



REGIONAL HOUSING AUTHORITY

Serving the Cities of Live Oak, Yuba City and Colusa • Counties of Sutter, Nevada, Colusa and Yuba

1455 Butte House Road • Yuba City, CA 95993

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www.RegionalHA.org

ADDENDUM TO AGENDA
REGULAR MEETING OF THE
BOARD OF COMMISSIONERS
OF THE REGIONAL HOUSING AUTHORITY
ON WEDNESDAY, MAY 5, 2021

IN ADDITION TO THE OTHER ITEMS OF BUSINESS SET FORTH IN THE MAIN AGENDA, THE FOLLOWING MATTER WILL BE CONSIDERED AND POSSIBLY ACTED UPON:

G. New Business

8. Recommend Approval of Purchase and Sale Agreement
Between Regional Housing Authority and Sutter
Community Affordable Housing for the property located
at 470 Bernard Drive, Yuba City, CA 95991
Beckie Flores, Planning and Community
Development Manager



Gustavo Becerra,
Executive Director



The Housing Authority is an equal opportunity employer and housing provider.



AMENDED AGENDA
AGENDA
REGULAR MEETING
OF THE BOARD OF COMMISSIONERS OF
REGIONAL HOUSING AUTHORITY
ZOOM MEETING
<https://zoom.us/j/93901470665>
Meeting ID: 939 0147 0665
Passcode: 157591
Call in number 1-669-900-6833

May 5, 2021, 12:00 PM

- A. CALL TO ORDER: ROLL CALL
- B. PLEDGE OF ALLEGIANCE
- C. PUBLIC PARTICIPATION: Members of the public shall be provided with an opportunity to address the Board on items of interest that are within the subject matter jurisdiction of the Board. Any member of the audience who may wish to bring something before the Board that is not on the agenda may do so at this time; however, State law provides that no action may be taken on any item not appearing on the posted Agenda. Persons who wish to address the Board during public comment or with respect to an item that is on the agenda, will be limited to three (3) minutes.
- D. AWARDS AND PRESENTATIONS: NONE
- E. CONSENT CALENDAR: All matters listed under Consent Calendar are considered to be routine and can be enacted in one motion. There will be no separate discussion of these items prior to the time that the Board votes on the motion unless members of the Board request specific items to be discussed or removed from the Consent Calendar for individual action.
 - 1. Approval of Minutes – April 7, 2021 pg. 1
 - 2. Resolution 21-1702 – Resolution, Waiver of Notice and Unanimous Consent to Action pg. 5
 - 3. Resolution 21-1703 – Corporate Resolution Authorizing Guaranty And Indemnity Agreement pg. 7
- F. OLD BUSINESS: Discussion/Possible Action: NONE
- G. NEW BUSINESS: Discussion/Possible Action:

4. Recommend Approval of an Allocation of HCV Administrative Fee Reserves for New Haven Court Project-Based Voucher Development Costs pg. 11
Beckie Flores, Planning and Community Development Manager
5. Consideration of Returning to In Person Meetings pg. 12
Gustavo Becerra, Executive Director
6. Election of Officers (Chairperson and Vice-Chairperson)
7. Appointment of Commissioner to Sutter Community Affordable Housing Board of Directors
Kent Boes, Chairperson
8. Recommend Approval of Purchase and Sale Agreement Between Regional Housing Authority and Sutter Community Affordable Housing for the property located at 470 Bernard Drive, Yuba City, CA 95991
Beckie Flores, Planning and Community Development Manager

H. ADMINISTRATIVE REPORT:

9. RHA Owned/Managed Properties Occupancy/Eligibility Update pg. 13
Pattra Runge, Occupancy Manager
10. Housing Choice Voucher Occupancy/Eligibility Update pg. 15
Alisha Parker, Occupancy Manager
11. Planning and Community Development Update pg. 17
Beckie Flores, Planning and Community Development Manager
12. Maintenance Update pg. 21
Tom Goodwin, Operations Manager
13. Administrative Update
Gustavo Becerra, Executive Director

I. HOUSING COMMISSIONERS' COMMENTS:

- J. EXECUTIVE SESSION: May be held under California Government Code regarding pending and/or anticipated litigation, property acquisition, and/or personnel issues.

14. CLOSED SESSION: Pursuant to Section 54956.9 of the California Government Code: NONE

K. NEXT MEETING: May 19, 2021

L. ADJORNMENT:

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (the “Agreement”) is made and entered into as of ~~December 2, 2020~~ May 5, 2021, by and between **Regional Housing Authority**, a public body, corporate and politic organized under the laws of the State of California (“Seller”), and **Sutter Community Affordable Housing**, a California nonprofit public benefit corporation (“Purchaser”) constitutes both an agreement to purchase and sell real property and escrow instructions to accommodate the transaction contemplated hereby.

WHEREAS, Seller is the owner of a certain property located at 470 Bernard Drive, Yuba City, Sutter County, California (“Property”), and certain amenities appurtenant thereto; and

WHEREAS, Seller agrees to sell and Purchaser agrees to purchase the Property, upon the terms and conditions hereinafter set forth;

WITNESSETH

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein set forth and in consideration of other good and valuable consideration, receipt of which is hereby acknowledged, Purchaser and Seller hereby agree as follows:

DEFINED TERMS

All initially capitalized words shall be defined terms having only the specialized definition attributing to them by various provisions of this Agreement. Such specialized definitions shall apply regardless of whether such words appear before or after their respective definitions in the context of this Agreement.

1. Sale of the Property

- 1.1. On the terms and conditions contained in this Agreement, Seller agrees to sell, convey, assign, transfer, and deliver to Purchaser and Purchaser agrees to purchase all rights, title and interest of Seller in and to that certain real property as legally described in the attached Exhibit “A” together with all improvements located thereon, all Seller’s rights, title and interest in and to all private water and sewer easements and appurtenances.
- 1.2. All fixtures and articles of personal property owned by Seller and attached or appurtenant to or used in connection with Property and any contract rights, claims, trade names and other items of personal property, both tangible and intangible, owned by Seller and used in connection with the quiet enjoyment of the Property are included in the sale, as set forth in the Bill of Sale and Assignment attached hereto as Exhibit “B”.

2. Purchase Price, Terms and Closing

- 2.1. The purchase price for the Property (the “Total Purchase Price”) shall be ~~One~~ Two Million ~~Two~~ One Hundred Ten Thousand dollars (~~\$1,200,000~~ \$2,110,000) and represents the fair market value established by an appraisal conducted by an appraiser licensed by the California Office of Real Estate Appraisers, and shall be paid to Seller as follows:

- 2.1.1. Upon the opening of escrow, Purchaser shall deposit therein cash in the amount of One Thousand Dollars (\$1,000) (the "Deposit") to be applied to the Purchase Price at the Closing;
- 2.2. Seller agrees to finance the sale with a 55-year, 3% simple interest deferred payment loan, with payments only based on residual receipts, to Purchaser;
- 2.3. The term "Closing" or "Closing Date" shall mean the date upon which a Grant Deed evidencing the conveyance of the Property by Seller to Purchaser is executed and delivered by Seller to Purchaser.
 - 2.3.1. Closing Date shall occur no later than April 1, 2023, unless extended by agreement of the parties. Closing shall take place at the office of Purchaser's counsel or at such other location as shall be mutually agreeable to the parties.
- 2.4. The following documents shall be executed and/or delivered at the Closing:
 - 2.4.1. Seller shall execute and deliver to Purchaser the Bill of Sale and any other documents required in order to enable Purchaser or Purchaser's representative to record the Deed with the Sutter County Recorder.
 - 2.4.2. Purchaser shall deliver the Total Purchase Price as provided in Paragraph 2.1.
- 2.5. At or prior to the Closing Date, Purchaser shall have the right to assign this Agreement and Purchaser's rights and obligations hereunder to a limited partnership of the Purchaser's choice. If this assignment occurs, Purchaser shall provide Seller with all pertinent documentation.

3. Conditions to Purchaser's Obligations

- 3.1. Unless waived in writing by Purchaser, Purchaser's obligation hereunder and the Closing of this transaction shall be contingent upon and subject to satisfaction of all of the following additional conditions:
 - 3.1.1. Approval by Purchaser and Purchaser's counsel of a title commitment (the "Title Commitment") on the Property which Title Commitment shall contain copies of all documents referred to in it, including without limitation, all covenants, conditions, restrictions, easements, rights and rights-of-way of record affecting the Property.
 - 3.1.2. Seller is not in default under this Agreement and Seller has delivered to Purchaser all certificates, instruments or other Documents required to be provided by or on the Closing Date pursuant to this Agreement herein and a certificate stating that all representations and warranties set forth in Paragraph 5 are true and correct as of the date of Closing.
 - 3.1.3. That Purchaser has obtained the approval of all parties for the transaction contemplated by this Agreement by April 1, 2023.

In the event Closing has not occurred by April 1, 2023, then unless such date shall be extended in writing by the parties hereto, this Agreement shall be null and void and neither Purchaser nor Seller shall have any duties or obligations to the other.

4. Conditions of Seller's Obligation

Unless waived in writing by Seller, Seller's obligations hereunder and the Closing shall be contingent upon and subject to satisfaction of all of the following conditions:

4.1.1. Purchaser is not in default under this Agreement and has delivered to Seller a certificate stating that all representations and warranties set forth in Paragraph 6.2 are true and correct as of the Closing Date.

5. Covenants, Representations and Warranties of Seller

5.1. Seller agrees until the Closing Date to continue to operate the Property, or cause the Property to be operated in the same manner as it is now being operated and to keep the Property and all equipment and machinery used in connection therewith in the same order and condition as they are now, reasonable wear and tear excepted.

5.2. Purchaser and its representative shall have the right upon three (3) days prior written notice to Seller, and in a reasonable manner, to conduct any and all tests and inspections, to the Property and any and all plans, specifications and surveys relating thereto for any purpose, and in such connection Seller will cooperate, upon reasonable notice, in assisting Purchaser to gain access to the Property for the purpose of inspections. Purchaser hereby agrees to indemnify Seller for any and all claims, damages or liens resulting from its inspections. This obligation of indemnity shall survive the Closing or termination of this Agreement.

5.3. Seller hereby represents, warrants, and covenants that as of the Closing Date:

5.3.1. Seller will have full power and authority to enter into and perform the terms and conditions of this Agreement, the person executing this Agreement for Seller is fully and duly empowered and authorized to so act and this Agreement constitutes a legal, valid and binding obligation of Seller, enforceable in accordance with its terms;

5.3.2. To the best of Seller's actual knowledge, the Property is zoned for its present use and there exists with respect to the Property no condition which violates any municipal, state or federal law, rule or regulation which has not heretofore been ratified, nor has Seller received any notice or communication from any insurance carrier of the Property regarding any dangerous, illegal or other condition requiring any correction action not heretofore corrected.

5.3.3. No default exists under any indebtedness; mortgage, lease or other instrument relating to or affecting the Property;

5.3.4. There is no litigation or proceeding pending, or, to Seller's actual knowledge, threatened against or relating to the Property; not already previously disclosed to Purchaser.

- 5.3.5. Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will violate any agreement to which Seller is bound, or violate any statute or law or any judgment, decree, order, regulatory or rule of any court or governmental subsidy.
- 5.3.6. There are no contracts or agreements written or oral, affecting the ownership of the Property with a monetary value in excess of Five Thousand Dollars (\$5,000) per annum; there are no contracts or agreements, written or oral, affecting the operation of the Property not terminable by Seller or its successor in interest (including Purchaser) upon thirty (30) days advance notice; no party to any such contracts or agreements in default thereunder.
- 5.3.7. Seller has received no notice of a taking, condemnation, or special assessment, actual or proposed, with respect to the Property.
- 5.4. The representation, warranties, and covenants set forth in Paragraph 5 shall survive the Closing Date.
- 5.5. Seller shall deliver to Purchaser all of the due diligence items reasonably requested by Purchaser.
- 5.6. Seller shall indemnify and hold Purchaser harmless against any and all claim, damages, or injury of any type which Purchaser may suffer or face due to the material and intentional misrepresentation by the Seller of any of the provisions of this Paragraph 5.

6. Covenants, Representation and Warranties of Purchaser

- 6.1. Purchaser agrees until the Closing Date to provide Seller any financial statements or any other financial or credit information reasonable requested by Seller in order to have reasonable assurances of Purchaser's continued ability to perform hereunder, including financial statements prepared in accordance with general standards promulgated by the American Institute of CPAs.
- 6.2. Purchaser hereby represents and warrants that as of the date of this Agreement and as of the Closing Date:
 - 6.2.1. Purchaser has full power and authority to enter into and to perform the terms and conditions of this Agreement, the person executing this Agreement for Purchaser is fully and duly empowered so to act, and this Agreement constitutes a legal, valid and binding obligation of Purchaser, enforceable in accordance with its terms except to the extent any of the terms hereof may be contrary to law.
 - 6.2.2. Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will violate any agreement to which Purchaser is a party or by which Purchaser is bound, or violate any statute or law or any judgment, decree, order, regulation or rule of any court, or governmental body.
 - 6.2.3. There is no claim, action, proceeding or investigation pending or to the best of Purchaser's knowledge, threatened against or involving Purchaser, which questions

or challenges the validity of this Agreement or any action taken or to be taken by Purchaser pursuant to this Agreement or in connection with the transaction contemplated hereby; and Purchaser knows of no valid basis for any such action, proceeding or investigation.

- 6.3. The representations, warranties and covenants set forth in Paragraph 6.2 shall survive the Closing Date.
- 6.4. Purchaser shall indemnify and hold Seller harmless against any and all claims, damages, or injury of any type which Seller may suffer or face due to the material and intentional misrepresentations by Purchaser of any of the provisions of this Paragraph 6.

7. Expenses of Closing and Subsequent Operations

- 7.1. Purchaser and Seller shall split 50/50 all closing costs in connection with the sale of the Property including, but not limited to, all title insurance premiums and costs, recording fees, all State and County transfer tax, excise tax or any tax of a similar nature (but not income taxes imposed by Federal or State governmental agencies), and all fees imposed by any person or entity who or which must approve the transactions set forth in this Agreement.
- 7.2. Seller shall pay (i) the fees and expenses of Seller's counsel and Seller's other professional advisors.

8. Violations

- 8.1. All notices of violation of law or municipal ordinances, orders or requirements noted in or issued by any federal, state, county or municipal agency having jurisdiction over or affecting the Property or any violation of zoning laws or ordinances (hereinafter referred to as "Violations") shall be complied with by Seller, and the Property shall be conveyed free of the same.

9. Default of Either Party

- 9.1. A party shall be in default under this Agreement if it fails to perform, in all material respects, any covenants made by it or obligations assumed by it under this Agreement, which failure adversely affects the other party's interest under this Agreement, or if one or more of its representations and warranties is untrue in any material respect which adversely affects the other party's interest under this Agreement.
- 9.2. If and only if Purchaser shall for any reason whatsoever default in the performance of its obligations under this Agreement and (i) in the event of a monetary default, fail to cure such default within a period of twenty (20) business days from receipt of notice from Seller or (ii) in the event of a non-monetary default, fail to cure or commence and, thereafter, diligently proceed to cure such default within a period of ten (10) business days from receipt of notice from Seller: then Seller shall be entitled to terminate this Agreement for such default, or commence an action for specific performance. These shall be the sole and exclusive remedies of Seller in the event of default by Purchaser.

- 9.3. If Seller shall for any reason be in default in the performance of his obligations under this Agreement, Purchaser may either terminate this Agreement for such default, or commence action for specific performance. These shall be the sole and exclusive remedies of Purchaser in the event of a default by Seller.
- 9.4. In the event either party employs counsel to enforce its rights hereunder after a breach by the other party, such party employing counsel shall be entitled to reasonable attorneys' fees and expenses, whether or not suit be commenced, and at trial and on appeal, in successfully enforcing its rights hereunder.

10. Modifications

- 10.1. This Agreement may not be changed or terminated orally. The stipulations herein are to apply to and bind the successors or assigns of the parties.

11. Environmental Condition of Property

- 11.1. The Purchaser agrees and acknowledges that it is responsible for making, and has been granted the opportunity to make all investigations (above ground and below ground) deemed necessary by the Purchaser to determine whether the Property contains (a) any toxic or hazardous wastes or materials (as defined or regulated by Federal, State, or local laws), wetlands or adverse conditions and (b) contains no unsafe soil conditions, that the Seller has made no representations or warranties of any kind with regard to the environmental condition (above ground or below ground) of the Property, that it is purchasing the Property "as is" and that it waives any right to bring any claim against the Seller of any nature whatsoever with regard to the environmental condition of the Property including any claim based on the presence of any toxic or hazardous wastes or materials, in, on or under the property.

12. Miscellaneous Provisions

- 12.1. Concurrent with the Closing, the parties shall give any notice of transfer as may be required by statute and otherwise shall comply with all statutory requirements in connection therewith by delivering any such notices to the Title Company, in form complying with such law.
- 12.2. In the case of any conflict in the interpretation of the terms and conditions of this Agreement, the terms of this Agreement shall control.
- 12.3. If any one or more of the provisions of this Agreement shall be held invalid, illegal or unenforceable in any respect, such provision shall not affect any other provision hereof, and this Agreement shall be construed as if such provision had never been contained herein.
- 12.4. Seller and Purchaser shall, prior to the Closing Date, execute any and all acts reasonably necessary or appropriate to consummate this transaction.
- 12.5. This Agreement and all the covenants, terms and provisions contained herein shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

12.6. In the event prior to closing there is any recording of this Purchase and Sale Agreement or any document that refers to it, this transaction shall be null and void at the option of Seller.

13. Brokerage

13.1. The Seller represents that it has not dealt with a broker, finder or like agent or any other person who is entitled to a commission as a result of the transaction contemplated herein. Seller and Purchaser each hereby agrees to indemnify and hold harmless the other from any and all loss, cost, damage or expense as a result from a claim of liability for such a commission by reason of the acts of the indemnifying party.

14. Governing Law

14.1. This Agreement is and shall constitute a contract under and is to be construed in accordance with the laws of the State of California.

15. Entire Agreement, Survival

15.1. This Agreement embodies the entire agreement between the parties relative to the subject matter of this Agreement and supersedes all other agreements, including letters of intent between Seller and Purchaser. There are not oral or written agreements existing between the parties relative to the subject matter hereof that are not expressly set forth herein and covered hereby.

15.2. All covenants, warranties, representations and agreements of the parties hereto shall survive the Closing and shall remain in full force and effect thereafter.

16. Counterparts

16.1. This Agreement may be executed in one or more counterparts, each of which shall have the force and effect of an original, and all of which shall constitute but one document.

17. Notice

17.1. All notices required to be given under this Agreement shall be deemed given upon the earlier of actual receipt or two days after being mailed by registered or certified mail, return receipt requested, addressed as follows:

if to Purchaser, to
Sutter Community Affordable Housing
1455 Butte House Road
Yuba City, CA 95993
Phone: (530) 671-0220
Fax: (530) 674-8505
Attn: Brynda Stranix
bstranix@ysedc.org

if to Seller, to
Regional Housing Authority
1455 Butte House Road
Yuba City, CA 95993
Phone: (530) 671-0220
Fax: (530) 674-8505
Attn: Gustavo Becerra
g.becerra@regionalha.org

- 17.2. In lieu of mail notice as provided in Paragraph 17.1, Federal Express or other nationally recognized overnight delivery service, or Express Mail, may be utilized, but in such event notice shall be deemed given upon the next business day after sending, or upon actual delivery, if earlier.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

PURCHASER:

Sutter Community Affordable Housing

By: Brynda Stranix
Its: President

SELLER:

Regional Housing Authority

By: Gustavo Becerra
Its: Executive Director

EXHIBIT "A"

LOT 16A LEGAL DESCRIPTION (REVISED)

All that certain real property situate in the City of Yuba City, County of Sutter, State of California described as follows:

Being Lot 16 as described in that Grant Deed, recorded in the office of the Sutter County Recorder under Serial Number 2011-0017612 and as shown on that certain Record of Survey map filed for record in the Sutter County Recorder's Office in Book 18 of Record of Surveys, at Page 163.

