

Integra Realty Resources

Columbia

Appraisal of Real Property

Willowcreek at Watertree Apartments Site

Vacant Land

E/S Roof Street

Columbia, Richland County County, South Carolina 29223

Client Reference: N/A

Prepared For:

The Paces Foundation

Date of the Report:

August 16, 2024

Report Format:

Appraisal Report

IRR - Columbia

File Number: 110-2024-0342



Subject Photographs



Willowcreek at Watertree Apartments Site
E/S Roof Street
Columbia, South Carolina

Aerial Photograph





August 16, 2024

Ms. Renee Sandell
The Paces Foundation
2730 Cumberland Blvd. SE
Smyrna, GA 30080

SUBJECT: Market Value Appraisal
 Willowcreek at Watertree Apartments Site
 E/S Roof Street
 Columbia, Richland County County, South Carolina 29223
 Client Reference: N/A
 IRR - Columbia File No. 110-2024-0342

Dear Ms. Sandell:

Integra Realty Resources – Columbia is pleased to submit the accompanying appraisal of the referenced property. The purpose of the appraisal is to develop an opinion of the market value as is, pertaining to the fee simple interest in the property.

The client for the assignment is The Paces Foundation. The intended users of this report are The Paces Foundation and South Carolina State Housing Finance and Development Authority (SCSHFDA). The intended use of the report is for application submission purposes. No other party or parties may use or rely on the information, opinions, and conclusions contained in this report.

The subject is a parcel of vacant land containing an area of 15.92 acres or 693,475 square feet. The property is zoned GC, General Commercial, which permits a wide variety of commercial uses including retail and office. Multifamily is an allowable use.

The appraisal conforms to the Uniform Standards of Professional Appraisal Practice (USPAP), the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute, applicable state appraisal regulations, and the appraisal guidelines of South Carolina State Housing Finance and Development Authority (SCSHFDA). The appraisal is also prepared in accordance with the appraisal regulations issued in connection with the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA).

Standards Rule 2-2 (Content of a Real Property Appraisal Report) contained in the Uniform Standards of Professional Appraisal Practice (USPAP) requires each written real property appraisal report to be prepared as either an Appraisal Report or a Restricted Appraisal Report. This report is prepared as an Appraisal Report as defined by USPAP under Standards Rule 2-2(a), and incorporates practical explanation of the data, reasoning, and analysis that were used to develop the opinion of value.

Based on the valuation analysis in the accompanying report, and subject to the definitions, assumptions, and limiting conditions expressed in the report, the concluded opinions of value are as follows:

| Value Conclusion | | | |
|--------------------------------|--------------------|----------------|------------------|
| Value Type & Appraisal Premise | Interest Appraised | Date of Value | Value Conclusion |
| Market Value As Is | Fee Simple | August 9, 2024 | \$780,000 |

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

1. None noted.

The value conclusions are based on the following hypothetical conditions. A hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

1. None noted.

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

The opinions of value expressed in this report are based on estimates and forecasts which are prospective in nature and subject to considerable risk and uncertainty. Events may occur which could cause the performance of the property to differ materially from the estimates contained herein, such as changes in the economy, interest rates, capitalization rates, financial strength of tenants, and behavior of investors, lenders, and consumers. Additionally, the concluded opinions and forecasts are based partly on data obtained from interviews and third-party sources, which are not always completely reliable. Although the findings are considered reasonable based on available evidence, IRR is not responsible for the effects of future, unforeseen occurrences.

Ms. Renee Sandell
The Paces Foundation
August 16, 2024
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If you have any questions or comments, please contact the undersigned. Thank you for the opportunity to be of service.

Respectfully submitted,

Integra Realty Resources - Columbia



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Executive Summary

| | | | |
|---------------------------------------|---|----------------|--|
| Property Name | Willowcreek at Watertree Apartments Site | | |
| Address | E/S Roof Street Columbia, Richland County County, South Carolina 29223 | | |
| Property Type | Land - Multifamily Land | | |
| Owner of Record | Paces Foundation Inc. | | |
| Tax ID | R16904-01-01 | | |
| Land Area | 15.92 acres; 693,475 SF | | |
| Zoning Designation | GC, General Commercial | | |
| Highest and Best Use | Multifamily use | | |
| Exposure Time; Marketing Period | 12-24 months; 12-24 months | | |
| Effective Date of the Appraisal | August 9, 2024 | | |
| Date of the Report | August 16, 2024 | | |
| Property Interest Appraised | Fee Simple | | |
| Sales Comparison Approach | | | |
| Number of Sales | 3 | | |
| Range of Sale Dates | Apr 22 to Feb 24 | | |
| Range of Prices per Unit (Unadjusted) | \$6,566 - \$10,204 | | |
| Market Value Conclusion | \$780,000 | (\$6,964/Unit) | |

The values reported above are subject to the definitions, assumptions, and limiting conditions set forth in the accompanying report of which this summary is a part. No party other than The Paces Foundation and South Carolina State Housing Finance and Development Authority (SCSHFDA) may use or rely on the information, opinions, and conclusions contained in the report. It is assumed that the users of the report have read the entire report, including all of the definitions, assumptions, and limiting conditions contained therein.

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

1. None noted.

The value conclusions are based on the following hypothetical conditions. A hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

1. None noted.

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

Identification of the Appraisal Problem

Subject Description

The subject is a parcel of vacant land containing an area of 15.92 acres or 693,475 square feet. The property is zoned GC, General Commercial, which permits a wide variety of commercial uses including retail and office. Multifamily is an allowable use. A legal description of the property is included in the addenda.

| Property Identification | |
|-------------------------|---|
| Property Name | Willowcreek at Watertree Apartments Site |
| Address | E/S Roof Street Columbia, South Carolina 29223 |
| Tax ID | R16904-01-01 |
| Owner of Record | Paces Foundation Inc. |

Sale History

The most recent closed sale of the subject is summarized as follows:

| | |
|-----------------------------|---|
| Sale Date | April 28, 2022 |
| Seller | L.W. Smith III, Henry Dent Smith and F.D. Windham, Trustees |
| Buyer | Paces Foundation Inc. |
| Sale Price | \$329,000 |
| Recording Instrument Number | 2739/0682 |

No known sales or transfers of ownership have taken place within a three-year period prior to the effective appraisal date. The sale was for the allocated portion which is the subject. The other portion of the site (not subject) has a deed reference of 2739/0669. This reference is indicated in Richland County records as the subject is the parent parcel. The property is not under contract or listed for sale as of the effective appraisal date.

Our market value conclusion of \$780,000 differs significantly from the sale price. The subject property had been available for sale for many years. The sale appears to be below market. Our value conclusion considers the significant site work required for development.

Appraisal Purpose

The purpose of the appraisal is to develop the following opinion(s) of value:

- The market value as is of the fee simple interest in the subject property as of the effective date of the appraisal, August 9, 2024

The date of the report is August 16, 2024. The appraisal is valid only as of the stated effective date or dates.

Value Type Definitions

The definitions of the value types applicable to this assignment are summarized below.

Market Value

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

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

Appraisal Premise Definitions

The definitions of the appraisal premises applicable to this assignment are specified as follows.

As Is Market Value

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.²

Property Rights Definitions

The property rights appraised which are applicable to this assignment are defined as follows.

Fee Simple Estate

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.³

Client and Intended User(s)

The client is The Paces Foundation. The intended users are The Paces Foundation and South Carolina State Housing Finance and Development Authority (SCSHFDA). No other party or parties may use or rely on the information, opinions, and conclusions contained in this report.

¹ Code of Federal Regulations, Title 12, Chapter I, Part 34.42[h]; also Interagency Appraisal and Evaluation Guidelines, Federal Register, 75 FR 77449, December 10, 2010, page 77472

² Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute, 2015)

³ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute, 2015)

Intended Use

The intended use of the appraisal is for application submission purposes. The appraisal is not intended for any other use.

Applicable Requirements

This appraisal report conforms to the following requirements and regulations:

- Uniform Standards of Professional Appraisal Practice (USPAP);
- Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute;
- Applicable state appraisal regulations;
- Appraisal requirements of Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA), revised April 9, 2018;
- Interagency Appraisal and Evaluation Guidelines issued December 10, 2010;
- Appraisal guidelines of the South Carolina State Housing Finance and Development Authority (SCSHFDA)

Report Format

Standards Rule 2-2 (Content of a Real Property Appraisal Report) contained in the Uniform Standards of Professional Appraisal Practice (USPAP) requires each written real property appraisal report to be prepared as either an Appraisal Report or a Restricted Appraisal Report. This report is prepared as an Appraisal Report as defined by USPAP under Standards Rule 2-2(a), and incorporates practical explanation of the data, reasoning, and analysis used to develop the opinion of value.

Prior Services

USPAP requires appraisers to disclose to the client any other services they have provided in connection with the subject property in the prior three years, including valuation, consulting, property management, brokerage, or any other services. We have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.

Appraiser Competency

No steps were necessary to meet the competency provisions established under USPAP. The assignment participants have appraised several properties similar to the subject in physical, locational, and economic characteristics, and are familiar with market conditions and trends; therefore, appraiser competency provisions are satisfied for this assignment. Appraiser qualifications and state credentials are included in the addenda of this report.

Scope of Work

Introduction

The appraisal development and reporting processes require gathering and analyzing information about the assignment elements necessary to properly identify the appraisal problem. The scope of work decision includes the research and analyses necessary to develop credible assignment results, given the intended use of the appraisal. Sufficient information includes disclosure of research and analyses performed and might also include disclosure of research and analyses not performed.

To determine the appropriate scope of work for the assignment, the intended use of the appraisal, the needs of the user, the complexity of the property, and other pertinent factors were considered. The concluded scope of work is described below.

Research and Analysis

The type and extent of the research and analysis conducted are detailed in individual sections of the report. The steps taken to verify comparable data are disclosed in the addenda of this report. Although effort has been made to confirm the arms-length nature of each sale with a party to the transaction, it is sometimes necessary to rely on secondary verification from sources deemed reliable.

Subject Property Data Sources

The legal and physical features of the subject property, including size of the site, flood plain data, seismic zone designation, property zoning, existing easements and encumbrances, access and exposure, and condition of the improvements (as applicable) were confirmed and analyzed.

