESITE	\$/HOMESITE	\$/HOMESITE	\$/HOMESITE	\$/HOMESITE	\$/HOMESITE	LOW	HIGH	AVG
Real Estate Taxes	\$228	\$128	\$40	\$166	\$135	\$338	\$40	\$338	\$172
Property Insurance	\$66	\$37	\$61	\$65	\$84	\$74	\$37	\$84	\$64
Gas & Electricity	\$0	\$52	\$47	\$147	\$46	\$71	\$0	\$147	\$61
Water & Sewer	\$369	\$5	\$577	\$226	\$200	\$128	\$5	\$577	\$251
Trash Removal	\$84	\$30	\$115	\$72	\$100	\$104	\$30	\$115	\$84
Repairs & Maintenance	\$72	\$19	\$23	\$286	\$300	\$103	\$19	\$300	\$134
Off-Site Management	\$194	\$36	\$137	\$104	\$154	\$129	\$36	\$194	\$126
%EGI	5.6%	1.9%	4.2%	4.0%	3.9%	3.0%	1.9%	5.6%	3.8%
On-Site Management	\$114	\$242	\$200	\$329	\$342	\$425	\$114	\$425	\$275
General & Administrative	\$68	\$66	\$52	\$279	\$216	\$99	\$52	\$279	\$130
Reserves	\$40	\$40	\$40	\$40	\$40	\$40	\$40	\$40	\$40
TOTAL EXPENSES (\$/HOMESITE)	\$1,235	\$655	\$1,292	\$1,714	\$1,617	\$1,511	\$655	\$1,714	\$1,337

Reserves for replacements are not typical cash expenditures, but rather the annualized cost of major expense in the future. Typical expenses range from \$20 - \$60/site. The comparables did not include an allocation for reserves; therefore, for this analysis, an amount of \$40/site is utilized for comparison purposes.

Conclusion of Operating Expenses

In the following section we discuss the individual expense conclusions for the subject property.

EXPENSE ANALYSIS & CONCLUSIONS

REAL ESTATE TAXES							ANALYSIS
YEAR	SUBJECT			EXPENSE COMPS			The concluded taxes are based on the estimated taxes of the subject. Please refer to the Assessments and Taxes section for additional details.
	TOTAL	\$/HOMESITE	%EGI	COMP	\$/HOMESITE	%EGI	
2019	\$14,729	\$234	5.9%	1	\$228	0.8%	
2020	\$10,726	\$170	4.3%	2	\$128	8.7%	
				3	\$40	1.2%	
				4	\$166	6.4%	
				5	\$135	3.5%	
				6	\$338	7.9%	
CONCLUSION	\$9,776	\$155	6.0%	AVG	\$172	4.7%	
PROPERTY INSURANCE							ANALYSIS
YEAR	SUBJECT			EXPENSE COMPS			This expense includes all premiums and costs incurred for insurance covering structures, public liability, rental value, and equipment. The conclusion is based on the expense comparable information.
	TOTAL	\$/HOMESITE	%EGI	COMP	\$/HOMESITE	%EGI	
2019	\$0		0.0%	1	\$66	1.2%	
2020	\$0		0.0%	2	\$37	1.1%	
				3	\$61	1.9%	
				4	\$65	2.5%	
				5	\$84	2.2%	
				6	\$74	1.7%	
CONCLUSION	\$3,150	\$50	1.9%	AVG	\$64	1.8%	

GAS & ELECTRICITY						
YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/HOMESITE	%EGI	COMP	\$/HOMESITE	%EGI
2019	\$8,287	\$132	3.3%	1	\$0	1.6%
2020	\$6,959	\$110	2.8%	2	\$52	2.2%
				3	\$47	1.4%
				4	\$147	5.6%
				5	\$46	1.2%
				6	\$71	1.7%
CONCLUSION	\$6,930	\$110	4.2%	AVG	\$61	2.3%

ANALYSIS
This expense includes all gas and electricity costs for the subject. The conclusion is based on the 2020 historical expense.

WATER & SEWER						
YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/HOMESITE	%EGI	COMP	\$/HOMESITE	%EGI
2019	\$4,474	\$71	1.8%	1	\$369	17.1%
2020	\$8,685	\$138	3.4%	2	\$5	12.0%
				3	\$577	17.7%
				4	\$226	8.7%
				5	\$200	5.1%
				6	\$128	3.0%
CONCLUSION	\$8,820	\$140	5.4%	AVG	\$251	10.6%

ANALYSIS
This expense includes all water and sewer costs related to the common area of the subject. The conclusion is based on the 2020 historical expense.

TRASH REMOVAL						
YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/HOMESITE	%EGI	COMP	\$/HOMESITE	%EGI
2019	\$8,106	\$129	3.2%	1	\$84	3.6%
2020	\$7,254	\$115	2.9%	2	\$30	2.5%
				3	\$115	3.5%
				4	\$72	2.8%
				5	\$100	2.6%
				6	\$104	2.4%
CONCLUSION	\$7,245	\$115	4.4%	AVG	\$84	2.9%

ANALYSIS
This category includes trash removal expenses for the subject. The conclusion is based on the 2020 historical expense.

REPAIRS & MAINTENANCE						
YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/HOMESITE	%EGI	COMP	\$/HOMESITE	%EGI
2019	\$6,321	\$100	2.5%	1	\$72	2.7%
2020	\$5,468	\$87	2.2%	2	\$19	4.4%
				3	\$23	0.7%
				4	\$286	11.0%
				5	\$300	7.7%
				6	\$103	2.4%
CONCLUSION	\$6,300	\$100	3.8%	AVG	\$134	4.8%

ANALYSIS
This expense covers the cost of all other routine maintenance and repairs including routine maintenance and repairs. The conclusion is based on the historical expenses and the expense comparable information.

OFF-SITE MANAGEMENT						
YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/HOMESITE	%EGI	COMP	\$/HOMESITE	%EGI
2019	\$0		0.0%	1	\$194	4.2%
2020	\$0		0.0%	2	\$36	3.5%
				3	\$137	4.2%
				4	\$104	4.0%
				5	\$154	3.9%
				6	\$129	3.0%
CONCLUSION	\$6,558	\$104	4.0%	AVG	\$126	3.8%

ANALYSIS
This expense reflects the professional management service for the subject. Typically this category is based on 2.5% to 6.0% of EGI. Larger, stable assets tend to fall toward the middle to low-end of this range. The conclusion is based on the expense comparable information.

ON-SITE MANAGEMENT						
YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/HOMESITE	%EGI	COMP	\$/HOMESITE	%EGI
2019	\$3,246	\$52	1.3%	1	\$114	6.9%
2020	\$10,986	\$174	4.4%	2	\$242	4.4%
				3	\$200	6.1%
				4	\$329	12.6%
				5	\$342	8.8%
				6	\$425	9.9%
CONCLUSION	\$11,025	\$175	6.7%	AVG	\$275	8.1%

ANALYSIS
This expense includes wages, salaries, and free rent for the on-site management. The conclusion is based on the 2020 historical expense.

GENERAL & ADMINISTRATIVE							ANALYSIS
YEAR	SUBJECT			EXPENSE COMPS			
	TOTAL	\$/HOMESITE	%EGI	COMP	\$/HOMESITE	%EGI	
2019	\$4,766	\$76	1.9%	1	\$68	1.5%	This expense includes office supplies, accounting, legal fees, other professional fees, and all other administrative costs. The conclusion is based on the historical expenses and the expense comparable information.
2020	\$2,333	\$37	0.9%	2	\$66	2.2%	
				3	\$52	1.6%	
				4	\$279	10.7%	
				5	\$216	5.5%	
				6	\$99	2.3%	
CONCLUSION	\$4,725	\$75	2.9%	AVG	\$130	4.0%	

RESERVES							ANALYSIS
YEAR	SUBJECT			EXPENSE COMPS			
	TOTAL	\$/HOMESITE	%EGI	COMP	\$/HOMESITE	%EGI	
2019	\$0		0.0%	1	\$40	1.4%	Reserves for replacements are not typical cash expenditures, but rather the annualized cost of major expense in the future. Based on a review of PCAs and Offering Memorandums reserves typically range from \$30 to \$60/Site. The expense conclusion considers the subject's age and condition. The conclusion is based on the expense comparable information.
2020	\$0		0.0%	2	\$40	0.9%	
				3	\$40	1.2%	
				4	\$40	1.5%	
				5	\$40	1.0%	
				6	\$40	0.9%	
CONCLUSION	\$2,520	\$40	1.5%	AVG	\$40	1.2%	