EXCEPTING THEREFROM a portion of Lot 16, as described in said Grant Deed, described as follows:

BEGINNING at the southeast corner of said Lot 16;

Thence, along the south line of said Lot 16, South 72°40'38" West, 287.79 feet to the southwest corner of said Lot 16;

Thence, along the west boundary of said Lot 16, North 17°12'03" West, 183.80 feet;

Thence, leaving said west boundary, North 72°14'56" East, 75.65 feet;

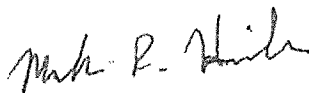
Thence North 16°38'03" West, 19.62 feet;

Thence North 72°35'04" East, 304.72 feet to the east line of said Lot 16;

Thence, along said east line, South 7°10'50" West, 224.71 feet to the Point of Beginning.

Containing 4.71 acres more or less.

The basis of bearings for the above described property is the same as that shown on said Book 18 of Record of Surveys, at Page 163.



Mark R. Herrick PLS 8323
NorthStar



4-13-2020

Date

EXHIBIT B

BILL OF SALE

To be provided

Appraisal Of

Richland Village Apartments Site

4.71-acres

Assessor Parcel Number: 53-470-091

470 Bernard Drive

Yuba City, California 95991

Effective Date: October 21, 2020

Report Date: February 23, 2021

Gustavo Becerra

Regional Housing Authority

1455 Butte House Road

Yuba City, CA 95993

KINETIC VALUATION GROUP, INC.

**Midwest Omaha
11060 Oak Street Suite 6
Omaha, Nebraska
(402) 202-0771**

**Southern California
PO Box 68
Corona Del Mar, California
(818) 914-1892**



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February 23, 2021

Gustavo Becerra or Beckie Flores
Regional Housing Authority
1455 Butte House Road
Yuba City, CA 95993

Re: Appraisal of Richland Village Apartments Site
470 Bernard Drive
Yuba City, California 95991

Dear Mr. Becerra and Ms. Flores:

We are pleased to present our findings with respect to the value of the above-referenced property. The intended user and client of this report include Regional Housing Authority and its assigns. California Tax Credit Allocation Committee (TCAC), California Debt Limit Allocation Committee (CDLAC), Housing and Community Development Department (HCD) Affordable Housing and Sustainable Communities (AHSC), and city of Yuba City are additional intended users. The intended use of the appraisal is for investment analysis. Neither this report nor any portion thereof may be used for any other purpose or distributed to third parties without our express written consent. No identity of interest exists between Kinetic Valuation Group, Inc. and the entity for which the report is prepared, the applicant or its principals.

This valuation engagement was conducted in accordance with the Code of Professional Ethics and Standards of Valuation Practice of the Appraisal Institute, and the Uniform Standards of Professional Appraisal Practice (USPAP). In accordance with these standards, we have reported our findings herein in an appraisal report as defined by USPAP.

Our value conclusions were based on general economic conditions as they existed on the date of the analysis and did not include an estimate of the potential impact of any sudden or sharp rise or decline in general economic conditions from that date to the effective date of our report. Events or transactions that may have occurred subsequent to the effective date of our opinion have not been considered. We are not responsible to update or revise this report based on such subsequent events, although we would be pleased to discuss with you the need for revisions that may be occasioned as a result of changes that occur after the valuation date.

Special Comment: As of the report date, COVID-19 has been declared a pandemic with a national state of emergency in place. The pandemic has created substantial turmoil in various financial markets and due to the developing situation, it is difficult to determine the future impact of COVID-19 on local commercial and residential real estate markets. The value opinion contained in this appraisal is based on findings of an analysis of market data available to the appraiser at the time of the assignment.

Special & Extraordinary Limiting Conditions

The valuation assumes the hypothetical condition that the site is vacant as it is presently improved with several mobile homes and related pad areas site improvements. A hypothetical condition is that which is contrary to what exists but is supposed for the purpose of analysis. The use of the hypothetical conditions may affect assignment results.

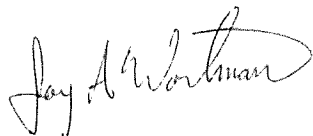
As a result of our investigation and analysis, it is our opinion that subject to the limiting conditions and assumptions contained herein, our opinion of the market value of the fee simple interest in the Subject, free and clear of financing, as of October 21, 2020, is:

**TWO MILLION ONE HUNDRED TEN THOUSAND DOLLARS
\$2,110,000**

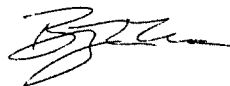
We appreciate this opportunity to be of service. Please contact us if you have any comments or questions.

Respectfully submitted,

KINETIC VALUATION GROUP, INC.



Jay Wortmann, MAI
CA Certified General Appraiser
No.3001293 Expiration 09/10/2021
jay@kvgteam.com
(402) 202-0771



Byron Lea, MAI
CA Certified General Appraiser
No.AG008505 Expiration 11/21/2022
byron@kvgteam.com
(970) 699-1748

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ADDENDA

FACTUAL DESCRIPTION

Property Identification

The property appraised is located at 470 Bernard Drive, identified as Assessor's Parcel Number 53-470-091, located in Yuba City, Sutter County, California. The site area is 4.71 acres and is currently improved with several mobile homes that are planned to be razed prior to redevelopment. The Regional Housing Authority plans to construct a 176-unit multifamily housing complex that will be income-restricted, as per LIHTC guidelines. Photos of the Subject have been included in the Addenda.

Intended Use and Intended Users of Appraisal

The intended user and client of this report include Regional Housing Authority and its assigns. California Tax Credit Allocation Committee (TCAC), California Debt Limit Allocation Committee (CDLAC), Housing and Community Development Department (HCD), Affordable Housing and Sustainable Communities (AHSC), and city of Yuba City are additional intended users. The intended use of the appraisal is for investment analysis.

Compliance and Competency Provision

We are aware of the compliance and competency provisions of USPAP, and within our understanding of those provisions, this report complies with all mandatory requirements, and the authors of this report possess the education, knowledge, technical skills, and practical experience to complete this assignment competently, in conformance with the stated regulations.

Unavailability of Information

In general, all information necessary to develop an estimate of value of the Subject property was available to the appraisers.

Legal Description

Included in the Addenda.

Property Interest Appraised

The property interest appraised is the fee simple estate.

Market value is defined as:

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of 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 best interest;
3. A reasonable time is allowed for exposure in the open market;



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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 normal considerations for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.¹

Date of Inspection and Effective Date of Appraisal

The Subject was inspected and photographed on October 21, 2020. This shall be the effective date of the appraisal.

Scope of Appraisal

As part of this appraisal, we have completed the following steps to gather, confirm, and analyze the data.

- Byron Lea, MAI performed a physical inspection of the property and the Subject's neighborhood October 21, 2020.
- The identification of the property to be appraised is based on information provided by the client and the property representative.
- Regional, city, and county data were based on information obtained from newspaper articles, city of Yuba City, Sutter County, ESRI Demographics, the Bureau of Labor Statistics, and other resources available to the appraiser. This was performed by Justine Simons.
- Data collection and analysis of market conditions currently affecting the county's real estate market on a national and regional level was conducted. This included, but was not limited to, the review and analysis of data pertaining to supply and demand for real estate properties, availability of financing and current financing terms, current interest and yield rates, buyer preferences, and economic forecasts. This was performed by Justine Simons.
- The research for land sales included Yuba City, and other surrounding areas from 2016 to the present. The market data was collected from the appraiser's office files, other appraisers, Realtors, newspapers articles, CoStar, title companies, LoopNet, and public records. This was performed by Byron Lea, MAI.
- The information gathered from these surveys and investigations was then analyzed, and comparisons were made to the property. The valuation process included the sales comparison approach. This was performed by Byron Lea, MAI.
- Jay Wortmann, MAI reviewed the final report but did not inspect the site.

Ownership and History of Subject

Ownership of the site is vested in Regional Housing Authority. We are not aware of any other prior transfers of the Subject property in the past three years, nor is the property exposed to the market.

¹ 6th Edition of The Dictionary of Real Estate Appraisal.

REGIONAL AND LOCAL AREA ANALYSIS

The Subject is located in the southeastern portion of Yuba City, California. Yuba City is located in the northern portion of California. It is the county seat of Sutter County and had a population of 60,925 at the 2010 census. The city lies along the Feather River which separates it from the adjacent Yuba County. Yuba City is located approximately 40 miles north of the state capital of Sacramento. Two of the state's major economic areas, the San Francisco Bay Area and Silicon Valley, are within a two to three-hour drive from the city. The city has developed through the years as a residential community that is the trading, and service center for the surrounding agricultural area.

Sutter County is strategically located in the Northern California's Central Valley within the Greater Sacramento area. The population was 94,737 at the 2010 census. The southern half of the county shares its borders with the counties of Sacramento, Yolo, and Placer. The neighbors of the northern half include Colusa, Butte, and Yuba counties. There are two incorporated cities in Sutter County: Yuba City and Live Oak. There are several unincorporated rural communities including Meridian, Nicolaus, East Nicolaus, Rio Oso, Robbins, Sutter and Trowbridge. The county is known for its rice, walnut, peach, tomato and prune production. The county is a short drive from the Interstate 80 and 5 corridors and is served by State Highways 20 and 99.

The Yuba-Sutter area (common name), or Yuba City, California Metropolitan Statistical Area (MSA) is smaller metropolitan area consisting of both Yuba and Sutter Counties. The area is anchored by Yuba City in Sutter County and the adjacent city of Marysville in Yuba County. The MSA had a population of 171,926 people at the 2010 census.

Transportation

Highway: California State Route 99 is a north/south highway stretching almost the entire length of the Central Valley. From its southern end at Interstate 5 near Wheeler Ridge to its northern end at State Route 36 near Red Bluff, it goes through the densely populated eastern parts of the valley. Cities served include Bakersfield, Delano, Tulare, Visalia, Kingsburg, Selma, Fresno, Madera, Merced, Turlock, Modesto, Stockton, Sacramento, Yuba City, and Chico. In Yuba City, it traverses through the central portion of the city and provides access to California State Route 20. It serves as the primary route connecting Yuba City to Sacramento.

California State Route 20 runs east/west across the northern central region of California, north of Sacramento. Its west end is at California State Route 1 in Fort Bragg, from where it heads east past Clear Lake, Colusa, Yuba City, Marysville, and Nevada City to Interstate 80 near Emigrant Gap, where eastbound traffic can continue on other routes to Lake Tahoe or Nevada. In Yuba City, it provides access to California State Route 99.



Kinetic Valuation Group

California State Route 70 connects Sacramento with U.S. Route 395 near Beckwourth Pass via the Feather River Canyon. It begins at a partial interchange with California State Route 99 north of Sacramento and heads north along a four-lane mix of expressway and freeway. Just north of the Bear River crossing / Yuba County line, in Plumas Lake, it becomes a freeway for the second time, which continues to just beyond the Yuba River in Marysville. In Marysville, it provides access to California State Route 20.

Air: Sacramento International Airport (SMF) is public airport ten miles northwest of downtown Sacramento. SMF processes over 10 million passengers annually. Sixteen domestic and international passenger airlines service the airport, providing 43 non-stop destinations. Airlines which operate out of the airport are American Airlines, Air Canada, Delta, United Airlines, Aeromexico, Alaska Airlines, Boutique Air, Contour Airlines, Frontier, Hawaiian Airlines, Horizon, JetBlue, Southwest, Spirit, Sun Country, and Volaris. The Subject is located approximately 37.7 miles north of the airport.

Public Transportation

Yuba-Sutter Transit runs six local bus routes in Marysville, Yuba City, Linda, and Olivehurst, running hourly or half-hourly between 6:30 am and 6:30 pm Mondays through Saturdays. There is also weekday commuter and midday service to Sacramento along Routes 70 and 99; three rural routes to Live Oak, the Yuba County foothills, and Wheatland; and Dial-a-Ride service available to seniors and those with disabilities as both a paratransit and door-to-door service, with general public availability offered after 6:30 pm. The nearest bus stop is approximately 0.26 miles from the subject.

Healthcare

Adventist Health and Rideout Memorial Hospital is a not for profit 209 bed short term acute care hospital in Marysville. It is the nearest full-service hospital to the Subject with services that include 24/7 emergency care, general medical/surgical care, intensive care, heart care, pain management care, urologic care, neurosurgery, cancer care, extended care services, a senior living/senior services campus and a full range of support and ancillary services. It is located approximately 1.52 miles from the Subject.

Education

The Yuba City Unified School District (YCUSD) incorporates over 215 square miles in Sutter County and provides educational services to nearly 13,100 students K-12. The twenty schools offer pre-school, K-5, K-8, 6-8, and 9-12 configurations along with an alternative high school and independent study programs. Students to reside at the Subject will attend Park Avenue Elementary School, Gray Avenue Middle School, Yuba City High School, located between 0.73 and 1.53 miles from the Subject.

DELINEATION OF MARKET AREA

Primary and Secondary Market Area

For the purpose of this study, it is necessary to define the market area, or the area from which potential tenants for the project are likely to be drawn. In some areas, residents are very much “neighborhood oriented” and are generally very reluctant to move from the area where they have grown up. In other areas, residents are much more mobile and will relocate to a completely new area, especially if there is an attraction such as affordable housing at below market rents.

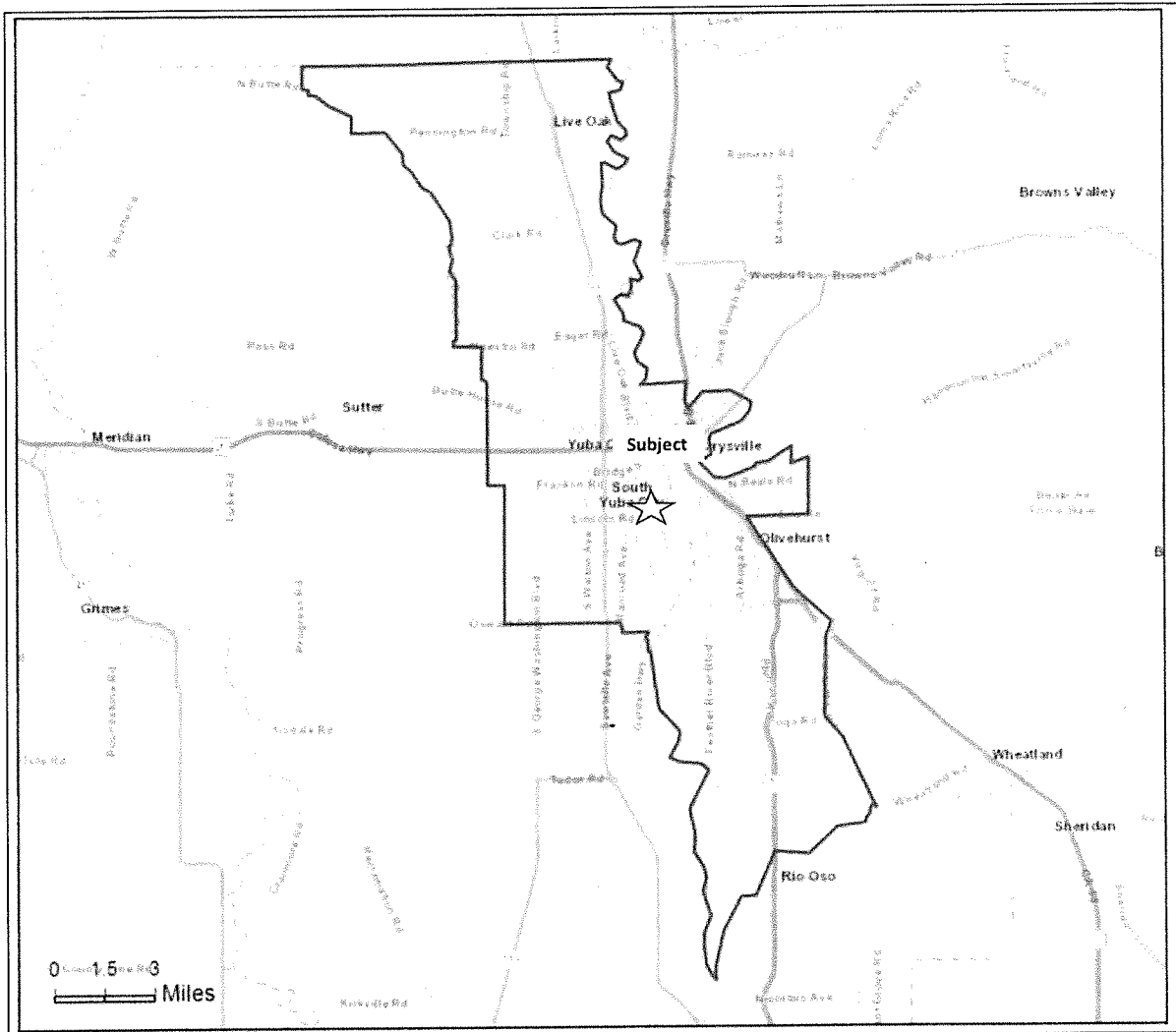
The Subject is located in the eastern portion of the city of Yuba City within Sutter County. The city is separated by the Feather River from the nearby city of Marysville within Yuba County. The primary market area (PMA) for the Subject is defined as census county divisions (CCD) of Yuba City, Marysville, Olivehurst, Linda, and Live Oak. This area encompasses the primarily metropolitan portion of the Yuba City, CA MSA which is primarily rural beyond the PMA.

The PMA boundaries and overall market health assessment are based upon analyses of physical boundaries, which include traffic and commute patterns within the area, surveys of existing market rate apartment projects undertaken by Kinetic Valuation Group, Inc., and insights gained from resident managers, zoning information, and others familiar with the multifamily market. We recognize several sub-markets exist within this PMA; however, market data demonstrates that a significant amount of the renter base considers housing opportunities within these boundaries. Given the opportunity to locate good quality multifamily housing, the renter base will move within these areas. We anticipate the majority of demand will be generated from this geographic area. However, leakage is expected from outside the PMA from other parts of the Yuba City, CA MSA.

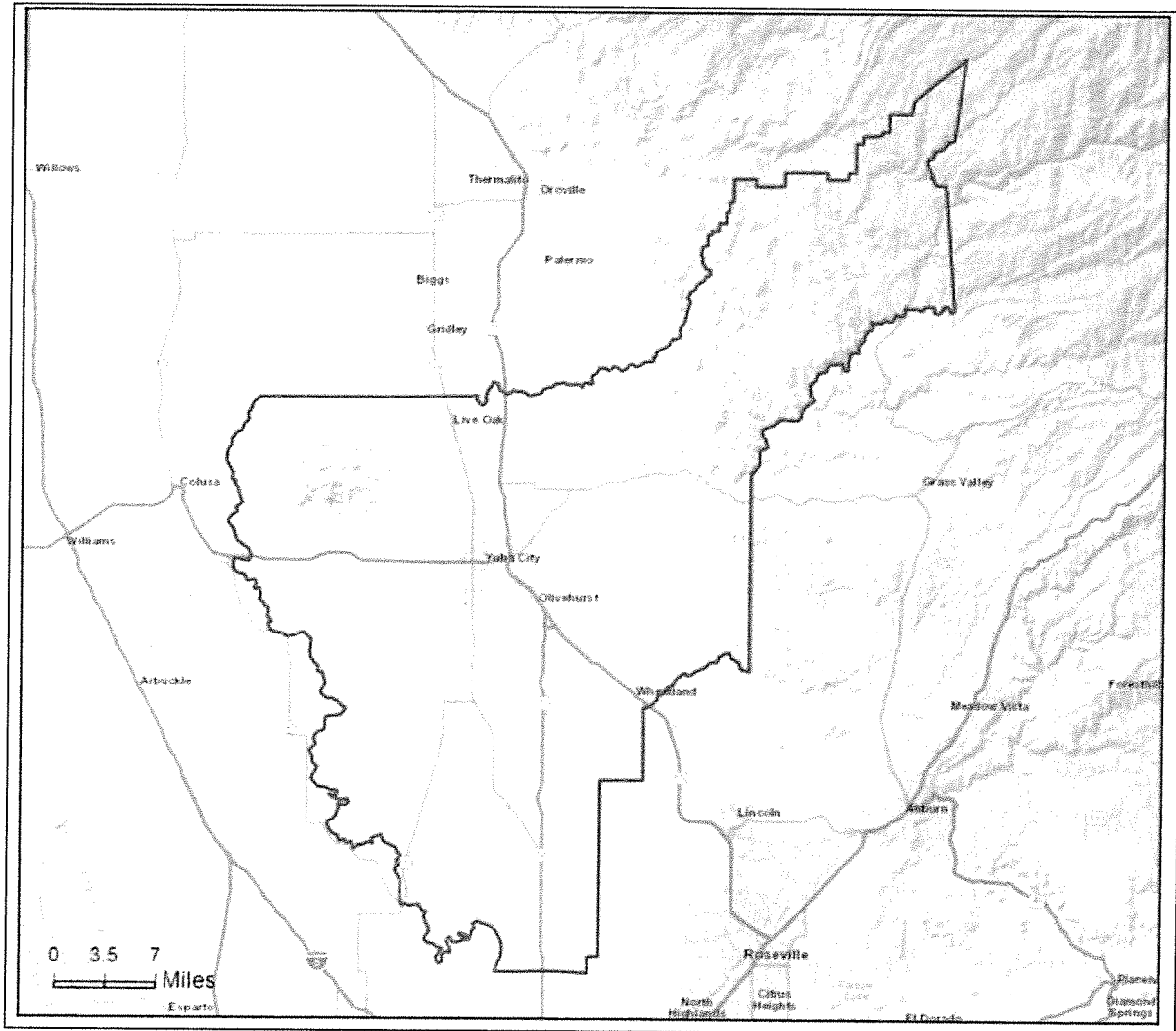
There are no natural boundaries in Yuba City and the Yuba City, CA MSA that would inhibit anyone from relocating to the Subject. The market area boundaries identified are a reasonable approximation regarding the potential renter market for the Subject.