Inspection

Details regarding the property inspection conducted as part of this appraisal assignment are summarized as follows:

| Property Inspection | | |
|-----------------------------|-----------------|-----------------|
| Party | Inspection Type | Inspection Date |
| Elizabeth B. Keys | On-site | August 9, 2024 |
| Michael B. Dodds, MAI, CCIM | None | N/A |

Valuation Methodology

Three approaches to value are typically considered when developing a market value opinion for real property. These are the cost approach, the sales comparison approach, and the income capitalization approach. Use of the approaches in this assignment is summarized as follows:



| Approaches to Value | | |
|--------------------------------|--------------------------|-------------------|
| Approach | Applicability to Subject | Use in Assignment |
| Cost Approach | Not Applicable | Not Utilized |
| Sales Comparison Approach | Applicable | Utilized |
| Income Capitalization Approach | Not Applicable | Not Utilized |

In developing an opinion of value for the subject, only the sales comparison approach is used. This approach is applicable to the subject because there is an active market for similar properties, and sufficient sales data is available for analysis.

The cost approach is not applicable because there are no improvements that contribute value to the property, and the income approach is not applicable because the subject is not likely to generate rental income in its current state.

Economic Analysis

Columbia MSA Area Analysis

The subject is located in the Columbia, SC Metropolitan Statistical Area, hereinafter called the Columbia MSA, as defined by the U.S. Office of Management and Budget. The Columbia MSA is 3,703 square miles in size, and ranks 71 in population out of the nation's 384 metropolitan statistical areas.

Population

The Columbia MSA has an estimated 2024 population of 859,161, which represents an average annual 0.9% increase over the 2020 census of 829,470. The Columbia MSA added an average of 7,423 residents per year over the 2020-2024 period, but its annual growth rate lagged the State of South Carolina rate of 1.2%.

Looking forward, the Columbia MSA's population is projected to increase at a 0.7% annual rate from 2024-2029, equivalent to the addition of an average of 6,363 residents per year. The Columbia MSA's growth rate is expected to lag that of South Carolina, which is projected to be 0.9%.

| Population Trends | | | | | |
|--------------------|-------------|---------------|-----------------|----------------------|-------------|
| | Population | | | Compound Ann. % Chng | |
| | 2020 Census | 2024 Estimate | 2029 Projection | 2020 - 2024 | 2024 - 2029 |
| Columbia, SC Metro | 829,470 | 859,161 | 890,974 | 0.9% | 0.7% |
| South Carolina | 5,118,425 | 5,377,943 | 5,630,329 | 1.2% | 0.9% |
| USA | 331,449,281 | 336,157,119 | 344,209,992 | 0.4% | 0.5% |

Source: Claritas

Employment

Total employment in the Columbia MSA was estimated at 433,000 jobs at year-end 2023. Between year-end 2013 and 2023, employment rose by 56,800 jobs, equivalent to a 15.1% increase over the entire period. There were gains in employment in eight out of the past ten years. Although the Columbia MSA's employment rose over the last decade, it underperformed South Carolina, which experienced an increase in employment of 21.4% or 414,000 jobs over this period.

A comparison of unemployment rates is another way of gauging an area's economic health. Over the past decade, the Columbia MSA unemployment rate has been consistently lower than that of South Carolina, with an average unemployment rate of 4.2% in comparison to a 4.6% rate for South Carolina. A lower unemployment rate is a positive indicator.

Recent data shows that the Columbia MSA unemployment rate is 2.8% in comparison to a 2.9% rate for South Carolina, a positive sign for the Columbia MSA economy but one that must be tempered by the fact that the Columbia MSA has underperformed South Carolina in the rate of job growth over the past two years.

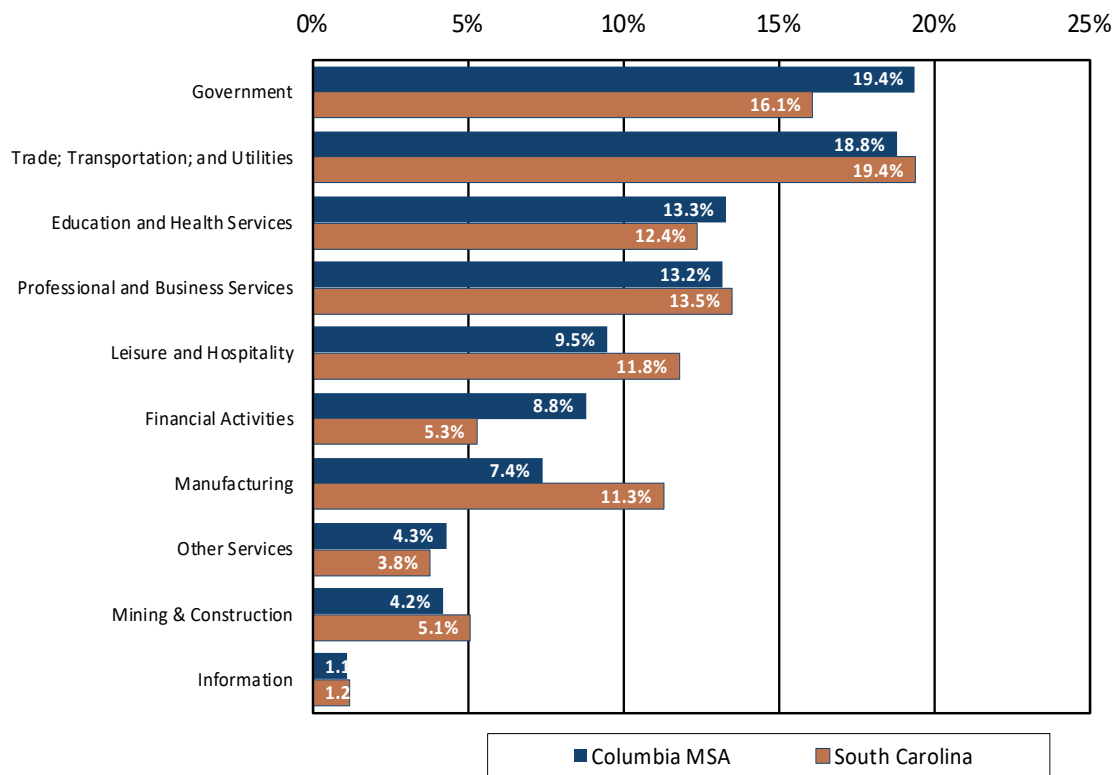
| Employment Trends | | | | | | |
|--------------------------------|-----------------------------|--------|----------------|--------|-------------------------------|----------------|
| Year | Total Employment (Year End) | | | | Unemployment Rate (Ann. Avg.) | |
| | % | | % | | Columbia MSA | South Carolina |
| | Columbia MSA | Change | South Carolina | Change | | |
| 2013 | 376,200 | | 1,933,000 | | 6.5% | 7.4% |
| 2014 | 386,800 | 2.8% | 1,990,000 | 2.9% | 5.6% | 6.3% |
| 2015 | 398,900 | 3.1% | 2,046,400 | 2.8% | 5.4% | 5.9% |
| 2016 | 403,300 | 1.1% | 2,085,600 | 1.9% | 4.6% | 4.9% |
| 2017 | 403,100 | 0.0% | 2,124,500 | 1.9% | 4.1% | 4.2% |
| 2018 | 403,400 | 0.1% | 2,178,800 | 2.6% | 3.3% | 3.4% |
| 2019 | 411,000 | 1.9% | 2,212,100 | 1.5% | 2.6% | 2.8% |
| 2020 | 395,000 | -3.9% | 2,136,300 | -3.4% | 5.1% | 6.0% |
| 2021 | 410,100 | 3.8% | 2,208,900 | 3.4% | 3.6% | 3.9% |
| 2022 | 420,700 | 2.6% | 2,281,600 | 3.3% | 3.0% | 3.2% |
| 2023 | 433,000 | 2.9% | 2,347,000 | 2.9% | 2.8% | 3.0% |
| Overall Change 2013-2023 | 56,800 | 15.1% | 414,000 | 21.4% | | |
| Avg Unemp. Rate 2013-2023 | | | | | 4.2% | 4.6% |
| Unemployment Rate - April 2024 | | | | | 2.8% | 2.9% |

Source: U.S. Bureau of Labor Statistics and Moody's Analytics. Employment figures are from the Current Employment Survey (CES). Unemployment rates are from the Current Population Survey (CPS). The figures are not seasonally adjusted.

Employment Sectors

The composition of the Columbia MSA job market is depicted in the following chart, along with that of South Carolina. Total employment for both areas is broken down by major employment sector, and the sectors are ranked from largest to smallest based on the percentage of Columbia MSA jobs in each category.

Employment Sectors - 2023



Source: U.S. Bureau of Labor Statistics and Moody's Analytics

The Columbia MSA has greater concentrations than South Carolina in the following employment sectors:

1. Government, representing 19.4% of Columbia MSA payroll employment compared to 16.1% for South Carolina as a whole. This sector includes employment in local, state, and federal government agencies.
2. Education and Health Services, representing 13.3% of Columbia MSA payroll employment compared to 12.4% for South Carolina as a whole. This sector includes employment in public and private schools, colleges, hospitals, and social service agencies.
3. Financial Activities, representing 8.8% of Columbia MSA payroll employment compared to 5.3% for South Carolina as a whole. Banking, insurance, and investment firms are included in this sector, as are real estate owners, managers, and brokers.
4. Other Services, representing 4.3% of Columbia MSA payroll employment compared to 3.8% for South Carolina as a whole. This sector includes establishments that do not fall within other defined categories, such as private households, churches, and laundry and dry cleaning establishments.

The Columbia MSA is underrepresented in the following sectors:

1. Trade; Transportation; and Utilities, representing 18.8% of Columbia MSA payroll employment compared to 19.4% for South Carolina as a whole. This sector includes jobs in retail trade, wholesale trade, trucking, warehousing, and electric, gas, and water utilities.
2. Professional and Business Services, representing 13.2% of Columbia MSA payroll employment compared to 13.5% for South Carolina as a whole. This sector includes legal, accounting, and engineering firms, as well as management of holding companies.
3. Leisure and Hospitality, representing 9.5% of Columbia MSA payroll employment compared to 11.8% for South Carolina as a whole. This sector includes employment in hotels, restaurants, recreation facilities, and arts and cultural institutions.
4. Manufacturing, representing 7.4% of Columbia MSA payroll employment compared to 11.3% for South Carolina as a whole. This sector includes all establishments engaged in the manufacturing of durable and nondurable goods.