TOTAL EXPENSES	LOW	HIGH	CONCLUSION			
SUBJECT HISTORICAL \$/HOMESITE	\$793	\$832	The overall expenses are supported by the comparables and reasonable on a per line item basis. They should be attainable by a typical buyer experienced in MHC operations.			
EXPENSE COMPARABLES \$/HOMESITE	\$655	\$1,714				
SALE COMPARABLE \$/HOMESITE	\$1,601	\$2,499				
SUBJECT HISTORICAL %EGI	19.9%	20.8%				
EXPENSE COMPARABLES %EGI	34.5%	65.8%				
SALE COMPARABLES %EGI	36.3%	66.5%				
TOTAL EXPENSES \$/HOMESITE	\$1,064					
TOTAL EXPENSES %EGI	40.9%					
TOTAL EXPENSES	\$67,049					

Net Operating Income (NOI) Conclusion

Net Operating Income is equal to the effective gross income less the estimated expenses, and is stated as follows:

NET OPERATING INCOME (NOI)					ANALYSIS
YEAR	TOTAL	\$/HOMESITE	%EGI	Δ CHG	
2019	\$200,434	\$3,181	80.1%	-	The concluded NOI is reflective of lot rent only and is deemed reasonable.
2020	\$199,788	\$3,171	79.2%	(0.3%)	
PROFORMA	\$96,899	\$1,538	59.1%	(51.5%)	

INVESTMENT MARKET ANALYSIS

Development of Capitalization Rate

The going-in capitalization rate, also known as overall rate (OAR), can be determined using several sources and methods. In developing our opinion of OAR, the following techniques were used:

- › Comparable Sales (Sales Comparison Approach)
- › Investor Surveys
- › Band of Investment Technique

Comparable Sales

The following table presents a summary of the comparable sales used ahead in the Sales Comparison Approach, and the capitalization rates from each of those sales.

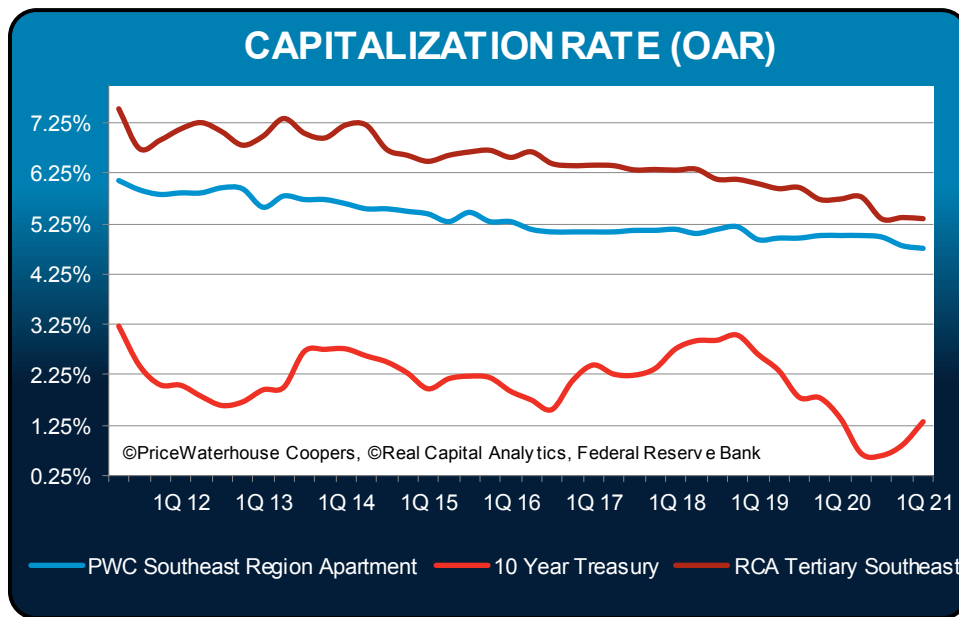
CAPITALIZATION RATE COMPARABLES (OAR)															
NAME	CITY	ST	SALE DATE	YR BLT	CLASS	OCC	HOMESITES	\$/HOMESITE	SALE PRICE	NOI	NOI/SF	NOI/HOMESITE	CAP RATE		
1	Royle Court MHC	Summerville	SC	December 15, 2020	1980	C	100.0%	50	\$50,000	\$2,500,000	\$140,564	\$0.46	\$2,811.28	5.62%	
2	Willow Lake Estates MHC	Raphine	VA	November 25, 2020	1986	B	89.5%	86	\$46,512	\$4,000,000	\$236,526	\$0.28	\$2,750.30	5.91%	
3	Royal Valley MHC	Hubert	NC	August 6, 2020	1980	C	97.0%	163	\$25,153	\$4,100,000	\$378,000	\$0.16	\$2,319.02	6.00%	
4	Oakhill Mobile Home Park	Lakeland	FL	February 1, 2020	1970	C	77.0%	78	\$28,846	\$2,250,000	\$98,262	\$0.26	\$1,259.77	4.37%	
5	Crestmore MHC	Morristown	TN	November 19, 2019	1970	B	97.0%	162	\$25,960	\$4,205,560	\$256,522	\$0.23	\$1,583.47	5.59%	
6	Forrest Hills MHP	Swannanoa	NC	July 26, 2019	1993	C	81.0%	89	\$37,079	\$3,300,000	\$185,690	\$0.14	\$2,086.40	5.63%	
LOW				July 2019	1970			\$1	\$50	\$25,153	\$2,250,000	\$98,262	\$0	\$1,260	4.37%
HIGH				December 2020	1993			\$1	\$163	\$50,000	\$4,205,560	\$378,000	\$0	\$2,811	6.00%
AVERAGE				April 2020	1980			\$1	\$105	\$35,592	\$3,392,593	\$215,927	\$0	\$2,135	5.52%
MEDIAN				May 2020											5.63%
INDICATED CAPITALIZATION RATE (OAR)													5.50%		

Capitalization rates range from 4.37% to 6.00% and average 5.52%. The subject's concluded NOI/unit is lower than the average of the comparables at \$2,135/Site. Overall, the subject has a lower risk profile as it has upside via rents. In light of these factors; a rate toward the low end of the range is considered reasonable.

Investor Surveys

The potential investor pool for the subject asset includes national, regional and local investors. While all of these groups place emphasis on local cap rates, regional and national investors would also strongly consider national cap rate trends from investor surveys due to the potential to invest in other regions that are offering competitive rates of return.

The following graph provides a historical illustration of capitalization rate statistics as surveyed by investors that we considered to be relevant to the subject property.



Capitalization rates have stayed relatively stable over the last few years. There was a peak in capitalization rates in the years of 2009 and 2010. PwC Apartment rate data is primarily based on Class A and higher quality Class B properties. As such, the capitalization rate data indicated would be expected to be lower than what would be appropriate for the subject.

The following table provides the most recent survey results from investors and our independent market participant interview.

CAPITALIZATION RATE SURVEYS (OAR)				
SOURCE	QUARTER	RANGE		AVG
PriceWaterhouse Coopers				
Southeast Region Apartment	1Q 21	4.00%	to 6.00%	4.78%
Real Capital Analytics				
Tertiary Southeast	1Q 21			5.37%
10 Year Treasury				
	1Q 21	-	-	1.32%
Market Participant Interview				
Chris Nortley	2Q 21	5.00%	to 6.00%	5.50%
Andrew Shih	2Q 21	5.25%	to 6.25%	5.75%
AVERAGE		4.75% to 6.08%		5.34%

Market Participants

Market participants were interviewed. Their opinions and comments are summarized in the chart below:

MARKET PARTICIPANT INTERVIEWS - CAPITALIZATION RATES (OAR)				
NAME	COMPANY	DATE	AVG	
Chris Nortley	MHRE, Inc.	2Q 21	5.00%	
Andrew Shih	ARA New mark	2Q 21	5.25%	

Band of Investment Technique

Because most properties are purchased with debt and equity capital, the overall capitalization rate must satisfy the market return requirements of both investment positions. Lenders must anticipate receiving a competitive interest rate commensurate with the perceived risk of the investment or they will not make funds available. Lenders also require that the principal amount of the loan be repaid through amortization payments. Similarly, equity investors must anticipate receiving a competitive equity cash return commensurate with the perceived risk or they will invest their funds elsewhere.

To analyze the capitalization rate from a financial position, the Band of Investment Technique is used. Available financing information indicates the following terms:

BAND OF INVESTMENT ASSUMPTIONS	
Loan Amortization Period	30 Years
Interest Rate	4.00%
Loan-to-Value (LTV) Ratio	60%
Mortgage Constant	5.73%

Equity dividend rates vary depending upon motivations of buyers and financing terms. The previous terms and an appropriate equity dividend rate are used in the Band of Investments calculations, which are presented on the following chart.