The secondary market area (SMA) for the Subject is the Yuba City, CA MSA which consists of Sutter and Yuba Counties. A map outlining the PMA and SMA can be found on the following page.

PMA



SMA

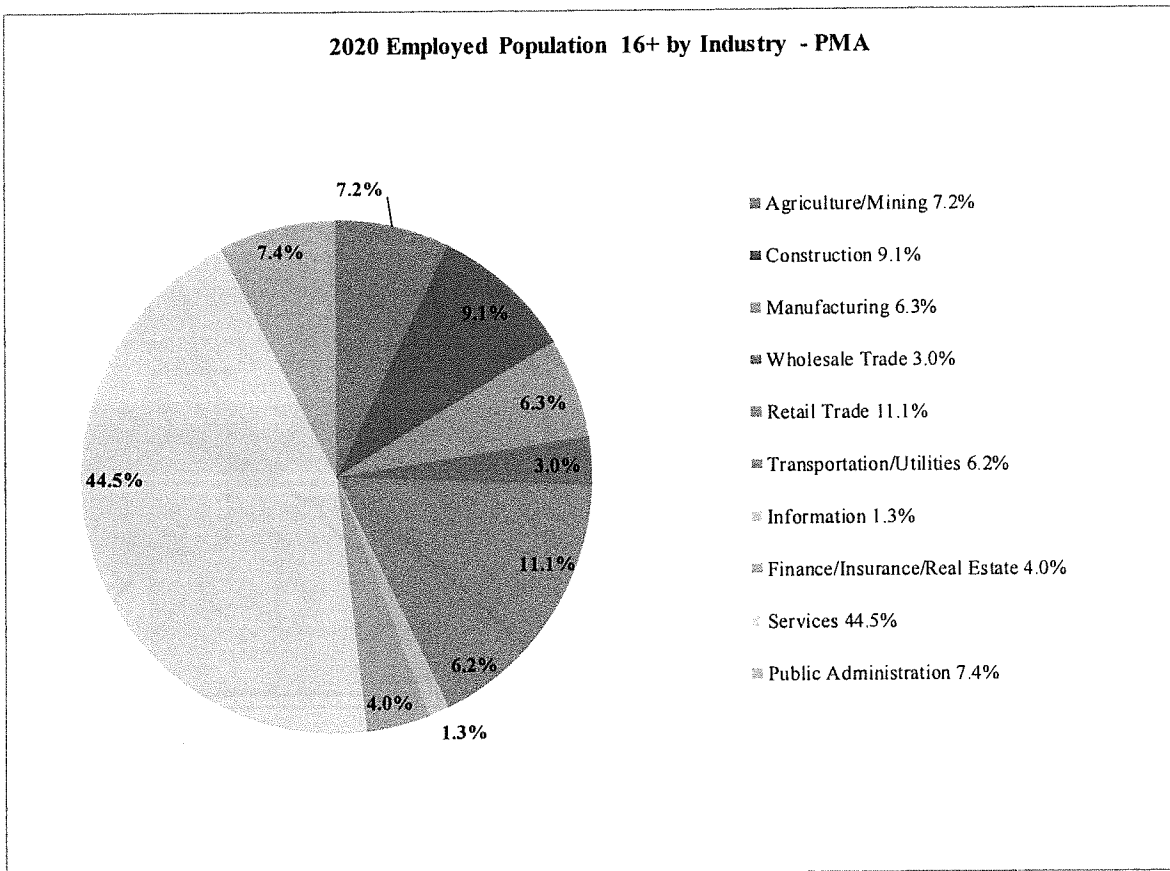


MARKET AREA ECONOMY

The following discussion includes an analysis of the local economy. This section will present and analyze information regarding employment by industry, the major employers, and unemployment trends. Information was provided, where available, for the Subject’s PMA. We obtained economic information from the Bureau of Labor Statistics, city of Yuba City, ESRI Demographics, and California Employment Development Department. These data sources are considered to be the most reliable and current.

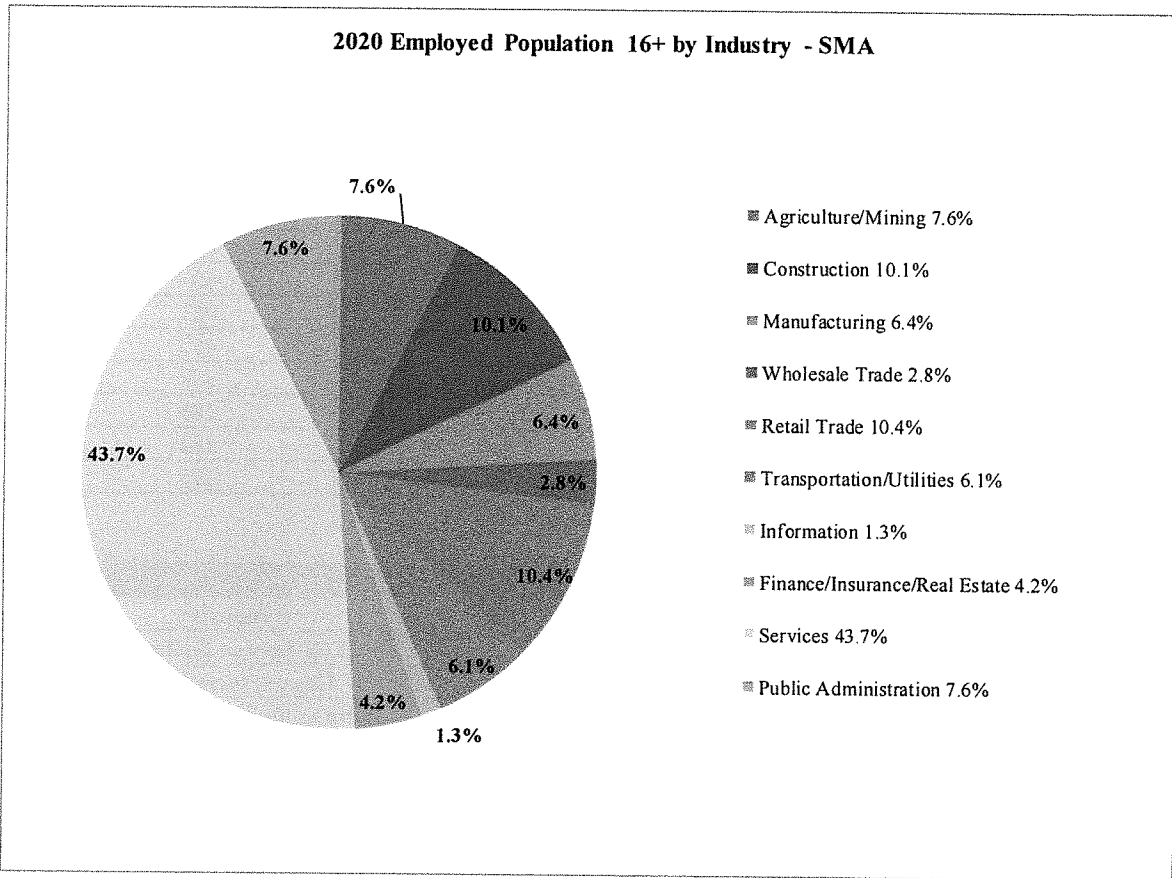
Employment by Industry

The following charts illustrate the distribution of employment sectors by industry within the PMA and SMA.



Source: ESRI Demographics

The largest employment sector in the PMA is the service sector with 44.5 percent, followed by the retail trade sector with 11.1 percent, and the construction sector with 9.1 percent.



Source: ESRI Demographics

The largest employment sector in the SMA is the services sector with 43.7 percent, followed by the retail trade sector with 10.4 percent, and the construction sector with 10.1 percent.

Major Employers

The following charts identify the major employers in Yuba City and Sutter County.

City of Yuba City, CA Major Employers - 2018		
Employer	Industry	# Employees
Fremont Rideout Medical	Healthcare	2,215
Yuba City Unified School District	Education	1,405
County of Sutter	Government	892
Sunsweet Growers	Agriculture	600
Wal-Mart	Retail	463
Sutter North Medical	Healthcare	450
City of Yuba City	Government	303
Target	Retail	185
Sam's Club	Retail	182
Bel Air/Raley's	Grocery/Pharmacy	173

Source: Yuba City Comprehensive Annual Financial Report, 2018

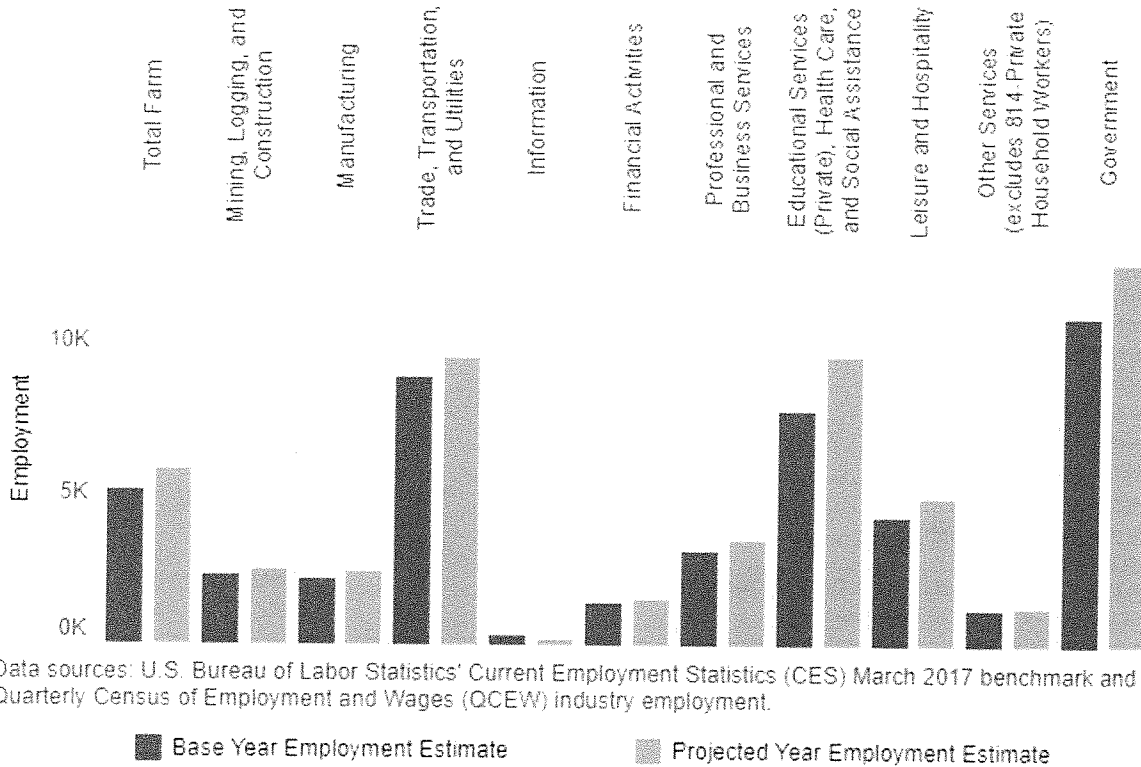
Sutter County, CA Major Employers - 2019		
Employer Name	Location	Industry
Applebee's	Yuba City	Full-Service Restaurant
Fountains Managed By Rideout	Yuba City	Convalescent Homes
Geweke Ford	Yuba City	Automobile Dealers-New Cars
Holt of California	Pleasant Grove	Contractors-Equip/Supls-Dlrs/Svc (whls)
Home Depot	Yuba City	Home Centers
Homeward Bound Golden	Elverta	Animal Shelters
Legend Transportation	Yuba City	Trucking-Liquid & Dry Bulk
Lowe's Home Improvement	Yuba City	Home Centers
River Valley High School	Yuba City	Schools
Sam's Club	Yuba City	Wholesale Clubs
Sierra Central Credit Union	Yuba City	Credit Unions
Sierra Gold Nurseries	Yuba City	Nurserymen
Siller Bros Aviation Div	Yuba City	Helicopter-Charter & Rental Service
Sunsweet Growers Inc	Yuba City	Fruits-Dried (whls)
Sutter County Jail	Yuba City	Government Offices-County
Sutter County Sheriff	Yuba City	Sheriff
Sutter-Yuba Behavioral Health	Yuba City	Hospitals
Sysco Sacramento Inc	Pleasant Grove	Food Products (whls)
Trees Inc	Yuba City	Tree Service
Valley Truck & Tractor Co	Yuba City	Lawn Mowers
Walmart Supercenter	Yuba City	Department Stores
Winco Foods	Yuba City	Grocers-Retail
Yuba City Care & Rehab Ctr	Yuba City	Convalescent Homes
Yuba City High School	Yuba City	Schools
Yuba Skilled Nursing Ctr	Yuba City	Convalescent Homes

Source: California Economic Development Department

Employment Expansion/Contractions and Trends

The information below was obtained from the Employment Development Department (EDD) about the Yuba City MSA, which consists of Sutter and Yuba Counties.

2016-2026 Industry Sector Employment Projections



2016-2026 Fastest Growing Occupations

Standard Occupational Classification	Occupational Title	Base Year Employment Estimate	Projected Year Employment Estimate	Percentage Change	Median Hourly Wage	Median Annual Wage
37-2012	Maids and Housekeeping Cleaners	210	380	81.0%	\$12.77	\$26,550
39-9021	Personal Care Aides	2,130	3,130	46.9%	\$11.99	\$24,111
35-2014	Cooks, Restaurant	210	290	38.1%	\$13.61	\$28,308
53-7051	Industrial Truck and Tractor Operators	170	230	35.3%	\$18.23	\$37,921
35-3031	Waiters and Waitresses	610	790	29.5%	\$11.37	\$23,640
43-3021	Billing and Posting Clerks	250	320	28.0%	\$18.61	\$38,702
39-5012	Hairdressers, Hairstylists, and Cosmetologists	160	200	25.0%	\$12.06	\$25,078
31-9092	Medical Assistants	280	350	25.0%	\$17.66	\$36,722
35-9021	Dishwashers	170	210	23.5%	\$10.89	\$22,660
37-2011	Janitors and Cleaners, Except Maids and Housekeeping Cleaners	670	820	22.4%	\$16.38	\$34,067

Fastest growing occupations are ranked by projected percentage change growth between 2016 and 2026. Wages are from the 2016 first quarter and do not include self-employed or unpaid family workers. An estimate could not be provided for wages listed as \$0. Excludes "All Other" categories. These are residual codes that do not represent a detailed occupation. Occupations with employment below 120 in 2016 are excluded.

Industry Title	Base Year Employment Estimate 2016**	Projected Year Employment Estimate 2026	Numeric Change 2016-2026	Percentage Change 2016-2026
Information	300	200	-100	-33.3%
Private Household Workers (B)	100	100	0	0.0%
Retail Trade	5,900	6,200	300	5.1%
Federal Government	1,600	1,700	100	6.3%
Wholesale Trade	1,500	1,600	100	6.7%
Trade, Transportation, and Utilities	8,900	9,500	600	6.7%
Financial Activities	1,400	1,500	100	7.1%
Other Services (excludes 814-Private Household Workers)	1,200	1,300	100	8.3%
Mining, Logging, and Construction	2,300	2,500	200	8.7%
Manufacturing	2,200	2,400	200	9.1%
State Government	900	1,000	100	11.1%
Professional and Business Services	3,100	3,500	400	12.9%
Transportation, Warehousing, and Utilities	1,500	1,700	200	13.3%
Total Nonfarm	42,300	48,100	5,800	13.7%
Total Farm	5,100	5,800	700	13.7%
Total Employment	51,200	58,300	7,100	13.9%
Leisure and Hospitality	4,300	4,900	600	14.0%
Self Employment (A)	3,700	4,300	600	16.2%
Government	10,900	12,700	1,800	16.5%
State and Local Government	9,300	11,000	1,700	18.3%
Local Government	8,400	10,000	1,600	19.0%
Educational Services (Private), Health Care, and Social Assistance	7,800	9,600	1,800	23.1%
Local Government Excluding Education	2,900	4,300	1,400	48.3%

Workforce and Unemployment Trends

The table below illustrates the workforce and unemployment trends for the city of Yuba City and Sutter County.

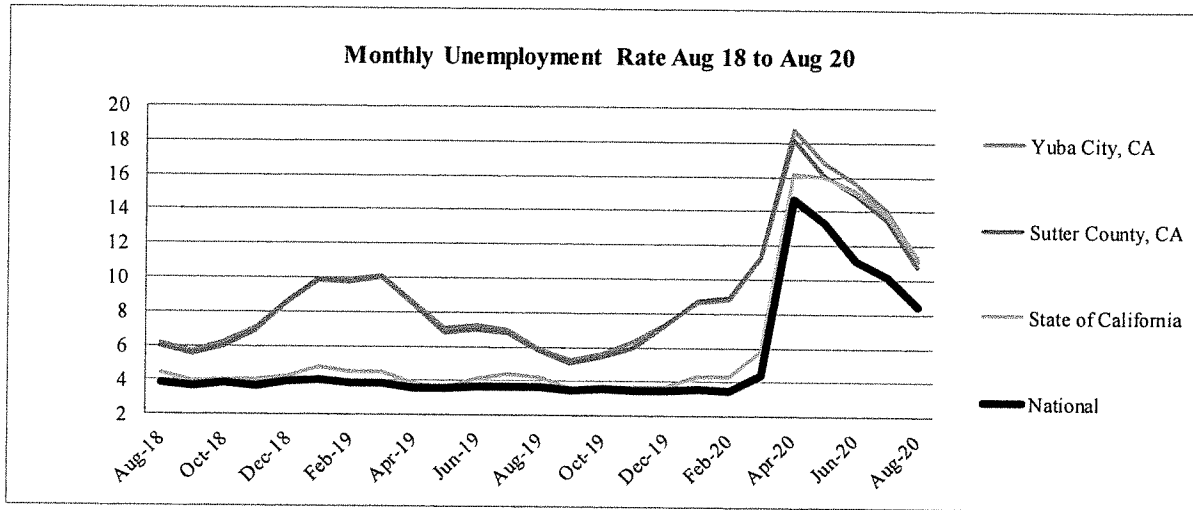
Unemployment Trends - 2009-2020 YTD								
Year	Yuba City, CA				Sutter County, CA			
	Total Labor Force	Total Employment	Unemployment Rate (%)	(%) Change	Total Labor Force	Total Employment	Unemployment Rate (%)	(%) Change
2009	19,598	16,016	18.3	-	41,882	34,991	16.5	-
2010	31,985	25,743	19.5	1.2	45,965	37,528	18.4	1.9
2011	31,918	25,754	19.3	-0.2	45,939	37,596	18.2	-0.2
2012	31,675	26,008	17.9	-1.4	45,557	37,901	16.8	-1.4
2013	31,113	26,262	15.6	-2.3	44,792	38,243	14.6	-2.2
2014	30,722	26,575	13.5	-2.1	44,288	38,691	12.6	-2.0
2015	31,318	27,739	11.4	-2.1	44,714	39,936	10.7	-1.9
2016	31,168	28,114	9.8	-1.6	44,968	40,613	9.7	-1.0
2017	31,192	28,454	8.8	-1.0	45,005	41,094	8.7	-1.0
2018	31,112	28,710	7.7	-1.1	44,890	41,449	7.7	-1.0
2019	31,771	29,396	7.5	-0.2	45,785	42,440	7.3	-0.4
2020 YTD	29,067	25,846	11.1	3.6	41,763	37,314	10.7	3.4

Source: Bureau of Labor Statistics

The unemployment rate in the city has fluctuated between 7.5 and 19.5 percent over the past decade. Since the unemployment rate increased to 19.5 percent in 2010, it has decreased or annually, with the exception of 2020 year-to-date.