Major Employers

Major employers in the Columbia MSA are shown in the following table.

| Major Employers - Columbia, SC Metro | | |
|---|-------------------------------------|----------------------------|
| | Name | Number of Employees |
| 1 | Prisma Health Richland Hospital | 1,000 to 4,999 |
| 2 | Challenger Learning Center | 1,000 to 4,999 |
| 3 | Ben Arnold Sunbelt Beverage Service | 1,000 to 4,999 |
| 4 | Lexington Medical Center | 1,000 to 4,999 |
| 5 | Women's Imaging Mammography | 1,000 to 4,999 |
| 6 | Amazon Fulfillment Center | 1,000 to 4,999 |
| 7 | Corrections Department | 1,000 to 4,999 |
| 8 | Prisma Health Baptist Hospital | 1,000 to 4,999 |
| 9 | WM Jennings Bryan Dorn Department | 1,000 to 4,999 |
| 10 | Division of Inpatient Service | 1,000 to 4,999 |

Source: <https://jobs.scworks.org/vosnet/lmi/emp/LargestEmployers.aspx>

Gross Domestic Product

The Columbia MSA ranks 72 in Gross Domestic Product (GDP) out of the nation's 384 metropolitan statistical areas.

Economic growth, as measured by annual changes in GDP, has been slightly lower in the Columbia MSA than South Carolina overall during the past five years. The Columbia MSA has grown at a 2.1% average annual rate while South Carolina has grown at a 2.2% rate. The Columbia MSA has recently performed similarly to South Carolina. GDP for the Columbia MSA rose by 2.5% in 2022 while South Carolina's GDP rose by 2.5%.

The Columbia MSA has a per capita GDP of \$53,726, which is 13% greater than South Carolina's GDP of \$47,487. This means that Columbia MSA industries and employers are adding relatively more value to the economy than their counterparts in South Carolina.

| Gross Domestic Product | | | | |
|-------------------------------|--------------|----------|----------------|----------|
| | (\$,000s) | | (\$,000s) | |
| Year | Columbia MSA | % Change | South Carolina | % Change |
| 2017 | 41,010,232 | – | 224,937,600 | – |
| 2018 | 41,651,691 | 1.6% | 231,663,300 | 3.0% |
| 2019 | 42,416,718 | 1.8% | 237,511,400 | 2.5% |
| 2020 | 42,243,846 | -0.4% | 233,712,300 | -1.6% |
| 2021 | 44,430,065 | 5.2% | 244,854,000 | 4.8% |
| 2022 | 45,542,683 | 2.5% | 250,873,400 | 2.5% |
| Compound % Chg (2017-2022) | | 2.1% | | 2.2% |
| GDP Per Capita 2022 | \$53,726 | | \$47,487 | |

Source: U.S. Bureau of Economic Analysis and Moody's Analytics; data released December 2023.

The release of state and local GDP data has a longer lag time than national data. The data represents inflation-adjusted ""real"" GDP stated in 2017 dollars.

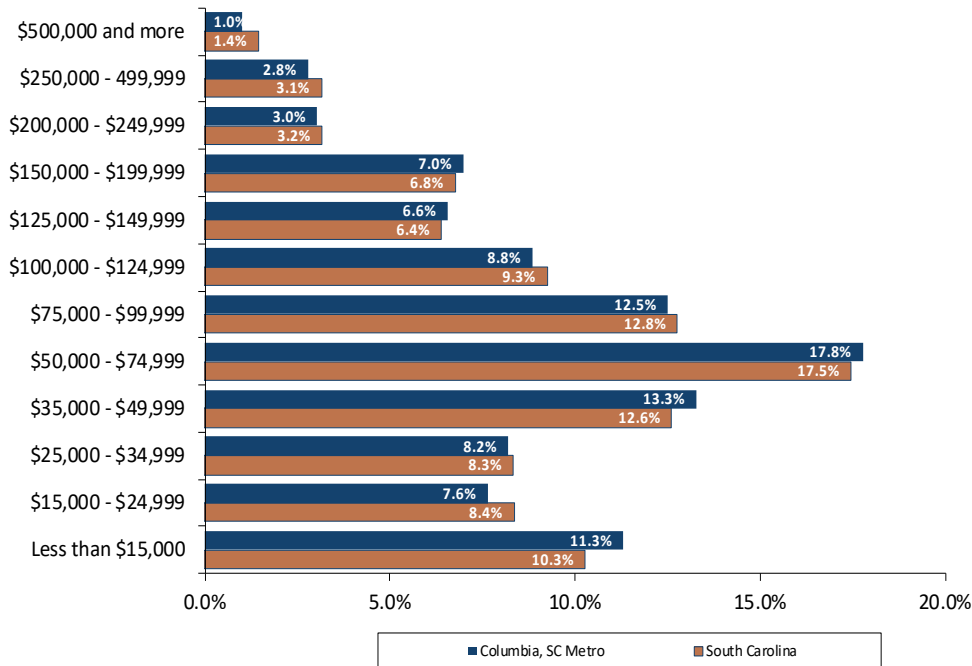
Household Income

The Columbia MSA has a lower level of household income than South Carolina. Median household income for the Columbia MSA is \$62,488, which is 2.5% less than the corresponding figure for South Carolina.

| Median Household Income - 2024 | |
|--|----------|
| | Median |
| Columbia, SC Metro | \$62,488 |
| South Carolina | \$64,089 |
| Comparison of Columbia, SC Metro to South Carolina | - 2.5% |
| Source: Claritas | |

The following chart shows the distribution of households across twelve income levels. There do not appear to be any significant differences between the Columbia MSA and South Carolina in the distribution of households within the broad categories of upper, middle, and lower income. The percentage of the Columbia MSA households in the upper income ranges (150,000 or greater), is similar to that of South Carolina. The percentages of households in the middle (\$50,000 - \$150,000) and lower (under \$50,000) income ranges are similar as well.

Household Income Distribution - 2024

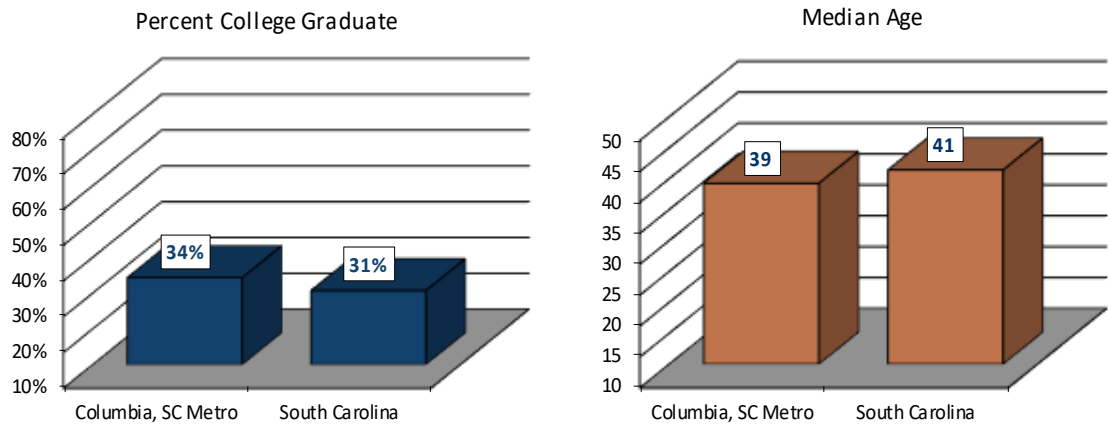


Source: Claritas

Education and Age

Residents of the Columbia MSA have a higher level of educational attainment than those of South Carolina. An estimated 34% of Columbia MSA residents are college graduates with four-year degrees, versus 31% of South Carolina residents. People in the Columbia MSA are younger than their South Carolina counterparts. The median age for the Columbia MSA is 39 years, while the median age for South Carolina is 41 years.

Education & Age - 2024

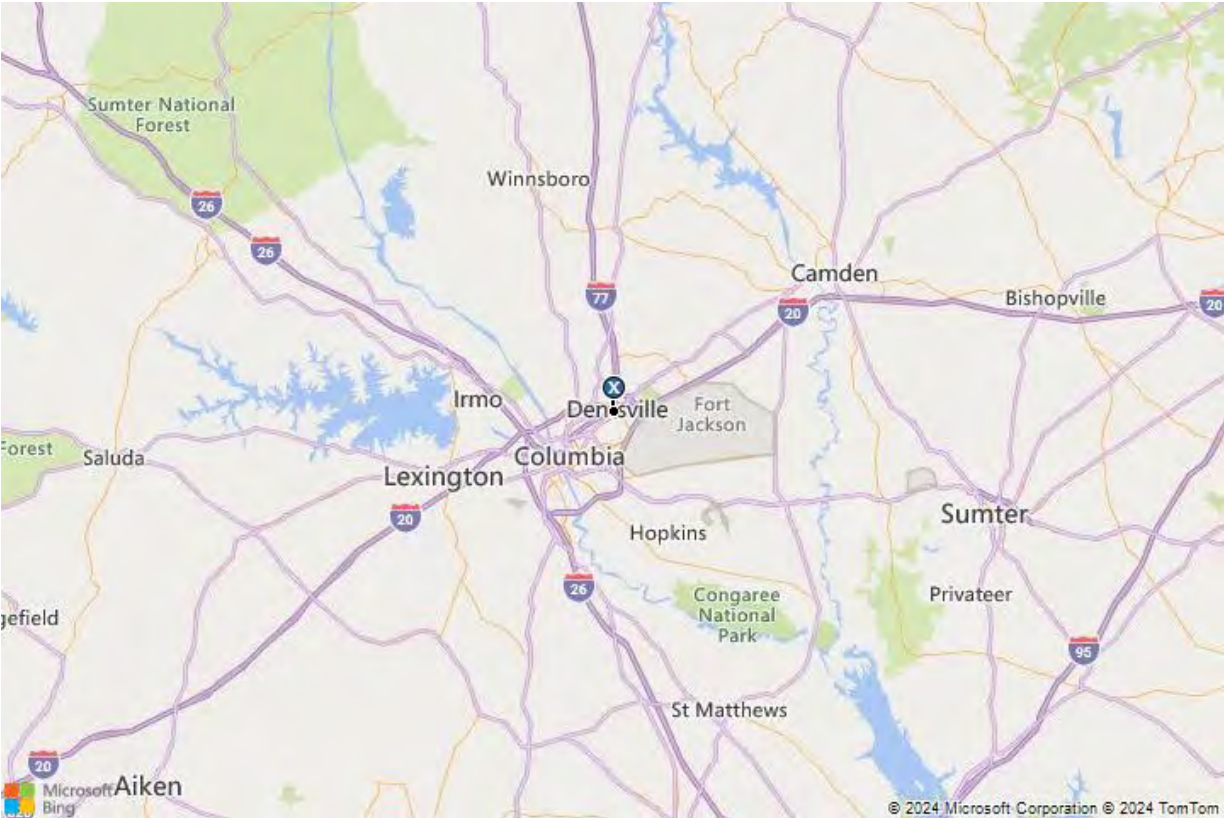


Source: Claritas

Conclusion

The Columbia MSA economy will be affected by a growing population base and a higher level of educational attainment. The Columbia MSA experienced growth in the number of jobs and has maintained a consistently lower unemployment rate than South Carolina over the past decade. Moreover, the Columbia MSA generates a higher level of GDP per capita than South Carolina overall. It is anticipated that the Columbia MSA economy will improve and employment will grow, strengthening the demand for real estate.

