



PARK ESTATES MHP AND SELF-STORAGE

600 Hastings Avenue
St. Paul Park, Minnesota 55071

RESTRICTED APPRAISAL REPORT

Date of Report: November 9, 2022

Colliers File #: CMH221492

PREPARED FOR
Brian Spear
Sunrise Communities
410 S Aurora Ave
Clearwater, FL 33765

PREPARED BY
COLLIERS INTERNATIONAL
VALUATION & ADVISORY SERVICES

LETTER OF TRANSMITTAL

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November 9, 2022

Brian Spear
Sunrise Communities
410 S Aurora Ave
Clearwater, FL 33765

RE: Park Estates MHP and Self-Storage

600 Hastings Avenue
St. Paul Park, Minnesota 55071

Colliers File #: CMH221492

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 Communities and Colliers International Valuation & Advisory Services.

The date of this report is November 9, 2022. At the request of the client, this appraisal is presented in a Restricted Appraisal Report format as defined by *USPAP* Standards Rule 2-2(b). Our appraisal format provides a summary description of the appraisal process, subject and market data and valuation analyses.

The purpose of this appraisal is to develop opinions of the As-Is Market Value and Prospective Value Upon Stabilization of the subject property's fee simple interest. The following table conveys the final opinions of market value of the subject property that are developed within this appraisal report:

VALUE TYPE	INTEREST APPRAISED	DATE OF VALUE	VALUE
Market Value As-Is	Fee Simple	November 9, 2022	\$10,820,000
Prospective Value Upon Stabilization	Fee Simple	January 1, 2025	\$13,340,000

The subject is a Manufactured Housing Community (All Age) totaling 113 homesites located on a 22.76-acre site at 600 Hastings Avenue in St. Paul Park, Minnesota. The subject property also includes self-storage units. We were not provided with details regarding the number and/or size of these units. The income attributable to the self-storage units is included in our Other Income conclusion. The improvements were built in 1985, are in average condition and have a remaining economic life of 30 years based on our estimate. The subject has no common amenities.

The subject property has a current occupancy level of 99.1%, which is above the stabilized occupancy level estimate of 95% that was developed in this appraisal. We have included a 3.0% deduction to account for market vacancy and a 2.0% deduction to account for credit loss.

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 between Park Estates Inc (Grantor) and Sunrise Communities (Grantee), but the appraiser was unable to obtain the terms of the contract.

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 B 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 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 opinions 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

A physical inspection was not made of the subject property. We assume that the property is in a similar condition as what can be observed Google Earth aerial photographs, and we reserve the right to alter our value conclusion if found otherwise.

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**

Robert Shock

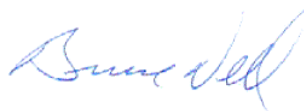
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ADDENDA

Rent Comparables Data Sheets

Sales Comparables Data Sheets

Engagement Letter

Subject Data

Valuation Glossary

Qualifications of Appraisers

Qualifications of Colliers International Valuation & Advisory Services

GENERAL INFORMATION

Property Name	Park Estates MHP and Self-Storage
Property Type	Manufactured Housing Community - All Age
Address	600 Hastings Avenue
City	St. Paul Park
State	Minnesota
Zip Code	55071
County	Washington
Core Based Statistical Area (CBSA)	Minneapolis-St. Paul-Bloomington, MN-WI
Market	Minneapolis-St. Paul
Submarket	St. Paul
Census Region	Midwest
Census Subregion	West North Central
Longitude	-92.985593
Latitude	44.847066
Number Of Parcels	6
Assessor Parcels	0702721230005, 0702721230006, 0102722440007, 0102722440012,
Total Taxable Value	\$2,107,200
Census Tract Number	713.00

SITE INFORMATION

Land Area	Acres	Square Feet
Usable	22.76	991,509
Excess	0.00	0
<u>Surplus</u>	<u>0.00</u>	<u>0</u>
Total	22.76	991,509
Topography	Level at street grade	
Shape	Irregular	
Access	Average	
Exposure	Average	
Appeal	Average	
Current Zoning	Manufactured Home Park (R5)	
Flood Zone	Zone X (Unshaded)	
Seismic Zone	Low Risk	

IMPROVEMENT INFORMATION

Number Of Homesites	113
Development Density	5.0 Units/Acre (113 Units / 22.76 Acres)
Total Number Of Common Area Buildings	1
Number Of Stories	1
Year Built	1985
Property Class	B
Quality	Average
Condition	Average
Marketability	Average/Good
Parking Type	Homesite
Number Of Parking Spaces	226
Parking Spaces/Homesite	2.0
Project Amenities	The subject has no common 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	99.1%
Stabilized Occupancy	95.0%
Current Average Rent/Homesite	\$527/Homesite
Concluded Average Rent/Homesite	\$527/Homesite
Potential Gross Income (PGI)	\$876,612
Vacancy & Credit Loss	5.0%
Effective Gross Income (EGI)	\$840,881
Total Expenses	\$299,744
Net Operating Income (NOI)	\$541,137
Capitalization Rate (OAR)	5.50%
Discount Rate (IRR)	9.75%
Terminal Capitalization Rate	9.00%

VALUATION SUMMARY

VALUATION INDICES	MARKET VALUE AS-IS	PROSPECTIVE VALUE UPON STABILIZATION
INTEREST APPRAISED	FEE SIMPLE	FEE SIMPLE
DATE OF VALUE	NOVEMBER 9, 2022	JANUARY 1, 2025

INCOME CAPITALIZATION APPROACH

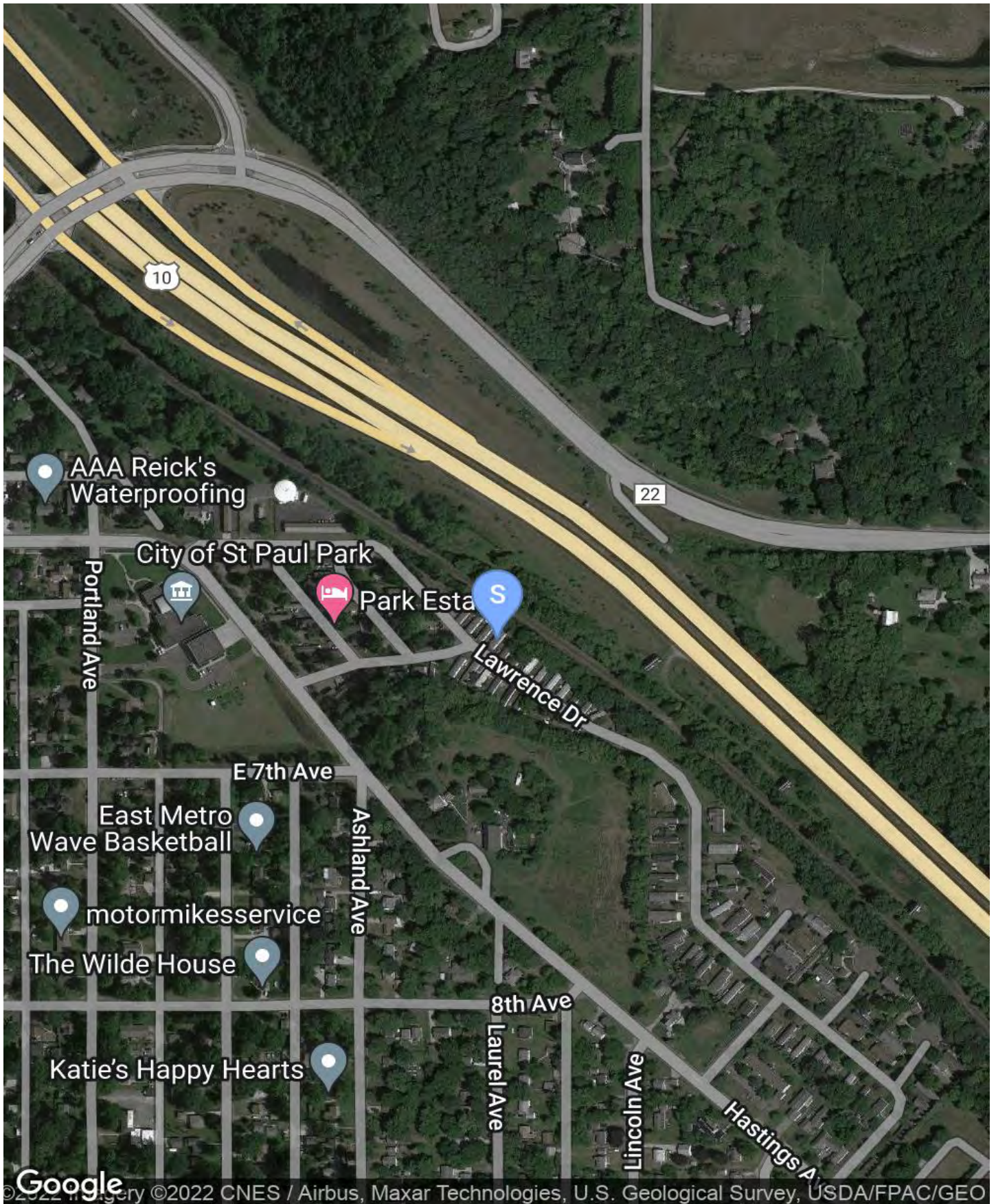
Direct Capitalization	\$10,820,000	\$13,340,000
Direct Capitalization \$/Homesite	\$95,752/Homesite	\$118,053/Homesite
Net Operating Income	\$541,137	\$733,743
NOI \$/Homesite	\$4,789/Homesite	\$6,493/Homesite
Capitalization Rate	5.00%	5.50%
INCOME CONCLUSION	\$10,820,000	\$13,340,000
Income Conclusion \$/Homesite	\$95,752/Homesite	\$118,053/Homesite

SALES COMPARISON APPROACH

SALES CONCLUSION	\$10,740,000	-
Sales Conclusion \$/Homesite	\$95,044/Homesite	-

FINAL VALUE CONCLUSION

FINAL VALUE	\$10,820,000	\$13,340,000
Final \$/Homesite	\$95,752/Homesite	\$118,053/Homesite



PROPERTY IDENTIFICATION

The subject is a Manufactured Housing Community (All Age) property totaling 113 homesites. It is located on a 22.76-acre site at 600 Hastings Avenue in St. Paul Park, Washington County, Minnesota. The assessor's parcel numbers are: 0702721230005, 0702721230006, 0102722440007, 0102722440012, 1202722110002, 1202722110004.

The legal description of the subject property is presented in the Addenda.

CLIENT IDENTIFICATION

The client of this specific assignment is Sunrise Communities.

PURPOSE

The purpose of this appraisal is to develop opinions of the As-Is Market Value and Prospective Value Upon Stabilization of the subject property's fee simple interest.

INTENDED USE

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

INTENDED USERS

Intended users of this report include Sunrise Communities. 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	November 9, 2022
Valuation Date – As-Is	November 9, 2022
Valuation Date – Prospective Upon Stabilization	January 1, 2025

PERSONAL INTANGIBLE PROPERTY

The community owned homes (if any) are legally considered personal property and are not considered in this appraisal. No personal property or intangible items are included in this valuation.

PROPERTY AND SALES HISTORY

Current Owner

The subject title is currently recorded in the name of Park Estates Inc, who acquired title to the property on April 18, 2011, as recorded in the Washington 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 between Park Estates Inc (Grantor) and Sunrise Communities (Grantee), but the appraiser was unable to obtain the terms of the contract.

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 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.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

Prospective 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 being 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 yet achieved sellout or a stabilized level of long-term occupancy.⁴

¹ Interagency Appraisal and Evaluation Guidelines, December 10, 2010, Federal Register, Volume 75 Number 237, Page 77472

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

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

⁴ The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022

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 national and market overviews. The Minneapolis-St. Paul market and St. Paul sub-market overviews 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 budgeted income/expense data 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 opinions of the As-Is Market Value and Prospective Value Upon Stabilization of the subject property's fee simple interest. 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 summarized 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:

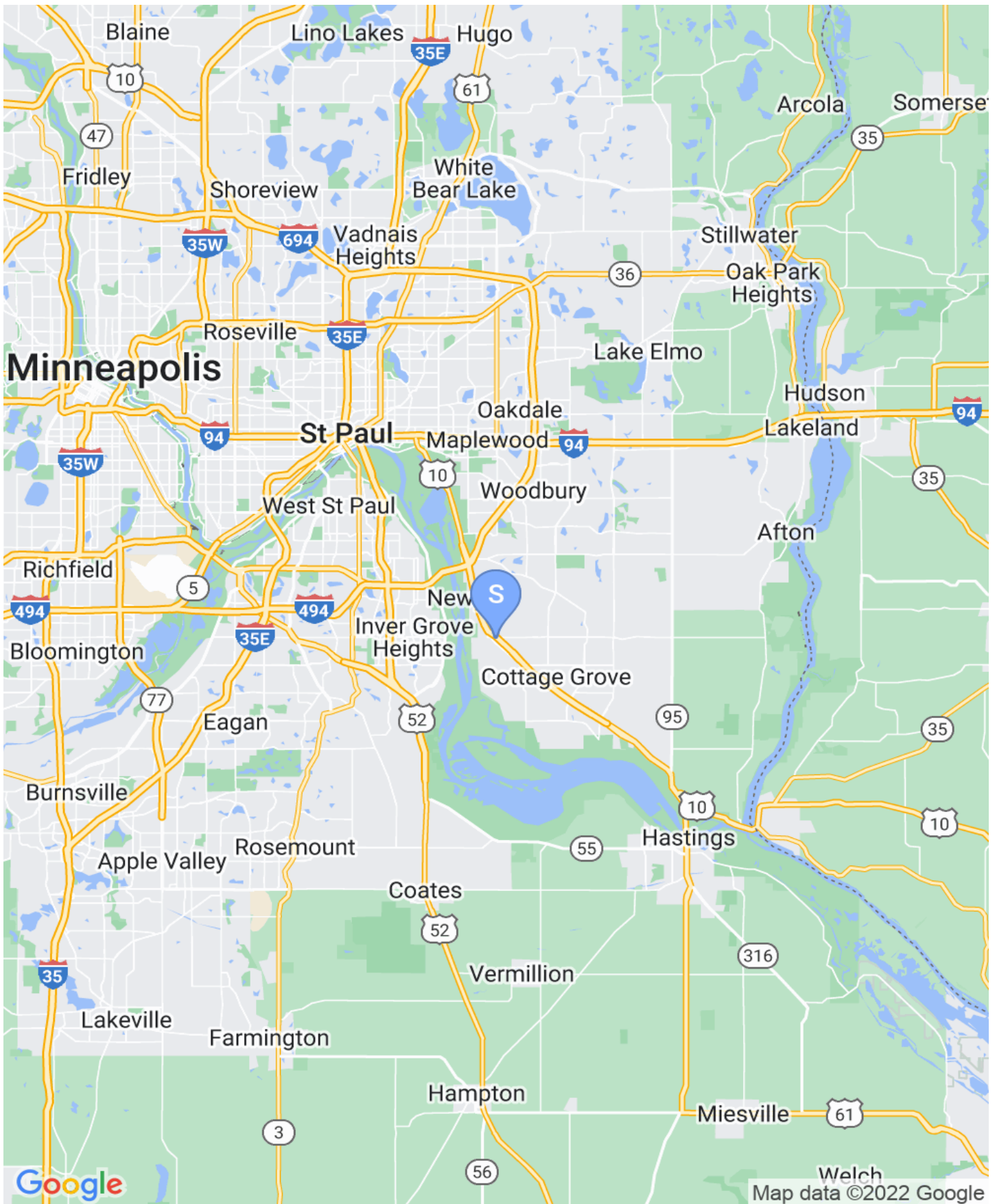
SOURCES OF INFORMATION	
ITEM	SOURCE
Tax Information	Washington County Tax Assessor
Zoning Information	City of St. Paul Park Zoning Code
Site Size Information	Washington County Tax Assessor
Building Size Information	Washington County Tax Assessor
New Construction	City of St. Paul Park / Washington County
Flood Map	InterFlood
Demographics	Pitney Bowes/Gadberry Group - GroundView®
Comparable Information	See Comparable Datasheets for details
Legal Description	RealQuest
Other Property Data	Washington County Property Records
Rent Roll (Dated 11/01/2022)	Owner
Income/Expense Statements	Owner

SUBJECT PROPERTY INSPECTION

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

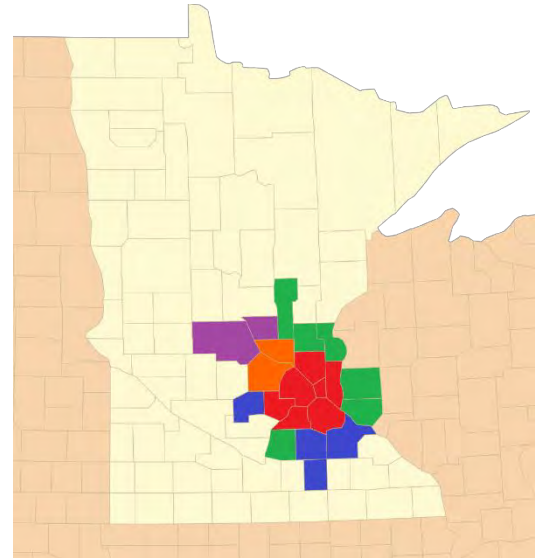
SUBJECT PROPERTY INSPECTION			
APPRAISER	INSPECTED	EXTENT	DATE OF INSPECTION
Robert Shock	No	-	-
Bruce Nell, MAI, AI-GRS, MRICS	No	-	-

No inspection was conducted for this appraisal report.



INTRODUCTION

Minneapolis–Saint Paul is a metropolitan area centered around the confluence of the Mississippi, Minnesota and St. Croix rivers in the U.S. state of Minnesota. It is commonly known as the Twin Cities after the area's two largest cities, Minneapolis and Saint Paul. Minnesotans often refer to the two together (or the seven-county metro area collectively) simply as "the cities". It is Minnesota's economic, cultural, and political center. Minneapolis and Saint Paul are independent municipalities with defined borders. Minneapolis sits mostly on the west side of the Mississippi River on lake-covered terrain. Although most of the city is residential neighborhoods, it has a business-dominated downtown area with some historic industrial areas, the Mill District and the Warehouse District. Minneapolis also has a popular uptown area. Saint Paul, which sits mostly on the east side of the river, has quaint tree-lined neighborhoods, a vast collection of well-preserved late-Victorian architecture, and a number of colleges. Both cities and the surrounding areas are known for their woods, lakes, hills and creeks. Originally inhabited by the Ojibwe and Dakota people, the cities were settled by various Europeans. Minneapolis was strongly influenced by early Scandinavian and Lutheran settlers, while Saint Paul was settled predominantly by the French, the Irish, and German Catholics. Today, both urban areas are home to new immigrant communities, including Somalis, Hmong, Oromo, Cameroonians, and Liberians. "Twin Cities" is sometimes used to refer to the seven-county region governed by the Metropolitan Council regional governmental agency and planning organization. The United States Office of Management and Budget officially designates 15 counties as the "Minneapolis–St. Paul–Bloomington MN–WI Metropolitan Statistical Area". It is the 16th-largest metropolitan statistical area and third-largest metropolitan area in the Midwest, with a population of 3,690,261 at the 2020 census. The larger 21-county Minneapolis–St. Paul MN–WI Combined Statistical Area, which also ranks as the 16th-largest, had a population of 4,078,788 at the 2020 census.



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 Minneapolis–St. Paul–Bloomington metropolitan area had a 2021 total population of 3,690,309 and experienced an annual growth rate of 0.9%, which was higher than the Minnesota annual growth rate of 0.6%. The metropolitan area accounted for 64.8% of the total Minnesota population (5,693,673). Within the metropolitan area the population density was 492 people per square mile compared to the lower Minnesota

population density of 68 people per square mile and the lower United States population density of 92 people per square mile.

POPULATION			
YEAR	US	MN	CBSA
2010 Total Population	308,745,538	5,303,925	3,333,633
2021 Total Population	331,582,303	5,693,673	3,690,309
2026 Total Population	342,006,764	5,874,614	3,854,030
2010 - 2021 CAGR	0.7%	0.6%	0.9%
2021 - 2026 CAGR	0.6%	0.6%	0.9%

Source: Pitney Bowes/Gadberry Group - GroundView®

POPULATION DENSITY			
YEAR	US	MN	CBSA
2021 Per Square Mile	92	68	492
2026 Per Square Mile	95	70	514

Source: Pitney Bowes/Gadberry Group - GroundView®

The 2021 median age for the metropolitan area was 37.66, which was 2.54% younger than the United States median age of 38.61 for 2021. The median age in the metropolitan area is anticipated to grow by 0.36% annually, increasing the median age to 38.34 by 2026.

MEDIAN AGE			
YEAR	US	MN	CBSA
2021	38.61	38.46	37.66
2026	39.39	39.18	38.34
CAGR	0.40%	0.37%	0.36%

Source: Pitney Bowes/Gadberry Group - GroundView®

Household Trends

The 2021 number of households in the metropolitan area was 1,410,866. The number of households in the metropolitan area is projected to grow by 0.8% annually, increasing the number of households to 1,469,310 by 2026. The 2021 average household size for the metropolitan area was 2.57, which was 0.04% larger than the United States average household size of 2.57 for 2021. The average household size in the metropolitan area is anticipated to grow by 0.07% annually, raising the average household size to 2.58 by 2026.

NUMBER OF HOUSEHOLDS			
YEAR	US	MN	CBSA
2021	125,920,087	2,230,825	1,410,866
2026	130,248,641	2,302,540	1,469,310
CAGR	0.7%	0.6%	0.8%

Source: Pitney Bowes/Gadberry Group - GroundView®

AVERAGE HOUSEHOLD SIZE			
YEAR	US	MN	CBSA
2021	2.57	2.49	2.57
2026	2.56	2.50	2.58
CAGR	(0.04%)	0.02%	0.07%

Source: Pitney Bowes/Gadberry Group - GroundView®

The Minneapolis-St. Paul-Bloomington metropolitan area had 29.12% renter occupied units, compared to the lower 27.60% in Minnesota and the higher 35.17% in the United States.

HOUSING UNITS			
	US	MN	CBSA
Owner Occupied	64.83%	72.40%	70.88%
Renter Occupied	35.17%	27.60%	29.12%

Source: Pitney Bowes/Gadberry Group - GroundView®

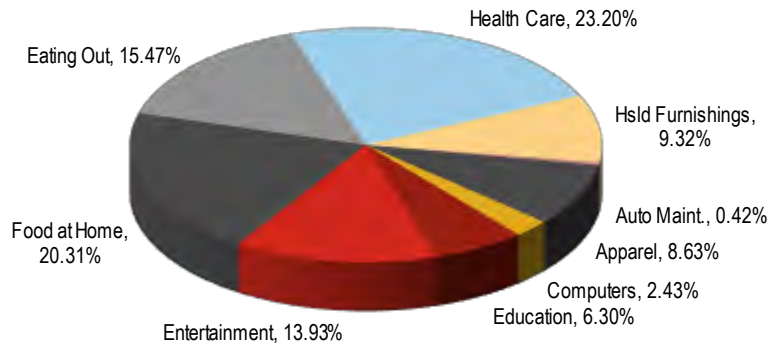
The 2021 median household income for the metropolitan area was \$84,043, which was 26.7% higher than the United States median household income of \$66,358. The median household income for the metropolitan area is projected to grow by 3.5% annually, increasing the median household income to \$99,749 by 2026.

As is often the case when the median household income levels are higher than the national average, the cost of living index is also higher. According to the American Chamber of Commerce Researchers Association (ACCRA) Cost of Living Index, the Minneapolis-St. Paul-Bloomington, MN-WI MSA's cost of living is 104.0 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.

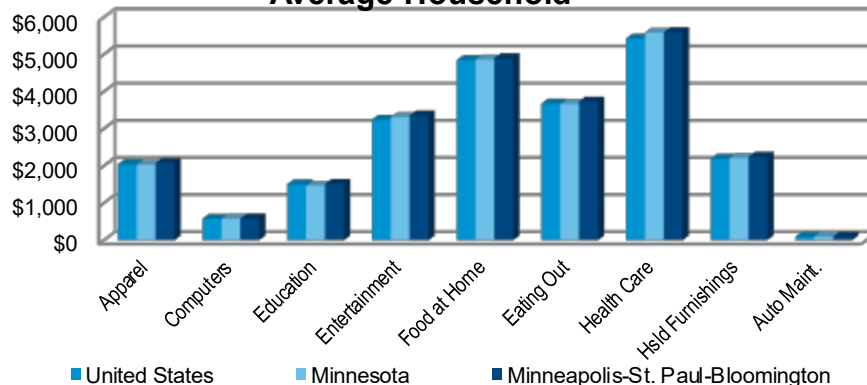
MEDIAN HOUSEHOLD INCOME			
YEAR	US	MN	CBSA
2021	\$66,358	\$74,221	\$84,043
2026	\$80,318	\$89,119	\$99,749
CAGR	3.9%	3.7%	3.5%

Source: Pitney Bowes/Gadberry Group - GroundView®

Consumer Spending Minneapolis-St. Paul-Bloomington



Consumer Spending Comparison Average Household

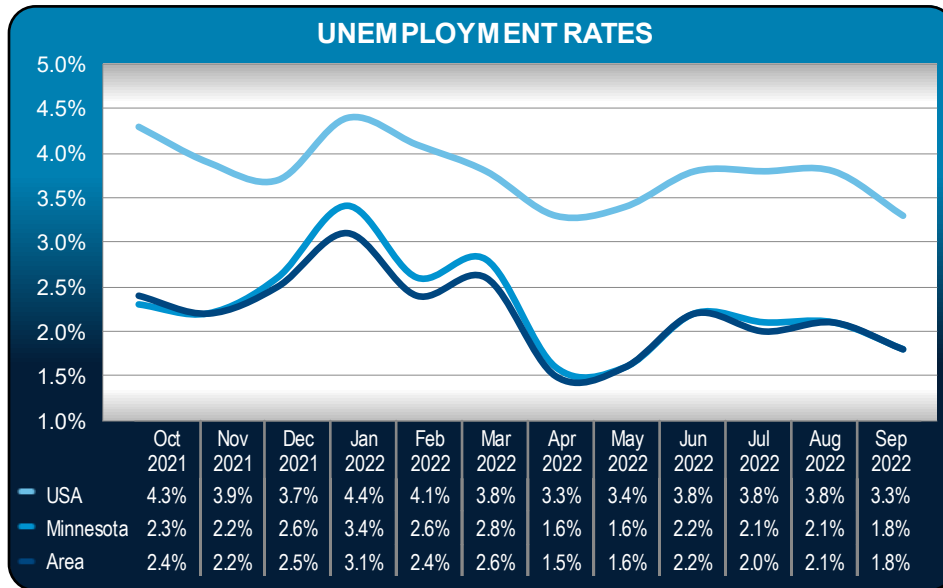


EMPLOYMENT

Total employment has increased annually over the past decade in the state of Minnesota by 0.5% and increased annually by 0.7% in the area. From 2020 to 2021 unemployment decreased in Minnesota by 2.9% and decreased by 3.1% in the area. In the state of Minnesota unemployment has decreased over the previous month by 0.3% and decreased by 0.3% in the area.

EMPLOYMENT & UNEMPLOYMENT STATISTICS 2012 - 2021							
TOTAL EMPLOYMENT					UNEMPLOYMENT RATE		
Year	Minnesota		Minneapolis-St. Paul, MN-WI Combined Statistical Area		United States*	Minnesota	Minneapolis-St. Paul, MN-WI Combined Statistical Area
	Total	% Δ Yr Ago	Total	% Δ Yr Ago			
2012	2,783,181	0.8%	1,962,014	1.0%	8.1%	5.6%	5.5%
2013	2,812,453	1.1%	1,991,804	1.5%	7.4%	5.0%	4.9%
2014	2,852,488	1.4%	2,026,367	1.7%	6.2%	4.3%	4.1%
2015	2,891,673	1.4%	2,051,531	1.2%	5.3%	3.8%	3.5%
2016	2,906,348	0.5%	2,071,115	1.0%	4.9%	3.9%	3.6%
2017	2,963,830	2.0%	2,121,087	2.4%	4.4%	3.5%	3.2%
2018	2,989,055	0.9%	2,145,183	1.1%	3.9%	3.1%	2.9%
2019	3,021,984	1.1%	2,171,513	1.2%	3.7%	3.4%	3.2%
2020	2,925,515	(3.2%)	2,092,594	(3.6%)	8.1%	6.3%	6.5%
2021	2,918,393	(0.2%)	2,097,606	0.2%	5.3%	3.4%	3.4%
CAGR	0.5%	-	0.7%	-	-	-	-

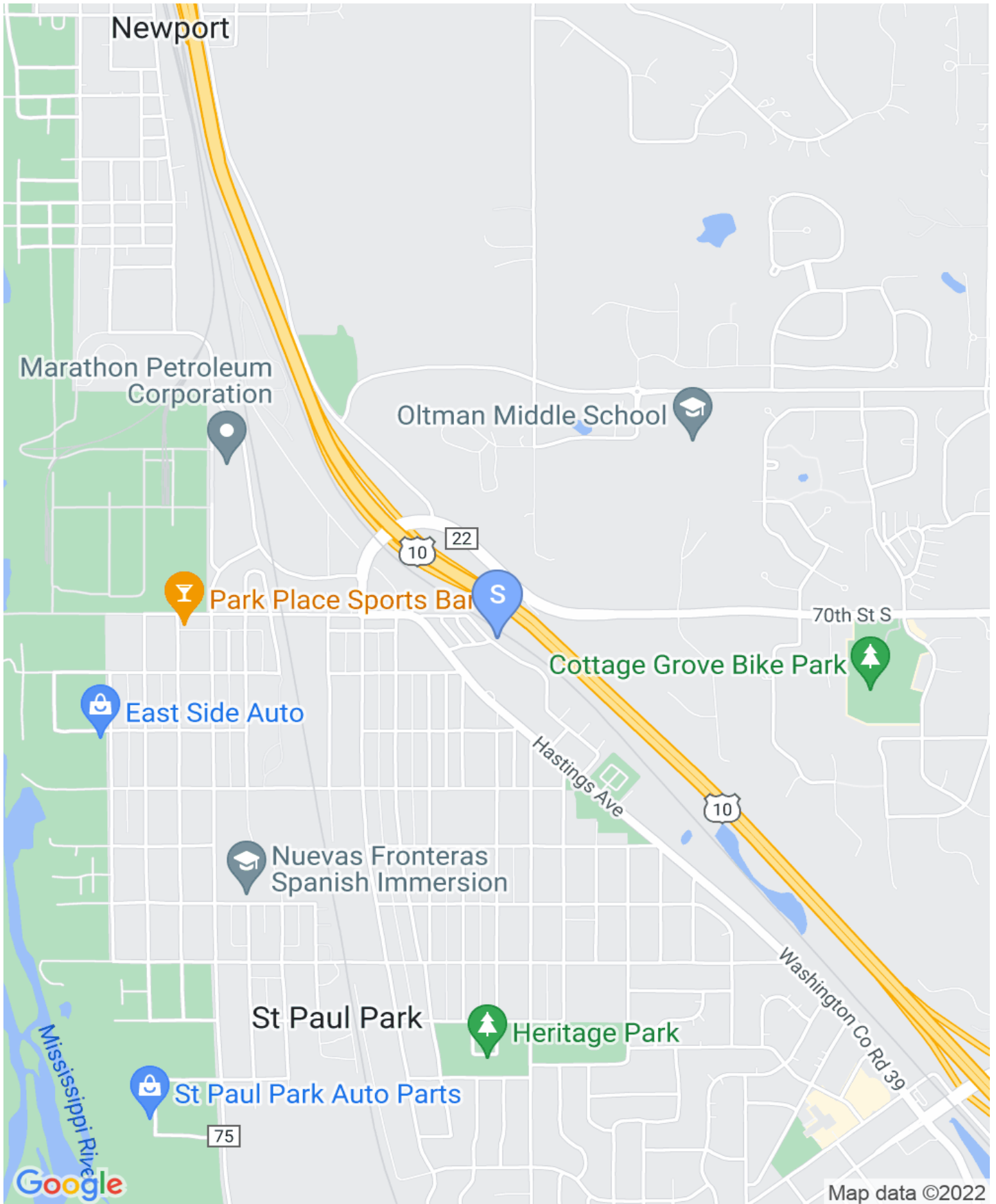
Source: U.S. Bureau of Labor Statistics *Unadjusted Non-Seasonal Rate



TOP EMPLOYERS

EMPLOYER NAME	REVENUE (BILLIONS)	INDUSTRY
United Health Group	257.10	Insurance
Targert	93.56	Retail
Best Buy	47.26	Retail
3M	32.10	Manufacturing
CHS Inc.	28.40	Agricultural Coopertive
US Bancorp	25.20	Banking
General Mills	17.60	Food Production
C.H. Robinson	16.20	Transportation
Land O' Lakes	13.90	Food Production
Ecolab	12.70	Water Purification

Source: Greater MSP Regional Economic Development Partnership



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 St. Paul Park, Minnesota, within Washington County.