Due to the COVID-19 Pandemic, unemployment rates experienced a sharp increase in April 2020 reaching a high of 18.7 percent. Levels have since decreased as businesses have begun to reopen, though are anticipated to remain elevated over the next few months. The county has generally followed a similar trend.

Below is a comparison of the city, county, and state unemployment rates to the national trend over the past 24 months.



Source: Bureau of Labor Statistics

The city and county have consistently remained above the state and national unemployment rate over the past 21 months, while the state has generally hovered near the national unemployment rate. Unemployment rates increased drastically in April as the effects of government-mandated shutdowns and social distancing due to the COVID-19 Pandemic were felt. Around May, unemployment rates decreased as a result of businesses beginning to reopen. It is anticipated all areas will continue to experience elevated unemployment rate over the next several months due to the COVID-19 Pandemic; the trajectory of the unemployment rate is heavily reliant on how long the COVID-19 Pandemic and its associated human behaviors, government mandated, or otherwise, last. There are medical implications associated with this downturn that are difficult to predict; at this time, the overall effect on the local and national economy cannot be determined.

Employment Trends

The following table illustrates the employment trends in Yuba City and Sutter County from 2009 to 2020 year-to-date.

Employment Trends - 2009 - 2020 YTD				
Year	Yuba City, CA		Sutter County, CA	
	Total Employment	Percentage Growth	Total Employment	Percentage Growth
2009	16,016	-	34,991	-
2010	25,743	60.7%	37,528	7.3%
2011	25,754	0.0%	37,596	0.2%
2012	26,008	1.0%	37,901	0.8%
2013	26,262	1.0%	38,243	0.9%
2014	26,575	1.2%	38,691	1.2%
2015	27,739	4.4%	39,936	3.2%
2016	28,114	1.4%	40,613	1.7%
2017	28,454	1.2%	41,094	1.2%
2018	28,710	0.9%	41,449	0.9%
2019	29,396	2.4%	42,440	2.4%
2020 YTD	25,846	-12.1%	37,314	-12.1%

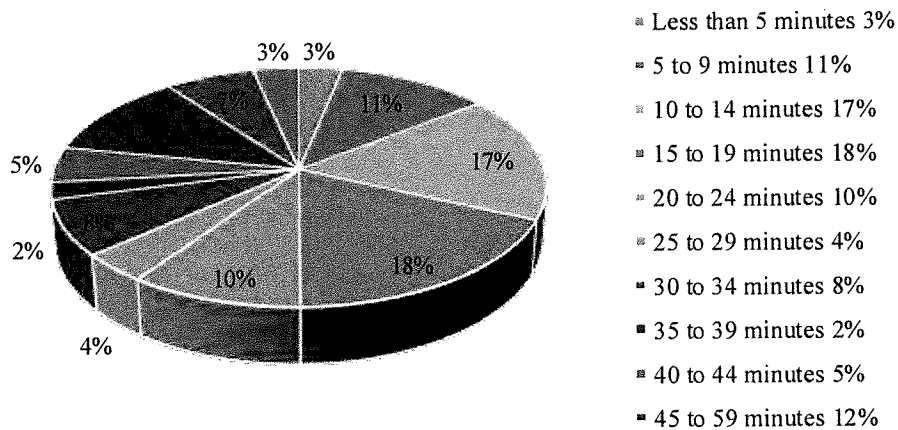
Source: Bureau of Labor Statistics

The employment level in Yuba City and Sutter County have experienced a decrease this year. Due to the recent COVID-19 Pandemic, these numbers will continue to remain compressed, but the overall effect on the local and national economy cannot be determined at this point.

Commuting Patterns

The chart below shows the travel time to work for the PMA according to ESRI data.

Average Travel Time to Work



Source: ESRI Demographics

Approximately 60 percent of persons in the PMA have a commute time of less than 25 minutes indicating a majority of the persons in the PMA commute to work in nearby areas.

Wages by Occupation

The chart below shows the wages by occupation for Yuba City

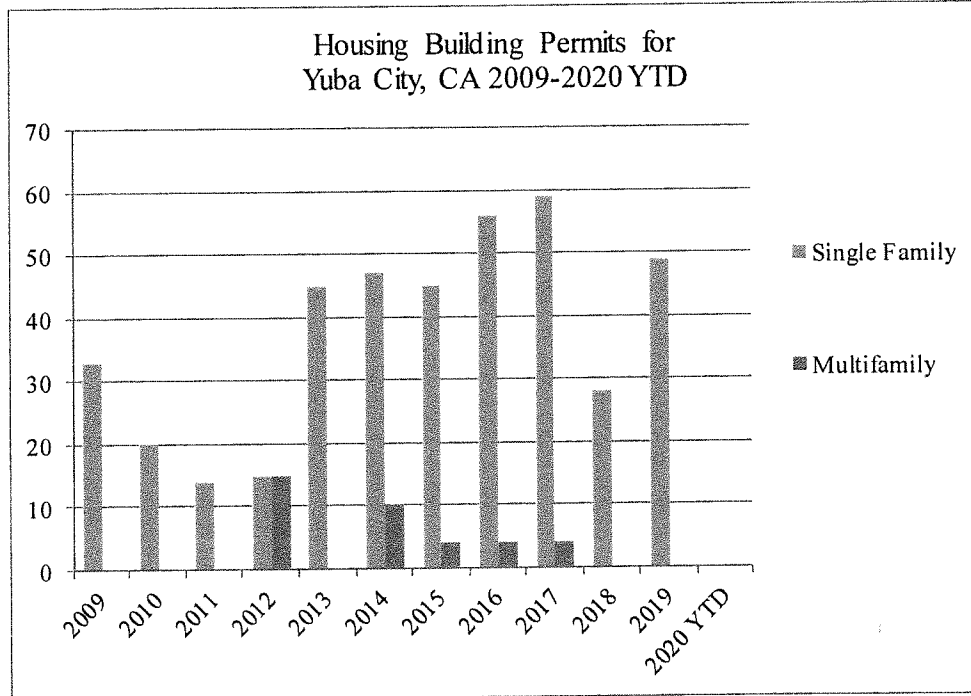
Wage by Occupation - Yuba City, CA- 2019			
Occupational Title	Number of Employees	Average Hourly Wage	Average Annual Wage
All Occupations	44,810	\$25.06	\$52,110
Management Occupations	1,900	\$50.59	\$105,230
Business and Financial Operations Occupations	1,460	\$34.12	\$70,980
Computer and Mathematical Occupations	390	\$37.84	\$78,710
Architecture and Engineering Occupations	800	\$44.98	\$93,560
Life, Physical, and Social Science Occupations	450	\$36.83	\$76,600
Community and Social Service Occupations	860	\$29.15	\$60,640
Legal Occupations	120	\$41.02	\$85,330
Educational Instruction and Library Occupations	4,490	\$33.44	\$69,550
Arts, Design, Entertainment, Sports, and Media Occupations	230	\$26.44	\$54,990
Healthcare Practitioners and Technical Occupations	2,820	\$52.72	\$109,660
Healthcare Support Occupations	3,280	\$14.89	\$30,970
Protective Service Occupations	940	\$24.97	\$51,930
Food Preparation and Serving Related Occupations	4,020	\$13.55	\$28,180
Building and Grounds Cleaning and Maintenance Occupations	1,240	\$16.24	\$33,780
Personal Care and Service Occupations	990	\$15.44	\$32,110
Sales and Related Occupations	4,640	\$18.36	\$38,180
Office and Administrative Support Occupations	5,100	\$20.08	\$41,770
Farming, Fishing, and Forestry Occupations	2,100	\$14.71	\$30,590
Construction and Extraction Occupations	2,330	\$26.52	\$55,160
Installation, Maintenance, and Repair Occupations	1,750	\$25.20	\$52,420
Production Occupations	1,600	\$19.35	\$40,250
Transportation and Material Moving Occupations	3,290	\$16.94	\$35,240

Source: Bureau of Labor Statistics

The above chart shows average hourly and annual wages by employment classification. The classification with the lowest average hourly wage was food preparation and serving-related occupations at \$13.55 per hour. The highest average hourly wage of \$52.72 was healthcare practitioners and technical occupations.

Building Permits

The following table demonstrates building permit information from 2009 through 2020 year-to-date in Yuba City.



Source: Office of Policy Development and Research HUD

Construction activity in the city over the past decade has mainly consisted of single family development, with limited multifamily permits issued, especially in the past eight years.

Conclusion

The Subject’s neighborhood, city of Yuba City, and the county of Sutter include many employment options for area residents. Numerous businesses offering a range of positions and skill levels exist within close proximity to the Subject. The wage rates within the area demonstrate a significant pool of potential tenants exist for affordable housing developments.

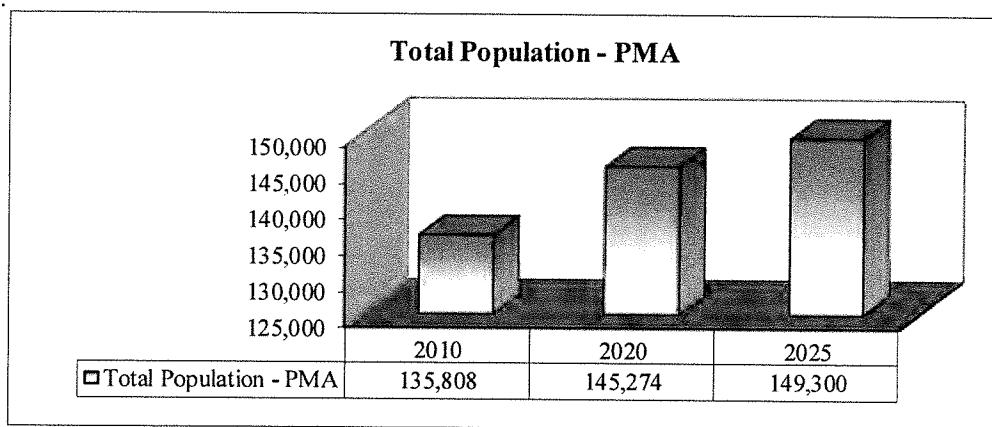
With the unprecedented surge in unemployment claims filed recently due to the COVID-19 Pandemic, it is anticipated that unemployment rates will remain elevated over the next several months while employment remains compressed. The trajectory of the unemployment rate is heavily reliant on how long the COVID-19 Pandemic and its associated human behaviors, government mandated, or otherwise, last. There are medical implications associated with this downturn that are difficult to predict; at this time, the overall effect on the local and national economy cannot be determined.

POPULATION, HOUSEHOLD & INCOME TRENDS

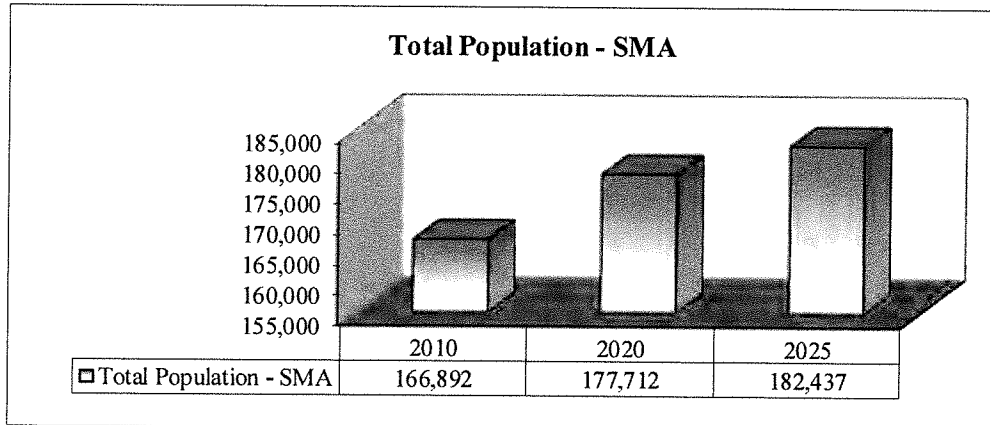
In this section, we present population, household and income trends in the PMA and SMA. All information is provided to us by ESRI Demographics, which is a national proprietary data provider. Some tables reflect rounding from the data provided, however, it is nominal.

Total Population

The charts below illustrate total population in the PMA and SMA from 2010 through 2025.



Source: ESRI Demographics



Source: ESRI Demographics

The population within the PMA has continuously grown from 2010 to 2020 and is expected to continue to increase through 2025. Similar to the PMA, the SMA is also considered an area of growth, which is a positive indicator for the need of additional affordable housing units.

Population by Age Group

The tables below illustrate population by age group in the PMA and SMA from 2010 through 2025.

Population by Age Group			
PMA			
Age Cohort	2010	2020	2025
0 - 4	11,465	11,619	12,090
5 - 9	11,152	11,365	11,613
10 - 14	10,457	10,692	11,312
15 - 19	10,569	9,847	9,902
20 - 24	9,773	9,484	9,174
25 - 34	19,968	23,438	23,317
35 - 44	17,158	18,949	21,110
45 - 54	17,247	15,804	15,595
55 - 64	13,269	15,218	14,543
65 - 74	7,969	11,105	11,777
75 - 84	4,941	5,549	6,644
85+	1,840	2,204	2,223
Total	135,808	145,274	149,300
Population by Age Group			
SMA			
Age Cohort	2010	2020	2025
0 - 4	13,370	13,443	13,956
5 - 9	13,164	13,289	13,539
10 - 14	12,693	12,704	13,353
15 - 19	12,843	11,724	11,816
20 - 24	11,681	11,351	10,823
25 - 34	23,079	27,405	26,993
35 - 44	20,855	22,449	25,241
45 - 54	22,290	19,848	19,332
55 - 64	17,672	20,295	19,232
65 - 74	10,671	15,168	16,436
75 - 84	6,290	7,271	8,873
85+	2,284	2,765	2,843
Total	166,892	177,712	182,437

Source: ESRI Demographics

In the PMA, population appears to be the greatest in the 25 to 54 year age group during 2020.

Number of Elderly and Non-elderly

The table below is an illustration of the elderly and non-elderly population.

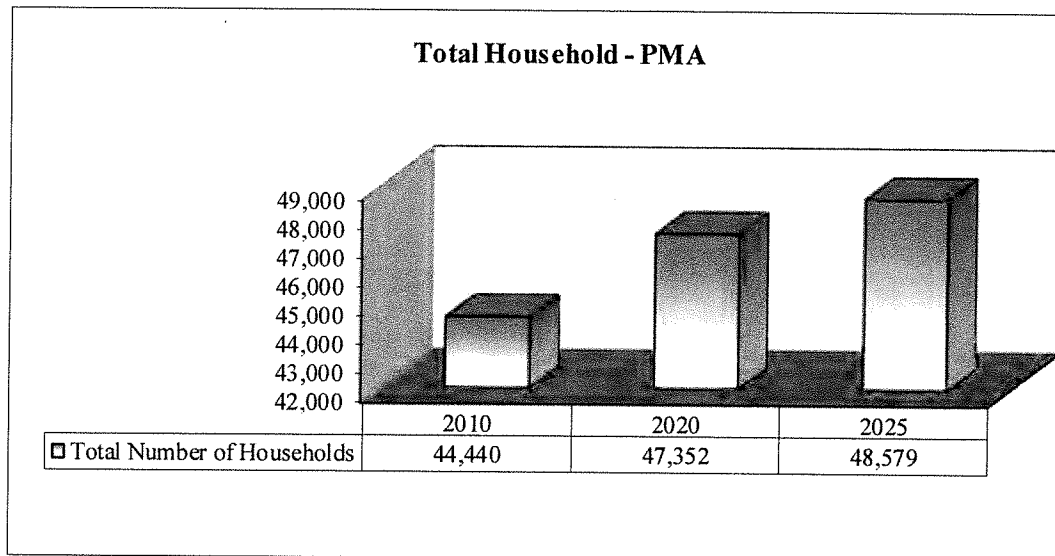
Number of Elderly and Non-Elderly						
Year	PMA			SMA		
	Total Population	Non-Elderly	Elderly (55+)	Total Population	Non-Elderly	Elderly (55+)
2010	135,808	107,789	28,019	166,892	129,975	36,917
2020	145,274	111,198	34,076	177,712	132,213	45,499
2025	149,300	114,113	35,187	182,437	135,053	47,384

Source: ESRI Demographics

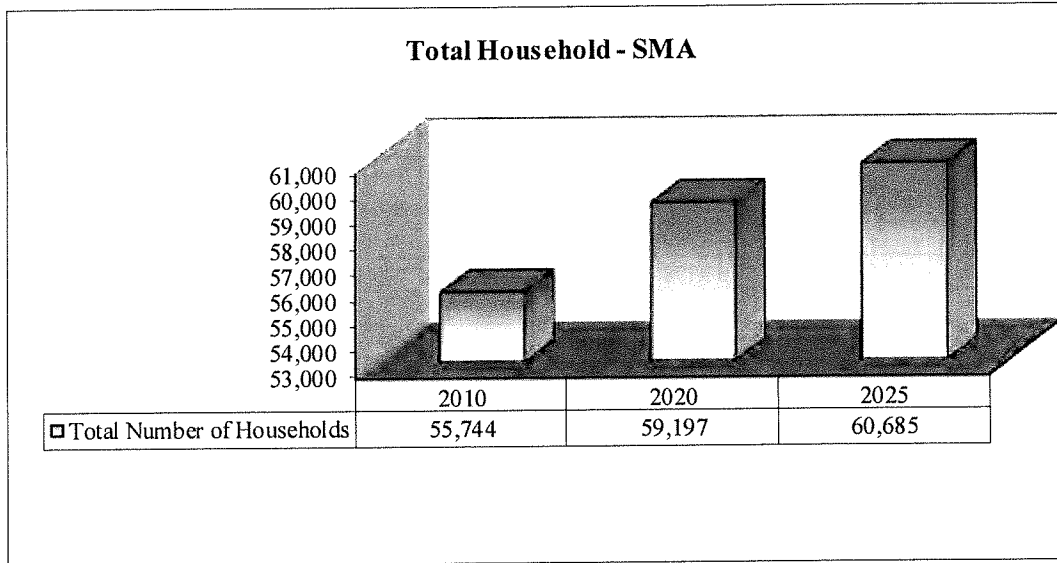
Within the PMA, population is greatest in the non-elderly population, those aged 54 or under. In 2020, the elderly population was approximately 23.5 percent of the total population in the PMA. Comparatively, within the SMA, the elderly population comprised 25.6 percent of total population in 2020.

Total Number of Households

The charts below illustrate the total number of households in the PMA and SMA.



Source: ESRI Demographics



Source: ESRI Demographics

Similar to the growth in population in both the PMA and SMA, growth in the number of households is expected to increase between 2010 and 2025, indicating the PMA and SMA are areas of growth. As the population and the number of households increase, there will be a larger number of lower-income needing affordable housing choices.