Area Map



Surrounding Area Analysis

Location

The subject is located in the eastern area of Richland County. This area is part of the Northeast submarket. Area boundaries and delineation are indicated in the following table. A map identifying the location of the property follows this section.

| Boundaries & Delineation | |
|--------------------------|--------------------|
| Boundaries | |
| Market Area | Columbia, SC |
| Submarket | Northeast Columbia |
| Area Type | Suburban |
| Delineation | |
| North | I-20 |
| South | Forest Drive |
| East | I-20 and I-77 |
| West | SC-277 |

Access and Linkages

Primary access and linkages to the subject area, including highways, roadways, public transit, traffic counts, and airports, are summarized in the following table.

| Access & Linkages | |
|-----------------------------|------------------------|
| Vehicular Access | |
| Major Highways | I-20, SC-277, and I-77 |
| Primary Corridors | Two Notch Road |
| Vehicular Access Rating | Above Average |
| Public Transit | |
| Providers | The COMET |
| Transit Access Rating | Average |
| Airport(s) | |
| Distance | 18.1 |
| Driving Time | 24 |
| Primary Transportation Mode | Automobile |

Demand Generators

The typical generators of demand affecting the subject property and its market are discussed and analyzed below.

Demographics

A demographic profile of the surrounding area, including population, households, and income data, is presented in the following table.

| Surrounding Area Demographics | | | | | |
|--|---------------|---------------|---------------|--------------|----------------|
| | 1-Mile Radius | 3-Mile Radius | 5-Mile Radius | Columbia, SC | |
| 2024 Estimates | | | | Metro | South Carolina |
| Population 2020 | 5,411 | 50,284 | 122,599 | 829,470 | 5,118,425 |
| Population 2024 | 5,408 | 50,664 | 124,103 | 859,161 | 5,377,943 |
| Population 2029 | 5,427 | 51,239 | 126,198 | 890,974 | 5,630,329 |
| Compound % Change 2020-2024 | 0.0% | 0.2% | 0.3% | 0.9% | 1.2% |
| Compound % Change 2024-2029 | 0.1% | 0.2% | 0.3% | 0.7% | 0.9% |
| Households 2020 | 2,435 | 21,343 | 48,567 | 331,048 | 2,048,912 |
| Households 2024 | 2,465 | 21,785 | 49,744 | 345,566 | 2,168,850 |
| Households 2029 | 2,501 | 22,251 | 51,081 | 360,531 | 2,283,620 |
| Compound % Change 2020-2024 | 0.3% | 0.5% | 0.6% | 1.1% | 1.4% |
| Compound % Change 2024-2029 | 0.3% | 0.4% | 0.5% | 0.9% | 1.0% |
| Median Household Income 2024 | \$42,024 | \$47,805 | \$50,788 | \$62,488 | \$64,089 |
| Average Household Size | 2.2 | 2.2 | 2.3 | 2.4 | 2.4 |
| College Graduate % | 29% | 33% | 38% | 34% | 31% |
| Median Age | 42 | 41 | 38 | 39 | 41 |
| Owner Occupied % | 50% | 53% | 54% | 68% | 70% |
| Renter Occupied % | 50% | 47% | 46% | 32% | 30% |
| Median Owner Occupied Housing Value | \$185,124 | \$188,065 | \$213,427 | \$219,562 | \$246,974 |
| Median Year Structure Built | 1976 | 1973 | 1975 | 1990 | 1991 |
| Average Travel Time to Work in Minutes | 21 | 23 | 23 | 27 | 28 |
| Source: Claritas | | | | | |

As shown above, the current population within a 3-mile radius of the subject is 50,664, and the average household size is 2.2. Population in the area has grown since the 2020 census, and this trend is projected to continue over the next five years. Compared to the Columbia MSA overall, the population within a 3-mile radius is projected to grow at a slower rate.

Median household income is \$47,805, which is lower than the household income for the Columbia MSA. Residents within a 3-mile radius have a similar level of educational attainment to those of the Columbia MSA, while median owner-occupied home values are considerably lower.

Services and Amenities

The subject is served by the Richland County School District. The nearest public services, including police and fire departments, as well as public schools are summarized in the following table.

| Public Services | | | |
|---------------------------|---------------------------------|------------------|-----------|
| Service | Name/Station | Distance (Miles) | Direction |
| Police Department | Richland County Sheriff | 1.3 | SW |
| Fire Department | Columbia Fire Department | 1.6 | SW |
| Hospital | Prisma Health Richland Hospital | 6.1 | SW |
| Elementary School | Forest Lake Elementary | 2.2 | SE |
| Middle/Junior High School | Dent Middle School | 1.4 | W |
| High School | Richland Northeast | 2.7 | SE |

Land Use

Predominant land uses in the immediate vicinity of the subject include a mix of residential uses. Land use characteristics of the area are summarized below.

| Surrounding Area Land Uses | |
|--|----------------|
| Character of Area | Suburban |
| Predominant Age of Improvements (Years) | 48 |
| Predominant Quality and Condition | Below Average |
| Approximate Percent Developed | 95% |
| Land Use Allocation | |
| Single-Family | 50% |
| Multifamily | 10% |
| Retail | 20% |
| Office | 10% |
| Industrial | 5% |
| Vacant Land | 5% |
| Infrastructure and Planning | Above Average |
| Predominant Location of Undeveloped Land | North |
| Prevailing Direction of Growth | North and West |

Immediate Surroundings

| | |
|-------|---------------------|
| North | Residential |
| South | Retail |
| East | Columbia Place Mall |
| West | Residential |

Columbia Place Mall is to the north/ northeast of the site. While Macy's is the last big box retailer left in the mall, it plans to remain open, and the county has purchased several spaces within the mall and has proposed to relocate county offices into the mall. Directly north of the site features an extension of the mall that features a movie theater, a church, small retailers, and ministry offices. Commercial uses are also common to the south and east of the site along Two Notch Road, a main throughfare of the region providing access to numerous retailers and restaurants.

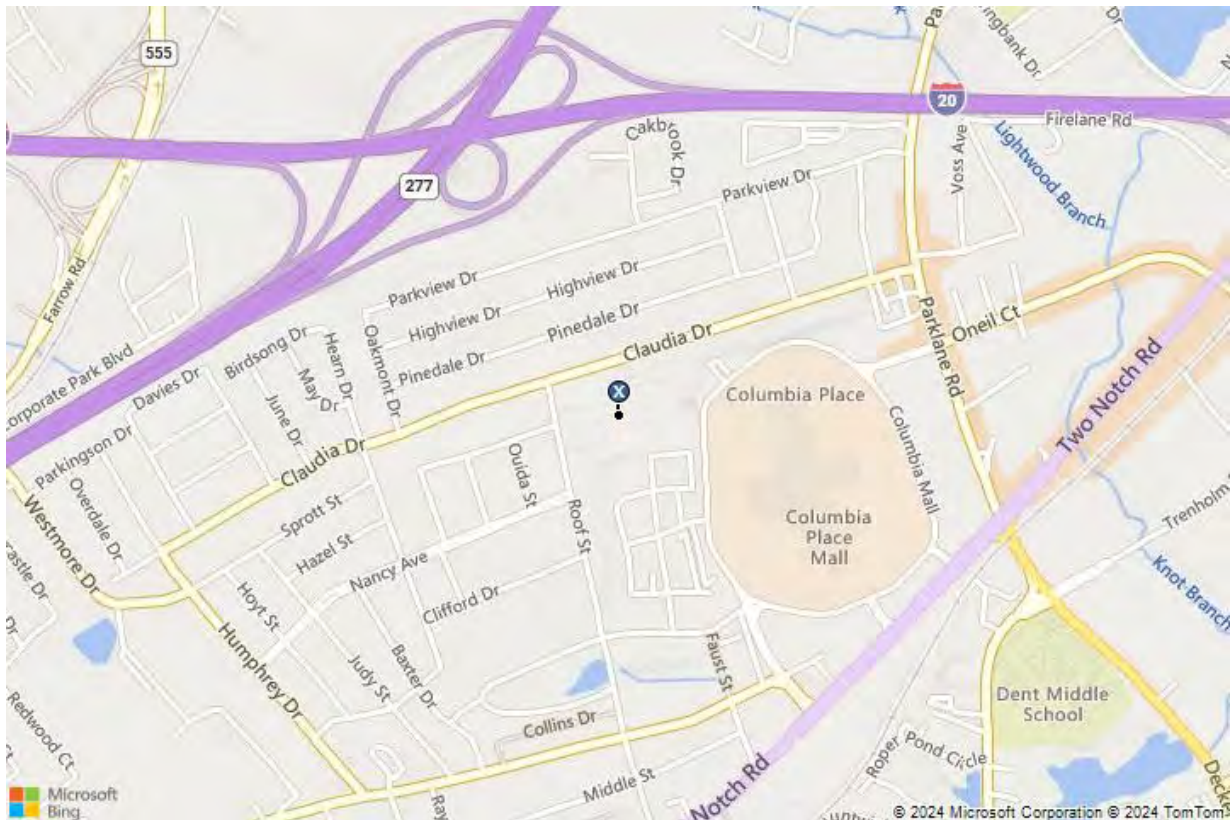
Development Activity and Trends

During the last five years, development has been predominantly of retail uses along US Highway 1/Two Notch Road and has included several net leased chains and hotels. The pace of development has generally accelerated over this time.

Outlook and Conclusions

The area is in the stability stage of its life cycle. Given the history of the area and the growth trends, it is anticipated that property values will increase nominally in the near future.