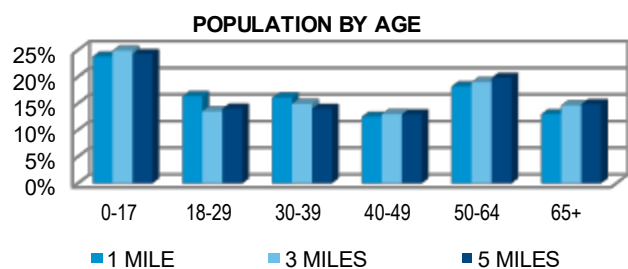
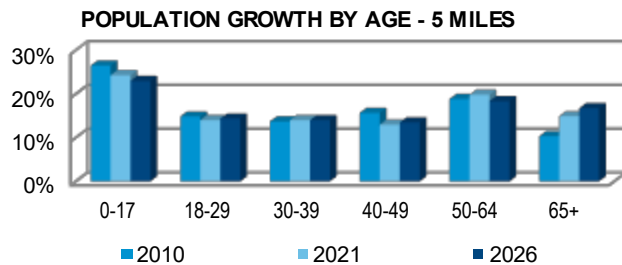
DEMOGRAPHIC PROFILE

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	3,828	41,855	102,332	2021	\$106,697	\$111,068	\$116,153
2010 Population	4,548	46,009	113,784	2026	\$125,764	\$132,423	\$136,994
2021 Population	4,847	52,317	125,674	Change 2021-2026	17.87%	19.23%	17.94%
2026 Population	4,934	54,690	130,521	MEDIAN HOUSEHOLD INCOME			
Change 2000-2010	18.81%	9.92%	11.19%	2021	\$86,709	\$88,478	\$89,629
Change 2010-2021	6.57%	13.71%	10.45%	2026	\$97,296	\$103,149	\$104,306
Change 2021-2026	1.79%	4.54%	3.86%	Change 2021-2026	12.21%	16.58%	16.38%
POPULATION 65+				PER CAPITA INCOME			
2010 Population	406	4,841	11,788	2021	\$38,449	\$40,127	\$43,148
2021 Population	629	7,654	18,716	2026	\$45,459	\$47,766	\$50,802
2026 Population	726	8,999	21,867	Change 2021-2026	18.23%	19.04%	17.74%
Change 2010-2021	54.93%	58.11%	58.77%	2021 HOUSEHOLDS BY INCOME			
Change 2021-2026	15.42%	17.57%	16.84%	<\$15,000	3.1%	4.6%	4.7%
NUMBER OF HOUSEHOLDS				\$15,000-\$24,999	3.7%	3.9%	4.1%
2000 Households	1,392	14,995	37,379	\$25,000-\$34,999	4.2%	5.2%	5.3%
2010 Households	1,649	16,959	42,705	\$35,000-\$49,999	8.3%	9.7%	9.4%
2021 Households	1,720	18,981	46,635	\$50,000-\$74,999	23.4%	17.7%	16.9%
2026 Households	1,752	19,850	48,436	\$75,000-\$99,999	15.6%	16.6%	16.4%
Change 2000-2010	18.46%	13.10%	14.25%	\$100,000-\$149,999	25.9%	22.7%	21.4%
Change 2010-2021	4.31%	11.92%	9.20%	\$150,000-\$199,999	8.4%	10.5%	10.5%
Change 2021-2026	1.86%	4.58%	3.86%	\$200,000 or greater	7.4%	9.1%	11.3%
HOUSING UNITS (2021)				MEDIAN HOME VALUE			
Owner Occupied	1,409	15,356	36,011	AVERAGE HOME VALUE	\$204,635	\$230,048	\$246,787
Renter Occupied	333	3,665	10,620	HOUSING UNITS BY UNITS IN STRUCTURE			
HOUSING UNITS BY YEAR BUILT				1, detached	1,310	13,688	30,764
Built 2010 or later	32	1,139	2,698	1, attached	209	2,749	7,666
Built 2000 to 2009	398	3,019	6,949	2	34	171	655
Built 1990 to 1999	151	2,561	10,047	3 or 4	23	402	914
Built 1980 to 1989	212	2,253	6,628	5 to 9	72	382	908
Built 1970 to 1979	129	3,302	6,735	10 to 19	11	343	1,266
Built 1960 to 1969	355	3,294	5,281	20 to 49	9	417	1,565
Built 1950 to 1959	220	2,499	4,506	50 or more	4	414	2,386
Built 1940 to 1949	80	246	1,042	Mobile home	69	453	494
Built 1939 or earlier	144	667	2,749	Boat, RV, van, etc.	0	0	14

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
US 10	southeast-northw est	Local Highw ay	The subject property is adjacent to this Highw ay.
I-494	east-w est	Outerbelt	This is w ithin 3 miles of the subject property.
SURFACE STREETS	DIRECTION	FUNCTION	DISTANCE FROM SUBJECT
Hastings Avenue	southeast-northw est	Secondary Arterial	The subject property fronts this street.
30th Street	east-w est	Primary Arterial	This is w ithin 2 miles of the subject property.

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).

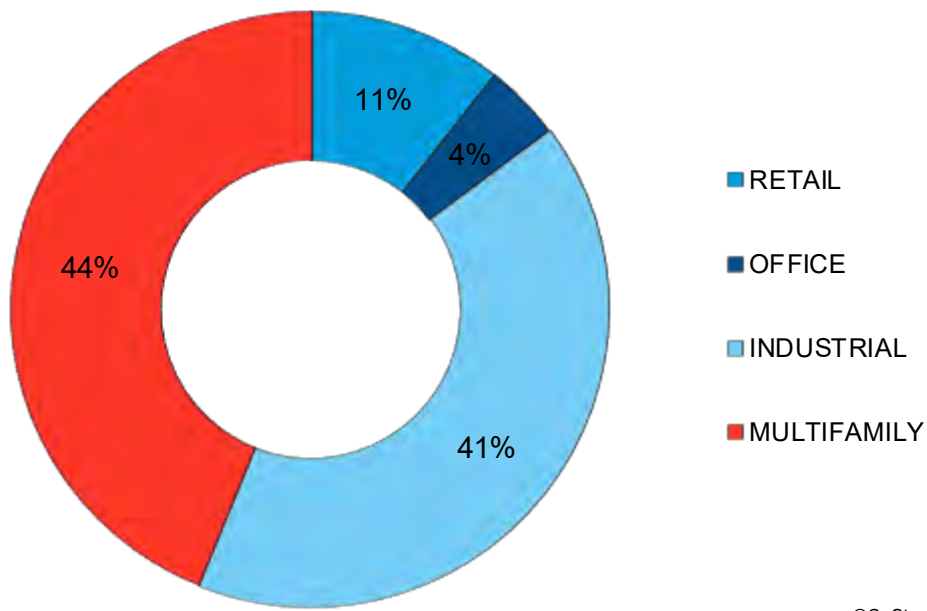
IMMEDIATE AREA PROFILE

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 office, retail, industrial, mixed-use and auto dealership 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.

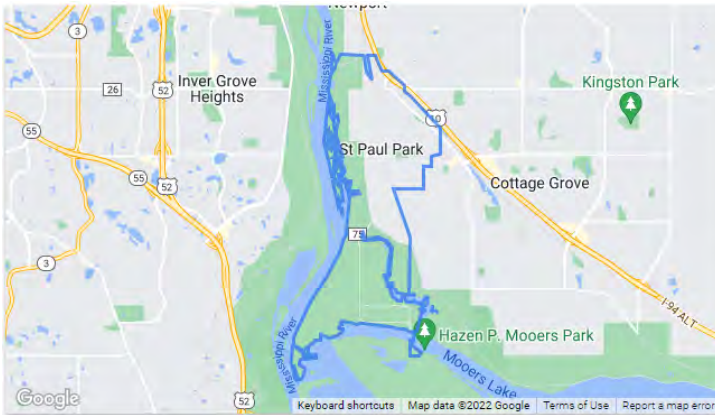
COMMERCIAL AREA COMPOSITION



©CoStar

Residential Development

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



Saint Paul Park Key Takeaways

Typical Home Values: \$300,701

1-year Value Change: +4.7%

(Data through September 30, 2022)

Market Overview

Zillow Home Value Index All homes 1-yr 5-yr Max

-- 1-year Market Forecast

-- Median sale to list ratio

-- Percent of sales over list price

-- Percent of sales under list price

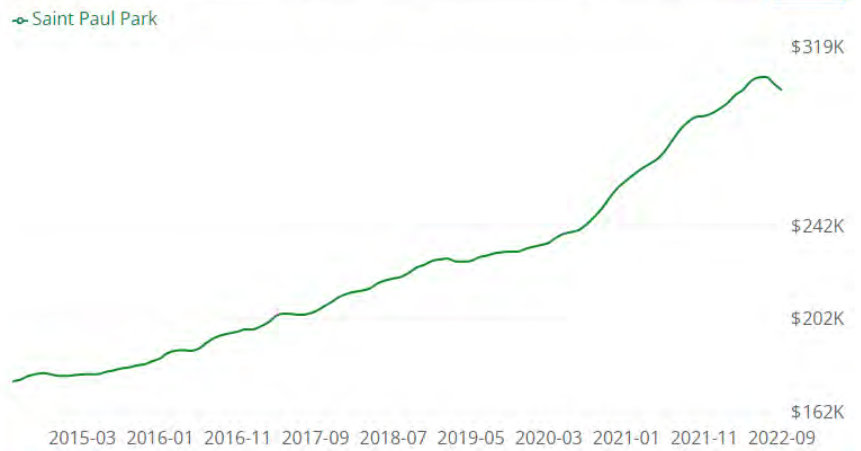
-- Median days to pending

(Metric availability is based on market coverage and data)



How does this data help me?

Zillow's metrics aim to inform and support the decision-making process with relevant market data by measuring monthly market changes across various geographies and housing types.



Saint Paul Park

Compare

Submit

Multi-Family Development

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

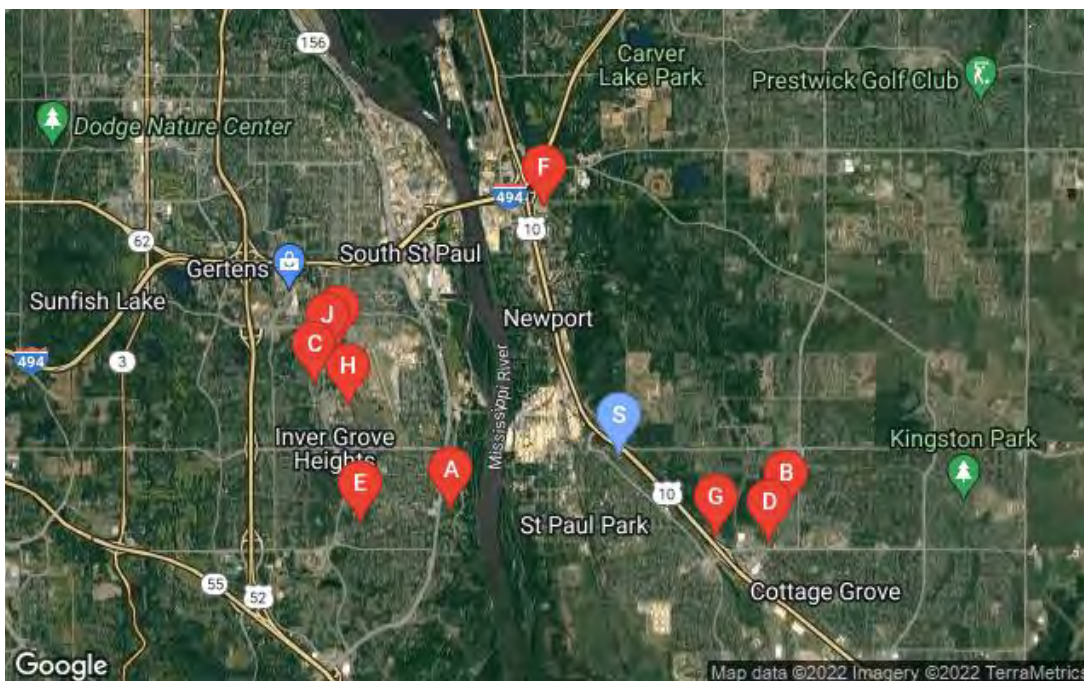
MULTIFAMILY SUMMARY			
CLASS	PROPERTIES	NRA (SF)	AVG YR BLT
A	1	7,542	2009
B	17	1,442,120	1995
C	66	1,870,724	1971
TOTAL	84	3,320,386	1977

Source: CoStar

The largest three multi-family properties are at 7510 Concord Boulevard, 7750 Hinton Avenue and 6307 Burnham Circle with an NRA of 399,000 SF, 269,230 SF and 234,302 SF that were built in 1976, 1995 and 2002, respectively. The closest large multi-family property in proximity to the subject is at 2300 Hastings Avenue with an NRA of 200,000 SF that was built in 2020. 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 MULTIFAMILY PROPERTIES						
NAME	DISTANCE	MAP PIN	CLASS	NRA (SF)	STORIES	YEAR BUILT
Skyline Village	2.3 Miles	A	C	399,000	0	1976
Hinton Heights Rental Homes	3.1 Miles	B	B	269,230	2	1995
Timber Hills	2.5 Miles	C	B	234,302	4	2002
The Woodlands	3.2 Miles	D	C	215,904	3	1991
Rolling Meadows Cooperative	2.9 Miles	E	C	202,000	2	1972
Newport Commons	1.0 Miles	F	B	200,000	4	2020
The Legends of Cottage Grove	2.8 Miles	G	B	175,000	5	2018
Bridgewood Apartments	2.3 Miles	H	C	156,297	3	1969
Parkview Manor Townhomes	2.2 Miles	I	B	117,792	2	1994
Cahill Place Apartments	2.3 Miles	J	B	93,317	4	2019

Source: CoStar



Retail Development

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

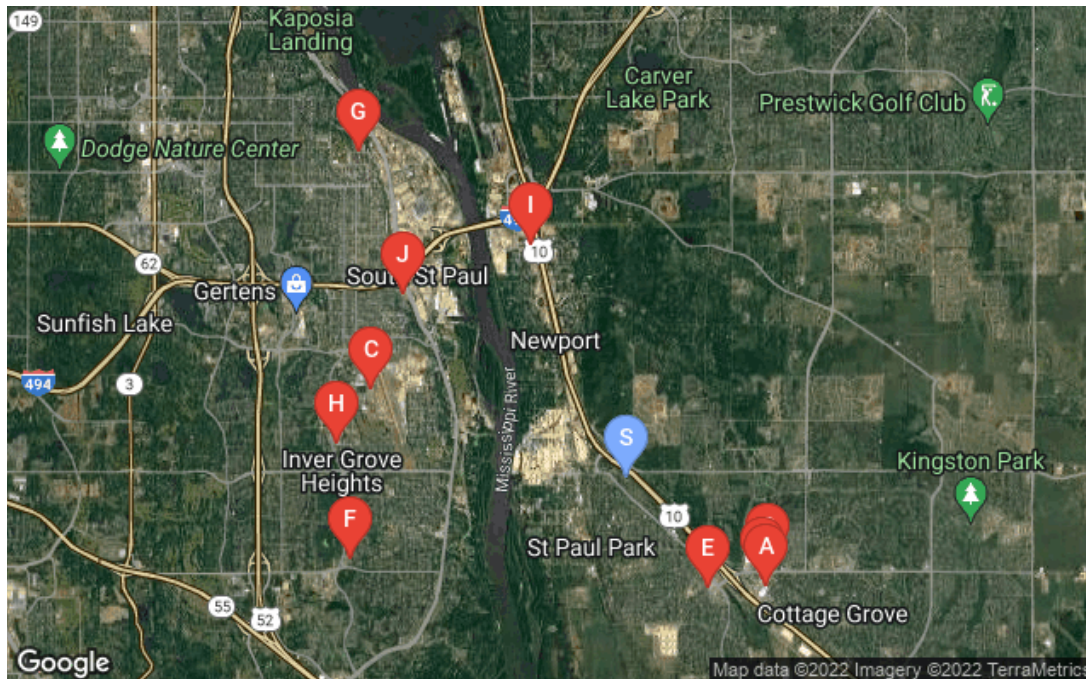
RETAIL SUMMARY					
TYPE	PROPERTIES	NRA (SF)	AVG YR BLT	OCCUPANCY	AVG RENT
General Retail	120	803,899	1973	98.5	\$17.16
TOTAL	120	803,899	1973	98.5	\$17.16

Source: CoStar

The largest three retail properties are at 7210-7240 East Point Douglas Road South, 7280 East Point Douglas Road South and 6100 Claude Way with an NRA of 116,950 SF, 97,170 SF and 64,800 SF that were built in 2002, 2017 and 1968, respectively. The closest large retail property in proximity to the subject is at 303 21st Street with an NRA of 27,300 SF that was built in 1954. 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
Grove Plaza	3.3 Miles	A	Neighborhood Center	116,950	82.0	2002	N/Av
Grove Plaza	3.2 Miles	B	Neighborhood Center	97,170	100.0	2017	N/Av
Retail Building	2.0 Miles	C	General Retail	64,800	100.0	1968	N/Av
Kohl's	3.1 Miles	D	General Retail	57,948	100.0	2000	N/Av
80th Street Crossings	3.0 Miles	E	Neighborhood Center	56,217	97.4	1963	N/Av
Cahill Plaza	3.1 Miles	F	Neighborhood Center	52,017	100.0	1995	N/Av
5th Ave Plaza	2.6 Miles	G	Neighborhood Center	41,846	100.0	1960	N/Av
Retail Building	2.5 Miles	H	General Retail	31,657	100.0	1962	N/Av
New port Plaza	0.8 Miles	I	General Retail	27,300	89.7	1954	\$12.53
Retail Building	1.6 Miles	J	General Retail	26,334	100.0	1999	N/Av

Source: CoStar



Office Development

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

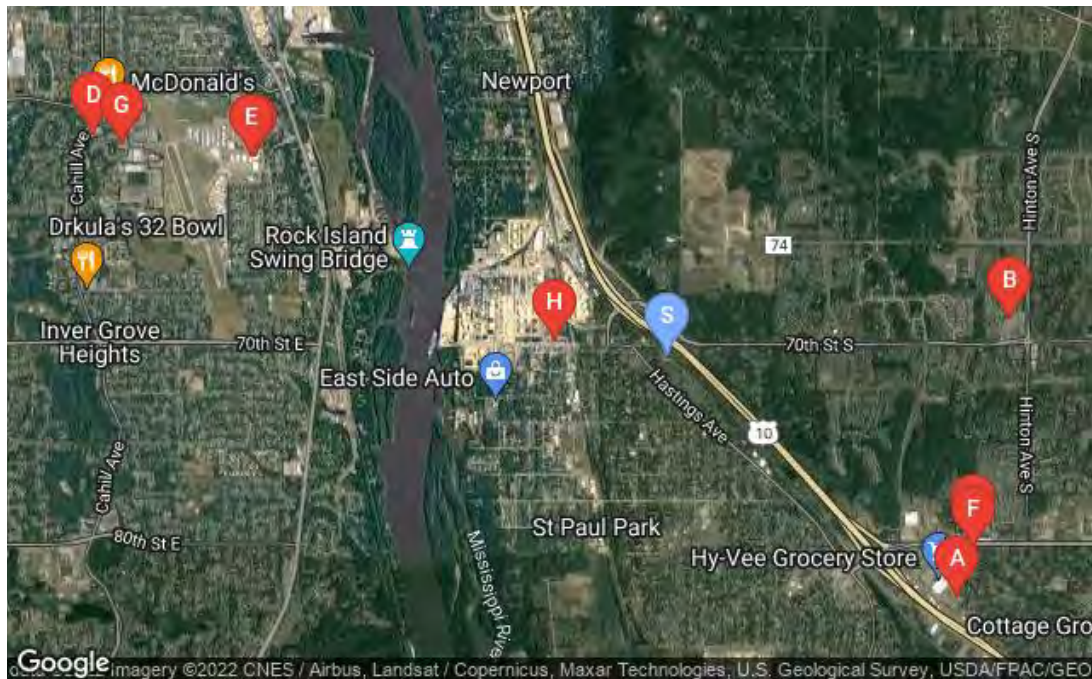
OFFICE SUMMARY					
CLASS	PROPERTIES	NRA (SF)	AVG YR BLT	OCCUPANCY	AVG RENT
B	10	93,887	1987	92.2	\$15.08
C	38	224,460	1970	100.0	-
TOTAL	48	318,347	1974	98.4	\$15.08

Source: CoStar

The largest three office properties are at 7362 East Point Douglas Road, 6936 Pine Arbor Drive South and 380 Airport Road with an NRA of 52,040 SF, 37,623 SF and 21,300 SF. The closest large office property in proximity to the subject is at 345 Broadway Avenue with an NRA of 11,130 SF. 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
South Washington County School	3.4 Miles	A	C	52,040	100.0	-	N/Av
Summerhill Professional Building	2.7 Miles	B	B	37,623	100.0	2007	N/Av
Office Building	1.5 Miles	C	C	21,300	100.0	2007	N/Av
Tw in Oaks Office Plaza	2.2 Miles	D	B	14,476	100.0	1982	N/Av
Lysdale Flying Service	1.5 Miles	E	C	14,210	100.0	1945	N/Av
Hillside Professional Building	3.3 Miles	F	B	14,000	75.4	1984	\$11.25
Carmen Avenue Professional Building	2.1 Miles	G	B	13,305	100.0	1988	N/Av
Office Building	1.4 Miles	H	C	11,130	100.0	-	N/Av
Office Building	1.5 Miles	I	C	10,728	100.0	-	N/Av
Office Building	3.2 Miles	J	B	10,291	81.8	2007	\$18.00

Source: CoStar



Industrial Development

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

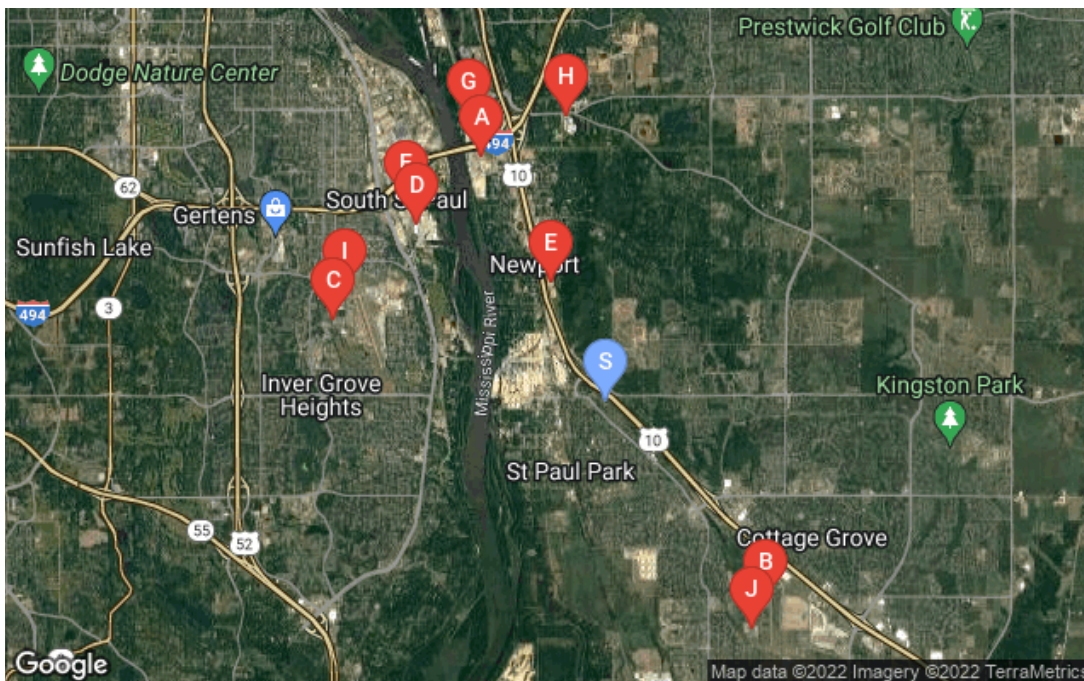
INDUSTRIAL SUMMARY					
TYPE	PROPERTIES	NRA (SF)	AVG YR BLT	OCCUPANCY	AVG RENT
Industrial	66	2,542,160	1974	100.0	\$6.75
Flex	30	581,608	1971	100.0	-
TOTAL	96	3,123,768	1973	100.0	\$6.75

Source: CoStar

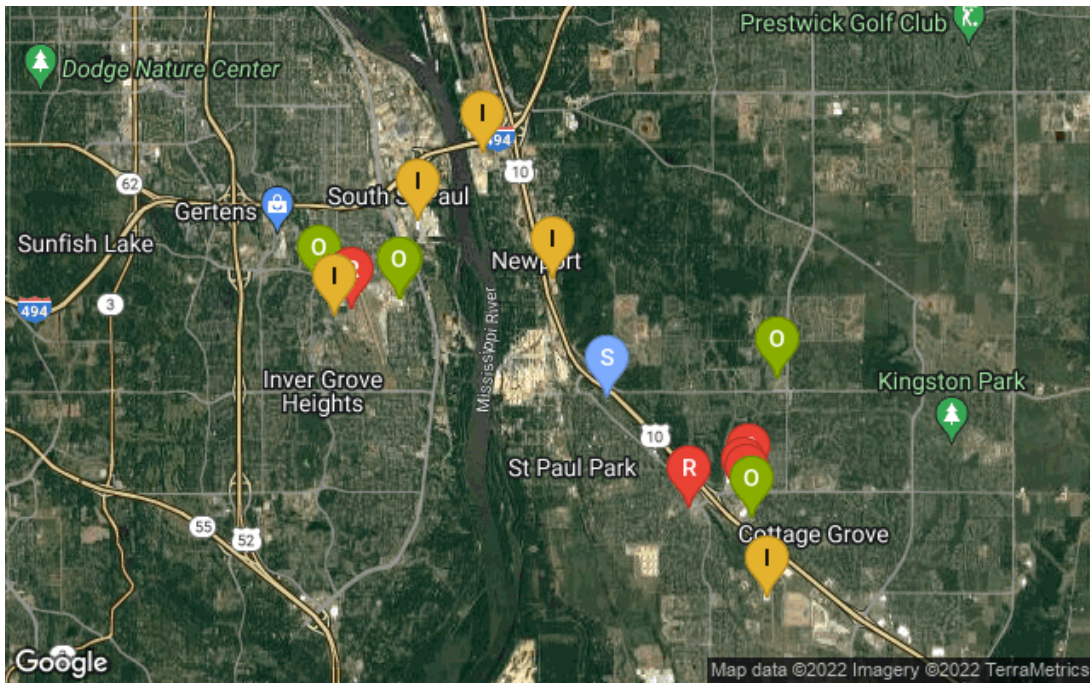
The largest three industrial properties are at 2233 Maxwell Avenue, 7550 91st Street South and 6240-6250 Carmen Avenue with an NRA of 217,326 SF, 161,000 SF and 154,454 SF that were built in 1960, 2018 and 1988, respectively. The closest large industrial property in proximity to the subject is at 910 Hastings Avenue with an NRA of 144,000 SF that was built in 2019. 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
Americold	1.1 Miles	A	Industrial	217,326	100.0	1960	N/Av
Southeast Industrial Park	4.1 Miles	B	Industrial	161,000	100.0	2018	N/Av
Carmen Distribution Center	2.2 Miles	C	Industrial	154,454	100.0	1988	N/Av
Industrial Building	1.2 Miles	D	Industrial	147,440	100.0	1965	N/Av
Raceway Business Center Phase II	0.3 Miles	E	Industrial	144,000	100.0	2019	N/Av
Industrial Building	1.4 Miles	F	Industrial	134,596	100.0	1964	N/Av
Industrial Building	1.4 Miles	G	Industrial	127,030	100.0	1986	N/Av
Industrial Building	1.3 Miles	H	Industrial	123,120	100.0	1940	N/Av
Travel Tags Plant	2.0 Miles	I	Flex	118,512	100.0	1997	N/Av
Werner Electric	4.3 Miles	J	Industrial	116,000	100.0	2008	N/Av

Source: CoStar



The following map shows the subject property and the five 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** - US 10
- › **South** - Single-Family Residential
- › **East** - US 10
- › **West** - Hastings Avenue/Fire Station

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 an average position in context of competing properties.

General Description The subject site consists of 6 parcels. As noted below, the subject site has 991,509 SF (22.76 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 Parcels See Multiple Parcel Chart For Breakdown

Number Of Parcels 6

Land Area	Acres	Square Feet
Primary Parcel	22.76	991,509
Excess Land	0.00	0
<u>Surplus Land</u>	<u>0.00</u>	<u>0</u>
Total Land Area	22.76	991,509

Shape See Multiple Parcel Chart For Breakdown

Topography Level at street grade

Zoning Manufactured Home Park (R5)

Drainage Assumed Adequate

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

Street	Direction	No. Lanes	Street Type	Curbs	Sidewalks	Streetlights	Center Lane	Gutters
Hastings Avenue	two-way	two-lane	minor arterial	✓	✓	✓		

Frontage The subject property has limited frontage along Hastings Avenue

Accessibility **Average** - The subject is located adjacent to US 10. Access to the subject is offered through 4 entrances along Hastings Avenue.

Exposure **Average** - The subject is at a mid-block location along a well-traveled arterial.

Seismic The subject is in a low risk zone.

Flood Zone

The subject property is located in Zone X (Unshaded). This is referenced by Community Number 27163C, Panel Number 0405E, dated February 03, 2010. 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.)

MULTIPLE PARCEL SITE DESCRIPTION GRID

PARCEL	USABLE		EXCESS		SURPLUS		TOTAL		SHAPE	ACCESS	EXPOSURE	FLOOD PLAIN
	SF	AC	SF	AC	SF	AC	SF	AC				
0702721230005	55,800	1.28	0	0.00	0	0.00	55,800	1.28	Irregular	Average	Average	Zone X (Unshaded)
0702721230006	499,271	11.46	0	0.00	0	0.00	499,271	11.46	Irregular	Average	Average	Zone X (Unshaded)
0102722440007	13,338	0.31	0	0.00	0	0.00	13,338	0.31	Rectangular	Average	Average	Zone X (Unshaded)
0102722440012	28,535	0.66	0	0.00	0	0.00	28,535	0.66	Irregular	Average	Average	Zone X (Unshaded)
1202722110002	267,307	6.14	0	0.00	0	0.00	267,307	6.14	Irregular	Average	Average	Zone X (Unshaded)
1202722110004	127,258	2.92	0	0.00	0	0.00	127,258	2.92	Irregular	Average	Average	Zone X (Unshaded)
TOTAL	991,509	22.76	0	0.00	0	0.00	991,509	22.76				

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.