Total Household by Tenure

The table below illustrates total households by tenure for the total population in the PMA and SMA.

Tenure Patterns - Total Population								
Year	PMA				SMA			
	Owner-Occupied Units		Renter-Occupied Units		Owner-Occupied Units		Renter-Occupied Units	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
2010	25,767	58.0%	18,673	42.0%	33,680	60.4%	22,064	39.6%
2020	27,307	57.7%	20,045	42.3%	35,244	59.5%	23,953	40.5%
2025	28,346	58.4%	20,233	41.6%	36,544	60.2%	24,141	39.8%

Source: ESRI Demographics

As indicated, the total number of renter-occupied housing units within the PMA during 2020 is 42.3 percent. This number is projected to decrease slightly through 2025. Comparatively, the total number of renter-occupied households within the SMA during 2020 is lower, at 40.5 percent.

Average Household Size

The table below illustrates average household size.

Average Household Size				
Year	PMA		SMA	
	Number	Annual Change	Number	Annual Change
2010	3.06	-	2.99	-
2020	3.07	0.04%	3.00	0.03%
2025	3.07	0.04%	3.01	0.03%

Source: ESRI Demographics

Average household size in the PMA during 2020 was 3.07 persons; this is projected to maintain through 2025. Comparison to the SMA average household size of 3.00 indicates a smaller average household size in the SMA than the PMA.

Renter Households by Number of Persons in the Household

The following tables show household size by renter tenure.

Renter Households by Number of Persons - PMA						
	2010		2020		2025	
	Number	Percentage	Number	Percentage	Number	Percentage
With 1 Person	3,959	21.2%	4,250	21.2%	4,289	21.2%
With 2 Persons	5,210	27.9%	5,593	27.9%	5,645	27.9%
With 3 Persons	3,062	16.4%	3,287	16.4%	3,318	16.4%
With 4 Persons	2,876	15.4%	3,087	15.4%	3,116	15.4%
With 5 Persons	1,774	9.5%	1,904	9.5%	1,922	9.5%
With 6 Persons	952	5.1%	1,022	5.1%	1,032	5.1%
With 7+ Persons	822	4.4%	882	4.4%	890	4.4%
Total Renter Households	18,654	100%	20,025	100%	20,213	100%

Renter Households by Number of Persons -SMA						
	2010		2020		2025	
	Number	Percentage	Number	Percentage	Number	Percentage
With 1 Person	4,656	21.1%	5,054	21.1%	5,094	21.1%
With 2 Persons	6,575	29.8%	7,138	29.8%	7,194	29.8%
With 3 Persons	3,618	16.4%	3,928	16.4%	3,959	16.4%
With 4 Persons	3,310	15.0%	3,593	15.0%	3,621	15.0%
With 5 Persons	1,964	8.9%	2,132	8.9%	2,149	8.9%
With 6 Persons	1,059	4.8%	1,150	4.8%	1,159	4.8%
With 7+ Persons	883	4.0%	958	4.0%	966	4.0%
Total Renter Households	22,064	100%	23,953	100%	24,141	100%

Source: ESRI Demographics

Conclusion

The PMA is comprised of 42.3 percent renter households. Demand for multifamily rental units in the PMA is expected to come from normal turnover and the limited supply of affordable properties in the area. The demographics presented above provide support that there is a stable renter population within the PMA and would typically support current and future demand for the Subject; however, the COVID-19 Pandemic is ongoing and the lasting impact of its affects is yet to be determined.

NEIGHBORHOOD ANALYSIS

Introduction

The Subject is located in the southeastern portion of Yuba City, Sutter County, California, in a mixed-use area.

Access and Traffic Flow

The Subject has access via the east side of Bernard Drive. Bernard Drive is a neighborhood connector street generally traversing north/south. It provides access to Garden Highway to the west via three east/west neighborhood connector streets; Miles Avenue, Samuel Drive, and McKeehan Drive. Garden Highway traverses north/south throughout southeastern Yuba City. It intersects with California State Route 99 to the west via Lincoln Road and Bogue Road, and California State Route 20 to the north, via several neighborhood connector streets. California State Route 99 is a north/south highway that traverses through the central portion of Yuba City. It serves as the primary route connecting Yuba City to Sacramento. California State Route 20 runs east/west through the central portion of Yuba City, providing access to other parts of Sutter County to the west, and Yuba County to the east.

Visibility/Views

The site has good visibility from the east side of Bernard Drive. To the west and north of the site are existing multifamily housing units appearing in average condition, a childcare facility in average condition, a medical clinic in average condition, and a grocery market in average condition. The Garden Highway, commercial businesses and single-family homes are located further to the northwest and southwest. To the south is a large array of ground-mounted photovoltaic panels on a 1.32-acre site, that provides electricity to the adjacent multifamily housing units; and farmland is located further to the south. To the east of the site is the Sutter County Airport, with the Feather River immediately beyond it.

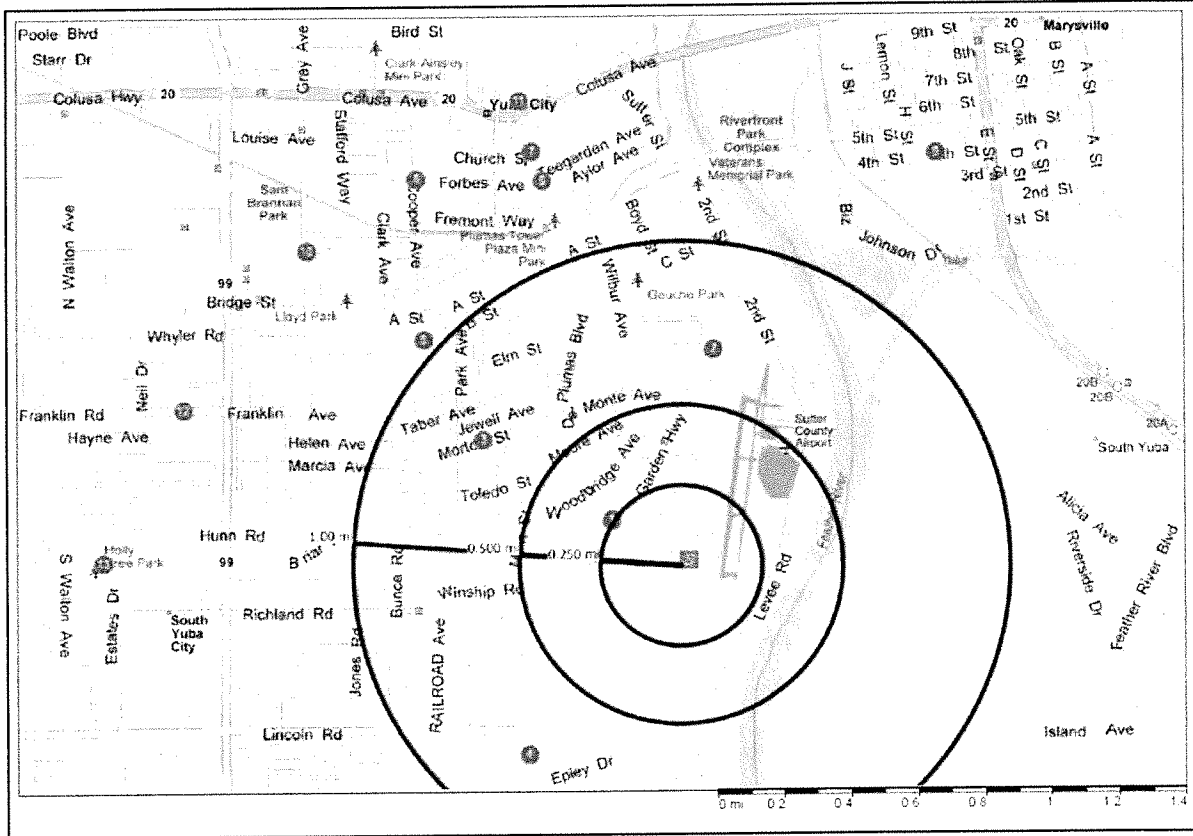
Location Map

The map below illustrates the Subject and surrounding neighborhood.



Locational Amenities & Map - Overview

The map and table below illustrate the location amenities in relation to the Subject's site.

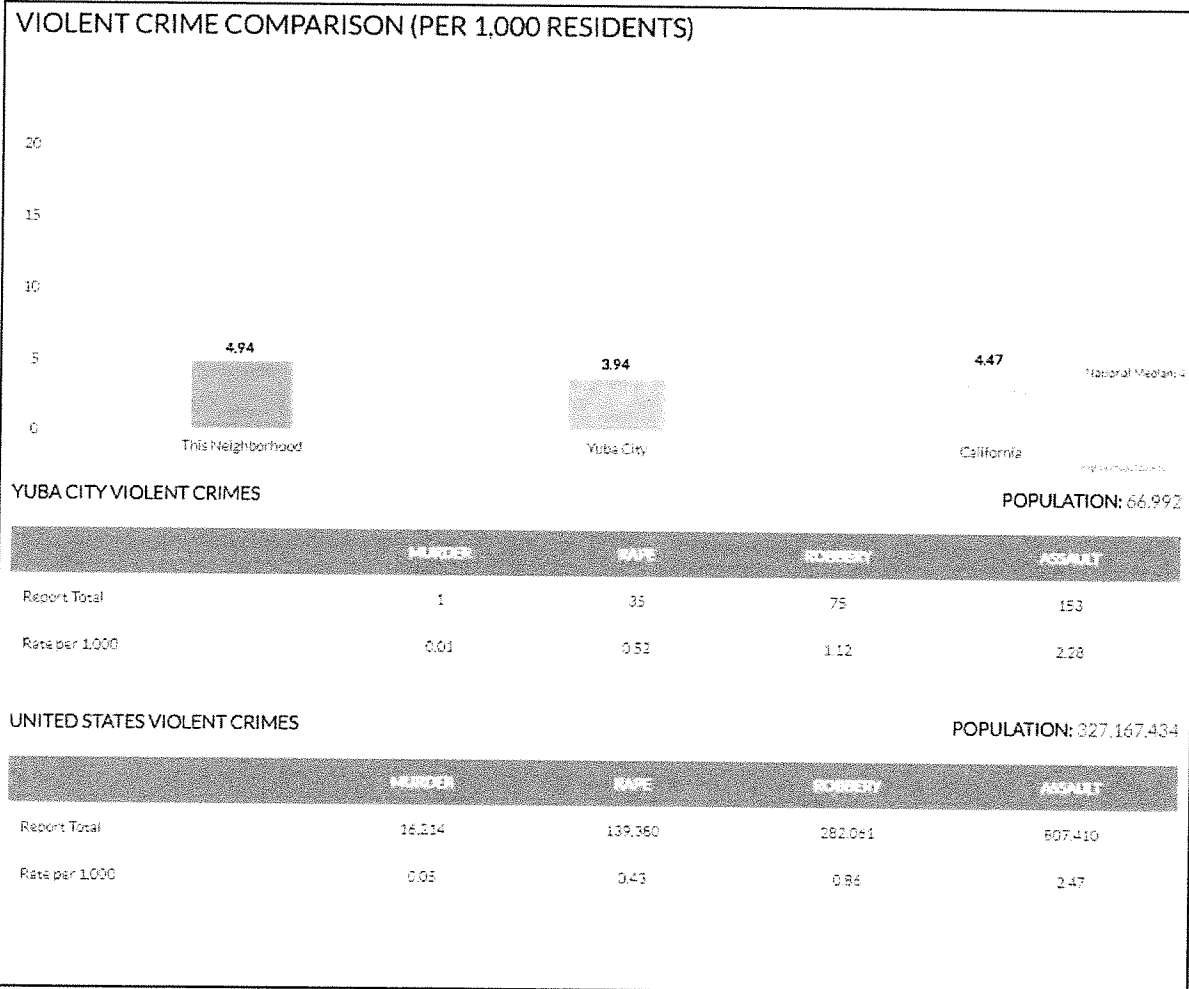


Distance From Local Services			
Map #	Name	Service	Distance
1	Bus Stop	Bus Stop	0.26 miles
2	Fairground Market & Gas	Gas Station	0.69 miles
3	Park Avenue Elementary School	School	0.73 miles
4	Adventure Church of Yuba City	Church	0.75 miles
5	Yuba City High School	School	1.08 miles
6	Suncrest Bank	Bank	1.29 miles
7	United States Postal Service	Post Office	1.39 miles
8	Sutter County Library	Library	1.48 miles
9	Adventist Health and Rideout Memorial Hospital	Hospital	1.52 miles
10	Gray Avenue Middle School	School	1.53 miles
11	Riverside Pharmacy	Pharmacy	1.55 miles
12	WinCo Foods	Grocery Store	1.62 miles
13	Holly Tree Park	Recreation	1.80 miles

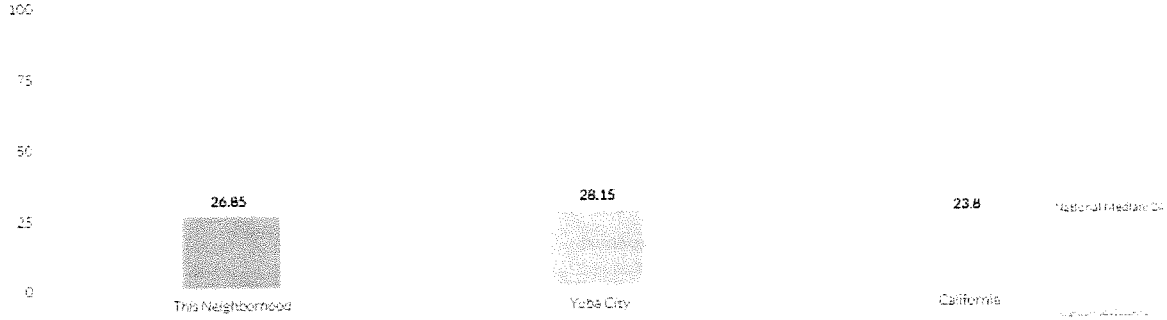
Crime Statistics

The following crime data is provided by Neighborhood Scout.

TOTAL CRIME INDEX	NEIGHBORHOOD ANNUAL CRIMES		
<p>32</p> <p>(per 1,000 residents)</p> <p>Safer than 32% of U.S. neighborhoods</p>	VIOLENT	PROPERTY	TOTAL
Number of Crimes	30	163	193
Crime Rate (per 1,000 residents)	4.94	26.85	31.79



PROPERTY CRIME COMPARISON (PER 1,000 RESIDENTS)



YUBA CITY PROPERTY CRIMES

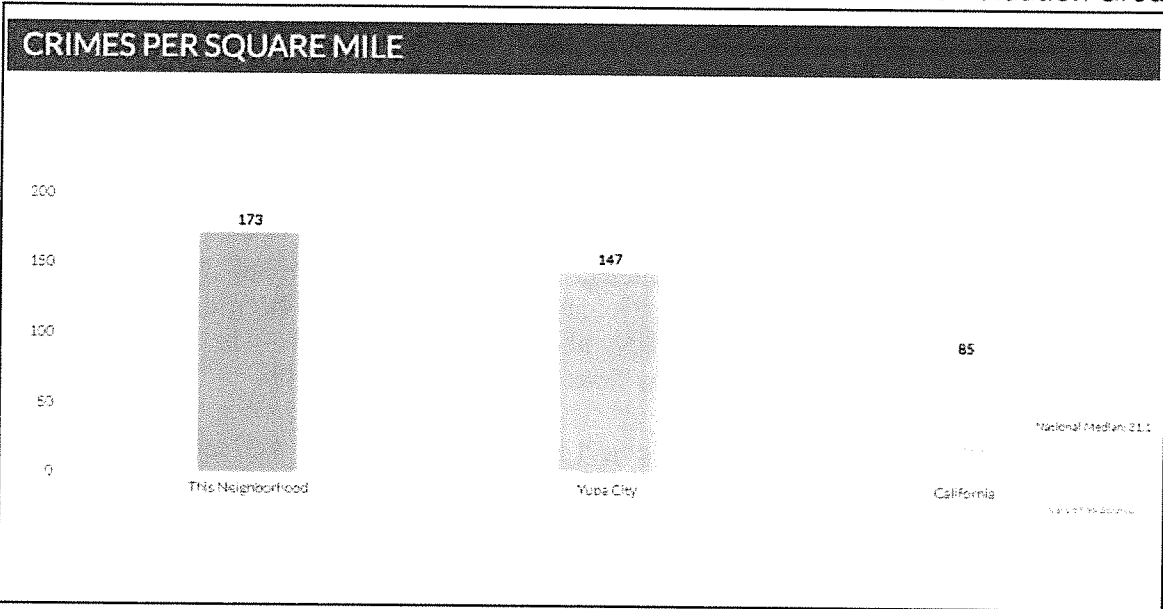
POPULATION: 66,992

	BURGLARY	THEFT	MOTION VEHICLE THEFT
Report Total	154	1,070	383
Rate per 1,000	1.49	10.45	4.21

UNITED STATES PROPERTY CRIMES

POPULATION: 327,167,434

	BURGLARY	THEFT	MOTION VEHICLE THEFT
Report Total	1,230,149	6,217,055	748,841
Rate per 1,000	3.75	18.98	2.28



After inspection and observation of the Subject’s neighborhood, we do not anticipate the overall crime statistics will affect the marketability for the Subject.

Summary

The Subject will provide affordable housing that represents good quality apartments that are in strong demand in the area. The site is located within a mixed-use neighborhood in the southeastern portion of the city of Yuba City. All major shopping, transportation, and recreational amenities are located within a short distance of the Subject. Access to groceries, pharmacy and shopping is convenient, and within reasonable distance.

PROJECT DESCRIPTION

Our description of the Subject is based upon information provided by the developer and the property inspection. We assume the information supplied is accurate.

Site Description

- Site Location:** The Subject is located at 470 Bernard Drive, Yuba City, Sutter County, California. It has been assigned Assessor Parcel Number (APN) 53-470-091. The site is located in Census Tract 0503.02.
- Existing Improvements:** The Subject is currently improved with mobile homes. The developer plans to raze the improvements and construct a 176-unit multifamily housing complex that will be income-restricted, as per LIHTC guidelines.
- Size/Shape:** The site contains 4.71 acres or 205,168 square feet and is irregular in shape.
- Topography:** The site topography is level at curb grade.
- Vegetation:** The site has typical vegetation with some grass, shrubs, trees, and landscaped areas.
- Proximity to Adverse Conditions:** At this time, we are unaware of any detrimental influences that would impact on the value of the Subject.
- Drainage:** Appears adequate, however no specific tests were performed.
- Soil and Subsoil Conditions:** We were not provided with soil surveys.
- Environmental:** We did not observe any obvious environmental hazards during the site inspection. However, we are not experts within this field.

KVG

Kinetic Valuation Group

Zoning:

The Subject is zoned Multiple-Family Residence District (R-3). The purpose of the Multiple-Family Residence District (R-3) zone is to provide for the highest density residential uses in appropriate locations, with a level of standards conducive to establishment of a suitable living environment to those living in multiple-family residences. The density is determined by the land use designation outlined in the Yuba City General Plan. High Density Residential permits one unit per 1,000 square feet of lot area. The Subject as proposed will represent a legal conforming use. Review of planned site plan appears to optimize site area.

Flood Plain:

Zone X, 0603940605E, dated December 2, 2008

Photographs:

Subject photos are included in the Addenda.

Location Map:

The map below illustrates the location of the Subject.



HIGHEST AND BEST USE ANALYSIS

HIGHEST AND BEST USE AS VACANT

Physically Possible

The Subject site consists of approximately 4.71 acres or 205,168 square feet. The site is irregular in shape with good accessibility and visibility. The site is considered adequate for a variety of physically possible uses.

Legally Permissible

The Subject is currently zoned Multiple-Family Residence District (R-3). The purpose of the R-3 zone is to provide for the highest density residential uses in appropriate locations, with a level of standards conducive to establishment of a suitable living environment to those living in multiple-family residences. The density is determined by the land use designation outlined in the Yuba City General Plan. High Density Residential permits one unit per 1,000 square feet of lot area. The Subject as proposed will represent a legal conforming use. Review of planned site plan appears to optimize site area.