Surrounding Area Map



Multifamily Market Analysis

Metro Area Overview

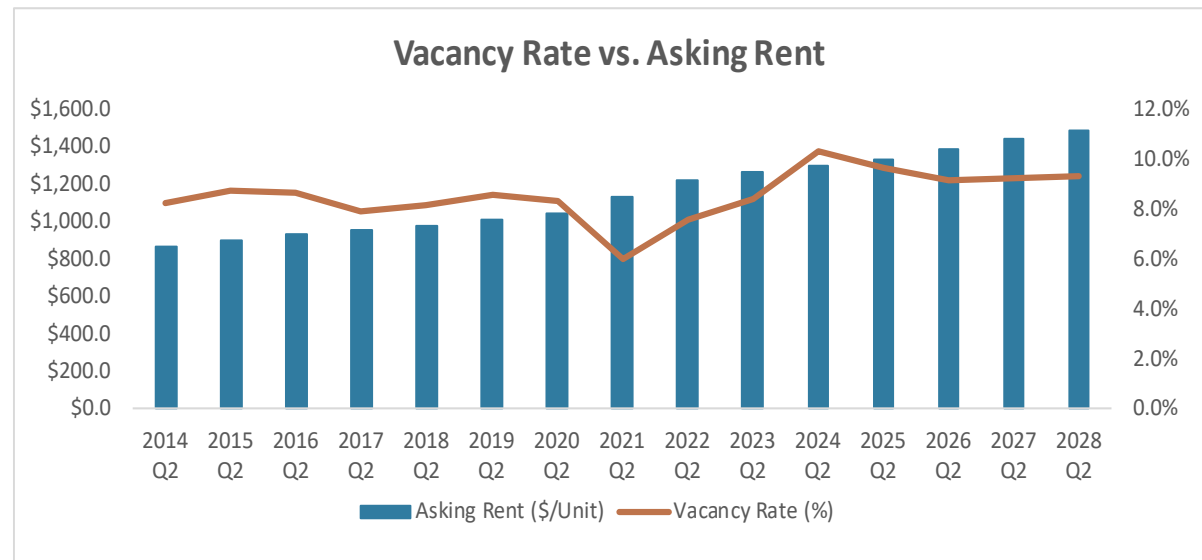
The subject is located in the Columbia - SC USA metro area as defined by CoStar. Trended supply and demand statistics, including inventory levels, absorption, vacancy, and rental rates for all classes of space are presented in the ensuing table.

All Multifamily Columbia - SC USA Metro Trends

| Period | Stock | Demand | Vacancy | Net Completions 12 Months | Under Construction Stock | Net Absorption 12 Months | Asking Rent | Rent Growth 12 Month | Price Growth | Cap Rate |
|---------|--------|--------|---------|---------------------------|--------------------------|--------------------------|-------------|----------------------|--------------|----------|
| 2014 Q2 | 35,406 | 32,484 | 8.25% | 116 | 781 | 194 | \$865 | 2.04% | 4.54% | 7.01% |
| 2015 Q2 | 36,187 | 33,030 | 8.73% | 781 | 1,107 | 545 | \$898 | 3.87% | 8.44% | 6.78% |
| 2016 Q2 | 36,948 | 33,738 | 8.69% | 761 | 568 | 710 | \$929 | 3.49% | 4.92% | 6.73% |
| 2017 Q2 | 36,897 | 33,972 | 7.93% | -51 | 883 | 233 | \$953 | 2.57% | 5.98% | 6.67% |
| 2018 Q2 | 37,636 | 34,565 | 8.16% | 739 | 1,205 | 594 | \$978 | 2.57% | 6.16% | 6.54% |
| 2019 Q2 | 38,441 | 35,128 | 8.62% | 805 | 625 | 564 | \$1,012 | 3.53% | 6.94% | 6.42% |
| 2020 Q2 | 38,841 | 35,610 | 8.32% | 400 | 628 | 482 | \$1,043 | 3.00% | 11.47% | 6.06% |
| 2021 Q2 | 39,077 | 36,724 | 6.02% | 236 | 392 | 1,115 | \$1,136 | 8.92% | 17.23% | 5.45% |
| 2022 Q2 | 39,509 | 36,495 | 7.63% | 432 | 1,349 | -229 | \$1,225 | 7.88% | 12.31% | 5.26% |
| 2023 Q2 | 40,089 | 36,703 | 8.45% | 580 | 1,347 | 206 | \$1,265 | 3.27% | -8.47% | 6.01% |
| 2024 Q2 | 41,380 | 37,116 | 10.30% | 1,291 | 191 | 412 | \$1,295 | 2.35% | -2.83% | 6.39% |
| 2025 Q2 | 41,511 | 37,508 | 9.65% | 131 | 0 | 390 | \$1,333 | 2.94% | -2.44% | 6.73% |
| 2026 Q2 | 41,563 | 37,764 | 9.14% | 52 | 0 | 256 | \$1,386 | 3.96% | 6.32% | 6.61% |
| 2027 Q2 | 41,734 | 37,884 | 9.23% | 171 | 0 | 120 | \$1,445 | 4.21% | 7.80% | 6.44% |
| 2028 Q2 | 42,009 | 38,071 | 9.37% | 275 | 0 | 188 | \$1,488 | 3.01% | 8.90% | 6.13% |

Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

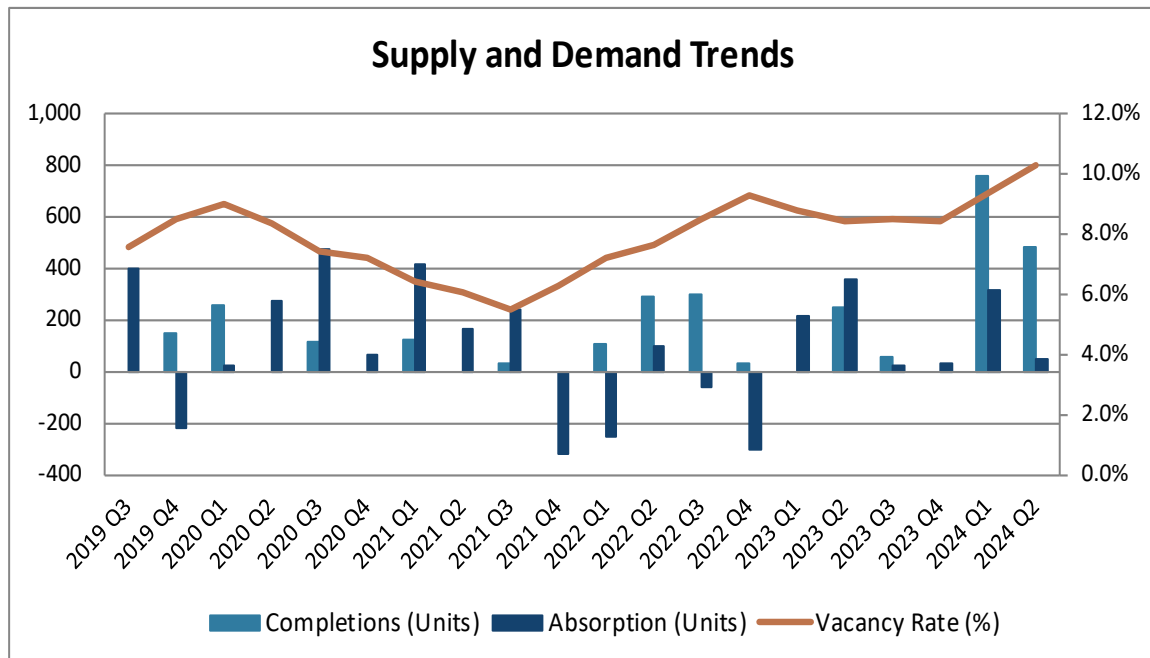
Columbia - SC USA Metro Trends and Forecasts



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The current vacancy rate in the metro area is 10.30%; the vacancy rate has increased by 267 bps from 2022 Q2.

- Two-year Base Case forecasts project a 9.14% vacancy rate in the metro area, representing a decrease of 116 bps by 2026 Q2.
- Asking rent averages \$1,295/unit in the metro area, and values have increased by 5.74% from 2022 Q2.
- Two-year Base Case forecasts project a \$1,386/unit asking rent in the metro area, representing an increase of 7.01% by 2026 Q2.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The total stock (units) has increased by 4.74% from 2022 Q2, while the demand has increased by 1.70%.
- Between 2019 Q3 and 2024 Q2, net completions in the metro area have averaged 588 units annually, and reached a peak of 760 units in 2024 Q1.
- Between 2019 Q3 and 2024 Q2, net absorption in the metro area has averaged 397 units annually, and reached a peak of 471 units in 2020 Q3.

Submarket Overview

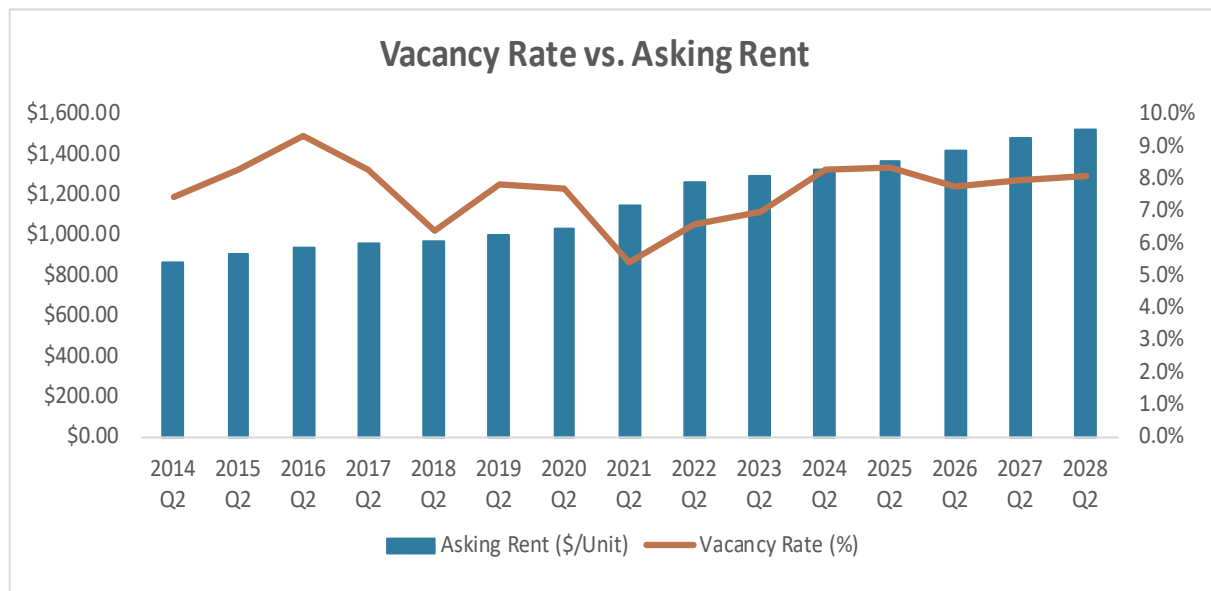
The subject is located in the North Richland County submarket as defined by CoStar. Trended supply and demand statistics, including inventory levels, absorption, vacancy, and rental rates for all classes of space are presented in the following table.