BAND OF INVESTMENT CALCULATION					
Mortgage Component	60%	x	5.73%	=	3.437%
Equity Component	40%	x	6.00%	=	2.400%
Indicated Capitalization Rate					5.837%
INDICATED CAPITALIZATION RATE					5.84%

Capitalization Rate Conclusion

Taking all factors into consideration, the following table summarizes the various capitalization rate indicators and provides the final capitalization rate conclusion.

CAPITALIZATION RATE CONCLUSION (OAR)			
SOURCE	QUARTER	RANGE	AVG
Comparable Sales		4.37% to 6.00%	5.52%
Investor Surveys	1Q 21	4.75% to 6.08%	5.34%
Chris Nortley	2Q 21	5.00% to 6.00%	5.50%
Andrew Shih	2Q 21	5.25% to 6.25%	5.75%
Band of Investment Technique			5.84%
AVERAGE		4.84% to 6.08%	5.59%
CAPITALIZATION CONCLUSION			5.50%

AS-IS DIRECT CAPITALIZATION

This method analyzes the relationship of one year's stabilized net operating income to total property value. The stabilized net operating income is capitalized at a rate that implicitly considers expected growth in cash flow and growth in property value over a buyer's investment horizon. The implied value may be adjusted to account for non-stabilized conditions or required capital expenditures to reflect an as is value.

The following table summarizes our opinion of market value via direct capitalization for the subject property's As-Is Value as of May 18, 2021.

DIRECT CAPITALIZATION SUMMATION TABLE				
HOMESITE TYPE		HOMESITES	\$/HOMESITE	TOTAL
Standard		63	\$2,760	\$173,880
TOTAL		63	\$2,760	\$173,880
INCOME ITEMS	%PGI	%EGI	\$/HOMESITE	TOTAL
Potential Rental Income			\$2,760	\$173,880
TOTAL RENTAL INCOME			\$2,760	\$173,880
OTHER INCOME				
Miscellaneous Income			\$8	\$500
TOTAL OTHER INCOME			\$8	\$500
POTENTIAL GROSS INCOME (PGI)			\$2,768	\$174,380
INCOME LOSS				
Vacancy	(6.0%)		(\$166)	(\$10,433)
TOTAL INCOME LOSS	(6.0%)		(\$166)	(\$10,433)
EFFECTIVE GROSS INCOME (EGI)			\$2,602	\$163,947
EXPENSE ITEMS				
Real Estate Taxes	(5.6%)	(6.0%)	(\$155)	(\$9,776)
Property Insurance	(1.8%)	(1.9%)	(\$50)	(\$3,150)
Gas & Electricity	(4.0%)	(4.2%)	(\$110)	(\$6,930)
Water & Sewer	(5.1%)	(5.4%)	(\$140)	(\$8,820)
Trash Removal	(4.2%)	(4.4%)	(\$115)	(\$7,245)
Repairs & Maintenance	(3.6%)	(3.8%)	(\$100)	(\$6,300)
Off-Site Management	(3.8%)	(4.0%)	(\$104)	(\$6,558)
On-Site Management	(6.3%)	(6.7%)	(\$175)	(\$11,025)
General & Administrative	(2.7%)	(2.9%)	(\$75)	(\$4,725)
Reserves	(1.4%)	(1.5%)	(\$40)	(\$2,520)
TOTAL EXPENSES	(38.4%)	(40.9%)	(\$1,064)	(\$67,049)
NET OPERATING INCOME (NOI)			\$1,538	\$96,899
Capitalization Rate				5.50%
Capitalized Value				\$1,761,793
AS-IS MARKET VALUE			\$27,937	\$1,760,000

Rounded to nearest \$10,000

INTRODUCTION

The Sales Comparison Approach is based on the principle of substitution, which asserts that a buyer would not pay more for a property than the value of similar properties in the market. This approach analyzes comparable sales by applying transactional and property adjustments to bracket the subject property within an appropriate unit value comparison.

UNIT OF COMPARISON

The most relevant unit of comparison is the price per homesite. This indicator best reflects the analysis used by buyers and sellers in this market for improved properties with similar design and utility.

COMPARABLE SELECTION

In selecting comparables, emphasis was placed on confirming recent improved sales of properties that match the highest and best use, and buyer/seller profile of the subject property. Regional influences do not impact MHCs near the same degree as other property types (i.e. apartments). In addition, there are far fewer sales of MHCs than other property types (i.e. apartments), resulting in a much smaller dataset from which to choose, which decreases the validity of this approach. The buyer profile for this property was stated as a local or regional buyer. Overall, the sales selected represent the best comparables available for this analysis.

ADJUSTMENT PROCESS

Quantitative adjustments are made to the comparable sales. The following adjustments or general market trends were considered for the basis of valuation.

Transactional Adjustments

Dollar adjustments to the comparable sales were considered and made when warranted for transactional adjustments in the sequence shown below:

Property Rights Transferred	The valuation of the subject site was completed on a fee simple basis. If warranted, leased fee, leasehold and/or partial interest sales were adjusted accordingly.
Financing Terms	The subject property was valued on a cash equivalent basis. Adjustments were made to the comparables involving financing terms atypical of the marketplace.
Conditions of Sale	This adjustment accounts for extraordinary motivation on the part of the buyer or seller often associated with distressed sales.
Expenditures After Purchase	Adjustments were applied if physical conditions warranted expenditures on the part of the buyer to bring the comparable up to functional standards. Most often this adjustment accounts for costs associated with deferred maintenance.
Market Conditions	Market conditions adjustments were based on a review of historical sale data, market participant interviews and review of current versus historical pricing. Based on our research, the following table summarizes the market conditions adjustment applied in this analysis.

MARKET CONDITIONS ADJUSTMENT

Per Year As Of	May 2021	(As-Is)	3%
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The analysis applies an upward market conditions adjustment of 3% annually reflecting the conditions between the oldest comparable sale date up through the effective valuation date.

Property Adjustments

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 our logic in deriving a value opinion for the subject property.

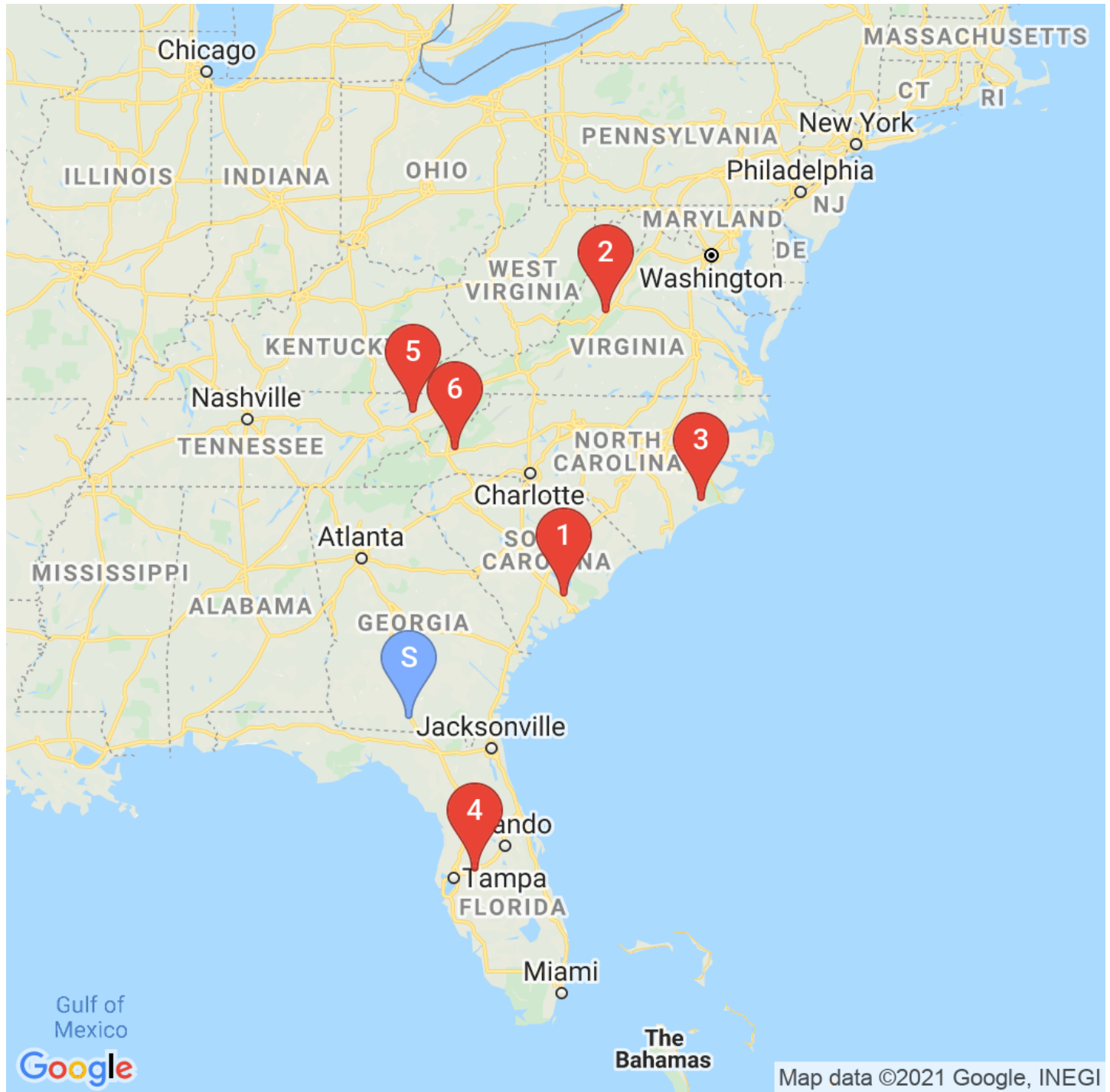
PRESENTATION

The following Sales Summation Table, Location Map and data sheets summarize the improved sales data. Following these items, the comparable sales are adjusted for applicable elements of comparison and the opinion of value by the Sales Comparison Approach is concluded.