Financially Feasible

The cost of the land limits those uses that are financially feasible for the site. Any use of the Subject site that provides a financial return to the land in excess of the cost of the land is those uses that are financially feasible.

Maximally Productive

With the tax credit subsidy, the value of the project supports feasibility. Based upon our analysis, new construction of multifamily housing is financially feasible with subsidy. Therefore, the maximally productive use of this site as if vacant would be to construct a multifamily residential complex using tax credit equity, favorable financing, or other gap subsidies.

Conclusion Highest and Best Use “As Vacant”

The highest and best use for the property “as vacant” would be to construct a multifamily residential complex with financial subsidies.

APPRAISAL METHODOLOGY

The sales comparison approach of land sale comparables intended for multifamily development to assess the value of the Subject site, as though vacant is the appropriate methodology for valuation of the Subject property. The cost and income approach are not applicable, and were not used in this appraisal report.

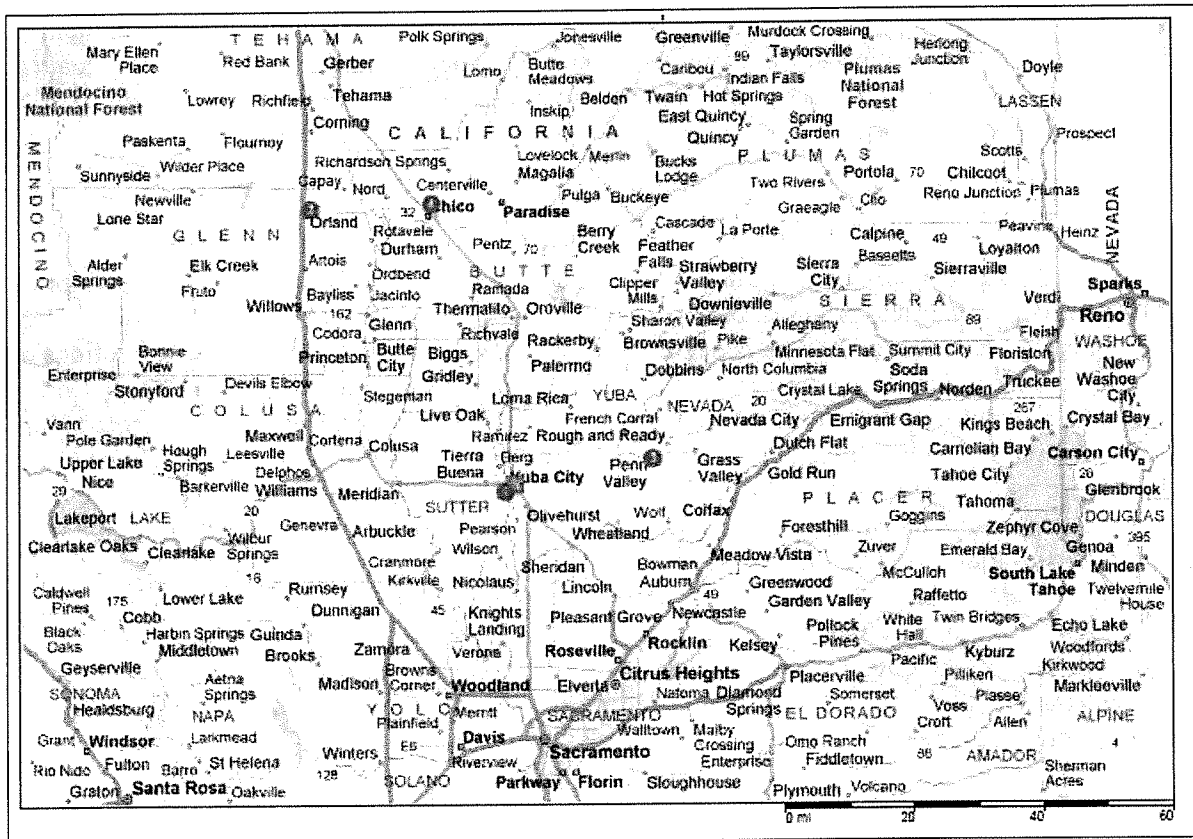
LAND VALUATION

The sales comparison approach to value is a process of comparing market data; that is, the price paid for similar properties, prices asked by owners, and offers made by prospective purchasers willing to buy or lease. Market data is good evidence of value because it represents the actions of users and investors. The sales comparison approach is based on the principle of substitution, which states that a prudent investor would not pay more to buy or rent a property than it will cost to buy or rent a comparable substitute. The sales comparison approach recognizes that the typical buyer will compare asking prices and work through the most advantageous deal available. In the sales comparison approach, the appraisers are observers of the buyer's actions. The buyer is comparing those properties that constitute the market for a given type and class.

To arrive at an opinion of land value for the Subject site, we researched and analyzed sales of comparable sites in the competitive area. In performing the market valuation, an extensive search for recent transfers of land zoned for multifamily development within the Yuba City area was made. The search for market-oriented land sales was concentrated within the Yuba City, CA MSA and surrounding region. Due to lack of sales within Sutter and Yuba Counties, the search area was expanded to include surrounding counties. One sale is located in Yuba City, while the rest of the sales are located within the cities of Chico, Orland, and Penn Valley. Following is a land sales map, summary of sales, analysis of sales, and individual land data sheets.

Multifamily Land Sales							
Data No.	Property Identification	Date of Sale	Sale Price	Property Size/Acres	Property Size/SF	Price per SF	Price per Unit
1	448 Garden Highway Yuba City, CA 95991 53-448-008; P/O 53-470-053	Apr-20	\$560,000	0.67	29,343	\$19.08	\$14,000
2	203 E Swift Street Orland, CA 95963 041-081-002	Sep-20	\$395,000	1.57	68,389	\$5.78	\$10,972
3	10584 Broken Oak Court Penn Valley, CA 95946 051-151-066	Feb-19	\$440,000	1.50	65,340	\$6.73	\$13,750
4	1266 East Avenue Chico, CA 95926 016-040-020	Dec-18	\$1,100,000	2.57	111,949	\$9.83	\$25,000

Land Sales Map



Land Sale 1			
Property Identification			
Address/Location	448 Garden Highway Yuba City, CA 95991		
APN	53-448-008; P/O 53-470-053		
Property Characteristics		Sale Data	
Zoning	R-3/C-3	Sale Price	\$560,000
Property Use	Multifamily	Cash Equivalent	\$560,000
Size (Acres)	0.67	Number of Units Planned	40
Size (SF)	29,343	Price per SF	\$19.08
Shape	Irregular	Sale Date	Apr-20
Topography	Level	Price per Unit	\$14,000
Streets	Paved	Cash Equivalent	Yes
Off-site Improvements	To Site	Seller	Regional Housing Authority of Sutter and Nevada Counties
Other Improvements	Comm. Bldg.	Buyer	Yuba City PSH Pacific Associates
Utilities	To Site	Sale Conditions	Market
Location	Average	Property Rights	Fee Simple
Access	Average	Marketing Time (Mo.)	Off-Market
Visibility	Average	Comp ID	4927
Comments			
Sale information was confirmed with the buyer. This was an off-market transaction; the site was appraised and a purchase price was negotiated between the two parties. The site is being purchased for the development of New Haven Court, a 40-unit permanent supportive housing project. The site was improved with a small commercial building at the time of sale; demolition costs did not impact the sale price.			

Land Sale 2			
Property Identification			
Address/Location	203 E Swift Street Orland, CA 95963		
APN	041-081-002		
Property Characteristics		Sale Data	
Zoning	R3	Sale Price	\$395,000
Property Use	Multifamily	Cash Equivalent	\$395,000
Size (Acres)	1.57	Number of Units Planned	36
Size (SF)	68,389	Price per SF	\$5.78
Shape	Average	Sale Date	Sep-20
Topography	Level	Price per Unit	\$10,972
Streets	Paved	Cash Equivalent	Yes
Off-site Improvements	To Site	Seller	Mark W. Smith & Mary B. Smith
Other Improvements	None	Buyer	AMG & Associates LLC
Utilities	To Site	Sale Conditions	Market
Location	Average	Property Rights	Fee Simple
Access	Average	Marketing Time (Mo.)	Off-Market
Visibility	Average	Comp ID	4928
Comments			
Sale information was confirmed with the buyer. The buyer is purchasing the property for the development of a 36-unit LIHTC apartment complex. The site was not entitled for the proposed improvements.			

Land Sale 3			
Property Identification			
Address/Location	10584 Broken Oak Court Penn Valley, CA 95946		
APN	051-151-066		
Property Characteristics		Sale Data	
Zoning	R3	Sale Price	\$440,000
Property Use	Multifamily	Cash Equivalent	\$440,000
Size (Acres)	1.50	Number of Units Planned	32
Size (SF)	65,340	Price per SF	\$6.73
Shape	Irregular	Sale Date	Feb-19
Topography	Level	Price per Unit	\$13,750
Streets	Paved	Cash Equivalent	Yes
Off-site Improvements	To Site	Seller	The Donald Eugene Fultz Trust
Other Improvements	None	Buyer	AMG & Associates, LLC
Utilities	To Site	Sale Conditions	Market
Location	Average	Property Rights	Fee Simple
Access	Average	Marketing Time (Mo.)	N/A
Visibility	Average	Comp ID	4930
Comments			
Sale information was confirmed with the buyer. The site was purchased for the development of Lone Oak Senior Apartments, a 32-unit LIHTC apartment complex.			

Land Sale 4			
Property Identification			
Address/Location	1266 East Avenue Chico, CA 95926		
APN	016-040-020		
Property Characteristics		Sale Data	
Zoning	OR	Sale Price	\$1,100,000
Property Use	Multifamily	Cash Equivalent	\$1,100,000
Size (Acres)	2.57	Number of Units Planned	44
Size (SF)	111,949	Price per SF	\$9.83
Shape	Irregular	Sale Date	Dec-18
Topography	Level	Price per Unit	\$25,000
Streets	Paved	Cash Equivalent	Yes
Off-site Improvements	To Site	Seller	Chico Properties LLC
Other Improvements	3 Vacant SFH	Buyer	AE Skyline LP
Utilities	To Site	Sale Conditions	Market
Location	Average	Property Rights	Fee Simple
Access	Average	Marketing Time (Mo.)	N/A
Visibility	Average	Comp ID	4931
Comments			
Multiple attempts to reach the parties involved were not returned. The site was purchased for the development of 44 units. No effect on sale price due to demolition costs was reported.			

The table below summarizes the adjustments.

Land Sale Analysis									
	Subject	Sale 1		Sale 2		Sale 3		Sale 4	
Address/Location	470 Bernard Drive Yuba City, California 95991	448 Garden Highway Yuba City, CA 95991		203 E Swift Street Orland, CA 95963		10584 Broken Oak Court Penn Valley, CA 95946		1266 East Avenue Chico, CA 95926	
Sale Price		\$560,000		\$395,000		\$440,000		\$1,100,000	
Price per Unit		\$14,000		\$10,972		\$13,750		\$25,000	
	Comparison	Comparison	Adj.	Comparison	Adj.	Comparison	Adj.	Comparison	Adj.
Property Rights		Fee Simple		Fee Simple		Fee Simple		Fee Simple	
Adjusted Price Per Unit			\$14,000		\$10,972		\$13,750		\$25,000
Terms		Yes		Yes		Yes		Yes	
Adjusted Price Per Unit			\$14,000		\$10,972		\$13,750		\$25,000
Sale Conditions		Market		Market		Market		Market	
Adjusted Price Per Unit			\$14,000		\$10,972		\$13,750		\$25,000
Sale Date		Apr-20		Sep-20		Feb-19		Dec-18	10%
Adjusted Price Per Unit			\$14,000		\$10,972		\$14,438		\$27,500
Expenditures After Purchase		No		No		No		No	
Adjusted Price Per Unit			\$14,000		\$10,972		\$14,438		\$27,500
Physical Characteristics	Comparison	Comparison	Adj.	Comparison	Adj.	Comparison	Adj.	Comparison	Adj.
Zoning	R-3	R-3 C-3		R3		R3		OR	
Size (Acres)	4.71	0.67	-15%	1.57	-10%	1.50	-10%	2.57	-5%
Size (SF)	205,168	29,343		68,389		65,340		111,949	
Topography	Level	Level		Level		Level		Level	
Street	Paved	Paved		Paved		Paved		Paved	
Off-site Improvements	To Site	To Site		To Site		To Site		To Site	
On-site Improvements	Mobile Homes	Comm. Bldg		None		None		3 Vacant SFH	
Utilities	To Site	To Site		To Site		To Site		To Site	
Location	Average	Average		Inferior	10%	Superior	-40%	Superior	-15%
Total Physical Adjustment			-15%		0%		-50%		-20%
Adjusted Price Per Unit			\$11,900		\$10,972		\$7,219		\$22,000
		Minimum Sale		\$7,219					
		Maximum Sale		\$22,000					
		Average Sale		\$13,023					

Explanation of Adjustments

Sale Date/Market Conditions

Real estate values change over time. The rate of this change fluctuates due to investors' perceptions and responses to prevailing market conditions. This adjustment category reflects market differences occurring between the effective date of the appraisal and the sale date of comparables, when values have appreciated or depreciated.

During the time period between 2008 and 2012, there were softened market conditions, and declining market values. Appreciation in land values started being reported in late 2012 and has continued rising through the end of 2019. Due to the COVID-19 Pandemic beginning in the middle of March 2020, vacancies levels have increased, while rents have decreased nationwide. The uncertainty within the multifamily market at this point is not susceptible to measurement; however, it will mostly like have a decreasing effect on land prices. Initially, the effect is unable to be determined, nor can it be determined how long the decreasing trend will continue; therefore, no adjustment was given for the year 2020 in the analysis.

Sale 2 is still in escrow, while Sale 1 occurred in April 2020; no adjustments were warranted. Sale 3 occurred in February 2019 and was adjusted upward five percent. Sale 4 occurred in December 2018 and was adjusted upward ten percent. .

Zoning/Density

All of the sales are zoned and approved for multifamily purposes; therefore, no adjustments are necessary. The land valuation is based on a price per allowable unit basis, and the density of allowable units is accounted for when multiplying the price paid per unit times the number of units allowable for the site. No further adjustments are necessary for development density.

Size

Typically, an inverse relationship exists between site size and price per unit indication; therefore, larger sites are adjusted upward. The Subject is a 4.71-acre site. Sale 1 is smaller and was adjusted downward 15 percent. Sales 2 and 3 are also smaller but not quite as small as Sale 1 and were adjusted downward 10 percent. Sale 4 is smaller and was adjusted downward five percent.

On-Site Improvements

The opinion of market value represents the site as if vacant. Sales 2 and 3 were vacant at the time of sale and warranted no adjustment. Sale 1 was improved with commercial buildings while Sale 4 was improved with three vacant single-family homes. No effects on sale price due to demolition costs were reported; therefore, no adjustments were necessary for Sales 1 and 4.

Location

The sales are located in the cities of Yuba City, Orland, Chico, and Penn Valley. No adjustment was necessary for Sale 1 as it's located in Yuba City. The rest of the sites are located in Orland, Chico, and Penn Valle. These areas are comparable locations to the Subject's location; however, differences do exist. In order to determine a location adjustment, the median contract rent of the Subject's zip code was compared with the median contract rent of the zip code each sale. The table following illustrates this analysis and the adjustments applied to each sale.

Census Median Contract Rent			
Zip Code	Median Contract Rent	% Difference	Matrix Adjustment
Subject 95991	\$780	-	-
Sale 2-95963	\$716	9%	10%
Sale 3-95946	\$1,322	-41%	-40%
Sale 4-95926	\$895	-13%	-15%

Summary of Land Value

After adjustments, the sales range in price from \$7,219 to \$22,000 per unit, with an average of \$13,023 per unit. Greatest weight is placed upon Sale 1 due to proximity and Sale 2 as most current. A conclusion of \$12,000 per unit is considered reasonable and market oriented. The value computes as illustrated in the table below.

Indication of Value		
# of Units	\$/Unit	Indication Rounded
176	\$12,000	\$2,110,000

Marketing/Exposure Time

Marketing Time is defined as the period from the date of initial listing to the settlement date. The projected marketing time for the Subject property will vary greatly, depending upon the aggressiveness of the marketing agent, the method of marketing, the market that is targeted, interest rates and the availability of credit at the time the property is marketed, the supply and demand of similar properties for sale or having been recently purchased, and the perceived risks at the time it is marketed.

Discussions with area Realtors indicate that a marketing period of twelve months is reasonable for properties such as the Subject. This is supported by data obtained on several of the comparable sales and consistent with information obtained from the *PWC Real Estate Investor Survey*. This estimate assumes a strong advertising and marketing program during the marketing period.

The exposure/marketing time of the subject property is very difficult to judge in that the buy/sell decision involving investment properties is interrelated with the assumption that the property is priced reasonably and is adequately exposed to the proper market. Marketing Time differs from Exposure Time in that the estimate of Marketing Time is a projection into the future with the associated estimates as to future trends and factors that are likely to impact the market segment in which the subject is participating. In an attempt to forecast Marketing Time, consideration is given to the fact that the sales and opinions that have been elicited in the estimation of Exposure Time have been formulated during current economic conditions that are expected to be very similar in the foreseeable future.

Investment property brokers, investors, and sellers familiar with the market, report that the exposure time can range from 30 days to as long as twelve months. This assumes that financing is available and that there are no significant negative items affecting the property. Based upon information gathered during the course of this assignment it is our opinion that the appropriate estimate of the exposure time is equal to the marketing time for the subject and is estimated at six to twelve months.

ADDENDUM A

Assumptions and Limiting Conditions, Certification

ASSUMPTIONS AND LIMITING CONDITIONS

1. In the event that the client provided a legal description, building plans, title policy and/or survey, etc., the appraiser has relied extensively upon such data in the formulation of all analyses.
2. The legal description as supplied by the client is assumed to be correct and the author assumes no responsibility for legal matters, and renders no opinion of property title, which is assumed to be good and merchantable.
3. All encumbrances, including mortgages, liens, leases, and servitudes, were disregarded in this valuation unless specified in the report. It was recognized, however, that the typical purchaser would likely take advantage of the best available financing, and the effects of such financing on property value were considered.
4. All information contained in the report which others furnished was assumed to be true, correct, and reliable. A reasonable effort was made to verify such information, but the author assumes no responsibility for its accuracy.
5. The report was made assuming responsible ownership and capable management of the property.
6. The sketches, photographs, and other exhibits in this report are solely for the purpose of assisting the reader in visualizing the property. The author made no property survey, and assumes no liability in connection with such matters. It was also assumed there is no property encroachment or trespass unless noted in the report.
7. The author of this report assumes no responsibility for hidden or unapparent conditions of the property, subsoil or structures, or the correction of any defects now existing or that may develop in the future. Equipment components were assumed in good working condition unless otherwise stated in this report.
8. It is assumed that there are no hidden or unapparent conditions for the property, subsoil, or structures, which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering, which may be required to discover such factors.
9. The investigation made it reasonable to assume, for report purposes, that no insulation or other product banned by the Consumer Product Safety Commission has been introduced into the Subject premises. Visual inspection by the appraiser did not indicate the presence of any hazardous waste. It is suggested the client obtain a professional environmental hazard survey to further define the condition of the Subject soil if they deem necessary.