All Multifamily North Richland County Submarket Trends

| Period | Stock | Demand | Vacancy | Net Completions 12 Months | Under Construction Stock | Net Absorption 12 Months | Asking Rent | Rent Growth 12 Month | Price Growth | Cap Rate |
|---------|--------|--------|---------|------------------------------|-----------------------------|-----------------------------|-------------|-------------------------|--------------|----------|
| 2014 Q2 | 12,575 | 11,644 | 7.40% | 126 | 295 | 220 | \$870 | 1.12% | 5.72% | 6.81% |
| 2015 Q2 | 12,870 | 11,809 | 8.25% | 295 | 537 | 164 | \$906 | 4.17% | 9.11% | 6.58% |
| 2016 Q2 | 13,407 | 12,162 | 9.29% | 537 | 0 | 353 | \$941 | 3.88% | 4.80% | 6.54% |
| 2017 Q2 | 13,407 | 12,300 | 8.25% | 0 | 0 | 138 | \$957 | 1.72% | 4.39% | 6.53% |
| 2018 Q2 | 13,407 | 12,552 | 6.38% | 0 | 541 | 251 | \$971 | 1.46% | 5.76% | 6.42% |
| 2019 Q2 | 13,692 | 12,623 | 7.81% | 285 | 256 | 71 | \$1,003 | 3.30% | 8.35% | 6.23% |
| 2020 Q2 | 13,948 | 12,875 | 7.69% | 256 | 251 | 253 | \$1,034 | 3.12% | 11.29% | 5.91% |
| 2021 Q2 | 13,948 | 13,193 | 5.41% | 0 | 251 | 319 | \$1,151 | 11.27% | 18.51% | 5.28% |
| 2022 Q2 | 13,948 | 13,031 | 6.58% | 0 | 761 | -162 | \$1,259 | 9.36% | 12.89% | 5.08% |
| 2023 Q2 | 14,451 | 13,444 | 6.97% | 503 | 258 | 410 | \$1,293 | 2.76% | -9.44% | 5.83% |
| 2024 Q2 | 14,709 | 13,492 | 8.27% | 258 | 135 | 48 | \$1,321 | 2.13% | -3.09% | 6.21% |
| 2025 Q2 | 14,842 | 13,608 | 8.32% | 133 | 0 | 116 | \$1,367 | 3.47% | -2.26% | 6.54% |
| 2026 Q2 | 14,843 | 13,688 | 7.78% | 1 | 0 | 79 | \$1,420 | 3.93% | 6.33% | 6.42% |
| 2027 Q2 | 14,923 | 13,733 | 7.97% | 80 | 0 | 45 | \$1,480 | 4.17% | 7.81% | 6.25% |
| 2028 Q2 | 15,050 | 13,836 | 8.07% | 127 | 0 | 103 | \$1,523 | 2.96% | 8.92% | 5.94% |

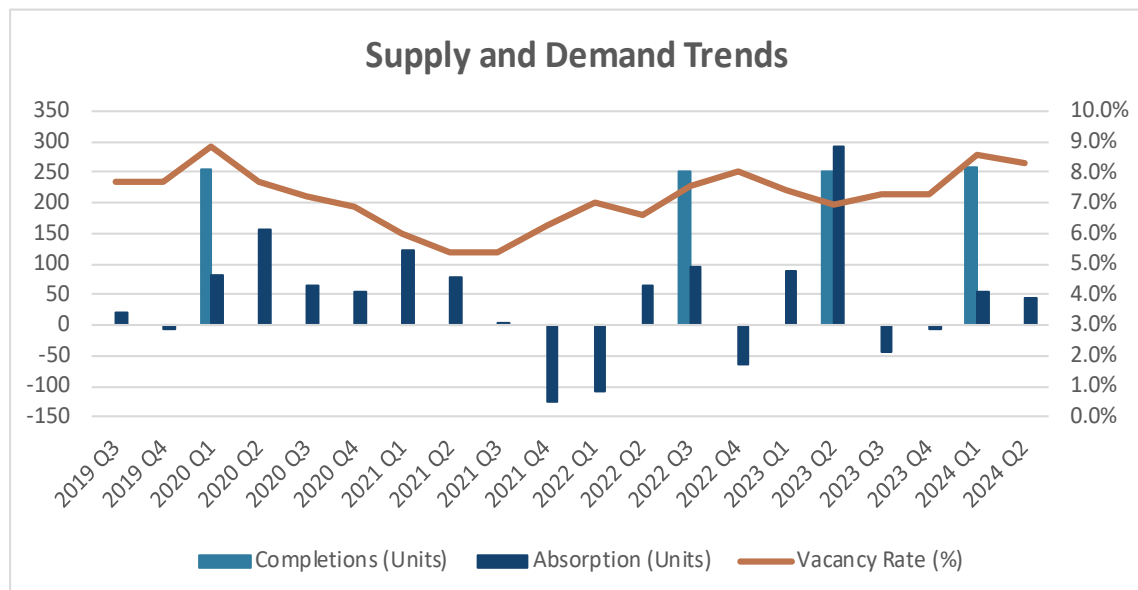
Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The North Richland County submarket comprises 35.5% of the metro building stock and 36.4% of the metro building demand.
- The vacancy rate in the North Richland County submarket is 8.27%, which is less than the metro area's average of 10.30%.
- North Richland County market rate is \$1,321/unit which is greater than the metro area's average rate of \$1,295/unit.

North Richland County Submarket Trends and Forecasts

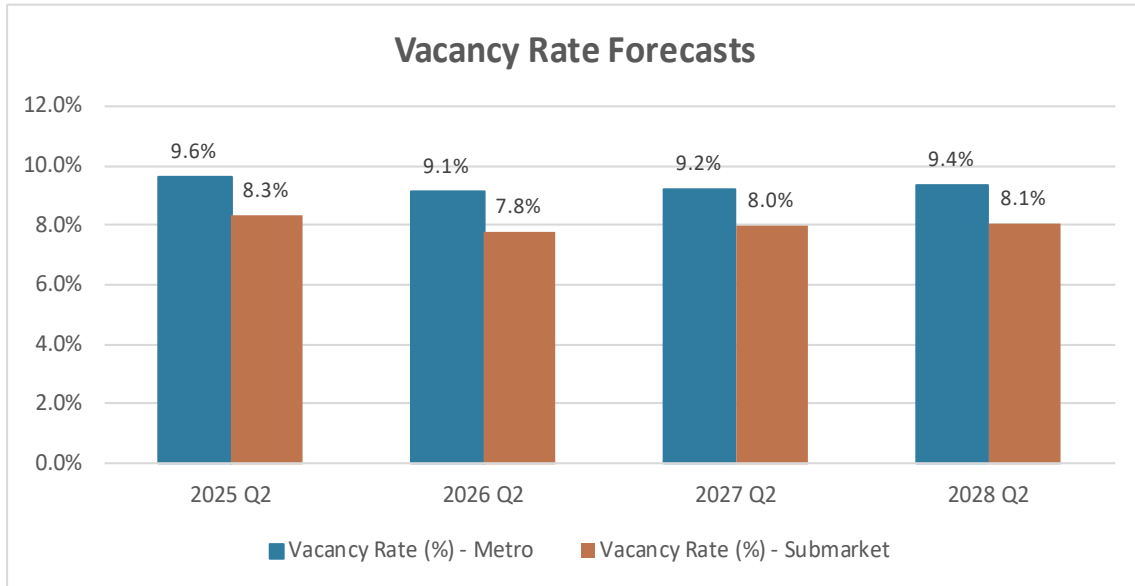
Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The current vacancy rate in the submarket area is 8.27%; the vacancy rate has increased by 170 bps from 2022 Q2.
- Two-year Base Case forecasts project a 7.78% vacancy rate in the submarket area, representing a decrease of 49 bps by 2026 Q2.
- Asking rent averages \$1,321/unit in the submarket area, and values have increased by 4.92% from 2022 Q2.
- Two-year Base Case forecasts project a \$1,420/unit asking rent in the submarket area, representing an increase of 7.54% by 2026 Q2.