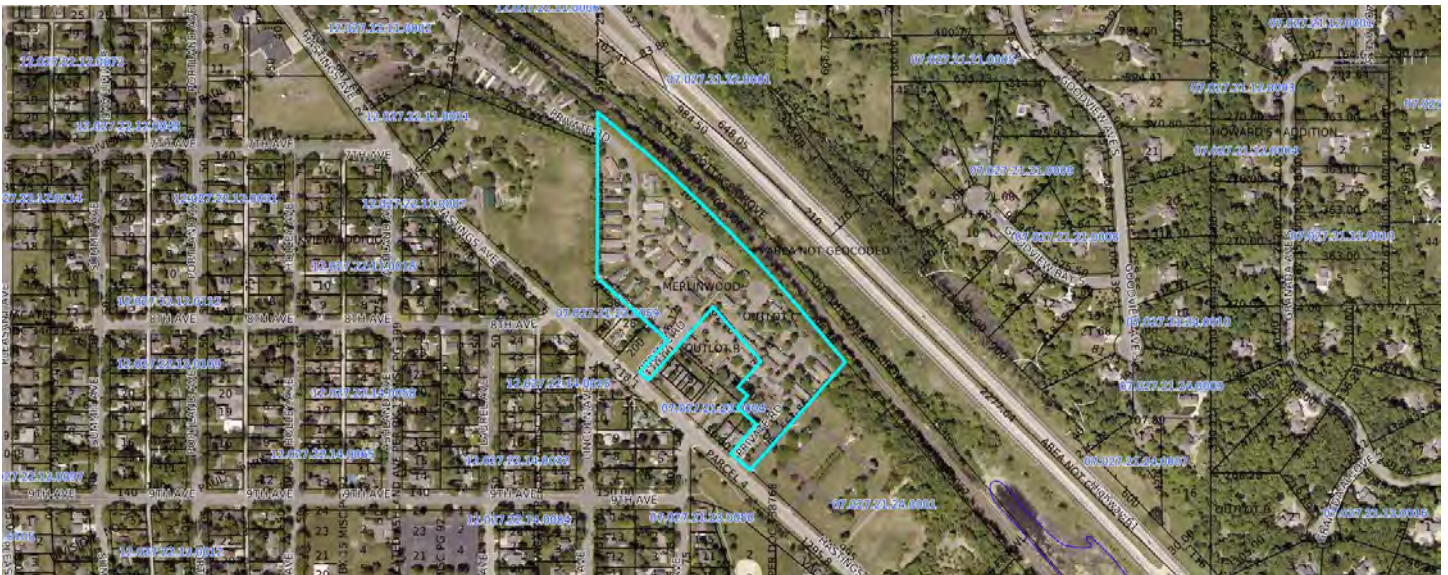
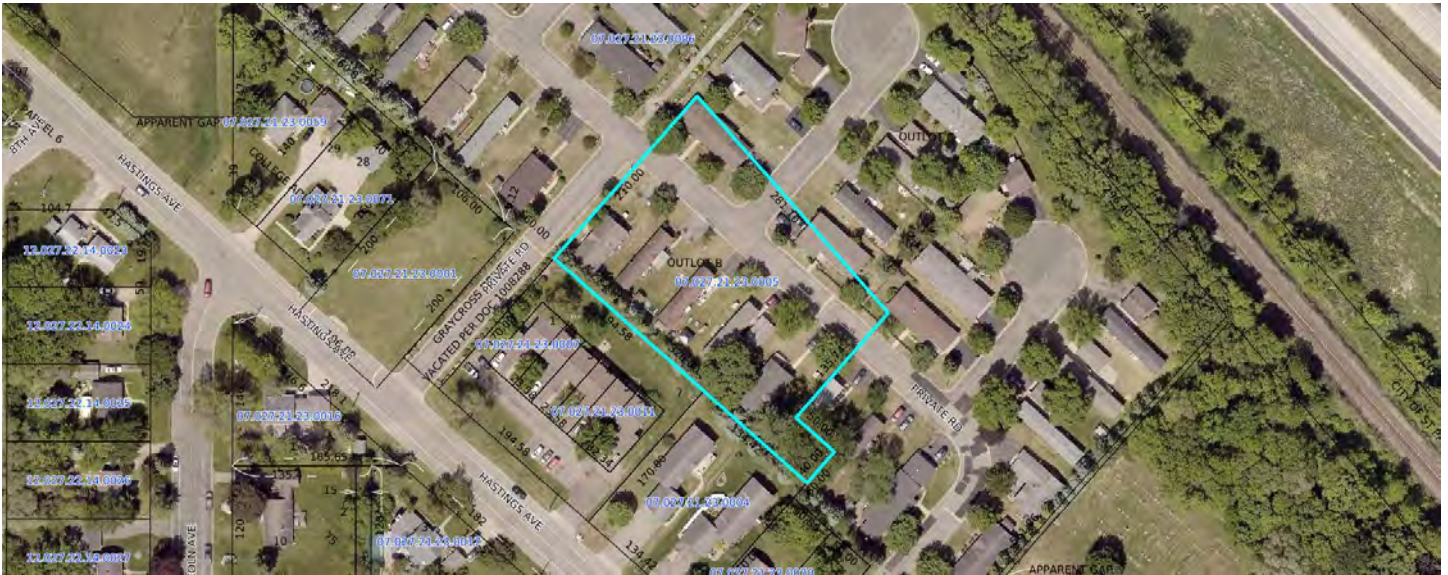
Hazardous Waste

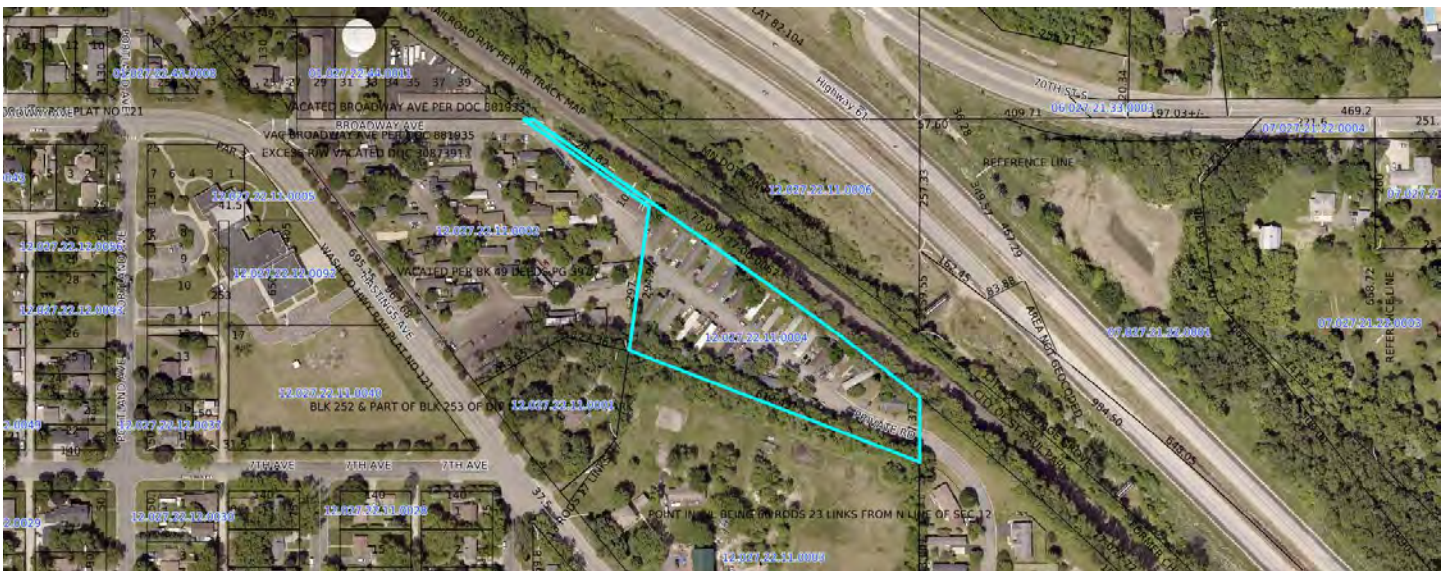
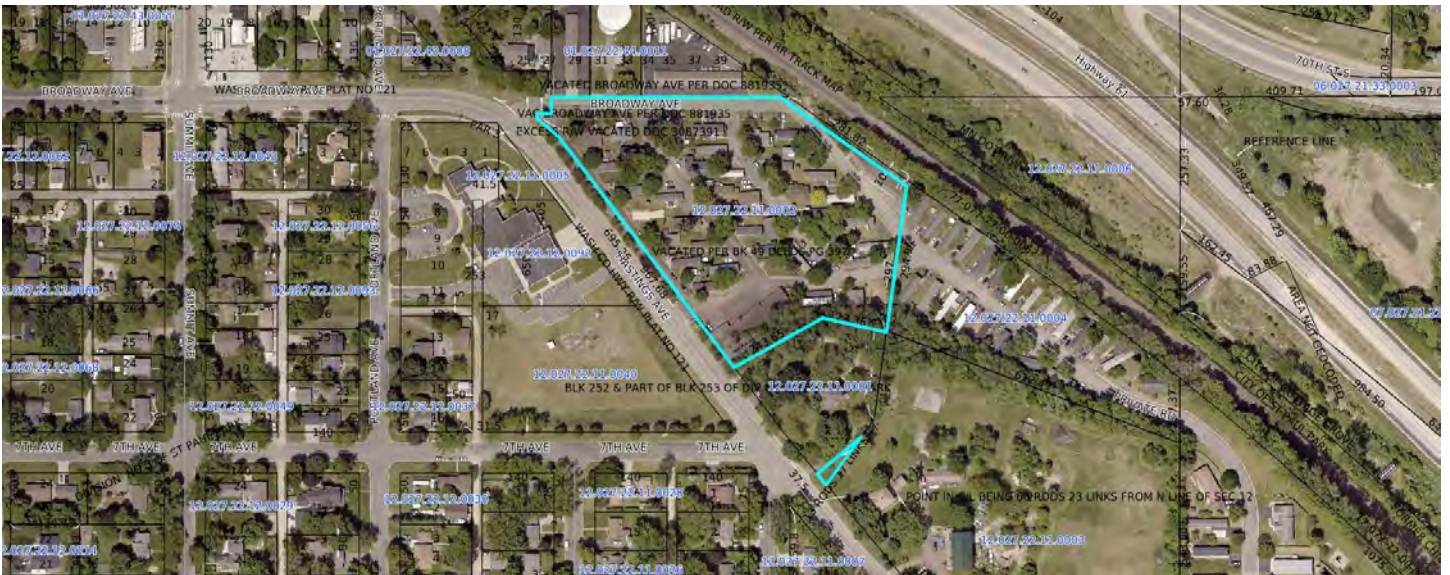
We have not conducted an independent investigation to determine the presence or absence of toxins on the subject property. If questions arise, the reader is strongly cautioned to seek qualified professional assistance in this matter. Please see the Assumptions and Limiting Conditions for a full disclaimer.

Conclusion

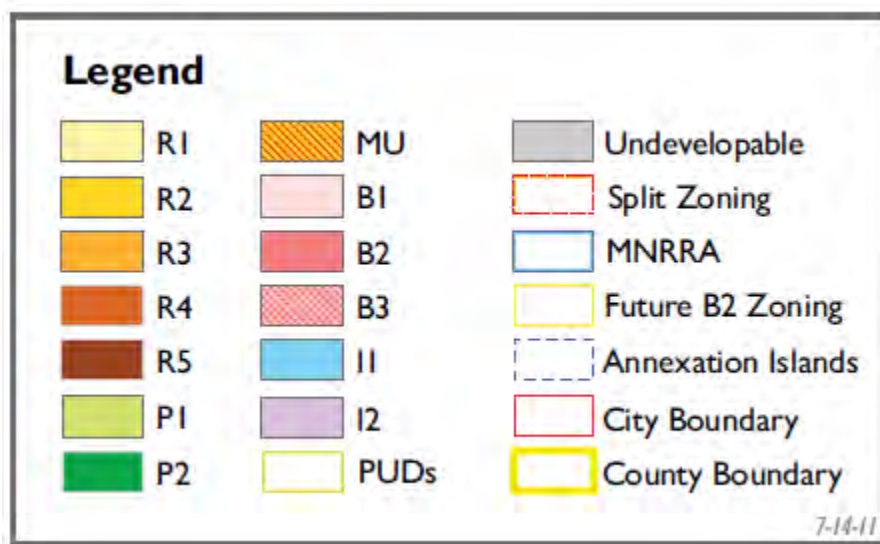
Overall, the subject site is considered a good residential site in terms of its location, exposure, and access to employment, education and shopping centers. All of these characteristics provide supporting uses for the subject site making it desirable for multifamily development. Overall there are no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

PLAT MAP

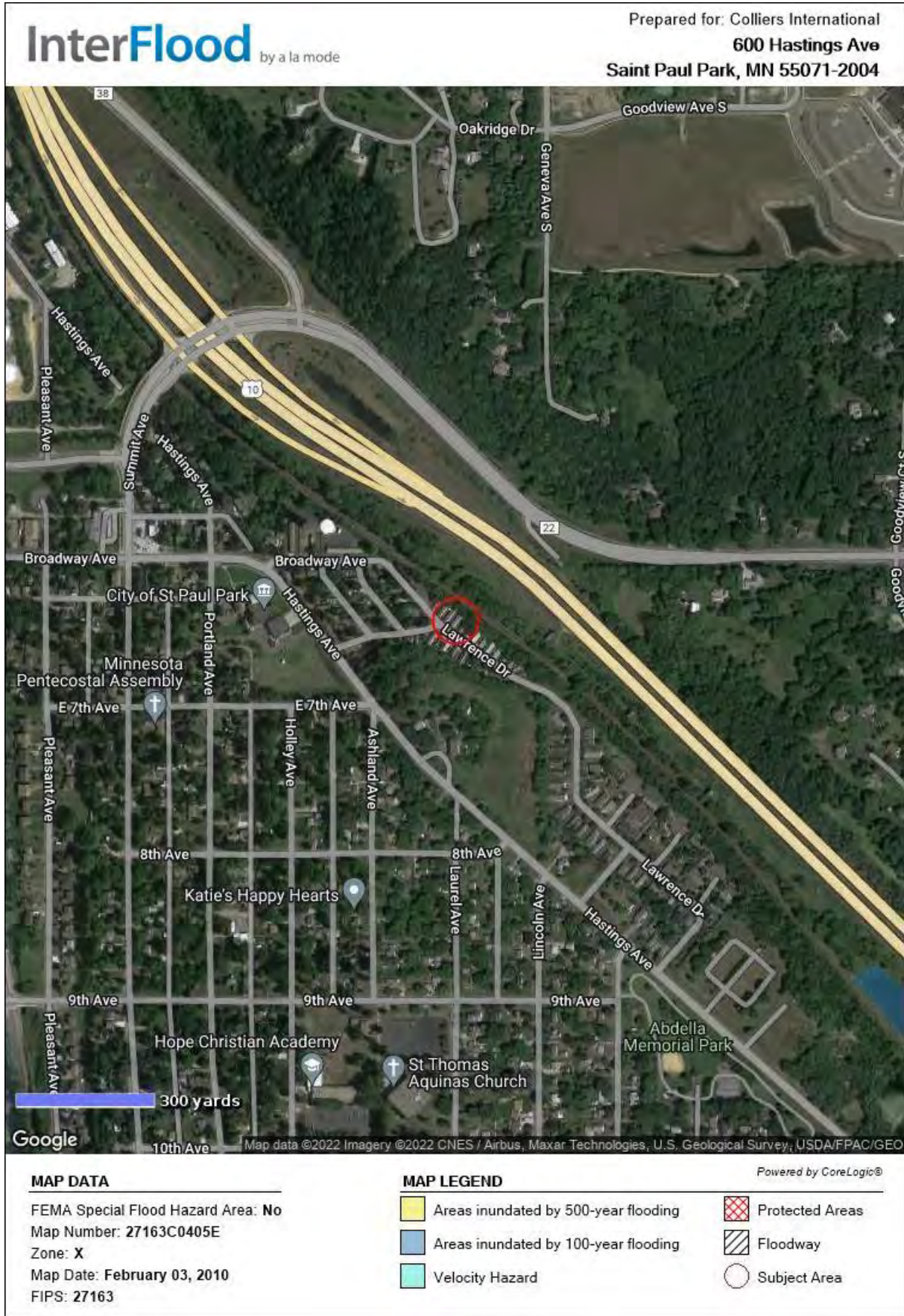




ZONING MAP



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	113
Number Of Common Area Buildings	1
Year Built	1985
Age/Life Analysis	
Actual Age	37 Years
Effective Age	20 Years
Economic Life	50 Years
Remaining Life	30 Years - Assuming regular maintenance and periodic capital improvements
Quality	Average
Condition	Average
Appeal	Average
Marketability	Average/Good
Density	5.0 Sites/Acre (113 Sites / 22.76 Acres)
Parking Total	226
Homesite Parking Spaces	226 - Concrete
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	113	100.0%
TOTAL	113	100%

Common Area Buildings

The chart below details the common area buildings at the subject property.

BUILDING DESCRIPTION GRID								
BUILDING	GBA	YEAR BUILT	EFF. AGE	ECON. LIFE	REM. LIFE	CONSTRUCTION	QUALITY	CONDITION
Self-Storage Building	2,700	1998	20	50	30	Wood Frame	Average	Average
TOTAL	2,700							

Project Amenities	The subject has no common amenities.
Site Improvements	Asphalt streets, curbs, gutters 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 B 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 Washington County. The assessed value and property tax for the current year are summarized in the following table.

ASSESSMENT & TAXES						
Tax Year	2021/2022			Tax Rate	2.0618%	
Tax Rate Area	Washington Co.			Taxes Current	Yes	
APN	LAND	IMPV	TOTAL	EXEMPTIONS	TAXABLE	BASE TAX
0702721230005	\$87,100	\$0	\$87,100	\$0	\$87,100	\$1,636
0702721230006	\$779,400	\$0	\$779,400	\$0	\$779,400	\$14,596
0102722440007	\$40,000	\$122,000	\$162,000	\$0	\$162,000	\$3,878
0102722440012	\$85,600	\$143,900	\$229,500	\$0	\$229,500	\$7,936
1202722110002	\$417,200	\$233,800	\$651,000	\$0	\$651,000	\$11,654
1202722110004	\$198,200	\$0	\$198,200	\$0	\$198,200	\$3,746
Totals	\$1,607,500	\$499,700	\$2,107,200	\$0	\$2,107,200	\$43,446
Total/Homesite	\$14,226	\$4,422	\$18,648	\$0	\$18,648	\$384

Source: Washington County Assessment & Taxation

SUBJECT PROPERTY ANALYSIS

The total taxable value for the subject property is \$2,107,200 or \$18,648/Homesite. There are no exemptions in place. Total taxes for the property are \$43,446 or \$384/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 Washington County is assessed at 100% of market value. Real property is reassessed every 5 years. The next scheduled reassessment date is January 2, 2024. In addition to scheduled reassessments, properties in Washington County are reassessed upon conversion, renovation or demolition.

According to the staff representative at the Washington County Assessor'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	Park Estates MHP and Self-Storage	Skyline Village	Three Rivers	Emerald Hills Village	Rosemount Woods	North Creek	-	-	-
Address	600 Hastings Avenue	7510 Concord Blvd	1 Shannon Drive	8555 Bacardi Avenue	13925 Bunratty Avenue	5622 173rd Street W	-	-	-
City, State	St. Paul Park, MN	Inver Grove Heights, MN	Hastings, MN	Inver Grove Heights, MN	Rosemount, MN	Farmington, MN	-	-	-
APN	Multiple	Multiple	Multiple	20-01800-55-010	34-02010-81-012	22-01100-03-012	-	-	-
Year Built	1985	1976	1985	1972	1980	1984	1972	1985	1979
Homesites	113	393	355	402	221	165	165	402	307
Taxable \$	\$2,107,200	\$14,283,600	\$11,375,100	\$14,358,600	\$5,172,100	\$4,091,700	-	-	-
Taxable \$/Site	\$18,648	\$36,345	\$32,043	\$35,718	\$23,403	\$24,798	\$23,403	\$36,345	\$30,461
Total Taxes	\$43,446	\$203,464	\$140,084	\$218,926	\$69,402	\$51,526	-	-	-
Taxes Per Site	\$384	\$518	\$395	\$545	\$314	\$312	\$312	\$545	\$417

The comparable properties reflect taxes ranging from \$312/Homesite to \$545/Homesite with an average of \$417/Homesite. The taxes for the subject property are within this range.

CONCLUSION

The subject property is assessed in line with comparable properties. Therefore, it is our opinion that the subject's real estate assessment and taxes are at market levels. The buyers of the subject property are budgeting for an increase in rents following the sale of the subject. This is a prudent course of action and we have done likewise in our analysis and valuation of the subject property.

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 St. Paul Park Planning & Zoning Department
Current Zoning	Manufactured Home Park (R5)
Permitted Uses	Manufactured Housing Community
Current Use	Manufactured Housing Community
Is Current Use Legally Permitted?	Yes
Zoning Change	Not Likely
ZONING REQUIREMENTS	
Conforming Use	The existing improvements represent a conforming use within this zone.

Source: City of St. Paul Park Planning & Zoning Department

ZONING CONCLUSIONS

Based on the interpretation of the zoning ordinance, the subject property is an outright permitted use that could be rebuilt if unintentionally destroyed.

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, an 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.

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 in width and are 90 feet or less in length.



SINGLE SECTION



MULTI-SECTION

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.

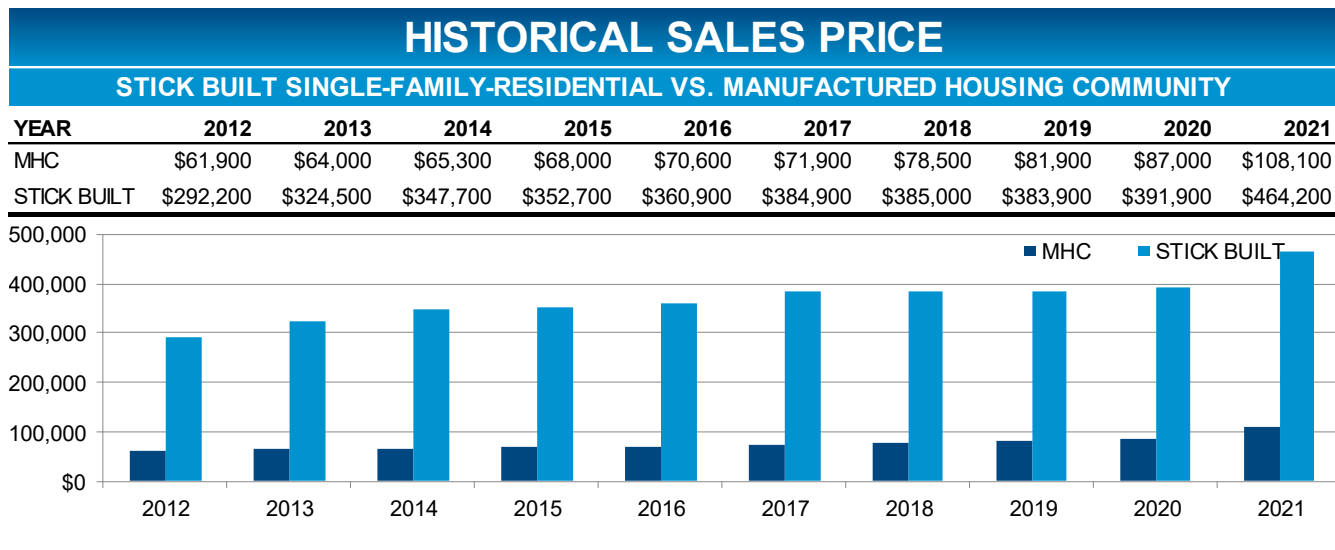
Regarding the “wind factor,” most homes are built to withstand winds of up to 70 miles per hour. Tornadoes usually have winds ranging from 112 to 200 miles per hour. Neither site built homes nor manufactured homes are designed to withstand these excessive winds. Manufactured homes have also had the perception 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.

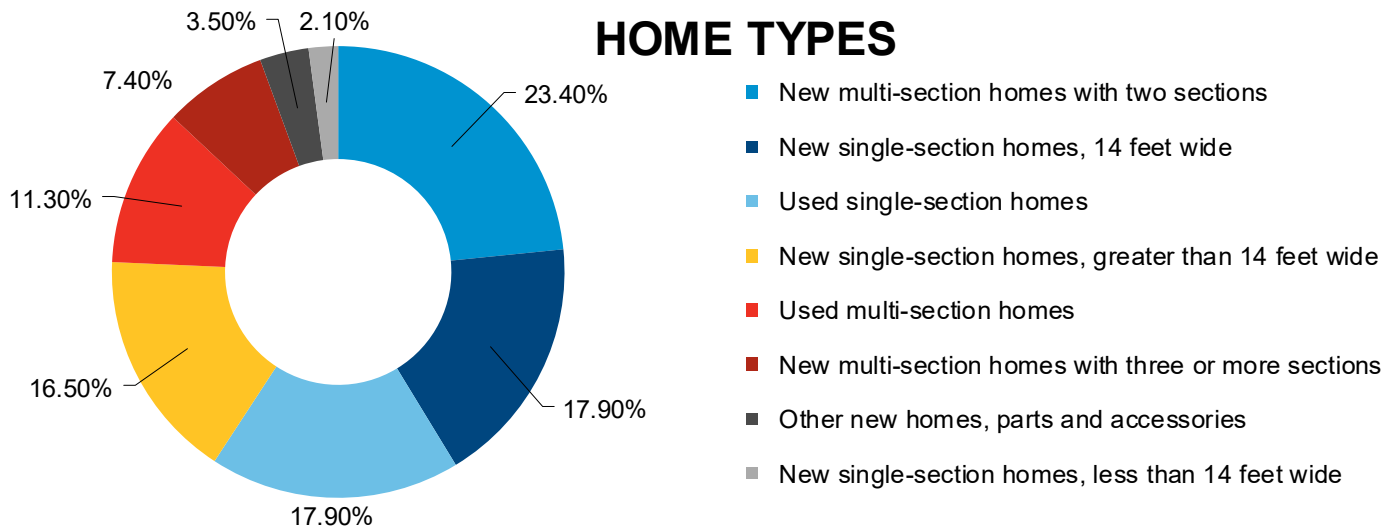
The construction and design of manufactured housing has greatly improved and has proven more cost effective than conventional site-built housing. Factory built homes typically cost 33% to 50% of comparable site built houses. This lower cost is attributed to factors involved in the actual construction 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:



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

MARKET SEGMENTS

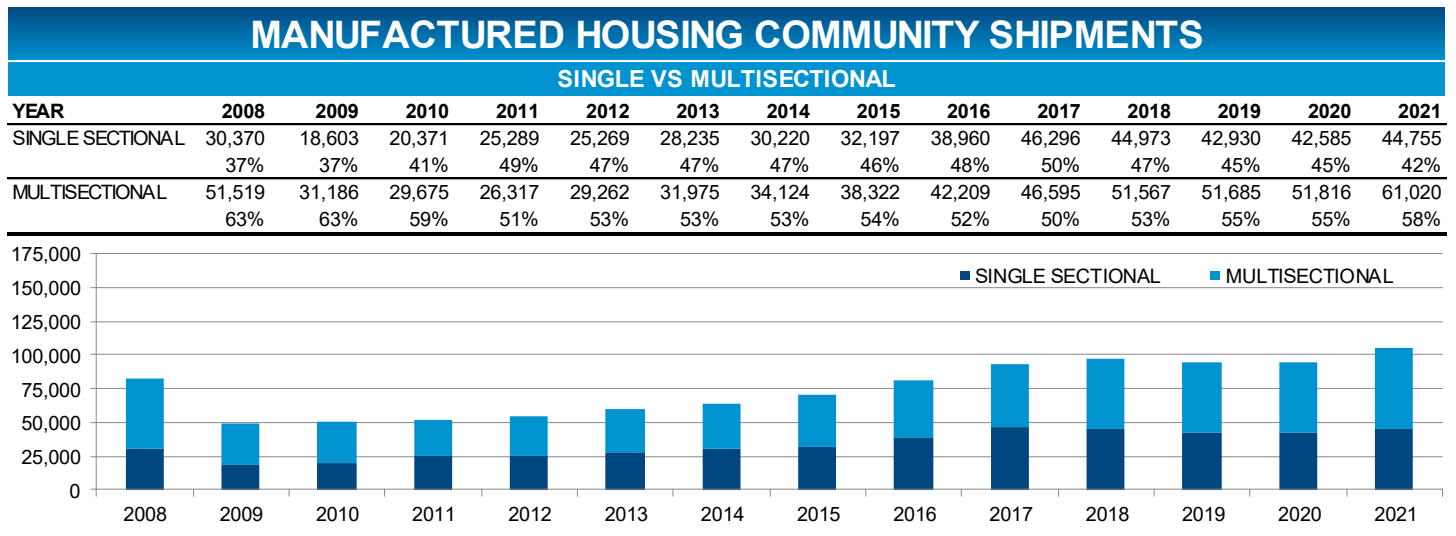
The following chart details the percentages for home sales according to type of home sold.



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.



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

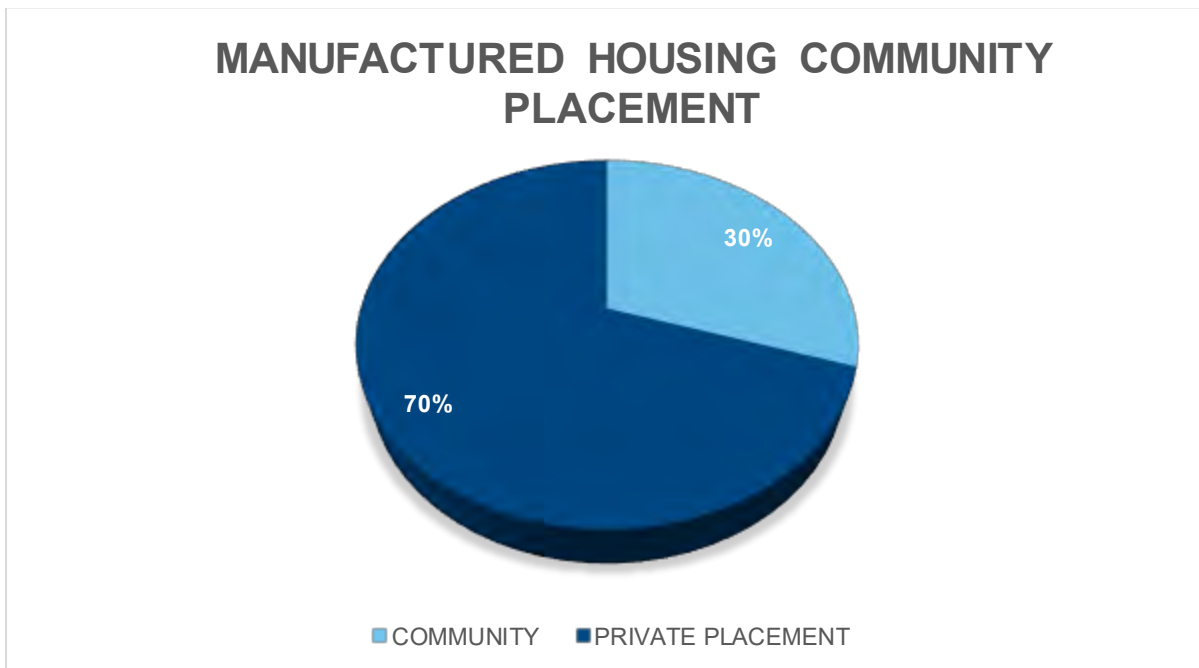
MANUFACTURED HOUSING COMMUNITY OWNERSHIP (ALSO KNOWN AS LAND LEASE COMMUNITIES)

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

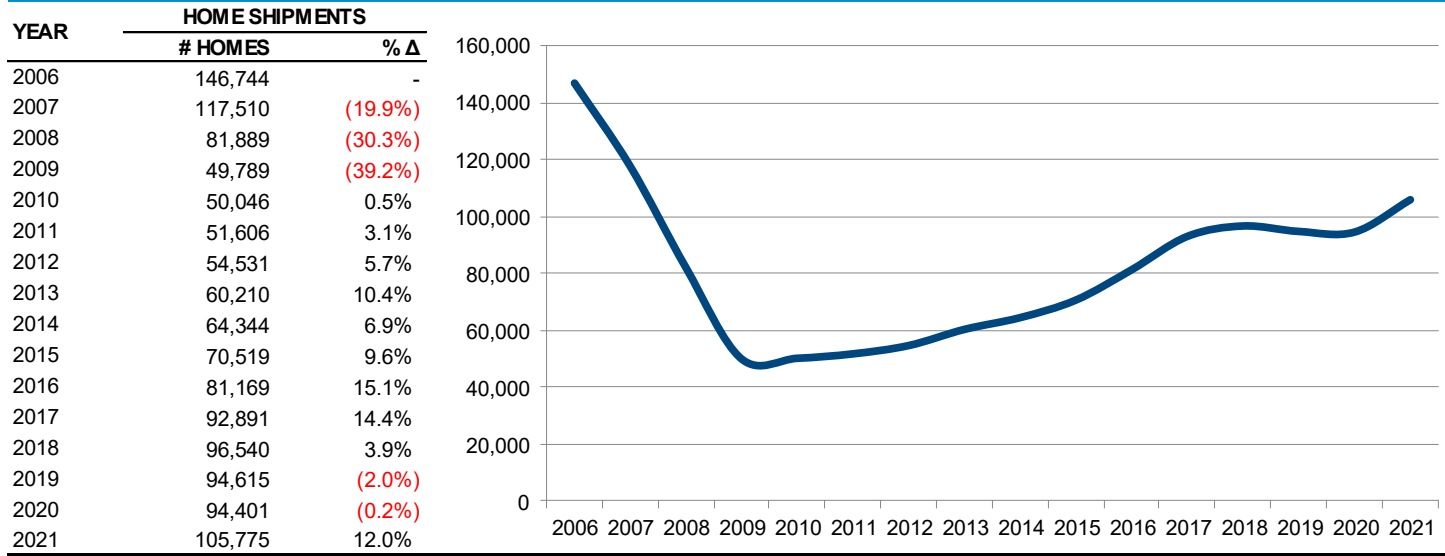
Generally, barriers to entry are considered to be significant across the US. It may be costly to purchase suitable land to begin operations. This varies between regions and is generally dependent on existing populations, infrastructure, facilities, transport, and development. Zoning is the biggest barrier 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



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 continued through 2009 before trending back upward through 2017, when it reached pre-recessions levels. Shipment trends appear to have generally leveled out over the past three years.

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 homeowners. 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 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 a low of 63.7% in 4Q 2016. Since then, homeownership rates have inched back upward to 65.8% in 4Q 2020. For each one percentage point decline in homeownership, there is a shift of approximately 1.1 million households to the rental market. Interest rates remain at all-time lows, resulting in a surge in single-family sales as fence-sitters move in to the market. Single-family home prices rose 13.0% from last year as builders are unable to put homes up fast enough to keep up with residential demand.