IMPROVED SALES SUMMATION TABLE

COMPARABLE	SUBJECT	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3	COMPARABLE 4	COMPARABLE 5	COMPARABLE 6
Name	Timberview Mobile Home Park	Royle Court MHC	Willow Lake Estates MHC	Royal Valley MHC	Oakhill Mobile Home Park	Crestmore MHC	Forrest Hills MHP
Address	10905 Troupeville Road	1830 Royle Road	1 Acorn Lane	221 Riggs Road	1331 Oakhill Street	1905 Buffalo Trail	3 Dustin Drive
City	Valdosta	Summerville	Raphine	Hubert	Lakeland	Morristown	Swannanoa
State	GA	SC	VA	NC	FL	TN	NC
Zip	31602	29486	24472	28539	33815	37814	28778
County	Brooks	Berkeley	Rockbridge	Onslow	Polk	Hamblen	Buncombe
PHYSICAL INFORMATION							
Project Design	All Age	Manufactured Housing	Manufactured Housing	Manufactured Housing	Manufactured Housing	Manufactured Housing	Manufactured Housing
Class	C	C	B	C	C	B	C
Homesites	63	50	86	163	78	162	89
Density	2.5	7.2	4.5	2.9	9.0	6.2	3.0
Land Area (AC)	25.1	6.9	19.3	55.8	8.7	26.1	30.3
Land Area (SF)	1,093,356	302,306	839,837	2,430,648	378,972	1,136,045	1,321,610
Year Built	1995	1980	1986	1980	1970	1970	1993
Location	Average	Good	Good	Average	Average	Average/Good	Average/Good
Quality	Average	Average/Good	Average/Good	Average	Average	Average	Average
Condition	Average	Average/Good	Average/Good	Average	Average	Average	Average
Appeal	Average	Average	Average	Average	Average	Average	Average
SALE INFORMATION							
Date		12/15/2020	11/25/2020	8/6/2020	2/1/2020	11/19/2019	7/26/2019
Status		Recorded	Recorded	Recorded	Recorded	Recorded	Recorded
Marketing Period		-	1 Months	-	-	-	-
Rights Transferred		Leased Fee	Fee Simple	Fee Simple	Fee Simple	Leased Fee	Fee Simple
Transaction Price		\$2,500,000	\$4,000,000	\$6,300,000	\$2,250,000	\$4,590,000	\$3,300,000
Transaction \$/Homesite		\$50,000	\$46,512	\$38,650	\$28,846	\$28,333	\$37,079
Analysis Price		\$2,500,000	\$4,000,000	\$4,100,000	\$2,250,000	\$4,205,560	\$3,300,000
Expenses % PGI		36%	37%	-	66%	48%	38%
Expenses % EGI		36%	40%	-	66%	50%	46%
NOI/Unit	\$1,538	\$2,811	\$2,750	\$2,319	\$1,260	\$1,583	\$2,086
Occupancy	93.7%	100.0%	89.5%	97.0%	77.0%	97.0%	81.0%
Capitalization Rate		5.62%	5.91%	6.00%	4.37%	5.59%	5.63%
PGIM		11.33	9.22	-	7.67	7.73	8.02
EGIM		11.33	10.10	-	7.67	8.13	9.64

SALES LOCATION MAP



Map data ©2021 Google, INEGI

COMPARABLE KEY

COMP	DISTANCE	NAME	ADDRESS	OCC.	SALE DATE	OAR	\$/SITE
SUBJECT	-	Timberview Mobile Home Pa	10905 Troupeville Road, Valdosta, GA	93.7%	-	-	-
No. 1	243.4 Miles	Royle Court MHC	1830 Royle Road, Summerville, SC	100.0%	12/15/2020	5.62%	\$50,000
No. 2	542.1 Miles	Willow Lake Estates MHC	1 Acorn Lane, Raphine, VA	89.5%	11/25/2020	5.91%	\$46,512
No. 3	445.2 Miles	Royal Valley MHC	221 Riggs Road, Hubert, NC	97.0%	8/6/2020	6.00%	\$25,153
No. 4	211.9 Miles	Oakhill Mobile Home Park	1331 Oakhill Street, Lakeland, FL	77.0%	2/1/2020	4.37%	\$28,846
No. 5	371.9 Miles	Crestmore MHC	1905 Buffalo Trail, Morristown, TN	97.0%	11/19/2019	5.59%	\$25,960
No. 6	333.2 Miles	Forrest Hills MHP	3 Dustin Drive, Sw annanoa, NC	81.0%	7/26/2019	5.63%	\$37,079

IMPROVED SALES ADJUSTMENT TABLE

COMPARABLE	SUBJECT	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3	COMPARABLE 4	COMPARABLE 5	COMPARABLE 6
Address	10905 Troupeville Road	1830 Royle Road	1 Acorn Lane	221 Riggs Road	1331 Oakhill Street	1905 Buffalo Trail	3 Dustin Drive
City, State	Valdosta, GA	Summerville, SC	Raphine, VA	Hubert, NC	Lakeland, FL	Morristown, TN	Swannanoa, NC
Units	63	50	86	163	78	162	89
Density	2.5	7.2	4.5	2.9	9.0	6.2	3.0
Land Area (AC)	25.1	6.9	19.3	55.8	8.7	26.1	30.3
Land Area (SF)	1,093,356	302,306	839,837	2,430,648	378,972	1,136,045	1,321,610
Year Built	1995	1980	1986	1980	1970	1970	1993
Location	Average	Good	Good	Average	Average	Average/Good	Average/Good
Quality	Average	Average/Good	Average/Good	Average	Average	Average	Average
Condition	Average	Average/Good	Average/Good	Average	Average	Average	Average
Appeal	Average	Average	Average	Average	Average	Average	Average
SALE INFORMATION							
Date		12/15/2020	11/25/2020	8/6/2020	2/1/2020	11/19/2019	7/26/2019
Status		Recorded	Recorded	Recorded	Recorded	Recorded	Recorded
Rights Transferred		Leased Fee	Fee Simple	Fee Simple	Fee Simple	Leased Fee	Fee Simple
Occupancy	93.7%	100.0%	89.5%	97.0%	77.0%	97.0%	81.0%
Capitalization Rate		5.6%	5.9%	6.0%	4.4%	5.6%	5.6%
NOI/Homesite		\$2,811	\$2,750	\$2,319	\$1,260	\$1,583	\$2,086
Transaction Price		\$2,500,000	\$4,000,000	\$6,300,000	\$2,250,000	\$4,590,000	\$3,300,000
Analysis Price		\$2,500,000	\$4,000,000	\$4,100,000	\$2,250,000	\$4,205,560	\$3,300,000
\$/Homesite		\$50,000	\$46,512	\$25,153	\$28,846	\$25,960	\$37,079
TRANSACTIONAL ADJUSTMENTS							
Property Rights		0%	0%	0%	0%	0%	0%
Financing		0%	0%	0%	0%	0%	0%
Conditions of Sale		0%	0%	0%	0%	0%	0%
Expenditures After the Sale		0%	0%	0%	0%	0%	0%
Market Conditions¹		1%	1%	2%	4%	5%	6%
Subtotal Transactional Adj Price		\$50,500	\$46,977	\$25,656	\$30,000	\$27,258	\$39,303
PROPERTY ADJUSTMENTS							
Location		-20%	-20%	0%	0%	-10%	-10%
Quality		-5%	-5%	0%	0%	0%	0%
Condition		-5%	-5%	0%	0%	0%	0%
Age		0%	0%	0%	5%	5%	0%
Number Of Homesites		0%	0%	0%	0%	0%	0%
Density		0%	0%	0%	0%	0%	0%
Amenities		0%	0%	0%	0%	0%	0%
Economic/Occupancy		0%	0%	0%	0%	0%	0%
Subtotal Property Adjustment		-30%	-30%	0%	5%	-5%	-10%
TOTAL ADJUSTED \$/HOMESITE		\$35,350	\$32,884	\$25,656	\$31,500	\$25,895	\$35,373
STATISTICS	UNADJUSTED	ADJUSTED					
LOW	\$25,153	\$25,656					
HIGH	\$50,000	\$35,373					
MEDIAN	\$32,962	\$32,192					
AVERAGE	\$35,592	\$31,110					