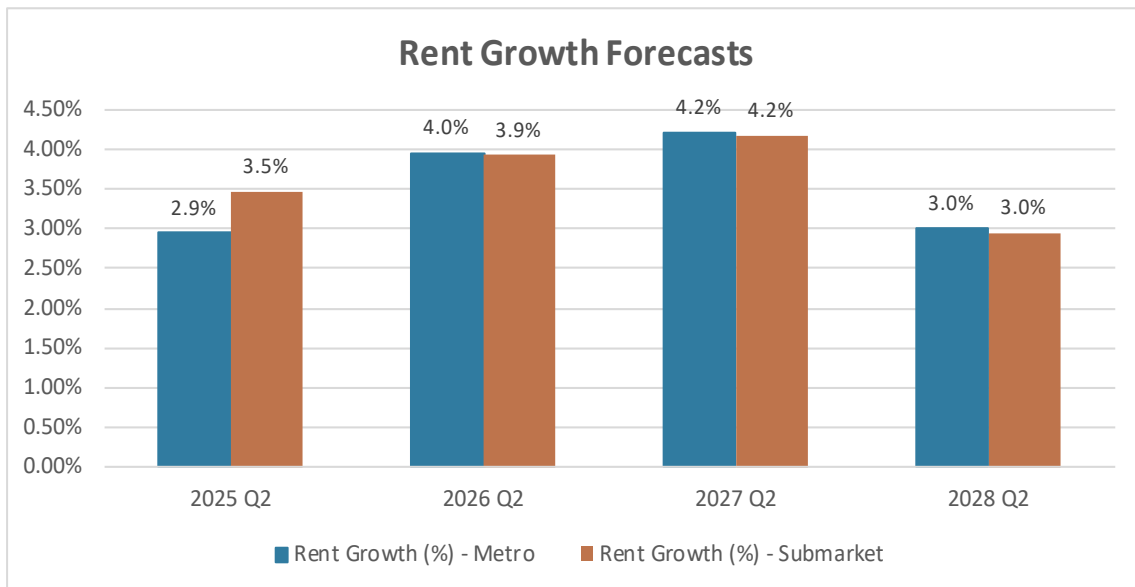


Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

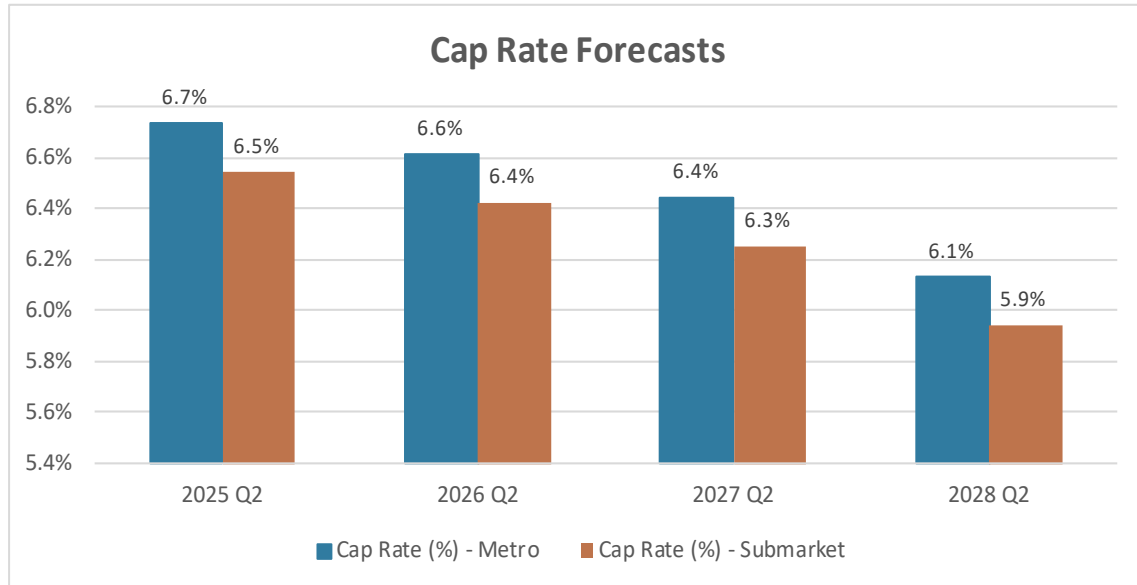
- The total stock (units) has increased by 5.46% from 2022 Q2, while the demand has increased by 3.54%.
- Between 2019 Q3 and 2024 Q2, net completions in the submarket area have averaged 203 units annually, and reached a peak of 258 units in 2024 Q1.
- Between 2019 Q3 and 2024 Q2, net absorption in the submarket area has averaged 174 units annually, and reached a peak of 293 units in 2023 Q2.

Multifamily Market Forecast Comparisons

Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

Multifamily Market Outlook and Conclusions

Based on the key metro and submarket area trends, construction outlook, and the performance of competing properties, IRR expects the mix of property fundamentals and economic conditions in the Columbia metro area to have a positive impact on the subject property's performance in the near-term.

Property Analysis

Land Description and Analysis

| Land Description | |
|---------------------------|---|
| Land Area | 15.92 acres; 693,475 SF |
| Source of Land Area | Survey |
| Primary Street Frontage | Roof Street - 723 feet |
| Shape | Irregular |
| Corner | No |
| Topography | Undulating |
| Drainage | No problems reported or observed |
| Environmental Hazards | None reported or observed |
| Ground Stability | No problems reported or observed |
| Flood Area Panel Number | 45079C0262L |
| Date | December 21, 2017 |
| Zone | X |
| Description | Outside of 500-year floodplain |
| Insurance Required? | No |
| Zoning; Other Regulations | |
| Zoning Jurisdiction | Richland County |
| Zoning Designation | GC |
| Description | General Commercial |
| Legally Conforming? | Appears to be legally conforming |
| Zoning Change Likely? | No |
| Permitted Uses | A wide variety of commercial uses including retail and office. Multifamily is an allowable use. |
| Minimum Lot Area | N/A |
| Minimum Lot Width (Feet) | None |
| Minimum Setbacks (Feet) | Front-25, Side-0, Rear-10 |
| Maximum Building Height | None |
| Maximum Density | 16 units per acre |
| Maximum Floor Area Ratio | None |
| Parking Requirement | 2 spaces per dwelling unit |
| Utilities | |
| Service | Provider |
| Water | City of Columbia |
| Sewer | City of Columbia |
| Electricity | Dominion Energy |
| Local Phone | Various Providers |

We are not experts in the interpretation of zoning ordinances. An appropriately qualified land use attorney should be engaged if a determination of compliance with zoning is required.

Potential Development Density

Based on the maximum density of 16 units per acres in the current zoning regulations, 254 multifamily dwelling units could be developed on the site based on zoning, but the site is bisected by a sewer easement to the northeastern corner of the site. Therefore, it appears that the development potential of the site is 112 units.

Easements, Encroachments and Restrictions

A current title report was not provided for review. The site is bisected by a sewer easement to the northeastern corner of the site. Otherwise, there are no apparent easements, encroachments, or restrictions that would adversely affect value. This valuation assumes no other adverse impacts from easements, encroachments, or restrictions, and further assumes that the subject has clear and marketable title.

Conclusion of Site Analysis

Overall, the physical characteristics and the availability of utilities result in a functional site, suitable for a variety of uses including those permitted by zoning. Uses permitted by zoning include a wide variety of commercial uses including retail and office. Multifamily is an allowable use. No other restrictions on development are apparent.