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

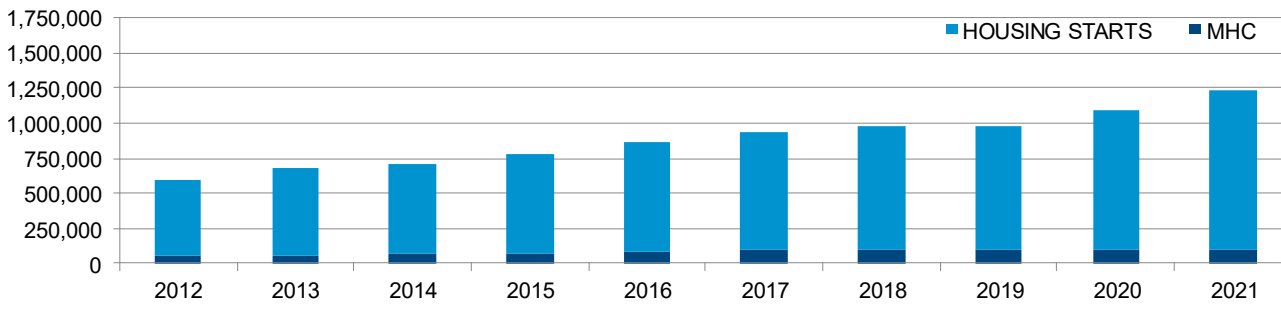
There are several factors that influence a customer's decision to lease a site within a particular manufactured home community, including

- › **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	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
MHC	54,881	60,228	64,331	70,544	81,136	92,902	96,555	94,615	94,390	105,772
HOUSING STARTS	535,000	618,000	648,000	715,000	782,000	849,000	876,000	888,000	991,000	1,123,000
TOTAL	589,881	678,228	712,331	785,544	863,136	941,902	972,555	982,615	1,085,390	1,228,772
MHC (% of Total)	9%	9%	9%	9%	9%	10%	10%	10%	9%	9%



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

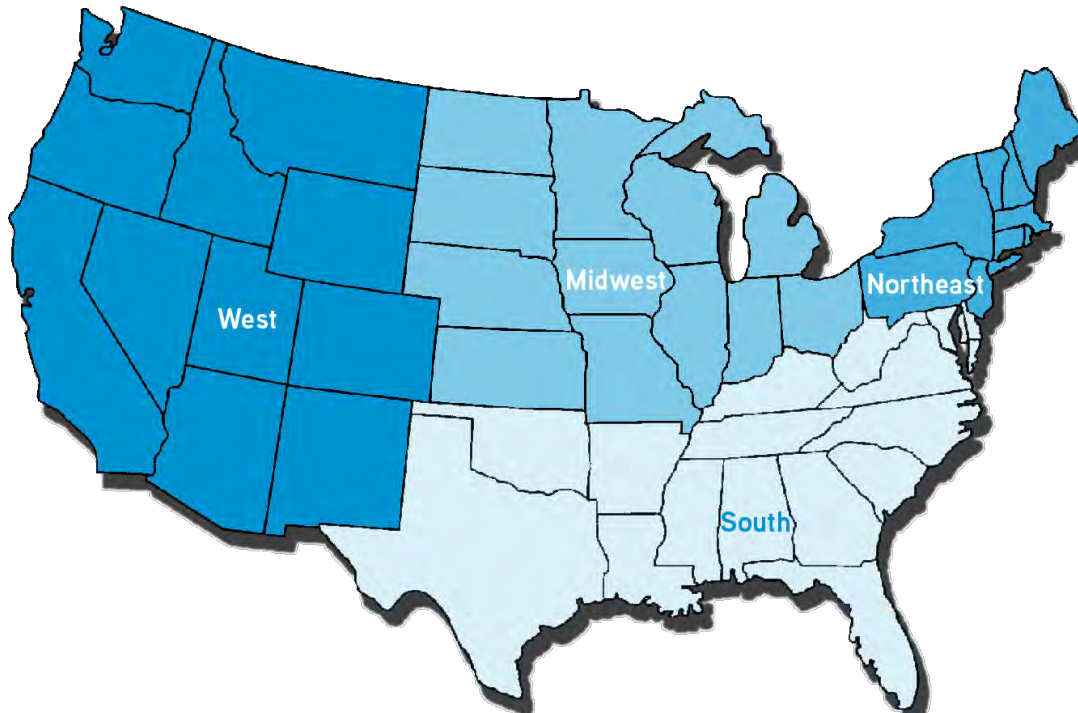
You can see the relationship between manufactured housing demonstrates the relationship overall between single family residential and manufactured housing. During the height off the housing bubble the number of shipments decreased significantly relative to new housing starts. This was also a period of 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.

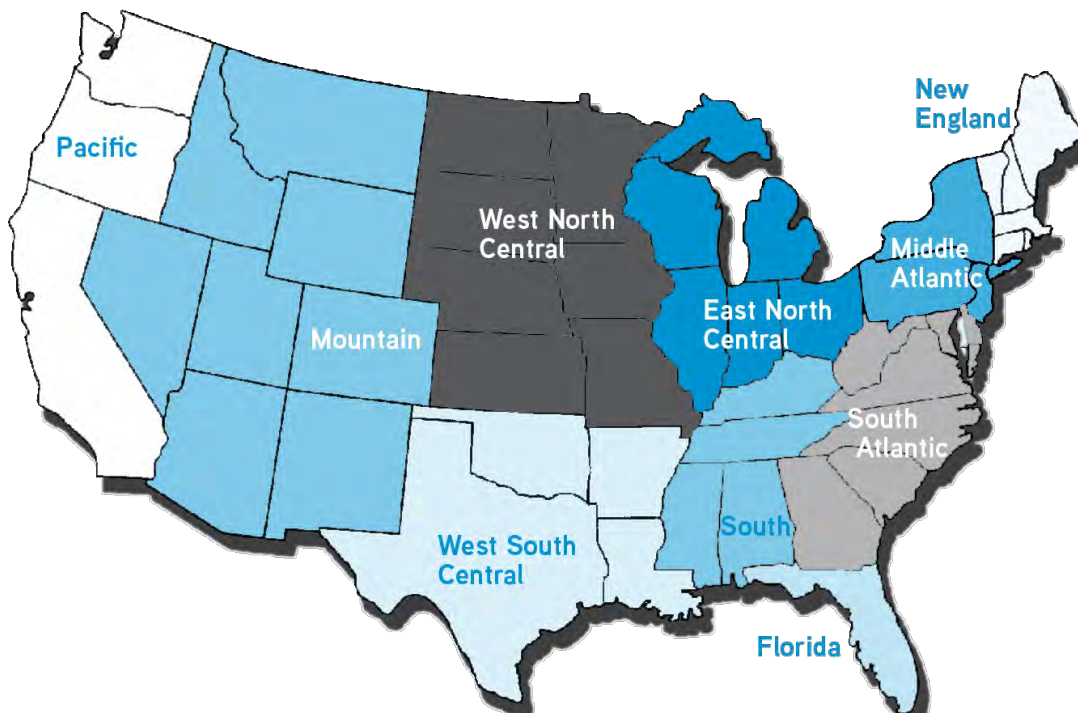
REGIONAL ANALYSIS

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.

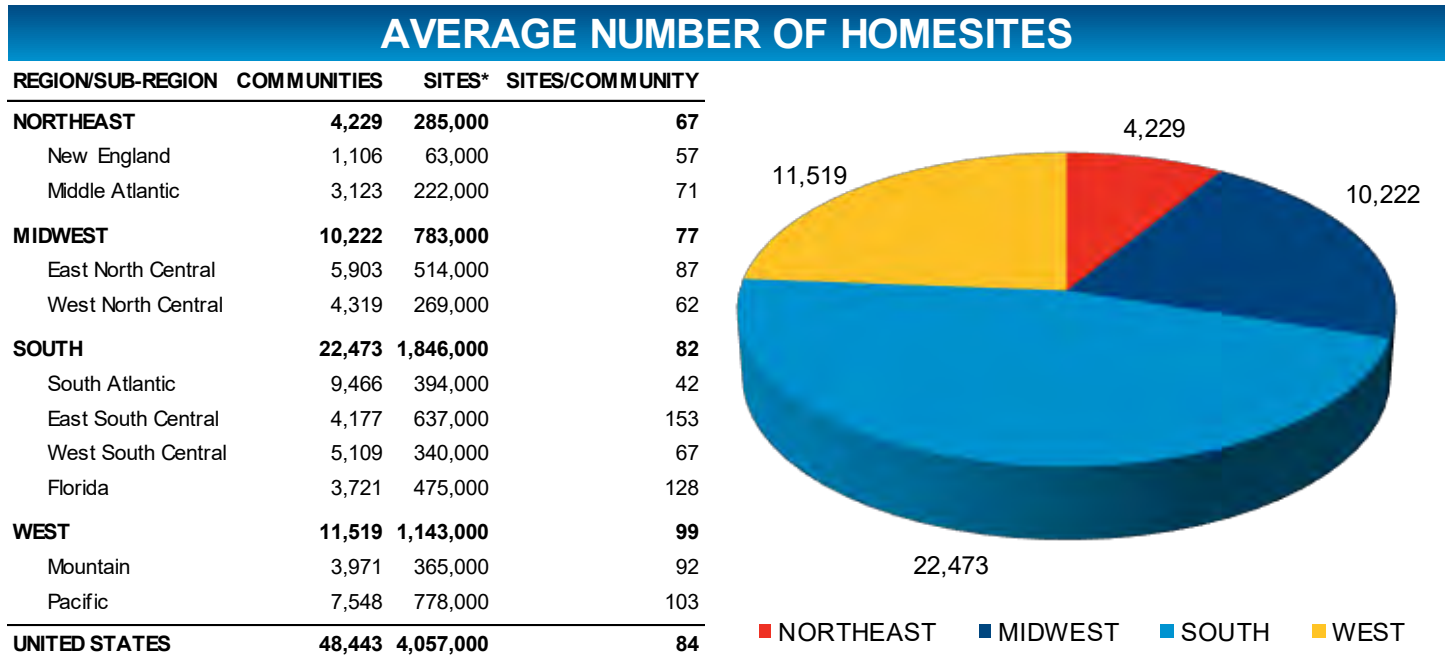
Regions



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

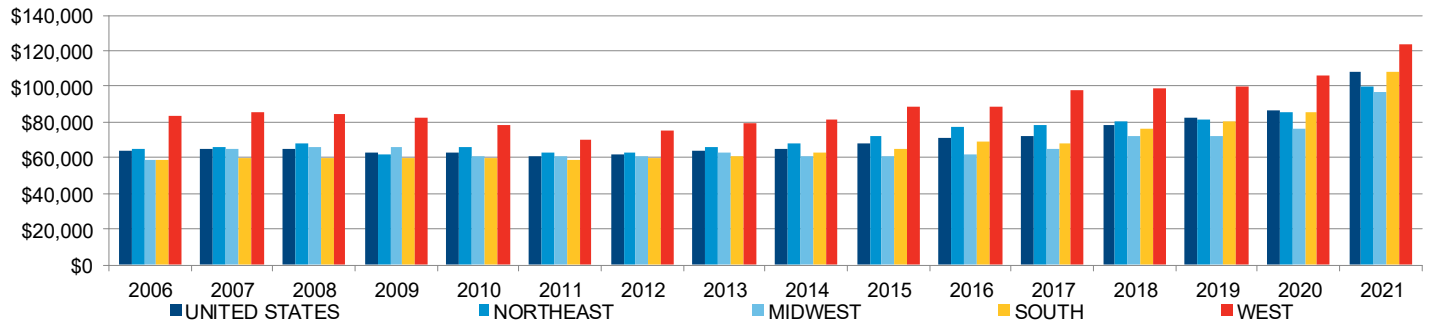
Florida has more homesites than any other state by a significant margin with over 400,000 homesites. North Carolina has ±4,100 communities but they have an average size of just 30 homesites per community.

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															
YEAR	UNITED STATES			NORTHEAST			MIDWEST			SOUTH			WEST		
	TOTAL	SINGLE	DOUBLE	TOTAL	SINGLE	DOUBLE	TOTAL	SINGLE	DOUBLE	TOTAL	SINGLE	DOUBLE	TOTAL	SINGLE	DOUBLE
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	\$82,033	\$53,158	\$104,042	\$80,975	\$54,017	\$106,317	\$72,100	\$53,883	\$98,567	\$80,725	\$52,833	\$102,167	\$99,600	\$52,617	\$113,258
2020	\$87,000	\$57,300	\$108,500	\$85,200	\$57,900	\$108,000	\$76,700	\$57,000	\$104,900	\$85,800	\$56,800	\$106,900	\$106,000	\$61,800	\$118,300
2021	\$108,100	\$72,600	\$132,000	\$100,300	\$71,600	\$123,400	\$96,400	\$71,500	\$129,200	\$108,100	\$73,100	\$131,600	\$123,700	\$72,200	\$138,900



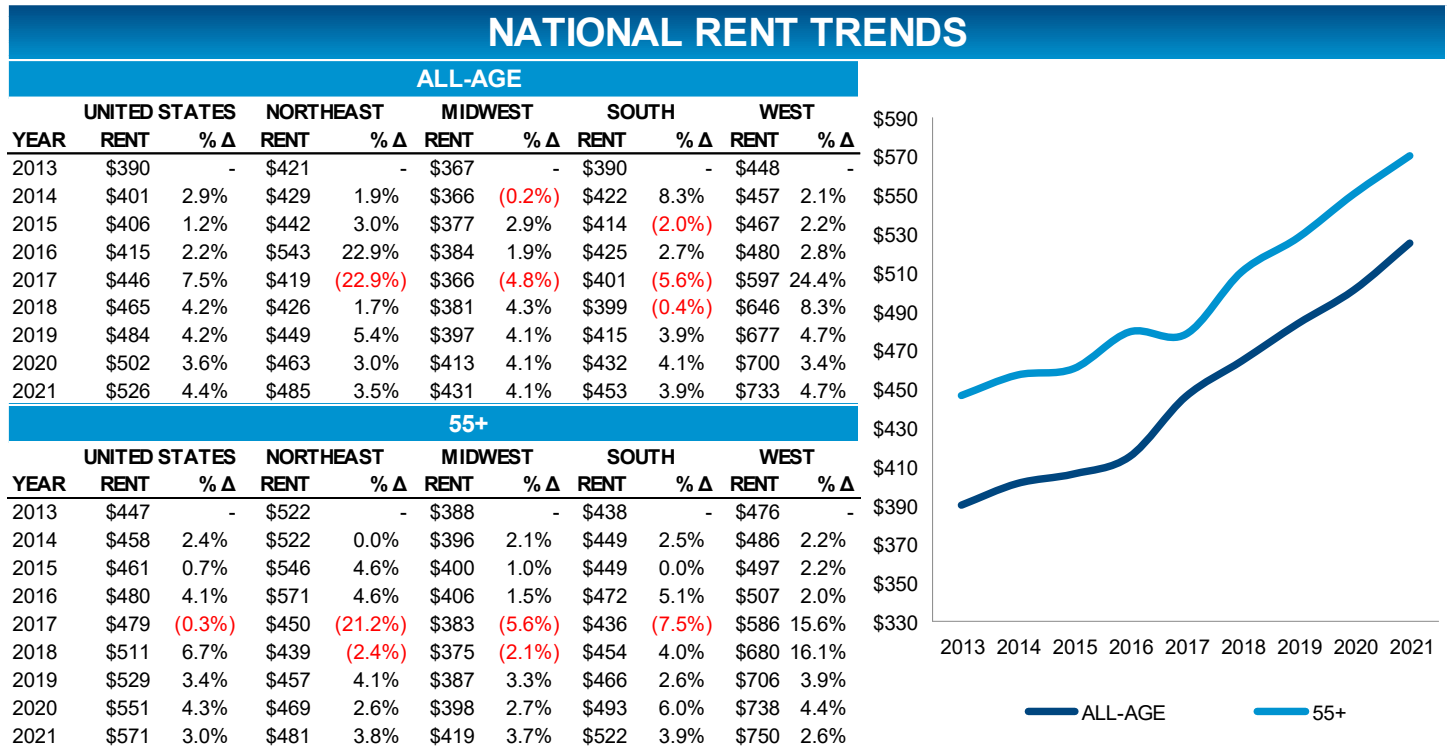
Source: U.S. Commerce Department's Census Bureau via U.S. Department of Housing and Urban Development

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.



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.

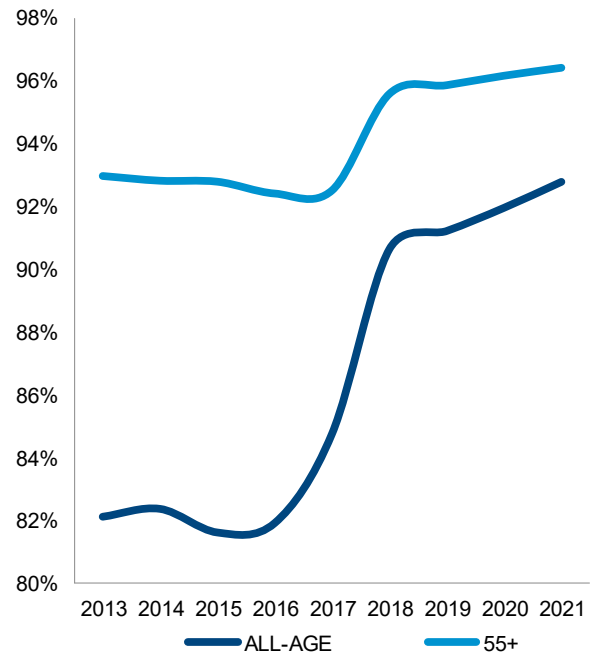
NATIONAL OCCUPANCY TRENDS

ALL-AGE

YEAR	UNITED STATES		NORTHEAST		MIDWEST		SOUTH		WEST	
	Occ.	% Δ	Occ.	% Δ	Occ.	% Δ	Occ.	% Δ	Occ.	% Δ
2013	82.1%	-	88.0%	-	78.5%	-	84.0%	-	88.1%	-
2014	82.4%	0.3%	89.0%	1.1%	76.3%	(2.8%)	88.3%	5.1%	88.1%	0.1%
2015	81.6%	(0.9%)	89.0%	0.0%	76.1%	(0.2%)	85.0%	(3.7%)	89.6%	1.6%
2016	81.9%	0.4%	90.0%	1.1%	76.1%	0.0%	85.8%	0.9%	89.9%	0.4%
2017	84.7%	3.5%	90.3%	0.3%	78.0%	2.5%	87.2%	1.6%	93.3%	3.8%
2018	90.6%	6.9%	92.2%	2.1%	84.8%	8.8%	92.1%	5.6%	96.4%	3.3%
2019	91.2%	0.6%	91.9%	(0.3%)	85.8%	1.1%	92.9%	0.8%	96.6%	0.2%
2020	91.9%	0.8%	92.2%	0.3%	86.8%	1.2%	93.8%	1.0%	96.9%	0.4%
2021	92.7%	0.9%	91.3%	(0.8%)	88.2%	1.6%	94.4%	0.7%	97.7%	0.8%

55+

YEAR	UNITED STATES		NORTHEAST		MIDWEST		SOUTH		WEST	
	Occ.	% Δ	Occ.	% Δ	Occ.	% Δ	Occ.	% Δ	Occ.	% Δ
2013	93.0%	-	96.0%	-	88.5%	-	93.0%	-	93.3%	-
2014	92.8%	(0.2%)	96.0%	0.0%	87.8%	(0.9%)	93.0%	0.0%	92.8%	(0.5%)
2015	92.8%	(0.0%)	96.0%	0.0%	85.5%	(2.6%)	92.9%	(0.1%)	93.0%	0.2%
2016	92.4%	(0.4%)	95.0%	(1.0%)	84.9%	(0.8%)	93.0%	0.1%	91.7%	(1.4%)
2017	92.5%	0.1%	95.0%	0.0%	84.3%	(0.6%)	93.0%	0.0%	92.3%	0.6%
2018	95.6%	3.3%	97.4%	2.5%	90.4%	7.2%	95.1%	2.3%	96.6%	4.7%
2019	95.8%	0.3%	97.3%	(0.1%)	91.4%	1.1%	95.4%	0.3%	96.8%	0.2%
2020	96.1%	0.3%	97.1%	(0.1%)	92.3%	1.0%	95.7%	0.3%	97.1%	0.3%
2021	96.4%	0.3%	98.0%	0.7%	92.7%	0.3%	96.1%	0.5%	97.2%	0.2%



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 Minneapolis/St. Paul manufactured housing market. The survey includes 56 communities, with a total of 15,026 homesites. The chart below details the composition of the market.

MINNEAPOLIS/ST. PAUL MARKET			
	AVG COMMUNITY SIZE	COMMUNITIES	HOMESITES
All Age	268	56	15,026
TOTAL	268	56	15,026

SUPPLY

Existing Supply

The majority of existing supply in the subject's immediate neighborhood has been constructed in the 1970s 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 113 sites to 458 sites. The following chart presents manufactured home community developments that are considered to compete with the subject.

VACANCY SURVEY AS OF NOVEMBER 2022				
PROJECT	YEAR BUILT	HOMESITES	VACANT HOMESITES	VACANCY
Park Estates MHP and Self-Storage	1985	113	1	0.9%
Skyline Village	1976	398	28	7.0%
Three Rivers	1985	355	4	1.1%
Emerald Hills Village	1972	402	4	1.0%
Rosemount Woods	1980	221	2	0.9%
Cedar Knolls	1969	458	14	3.1%
North Creek	1984	165	3	1.8%
TOTAL/AVG	1979	2,112	56	2.7%

Source: Colliers International Valuation & Advisory Services

Proposed & Potential Supply

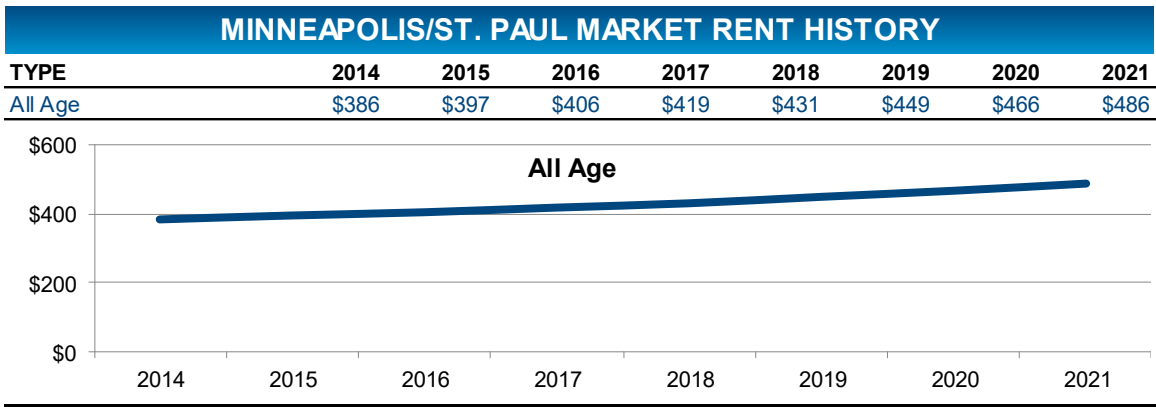
According to the City of St. Paul Park Planning Department, there are no manufactured home communities planned or proposed in the immediate market area. No additional communities are anticipated in the subject's general area due to zoning restrictions, land costs, and difficulty in obtaining construction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

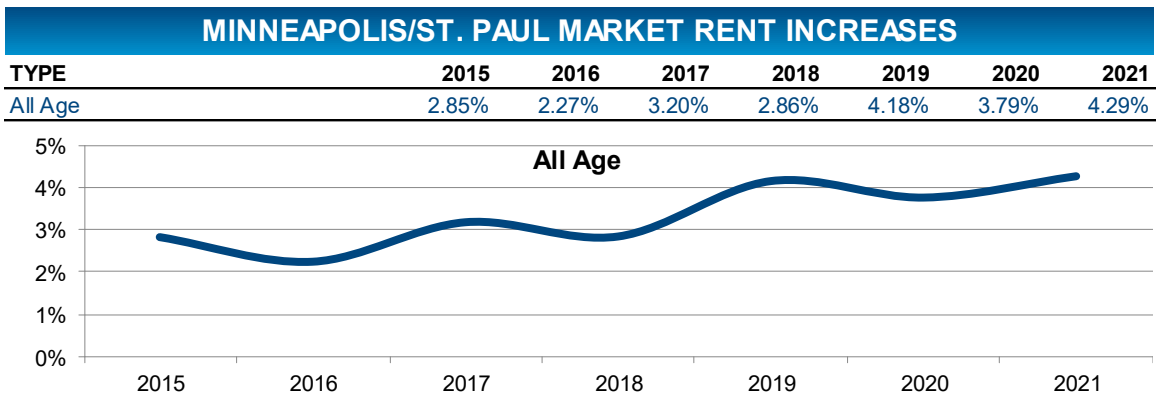
Rent Levels

The chart below details the JLT& Associates average rental data for the past several years.



Source: JLT & Associates Survey

The chart below details the JLT& Associates rental increase history.



Source: JLT & Associates Survey

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	\$50,000	\$270,000	- \$330,000	-
Down Payment or Deposit	\$2,500	\$54,000	- \$66,000	One Months Rent
Amount Financed	\$47,500	\$216,000	- \$264,000	-
Rate	10.00%	6.00%	- 6.00%	-
Term (Years)	20	30	- 30	-
Monthly Mortgage Payment	\$458	\$1,295	- \$1,583	-
Taxes	\$21	\$113	- \$138	-
Insurance	\$25	\$60	- \$60	-
Site Rent	\$527	-	-	-
TOTAL MONTHLY PAYMENT*	\$1,031	\$1,468	- \$1,780	\$1,085 - \$1,495

* 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 2.7% 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 98%. 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 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 or national investor experienced in manufactured housing community ownership.

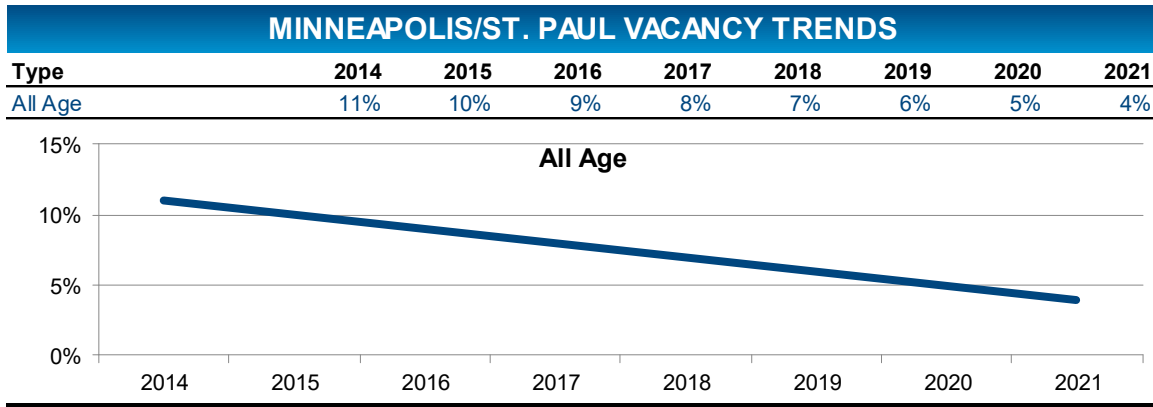
TRANSACTION TRENDS

Most Probable Buyer Profile/Activity

In the open market, the subject property type would command most interest from national and regional buyers that are actively pursuing similar standard 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 national and regional investor.

General Vacancy Conclusion

The chart below details historic vacancy trends in the subject’s market based on the JLT & Associates survey.



Source: JLT & Associates Survey

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	0.9%	7.0%	2.7%
JLT	0.0%	16.0%	4.0%
SUBJECT ANALYSIS			Current
Subject			0.9%
VACANCY RATE CONCLUSIONS			3.0%

Based on the subject’s size, location and appeal, the competitive set analyses and JLT report warrant primary consideration. The JLT analysis indicated a vacancy rate of 4.0%. As of the effective date of this appraisal, the subject property has a current vacancy rate of 0.9%. Based on our analysis of supply/demand trends and considering the subject’s actual performance, a general vacancy rate of 3.0% is concluded. Additionally, we have included a 2.0% deduction to account for credit loss.

SUMMARY OF MARKET ANALYSIS

The subject’s and market’s consistently high, stable occupancy rates, lack of new supply, and overall affordability of manufactured home sites will continue to enhance the value of the subject. The current market vacancy rate indicates good demand for existing manufactured home sites. No major changes in supply and demand are anticipated in the market area.

The subject is an average quality community in average condition, appears to have been regularly well-maintained 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. In the open market, the subject property type would command most interest from national and regional buyers that are actively pursuing similar standard 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 national and regional investor.

EXPOSURE TIME & MARKETING PERIOD

Exposure time is defined as "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." (The Dictionary of Real Estate Appraisal, Appraisal Institute, 2022). 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				
National Apartment Market	3Q 22	1.0 to	12.0	4.3
AVERAGE		1.0 to	12.0	4.3

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

Exposure time for the subject property is six months or less.

Marketing Period Conclusion

Marketing 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

The zoning characteristics for the subject property are summarized below:

ZONING SUMMARY	
Municipality Governing Zoning	City of St. Paul Park Planning & Zoning Department
Current Zoning	Manufactured Home Park (R5)
Permitted Uses	Manufactured Housing Community
Current Use	Manufactured Housing Community
Is Current Use Legally Permitted?	Yes
Zoning Change	Not Likely

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

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

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 opinions 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 113 manufactured home sites at the subject with a current occupancy of 99.1%. The rents range from \$527/site to \$527/site per month with an average rent of \$527/site.

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	112	1	113	100.0%	99%	\$527	\$59,551	\$527
TOTAL/AVG	112	1	113	100%	99.1%	\$527	\$59,551	\$527	\$59,551

Subject Utility Structure

- › **Water** - Not included in the rent - directly billed from utility company
- › **Sewer** - Not included in the rent - directly billed from utility company
- › **Garbage** - Included in the rent Buyers intend to begin charging residents in Year-2.
- › **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

The comparables selected in this analysis are similar properties to the subject property.

Concessions

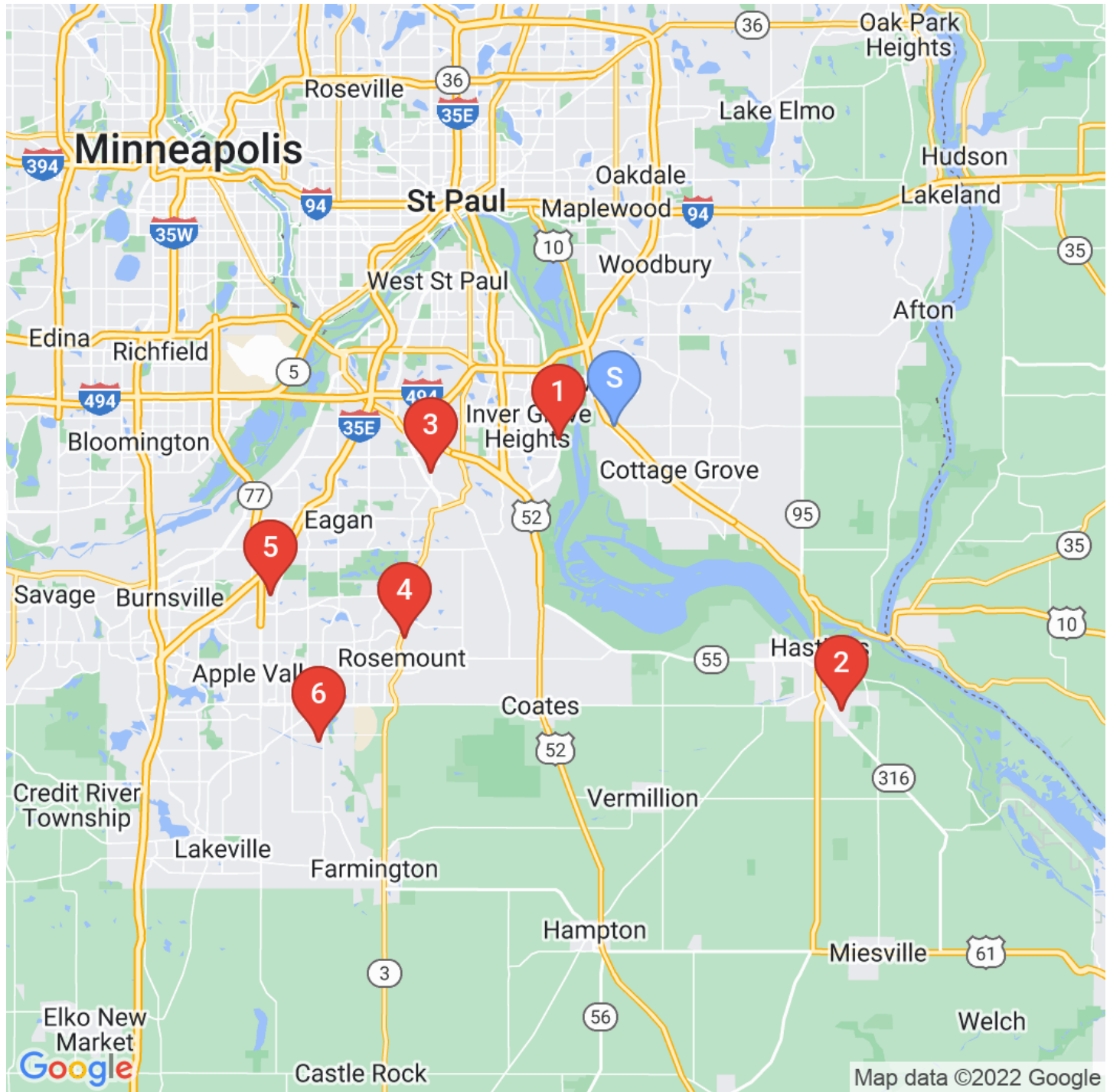
None of the comparables were offering concessions at the time of survey. Please see the data sheets for full details.