¹ Market Conditions Adjustment - 3%

Date of Value (for adjustment calculations): 5/18/21

SALES COMPARABLE ANALYSIS

Introduction

The comparable sales indicate an adjusted value range from \$25,656 to \$35,373/Homesite, with a median of \$32,192/Homesite and an average of \$31,110/Homesite. The range of total gross adjustment applied to the comparables was from 2% to 31%, with an average gross adjustment across all comparables of 18%. The level of total adjustment applied to the comparables is considered minimal, an indication that the dataset is applicable to the subject and increases the credibility of the analysis. The adjustment process for each comparable sale is discussed in the following paragraphs.

Discussion of Adjustments

Comparable 1 (\$35,350/Homesite as adjusted) required a total upward transaction adjustment of 1%. This property sold during a time when the market for manufactured housing communities was weaker and this sale is adjusted upward. This comparable required a total downward adjustment of -30% for property characteristics. It has a superior location based on area demographics and rent levels and was adjusted downward. This property is considered to be superior to the subject property in terms of quality and is adjusted downward. This property has been better maintained than the subject property and is adjusted downward for this superior attribute. The total gross adjustment applied to this comparable was 31%. The substantial level of gross adjustments required for this comparable reduces its reliability for valuation of the subject. Therefore, this comparable is given minimal consideration as a value indicator for the subject.

Comparable 2 (\$32,884/Homesite as adjusted) required a total upward transaction adjustment of 1%. This property sold during a time when the market for manufactured housing communities was weaker and this sale is adjusted upward. This comparable required a total downward adjustment of -30% for property characteristics. It has a superior location based on area demographics and rent levels and was adjusted downward. This property is considered to be superior to the subject property in terms of quality and is adjusted downward. This property has been better maintained than the subject property and is adjusted downward for this superior attribute. The total gross adjustment applied to this comparable was 31%. The substantial level of gross adjustments required for this comparable was justified due to the comparable's varying attributes. Considering these factors, this comparable is given secondary consideration as a value indicator for the subject.

Comparable 3 (\$25,656/Homesite as adjusted) required a total upward transaction adjustment of 2%. This property sold during a time when the market for manufactured housing communities was weaker and this sale is adjusted upward. This comparable required adjustments for property characteristics, however these resulted in a net adjustment of 0%. The total gross adjustment applied to this comparable was 2%. The minimal amount of gross adjustments required for this comparable suggests it is similar to the subject, increasing its applicability for this analysis. Overall this comparable warrants primary consideration as a value indicator for the subject.

Comparable 4 (\$31,500/Homesite as adjusted) required a total upward transaction adjustment of 4%. This property sold during a time when the market for manufactured housing communities was weaker and this sale is adjusted upward. This comparable required a total upward adjustment of 5% for property characteristics. This property is older than the subject property and is adjusted upward for its inferior age. The total gross adjustment applied to this comparable was 9%. The minimal amount of gross adjustments required for this comparable suggests it is similar to the subject, increasing its applicability for this analysis. Overall this comparable warrants primary consideration as a value indicator for the subject.

Comparable 5 (\$25,895/Homesite as adjusted) required a total upward transaction adjustment of 5%. This property sold during a time when the market for manufactured housing communities was weaker and this sale is adjusted upward. This comparable required a total downward adjustment of -5% for property characteristics. This property is older than the subject property and is adjusted upward for its inferior age. The total gross

adjustment applied to this comparable was 20%. The minimal amount of gross adjustments required for this comparable suggests it is similar to the subject, increasing its applicability for this analysis. Overall this comparable warrants secondary consideration as a value indicator for the subject.

Comparable 6 (\$35,373/Homesite as adjusted) required a total upward transaction adjustment of 6%. This property sold during a time when the market for manufactured housing communities was weaker and this sale is adjusted upward. This comparable required a total downward adjustment of -10% for property characteristics. It has a superior location based on area demographics and rent levels and was adjusted downward. The total gross adjustment applied to this comparable was 16%. The moderate level of gross adjustments required for this comparable indicates that it can be adequately relied upon for valuation of the subject. This comparable is given minimal consideration as a value indicator for the subject.

SALES COMPARISON APPROACH CONCLUSION

The comparable sales indicate an adjusted value range from \$25,656 to \$35,373/Homesite, with a median of \$32,192/Homesite and an average of \$31,110/Homesite. Based on the results of the preceding analysis, Comparable 3 (\$25,656/Homesite adjusted) and Comparable 4 (\$31,500/Homesite adjusted) are given primary consideration for the subject's opinion of value.

The following table summarizes the analysis of the comparables, reports the reconciled price per Homesite value conclusion, and presents the concluded value of the subject property.

SALES COMPARISON APPROACH CONCLUSION (\$/HOMESITE)								
COMP	ANALYSIS PRICE	ADJUSTMENT				NET ADJ %	GROSS ADJ %	WEIGHT GIVEN
		TRANSACTIONAL ¹	ADJUSTED	PROPERTY ²	FINAL			
1	\$50,000	1%	\$50,500	-30%	\$35,350	-29%	31%	MINIMAL
2	\$46,512	1%	\$46,977	-30%	\$32,884	-29%	31%	SECONDARY
3	\$25,153	2%	\$25,656	0%	\$25,656	2%	2%	PRIMARY
4	\$28,846	4%	\$30,000	5%	\$31,500	9%	9%	PRIMARY
5	\$25,960	5%	\$27,258	-5%	\$25,895	-0%	20%	SECONDARY
6	\$37,079	6%	\$39,303	-10%	\$35,373	-5%	16%	MINIMAL
LOW	\$25,656						AVERAGE	\$31,110
HIGH	\$35,373						MEDIAN	\$32,192
			SUBJECT HOMESITES		\$/HOMESITE CONCLUSION			VALUE
AS-IS MARKET VALUE			63	x	\$28,500	=		\$1,800,000

¹Cumulative ²Additive

Rounded to nearest \$10,000

INTRODUCTION

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. Understanding the profiles of potential buyers and their typical reliance on each approach to value strongly influences the weighting process.

As previously discussed, the **Cost Approach** was not presented in this analysis. The exclusion of the Cost Approach does not diminish the credibility of the value conclusion.

The price per unit method has been presented in the **Sales Comparison Approach**. There have been a few recent MHC sales of properties similar to the subject in the market area in the current market conditions, which decreases the validity of this approach. Recognizing the shifting market conditions, investors would typically give secondary weight to the Sales Comparison Approach in determining value. Therefore, supporting weight is given to the Sales Comparison Approach in this analysis.

The **Income Approach** to value is generally considered to be the best and most accurate measure of the value of income-producing properties. In this analysis, the Direct Capitalization and Effective Gross Income Multiplier methods were developed and reconciled into a final Income Approach value. The value estimate by this approach best reflects the analysis that knowledgeable buyers and sellers carry out in their decision-making processes regarding this type of property. Sufficient market data was available to reliably estimate gross income, vacancy, expenses and capitalization rate for the subject property. The Income Approach is given primary emphasis in the analysis.

In the open market, the subject property type would command most interest from regional and local buyers that are actively pursuing similar small investment properties. There is currently steady buyer demand for substitute properties of the subject based on the volume of sale transactions and reports by buyers, sellers and other market participants during confirmation of market transactions. The most probable buyer is a regional and local investor.

PRESENTATION OF VALUE CONCLUSIONS

Our opinion of value reflects current conditions and the likely actions of market participants as of the date of value. It is based on the available information gathered and provided to us, as presented in this report, and does not predict future performance. Changing market or property conditions can and likely will have an effect on the subject's value.

The following table summarizes our final opinion of the As-Is Market Value of the subject property's fee simple interest. At the request of the client, we also provided the value of the NOI attributable to the community owned homes.