10. Any distribution of total property value between land and improvements applies only under the existing or specified program of property utilization. Separate valuations for land and buildings must not be used in conjunction with any other study or appraisal and are invalid if so used.
11. A valuation estimate for a property is made as of a certain day. Due to the principles of change and anticipation the value estimate is only valid as of the date of valuation. The real estate market is non-static and change and market anticipation is analyzed as of a specific date in time and is only valid as of the specified date.
12. Possession of the report, or a copy thereof, does not carry with it the right of publication, nor may it be reproduced in whole or in part, in any manner, by any person, without the prior written consent of the author particularly as to value conclusions, the identity of the author or the firm with which he or she is connected. Neither all nor any part of the report, or copy thereof shall be disseminated to the general public by the use of advertising, public relations, news, sales, or other media for public communication without the prior written consent and approval of the appraiser. Nor shall the appraiser, firm, or professional organizations of which the appraiser is a member be identified without written consent of the appraiser.
13. Disclosure of the contents of this report is governed by the Bylaws and Regulations of the professional appraisal organization with which the appraiser is affiliated: specifically, the Appraisal Institute.
14. The author of this report is not required to give testimony or attendance in legal or other proceedings relative to this report or to the Subject property unless satisfactory additional arrangements are made prior to the need for such services.
15. The opinions contained in this report are those of the author and no responsibility is accepted by the author for the results of actions taken by others based on information contained herein.
16. Opinions of value contained herein are estimates. There is no guarantee, written or implied, that the Subject property will sell or lease for the indicated amounts.
17. All applicable zoning and use regulations and restrictions are assumed to have been complied with, unless nonconformity has been stated, defined, and considered in the appraisal report.
18. It is assumed that all required licenses, permits, covenants or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.

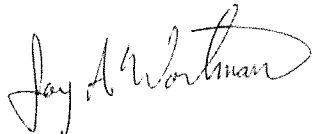
19. All general codes, ordinances, regulations or statutes affecting the property have been and will be enforced and the property is not Subject to flood plain or utility restrictions or moratoriums, except as reported to the appraiser and contained in this report.
20. The party for whom this report is prepared has reported to the appraiser there are no original existing condition or development plans that would Subject this property to the regulations of the Securities and Exchange Commission or similar agencies on the state or local level.
21. Unless stated otherwise, no percolation tests have been performed on this property. In making the appraisal, it has been assumed the property is capable of passing such tests so as to be developable to its highest and best use, as detailed in this report.
22. No in-depth inspection was made of existing plumbing (including well and septic), electrical, or heating systems. The appraiser does not warrant the condition or adequacy of such systems.
23. No in-depth inspection of existing insulation was made. It is specifically assumed no Urea Formaldehyde Foam Insulation (UFFI), or any other product banned or discouraged by the Consumer Product Safety Commission has been introduced into the appraised property. The appraiser reserves the right to review and/or modify this appraisal if said insulation exists on the Subject property.

Acceptance of and/or use of this report constitute acceptance of all assumptions and the above conditions.

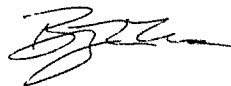
CERTIFICATION

The undersigned hereby 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 are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, conclusions, and recommendations;
- We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest with respect to the parties involved;
- We have no bias with respect to any property that is the subject of this report or to the parties involved with this assignment;
- No other appraisal or consulting assignments have been completed on the Subject in the past three years;
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results;
- Our 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;
- Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Valuation Practice of the Appraisal Institute and USPAP;
- Byron Lea, MAI performed a physical inspection of the property and the Subject's neighborhood October 21, 2020. Jay Wortmann, MAI did not inspect the Subject site, but reviewed the report.
- We do not authorize the out of context quoting from or partial reprinting of this market analysis report. Further, neither all nor any part of this report shall be disseminated to the general public by the use of media for public communication without the prior written consent of Kinetic Valuation Group, Inc.;
- 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, Jay Wortmann, MAI and Byron Lea, MAI have completed the requirements of the continuing education program of the Appraisal Institute.



Jay Wortmann, MAI
CA Certified General Appraiser
No.3001293 Expiration 09/10/2021
jay@kvgteam.com
(402) 202-0771



Byron Lea, MAI
CA Certified General Appraiser
No.AG008505 Expiration 11/21/2022
byron@kvgteam.com
(970) 699-1748

ADDENDUM B

Subject Photographs and Information

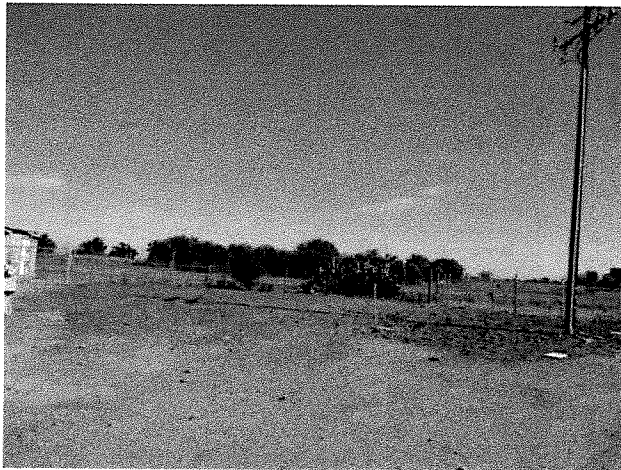
SUBJECT PICTURES



Subject from Bernard Drive



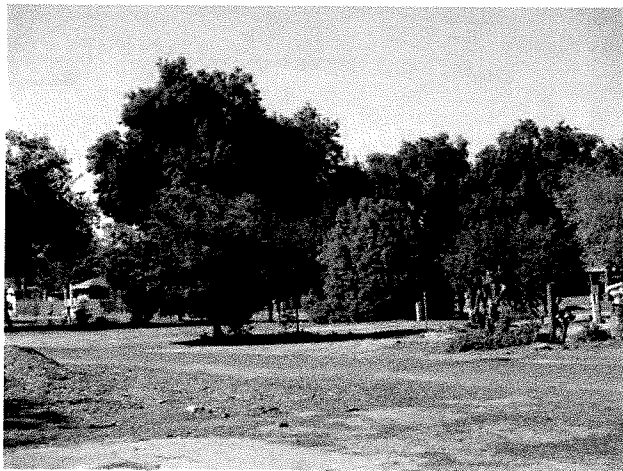
Subject from Bernard Drive



Subject eastern part of site facing east



Subject and adjacent site to the south

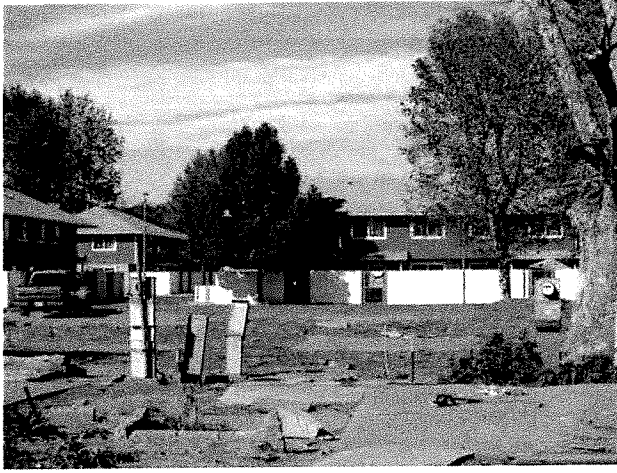


Subject



Subject

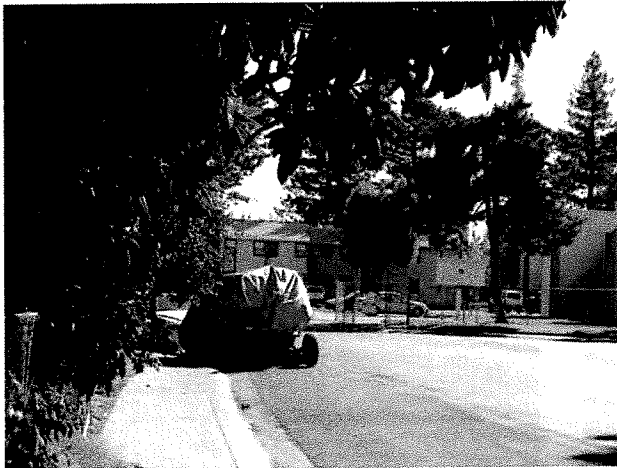
SUBJECT PICTURES



Subject



Bernard Drive facing north, Subject is to right



Bernard Drive facing south, Subject is to left



Multifamily property across Bernard Drive



Childcare property near Subject

ADDENDUM C

Legal Description

The Subject correlates with Lot 16 per the survey provided within the title report.

Exhibit "A" Legal Description

The land described herein is situated in the State of California, County of Sutter, City of Yuba City, described as follows:

Being Lot 16 Of The Record Of Survey Filed In Book 18 Page 163 Of Record Of Surveys More Particularly Described as Follows:

All That Certain Real Property Situate In The City Of Yuba City, County Of Sutter, State Of California Described As Follows:

Being A Portion Of Lots 3 And 4 As Shown On That Certain Map Filed For Record On December 13, 1923 Entitled "Plat Of The Subdivision Of The Briggs Orchard" In Book 5 Of Surveys, At Page 8, Sutter County Official Records And Being More Particularly Described As Follows:

Commencing At The Southeast Corner Of Bernard Drive As Shown On That Certain Map Entitled "Plat Of Survey Of Streets In Richland Housing Project Cal 48-2" Filed For Record On May 15, 1964 In Book 6 Of Surveys, At Page 46, Sutter County Official Records;

Thence, Along A Southerly Extension Of The Easterly Right-Of-Way Line Of Bernard Drive As Shown On Said Map, South $17^{\circ} 12' 37''$ East, 85.96 Feet To The True Point Of Beginning Of The Herein Described Property;

Thence North $72^{\circ} 24' 28''$ East, 517.75 Feet To The Westerly Right-Of-Way Line Of Samuel Drive, Said Point Being A Point Of Cusp Of A 50.00 Foot Radius Curve, Concave Northeasterly From Which Point The Radius Point Bears South $17^{\circ} 35' 32''$ East;

Thence, Along Said Right-Of-Way Line, Southeasterly, 214.00 Feet Along Said Curve, Through A Central Angle Of $245^{\circ} 13' 38''$ To The Westerly Boundary Of That Certain Property As Described In That Certain Deed Filed For Record On December 21, 1967 Between The Housing Authority Of The County Of Sutter And The County Of Sutter Filed Under Book 716 Official Records At Page 589, Sutter County Official Records;

Thence, Along Said Westerly Boundary, South $07^{\circ} 10' 50''$ West, 620.25 Feet To The Southeasterly Corner Of That Certain Property As Described In That Certain Deed Between Roger T. Manwell And The Housing Authority Of The County Of Sutter Filed For Record On December 21, 1967 In Book 716 Official Records At Page 585, Sutter County Official Records;

Thence, Leaving Said Westerly Boundary, And Along The Southerly Line Of Said Book 716 Official Records At Page 585, South $72^{\circ} 40' 38''$ West, 287.79 Feet;

Thence, Leaving Said Southerly Line, North $17^{\circ} 12' 03''$ West, 183.80 Feet;

Thence North $21^{\circ} 43' 06''$ West, 68.14 Feet;

Thence, North $61^{\circ} 40' 19''$ West, 22.69 Feet To The Easterly Right-Of-Way Line Of Bernard Drive, Said Point Being Located On A Non-Tangent 50.00 Foot Radius Curve, Concave Westerly, From Which Point The Radius Point Bears North $61^{\circ} 40' 19''$ West;

Thence, Along Said Easterly Right-Of-Way Line, Northerly, 74.09 Feet Along Said Curve, Through A Central Angle Of 84° 54' 06" To The Beginning Of A 30.00 Foot Radius Reverse Curve, Concave Easterly;

Thence, Along Said Easterly Right-Of-Way Line, Northerly, 23.51 Feet Along Said Curve, Through A Central Angle Of 44° 53' 46" To The Beginning Of A 980.00 Foot Radius Reverse Curve, Concave Westerly;

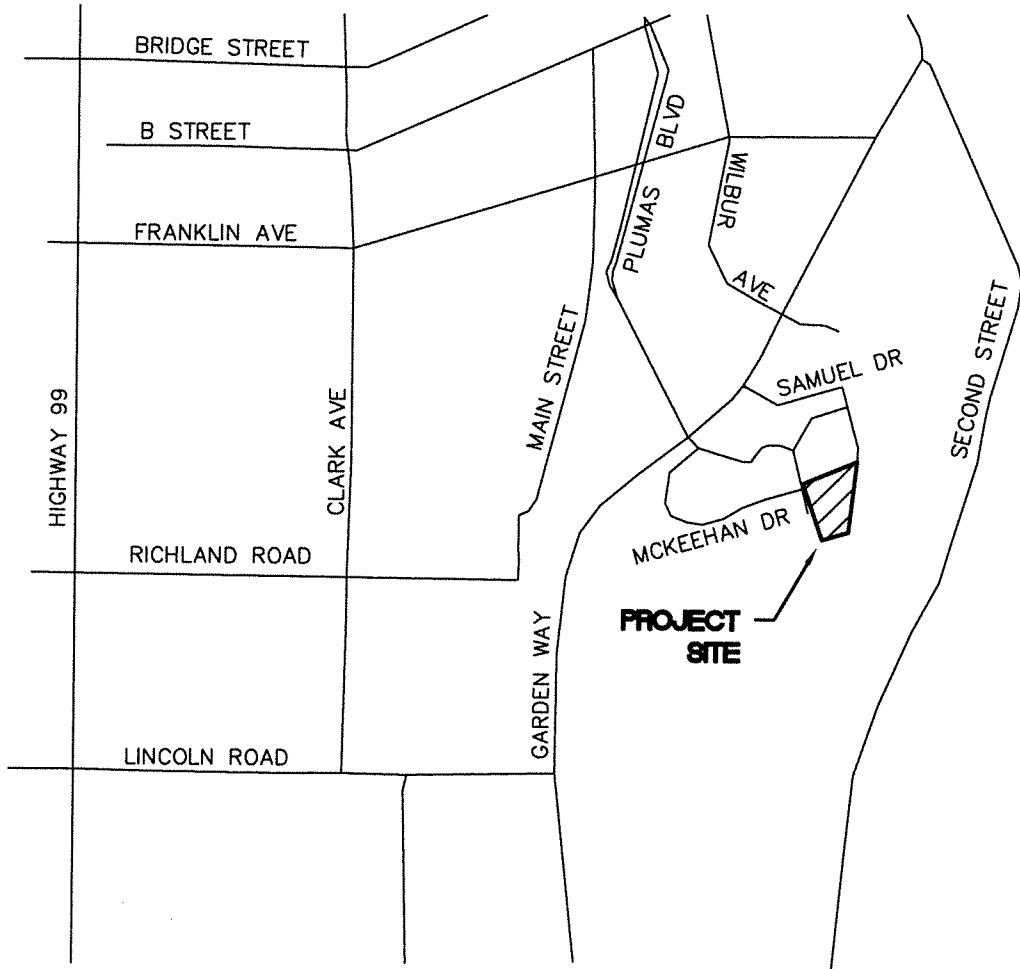
Thence, Along Said Easterly Right-Of-Way Line, Northerly, 94.63 Feet Along Said Curve, Through A Central Angle Of 05° 31' 58" To The Southerly Extension Of The Easterly Right-Of-Way Line Of Bernard Drive As Shown On Said Map;

Thence, Along Said Southerly Extension And The Easterly Right-Of-Way Line, North 17° 12' 37" West, 180.92 Feet To The Point Of Beginning.

The Basis Of Bearings For The Above Described Property Is The Line Between Found Monuments Located On The Boundary Line Of The "Remainder" Property Labeled As South 17° 20' 34" East, 475.62 Feet As Shown On That Certain Map Entitled "Parcel Map No. 871 Airport Business Park" Filed For Record On April 15, 1992 In Book 5 Of Parcel Maps, At Page 81, Sutter County Official Records.

Excepting Therefrom All Oil, Gas, Asphaltum And Other Hydrocarbons And All Other Minerals, As Reserved In The Deed From The United States Of America To The Housing Authority Of The County Of Sutter, Dated August, 6, 1957, And Recorded September 16, 1957, In Book 476, Official Records, Page 450.

A.P.N.: a portion of 53-470-053



VICINITY MAP

NOT TO SCALE



Mark R. Herrick

DATED: 4-13-2020

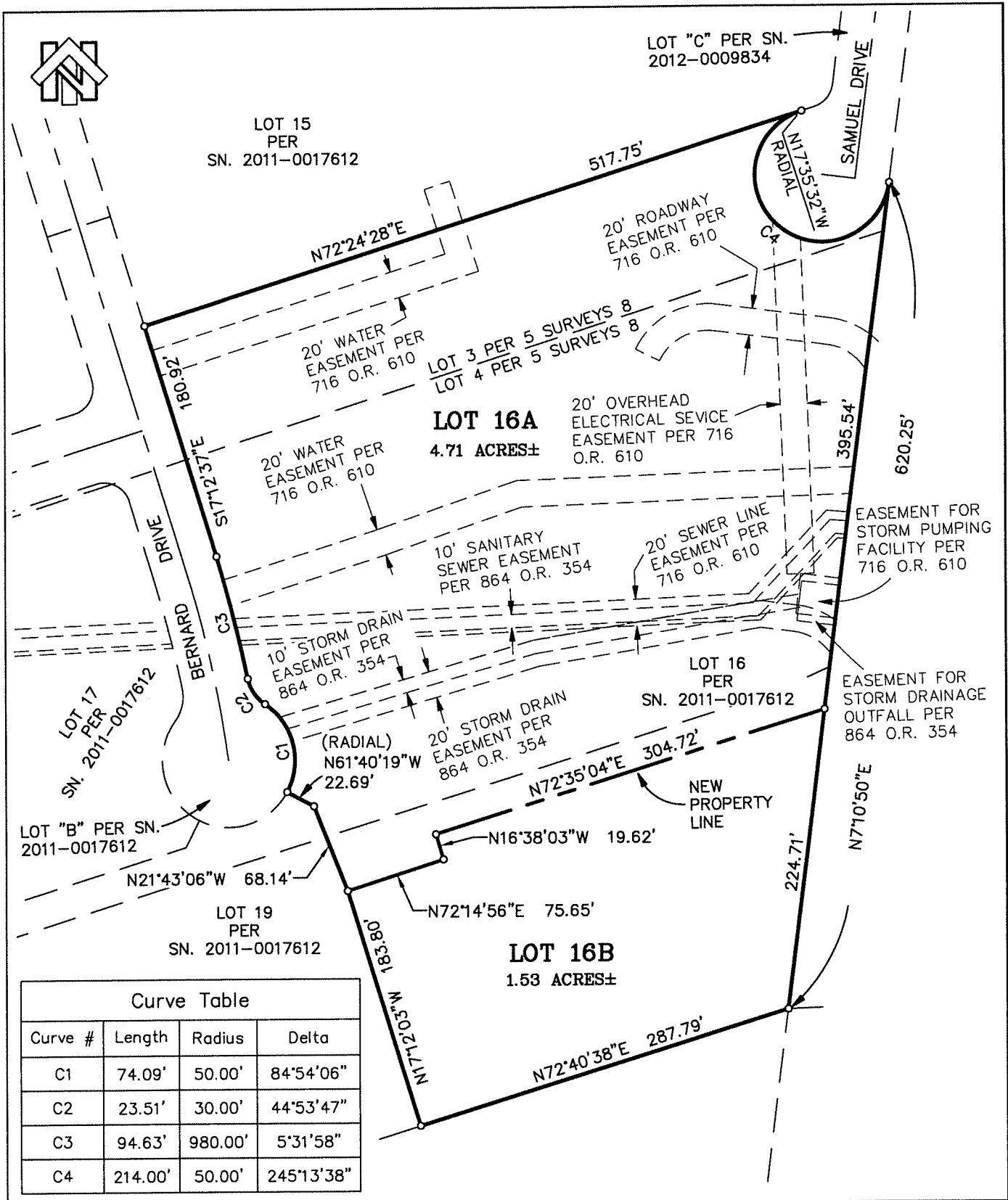
MARK R. HERRICK
NORTHSTAR



111 MISSION RANCH BLVD. SUITE 100, CHICO, CA 95926
PHONE: (530) 893-1600 www.northstareng.com

EXHIBIT C
RICHLAND HOUSING PARCEL DIVISION

SCALE:	NO SCALE
JOB NO.:	20-031
DATE:	APRIL 2020
DRAWN BY:	TDA
CHECKED BY:	MRH
SHEET NO.:	1 OF 2



Curve Table			
Curve #	Length	Radius	Delta
C1	74.09'	50.00'	84°54'06"
C2	23.51'	30.00'	44°53'47"
C3	94.63'	980.00'	5°31'58"
C4	214.00'	50.00'	245°13'38"

NORTHSTAR
... Designing Solutions

111 MISSION RANCH BLVD. SUITE 100, CHICO, CA 95926
PHONE: (530) 893-1600 www.northstareng.com

EXHIBIT C

RICHLAND HOUSING PARCEL DIVISION

SCALE:	1" = 100'
JOB NO.:	20-031
DATE:	APRIL 2020
DRAWN BY:	TDA
CHECKED BY:	MRH
SHEET NO.:	2 OF 2

ADDENDUM D

Qualifications of Consultants

Qualifications of Partners & Key Personnel

STATEMENT OF PROFESSIONAL QUALIFICATIONS JAY A. WORTMANN, MAI

ASSOCIATION MEMBERSHIPS

Member of the Appraisal Institute with the MAI Designation, No. 519881

STATE CERTIFICATIONS

State of California Certified General Real Estate Appraiser (3001293)
State of Hawaii Certified General Real Estate Appraiser (CGA 1146)
State of Iowa Certified General Real Estate Appraiser (CG03319)
State of Minnesota Certified General Real Estate Appraiser (40392083)
State of Missouri Certified General Real Estate Appraiser (2013040219)
State of Nebraska Certified General Real Estate Appraiser (CG2014002)
State of New Mexico Certified General Real Estate Appraiser (03455-G)
State of Oklahoma Certified General Real Estate Appraiser (13111CGA)
State of Texas Certified General Real Estate Appraiser (TX 1380393 G)

EDUCATION

University of Nebraska, **Bachelor of Science** in Business Administration with an emphasis in Finance and Management, 2004

All educational requirements successfully completed for the Appraisal Institute MAI designation.