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	COMPARABLE 6
Name	Park Estates MHP and Self-Storage	Skyline Village	Three Rivers	Emerald Hills Village	Rosemount Woods	Cedar Knolls	North Creek
Address	600 Hastings Avenue	7510 Concord Blvd E	1 Shannon Dr	8555 Bacardi Ave	13925 Bunratty Ave	12571 Garland Ave	5622 173rd Street West
City	St. Paul Park	Inver Grove Heights	Hastings	Inver Grove Heights	Rosemount	Apple Valley	Farmington
State	MN	MN	MN	MN	MN	MN	MN
Zip	55071	55076	55033	55077	55068	55124	55024
PHYSICAL INFORMATION							
Resident Type	All Age	All Age	All Age	All Age	All Age	All Age	All Age
Homesites	113	398	355	402	221	458	165
Year Built	1985	1976	1985	1972	1980	1969	1984
Location	Good	Good	Good	Good	Good	Good	Good
Appeal	Average	Average/Good	Average/Good	Average/Good	Average/Good	Average/Good	Average/Good
Quality	Average	Average/Good	Average/Good	Average/Good	Average/Good	Average/Good	Average/Good
Condition	Average	Average/Good	Average/Good	Average/Good	Average/Good	Average/Good	Average/Good
RENT INFORMATION							
Occupancy	99.1%	93.0%	99.0%	99.0%	99.0%	97.0%	98.0%
\$/Homesite Avg	\$527	\$787	\$582	\$740	\$794	\$816	\$560

RENT COMPARABLE LOCATION MAP



COMPARABLE KEY

COMP	DISTANCE	NAME	ADDRESS	OCC %	\$/SITE AVG
SUBJECT	-	Park Estates MHP and Self-Storage	600 Hastings Avenue, St. Paul Park, MN	99.1%	\$527
No. 1	1.8 Miles	Skyline Village	7510 Concord Blvd E, Inver Grove Heights, MN	93.0%	\$787
No. 2	11.8 Miles	Three Rivers	1 Shannon Dr, Hastings, MN	99.0%	\$582
No. 3	6.1 Miles	Emerald Hills Village	8555 Bacardi Ave, Inver Grove Heights, MN	99.0%	\$740
No. 4	9.6 Miles	Rosemount Woods	13925 Bunratty Ave, Rosemount, MN	99.0%	\$794
No. 5	12.3 Miles	Cedar Knolls	12571 Garland Ave, Apple Valley, MN	97.0%	\$816
No. 6	14.0 Miles	North Creek	5622 173rd Street West, Farmington, MN	98.0%	\$560

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	COMP 6						
PHYSICAL PROJECT FEATURES														
Location	-	Good	Good	Good	Good	Good	Good	Good	Good	Good	Good	Good	Good	
Appeal	-	Average	Average/Good	Average/Good	Average/Good	Average/Good	Average/Good	Average/Good	Average/Good	Average/Good	Average/Good	Average/Good	Average/Good	
Condition	-	Average	Average/Good	Average/Good	Average/Good	Average/Good	Average/Good	Average/Good	Average/Good	Average/Good	Average/Good	Average/Good	Average/Good	
Physical Subtotal Adjustment			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
PROJECT AMENITIES														
Clubhouse	\$5	0	1	(\$5)	1	(\$5)	0	\$0	1	(\$5)	1	(\$5)	1	(\$5)
Pool	\$5	0	0	\$0	2	(\$5)	1	(\$5)	0	\$0	1	(\$5)	0	\$0
Project Amenities Subtotal Adjustment			(\$5)	(\$10)	(\$5)	(\$5)	(\$5)	(\$5)	(\$5)	(\$10)	(\$5)	(\$5)	(\$5)	
UTILITIES INCLUDED IN RENT														
Water	\$32	No	No	\$0	No	\$0	Yes	(\$32)	No	\$0	Yes	(\$32)	No	\$0
Sewer	\$38	No	No	\$0	No	\$0	Yes	(\$38)	No	\$0	Yes	(\$38)	No	\$0
Garbage	\$32	Yes	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0	No	\$32
Gas	\$25	No	No	\$0	No	\$0	No	\$0	No	\$0	No	\$0	No	\$0
Utilities Subtotal Adjustment			\$0	\$0	(\$70)	\$0	(\$70)	\$0	(\$70)	\$0	(\$70)	\$0	\$32	
TOTAL ADJUSTMENTS			(\$5)	(\$10)	(\$75)	(\$5)	(\$80)	(\$80)	(\$80)	(\$80)	(\$80)	(\$80)	\$27	

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		
Single Section	319	\$787	\$0	(\$5)	\$0	\$0	(\$5)	\$782
Multi-Section	79	\$787	\$0	(\$5)	\$0	\$0	(\$5)	\$782
COMPARABLE 2								
Standard	355	\$591	\$0	(\$10)	\$0	\$0	(\$10)	\$581
COMPARABLE 3								
Multi-Section	201	\$740	\$0	(\$5)	\$0	(\$70)	(\$75)	\$665
Single Section	201	\$740	\$0	(\$5)	\$0	(\$70)	(\$75)	\$665
COMPARABLE 4								
Standard	221	\$794	\$0	(\$5)	\$0	\$0	(\$5)	\$789
COMPARABLE 5								
Standard	458	\$816	\$0	(\$10)	\$0	(\$70)	(\$80)	\$736
COMPARABLE 6								
Standard	165	\$560	\$0	(\$5)	\$0	\$32	\$27	\$587

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 %
6	Standard	\$560	\$587	4.6%
2	Standard	\$591	\$581	-1.7%
3	Multi-Section	\$740	\$665	-11.3%
3	Single Section	\$740	\$665	-11.3%
1	Single Section	\$787	\$782	-0.6%
1	Multi-Section	\$787	\$782	-0.6%
5	Standard	\$816	\$736	-10.9%
4	Standard	\$794	\$789	-0.6%
LOW		\$560	\$581	-11.3%
HIGH		\$816	\$789	4.6%
AVERAGE		\$727	\$698	-4.1%
MEDIAN		\$764	\$701	-1.2%

SUBJECT ANALYSIS & CONCLUSIONS

HOME SITES	HOMESITE TYPE	ASKING RENT	ACTUAL RENT	CONCLUDED RENT
		\$/HOMESITE	\$/HOMESITE	\$/HOMESITE
113	Standard	\$527	\$527	\$527

The rent comparables unadjusted rent per month ranges from \$560 to \$816 with an average rent of \$727. The rent comparables adjusted rent per month ranges from \$581 to \$789 with an average rent of \$698. There are 113 subject units for this unit type. The comparables presented are above the subject's rents. The buyers of the subject property believe that the market rent for the subject should be around \$650, an amount well-supported by comparables in the area. They intend to increase rents to catch up to the market. In Year-1, they plan on increasing rents to \$625. This represents an increase of \$98 or approximately 19%. In Year-2, they will increase rents to \$650, which is an increase of 4%. They are projecting 4% annual increases in rents going forward. In addition to the Year-2 rent increase, they will begin billing residents for trash removal. They are budgeting for approximately \$20,000/year, which is approximately \$15/month for each occupied homesite.

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	113	\$527	\$59,551	\$714,612	\$527	\$59,551	\$714,612	\$527	\$59,551	\$714,612	100.0%
TOTAL	113	\$527	\$59,551	\$714,612	\$527	\$59,551	\$714,612	\$527	\$59,551	\$714,612	100.0%

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	BUDGET 2023			COLLIERS FORECAST					
				DCF YR 1			DCF YR 3		
INCOME ITEMS	TOTAL	\$/SITE	%EGI	TOTAL	\$/SITE	%EGI	TOTAL	\$/SITE	%EGI
Potential Rental Income	\$823,673	\$7,289	85.4%	\$714,612	\$6,324	85.0%	\$884,404	\$7,827	87.1%
TOTAL RENTAL INCOME	\$823,673	\$7,289	85.4%	\$714,612	\$6,324	85.0%	\$884,404	\$7,827	87.1%
OTHER INCOME									
Other Income	\$100,575	\$890	10.4%	\$101,000	\$894	12.0%	\$109,242	\$967	10.8%
Water/Sewer Income	\$60,885	\$539	6.3%	\$61,000	\$540	7.3%	\$65,978	\$584	6.5%
TOTAL OTHER INCOME	\$161,460	\$1,429	16.7%	\$162,000	\$1,434	19.3%	\$175,220	\$1,551	17.3%
POTENTIAL GROSS INCOME (PGI)	\$985,133	\$8,718	102.1%	\$876,612	\$7,758	104.2%	\$1,059,624	\$9,377	104.4%
Vacancy	\$0	-	0.0%	(\$21,438)	(\$190)	(2.5%)	(\$26,532)	(\$235)	(2.6%)
Credit Loss	(\$20,592)	(\$182)	(2.1%)	(\$14,292)	(\$126)	(1.7%)	(\$17,688)	(\$157)	(1.7%)
EFFECTIVE GROSS INCOME (EGI)	\$964,541	\$8,536	100.0%	\$840,881	\$7,441	100.0%	\$1,015,404	\$8,986	100.0%
EXPENSE ITEMS									
Real Estate Taxes	(\$48,584)	(\$430)	(5.0%)	(\$48,584)	(\$430)	(5.8%)	(\$50,547)	(\$447)	(5.0%)
Property Insurance	(\$15,560)	(\$138)	(1.6%)	(\$15,820)	(\$140)	(1.9%)	(\$16,784)	(\$149)	(1.7%)
Gas & Electricity	(\$8,352)	(\$74)	(0.9%)	(\$8,475)	(\$75)	(1.0%)	(\$8,991)	(\$80)	(0.9%)
Water & Sewer	(\$67,650)	(\$599)	(7.0%)	(\$67,800)	(\$600)	(8.1%)	(\$71,929)	(\$637)	(7.1%)
Trash Removal	(\$23,001)	(\$204)	(2.4%)	(\$23,165)	(\$205)	(2.8%)	(\$24,576)	(\$217)	(2.4%)
Repairs & Maintenance	(\$33,356)	(\$295)	(3.5%)	(\$33,335)	(\$295)	(4.0%)	(\$35,365)	(\$313)	(3.5%)
Off-Site Management	(\$64,034)	(\$567)	(6.6%)	(\$33,635)	(\$298)	(4.0%)	(\$40,616)	(\$359)	(4.0%)
On-Site Management	(\$45,055)	(\$399)	(4.7%)	(\$45,200)	(\$400)	(5.4%)	(\$47,953)	(\$424)	(4.7%)
General & Administrative	(\$19,218)	(\$170)	(2.0%)	(\$19,210)	(\$170)	(2.3%)	(\$20,380)	(\$180)	(2.0%)
Reserves	\$0	-	0.0%	(\$4,520)	(\$40)	(0.5%)	(\$4,520)	(\$40)	(0.4%)
TOTAL EXPENSES	(\$324,809)	(\$2,874)	(33.7%)	(\$299,744)	(\$2,653)	(35.6%)	(\$321,661)	(\$2,847)	(31.7%)
NET OPERATING INCOME (NOI)	\$639,733	\$5,661	66.3%	\$541,137	\$4,789	64.4%	\$693,743	\$6,139	68.3%

OTHER INCOME

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

OTHER INCOME ANALYSIS & CONCLUSIONS

OTHER INCOME				ANALYSIS
	SUBJECT			
YEAR	TOTAL	\$/HOMESITE	%EGI	
BUDGET 2023	\$100,575	\$890	10.4%	The concluded amount is all inclusive of income associated with other income. This includes income from the self-storage units. The conclusion is based on the budget 2023 pro forma income.
CONCLUSION	\$101,000	\$894	12.0%	

WATER/SEWER INCOME				ANALYSIS
	SUBJECT			
YEAR	TOTAL	\$/HOMESITE	%EGI	
BUDGET 2023	\$60,885	\$539	6.3%	The concluded amount is all inclusive of income associated with water/sewer income. The conclusion is based on the budget 2023 pro forma income.
CONCLUSION	\$61,000	\$540	7.3%	

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 follow:

INCOME LOSS	
Vacancy Rate Conclusion	3.0%
Credit Loss Conclusion	2.0%
TOTAL	5.0%

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	LOW	HIGH	AVG
City	Becker	East Bethel	Hutchinson	Chaska	Hastings	-	-	-
State	MN	MN	MN	MN	MN	-	-	-
Expense Year	2022	2022	2022	2022	2022	2022	2022	2022
Actual/Budget	Actual	Actual	Actual	Actual	Actual	-	-	-
Homesites	95	179	213	493	355	95	493	267
EGI (\$/HOMESITE)	\$4,437	\$4,268	\$2,820	\$6,500	\$6,511	\$2,820	\$6,511	\$4,907
EXPENSE ITEMS	\$/HOMESITE	\$/HOMESITE	\$/HOMESITE	\$/HOMESITE	\$/HOMESITE	LOW	HIGH	AVG
Real Estate Taxes	\$66	\$312	\$330	\$256	\$432	\$66	\$432	\$279
Property Insurance	\$97	\$237	\$21	\$75	\$95	\$21	\$237	\$105
Gas & Electricity	\$60	\$59	\$21	\$815	\$27	\$21	\$815	\$196
Water & Sewer	\$437	\$155	\$404	\$565	\$437	\$155	\$565	\$399
Trash Removal	\$132	\$59	\$120	\$190	\$159	\$59	\$190	\$132
Repairs & Maintenance	\$50	\$556	\$128	\$150	\$32	\$32	\$556	\$183
Off-Site Management	\$214	\$149	\$282	\$260	\$195	\$149	\$282	\$220
%EGI	4.8%	3.5%	10.0%	4.0%	3.0%	3.0%	10.0%	5.1%
On-Site Management	\$400	\$565	\$185	\$275	\$423	\$185	\$565	\$370
General & Administrative	\$270	\$146	\$54	\$100	\$83	\$54	\$270	\$131
Reserves	\$40	\$49	\$40	\$40	\$40	\$40	\$49	\$42
TOTAL EXPENSES (\$/HOMESITE)	\$1,765	\$2,287	\$1,585	\$2,726	\$1,923	\$1,585	\$2,726	\$2,057

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 CONCLUSIONS

EXPENSE	%EGI	\$/UNIT	TOTAL	COMMENT
Real Estate Taxes	5.8%	\$430	\$48,584	Based on the historicals current Real Estate Taxes.
Property Insurance	1.9%	\$140	\$15,820	Based on the 2023 Budget amount.
Gas & Electricity	1.0%	\$75	\$8,475	Based on the 2023 Budget amount.
Water & Sewer	8.1%	\$600	\$67,800	Based on the 2023 Budget amount.
Trash Removal	2.8%	\$205	\$23,165	Based on the 2023 Budget amount.
Repairs & Maintenance	4.0%	\$295	\$33,335	Based on the 2023 Budget amount.
Off-Site Management	4.0%	\$298	\$33,635	Based on the expense comparable information
On-Site Management	5.4%	\$400	\$45,200	Based on the 2023 Budget amount.
General & Administrative	2.3%	\$170	\$19,210	Based on the 2023 Budget amount.
Reserves	0.5%	\$40	\$4,520	Based on the expense comparable information
TOTAL EXPENSES	35.6%	\$2,653	\$299,744	The total concluded expenses for the subject fall within the ranges of the sales and expense comparables.

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

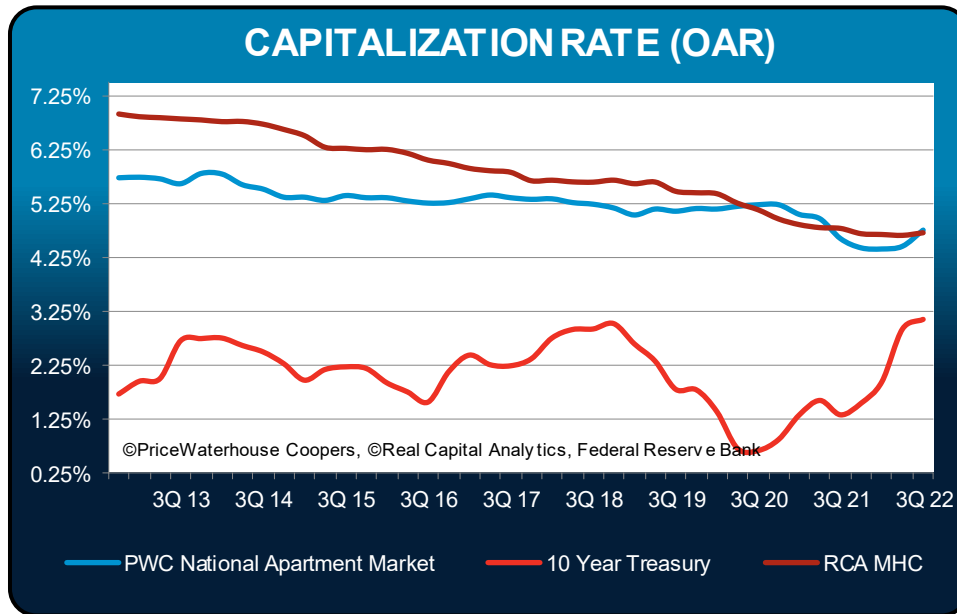
The following table presents a summary of the comparable sales used ahead in the Sales Comparison Approach, and the capitalization rates from each of those sales.

CAPITALIZATION RATE COMPARABLES (OAR)												
NAME	CITY	ST	SALE DATE	YR BLT	CLASS	OCC	HOMESITES	\$/HOMESITE	SALE PRICE	NOI	NOI/HOMESITE	CAP RATE
1 North Creek	Farmington	MN	December 20, 2021	1984	B	98.2%	165	\$92,727	\$15,300,000	\$785,697	\$4,762	5.14%
2 Brandondale MHC	Chaska	MN	April 22, 2021	1970	B	88.0%	493	\$81,136	\$40,000,000	\$1,860,640	\$3,774	4.65%
3 Park View	Grimes	IA	May 12, 2022	1992	B	99.4%	309	\$112,201	\$34,670,000	\$1,386,767	\$4,488	4.00%
4 Modern Manor	low a City	IA	November 1, 2021	1983	B	95.5%	314	\$73,248	\$23,000,000	\$812,181	\$2,587	3.53%
5 Lake Ridge	low a City	IA	November 1, 2021	1994	B	98.1%	425	\$75,294	\$32,000,000	\$1,206,675	\$2,839	3.77%
6 Eagle Ridge Community	Marion	IA	October 4, 2022	1996	B	89.0%	335	\$90,645	\$30,366,000	\$1,108,101	\$3,308	3.65%
ADDITIONAL COMPS												
7 Sherwood Park	St. Charles	MN	October 6, 2022	1982			52		\$2,218,000			4.47%
8 Lewiston MHC	Lewiston	MN	October 5, 2022	1950			42		\$1,144,000			5.12%
9 Maplewood	Lake City	MN	September 30, 2022	1974			74		\$3,064,000			5.57%
10 Dietrick MHP	Cedar Falls	IA	October 6, 2022	1968			90		\$2,600,000			4.61%
11 Walcott/Country Estates	Walcott	IA	June 27, 2022	1970			280		\$7,000,000			6.49%
12 Sunrise MHC	Pella	IA	May 12, 2022	1950			80		\$5,556,000			4.79%
LOW			April 2021	1950		88.0%	42	\$73,248	\$1,144,000	\$785,697	\$2,587	3.53%
HIGH			October 2022	1996		99.4%	493	\$112,201	\$40,000,000	\$1,860,640	\$4,762	6.49%
AVERAGE			April 2022	1976		94.7%	222	\$87,542	\$16,409,833	\$1,193,344	\$3,626	4.65%
MEDIAN			June 2022									4.63%
SUBJECT	St. Paul Park	MN		1985		99%	113			\$541,137	\$4,789	
INDICATED CAPITALIZATION RATE (OAR)												5.00%

Capitalization rates range from 3.53% to 6.49% and average 4.65%. The subject's concluded NOI/site of \$4,789 is lower than the average of the comparables at \$3,626/site. The subject property has a good location and an average appeal. Additionally, the subject property has upside potential in terms of rental rates. Overall, the subject has low risk profile. It is important to note that there is a heightened level of uncertainty in the market due to rapidly increasing interest rates. Therefore, we have included additional comparables from the area which have all traded after the 2022 rate increases. In light of these factors, a rate toward the middle of the range is considered reasonable.

Investor Surveys

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.



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			
National Apartment Market	3Q 22	3.00% to 8.00%	4.75%
Real Capital Analytics			
MHC	3Q 22		4.69%
10 Year Treasury	3Q 22	-	3.11%
AVERAGE		3.00% to 8.00%	4.72%

Overall Capitalization Rate Sustainability

Based on our conversations with the brokers listed above and market participants, overall manufactured housing community capitalization rates have been either flat or trending downward 25 to 50 bps per year. Capitalization rates are anticipated to continue a slightly downward trend or flatten out in the foreseeable future due to the increasing interest rates over the last few months.

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	6.00%
Loan-to-Value (LTV) Ratio	60%
Mortgage Constant	7.19%

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	7.19%	=	4.317%
Equity Component	40%	x	6.00%	=	2.400%
Indicated Capitalization Rate					6.717%
INDICATED CAPITALIZATION RATE					6.72%

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		3.53% to 5.14%	4.12%
Supplemental Comparable Sales		4.47% to 6.49%	5.18%
Investor Surveys	3Q 22	3.00% to 8.00%	4.72%
Band of Investment Technique			6.72%
AVERAGE		3.67% to 6.54%	5.34%
CAPITALIZATION CONCLUSION			5.00%
CAPITALIZATION CONCLUSION (STABILIZED YEAR)			5.50%

For the as-is value we utilized a capitalization rate of 5.00% to account for the subject property's below market rents and upside potential. For the as-stabilized value we utilized a capitalization rate of 5.50% which is reasonable once the upside potential has been actualized.

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 November 9, 2022.

DIRECT CAPITALIZATION SUMMATION TABLE (YEAR 1)				
HOMESITE TYPE		HOMESITES	\$/HOMESITE	TOTAL
Standard		113	\$6,324	\$714,612
TOTAL		113	\$6,324	\$714,612
INCOME ITEMS	%PGI	%EGI	\$/HOMESITE	TOTAL
Potential Rental Income			\$6,324	\$714,612
TOTAL RENTAL INCOME			\$6,324	\$714,612
OTHER INCOME				
Other Income			\$894	\$101,000
Water/Sewer Income			\$540	\$61,000
TOTAL OTHER INCOME			\$1,434	\$162,000
POTENTIAL GROSS INCOME (PGI)			\$7,758	\$876,612
INCOME LOSS				
Vacancy	(3.0%)		(\$190)	(\$21,438)
Credit Loss	(2.0%)		(\$126)	(\$14,292)
TOTAL INCOME LOSS	(4.1%)		(\$316)	(\$35,731)
EFFECTIVE GROSS INCOME (EGI)			\$7,441	\$840,881
EXPENSE ITEMS				
Real Estate Taxes	(5.5%)	(5.8%)	(\$430)	(\$48,584)
Property Insurance	(1.8%)	(1.9%)	(\$140)	(\$15,820)
Gas & Electricity	(1.0%)	(1.0%)	(\$75)	(\$8,475)
Water & Sewer	(7.7%)	(8.1%)	(\$600)	(\$67,800)
Trash Removal	(2.6%)	(2.8%)	(\$205)	(\$23,165)
Repairs & Maintenance	(3.8%)	(4.0%)	(\$295)	(\$33,335)
Off-Site Management	(3.8%)	(4.0%)	(\$298)	(\$33,635)
On-Site Management	(5.2%)	(5.4%)	(\$400)	(\$45,200)
General & Administrative	(2.2%)	(2.3%)	(\$170)	(\$19,210)
Reserves	(0.5%)	(0.5%)	(\$40)	(\$4,520)
TOTAL EXPENSES	(34.2%)	(35.6%)	(\$2,653)	(\$299,744)
NET OPERATING INCOME (NOI)			\$4,789	\$541,137
Capitalization Rate				5.00%
Capitalized Value				\$10,822,743
AS-IS MARKET VALUE			\$95,752	\$10,820,000

Rounded to nearest \$10,000

STABILIZED 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 subject property is physically stabilized and nearly fully occupied. However, due the subject property's rents being below the range of the comparables in the area, it is not considered to be economically stabilized. The table below presents our inflation assumptions for Years 1-3. As mentioned previously, in addition to rent increases, the buyers of the subject property are planning to begin billing residents for Trash Removal in Year-2. We have included this revenue in our stabilized pro-forma.

INFLATION ASSUMPTIONS

INFLATION ASSUMPTIONS			
	YEAR 1	YEAR 2	YEAR 3
YEAR ENDING	OCT-23	OCT-24	OCT-25
Rent	-	19.0%	4.0%
Other Income	-	4.0%	4.0%
Expenses	-	3.0%	3.0%
Taxes	-	2.0%	2.0%

The subject property is expected to attain stabilized occupancy in year 3. The following table summarizes our opinion of market value for the subject property via Direct Capitalization including the Prospective Value Upon Stabilization (Capitalized Value) in year 3 as of January 1, 2025.

DIRECT CAPITALIZATION SUMMATION TABLE (YEAR 3)				
INCOME ITEMS	%PGI	%EGI	\$/HOMESITE	TOTAL
Potential Rental Income			\$7,827	\$884,404
TOTAL RENTAL INCOME			\$7,827	\$884,404
OTHER INCOME				
Other Income			\$966.74	\$109,242
Water/Sewer Income			\$583.88	\$65,978
Trash Removal Income			\$353.98	\$40,000
TOTAL OTHER INCOME			\$1,904.60	\$215,220
POTENTIAL GROSS INCOME (PGI)			\$9,731	\$1,099,624
INCOME LOSS				
Vacancy	(2.4%)		(\$235)	(\$26,532)
Credit Loss	(1.6%)		(\$157)	(\$17,688)
TOTAL INCOME LOSS	(4.0%)		(\$391)	(\$44,220)
EFFECTIVE GROSS INCOME (EGI)	96.0%		\$9,340	\$1,055,404
EXPENSE ITEMS				
Real Estate Taxes	(4.6%)	(4.8%)	(\$447)	(\$50,547)
Property Insurance	(1.5%)	(1.6%)	(\$149)	(\$16,784)
Gas & Electricity	(0.8%)	(0.9%)	(\$80)	(\$8,991)
Water & Sewer	(6.5%)	(6.8%)	(\$637)	(\$71,929)
Trash Removal	(2.2%)	(2.3%)	(\$217)	(\$24,576)
Repairs & Maintenance	(3.2%)	(3.4%)	(\$313)	(\$35,365)
Off-Site Management	(3.7%)	(3.8%)	(\$359)	(\$40,616)
On-Site Management	(4.4%)	(4.5%)	(\$424)	(\$47,953)
General & Administrative	(1.9%)	(1.9%)	(\$180)	(\$20,380)
Reserves	(0.4%)	(0.4%)	(\$40)	(\$4,520)
TOTAL EXPENSES	(29.3%)	(30.5%)	(\$2,847)	(\$321,661)
NET OPERATING INCOME (NOI)	66.7%	69.5%	\$6,493	\$733,743
Capitalization Rate				5.50%
Capitalized Value				\$13,340,775
PROSPECTIVE VALUE UPON STABILIZATION			\$118,053	\$13,340,000

Rounded to nearest \$10,000

RECONCILIATION OF INCOME APPROACH VALUES

The following table summarizes the opinions for market value that were developed by the Direct Capitalization, and Effective Gross Income Multiplier methods of the income approach. Of the approaches, the Direct Capitalization mirrors the sentiment of participants in this asset class. Therefore, the reconciled values below place primary emphasis on the Direct Capitalization method.

VALUATION INDICES	MARKET VALUE AS-IS	PROSPECTIVE VALUE UPON STABILIZATION
INTEREST APPRAISED	FEE SIMPLE	FEE SIMPLE
DATE OF VALUE	NOVEMBER 9, 2022	JANUARY 1, 2025
INCOME CAPITALIZATION APPROACH		
Direct Capitalization	\$10,820,000	\$13,340,000
Direct Capitalization \$/Homesite	\$95,752/Homesite	\$118,053/Homesite
Net Operating Income	\$541,137	\$733,743
NOI \$/Homesite	\$4,789/Homesite	\$6,493/Homesite
Capitalization Rate	5.00%	5.50%
INCOME CONCLUSION	\$10,820,000	\$13,340,000
Income Conclusion \$/Homesite	\$95,752/Homesite	\$118,053/Homesite

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. Due to the size of the property, NOI/space, and the comparatively small number of MHC sales, it is appropriate to utilize sales that are the most similar in size (number of spaces), occupancy, and overall rent levels. Therefore, our search was expanded to include similar markets in Iowa. 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	November 2022	(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.

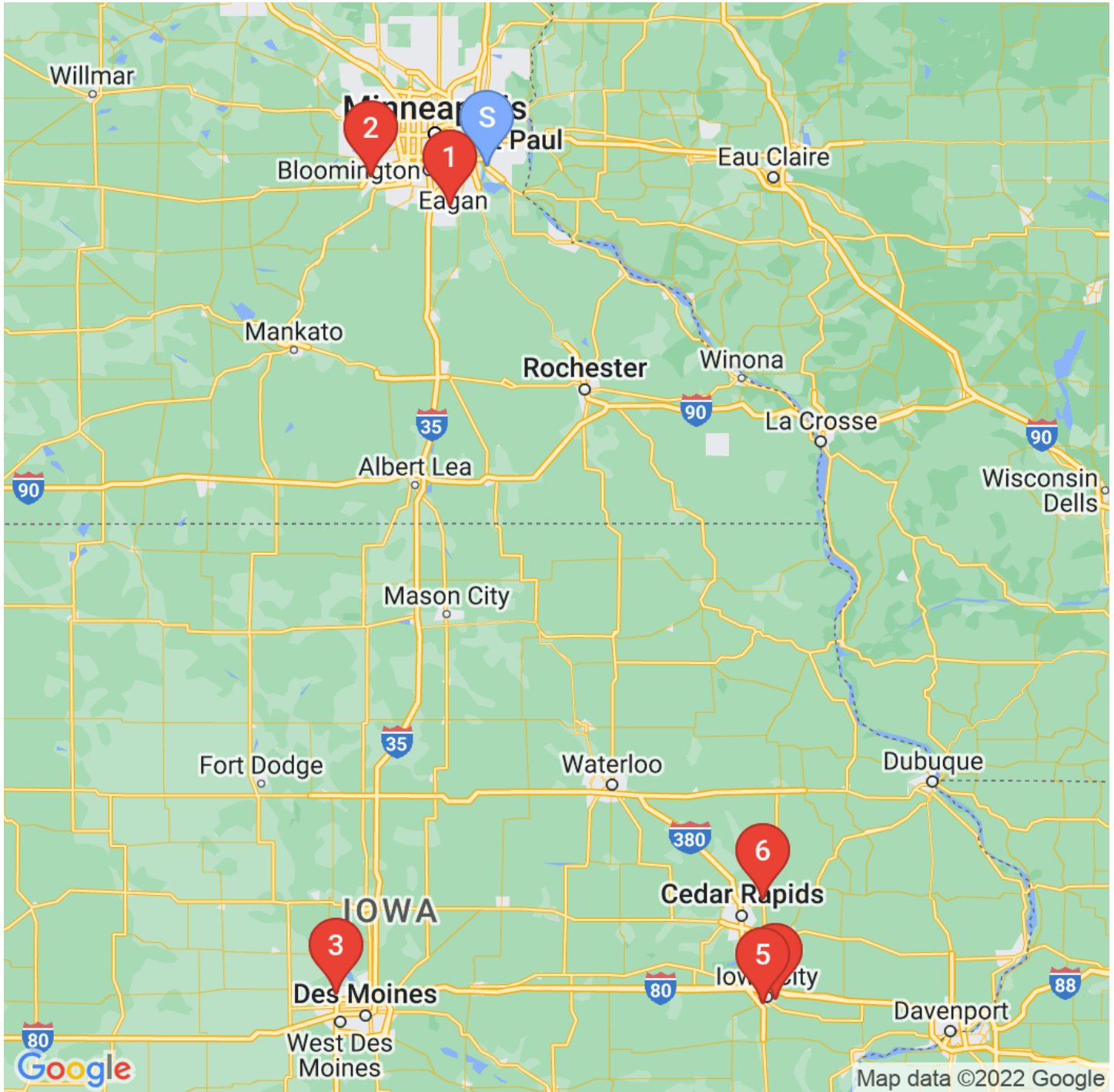
PRESENTATION

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	Park Estates MHP and Self-Storage	North Creek	Brandondale MHC	Park View	Modern Manor	Lake Ridge	Eagle Ridge Community
Address	600 Hastings Avenue	5622 173rd Street West	1 Kelly Road	1900 SE 28th St	1700 Scott Blvd	893 Spring Ridge Drive	1285 Red Fox Way
City	St. Paul Park	Farmington	Chaska	Grimes	low a City	low a City	Marion
State	MN	MN	MN	IA	IA	IA	IA
Zip	55071	55024	55318	50111	52240	52246	52302
County	Washington	Dakota	Carver	Polk	Johnson	Johnson	Linn
PHYSICAL INFORMATION							
Project Design	All Age	All Age	All Age	All Age	All Age	All Age	All Age
Class	B	B	B	B	B	B	B
Homesites	113	165	493	309	314	425	335
Density	5.0	2.7	4.0	4.7	6.4	1.7	5.3
Land Area (AC)	22.8	61.5	123.1	66.0	48.9	248.3	63.2
Land Area (SF)	991,509	2,676,762	5,363,107	2,875,962	2,127,906	10,814,206	2,753,428
Year Built	1985	1984	1970	1992	1983	1994	1996
Parking/Homesite	2.0	2	-	2	2	-	2
Parking Total	226	330	-	618	628	-	670
Location	Good	Good	Average/Good	Good	Average	Average	Average/Good
Quality	Average	Average	Average	Average/Good	Average	Average	Average
Condition	Average	Average	Average	Average/Good	Average	Average	Average
Appeal	Average	Average	Average	Average/Good	Average	Average	Average
SALE INFORMATION							
Date		12/20/2021	4/22/2021	5/12/2022	11/1/2021	11/1/2021	10/4/2022
Status		Recorded	Recorded	Recorded	Recorded	Recorded	In Contract
Marketing Period		-	-	-	-	-	-
Parcel Number		22-01100-03-	300332400,	-	Multiple	Multiple	-
Recording Number		-	-	-	-	-	-
Rights Transferred		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Transaction Price		\$20,300,000	\$40,000,000	\$34,670,000	\$23,000,000	\$32,000,000	\$30,366,000
Transaction \$/Homesite		\$123,030	\$81,136	\$112,201	\$73,248	\$75,294	\$90,645
Recorded Date		3/17/2022	4/22/2021	5/12/2022	11/1/2021	9/20/2022	10/4/2022
Recorded Price		-	\$40,000,000	-	\$23,000,000	\$32,000,000	\$30,366,000
Analysis Price		\$15,300,000	\$40,000,000	\$34,670,000	\$23,000,000	\$32,000,000	\$30,366,000
Expenses % PGI		30%	38%	36%	35%	32%	35%
Expenses % EGI		32%	42%	38%	35%	32%	35%
NOI/Unit	\$4,789	\$4,762	\$3,774	\$4,488	\$2,587	\$2,839	\$3,308
Occupancy	99.1%	98.2%	88.0%	99.4%	95.5%	98.1%	89.0%
Capitalization Rate		5.14%	4.65%	4.00%	3.53%	3.77%	3.65%
PGIM		12.72	11.44	15.01	18.56	18.26	17.93
EGIM		13.34	12.48	15.55	18.56	18.26	17.93