ANALYSIS OF VALUE CONCLUSIONS

VALUATION INDICES	MARKET VALUE AS-IS
INTEREST APPRAISED	FEE SIMPLE
DATE OF VALUE	MAY 18, 2021
Sales Comparison Approach	\$1,800,000
Income Approach	\$1,760,000
FINAL VALUE CONCLUSION	\$1,760,000
\$/Homesite	\$27,937/Homesite
Exposure Time	Six Months or Less
Marketing Period	Six Months or Less
OTHER CONCLUSIONS	AS OF MAY 18, 2021
Community Owned Homes	\$570,000

We certify that, to the best of our knowledge and belief:

- › The statements of fact contained in this report are true and correct.
- › The reported analyses, opinions, and conclusions of the signers are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- › The signers 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.
- › Nancy Caniff has performed no services, 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. Bruce Nell, MAI, AI-GRS, MRICS has performed no services, 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 signers are 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 *Uniform Standards of Professional Appraisal Practice* and the *Code of Professional Ethics and Standards of Professional Appraisal Practice* of the Appraisal Institute.
- › Nancy Caniff inspected the property that is the subject of this report. Bruce Nell, MAI, AI-GRS, MRICS did not inspect the property that is the subject of this report.
- › No one provided significant real property appraisal assistance to appraisers signing this 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 Bruce Nell, MAI, AI-GRS, MRICS completed the continuing education program for Designated Members of the Appraisal Institute. As of the date of this report Nancy Caniff has completed the Standards and Ethics Education Requirement for Candidates of the Appraisal Institute.



June 9, 2021

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Date



June 9, 2021

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Date

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

- › The appraisers may or may not have been provided with a survey of the subject property. If further verification is required, a survey by a registered surveyor is advised.
- › 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 exhibits in this report are included to assist the reader in visualizing the property. We have made no survey of the property and assume no responsibility in connection with such matters.
- › Unless otherwise noted herein, it is assumed that there are no encroachments, zoning, or restrictive violations existing in the subject property.
- › The appraisers assume 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.
- › Information presented in this report has been obtained from reliable sources, and it is assumed that the information is accurate.
- › 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 appraisers 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 therefore.
- › 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 appraisers which is not specifically disclosed in this report.
- › Without the written consent or approval of the authors 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 appraisers and the firm with which the appraisers are 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 authors no portion of the report stands alone.
- › 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 Colliers International Valuation & Advisory Services, 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 appraisers are in no way responsible for any costs incurred to discover or correct any deficiency in the property.
- › The appraisers are 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. Colliers International Valuation & Advisory Services 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 appraisers assume no responsibility for determining if the subject property complies with the *Americans with Disabilities Act (ADA)*. Colliers International Valuation & Advisory Services, 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.
- › An on-site inspection of the subject property was conducted. No evidence of asbestos materials on-site was noted. A Phase 1 Environmental Assessment was not provided for this analysis. 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.
- › 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, 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.
- › This analysis assumes that the financial information provided for this appraisal, including rent rolls and historical income and expense statements; accurately reflect the current and historical operations of the subject property.

Community Owned Homes Valuation

Valuation Glossary

Qualifications of Appraisers

Qualifications of Colliers International Valuation & Advisory Services

DIRECT CAPITALIZATION METHOD - COMMUNITY OWNED HOMES

The valuation of the Community Owned homes is a value of the NOI attributed to the units as an investor is the most likely buyer of the home inventory. We are not providing value conclusions to the individual homes as the most likely buyer would not purchase the homes on an individual basis, but the implied value per home will be presented.

Subject Income History of Community Owned Homes

There are a total of 29 community owned, manufactured homes at the subject utilized as rental homes. The residents at the subject (regardless of unit type) initially sign an annual lease that reverts to a month to month agreement after the first year. The rent is an all-inclusive figure to the resident.

Per our research on sites such as Zillow.com and Realtor.com, the market area typically has similar properties renting between \$600 and \$1,200/month depending on the size of the home, quality, condition, finishes, age, etc. The subject's total rental rate per month is \$230 for the site plus \$280 to \$670 for the home resulting in a total housing cost of \$510 to \$900 per month. This falls within the range in the market but also accounts for the subject's variety and condition of homes and is deemed reasonable.

Expenses – In general operating expense ratios (specific to rental homes) range between 30%-50%. The size of the home, quality/condition, senior/all age, and base rent all impact the appropriate expense ratio. Expenses for the park owned homes were estimated at 40% of EGI and include required maintenance, repairs, turnover, payroll/leasing, taxes, insurance etc.

Cap Rate - Within this appraisal, the real estate was valued utilizing a 5.50% capitalization rate as presented above. Most investors are indicating that rental homes are valued utilizing cap rates of 200 to 1,200 bps over the base cap rate. The range is based on a number of factors, not limited to quality, condition, home size and market location. There is limited data available on sales of homes from owner to owner in the sale of a community. We talked to market participants whose answers ranged widely from 8% to 20%+. The range was largely based on the relative risk of the income being collected and the age, quality, and condition of the homes. Due to the variety of ages of homes at the subject property, we estimated a rate well above the real property and within the range indicated by market participants at 15.0% is concluded. The following table summarizes the value of the homes:

Home Values	
Income/Expense Items	Total
Number of Homes	29
In-Place Vacancy	7%
Vacant Homes	2
Lease-up / Month	1
Home Rent	\$442
Home Rent Roll Income	\$153,816
Vacancy (%)	6.9%
Vacancy (\$)	(\$10,608)
EFFECTIVE GROSS INCOME (EGI)	\$143,208
Expense Items	
Operating Expenses at 40% of EGI	(\$57,283)
NOI	\$85,925
Capitalization Rate	15%
Stabilized	\$572,832
Down time	(\$884)
As-Is Home Values	\$570,000
Indicated Per Home Value	\$19,655

Due to the subject having two vacant homes, we have applied downtime lost rent to the units. We estimate they can be leased within two months.

Test of Reasonableness - The assessor does not track significant sale data of manufactured homes as most are sold directly between residents, owners and property management companies with specialized chattel loans. We spoke with various owners and property managers who confirmed the lack of assessor / MLS data and indicated valuation of individual homes varies widely as maintenance, location with certain communities and depreciation have various impacts on prices paid. A search of Zillow reported a range of manufactured home sales since 2017 ranging from \$16,000 to \$65,000 with an average of \$41,285. The subject's older homes should be below the average and could anywhere from \$15,000 to \$40,000 depending on the factors mentioned above. Overall, the concluded amount of \$19,655 is generally supported by market data and should be attainable by a typical buyer.

Valuation Glossary



Unless specified otherwise, these definitions were extracted from the following sources or publications:

The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, Chicago, Illinois, 2015 (Dictionary).

Uniform Standards of Professional Appraisal Practice, 2020-2022 Edition (USPAP).

The Appraisal of Real Estate, Fourteenth Edition, Appraisal Institute, Chicago, Illinois, 2020 (15th Edition).

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. *(Dictionary)*

Ad Valorem Tax

A real estate tax based on the assessed value of the property, which is not necessarily equivalent to its market value. *(15th Edition)*

Aggregate of Retail Values (ARV)

The sum of the separate and distinct market value opinions for each of the units in a condominium; subdivision development, or portfolio of properties, as of the date of valuation. The aggregate of retail values does not represent the value of all the units as sold together in a single transaction; it is simply the total of the individual market value conclusions. Also called *sum of the retail values*. *(Dictionary)*

Arm's-length Transaction

A transaction between unrelated parties who are each acting in his or her own best interest. *(Dictionary)*

As-Is Market Value

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

Assessed Value

The value of a property according to the tax rolls in ad valorem taxation; may be higher or lower than market value, or based on an assessment ratio that is a percentage of market value. *(Dictionary)*

Average Daily Room Rate (ADR)

In the lodging industry, the net rooms revenue derived from the sale of guest rooms divided by the number of paid occupied rooms. *(Dictionary)*

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. *(Dictionary)*

Cash-Equivalent Price

The price of a property with nonmarket financing expressed as the price that would have been paid in an all-cash sale. *(Dictionary)*

Common Area

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. *(Dictionary)*

Contract Rent

The actual rental income specified in a lease. *(15th Edition)*

Cost Approach

A set of procedures through which a value indication is derived for the fee simple interest in a property by estimating the current cost to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial incentive; deducting depreciation from the total cost; and adding the estimated land value. Adjustments may then be made to the indicated fee simple value of the subject property to reflect the value of the property interest being appraised. *(Dictionary)*

Curable Functional Obsolescence

An element of depreciation; a curable defect caused by a flaw in the structure, materials, or design, which can be practically and economically corrected. *(Dictionary)*

Debt Coverage Ratio (DCR)

The ratio of net operating income to annual debt service, 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). *(Dictionary)*

Deferred Maintenance

Items of wear and tear on a property that should be fixed now to protect the value or income-producing ability of a property. *(Dictionary)*

Depreciation

In appraisal, a loss in property value from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the market value of the improvement on the same date. *(Dictionary)*

Direct Costs

Expenditures for the labor and materials used in the construction of improvements; also called hard costs. *(Dictionary)*

Discounted Cash Flow (DCF) Analysis

The procedure in which a discount rate is applied to a set of projected income streams and a reversion. The analyst specifies the quantity, variability, timing, and duration of the income streams and the quantity and timing of the reversion, and discounts each to its present value at a specified yield rate. *(Dictionary)*

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)*

Disposition Value

The most probable price that a specified interest in property should bring under the following conditions:

1. Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider their best interests.
7. An adequate marketing effort will be made during the exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. 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.