Consortium Institute of Management and Business Analysis (CIMBA) Undergraduate Program, Spring Semester 2004, Paderno del Grappa, Italy

EXPERIENCE

06/2018 to Present Kinetic Valuation Group, President
10/2015 to 06/2018 Lea & Company, President
01/2007 to 10/2015 Lea & Company, Director Midwest Offices
11/2006 to 5/2008 Assumption-Guadalupe Catholic School - South Omaha CORE Development Director
06/2004 to 10/2006 Novogradac & Company LLP, Real Estate Analyst

PROFESSIONAL TRAINING

Appraisal Courses Completed:

- Basic Appraisal Procedures 10/2008
- Basic Appraisal Principles 12/2008
- Income Approach Part I 07/2010
- Income Approach Part II 08/2010
- General Appraiser Sales Comparison Approach 04/2011
- Market Analysis & Highest & Best Use 05/2011
- Real Estate Finance Statistics and Valuation Modeling 08/2011
- Advanced Income Capitalization 09/2011
- General Appraiser Site Valuation & Cost Approach 10/2011
- General Appraiser Report Writing and Case Studies 12/2011
- National USPAP 15-Hour Course 01/2012
- Nebraska National Appraiser Examination 04/2012
- Advanced Concepts & Case Studies 11/2013
- MAI Comprehensive Exam Module II, III, & IV 04/2014

- MAI Comprehensive Exam Module I 11/2014
- MAI General Demonstration Report-Capstone Program – 11/2014

REAL ESTATE ASSIGNMENTS

A representative sample of various types of projects involved with includes:

- Prepared market studies for proposed Low-Income Housing Tax Credit, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties, on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis, and operating expenses analysis. Property types include proposed multifamily, senior independent living, large family, and acquisition with rehabilitation.
- Prepare appraisals of proposed new construction, rehabilitation, and existing Low-Income Housing Tax Credit properties, USDA Rural Development, and market rate multifamily developments. Analysis includes property screenings, valuation analysis, rent comparability studies, expense comparability analysis, determination of market rents, and general market analysis.
- Prepare appraisal work for retail and commercial properties in various parts of the country for various lenders. The client utilized the study for underwriting purposes.
- Conducted market studies for projects under the HUD Multifamily Accelerated Processing program.
- Prepare appraisals of proposed new construction properties under the HUD Multifamily Accelerated Processing program.
- Prepare Rent Comparability Studies for expiring Section 8 HAP contracts for subsidized properties located throughout the United States. Engagements included site visits to the subject property, interviewing and inspecting potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.
- Performed all aspects of data collection and data mining for web-based rent reasonableness systems for use by local housing authorities.

Work assignments completed in various states include:

Arizona	Missouri
Arkansas	Montana
California	Nebraska
Colorado	New Mexico
Hawaii	North Dakota
Idaho	Pennsylvania
Indiana	Oklahoma
Iowa	Texas
Kansas	Utah
Michigan	Washington
Minnesota	Wisconsin
Mississippi	Wyoming

STATEMENT OF PROFESSIONAL QUALIFICATIONS
AMANDA M. BAKER, MAI

I. Professional Affiliation

Member of the Appraisal Institute with the MAI Designation, No. 511086

II. State Certifications

State of Arizona Certified General Real Estate Appraiser (32065)
State of California Certified General Real Estate Appraiser (3002360)
State of Colorado Certified General Real Estate Appraiser (CG.200000747)
State of Kansas Certified General Real Property Appraiser (G-2960)
State of Missouri Certified General Real Estate Appraiser (2014021680)
State of Nebraska Certified General Real Property Appraiser (CG2016006R)
State of Nevada Certified General Real Estate Appraiser (A.0207150-CG)
State of Washington Certified General Real Estate Appraiser (1102380)

III. Education

University of Nebraska-Omaha, **Bachelor of Science** in Business Administration
-Specialization in Real Estate and Land Use Economics
-Specialization in Marketing
-Secondary Specialization in Economics

IV. Professional Experience

-Vice President-Kinetic Valuation Group, June 2018-Present
-Manager-Lea & Company, November 2011-June 2018
-Senior Real Estate Analyst, Novogradac & Company LLP, April 2005–October 2011

V. Professional Training

-MAI General Demonstration Report-Capstone Program July 2016
-2016-2017 National USPAP Update March 2016
-MAI Comprehensive Exam August 2015
-Advanced Market Analysis and Highest & Best Use May 2015
-Advanced Income Capitalization October 2014
-Quantitative Analysis June 2014
-Advanced Concepts & Case Studies May 2014

VI. Real Estate Assignments

A representative sample of Due Diligence and Valuation Engagements includes:

- Prepared market studies for proposed Low-Income Housing Tax Credit, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties, on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis, and operating expenses analysis. Property types include proposed multifamily, senior independent living, large family, and acquisition with rehabilitation.
- Prepare appraisals of proposed new construction, rehabilitation, and existing Low-Income Housing Tax Credit properties, USDA Rural Development, and market rate multifamily developments. Analysis includes property screenings, valuation analysis, rent comparability studies, expense comparability analysis, determination of market rents, and general market analysis.

- Prepare appraisal work for retail and commercial properties in various parts of the country for various lenders. The client utilized the study for underwriting purposes.
- Conducted market studies for projects under the HUD Multifamily Accelerated Processing program.
- Prepare appraisals of proposed new construction properties under the HUD Multifamily Accelerated Processing program.
- Prepare Rent Comparability Studies for expiring Section 8 HAP contracts for subsidized properties located throughout the United States. Engagements included site visits to the subject property, interviewing and inspecting potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.
- Performed all aspects of data collection and data mining for web-based rent reasonableness systems for use by local housing authorities.

STATEMENT OF PROFESSIONAL QUALIFICATIONS
BYRON N. LEA, MAI

ASSOCIATION MEMBERSHIPS

Member of the Appraisal Institute with the MAI Designation, No. 10374

STATE CERTIFICATIONS

State of California Certified General Real Estate Appraiser (AG008505)

State of Colorado Certified General Appraiser (CG40039600)

EDUCATION

California State University Sacramento, Bachelor of Science in Business Administration, 1985

All educational requirements successfully completed for the Appraisal Institute MAI designation and 100-hour/five year continuing education cycles.

EXPERIENCE

06/2018 to Present Consultant to Kinetic Valuation Group
10/2015 to 06/2018 Founder and Consultant to Lea & Company
8/2006/ to 10/2015 Re-establishment of Lea & Company, President of Firm. Commercial Valuation and Consulting Services within the Affordable Housing Industry.
8/2000 to 8/2006 Novogradac & Company LLP, Partner, established the Kansas City and Los Angeles Valuation Group offices.
7/94 to 8/2000 Relocated to Kansas City, Senior Appraiser, Nunnink & Associates, Inc., which transformed into Integra Realty Resources.
Performed narrative appraisals and review of appraisals.
8/88 - 7/94 Commercial Fee Appraiser, Lea & Associates, Sacramento, California
Principal of firm. Performed narrative appraisals on fee basis.
8/86 - 5/88 Commercial Appraiser, Urban Pacific Services, Newport Beach, California
Performed narrative appraisals.
1/86 - 8/86 Commercial Appraiser, Bank of America, Orange County, California
Staff commercial appraiser.
4/85 - 9/85 Financial Analyst, Financial Investment Advisors Associates (FIA), Inc., Sacramento, California. Financial analysis of multi-million dollar institutional grade real estate.

REPRESENTATIVE SAMPLE OF ASSIGNMENTS

- On a national basis, conduct market studies and appraisals for proposed Low-Income Housing Tax Credit properties.
- On a national basis, conduct market studies and appraisals for preservation of affordable housing properties involving USDA and HUD programs, oftentimes with renovation using Low-Income Housing Tax Credits and/or Historic Tax Credits. Programs include USDA 515 and 538, and HUD 221D4, 236, and MAP.
- Rent Comparability Studies of apartment properties for HUD programs nationally.
- Team member in the valuation of a U.S. Air Force Base closure located in Northern California.
- Rockhurst College, a Jesuit University located in Kansas City, Missouri.
- Student housing portfolios located in West Lafayette, Indiana, home of Purdue University.
- Fair Rental Market Analysis for General Services Agency consisting of a Federal Courthouse located in Kansas City, Kansas, Bannister Federal Complex, and Federal properties located in Leavenworth and Topeka, Kansas and Independence, Missouri.
- Industrial portfolio valuation of properties located throughout the United States.
- Residential subdivisions located in California and Midwest.
- Regional Malls located in California.

- Convenience Store properties located throughout the Midwest.
- Proposed Mixed Use Entertainment Center with Megaplex theaters and restaurant.
- Megaplex and Multiplex movie theaters.
- Proposed truck terminal facilities located in Kansas and Missouri.
- Bulk liquids transfer terminal located in Kansas.
- Assisted living and nursing home properties located in Kansas, Missouri, Alabama, and Mississippi.
- Institutional grade investment properties located throughout the United States.
- Portfolio valuation for Small Business Administration of properties located in California.
- Work assignments completed in various states include:

Alabama	Montana
Arizona	Nebraska
Arkansas	Nevada
California	New Mexico
Colorado	North Dakota
Hawaii	Ohio
Idaho	Oklahoma
Iowa	Oregon
Illinois	Pennsylvania
Indiana	South Dakota
Kansas	Tennessee
Louisiana	Texas
Michigan	Utah
Minnesota	Washington
Mississippi	Wisconsin
Missouri	Wyoming

**STATEMENT OF PROFESSIONAL QUALIFICATIONS
CHARLES K. HAASE**

STATE CERTIFICATIONS

State of California Certified General Real Estate Appraiser (3004234)
State of Ohio Certified General Real Estate Appraiser (2017003033)
State of Utah Certified General Real Estate Appraiser (10536692-CG00)
State of Oklahoma Certified General Real Estate Appraiser (13344CGA)

EDUCATION

University of Nebraska Omaha, **Bachelor of Arts** in International Studies
- Specialization in Global Strategic Studies.

EXPERIENCE

06/2018 to Present - Kinetic Valuation Group, Certified General Real Estate Appraiser

10/2011 to 06/2018 - Lea & Company, Certified General Real Estate Appraiser

06/2009 to 10/2011 - Nebraska Title Company – Escrow Closer/Title Agent/Searcher

PROFESSIONAL TRAINING

Certified General Real Property Appraisal Courses Completed:

- | | |
|---|---------|
| • Basic Appraisal Procedures | 05/2012 |
| • Basic Appraisal Principles | 10/2012 |
| • Statistics, Modeling, and Finance | 05/2013 |
| • General Site Valuation and Cost Approach | 07/2013 |
| • General Sales Comparison Approach | 08/2013 |
| • General Appraiser Income Approach Part I | 04/2014 |
| • General Appraiser Market Analysis
and Highest & Best Use | 08/2014 |
| • General Appraiser Report Writing and Case Studies | 10/2014 |
| • National USPAP 15-Hour Course | 11/2014 |
| • Business Practice and Ethics | 8/2015 |
| • General Appraiser Income Approach Part II | 9/2015 |
| • Advanced Income Capitalization | 10/2015 |

REAL ESTATE ASSIGNMENTS

A representative sample of Due Diligence and Valuation Engagements includes:

- On a national basis, assisted with market studies and appraisals for proposed Low-Income Housing Tax Credit properties. Includes property screenings, market and demographic analysis, comparable rent surveys, and supply and demand analysis.
- On a national basis, prepare market studies and appraisals consulting services for preservation of affordable housing properties involving USDA and HUD programs, oftentimes with renovation using Low-Income Housing Tax Credits and/or Historic Tax Credits. Programs include Rental Assistance Demonstration (RAD) Program, USDA 515 and 538, and HUD 221D4, 236, and MAP.

- Prepare market studies for proposed new construction, conversion, and existing Low-Income Housing Tax Credit developments for family and age-restricted populations.
- Prepare appraisals of proposed new construction, rehab and existing Low-Income Housing Tax Credit properties and Section 8 Mark-to-Market properties. Assistance includes rent comparability studies, determination of market rents and market analysis.
- Conduct Rent Comparability Studies for expiring Section 8 HAP contracts for subsidized properties located throughout the United States. Engagements included site visits to the subject property, interviewing and inspecting potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.
- Performed all aspects of data collection and data mining for web-based rent reasonableness systems for use by local housing authorities.

Work assignments completed in various states include:

Arizona	Nebraska
Arkansas	New Mexico
California	New York
Colorado	North Dakota
Florida	Ohio
Hawaii	Oklahoma
Iowa	Oregon
Kansas	Pennsylvania
Michigan	Texas
Missouri	Utah
Minnesota	West Virginia
Montana	Washington
Nevada	Wisconsin
	Wyoming

STATEMENT OF PROFESSIONAL QUALIFICATIONS

BRENT R. GRIFFITHS

STATE CERTIFICATIONS

State of Arkansas Certified General Real Estate Appraiser (CG-4379)
State of California Certified General Real Estate Appraiser (3004361)
State of Minnesota Certified General Real Estate Appraiser (40524536)
State of Montana Certified General Real Estate Appraiser (REA-RAG-LIC-9586)

EDUCATION

University of Nebraska-Lincoln, Bachelor of Science in Business Administration with an emphasis in Finance and Management

EXPERIENCE

06/2018 to Present: Kinetic Valuation Group, Certified General Real Estate Appraiser
03/2013 to 06/2018: Lea & Company, Senior Analyst
08/2011 to 03/2013: Pinnacle Bank, Real Estate Loan Assistant
04/2010 to 08/2011: Pinnacle Bank, Customer Service Representative

PROFESSIONAL TRAINING

Certified General Real Property Appraisal Courses Completed:

- | | |
|--|---------|
| • Basic Appraisal Procedures | 05/2013 |
| • National USPAP 15-Hour Course | 06/2013 |
| • Basic Appraisal Principles | 09/2013 |
| • Real Estate Finance, Statistics, and Valuation Modeling | 09/2013 |
| • General Appraiser Report Writing and Case Studies | 12/2013 |
| • General Appraiser Sales Comparison Approach | 04/2014 |
| • General Appraiser Income Approach/Part 1 | 07/2014 |
| • General Appraiser Market Analysis and Highest & Best Use | 08/2014 |
| • General Appraiser Income Approach/Part 2 | 12/2014 |
| • General Appraiser Site Valuation and Cost Approach | 10/2015 |
| • Advanced Income Capitalization | 09/2016 |
| • Advanced Concepts & Case Studies | 9/2018 |

REAL ESTATE ASSIGNMENTS

A representative sample of types of projects involved with includes:

- On a national basis, prepare market studies and appraisals consulting services for proposed Low-Income Housing Tax Credit properties.
- On a national basis, prepare market studies and appraisals consulting services for preservation of affordable housing properties involving USDA and HUD programs, oftentimes with renovation using Low-Income Housing Tax Credits and/or Historic Tax Credits. Programs include Rental Assistance Demonstration (RAD) Program, USDA 515 and 538, and HUD 221D4, 236, and MAP.
- Prepare market studies for proposed new construction, conversion, and existing Low-Income Housing Tax Credit developments for special needs and age-restricted populations.
- Prepare appraisals of proposed new construction, rehab and existing Low-Income Housing Tax Credit properties, Section 8 Mark-to-Market properties, Rental Assistance Demonstration (RAD) Program, and HUD Map Section 221D4 and 223f properties.
- Conduct rent comparable studies for properties encumbered by Section 8 contracts.

Work assignments completed in the following states:

- Alabama
- Arizona
- Arkansas
- California
- Colorado
- Florida
- Hawaii
- Illinois
- Indiana
- Iowa
- Kansas
- Louisiana
- Minnesota
- Missouri
- Montana
- Nebraska
- Nevada
- New Jersey
- New Mexico
- North Carolina
- North Dakota
- Oklahoma
- Oregon
- Rhode Island
- South Dakota
- Tennessee
- Texas
- Utah
- Washington
- Wyoming

STATEMENT OF PROFESSIONAL QUALIFICATIONS

Sarah L Hauxwell

EDUCATION

University of Nebraska- Omaha, **Bachelor of Science** in Business Administration with a minor in Real Estate & Land Use, 2016

EXPERIENCE

06/2018 to Present: Kinetic Valuation Group, Real Estate Analyst

11/2016 to 06/2018: Lea & Company, Real Estate Analyst

PROFESSIONAL TRAINING

Certified General Real Property Appraisal Courses Completed:

- Basic Appraisal Procedures 10/2017
- Basic Appraisal Principles 8/2017
- National USPAP 15-Hour Course 12/10/2017

REAL ESTATE ASSIGNMENTS

A representative sample of types of projects involved with includes:

- On a national basis, assisted with market studies and appraisals for proposed Low-Income Housing Tax Credit properties. Includes property screenings, market and demographic analysis, comparable rent surveys, and supply and demand analysis.
- On a national basis, assisted with market studies and appraisals for preservation of affordable housing properties involving USDA and HUD programs, oftentimes with renovation using Low-Income Housing Tax Credits and/or Historic Tax Credits. Programs include USDA 515 and 538.
- Prepare market studies for proposed new construction, conversion, and existing Low-Income Housing Tax Credit developments for family, senior, and assisted-living senior populations.
- Assist with appraisals of proposed new construction, rehab and existing Low-Income Housing Tax Credit properties and Section 8 Mark-to-Market properties. Assistance includes rent comparability studies, determination of market rents and market analysis.
- Conduct rent comparable studies for properties encumbered by Section 8 contracts. Research included analysis of comparable properties and market analysis.

Work assignments completed in the following states:

Arizona	Nebraska
Arkansas	New York
California	Ohio
Colorado	Oklahoma
Hawaii	Utah
Iowa	West Virginia
Kansas	Washington
Missouri	
Minnesota	

Certificate of Membership

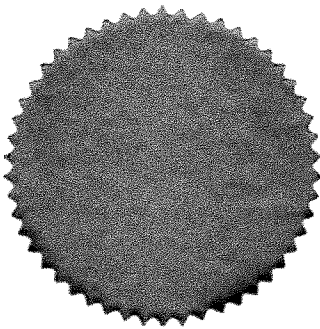
Kinetic Valuation Group
Is a Member Firm in Good Standing of



Formerly known as
NCAHMA

National Council of Housing Market Analysts
1400 16th St. NW
Suite 420
Washington, DC 20036
202-939-1750

Membership Term
5/1/2020 to 4/30/2021



A handwritten signature in black ink, appearing to read "Thomas Amdur".

Thomas Amdur
President, NCHMA