SALES LOCATION MAP



COMPARABLE KEY

COMP	DISTANCE	NAME	ADDRESS	OCC.	SALE DATE	OAR	\$/SITE
SUBJECT	-	Park Estates MHP and Self-Storage	600 Hastings Avenue, St. Paul Park, MN	99.1%	-	-	-
No. 1	14.0 Miles	North Creek	5622 173rd Street West, Farmington, MN	98.2%	12/20/2021	5.14%	\$92,727
No. 2	29.7 Miles	Brandondale MHC	1 Kelly Road, Chaska, MN	88.0%	4/22/2021	4.65%	\$81,136
No. 3	223.4 Miles	Park View	1900 SE 28th St, Grimes, IA	99.4%	5/12/2022	4.00%	\$112,201
No. 4	234.0 Miles	Modern Manor	1700 Scott Blvd, Iowa City, IA	95.5%	11/1/2021	3.53%	\$73,248
No. 5	234.0 Miles	Lake Ridge	893 Spring Ridge Drive, Iowa City, IA	98.1%	11/1/2021	3.77%	\$75,294
No. 6	207.0 Miles	Eagle Ridge Community	1285 Red Fox Way, Marion, IA	89.0%	10/4/2022	3.65%	\$90,645

IMPROVED SALES ADJUSTMENT TABLE

COMPARABLE	SUBJECT	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3	COMPARABLE 4	COMPARABLE 5	COMPARABLE 6
Address	600 Hastings Avenue	5622 173rd Street West	1 Kelly Road	1900 SE 28th St	1700 Scott Blvd	893 Spring Ridge Drive	1285 Red Fox Way
City, State	St. Paul Park, MN	Farmington, MN	Chaska, MN	Grimes, IA	low a City, IA	low a City, IA	Marion, IA
Units	113	165	493	309	314	425	335
Density	5.0	2.7	4.0	4.7	6.4	1.7	5.3
Land Area (AC)	22.8	61.5	123.1	66.0	48.9	248.3	63.2
Land Area (SF)	991,509	2,676,762	5,363,107	2,875,962	2,127,906	10,814,206	2,753,428
Year Built	1985	1984	1970	1992	1983	1994	1996
Location	Good	Good	Average/Good	Good	Average	Average	Average/Good
Quality	Average	Average	Average	Average/Good	Average	Average	Average
Condition	Average	Average	Average	Average/Good	Average	Average	Average
Appeal	Average	Average	Average	Average/Good	Average	Average	Average
SALE INFORMATION							
Date		12/20/2021	4/22/2021	5/12/2022	11/1/2021	11/1/2021	10/4/2022
Status		Recorded	Recorded	Recorded	Recorded	Recorded	In Contract
Rights Transferred		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Occupancy	99.1%	98.2%	88.0%	99.4%	95.5%	98.1%	89.0%
Capitalization Rate		5.1%	4.7%	4.0%	3.5%	3.8%	3.7%
NOI/Homesite	\$4,789	\$4,762	\$3,774	\$4,488	\$2,587	\$2,839	\$3,308
Transaction Price		\$20,300,000	\$40,000,000	\$34,670,000	\$23,000,000	\$32,000,000	\$30,366,000
Recorded Date		3/17/2022	4/22/2021	5/12/2022	11/1/2021	9/20/2022	10/4/2022
Recorded Price		-	\$40,000,000	-	\$23,000,000	\$32,000,000	\$30,366,000
Analysis Price		\$15,300,000	\$40,000,000	\$34,670,000	\$23,000,000	\$32,000,000	\$30,366,000
\$/Homesite		\$92,727	\$81,136	\$112,201	\$73,248	\$75,294	\$90,645
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		3%	5%	1%	3%	3%	0%
Subtotal Transactional Adj Price		\$95,509	\$85,193	\$113,323	\$75,446	\$77,553	\$90,645
PROPERTY ADJUSTMENTS							
Location		0%	10%	0%	20%	20%	10%
Quality		0%	0%	-5%	0%	0%	0%
Condition		0%	0%	-5%	0%	0%	0%
Age		0%	0%	0%	0%	0%	0%
Number Of Homesites		0%	0%	0%	0%	0%	0%
Density		0%	0%	0%	0%	0%	0%
Amenities		0%	0%	0%	0%	0%	0%
Subtotal Property Adjustment		0%	10%	-10%	20%	20%	10%
TOTAL ADJUSTED \$/HOMESITE		\$95,509	\$93,712	\$101,990	\$90,535	\$93,064	\$99,709
STATISTICS		UNADJUSTED	ADJUSTED				
LOW		\$73,248	\$90,535				
HIGH		\$112,201	\$101,990				
MEDIAN		\$85,890	\$94,611				
AVERAGE		\$87,542	\$95,753				

¹ Market Conditions Adjustment - 3%

Date of Value (for adjustment calculations): 11/9/22

SALES COMPARABLE ANALYSIS

Introduction

The comparable sales indicate an adjusted value range from \$90,535 to \$101,990/Homesite, with a median of \$94,611/Homesite and an average of \$95,753/Homesite. The range of total gross adjustment applied to the comparables was from 3% to 23%, with an average gross adjustment across all comparables of 14%. The level of total adjustment applied to the comparables is considered to be moderate. Overall, the availability of market data and extent of analysis was adequate to develop the subject property's total value. The adjustment process for each comparable sale is discussed in the following paragraphs.

Discussion of Adjustments

Comparable 1 (\$95,509/Homesite as adjusted) required a total upward transaction adjustment of 3%. This property sold during a time when the market for manufactured housing communities was weaker, and this sale is adjusted upward. This comparable did not require any property characteristic adjustments. The total gross adjustment applied to this comparable was 3%. 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 2 (\$93,712/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 upward adjustment of 10% for property characteristics. This comparable required an upward adjustment to account for its inferior location. The total gross adjustment applied to this comparable was 15%. 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 primary consideration as a value indicator for the subject.

Comparable 3 (\$101,990/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 -10% for property characteristics. 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 11%. 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 primary consideration as a value indicator for the subject.

Comparable 4 (\$90,535/Homesite as adjusted) required a total upward transaction adjustment of 3%. 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 20% for property characteristics. This comparable required an upward adjustment to account for its inferior location. The total gross adjustment applied to this comparable was 23%. 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 secondary consideration as a value indicator for the subject.

Comparable 5 (\$93,064/Homesite as adjusted) required a total upward transaction adjustment of 3%. 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 20% for property characteristics. This comparable required an upward adjustment to account for its inferior location. The total gross adjustment applied to this comparable was 23%. 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 secondary consideration as a value indicator for the subject.

Comparable 6 (\$99,709/Homesite as adjusted) did not require any transaction adjustments. This comparable required a total upward adjustment of 10% for property characteristics. This comparable required an upward adjustment to account for its inferior location. The total gross adjustment applied to this comparable was 10%. 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 primary consideration as a value indicator for the subject.

SALES COMPARISON APPROACH CONCLUSION

The comparable sales indicate an adjusted value range from \$90,535 to \$101,990/Homesite, with a median of \$94,611/Homesite and an average of \$95,753/Homesite. Based on the results of the preceding analysis, Comparable 1 (\$95,509/Homesite adjusted), Comparable 2 (\$93,712/Homesite adjusted), Comparable 3 (\$101,990/Homesite adjusted) and Comparable 6 (\$99,709/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			FINAL	NET ADJ %	GROSS ADJ %	WEIGHT GIVEN
		TRANSACTIONAL ¹	ADJUSTED	PROPERTY ²				
1	\$92,727	3%	\$95,509	0%	\$95,509	3%	3%	PRIMARY
2	\$81,136	5%	\$85,193	10%	\$93,712	16%	15%	PRIMARY
3	\$112,201	1%	\$113,323	-10%	\$101,990	-9%	11%	PRIMARY
4	\$73,248	3%	\$75,446	20%	\$90,535	24%	23%	SECONDARY
5	\$75,294	3%	\$77,553	20%	\$93,064	24%	23%	SECONDARY
6	\$90,645	0%	\$90,645	10%	\$99,709	10%	10%	PRIMARY
LOW	\$90,535					AVERAGE		\$95,753
HIGH	\$101,990					MEDIAN		\$94,611
			SUBJECT HOMESITES		\$/HOMESITE CONCLUSION			VALUE
AS-IS MARKET VALUE			113	x	\$95,000	=		\$10,740,000

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 national and regional buyers that are actively pursuing similar standard 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 national and regional 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 opinions of the As-Is Market Value and Prospective Value Upon Stabilization of the subject property's fee simple interest.

ANALYSIS OF VALUE CONCLUSIONS		
VALUATION INDICES	MARKET VALUE AS-IS	PROSPECTIVE VALUE UPON STABILIZATION
INTEREST APPRAISED	FEE SIMPLE	FEE SIMPLE
DATE OF VALUE	NOVEMBER 9, 2022	JANUARY 1, 2025
Sales Comparison Approach	\$10,740,000	-
Income Approach	\$10,820,000	\$13,340,000
FINAL VALUE CONCLUSION	\$10,820,000	\$13,340,000
\$/Homesite	\$95,752/Homesite	\$118,053/Homesite
Exposure Time	Six Months or Less	
Marketing Period	Six Months or Less	

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 have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- › Robert Shock 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.
- › Robert Shock did not inspect 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.



Robert Shock

Valuation Specialist

Certified General Real Estate Appraiser
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 rob.shock@colliers.com

November 9, 2022

Date



Bruce Nell, MAI, AI-GRS, MRICS
 Executive Managing Director |
 Advisory Services
 Certified General Real Estate Appraiser
 State of Minnesota License #20580873
 +1 614 437 4687
 bruce.nell@colliers.com

November 9, 2022

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.

Rent Comparables Data Sheets

Sales Comparables Data Sheets

Engagement Letter

Subject Data

Valuation Glossary

Qualifications of Appraisers

Qualifications of Colliers International Valuation & Advisory Services

RENT COMPARABLES DATA SHEETS

COMPARABLE 1

LOCATION INFORMATION

Name	Skyline Village
Address	7510 Concord Blvd E
City, State, Zip Code	Inver Grove Heights, MN, 55076
MSA	Minneapolis-St. Paul-Bloomington, MN-WI

PHYSICAL INFORMATION

Project Design	Manufactured Housing
Number of Units	398
Year Built	1976
Resident Type	All Age
Location	Good
Quality	Average/Good
Condition	Average/Good
Appeal	Average/Good
Homesite Parking	Concrete
Total Parking Spaces	786
Spaces Per Homesite	1.975

Amenities Playground and Clubhouse (1)



SKYLINE VILLAGE

OCCUPANCY

Vacant Units	28
Occupancy Rate	93%

CONFIRMATION

Name	Manager
Source	Skyline Village
Date	11/2/2022
Phone Number	+1 651 451 2874

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

UNIT MIX

<u>DESCRIPTION</u>	<u>SITES</u>	<u>LOW</u>	<u>HIGH</u>	<u>AVG RENT</u>
Single Section	319	\$787	\$787	\$787
Multi-Section	79	\$787	\$787	\$787

REMARKS

This property is situated along the east side of Concord Blvd. The property is approximately 15 miles southeast of the Minneapolis CBD.

COMPARABLE 2

LOCATION INFORMATION

Name Three Rivers
 Address 1 Shannon Dr
 City, State, Zip Code Hastings, MN, 55033
 MSA Minneapolis-St. Paul-Bloomington, MN-WI

PHYSICAL INFORMATION

Project Design Manufactured Housing
 Number of Units 355
 Year Built 1985
 Resident Type All Age
 Location Good
 Quality Average/Good
 Condition Average/Good
 Appeal Average/Good
 Street Construction Asphalt
 Homesite Parking Concrete
 Total Parking Spaces 710
 Spaces Per Homesite 2

Amenities Playground, Clubhouse (1) and Pool (2)



THREE RIVERS

OCCUPANCY / ABSORPTION

Vacant Units 4
 Occupancy Rate 99%

CONFIRMATION

Name Manager
 Source Three Rivers
 Date 11/2/2022
 Phone Number +1 651 437 3552

UTILITIES INCL. IN RENT NOT INCL. IN RENT

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

REMARKS

This property is situated along the northeast side of Great River Road. The property is approximately 28 miles southeast of the Minneapolis CBD.

UNIT MIX

<u>DESCRIPTION</u>	<u>UNITS</u>	<u>LOW</u>	<u>HIGH</u>	<u>AVG RENT</u>
Standard	355	\$582	\$600	\$591

COMPARABLE 3

LOCATION INFORMATION

Name Emerald Hills Village
 Address 8555 Bacardi Ave
 City, State, Zip Code Inver Grove Heights, MN, 55077
 MSA Minneapolis-St. Paul-Bloomington, MN-WI

PHYSICAL INFORMATION

Project Design Manufactured Housing
 Number of Units 402
 Year Built 1972
 Resident Type All Age
 Location Good
 Quality Average/Good
 Condition Average/Good
 Appeal Average/Good
 Street Construction Asphalt
 Homesite Parking Asphalt
 Total Parking Spaces 804
 Spaces Per Homesite 2

Amenities Basketball, Playground and Pool (1)



EMERALD HILLS VILLAGE

OCCUPANCY / ABSORPTION

Vacant Units 4
 Occupancy Rate 99%

CONFIRMATION

Name Manager
 Source Emerald Hills
 Date 11/2/2022
 Phone Number +1 651 454 8128

UTILITIES

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

REMARKS

Located 2 1/2 miles south of I-494 in Inver Grove Heights. The property is 9 miles south of St. Paul and 7 miles southeast of the airport. Storm Shelter, RV Storage, and Nature Pond

UNIT MIX

<u>DESCRIPTION</u>	<u>UNITS</u>	<u>LOW</u>	<u>HIGH</u>	<u>AVG RENT</u>
Multi-Section	201	\$740	\$740	\$740
Single Section	201	\$740	\$740	\$740

COMPARABLE 4

LOCATION INFORMATION

Name Rosemount Woods
 Address 13925 Bunratty Ave
 City, State, Zip Code Rosemount, MN, 55068
 MSA Minneapolis-St. Paul-Bloomington, MN-WI

PHYSICAL INFORMATION

Project Design Manufactured Housing
 Number of Units 221
 Year Built 1980
 Resident Type All Age
 Location Good
 Quality Average/Good
 Condition Average/Good
 Appeal Average/Good
 Homesite Parking Concrete
 Total Parking Spaces 442
 Spaces Per Homesite 2

Amenities Playground and Clubhouse (1)



ROSEMOUNT WOODS

OCCUPANCY / ABSORPTION

Vacant Units 2
 Occupancy Rate 99%

CONFIRMATION

Name Manager
 Source Rosemount Woods
 Date 11/2/2022
 Phone Number +1 855 476 9339

UTILITIES

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

REMARKS

Located just off of State Route 3 in Rosemount. The property is 10 miles southeast of the airport and 15 miles south of St. Paul.

UNIT MIX

<u>DESCRIPTION</u>	<u>UNITS</u>	<u>LOW</u>	<u>HIGH</u>	<u>AVG RENT</u>
Standard	221	\$794	\$794	\$794

COMPARABLE 5

LOCATION INFORMATION

Name Cedar Knolls
 Address 12571 Garland Ave
 City, State, Zip Code Apple Valley, MN, 55124
 MSA Minneapolis-St. Paul, MN-WI MSA

PHYSICAL INFORMATION

Number of Units 458
 Year Built 1969
 Resident Type All Age
 Location Good
 Quality Average/Good
 Condition Average/Good
 Appeal Average/Good
 Homesite Parking Concrete
 Total Parking Spaces 916
 Spaces Per Homesite 2

Amenities Playground, Clubhouse (1) and Pool (1)



CEDAR KNOLLS

OCCUPANCY / ABSORPTION

Vacant Units 14
 Occupancy Rate 97%

CONFIRMATION

Name Manager
 Source Cedar Knolls
 Date 11/2/2022
 Phone Number +1 855 534 2250

UTILITIES

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

REMARKS

This property is situated at the intersection of Galaxie Avenue and 127th Street West. The property is approximately 15 miles south of the Minneapolis CBD.

UNIT MIX

<u>DESCRIPTION</u>	<u>UNITS</u>	<u>LOW</u>	<u>HIGH</u>	<u>AVG RENT</u>
Standard	458	\$816	\$816	\$816

COMPARABLE 6

LOCATION INFORMATION

Name North Creek
 Address 5622 173rd Street West
 City, State, Zip Code Farmington, MN, 55024
 MSA Minneapolis-St. Paul-Bloomington, MN-WI

PHYSICAL INFORMATION

Project Design Manufactured Housing
 Number of Units 165
 Year Built 1984
 Resident Type All Age
 Location Good
 Quality Average/Good
 Condition Average/Good
 Appeal Average/Good
 Street Construction Asphalt
 Homesite Parking Asphalt
 Total Parking Spaces 330
 Spaces Per Homesite 2

Amenities Playground and Clubhouse (1)



NORTH CREEK

OCCUPANCY / ABSORPTION

Vacant Units 3
 Occupancy Rate 98%

CONFIRMATION

Name Manager
 Source North Creek
 Date 11/2/2022
 Phone Number +1 952 460 6505

UTILITIES

INCL. IN RENT

NOT INCL. IN RENT

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

REMARKS

This property is situated along the south side of 173rd Street W, just east of Pilot Knob. The property is approximately 20 miles southeast of the Minneapolis CBD.

UNIT MIX

<u>DESCRIPTION</u>	<u>UNITS</u>	<u>LOW</u>	<u>HIGH</u>	<u>AVG RENT</u>
Standard	165	\$560	\$560	\$560

SALES COMPARABLES DATA SHEETS

COMPARABLE 1

LOCATION INFORMATION

Name	North Creek
Address	5622 173rd Street West
City, State, Zip Code	Farmington, MN, 55024
County	Dakota
MSA	Minneapolis-St. Paul-Bloomington, MN-WI
APN	22-01100-03-012, 22-01100-76-012

SALE INFORMATION

Transaction Date	12/20/2021
Transaction Status	Recorded
Transaction Price	\$20,300,000
Recorded Date	03/17/2022
Rights Transferred	Fee Simple
Financing	Conventional
Conditions of Sale	Arms-Length

PHYSICAL INFORMATION

Project Type	All Age
Homesites	165
Year Built	1984
Quality / Condition	Average / Average
Appeal	Average
Site Size	61.5 Acres (2,676,762 SF)
Zoning	Single-Family Manufactured Home Park District
Street Construction	Asphalt
Homesite Parking	Asphalt
Total Parking Spaces	330
Spaces Per Homesite	2

Amenities	Playground and Clubhouse (1)
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UNIT MIX

<u>DESCRIPTION</u>	<u>NO. HOMESITES</u>
Standard	165



NORTH CREEK

OPERATING INCOME

	<u>PER HOMESITE</u>	<u>TOTAL</u>
Rent Income	\$6,744	\$1,112,760
Other Income	\$545	\$90,000
Gross Income	\$7,289	\$1,202,760
Vacancy @ 5.0%	(\$337)	(\$55,638)
Effective Gross Income	\$6,952	\$1,147,122
Expenses	(\$2,190)	(\$361,425)
Net Operating Income	\$4,762	\$785,697
Occupancy at Sale		98.2%
Expense % of PGI / EGI	30%	32%

ANALYSIS INFORMATION

Price/Homesite	\$92,727.27
Adjusted Price/Homesite	\$95,509.09
Capitalization Rate	5.14%
PGIM / EGIM	12.72 13.34

CONFIRMATION

Name	Confidential
Company	Confidential
Source	Buyer's Representative
Date / Phone Number	12/13/2021 Confidential

REMARKS

This property sold for a total price of \$20,300,000. Included in this sales price was 21.95 acres of excess land which entitled for an additional 130 homesites. While the PSA provided no allocation toward the excess land, based on comparable land sales in the area, we have estimated that it is worth approximately \$5,000,000. This leaves \$15,300,000 allocated toward the parcel containing all of the community's improvements.

COMPARABLE 2

LOCATION INFORMATION

Name	Brandondale MHC
Address	1 Kelly Road
City, State, Zip Code	Chaska, MN, 55318
County	Carver
MSA	Minneapolis-St. Paul-Bloomington, MN-WI
APN	300332400, 300332700

SALE INFORMATION

Buyer	Havenpark Capital Partners
Seller	BRANDONDALE LTD
Transaction Date	04/22/2021
Transaction Status	Recorded
Transaction Price	\$40,000,000
Recorded Date	04/22/2021
Recorded Price	\$40,000,000
Analysis Price	\$40,000,000
Rights Transferred	Fee Simple
Financing	Conventional
Conditions of Sale	Arms-Length

PHYSICAL INFORMATION

Project Type	All Age
Homesites	493
Year Built	1970
Quality / Condition	Average / Average
Appeal	Average
Site Size	123.1 Acres (5,363,107 SF)
Street Construction	Asphalt

Amenities	Clubhouse, Exercise Facilities, Parking Driveway, Parking Garage, Playground, Sport Court and Clubhouse (1)
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UNIT MIX

<u>DESCRIPTION</u>	<u>NO. HOMESITES</u>
Standard	493



BRANDONDALE MHC

OPERATING INCOME

	<u>PER HOMESITE</u>	<u>TOTAL</u>
Rent Income	\$5,364	\$2,644,452
Other Income	\$1,726	\$851,000
Gross Income	\$7,090	\$3,495,452
Vacancy @ 11.0%	(\$590)	(\$290,890)
Effective Gross Income	\$6,500	\$3,204,562
Expenses	(\$2,726)	(\$1,343,922)
Net Operating Income	\$3,774	\$1,860,640
Occupancy at Sale		88.0%
Expense % of PGI / EGI	38%	42%

ANALYSIS INFORMATION

Price/Homesite	\$81,135.90
Adjusted Price/Homesite	\$93,711.97
Capitalization Rate	4.65%
PGIM / EGIM	11.44 12.48

CONFIRMATION

Name	Confidential
Company	Appraiser
Source	Buyer's Representative
Date / Phone Number	06/22/2021 Confidential

REMARKS

This property is located on the north side of Highway 10 and is adjacent to Chaska Middle School. The property is approximately 25 miles southwest of the Minneapolis CBD. Storm Shelter This capitalization rate is based on the following: the county's projected real estate taxes for the year following the sale, a 4.0% management fee, and \$40/Homesite for replacement reserves.

COMPARABLE 3

LOCATION INFORMATION

Name	Park View
Address	1900 SE 28th St
City, State, Zip Code	Grimes, IA, 50111
County	Polk
MSA	Des Moines, IA MSA

SALE INFORMATION

Buyer	RHP
Transaction Date	05/12/2022
Transaction Status	Recorded
Transaction Price	\$34,670,000
Recorded Date	05/12/2022
Analysis Price	\$34,670,000
Rights Transferred	Fee Simple
Financing	Conventional
Conditions of Sale	Arms-Length

PHYSICAL INFORMATION

Project Type	All Age
Homesites	309
Year Built	1992
Quality / Condition	Average/Good / Average/Good
Appeal	Average/Good
Site Size	66.0 Acres (2,875,962 SF)
Zoning	Mobile Home District
Street Construction	Asphalt
Homesite Parking	Asphalt
Total Parking Spaces	618
Spaces Per Homesite	2
Amenities	Basketball, Playground and Clubhouse (1)

UNIT MIX

<u>DESCRIPTION</u>	<u>NO. HOMESITES</u>
Double-Wide	154
Single-Wide	155



PARK VIEW

OPERATING INCOME

	<u>PER HOMESITE</u>	<u>TOTAL</u>
Rent Income	\$6,555	\$2,025,450
Other Income	\$922	\$285,000
Gross Income	\$7,477	\$2,310,450
Vacancy @ 4.0%	(\$262)	(\$81,018)
Effective Gross Income	\$7,215	\$2,229,432
Expenses	(\$2,727)	(\$842,665)
Net Operating Income	\$4,488	\$1,386,767
Occupancy at Sale		99.4%
Expense % of PGI / EGI	36%	38%

ANALYSIS INFORMATION

Price/Homesite	\$112,200.65
Adjusted Price/Homesite	\$101,990.39
Capitalization Rate	4.00%
PGIM / EGIM	15.01 15.55

CONFIRMATION

Name	Confidential
Company	Buyer's Representative
Source	Appraisal Document
Date / Phone Number	10/7/2022 Confidential

REMARKS

This property is situated along the east side of Grimes Blvd. The property is approximately 9 miles northeast of the Des Moines CBD.

COMPARABLE 4

LOCATION INFORMATION

Name	Modern Manor
Address	1700 Scott Blvd
City, State, Zip Code	low a City, IA, 52240
County	Johnson
MSA	low a City, IA
APN	Multiple

SALE INFORMATION

Transaction Date	11/1/2021
Transaction Status	Recorded
Transaction Price	\$23,000,000
Recorded Date	11/1/2021
Recorded Price	\$23,000,000
Analysis Price	\$23,000,000
Rights Transferred	Fee Simple
Financing	Conventional
Conditions of Sale	Assumed Arms-Length

PHYSICAL INFORMATION

Project Type	All Age
Homesites	314
Year Built	1983
Quality / Condition	Average / Average
Appeal	Average
Site Size	48.9 Acres (2,127,906 SF)
Total Parking Spaces	628
Spaces Per Homesite	2

Amenities Playground

UNIT MIX

<u>DESCRIPTION</u>	<u>NO. HOMESITES</u>
Standard	314



MODERN MANOR

OPERATING INCOME

	<u>PER HOMESITE</u>	<u>TOTAL</u>
Rent Income	\$3,947	\$1,239,325
Other Income	\$0	\$0
Gross Income	\$3,947	\$1,239,325
Vacancy @ 0.0%	\$0	\$0
Effective Gross Income	\$3,947	\$1,239,325
Expenses	(\$1,393)	(\$437,386)
Net Operating Income	\$2,587	\$812,181
Occupancy at Sale		95.5%
Expense % of PGI / EGI	35%	35%

ANALYSIS INFORMATION

Price/Homesite	\$73,248.41
Adjusted Price/Homesite	\$90,535.03
Capitalization Rate	3.53%
PGIM / EGIM	18.56 18.56

CONFIRMATION

Name	Confidential
Company	Confidential
Source	Appraisal Document
Date / Phone Number	12/14/2021 Confidential

REMARKS

This capitalization rate is based on the seller's T-12 with some market-based modifications. We have decreased On-Site Management costs to a more market-based level, we have included an Off-Site Management fee of 4.0%, and we have included \$40/Homesite for Reserves.

COMPARABLE 5

LOCATION INFORMATION

Name	Lake Ridge
Address	893 Spring Ridge Drive
City, State, Zip Code	Iowa City, IA, 52246
County	Johnson
MSA	Iowa City, IA
APN	Multiple

SALE INFORMATION

Transaction Date	11/1/2021
Transaction Status	Recorded
Transaction Price	\$32,000,000
Recorded Date	09/20/2022
Recorded Price	\$32,000,000
Analysis Price	\$32,000,000
Rights Transferred	Fee Simple
Financing	Conventional
Conditions of Sale	Arms-Length

PHYSICAL INFORMATION

Project Type	All Age
Homesites	425
Year Built	1994
Quality / Condition	Average / Average
Appeal	Average
Site Size	248.3 Acres (10,814,206 SF)

Amenities Playground

UNIT MIX

<u>DESCRIPTION</u>	<u>NO. HOMESITES</u>
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LAKE RIDGE

OPERATING INCOME

	<u>PER HOMESITE</u>	<u>TOTAL</u>
Rent Income	\$4,124	\$1,752,853
Other Income	\$0	\$0
Gross Income	\$4,124	\$1,752,853
Vacancy @ 0.0%	\$0	\$0
Effective Gross Income	\$4,124	\$1,752,853
Expenses	(\$1,331)	(\$565,747)
Net Operating Income	\$2,839	\$1,206,675
Occupancy at Sale		98.1%
Expense % of PGI / EGI	32%	32%

ANALYSIS INFORMATION

Price/Homesite	\$75,294.12
Adjusted Price/Homesite	\$93,063.53
Capitalization Rate	3.77%
PGIM / EGIM	18.26 18.26

CONFIRMATION

Name	Confidential
Company	Confidential
Source	Appraisal Document
Date / Phone Number	12/14/2021 Confidential

REMARKS

This high-quality community is located on the south side of Iowa City, just east of Hwy 218. The community is situated above a lake on the northeast corner. Some automotive related uses and agricultural uses are located in the area. This capitalization rate is based on the sellers' T-12 with some market-based adjustments.

COMPARABLE 6

LOCATION INFORMATION

Name	Eagle Ridge Community
Address	1285 Red Fox Way
City, State, Zip Code	Marion, IA, 52302
County	Linn
MSA	Cedar Rapids, IA MSA

SALE INFORMATION

Buyer	Confidential
Seller	Brenton Communities Fund XI
Transaction Date	10/4/2022
Transaction Status	In Contract
Transaction Price	\$30,366,000
Recorded Date	10/4/2022
Recorded Price	\$30,366,000
Analysis Price	\$30,366,000
Rights Transferred	Fee Simple
Financing	Conventional
Conditions of Sale	Arms-Length

PHYSICAL INFORMATION

Project Type	All Age
Homesites	335
Year Built	1996
Quality / Condition	Average / Average
Appeal	Average
Site Size	63.2 Acres (2,753,428 SF)
Zoning	Manufactured/Mobile Home Community District a
Street Construction	Asphalt
Homesite Parking	Asphalt
Total Parking Spaces	670
Spaces Per Homesite	2
Amenities	Clubhouse (1)

UNIT MIX

<u>DESCRIPTION</u>	<u>NO. HOMESITES</u>
Standard	335



EAGLE RIDGE COMMUNITY

OPERATING INCOME

	<u>PER HOMESITE</u>	<u>TOTAL</u>
Rent Income	\$4,483	\$1,501,738
Other Income	\$573	\$191,999
Gross Income	\$5,056	\$1,693,737
Vacancy @ 0.0%	\$0	\$0
Effective Gross Income	\$5,056	\$1,693,737
Expenses	(\$1,748)	(\$585,636)
Net Operating Income	\$3,308	\$1,108,101
Occupancy at Sale		89.0%
Expense % of PGI / EGI	35%	35%

ANALYSIS INFORMATION

Price/Homesite	\$90,644.78
Adjusted Price/Homesite	\$99,709.26
Capitalization Rate	3.65%
PGIM / EGIM	17.93

CONFIRMATION

Name	Confidential
Company	Confidential
Source	Confidential
Date / Phone Number	Confidential +1 nfidential

REMARKS

The subject property is located on the west side of State Rd 13. The location is 2 miles east of the Marion CBD. The subject property is currently under contract to be purchased as part of a 50 property, 5,519-homesite portfolio. The purchase price for the entire portfolio is \$310,000,000 or \$60,008 per homesite

Professional Service Agreement



8800 Lyra Drive, Suite 650 Columbus, OH 43240
 MAIN +1 614 436 9800
 FAX +1 614 436 9700
 WEB www.colliers.com/valuationadvisory

November 1, 2022

Nancy A. Caniff
 Senior Valuation Specialist
 Direct +904.316.2124
nancy.caniff@colliers.com

Brian Spear
 Sunrise Communities
 410 S Aurora Ave,
 Clearwater, FL 33765
 Phone: 727-244-1460
mysunrisecommunity.com
brian.spear@mysunrisecommunity.com

RE: Appraisal of Park Estates MHP and Hidden Forest MHP

Dear Mr. Spear:

Thank you for considering Colliers International Valuation & Advisory Services, LLC for the assignment identified in the below stated Professional Service Agreement. Please sign one copy of the agreement and return it to me, thereby indicating your authorization for us to proceed with this assignment and your acceptance of the attached Terms and Conditions.