This definition can also be modified to provide for valuation with specified financing terms. *(Dictionary)*

Easement

The right to use another's land for a stated purpose. Access or right-of-way easements may be acquired by private parties or public utilities. Governments may be the beneficiaries of easements placed on privately owned land that is dedicated to conservation, open space, or preservation. *(15th Edition)*

Economic Life

The period over which improvements to real property contribute to property value. *(Dictionary)*

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)*

Effective Date

The date on which the appraisal or review opinion applies (SVP) *(Dictionary)*

Effective Gross Income (EGI)

The anticipated income from all operations of the real estate after an allowance is made for vacancy and collection losses and an addition is made for any other income. *(Dictionary)*

Effective Gross Income Multiplier (EGIM)

The ratio between the sale price (or value) of a property and its effective gross income. *(Dictionary)*

Effective Rent

The total base rent, or minimum rent stipulated in a lease, over the specified lease term minus rent concessions - e.g. free rent, excessive tenant improvements, moving allowances, lease buyouts, cash allowances, and other lease incentives. *(15th Edition)*

Eminent Domain

The right of government to take private property for public use upon the payment of just compensation. The Fifth Amendment of the U.S. Constitution, also known as the takings clause, guarantees payment of just compensation upon appropriation of private property. *(Dictionary)*

Entrepreneurial Incentive

The amount an entrepreneur expects to receive for his or her contribution to a project. Entrepreneurial incentive may be distinguished from entrepreneurial profit (often called developer's profit) in that it is the expectation of future profit as opposed to the profit actually earned on a development or improvement. *(Dictionary)*

Entrepreneurial Profit

A market-derived figure that represents the amount an entrepreneur receives for his or her contribution to a project and risk; the difference between the total cost of a property (cost of development) and its market value (property value after completion), which represents the entrepreneur's compensation for the risk and expertise associated with

development. An entrepreneur is motivated by the prospect of future value enhancement (i.e., the entrepreneurial incentive). An entrepreneur who successfully creates value through new development, expansion, renovation, or an innovative change of use is rewarded by entrepreneurial profit. Entrepreneurs may also fail and suffer losses. *(Dictionary)*

Excess Land

Land that is not needed to serve or support the existing improvement. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land has the potential to be sold separately and is valued separately. *(Dictionary)*

Excess Rent

The amount by which contract rent exceeds market rent at the time of the appraisal; created by a lease favorable to the lessor and may reflect superior management, a lease execution in an earlier, stronger rental market, or an agreement of the parties. Due to the higher risk inherent in the receipt of excess rent, it may be calculated separately and capitalized or discounted at a higher rate in the income capitalization approach. *(15th Edition)*

Expense Stop

A clause in a lease that limits the landlord's expense obligation, which results in the lessee paying any operating expenses above a stated level or amount. *(Dictionary)*

Exposure Time

An opinion, based on supporting market data, of the length of time that 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. *(USPAP)*

Extraordinary Assumption

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 opinions or conclusions. Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or the integrity of data used in an analysis. An extraordinary assumption may be used in an assignment only if:

- It is required to properly develop credible opinions and conclusions;
- The appraiser has a reasonable basis for the extraordinary assumption;
- Use of the extraordinary assumption results in a credible analysis; and
- The appraiser complies with the disclosure requirements set forth in USPAP for extraordinary assumptions. *(USPAP)*

External Obsolescence

A type of depreciation; a diminution in value caused by negative external influences and generally incurable on the part of the owner, landlord, or tenant. The external influence may be temporary or permanent. *(Dictionary)*

Fair Market Value

In nontechnical usage, a term that is equivalent to the contemporary usage of market value.

As used in condemnation, litigation, income tax, and property tax situations, a term that is similar in concept to market value but may be defined explicitly by the relevant agency. *(Dictionary)*

Feasibility Analysis

A study of the cost-benefit relationship of an economic endeavor. *(USPAP)*

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)*

Floor Area Ratio (FAR)

The relationship between the above-ground floor area of a building, as described by the zoning or building code, and the area of the plot on which it stands; in planning and zoning, often expressed as a decimal, e.g., a ratio of 2.0 indicates that the permissible floor area of a building is twice the total land area. *(Dictionary)*

Functional Obsolescence

The impairment of functional capacity of improvements according to market tastes and standards. *(Dictionary)*

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)*

Furniture, Fixtures, and Equipment (FF&E)

Business trade fixtures and personal property, exclusive of inventory. *(Dictionary)*

Going-concern

An established and operating business having an indefinite future life. *(Dictionary)*

Going-concern Value

An outdated label for the market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the market value of the going concern or market value of the total assets of the business. *(Dictionary)*

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 market area of the type of property involved. *(Dictionary)*

Gross Leasable Area (GLA) - Commercial

Total floor area designed for the occupancy and exclusive use of tenants, including basements and mezzanines; measured from the center of joint partitioning to the outside wall surfaces. *(Dictionary)*

Gross Living Area (GLA) - Residential

Total area of finished, above-grade residential area; calculated by measuring the outside perimeter of the structure and includes only finished, habitable, above-grade living space. (Finished basements and attic areas are not generally included in total gross living area. Local practices, however, may differ.) *(Dictionary)*

Highest & Best Use

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. 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 that asset when formulating the price that it would be willing to bid (IVS). *(Dictionary)*

Hypothetical Condition

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. 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)*

Income Capitalization Approach

In the income capitalization approach, an appraiser analyzes a property's capacity to generate future benefits and capitalizes the income into an indication of present value. The principle of anticipation is fundamental to this approach. Techniques and procedures from this approach are used to analyze comparable sales data and to measure obsolescence in the cost approach. *(15th Edition)*

Incurable Functional Obsolescence

An element of depreciation; a defect caused by a deficiency or superadequacy in the structure, materials, or design that cannot be practically or economically corrected as of the effective date of the appraisal. *(Dictionary)*

Indirect Costs

Expenditures or allowances for items other than labor and materials that are necessary for construction, but are not typically part of the construction contract. Indirect costs may include administrative costs, professional fees, financing costs and the interest paid on construction loans, taxes and the builder's or developer's all-risk insurance during construction, and marketing, sales, and lease-up costs incurred to achieve occupancy or sale. Also called soft costs. *(Dictionary)*

Insurable Replacement Cost

The cost estimate, at current prices as of the effective date of valuation, of a substitute for the building being valued, using modern materials and current standards, design and layout for insurance coverage purposes guaranteeing that damaged property is replaced with a new property (i.e., depreciation is not deducted). *(Dictionary)*

Interim Use

The temporary use to which a site or improved property is put until a different use becomes maximally productive. *(Dictionary)*

Investment Value

The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market. *(Dictionary)*

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 reversion right when the lease expires. *(Dictionary)*

Leasehold Interest

The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease. *(Dictionary)*

Legally Nonconforming Use

A use that was lawfully established and maintained, but no longer conforms to the use regulations of its current zoning; also known as a grandfathered use. *(Dictionary)*

Liquidation Value

The most probable price that a specified interest in real property should bring under the following conditions:

1. Consummation of a sale within a short time period.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under extreme compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. A normal marketing effort is not possible due to the brief exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. 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.