PROFESSIONAL SERVICE AGREEMENT **("Agreement")**

Project	Park Estates and Hidden Forest MHP ("Property")
Location	Park Estates MHP (& Self-Storage), 600 Hastings Ave, St Paul Park, MN 55071 Hidden Forest MHP, 6602 Holder Inman Road Ext, Randleman, NC 27317
Parties	Colliers International Valuation & Advisory Services, LLC ("CIVAS") and Sunrise Communities (herein at times referred to as "Client")
Intended User	The appraisal will be prepared for Sunrise Communities. Intended users include the Client. No other users are intended.
Intended Use	The report to be performed under this Agreement ("Appraisal") is intended only for use in Internal Decision Making. The report is not intended for any other use.
Purpose	Market Value
Type of Appraisal	CIVAS will produce a Restricted Report in which the appraiser's analysis and conclusions will be stated within this document.
Rights Appraised	Fee Simple, Leased Fee
Date of Value	Date of inspection (or other date defined by appraiser)

Professional Service Agreement

Continued

Scope of Work	<p>CIVAS and/or its designated affiliate will provide the Appraisal in accordance with USPAP, FIRREA, and the Code of Ethics and Certifications Standards of the Appraisal Institute and State Licensing Laws. CIVAS will research relevant market data and perform analysis to the extent necessary to produce credible appraisal results.</p> <p>Based on our discussions with the Client, the Client has requested the following valuation scenarios:</p> <ul style="list-style-type: none">› As Is <p>CIVAS anticipates developing the following valuation approaches:</p> <ul style="list-style-type: none">› Sales Comparison Approach› Income Capitalization Approach (including Direct Capitalization) <p>No observation of the subject property will be performed.</p> <p>Please note if it's a requirement per the client's underwriting guidelines to analyze and report all approaches to value, this will be performed although some approaches may be limited in application.</p> <p>The scope of work will be included in the Appraisal. A copy of the Assumptions and Limiting Conditions, which appear in the Appraisal, is available upon request.</p>
Delivery	<p>Draft Appraisal: Delivered 11/9/2022</p> <p>Final Appraisal: Delivered three (3) days after completion of client review and authorization to deliver final report(s).</p>
Professional Fee	\$4,500 each
Expenses	Fees include all associated expenses.
No. of Reports	<p>One (1) Electronic Draft Appraisal and One (1) Electronic Final Appraisal.</p> <p>No printed copies will be delivered to the client.</p>
Retainer	<p>We will proceed with the assignment upon execution of the contract but will require payment prior to release of the draft report.</p> <p><u>To Pay By Check:</u> Please remit all payments to Colliers International Valuation & Advisory Services 26791 Network Place Chicago, IL 60673-1267 **Please include the property name or address on the memo line**</p> <p><u>Wire Instructions:</u> JP Morgan Chase Bank, NA Chicago, IL 70-2322/719 Account Name: Colliers International Valuation & Advisory Services, LLC Account No. 899559074 ABA No. 021000021 ACH Payment Transit Routing Number: 071000013 Swift code for International Wires ONLY: CHASUS33 **Please include the property name or address in addenda/memo payment information**</p> <p>Please send notification to CIVASAccounting@colliers.com when payment has been sent.</p>
Payment Terms	<p>CIVAS will invoice Client for the Appraisal in its entirety at the delivery of the draft appraisal.</p> <p>Final payment is due and payable within five (5) business days upon delivery of the electronic copy of the Final Appraisal or within thirty (30) days of your receipt of our Draft Appraisal, whichever is sooner. If a Draft Appraisal is requested, the fee is considered earned upon delivery of our Draft Appraisal.</p>
Acceptance Date	These specifications are subject to modification if this Agreement is not accepted within three (3) business days from the date of this letter.

Professional Service Agreement

Continued

Terms and Conditions

The attached Terms and Conditions and Specific Property Data Request are deemed a part of this Agreement as though set forth in full herein. The following is a list of information needed to begin and complete our analysis. The Client signing this Agreement or the party sending the specific property data certifies that all the information provided is accurate and complete as of the date of this request, and that any updates, revisions or additional relevant information that comes into control or possession of the Client prior to the date on which the Appraisal is delivered shall be provided to CIVAS immediately. Please forward with the Agreement or as soon as possible.

- › Survey with Legal Description & Site Size
- › Title Report
- › Wetland Delineation Map (if applicable)
- › Engineering studies, soil tests or environmental assessments
- › Ground lease (if applicable)
- › Existing Building or Improvement Plans
- › Individual Floor or Unit Plans
- › Current County Property Tax Bill
- › Details on any Sale, Contract, or listing of the property in the past 3 years
- › Construction Cost/Budget (within past 3 years)
- › Detailed list of personal property items
- › Property Condition Report
- › Details regarding the historical and future replacement schedule (i.e., carpets, appliances, cabinetry, laundry facilities, HVAC, etc.)
- › Capital improvements history (2 years) & budget
- › Three year & YTD Income & Expenses
- › Current Budget
- › Detailed occupancy report for the past 3 years and YTD
- › Detailed current certified rent roll indicating any vacant units and in-place rents
- › Details regarding any pending changes to the rent roll including any negotiated side deals to delay or forgive rent payments
- › Aged Accounts/Delinquency Report
- › Details regarding any concessions currently being offered for new and existing tenants
- › Marketing plan and/or local competitive study, if available
- › Copy of recent Appraisals or Market Studies
- › Name and telephone number of property contact for physical inspection and additional information needed during the appraisal process
- › Property Contact _____

In addition to the items requested above, please forward any additional materials you would consider relevant in the analysis of the subject property.

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 the stated Intended Use. CIVAS 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 CIVAS 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 CIVAS will be provided with an Indemnification Agreement and/or Non-Reliance letter, in a form and content satisfactory to CIVAS, by a party satisfactory to CIVAS. CIVAS hereby expressly grants to client the right to copy the Appraisal and distribute it to employees of client and to your accountants/auditors in its entirety (but not component parts) without the need to provide CIVAS with an Indemnification Agreement and/or Non-Reliance letter.

The Appraisal requires CIVAS to submit a Summation of the Appraisal Findings in the form of a Letter of Transmittal along with the Summary of Salient Facts and Special/Limiting Conditions applicable to the Appraisal. This will be completed in conjunction with the Appraisal at the above stated fee.

If you have questions regarding the enclosed, please feel free to contact me. CIVAS appreciates this opportunity to be of service to you on this assignment and looks forward to serving you. If you have additional questions, please contact us.

I, **Brian Spear/Sunrise Communities** agree to the above stated terms and authorize Colliers International Valuation & Advisory Services, LLC to prepare the above referenced appraisal.



Date: 11/01/2022

Brian Spear
Sunrise Communities

Respectfully,

Colliers International Valuation & Advisory Services, LLC

Nancy A. Caniff
Senior Valuation Specialist
Direct +904.316.2124
Nancy.caniff@colliers.com

Terms and Conditions

"T&C"

- 1) The Appraisal will be subject to Colliers International Valuation & Advisory Services, LLC's ("CIVAS") Assumptions and Limiting Conditions that are incorporated into each appraisal, and any Extraordinary Assumptions and Hypothetical Conditions that may be incorporated into each appraisal.
- 2) Any capitalized, non-defined words shall have the same meaning as defined in the Agreement to which these T&Cs are attached.
- 3) Client is defined as the party signing the Agreement and shall be responsible for payment of the fees stipulated in the Agreement. Payment of the fee for the Appraisal is not contingent on the appraised value(s) or the outcome of the report(s). Additional fees will be charged on an hourly basis for any work that may exceed the scope of this proposal, including performing additional valuation scenarios, additional research, and conference calls, meetings, deposition preparation, deposition, trial testimony or travel that may exceed the time allotted by CIVAS for an assignment of this nature. If CIVAS is requested to cease working on the Appraisal for any reason prior to the completion of the appraisal(s), CIVAS will be entitled to bill the Client for the time spent to date at CIVAS' hourly rates for the personnel involved. The Client will be billed a minimum \$500 or at a rate of \$250 per hour for associate time, \$300 per hour for valuation services director, \$400 per hour for managing director, and \$450 per hour for executive managing director. If the Client delays completion of the assignment beyond ninety (90) days, the fee may be renegotiated. This may result in the total fee exceeding the original agreed fee agreed upon cost.
- 4) Client agrees to pay all fees and expenses, including attorney's fees, incurred by CIVAS in connection with the collection or attempted collection of the fees and expenses. In the event Client fails to make payments when due and payable, the amount due shall bear interest at 1.5% per month or the maximum rate permitted in the state in which the CIVAS office executing the Agreement is located, whichever is lesser.
- 5) The fee is due upon delivery of the final report or within thirty (30) days of your receipt of the draft report, whichever is sooner. If a draft is requested, the fee is considered earned upon delivery of our draft report.
- 6) In the event that either party commences any legal action relating to the provisions of the Agreement, including collection, the prevailing party shall be entitled to its actual attorneys' fees and costs. The Agreement shall be governed by and construed in accordance with the laws of the state where the CIVAS office executing the Agreement is located. The venue of any action arising out of the Agreement shall be the county where the CIVAS office executing the Agreement is located. Client will have up to thirty (30) days from receipt of the Draft Appraisal to review and communicate its review to CIVAS. CIVAS reserves the right to bill Client for additional appraisal efforts that may arise from the Client not responding within with this time period.
- 7) CIVAS does not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Property furnished to CIVAS by Client. In the event that any such information is inaccurate, misleading or incomplete, CIVAS shall have no responsibility or liability for any matters relating thereto (whether to the Client or to any third party).
- 8) CIVAS shall have no responsibility for legal matters, questions of survey or title, soil or subsoil conditions, engineering, or other similar technical matters. The Appraisal will not constitute a survey of the Property analyzed.
- 9) Client shall provide CIVAS with such materials with respect to the Appraisal as requested by CIVAS and which are in the possession or under the control of Client. Client shall provide CIVAS with sufficient access to the Property to be analyzed and hereby grants permission for entry, unless discussed in advance to the contrary.
- 10) The data gathered in the course of the Appraisal (except data furnished by Client) and the Appraisal prepared pursuant to the Agreement are, and will remain, the property of CIVAS. With respect to data provided by Client, such data shall be confidential, and CIVAS shall not disclose any information identified as confidential furnished to CIVAS. Notwithstanding the foregoing, CIVAS is authorized by Client to disclose all or any portion of the Appraisal and the related data to appropriate representatives of the Appraisal Institute if such disclosure is required to enable CIVAS to comply with the Bylaws and Regulations of such Institute as now or hereafter in effect.
- 11) Unless specifically noted, CIVAS does not assume any duty to analyze or examine the Property or adjacent property for the possible presence of toxic and/or hazardous substances or materials (including but not exclusive to asbestos, PCB transformers, or other toxic, hazardous, or contaminated substances and/or underground storage tanks (hazardous material), or the cost of encapsulation or removal thereof) and accepts no liability regarding the issue. If such materials exist, CIVAS defers to the expertise of professionals specifically trained in analyzing the cost to remediate, which will not be a part of the appraisal fee proposal. The Appraisal will contain a comprehensive disclaimer to this effect.
- 12) CIVAS understands that there is no major or significant deferred maintenance in the Property which would require the expertise of a professional cost estimator or contractor. If such repairs are needed, the estimates are to be prepared by others, and are not a part of the fee contemplated in the Agreement.
- 13) Client acknowledges that CIVAS is being retained hereunder as an independent contractor to perform the services described herein and nothing in the Agreement shall be deemed to create any other relationship between Client and CIVAS. The Agreement shall be deemed concluded and the services hereunder completed upon delivery to Client of the Appraisal discussed herein.
- 14) Client agrees that its only remedy for losses or damages relating to the Agreement shall be limited to the amount of the appraisal fee paid by the Client and in no circumstances shall CIVAS be liable for any losses or damages in excess of this amount. Should the Client, or any other entitled party, make a claim against CIVAS, its directors, officers, employees and other affiliates and shareholders, relating to this engagement or the appraisal(s), the maximum damages recoverable from CIVAS, its directors, officers, employees and other affiliates and shareholders, shall be the amount of funds actually collected by CIVAS under the Agreement, and no claim shall be made for any consequential or punitive damages.

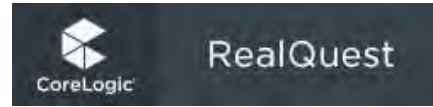
Professional Service Agreement

Continued

- 15) If CIVAS or any of its employees receives a subpoena or other judicial notification to produce documents or provide testimony involving the Appraisal in connection with a lawsuit or related proceeding, CIVAS will notify the Client of receipt of the subpoena or notification. However, if CIVAS is not part of the lawsuit or proceedings, Client agrees to compensate CIVAS for the professional time required and to reimburse CIVAS for the expenses incurred in responding to any such subpoena or judicial notification, including any attorneys' fees, as they are incurred. CIVAS is to be compensated at the prevailing hourly rates of the personnel responding to the subpoena or command for testimony.
- 16) If expert witness testimony is required in connection with the Appraisal, the following hourly rates will apply. The Client will be billed at the rate of \$250 per hour for associate time, \$350 per hour for valuation services director, \$400 per hour for managing director, and \$450 per hour for executive managing director. The hourly billings pertain to court preparation, waiting and travel time, document review and preparation (excludes appraisal report) and all meetings related to court testimony.
- 17) Client shall indemnify and hold CIVAS, its parent, subsidiaries, affiliates, its officers, directors, employees and agents ("CIVAS Indemnities"), fully harmless against all losses, damages, claims, and expenses of any kind whatsoever (including costs and reasonable attorneys' fees), sustained or incurred by a third party as a result of the negligence or intentional acts or omissions of Client (including any failure to perform any duty imposed by law), any misrepresentation, distortion or if Client fails to provide complete and accurate information to CIVAS, for which recovery is sought against the CIVAS Indemnities; however, such obligation to defend and indemnify shall not apply to the extent caused by the negligent act or willful misconduct of CIVAS. Client shall indemnify and hold CIVAS Indemnities harmless from any claims, expenses, judgments or other items or costs arising as a result of the Client's failure or the failure of any of the Client's agents to provide a complete copy of the Appraisal to any third party. LIMITATION OF LIABILITY. EXCEPT FOR THE INDEMNIFICATION PROVISION ABOVE, ANYTHING IN THE AGREEMENT TO THE CONTRARY NOTWITHSTANDING, UNDER NO CIRCUMSTANCES WHATSOEVER SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY SPECIAL, CONSEQUENTIAL, PUNITIVE, OR INCIDENTAL DAMAGES OF ANY KIND WHATSOEVER.
- 18) CIVAS agrees to maintain Professional Liability Insurance in the amount of \$1,000,000 and General Liability insurance in the amount of \$2,000,000, as well as Workers Compensation per local regulatory requirements. CIVAS will endeavor to provide Client with written notice regarding any cancellation of any such insurance. CIVAS will provide Client with certificates of insurance naming Client as an additional insured on the General Liability policy upon request.
- 19) The Appraisal and the name Colliers International Valuation & Advisory Services may not be used in any marketing or investment material or offering memoranda without CIVAS' prior written consent. CIVAS, its employees and appraisers have no liability to any recipients of any prepared material and disclaim all liability to any party other than the Client.
- 20) Unless CIVAS consents in writing, the Appraisal cannot be used by any party or for any purpose other than the Client for the purposes specified in the Agreement. Should the Client provide a copy of this Appraisal to any person or entity not authorized by CIVAS in writing, Client hereby agrees to hold CIVAS, its directors, officers, employees and other affiliates and shareholders, harmless from all damages, expenses, claims and costs, including any attorney's fees. The Client acknowledges that any opinions and conclusions expressed by the professionals of CIVAS pursuant to the Agreement are made as employees and not as individuals. CIVAS' responsibility is limited to the Client, and the use of the Appraisal or related product by third parties shall be solely at the risk of the Client and/or third parties.
- 21) The use of this appraisal shall be used only for the purpose as set forth in the Intended Use section of the Agreement. In the event that the client wishes to use this report or portions of this report for any other purpose such as, to become part of or be referenced in, any offering or other material intended for the review of others, or to be submitted to others, will be at the Client's sole and absolute discretion and, if given, will be on condition that CIVAS will be provided with an Indemnification Agreement and/or Non-Reliance letter, in a form and content satisfactory to CIVAS and the Client, by a party satisfactory to CIVAS and the Client. CIVAS does consent to Client submission of the complete Appraisal to rating agencies, loan participants or your accountants/auditors without the need to provide us with an Indemnification Agreement and/or Non-Reliance letter.

Property Detail Report

For Property Located At :
 , ST. PAUL PARK, MN



Owner Information

Owner Name: **PARK ESTATES INC**
 Mailing Address: **1059 DORLAND RD S, MAPLEWOOD MN 55119-3576 C050**
 Vesting Codes: **//**

Location Information

Legal Description: **LOT B SUBDIVISIONCD 68100 SUBDIVISIONNAME MERLINWOOD**
 County: **WASHINGTON, MN** APN: **0702721230005**
 Census Tract / Block: **/** Alternate APN:
 Township-Range-Sect: **27-21-07** Subdivision: **MERLINWOOD**
 Legal Book/Page: Map Reference: **/**
 Legal Lot: **B** Tract #:
 Legal Block: School District: **0833**
 Market Area: School District Name: **SOUTH WASHINGTON COUNTY**
 Neighbor Code: Munic/Township: **SAINT PAUL PARK**

Owner Transfer Information

Recording/Sale Date: **/** Deed Type:
 Sale Price: 1st Mtg Document #:
 Document #:

Last Market Sale Information

Recording/Sale Date: **04/18/2011 / 03/30/2011** 1st Mtg Amount/Type: **/**
 Sale Price: **\$176,875** 1st Mtg Int. Rate/Type: **/**
 Sale Type: 1st Mtg Document #: **/**
 Document #: **121245** 2nd Mtg Amount/Type: **/**
 Deed Type: **WARRANTY DEED** 2nd Mtg Int. Rate/Type: **/**
 Transfer Document #: Price Per SqFt:
 New Construction: **Y** Multi/Split Sale:
 Title Company:
 Lender:
 Seller Name: **BORST CONSTRUCTION INC**

Prior Sale Information

Prior Rec/Sale Date: **/** Prior Lender:
 Prior Sale Price: Prior 1st Mtg Amt/Type: **/**
 Prior Doc Number: Prior 1st Mtg Rate/Type: **/**
 Prior Deed Type:

Property Characteristics

Gross Area:	Parking Type:	Construction:
Living Area:	Garage Area:	Heat Type:
Tot Adj Area:	Garage Capacity:	Exterior wall:
Above Grade:	Parking Spaces:	Porch Type:
Total Rooms:	Basement Area:	Patio Type:
Bedrooms:	Finish Bsmnt Area:	Pool:
Bath(F/H): /	Basement Type:	Air Cond:
Year Built / Eff: /	Roof Type:	Style:
Fireplace: /	Foundation:	Quality:
# of Stories:	Roof Material:	Condition:
Other Improvements: Building Permit		

Site Information

Zoning:	Acres:	1.28	County Use:	MH PARK (350)
Lot Area:	55,800	Lot Width/Depth:	x	State Use:
Land Use:	MOBILE HOME PARK	Res/Comm Units:	/	Water Type:
Site Influence:				Sewer Type:

Tax Information

Total Value:	\$87,100	Assessed Year:	2021	Property Tax:	\$1,636.00
Land Value:	\$87,100	Improved %:		Tax Area:	7301
Improvement Value:		Tax Year:	2022	Tax Exemption:	
Total Taxable Value:	\$87,100				

Transaction History Report

For Property Located At

, ST. PAUL PARK, MN



TRANSACTION HISTORY

History Record #: 1

Sale:

Sale Recording Date: 04/18/2011

Sale Price: \$176,875

Sale Date: 03/30/2011

Sale Price Type:

Rec. Document #: 121245

Multi/Split Sale:

Document Type: WARRANTY DEED

Other Document #:

Title Company:

Buyer: WAHLSTROM BRADLEY D

Seller: BORST CONSTRUCTION INC

Legal & Vesting Report

For Property Located At



, ST. PAUL PARK, MN

LEGAL

In the County of Washington, State of Minnesota

Assessed Owner:

Legal Description:

A PARCEL OF LAND LOCATED IN THE STATE OF MINNESOTA, COUNTY OF WASHINGTON, WITH A SITUS ADDRESS OF , ST. PAUL PARK, MN CURRENTLY OWNED BY PARK ESTATES INC HAVING A TAX ASSESSOR NUMBER OF 0702721230005 AND BEING THE SAME PROPERTY MORE FULLY DESCRIBED AS LOT B SUBDIVISIONCD 68100 SUBDIVISIONNAME MERLINWOOD AND DESCRIBED IN DOCUMENT NUMBER 121245 DATED 03/30/2011 AND RECORDED 04/18/2011.

Legal Description (Short):

LOT B SUBDIVISIONCD 68100 SUBDIVISIONNAME MERLINWOOD

Subdivision: MERLINWOOD
Legal Book/Page:
Assessor's Parcel #: 0702721230005

Legal Block/Bldg:
Legal Lot/Unit: B

PROPERTY ADDRESS

ST. PAUL PARK, MN

MAILING ADDRESS

1059 DORLAND RD S
 MAPLEWOOD MN 55119-3576 C050

TAX INFORMATION

Tax Year: 2022
Assessed Year: 2021
Tax Rate Area: 7301
Delinquent Tax Year:

Property Tax: \$1,636.00
Total Value: \$87,100
Land Value: \$87,100
Improvement Value:

Exemption:

% Improved:

TRANSACTION HISTORY

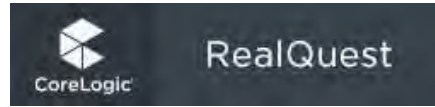
History Record #: 1

Sale:
Sale Recording Date: 04/18/2011
Sale Date: 03/30/2011
Rec. Document #: 121245
Document Type: WARRANTY DEED
Title Company:
Buyer: WAHLSTROM BRADLEY D
Seller: BORST CONSTRUCTION INC

Sale Price: \$176,875
Sale Price Type:
Multi/Split Sale:
Other Document #:

Property Detail Report

For Property Located At :
 , ST. PAUL PARK, MN



Owner Information

Owner Name: **PARK ESTATES INC**
 Mailing Address: **1059 DORLAND RD S, MAPLEWOOD MN 55119-3576 C050**
 Vesting Codes: **//**

Location Information

Legal Description: **LOT C SUBDIVISIONCD 68100 SUBDIVISIONNAME MERLINWOOD TOG WITH VACATED GREYCROSS DR**

County:	WASHINGTON, MN	APN:	0702721230006
Census Tract / Block:	/	Alternate APN:	
Township-Range-Sect:	27-21-07	Subdivision:	MERLINWOOD
Legal Book/Page:		Map Reference:	/
Legal Lot:	C	Tract #:	
Legal Block:		School District:	0833
Market Area:		School District Name:	SOUTH WASHINGTON COUNTY
Neighbor Code:		Munic/Township:	SAINT PAUL PARK

Owner Transfer Information

Recording/Sale Date:	/	Deed Type:	
Sale Price:		1st Mtg Document #:	
Document #:			

Last Market Sale Information

Recording/Sale Date:	/	1st Mtg Amount/Type:	/
Sale Price:		1st Mtg Int. Rate/Type:	/
Sale Type:		1st Mtg Document #:	
Document #:		2nd Mtg Amount/Type:	/
Deed Type:		2nd Mtg Int. Rate/Type:	/
Transfer Document #:		Price Per SqFt:	
New Construction:		Multi/Split Sale:	
Title Company:			
Lender:			
Seller Name:			

Prior Sale Information

Prior Rec/Sale Date:	/	Prior Lender:	
Prior Sale Price:		Prior 1st Mtg Amt/Type:	/
Prior Doc Number:		Prior 1st Mtg Rate/Type:	/
Prior Deed Type:			

Property Characteristics

Gross Area:		Parking Type:		Construction:	
Living Area:		Garage Area:		Heat Type:	
Tot Adj Area:		Garage Capacity:		Exterior wall:	
Above Grade:		Parking Spaces:		Porch Type:	
Total Rooms:		Basement Area:		Patio Type:	
Bedrooms:		Finish Bsmnt Area:		Pool:	
Bath(F/H):	/	Basement Type:		Air Cond:	
Year Built / Eff:	/	Roof Type:		Style:	
Fireplace:	/	Foundation:		Quality:	
# of Stories:		Roof Material:		Condition:	
Other Improvements:	Building Permit				

Site Information

Zoning:		Acres:	11.46	County Use:	MH PARK (350)
Lot Area:	499,271	Lot Width/Depth:	x	State Use:	
Land Use:	MOBILE HOME PARK	Res/Comm Units:	/	Water Type:	
Site Influence:				Sewer Type:	

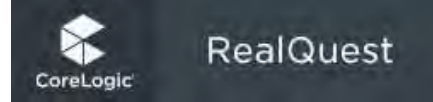
Tax Information

Total Value:	\$779,400	Assessed Year:	2021	Property Tax:	\$14,596.00
Land Value:	\$779,400	Improved %:		Tax Area:	7301
Improvement Value:		Tax Year:	2022	Tax Exemption:	
Total Taxable Value:	\$779,400				

Transaction History Report

For Property Located At

, ST. PAUL PARK, MN



Transaction History Report is not available

ST. PAUL PARK MN

No transaction history information exists for this property. This could mean the data is not available or an activity that needs to occur for this report to capture, has not occurred.

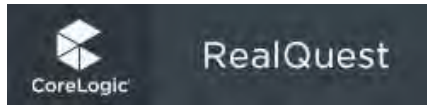
[Back to report selection](#)

> [Disclaimer of Use](#)



Legal & Vesting Report

For Property Located At



, ST. PAUL PARK, MN

LEGAL

In the County of Washington, State of Minnesota

Assessed Owner:

Legal Description: A PARCEL OF LAND LOCATED IN THE STATE OF MINNESOTA, COUNTY OF WASHINGTON, WITH A SITUS ADDRESS OF , ST. PAUL PARK, MN CURRENTLY OWNED BY PARK ESTATES INC HAVING A TAX ASSESSOR NUMBER OF 0702721230006 AND BEING THE SAME PROPERTY MORE FULLY DESCRIBED AS LOT C SUBDIVISIONCD 68100 SUBDIVISIONNAME MERLINWOOD TOG WITH VACATED GREYCROSS DR DATED AND RECORDED .

Legal Description (Short): LOT C SUBDIVISIONCD 68100 SUBDIVISIONNAME MERLINWOOD TOG WITH VACATED GREYCROSS DR

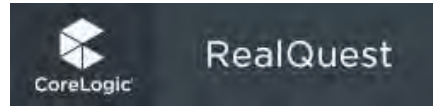
Subdivision:	MERLINWOOD	Legal Block/Bldg:	
Legal Book/Page:		Legal Lot/Unit:	C
Assessor's Parcel #:	0702721230006		

PROPERTY ADDRESS	MAILING ADDRESS
ST. PAUL PARK, MN	1059 DORLAND RD S MAPLEWOOD MN 55119-3576 C050

TAX INFORMATION			
Tax Year:	2022	Property Tax:	\$14,596.00
Assessed Year:	2021	Total Value:	\$779,400
Tax Rate Area:	7301	Land Value:	\$779,400
Delinquent Tax Year:		Improvement Value:	
Exemption:		% Improved:	

Property Detail Report

For Property Located At :
 , ST. PAUL PARK, MN



Owner Information

Owner Name: **PARK ESTATES INC**
 Mailing Address: **1059 DORLAND RD S, MAPLEWOOD MN 55119-3576 C050**
 Vesting Codes: **// CO**

Location Information

Legal Description: **SUBDIVISIONNAME DIV NO.3 ST PAUL PARK BLK A,B,213-219,232-263 LOT 27 BLOCK 249
 SUBDIVISIONCD 68444 & LTS 28 & 29**

County:	WASHINGTON, MN	APN:	0102722440007
Census Tract / Block:	713.00 / 3	Alternate APN:	
Township-Range-Sect:	27-22-01	Subdivision:	ST PAUL PARK DIV 03
Legal Book/Page:		Map Reference:	/
Legal Lot:	27	Tract #:	
Legal Block:	A	School District:	0833
Market Area:		School District Name:	SOUTH WASHINGTON COUNTY
Neighbor Code:		Munic/Township:	SAINT PAUL PARK

Owner Transfer Information

Recording/Sale Date:	/	Deed Type:	
Sale Price:		1st Mtg Document #:	
Document #:			

Last Market Sale Information

Recording/Sale Date:	07/19/1995 / 05/25/1995	1st Mtg Amount/Type:	/
Sale Price:	\$13,000	1st Mtg Int. Rate/Type:	/
Sale Type:		1st Mtg Document #:	
Document #:	21325	2nd Mtg Amount/Type:	/
Deed Type:	DEED (REG)	2nd Mtg Int. Rate/Type:	/
Transfer Document #:		Price Per SqFt:	\$4.81
New Construction:		Multi/Split Sale:	
Title Company:			
Lender:			
Seller Name:	OWNER RECORD		

Prior Sale Information

Prior Rec/Sale Date:	/ 09/09/1992	Prior Lender:	
Prior Sale Price:	\$10,000	Prior 1st Mtg Amt/Type:	/
Prior Doc Number:		Prior 1st Mtg Rate/Type:	/
Prior Deed Type:	DEED (REG)		

Property Characteristics

Year Built / Eff:	1998 /	Total Rooms/Offices		Garage Area:	
Gross Area:	2,700	Total Restrooms:		Garage Capacity:	
Building Area:	2,700	Roof Type:		Parking Spaces:	
Tot Adj Area:		Roof Material:		Heat Type:	
Above Grade:		Construction:		Air Cond:	
# of Stories:		Foundation:		Pool:	
Other Improvements:	Building Permit	Exterior wall:		Quality:	
		Basement Area:		Condition:	

Site Information

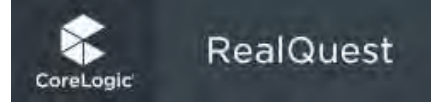
Zoning:		Acres:	0,31	County Use:	INDUSTRIAL (305)
Lot Area:	13,338	Lot Width/Depth:	x	State Use:	
Land Use:	MINI WAREHOUSE	Res/Comm Units:	/	Water Type:	
Site Influence:				Sewer Type:	

Tax Information

Total Value:	\$162,000	Assessed Year:	2021	Property Tax:	\$3,878.00
Land Value:	\$40,000	Improved %:	75%	Tax Area:	7301
Improvement Value:	\$122,000	Tax Year:	2022	Tax Exemption:	
Total Taxable Value:	\$162,000				

Transaction History Report

For Property Located At



, ST. PAUL PARK, MN

TRANSACTION HISTORY

History Record #: 1

Sale:

Sale Recording Date: 07/19/1995

Sale Price: \$13,000

Date:

Sale Date: 05/25/1995

Sale Price Type:

Rec. Document #: 21325

Multi/Split Sale:

Document Type: DEED (REG)

Other Document #:

Title Company:

Buyer: PARK ESTATES INC

Seller: OWNER RECORD

History Record #: 2

Sale:

Sale Recording Date:

Sale Price: \$10,000

Date:

Sale Date: 09/09/1992

Sale Price Type:

Rec. Document #:

Multi/Split Sale:

Document Type: DEED (REG)

Other Document #:

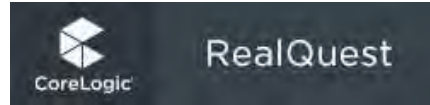
Title Company:

Buyer: OWNER RECORD

Seller: OWNER RECORD

Legal & Vesting Report

For Property Located At



, ST. PAUL PARK, MN

LEGAL

In the County of Washington, State of Minnesota

Assessed Owner:

CORPORATION

Legal Description:

A PARCEL OF LAND LOCATED IN THE STATE OF MINNESOTA, COUNTY OF WASHINGTON, WITH A SITUS ADDRESS OF , ST. PAUL PARK, MN CURRENTLY OWNED BY PARK ESTATES INC HAVING A TAX ASSESSOR NUMBER OF 0102722440007 AND BEING THE SAME PROPERTY MORE FULLY DESCRIBED AS SUBDIVISIONNAME DIV NO.3 ST PAUL PARK BLK A,B,213-219,232-263 LOT 27 BLOCK 249 SUBDIVISIONCD 68444 & LTS 28 & 29 AND DESCRIBED IN DOCUMENT NUMBER 21325 DATED 05/25/1995 AND RECORDED 07/19/1995.