This definition can also be modified to provide for valuation with specified financing terms. *(Dictionary)*

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. *(Dictionary)*

Market Rent

The most probable rent that a property should bring in a competitive and open market reflecting the conditions and restrictions of a specific 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)*

Market Study

An analysis of the market conditions of supply, demand, and pricing for a specific property type in a specific area. *(Dictionary)*

Market Value (Most Common Non-FRT)

The most probable price, as of a specific 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 distress. *(Dictionary)*

Market Value (Interagency Guidelines)

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition 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 U.S. dollars or in terms of financial arrangements comparable thereto; and
5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. (Interagency Appraisal and Evaluation Guidelines, December 10, 2010, Federal Register, Volume 75 Number 237, Page 77472)

Marketability Analysis

The study of how a specific property is expected to perform in a specific market. A marketability analysis expands on a market analysis by addressing a specific property. *(Dictionary)*

Neighborhood Analysis

The objective analysis of observable or quantifiable data indicating discernible patterns of urban growth, structure, and change that may detract from or enhance property values; focuses on four sets of considerations that influence value: social, economic, governmental, and environmental factors. *(Dictionary)*

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). *(15th 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)*

Off-site Costs

Costs incurred in the development of a project, excluding on-site costs such as grading and construction of the building and other improvements; also called common costs or off-site improvement costs. *(Dictionary)*

On-site Costs

Costs incurred for the actual construction of buildings and improvements on a particular site. *(Dictionary)*

Overage Rent

The percentage rent paid over and above the guaranteed minimum rent or base rent; calculated as a percentage of sales in excess of a specified breakeven sales volume. *(15th Edition)*

Overall Capitalization Rate (OAR)

The relationship between a single year's net operating income expectancy and the total property price or value. *(Dictionary)*

Parking Ratio

The 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)*

Potential Gross Income (PGI)

The total income attributable to property at full occupancy before vacancy and operating expenses are deducted. *(Dictionary)*

Potential Gross Income Multiplier (PGIM)

The ratio between the sale price (or value) of a property and its annual potential gross income. *(Dictionary)*

Present Value (PV)

The value of a future payment or series of future payments discounted to the current date or to time period zero. *(Dictionary)*

Prospective Opinion of Value

A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not achieved sellout or a stabilized level of long-term occupancy. *(Dictionary)*

Qualitative Adjustment

An indication that one property is superior, inferior, or the same as another property. Note that the common usage of the term is a misnomer in that an adjustment to the sale price of a comparable property is not made. Rather, the indication of a property's superiority or inferiority to another is used in relative comparison analysis, bracketing, and other forms of qualitative analysis. *(Dictionary)*

Quantitative Adjustment

A numerical (dollar or percentage) adjustment to the indicated value of the comparable property to account for the effect of a difference between two properties on value. *(Dictionary)*

Rentable Area

The amount of space on which the rent is based; calculated according to local practice. *(Dictionary)*

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)*

Reproduction Cost

The estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same materials, construction standards, design, layout, and quality of workmanship and embodying all the deficiencies, superadequacies, and obsolescence of the subject building. *(Dictionary)*

Retrospective Value Opinion

A value opinion effective as of a specified historical date. The term retrospective does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion." *(Dictionary)*

Sales Comparison Approach

The process of deriving a value indication for the subject property by comparing sales of similar properties to the property being appraised, identifying appropriate units of comparison, and making adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison. The sales comparison approach may be used to value improved properties, vacant land, or land being considered vacant when an adequate supply of comparable sales is available. *(Dictionary)*

Scope of Work

The type and extent of research and analysis in an appraisal or appraisal review assignment. Scope of work includes, but is not limited to:

The extent to which the property is identified;

The extent to which tangible property is inspected;

The type and extent of data researched; and

The type and extent of analysis applied to arrive at opinions or conclusions. *(USPAP)*

Shopping Center Types

Neighborhood Shopping Center: The smallest type of shopping center, generally with a gross leasable area of between 30,000 and 100,000 square feet. Typical anchors include supermarkets. Neighborhood shopping centers offer convenience goods and personal services and usually depend on a market population support of 3,000 to 40,000 people.

Community Shopping Center: A shopping center of 100,000 to 400,000 square feet that usually contains one junior department store, a variety store, discount or department store. A community shopping center generally has between 20 and 70 retail tenants and a market population support of 40,000 to 150,000 people.

Regional Shopping Center: A shopping center of 300,000 to 900,000 square feet that is built around one or two full-line department stores of approximately 200,000 square feet each plus small tenant spaces. This type of center is typically supported by a minimum population of 150,000 people.

Super-Regional Center: A large center of 600,000 to 2.0 million square feet anchored by three or more full-line department stores. This type of center is typically supported by a population area of 300,000 people. *(15th Edition)*

Superadequacy

An excess in the capacity or quality of a structure or structural component; determined by market standards. *(Dictionary)*

Surplus Land

Land that is not currently needed to support the existing use but cannot be separated from the property and sold off for another use. Surplus land does not have an independent highest and best use and may or may not contribute value to the improved parcel. *(Dictionary)*

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)*

Triple Net Lease

An alternative term for a type of net lease. In some markets, a net net net lease is defined as a lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management. Also called NNN, triple net lease, or fully net lease. *(Dictionary)*

Usable Area

The area that is actually used by the tenants measured from the inside of the exterior walls to the inside of walls separating the space from hallways and common areas. *(Dictionary)*

Useful Life

The period of time over which a structure or a component of a property may reasonably be expected to perform the function for which it was designed. *(Dictionary)*

Vacancy and Collection Loss

A deduction from potential gross income (PGI) made to reflect income deductions due to vacancies, tenant turnover, and non-payment of rent; also called vacancy and credit loss or vacancy and contingency loss. *(Dictionary)*

Yield Capitalization

A method used to convert future benefits into present value by 1) discounting each future benefit at an appropriate yield rate, or 2) developing an overall rate that explicitly reflects the investment's income pattern, holding period, value change, and yield rate. *(Dictionary)*



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Nancy A. Caniff

Area of Expertise

Nancy Caniff joined Colliers International Valuation & Advisory Services in 2012 and has over 10 years of appraisal experience. She currently provides valuation and advisory services throughout the Southeastern United States.

Since the beginning of her career, she has focused on various housing developments including specialty properties such as beachfront condominiums as well as subdivisions. Later in her career, special focus was given to Manufactured Housing Community (MHC) assets and she is currently a member of the company's MHC Valuation Group. Experience in this asset type includes the valuation of MHCs, RV Parks, and Park Owned Homes.

She also has experience with student housing, LIHTC, Section 8, and HUD properties. Other property types appraised include mixed use centers, branch banks, office, industrial, single tenant net leased retail, restaurants and vacant land. She has ongoing appraisal experience with a current license in Florida, Georgia, South and North Carolina.

Mrs. Caniff is a General Candidate for Designation pursuing MAI designated membership in the Appraisal Institute.

Affiliations or Memberships

Appraisal Institute, Candidate for Designation

Appraisal Institute Courses

- Basic Income Capitalization
- Advanced Sales Comparison & Cost Approach
- Highest & Best Use and Market Analysis
- Business Practices and Ethics
- Florida Law Update
- 15-Hour and 7-Hour National USPAP
- Report Writing & Valuation Analysis
- Analyzing Operating Expenses

Other Related Courses

- Declining Markets and Sales Concessions
- Foreclosure Basics
- Real Estate Finance, Value, and Investment Performance

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Georgia

North Carolina

South Carolina

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Area of Expertise

Bruce Nell, MAI, AI-GRS, MRICS, serves as Executive Managing Director | National Practices for Colliers International Valuation & Advisory Services (CIVAS) as well as manages the Ohio and Tennessee Valley. As EMD of Practice Groups, Bruce oversees the development and operations of all valuation practice groups at CIVAS. He also serves as the National Practice Group Leader for Manufactured Housing, RV Parks, and for Senior Housing.

As EMD of the Ohio and Tennessee Valley he leads a dynamic team focused on the valuation of all commercial real estate. The regional team includes 30 staff members located across offices in Michigan, Pennsylvania, Ohio, Kentucky, and Tennessee.

Bruce has extensive personal experience in commercial real estate appraisal, having completed assignments in all 50 states, Washington D.C., and Canada. Projects range from CBD high-rise buildings, regional shopping malls, large industrial parks, and multifamily residential developments. Over his career, he's been involved in well over \$200 billion in commercial real estate valuation. He has also facilitated client valuation needs in Central & South America, Europe, Oceania, and Asia.

Affiliations or Memberships

- MRICS Member, Royal Institution of Chartered Surveyors
- Masters in Commercial Property - MICP
- Member of the Appraisal Institute
- AI-GRS Member Designation - General Review Specialist
- Member: Mortgage Bankers Association
- Member: Manufactured Housing Institute
- Member: National Communities Council
- Member: Urban Land Institute (ULI)
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Real estate valuations play a pivotal role in today's business climate. An accurate and well supported opinion of property value can mean the difference between reaching a critical goal—securing a loan, closing a sale, reporting to investors, choosing the best asset—or failing to achieve it altogether.

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Our professionals share a commitment to deliver the highest level of service and consistent results. We go the extra mile for our clients, whether this means meeting a tight deadline or working with a complex and challenging property.

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Today's business climate places valuation in a more pivotal position than ever before. All our appraisals are evaluated and approved by an experienced review team to ensure our clients receive concise and timely appraisals. With clear, prompt reporting and a comprehensive, big picture approach, Colliers International's Valuation and Advisory reports give our clients the information they need to make better business decisions.

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