Legal Description (Short):

SUBDIVISIONNAME DIV NO.3 ST PAUL PARK BLK A,B,213-219,232-263 LOT 27 BLOCK 249 SUBDIVISIONCD 68444 & LTS 28 & 29

Subdivision:

ST PAUL PARK DIV 03

Legal Block/Bldg: A

Legal Book/Page:

Legal Lot/Unit: 27

Assessor's Parcel #:

0102722440007

PROPERTY ADDRESS

MAILING ADDRESS

ST. PAUL PARK, MN

1059 DORLAND RD S
MAPLEWOOD MN 55119-3576 C050

TAX INFORMATION

Tax Year: 2022
Assessed Year: 2021
Tax Rate Area: 7301
Delinquent Tax Year:

Property Tax: \$3,878.00
Total Value: \$162,000
Land Value: \$40,000
Improvement Value: \$122,000
% Improved: 75%

Exemption:

TRANSACTION HISTORY

History Record #: 1

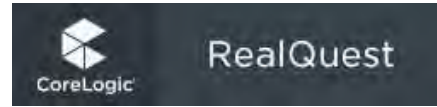
Sale:
Sale Recording Date: 07/19/1995
Sale Price: \$13,000
Sale Date: 05/25/1995
Sale Price Type:
Rec. Document #: 21325
Multi/Split Sale:
Document Type: DEED (REG)
Other Document #:
Title Company:
Buyer: PARK ESTATES INC
Seller: OWNER RECORD

History Record #: 2

Sale:
Sale Recording Date: 09/09/1992
Sale Price: \$10,000
Sale Price Type:
Rec. Document #:
Multi/Split Sale:
Document Type: DEED (REG)
Other Document #:
Title Company:
Buyer: OWNER RECORD
Seller: OWNER RECORD

Property Detail Report

For Property Located At :
 , ST. PAUL PARK, MN



Owner Information

Owner Name: **PARK ESTATES INC**
 Mailing Address: **1059 DORLAND RD S, MAPLEWOOD MN 55119-3576 C050**
 Vesting Codes: **//**

Location Information

Legal Description: **SUBDIVISIONNAME DIV NO.3 ST PAUL PARK BLK A,B,213-219,232-263 LOT 34 BLOCK 249 SUBDIVISIONCD 68444 & LOTS 035 THRU 041 TOG WITH THAT PORTION OF VACATED BROADWAY AVE ABUTTING SD LOTS SUBJ TO EASEMT IN FAVOR OF THE CITY OF ST PAUL PARK MN OVER UNDER & ACROSS THE N 35FT OF THE S 54FT THEREOF & OVER UN- DER & ACROSS ALL THAT PORTION OF VACATED BROADWAY AVE E OF A LINE DESC AS THE E LINE OF LOT 41 BLOCK 249 DIV#3 ST PAUL PARK & THE SLY EXTENSION OF SD E LINE OF SD LOT 41 TO THE S RW LINE OF VACATED BROADWAY AVE EXC THE S 19FT THEREOF**

County:	WASHINGTON, MN	APN:	0102722440012
Census Tract / Block:	713.00 / 3	Alternate APN:	
Township-Range-Sect:	27-22-01	Subdivision:	ST PAUL PARK DIV 03
Legal Book/Page:		Map Reference:	/
Legal Lot:	34	Tract #:	
Legal Block:	A	School District:	0833
Market Area:		School District Name:	SOUTH WASHINGTON COUNTY
Neighbor Code:		Munic/Township:	SAINT PAUL PARK

Owner Transfer Information

Recording/Sale Date:	/	Deed Type:	
Sale Price:		1st Mtg Document #:	
Document #:			

Last Market Sale Information

Recording/Sale Date:	/ 10/01/1996	1st Mtg Amount/Type:	/
Sale Price:	\$16,001	1st Mtg Int. Rate/Type:	/
Sale Type:		1st Mtg Document #:	
Document #:		2nd Mtg Amount/Type:	/
Deed Type:	DEED (REG)	2nd Mtg Int. Rate/Type:	/
Transfer Document #:		Price Per SqFt:	\$3.76
New Construction:		Multi/Split Sale:	
Title Company:			
Lender:			
Seller Name:	OWNER RECORD		

Prior Sale Information

Prior Rec/Sale Date:	/	Prior Lender:	
Prior Sale Price:		Prior 1st Mtg Amt/Type:	/
Prior Doc Number:		Prior 1st Mtg Rate/Type:	/
Prior Deed Type:			

Property Characteristics

Year Built / Eff:	1998 /	Total Rooms/Offices		Garage Area:	
Gross Area:	4,250	Total Restrooms:		Garage Capacity:	
Building Area:	4,250	Roof Type:		Parking Spaces:	
Tot Adj Area:		Roof Material:		Heat Type:	
Above Grade:		Construction:		Air Cond:	
# of Stories:		Foundation:		Pool:	
Other Improvements:	Building Permit	Exterior wall:		Quality:	
		Basement Area:		Condition:	

Site Information

Zoning:		Acres:	0.66	County Use:	INDUSTRIAL (305)
Lot Area:	28,535	Lot Width/Depth:	x	State Use:	
Land Use:	MINI WAREHOUSE	Res/Comm Units:	/	Water Type:	
Site Influence:				Sewer Type:	

Tax Information

Total Value:	\$229,500	Assessed Year:	2021	Property Tax:	\$7,936.00
Land Value:	\$85,600	Improved %:	63%	Tax Area:	7301
Improvement Value:	\$143,900	Tax Year:	2022	Tax Exemption:	
Total Taxable Value:	\$229,500				

Transaction History Report

For Property Located At

, ST. PAUL PARK, MN



TRANSACTION HISTORY

History Record #: 1

Sale:

Sale Recording

Date:

Sale Date: 10/01/1996

Rec. Document #:

Document Type: DEED (REG)

Title Company:

Buyer: JASINSKI ROBERT L

Seller: OWNER RECORD

Sale Price: \$16,001

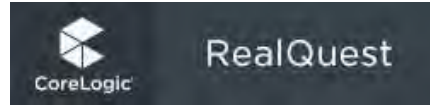
Sale Price Type:

Multi/Split Sale:

Other Document #:

Legal & Vesting Report

For Property Located At



, ST. PAUL PARK, MN

LEGAL

In the County of Washington, State of Minnesota

Assessed Owner:

Legal Description:

A PARCEL OF LAND LOCATED IN THE STATE OF MINNESOTA, COUNTY OF WASHINGTON, WITH A SITUS ADDRESS OF , ST. PAUL PARK, MN CURRENTLY OWNED BY PARK ESTATES INC HAVING A TAX ASSESSOR NUMBER OF 0102722440012 AND BEING THE SAME PROPERTY MORE FULLY DESCRIBED AS SUBDIVISIONNAME DIV NO.3 ST PAUL PARK BLK A,B,213-219,232-263 LOT 34 BLOCK 249 SUBDIVISIONCD 68444 & LOTS 035 THRU 041 TOG WITH THAT PORTION OF VACATED BROADWAY AVE ABUTTING SD LOTS SUBJ TO EASEMT IN FAVOR OF THE CITY OF ST PAUL PARK MN OVER UNDER & ACROSS THE N 35FT OF THE S 54FT THEREOF & OVER UN- DER & ACROSS ALL THAT PORTION OF VACATED BROADWAY AVE E OF A LINE DESC AS THE E LINE OF LOT 41 BLOCK 249 DIV#3 ST PAUL PARK & THE SLY EXTENSION OF SD E LINE OF SD LOT 41 TO THE S R/W LINE OF VACATED BROADWAY AVE EXC THE S 19FT THEREOF DATED 10/01/1996.

Legal Description (Short):

SUBDIVISIONNAME DIV NO.3 ST PAUL PARK BLK A,B,213-219,232-263 LOT 34 BLOCK 249 SUBDIVISIONCD 68444 & LOTS 035 THRU 041 TOG WITH THAT PORTION OF VACATED BROADWAY AVE ABUTTING SD LOTS SUBJ TO EASEMT IN FAVOR OF THE CITY OF ST PAUL PARK MN OVER UNDER & ACROSS THE N 35FT OF THE S 54FT THEREOF & OVER UN- DER & ACROSS ALL THAT PORTION OF VACATED BROADWAY AVE E OF A LINE DESC AS THE E LINE OF LOT 41 BLOCK 249 DIV#3 ST PAUL PARK & THE SLY EXTENSION OF SD E LINE OF SD LOT 41 TO THE S R/W LINE OF VACATED BROADWAY AVE EXC THE S 19FT THEREOF

Subdivision:	ST PAUL PARK DIV 03	Legal Block/Bldg:	A
Legal Book/Page:		Legal Lot/Unit:	34
Assessor's Parcel #:	0102722440012		

PROPERTY ADDRESS

ST. PAUL PARK, MN

MAILING ADDRESS

1059 DORLAND RD S
MAPLEWOOD MN 55119-3576 C050

TAX INFORMATION

Tax Year:	2022	Property Tax:	\$7,936.00
Assessed Year:	2021	Total Value:	\$229,500
Tax Rate Area:	7301	Land Value:	\$85,600
Delinquent Tax Year:		Improvement Value:	\$143,900
Exemption:		% Improved:	63%

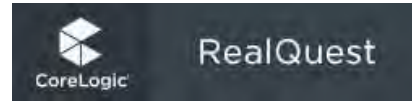
TRANSACTION HISTORY

History Record #: 1

Sale:		Sale Price:	\$16,001
Sale Recording Date:		Sale Price Type:	
Sale Date:	10/01/1996	Multi/Split Sale:	
Rec. Document #:		Other Document #:	
Document Type:	DEED (REG)		
Title Company:			
Buyer:	JASINSKI ROBERT L		
Seller:	OWNER RECORD		

Property Detail Report

For Property Located At :
600 HASTINGS AVE, SAINT PAUL PARK, MN 55071-2004



Owner Information

Owner Name: **PARK ESTATES INC**
 Mailing Address: **1059 DORLAND RD S, MAPLEWOOD MN 55119-3576 C050**
 Vesting Codes: **//**

Location Information

Legal Description: **SECTION 12 TOWNSHIP 027 RANGE 022 PT NE1/4-NE1/4 DESC AS FOLL COM AT A PT IN CTR HASTINGS & ST PAUL PUBLIC HWY SD PT BEING 60 RODS & 23 LINKS IN A SELY COURSE FROM WHERE THE N LINE OF SD SEC 12 INTER THE CENTER OF HASTINGS & ST PAUL PUBLIC HWY THN N 38 1/2 DEG E ON THE SOUTH BOUNDARY LINE OF A TRACT OF LAND AS HERETOFORE CONVEYED BY WARRANTY DEED UNDER DATE OF SEPT 25 1907 BY PETER DEFORTH & KATHRINA DEFORTH HIS WIFE TO F E WOODWARD DIST 9 RODS & 9 FT THN IN A WLY COURSE TO A PT IN THE CENTER OF THE HASTINGS&ST PAUL PUBLI HWY SD PT BEING 37 1/2FT IN A NWLY COURSE FROM PT OF BEG THN IN A SELY COURSE 37 1/2FT TO PT OF BEG ALSO COM WHERE N LN OF SD SEC 12 INTER ON W LN OF PRESENT SENT R/W OF CMSTP RR THN W TO A PT FORMED BT INTER OF N LN SEC12**

County:	WASHINGTON, MN	APN:	1202722110002
Census Tract / Block:	713.00 / 3	Alternate APN:	
Township-Range-Sect:	27-22-12	Subdivision:	
Legal Book/Page:		Map Reference:	/
Legal Lot:		Tract #:	
Legal Block:		School District:	0833
Market Area:		School District Name:	SOUTH WASHINGTON COUNTY
Neighbor Code:		Munic/Township:	SAINT PAUL PARK

Owner Transfer Information

Recording/Sale Date:	/	Deed Type:	
Sale Price:		1st Mtg Document #:	
Document #:			

Last Market Sale Information

Recording/Sale Date:	12/23/1993 /	1st Mtg Amount/Type:	/
Sale Price:	\$560,000	1st Mtg Int. Rate/Type:	/
Sale Type:		1st Mtg Document #:	
Document #:	10918	2nd Mtg Amount/Type:	/
Deed Type:	DEED (REG)	2nd Mtg Int. Rate/Type:	/
Transfer Document #:		Price Per SqFt:	
New Construction:		Multi/Split Sale:	
Title Company:			
Lender:			
Seller Name:			

Prior Sale Information

Prior Rec/Sale Date:	/	Prior Lender:	
Prior Sale Price:		Prior 1st Mtg Amt/Type:	/
Prior Doc Number:		Prior 1st Mtg Rate/Type:	/
Prior Deed Type:			

Property Characteristics

Gross Area:		Parking Type:		Construction:	
Living Area:		Garage Area:		Heat Type:	
Tot Adj Area:		Garage Capacity:		Exterior wall:	
Above Grade:		Parking Spaces:		Porch Type:	
Total Rooms:		Basement Area:		Patio Type:	
Bedrooms:		Finish Bsmnt Area:		Pool:	
Bath(F/H):	/	Basement Type:		Air Cond:	
Year Built / Eff:	1950 /	Roof Type:		Style:	
Fireplace:	/	Foundation:		Quality:	
# of Stories:		Roof Material:		Condition:	
Other Improvements:	Building Permit				

Site Information

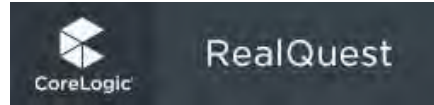
Zoning:		Acres:	6.14	County Use:	MH PARK (350)
Lot Area:	267,307	Lot Width/Depth:	x	State Use:	
Land Use:	MOBILE HOME PARK Res/Comm Units:		/	Water Type:	
Site Influence:				Sewer Type:	

Tax Information

Total Value:	\$651,000	Assessed Year:	2021	Property Tax:	\$11,654.00
Land Value:	\$417,200	Improved %:	36%	Tax Area:	7301
Improvement Value:	\$233,800	Tax Year:	2022	Tax Exemption:	
Total Taxable Value:	\$651,000				

Transaction History Report

For Property Located At



600 HASTINGS AVE, SAINT PAUL PARK, MN 55071-2004

TRANSACTION HISTORY

History Record #: 1

Sale:

Sale Recording 12/23/1993

Date:

Sale Date:

Rec. Document #: 10918

Document Type: DEED (REG)

Title Company:

Buyer:

Seller:

Sale Price: \$560,000

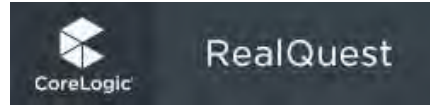
Sale Price Type:

Multi/Split Sale:

Other Document #:

Legal & Vesting Report

For Property Located At



600 HASTINGS AVE, SAINT PAUL PARK, MN 55071-2004

LEGAL

In the County of Washington, State of Minnesota

Assessed Owner:

Legal Description:

A PARCEL OF LAND LOCATED IN THE STATE OF MINNESOTA, COUNTY OF WASHINGTON, WITH A SITUS ADDRESS OF 600 HASTINGS AVE, SAINT PAUL PARK, MN 55071-2004 CURRENTLY OWNED BY PARK ESTATES INC HAVING A TAX ASSESSOR NUMBER OF 1202722110002 AND BEING THE SAME PROPERTY MORE FULLY DESCRIBED AS SECTION 12 TOWNSHIP 027 RANGE 022 PT NE1/4-NE1/4 DESC AS FOLL COM AT A PT IN CTR HASTINGS & ST PAUL PUBLIC HWY SD PT BEING 60 RODS & 23 LINKS IN A SELY COURSE FROM WHERE THE N LINE OF SD SEC 12 INTER THE CENTER OF HASTINGS & ST PAUL PUBLIC HWY THN N 38 1/2 DEG E ON THE SOUTH BOUNDARY LINE OF A TRACT OF LAND AS HERETOFORE CONVEYED BY WARRANTY DEED UNDER DATE OF SEPT 25 1907 BY PETER DEFORTH & KATHRINA DEFORTH HIS WIFE TO F E WOODWARD DIST 9 RODS & 9 FT THN IN A WLY COURSE TO A PT IN THE CENTER OF THE HASTINGS&ST PAUL PUBLI HWY SD PT BEING 37 1/2FT IN A NWLY COURSE FROM PT OF BEG THN IN A SELY COURSE 37 1/2FT TO PT OF BEG ALSO COM WHERE N LN OF SD SEC 12 INTER ON W LN OF PRESENT SENT R/W OF CMSTP RR THN W TO A PT FORMED BT INTER OF N LN SEC12 AND DESCRIBED IN DOCUMENT NUMBER 10918 RECORDED 12/23/1993.

Legal Description (Short):

SECTION 12 TOWNSHIP 027 RANGE 022 PT NE1/4-NE1/4 DESC AS FOLL COM AT A PT IN CTR HASTINGS & ST PAUL PUBLIC HWY SD PT BEING 60 RODS & 23 LINKS IN A SELY COURSE FROM WHERE THE N LINE OF SD SEC 12 INTER THE CENTER OF HASTINGS & ST PAUL PUBLIC HWY THN N 38 1/2 DEG E ON THE SOUTH BOUNDARY LINE OF A TRACT OF LAND AS HERETOFORE CONVEYED BY WARRANTY DEED UNDER DATE OF SEPT 25 1907 BY PETER DEFORTH & KATHRINA DEFORTH HIS WIFE TO F E WOODWARD DIST 9 RODS & 9 FT THN IN A WLY COURSE TO A PT IN THE CENTER OF THE HASTINGS&ST PAUL PUBLI HWY SD PT BEING 37 1/2FT IN A NWLY COURSE FROM PT OF BEG THN IN A SELY COURSE 37 1/2FT TO PT OF BEG ALSO COM WHERE N LN OF SD SEC 12 INTER ON W LN OF PRESENT SENT R/W OF CMSTP RR THN W TO A PT FORMED BT INTER OF N LN SEC12

Subdivision:
Legal Book/Page:
Assessor's Parcel #: 1202722110002

Legal Block/Bldg:
Legal Lot/Unit:

PROPERTY ADDRESS

 600 HASTINGS AVE
 SAINT PAUL PARK, MN 55071

MAILING ADDRESS

 1059 DORLAND RD S
 MAPLEWOOD MN 55119-3576 C050

TAX INFORMATION

Tax Year: 2022
Assessed Year: 2021
Tax Rate Area: 7301
Delinquent Tax Year:

Property Tax: \$11,654.00
Total Value: \$651,000
Land Value: \$417,200
Improvement Value: \$233,800
% Improved: 36%

TRANSACTION HISTORY

History Record #: 1

Sale:			
Sale Recording	12/23/1993	Sale Price:	\$560,000
Date:		Sale Price Type:	
Sale Date:		Multi/Split Sale:	
Rec. Document #:	10918	Other Document #:	
Document Type:	DEED (REG)		
Title Company:			
Buyer:			
Seller:			

Property Detail Report

For Property Located At :
 , ST. PAUL PARK, MN



Owner Information

Owner Name: **PARK ESTATES INC**
 Mailing Address: **1059 DORLAND RD S, MAPLEWOOD MN 55119-3576 C050**
 Vesting Codes: **//**

Location Information

Legal Description: **SECTION 12 TOWNSHIP 027 RANGE 022 PT NE1/4-NE1/4 DESC AS FOLL COMM AT INTERS OF N LINE OF SD NE1/4-NE1/4 & SWLY R/W OF CHIC MIL ST PAUL & PAC RR THE N LINE OF SD NE1/4-NE1/4 IS ASSUMED TO BEAR E THN S55DEG06'56"E ALONG SD SWLY R/W LINE A DIST OF 281.82FT THN S08DEG00'00"W A DIST 294.94FT THN S69DEG04'50"E DIST 612.43FT TO E LINE OF SD NE1/4-NE1/4 THN N00DEG03'57"E ALONG SD E LINE A DIST 127.37FT TO SWLY R/W LINE OF RR THN NWLY ALONG SD SWLY R/W LINE TO PT OF BEG ALSO THAT PT OF NE1/4-NE1/4 DESC AS FOLL: BEG AT PT IN N LINE OF SD TRACT WHERE SAME IS INTERS BY WLY LINE OF RR R/W THN SELY ALONG SD R/W 17 RODS & 2 LINKS THN S08DEGW TO PT THAT IS 10FT DIST AT RT ANG FROM SD R/W THN NWLY PAR WITH & 10FT DIST FROM SD R/W TO N LINE OF SD TRACT**

County:	WASHINGTON, MN	APN:	1202722110004
Census Tract / Block:	713.00 / 3	Alternate APN:	
Township-Range-Sect:	27-22-12	Subdivision:	
Legal Book/Page:		Map Reference:	/
Legal Lot:		Tract #:	
Legal Block:		School District:	0833
Market Area:		School District Name:	SOUTH WASHINGTON COUNTY
Neighbor Code:		Munic/Township:	SAINT PAUL PARK

Owner Transfer Information

Recording/Sale Date:	/	Deed Type:	
Sale Price:		1st Mtg Document #:	
Document #:			

Last Market Sale Information

Recording/Sale Date:	/	1st Mtg Amount/Type:	/
Sale Price:		1st Mtg Int. Rate/Type:	/
Sale Type:		1st Mtg Document #:	
Document #:		2nd Mtg Amount/Type:	/
Deed Type:		2nd Mtg Int. Rate/Type:	/
Transfer Document #:		Price Per SqFt:	
New Construction:		Multi/Split Sale:	
Title Company:			
Lender:			
Seller Name:			

Prior Sale Information

Prior Rec/Sale Date:	/	Prior Lender:	
Prior Sale Price:		Prior 1st Mtg Amt/Type:	/
Prior Doc Number:		Prior 1st Mtg Rate/Type:	/
Prior Deed Type:			

Property Characteristics

Gross Area:		Parking Type:		Construction:	
Living Area:		Garage Area:		Heat Type:	
Tot Adj Area:		Garage Capacity:		Exterior wall:	
Above Grade:		Parking Spaces:		Porch Type:	
Total Rooms:		Basement Area:		Patio Type:	
Bedrooms:		Finish Bsmnt Area:		Pool:	
Bath(F/H):	/	Basement Type:		Air Cond:	
Year Built / Eff:	/	Roof Type:		Style:	
Fireplace:	/	Foundation:		Quality:	
# of Stories:		Roof Material:		Condition:	
Other Improvements:	Building Permit				

Site Information

Zoning:		Acres:	2.92	County Use:	MH PARK (350)
Lot Area:	127,258	Lot Width/Depth:	x	State Use:	
Land Use:	MOBILE HOME PARK	Res/Comm Units:	/	Water Type:	
Site Influence:				Sewer Type:	

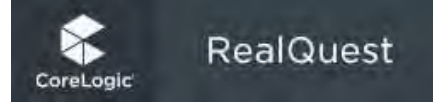
Tax Information

Total Value:	\$198,200	Assessed Year:	2021	Property Tax:	\$3,746.00
Land Value:	\$198,200	Improved %:		Tax Area:	7301
Improvement Value:		Tax Year:	2022	Tax Exemption:	
Total Taxable Value:	\$198,200				

Transaction History Report

For Property Located At

, ST. PAUL PARK, MN



Transaction History Report is not available

ST. PAUL PARK MN

No transaction history information exists for this property. This could mean the data is not available or an activity that needs to occur for this report to capture, has not occurred.

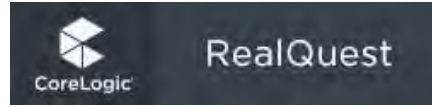
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Legal & Vesting Report

For Property Located At



, ST. PAUL PARK, MN

LEGAL

In the County of Washington, State of Minnesota

Assessed Owner:

Legal Description:

A PARCEL OF LAND LOCATED IN THE STATE OF MINNESOTA, COUNTY OF WASHINGTON, WITH A SITUS ADDRESS OF , ST. PAUL PARK, MN CURRENTLY OWNED BY PARK ESTATES INC HAVING A TAX ASSESSOR NUMBER OF 1202722110004 AND BEING THE SAME PROPERTY MORE FULLY DESCRIBED AS SECTION 12 TOWNSHIP 027 RANGE 022 PT NE1/4-NE1/4 DESC AS FOLL COMM AT INTERS OF N LINE OF SD NE1/4-NE1/4 & SWLY R/W OF CHIC MIL ST PAUL & PAC RR THE N LINE OF SD NE1/4-NE1/4 IS ASSUMED TO BEAR E THN S55DEG06'56"E ALONG SD SWLY R/W LINE A DIST OF 281.82FT THN S08DEG00'00"W A DIST 294.94FT THN S69DEG04'50"E DIST 612.43FT TO E LINE OF SD NE1/4-NE1/4 THN N00DEG03'57"E ALONG SD E LINE A DIST 127.37FT TO SWLY R/W LINE OF RR THN NWLY ALONG SD SWLY R/W LINE TO PT OF BEG ALSO THAT PT OF NE1/4-NE1/4 DESC AS FOLL: BEG AT PT IN N LINE OF SD TRACT WHERE SAME IS INTERS BY WLY LINE OF RR R/W THN SELY ALONG SD R/W 17 RODS & 2 LINKS THN S08DEGW TO PT THAT IS 10FT DIST AT RT ANG FROM SD R/W THN NWLY PAR WITH & 10FT DIST FROM SD R/W TO N LINE OF SD TRACT DATED AND RECORDED .

Legal Description (Short):

SECTION 12 TOWNSHIP 027 RANGE 022 PT NE1/4-NE1/4 DESC AS FOLL COMM AT INTERS OF N LINE OF SD NE1/4-NE1/4 & SWLY R/W OF CHIC MIL ST PAUL & PAC RR THE N LINE OF SD NE1/4-NE1/4 IS ASSUMED TO BEAR E THN S55DEG06'56"E ALONG SD SWLY R/W LINE A DIST OF 281.82FT THN S08DEG00'00"W A DIST 294.94FT THN S69DEG04'50"E DIST 612.43FT TO E LINE OF SD NE1/4-NE1/4 THN N00DEG03'57"E ALONG SD E LINE A DIST 127.37FT TO SWLY R/W LINE OF RR THN NWLY ALONG SD SWLY R/W LINE TO PT OF BEG ALSO THAT PT OF NE1/4-NE1/4 DESC AS FOLL: BEG AT PT IN N LINE OF SD TRACT WHERE SAME IS INTERS BY WLY LINE OF RR R/W THN SELY ALONG SD R/W 17 RODS & 2 LINKS THN S08DEGW TO PT THAT IS 10FT DIST AT RT ANG FROM SD R/W THN NWLY PAR WITH & 10FT DIST FROM SD R/W TO N LINE OF SD TRACT

Subdivision:
Legal Book/Page:
Assessor's Parcel #: 1202722110004

Legal Block/Bldg:
Legal Lot/Unit:

PROPERTY ADDRESS

ST. PAUL PARK, MN

MAILING ADDRESS

1059 DORLAND RD S
 MAPLEWOOD MN 55119-3576 C050

TAX INFORMATION

Tax Year: 2022
Assessed Year: 2021
Tax Rate Area: 7301
Delinquent Tax Year:

Property Tax: \$3,746.00
Total Value: \$198,200
Land Value: \$198,200

Exemption:

Improvement Value:
% Improved:

Valuation Glossary 2022

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

The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022 (Dictionary).

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

The Appraisal of Real Estate, Fifteenth 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)*

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 sale price of a property that is equivalent to what a cash buyer would pay. *(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 estate by estimating the cost new as of the effective date of the appraisal 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. The contributory value of any site improvements that have not already been considered in the total cost can be added on a depreciated-cost basis. 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 rights being appraised. *(Dictionary)*

Curable Functional Obsolescence

An element of depreciation; a curable defect caused by a flaw involving 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 the value of improvements from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the 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. *(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 estate 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 or wants to receive as compensation for providing coordination and expertise and assuming the risks associated with the development of a project. Entrepreneurial incentive is the expectation of future reward as opposed to the profit actually earned on the project. *(Dictionary)*

Entrepreneurial Profit

A market-derived figure that represents the amount an entrepreneur received for his or her contribution to a past project to compensate for his or her time, effort, knowledge, 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 use. 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 either temporary or permanent. There are two forms of external obsolescence: economic and locational. *(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 or interpreted differently by court precedent. *(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)

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)

Total area of finished, above-grade residential space 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 the 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 involving 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)*

Interim Use

The use contemplated by the market participants that the subject real estate can be put to while waiting for certain subsequent factors to occur. *(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 Estate

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)*

Legal Nonconforming Use

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

Liquidation Value

The most probable price that a specified interest in 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, or the competitive market area may be distinguished from the general market area. *(Dictionary)*

Market Rent

The most probable rent that a property should bring in a competitive and open market under all conditions requisite to a fair lease transaction, the lessee and lessor each acting prudently and knowledgeably, and assuming the rent is not affected by undue stimulus. *(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 Net 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 lease, triple net lease, or fully net lease*. *(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 similar to 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

In the application of the sales comparison and income capitalization approaches, a numerical (dollar or percentage) adjustment to the sale price, rent, or expense amount of a comparable property to account for the effect on value of a difference between each comparable property and the subject property. *(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)*

Replacement Cost for Insurance Purposes

The estimated cost, 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)*

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 or similar 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)*

Sum of the Retail Values

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. An appraisal has an effective date, but summing the sales prices of multiple units over an extended period of time will not be the value on that one day unless the prices are discounted to make the value equivalent to what another developer or investor would pay for the bulk purchase of the units. Also called the *aggregate of the retail values* or *aggregate retail selling price*. *(Dictionary)*

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)*

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 nonpayment 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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Education or Qualifications

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Ohio State University

Master of Arts (Education) Mt.
Vernon Nazarene University

State Certifications

Indiana

Iowa

Michigan

Minnesota

Ohio

West Virginia

Area of Expertise

Rob Shock serves at a Valuation Specialist in the Columbus, Ohio office of Colliers International Valuation & Advisory Services, which provides valuation and advisory services throughout the State of Ohio and the surrounding states.

Mr. Shock's appraisal experience is focused on manufactured housing communities, as well as multi-family, retail, and self-storage. His projects have ranged from large and small manufactured housing communities to apartment complexes of various sizes.

Affiliations or Memberships

Certified Real Estate Appraiser
Ohio (2029003155)

Professional Background

September 2020-Present, Valuation Specialist, Colliers International, Columbus, Ohio

October 2012-September 2020, Valuation Analyst, Colliers International, Columbus, Ohio

Appraisal Institute Courses

- Ohio Fair Housing
- 2016-2017 National USPAP
- Basic Appraisal Principles
- Basic Appraisal Procedures
- General Report Writing & Case Studies
- General Appraiser Income Approach
- General Appraiser Sales Comparison Approach
- General Appraiser Site Valuation & Cost Approach
- General Appraiser Market Analysis Highest & Best Use
- Statistics, Modeling, and Finance
- Commercial Appraisal Review
- Expert Witness for Commercial Appraisers
- Appraisal of REO and Foreclosure Properties

STATE OF MINNESOTA



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Department of Commerce

The Undersigned **COMMISSIONER OF COMMERCE** for the State of Minnesota hereby certifies that
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Non-Resident Appraiser : Certified General

License Number: 40731401

unless this authority is suspended, revoked, or otherwise legally terminated. This license shall be in effect until August 31, 2024.

IN TESTIMONY WHEREOF, I have hereunto set my hand this August 24, 2022.

A handwritten signature in cursive script that reads "Grace Arnold".

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Notes:

- **Individual Licensees Only - Continuing Education:** 15 hours is required in the first renewal period, which includes a 7 hour USPAP course. 30 hours is required for each subsequent renewal period, which includes a 7 hour USPAP course.
- **Appraisers:** You must hold a licensed Residential, Certified Residential, or Certified General qualification in order to perform appraisals for federally-related transactions. **Trainees do not qualify.** For further details, please visit our website at commerce.state.mn.us.



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Area of Expertise

Bruce Nell, MAI, AI-GRS, MRICS, serves as Executive Managing Director | National Practices for Colliers Valuation & Advisory Services (CIVAS) as well as manages the Ohio | Tennessee Valley and MidAtlantic regions. As EMD of Practice Groups, Bruce oversees the development and operations of all valuation and advisory services practice groups at CVAS.

As EMD of the Ohio | Tennessee Valley and Mid-Atlantic regions, he leads a dynamic team focused on the valuation and advisory services of all commercial real estate. The regional team includes 50+ staff members located across offices in Michigan, Pennsylvania, Ohio, Kentucky, West Virginia, Tennessee, Maryland, Virginia & DC.

Bruce has extensive personal experience in commercial real estate valuation, having completed assignments in all 50 states, Washington D.C, Puerto Rico, Mexico & 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 \$500 billion in real estate valuation and advisory. He has also facilitated client 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)
- Member: Western Manufactured Housing Communities Association (WMA)

Education or Qualifications

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Mount Vernon Nazarene
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- | | |
|---------------|----------------|
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| Arizona | New Jersey |
| California | New York |
| Colorado | North Carolina |
| Delaware | North Dakota |
| Florida | Ohio |
| Georgia | Oklahoma |
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| Michigan | Washington |
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Valuation & Advisory Services

Services Offered

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 Portfolio Valuation
 Institutional Asset Valuation
 Loan Pool Valuation
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 Appraisal Management
 Lease and Cost Analysis
 Insurance Valuation
 Arbitration & Consulting
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 Investment Analysis
 Highest and Best Use Studies
 Tax Appeals
 Litigation Support
 Segregated-Cost Analysis

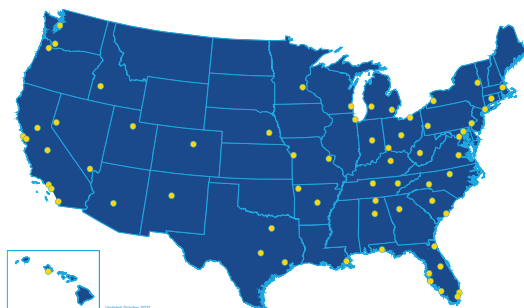
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Real estate valuations play a pivotal role in today's business climate. An accurate and well supported opinion of property value can mean the difference between reaching a critical goal—securing a loan, closing a sale, reporting to investors, choosing the best asset—or failing to achieve it altogether.

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