View of Subject



View of Subject



View of Subject



View of Subject

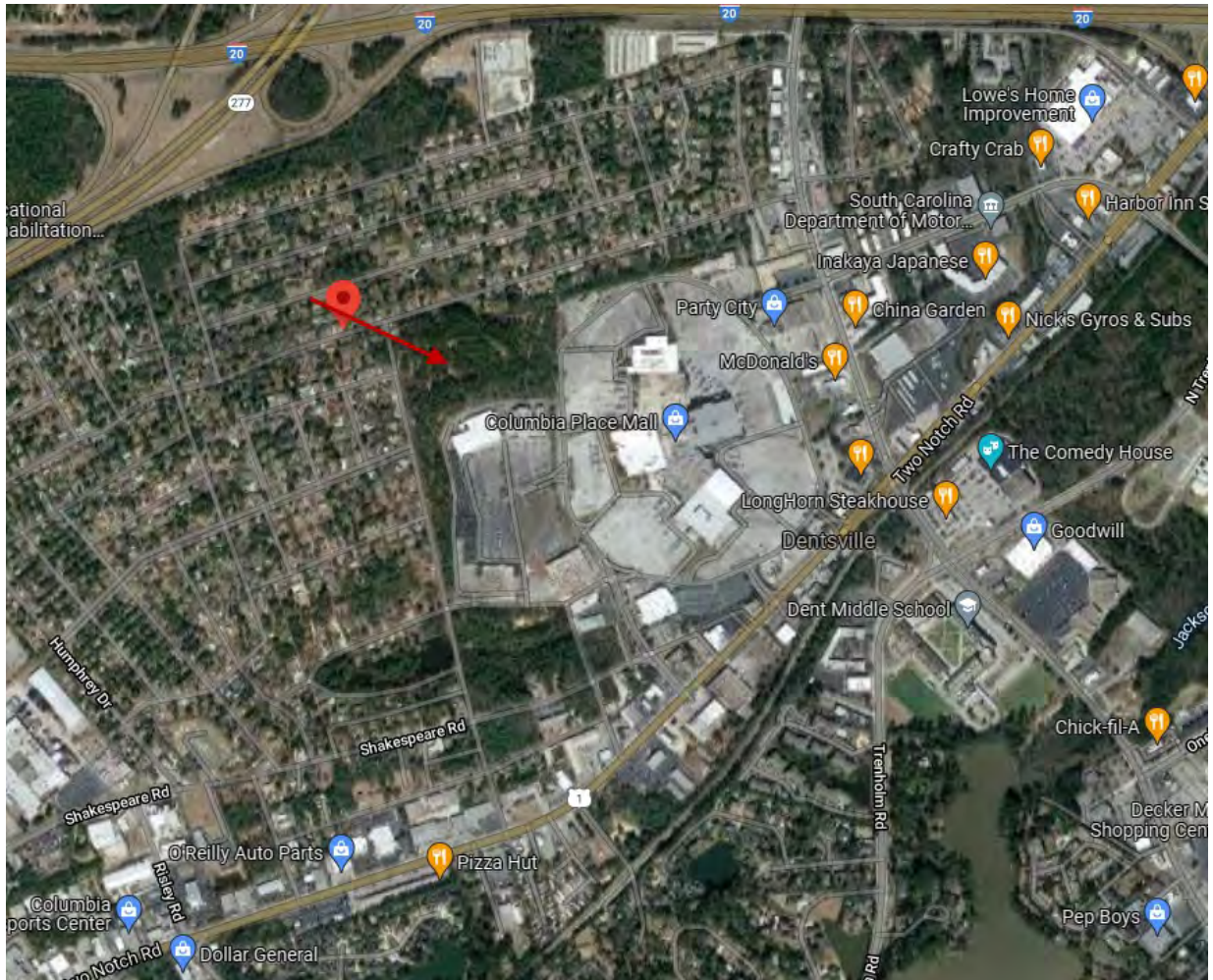


Street View Along Roof Street



Street View Along Roof Street

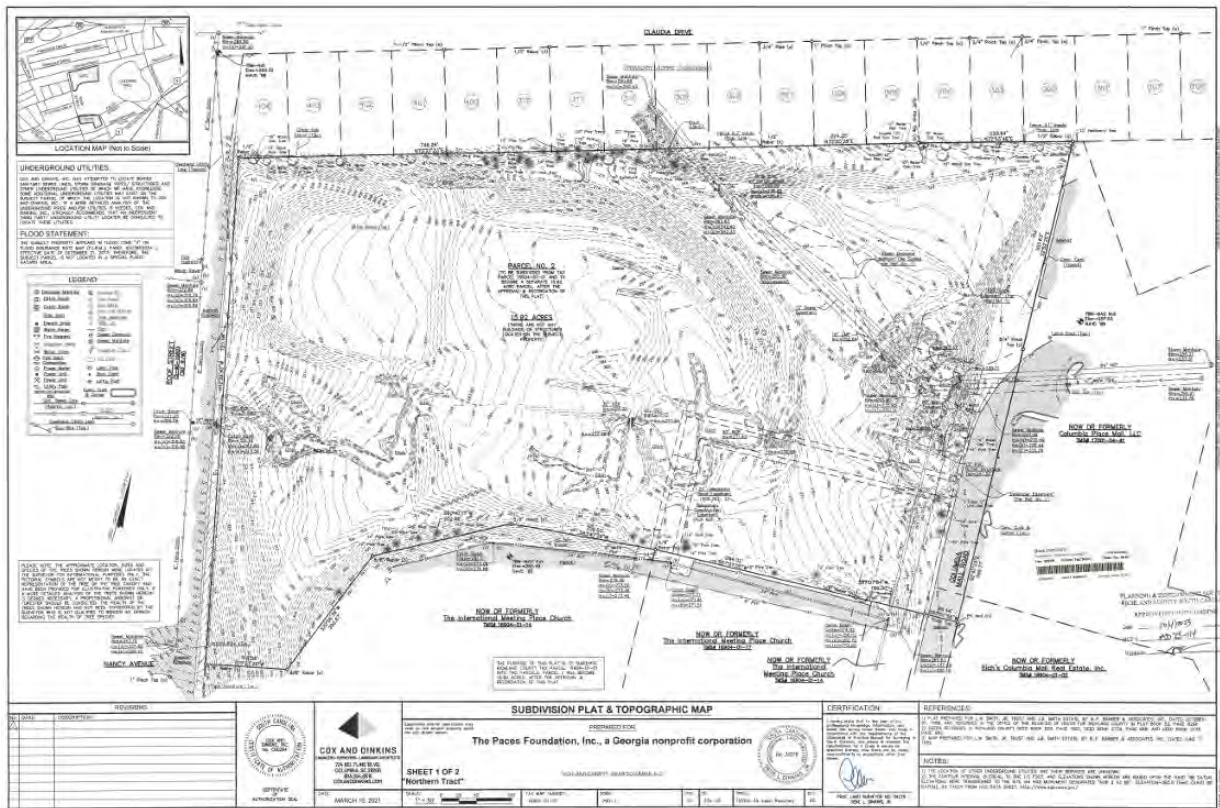
Aerial Photograph



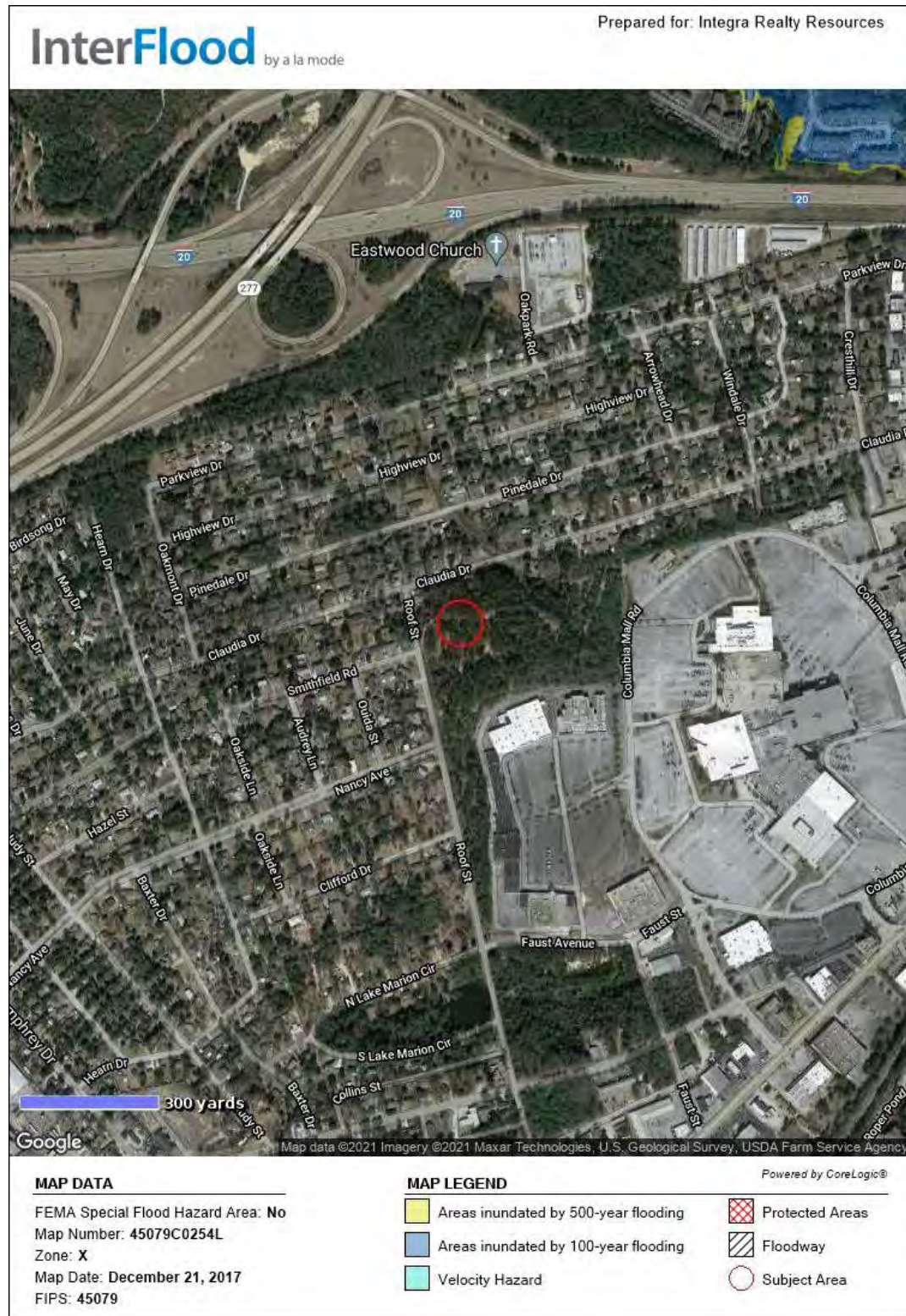
Tax Aerial



Survey



Flood Hazard Map



Zoning Map



Real Estate Taxes

The real estate tax assessment of the subject is administered by the county. The South Carolina Real Property Valuation Reform Act of 2006 provides that any increase in the fair market value of real property attributable to the periodic countywide reassessment program is limited to fifteen percent of the prior year's fair market value. However, this limit does not apply to the fair market value of real property when an assessable transfer of interest (ATI) occurred in the year that the transfer value is first subject to tax. This means that all property sold during the year that is determined to be an ATI will be reassessed for the following year. Owners of such properties will receive a "Notice of Classification, Appraisal & Assessment of Real Estate" showing the ATI value for the year following the event with the reason for change being "ATI-Qualified Point of Sale".

In June of 2011, The SC Senate and House passed Point of Sale legislation that positively impacted the commercial real estate market in South Carolina. The approved Point of Sale legislation is applicable to all non-primary residential properties which are assessed at a six percent (6%) rate and include commercial properties, investment properties and second homes but excludes manufacturing properties assessed at 10.5% and owner-occupied residential that are assessed at 4%. Under the new law, properties will receive a 25% exemption from the sales value for taxation purposes.

An example of the change would be a commercial property is on the tax records and assessed at \$1,000,000 but the "Fair Market Value" according to the tax assessor's records is \$1,200,000. The property sells after December 31, 2010, for \$2,000,000. The sale value of \$2,000,000 is discounted by 25% to be \$1,500,000 which is established as the new Assessed Value. However, if the property sold for \$1,500,000, the 25% exemption would place the Assessed Value at \$1,125,000 which is below the Assessor's Fair Market Value of \$1,200,000 and therefore the Assessed Value would remain at \$1,200,000. The Assessor's "Fair Market Value" will be lowered if the property sells for less than the Assessor's Fair Market Value of record, provided it was an arm's length sale and the purchaser applies for a reduction.

In all cases the property owner MUST apply for the new ATI exemption by January 30th for it to apply. If not applied for within the time frame noted, the purchaser loses the exemption.

Taxes in South Carolina are based on:

$$\text{Taxable Value} \times \text{Assessment Ratio} = \text{Assessment}$$

$$\text{Assessment} \times \text{Millage Rate} = \text{Gross Taxes}$$

Real estate taxes and assessments for the current tax year are shown estimated in the following table based on the contract price.

| Taxes and Assessments - 2024 Estimate | | | | | | | | |
|---------------------------------------|----------------|---------|---------------------|-----------------------|---------------------|-------|-------------|-------|
| Tax ID | Assessed Value | | | Taxes and Assessments | | | | |
| | Taxable Value | Total | Equalization Factor | Equalized Value | Ad Valorem Tax Rate | Taxes | LOST Credit | Total |
| R16904-01-01 | \$3,500 | \$3,500 | 0.0400 | \$140 | 60.440400% | \$85 | -\$6 | \$78 |

Based on the concluded market value of the subject, the assessed value appears low.

The subject is currently taxed based on its agricultural use value, rather than the assessor's market value. Rollback taxes would be due when development begins. We were not provided with a rollback tax estimate and have not included this analysis in the report.

Highest and Best Use

The highest and best use of a property is the reasonably probable use resulting in the highest value, and represents the use of an asset that maximizes its productivity.

Process

Before a property can be valued, an opinion of highest and best use must be developed for the subject site, both as though vacant, and as improved or proposed. By definition, the highest and best use must be:

- Physically possible.
- Legally permissible under the zoning regulations and other restrictions that apply to the site.
- Financially feasible.
- Maximally productive, i.e., capable of producing the highest value from among the permissible, possible, and financially feasible uses.

As Though Vacant

First, the property is evaluated as though vacant, with no improvements.

Physically Possible

The site will require significant site work including fill dirt and a retaining wall due to the site's topography. The physical characteristics of the site do not appear to impose any unusual restrictions on development; however, the development costs would reflect this higher than typical expense.

Legally Permissible

The site is zoned GC, General Commercial. Permitted uses include a wide variety of commercial uses including retail and office. Multifamily is an allowable use. There are no apparent legal restrictions, such as easements or deed restrictions, effectively limiting the use of the property. Given prevailing land use patterns in the area, only multifamily use is given further consideration in determining highest and best use of the site, as though vacant.

Financially Feasible

Based on the accompanying analysis of the market, there is currently adequate demand for multifamily use in the subject's area. It appears a newly developed multifamily use on the site would have a value commensurate with its cost. Therefore, multifamily use is considered to be financially feasible.

Maximally Productive

There does not appear to be any reasonably probable use of the site that would generate a higher residual land value than multifamily use. Accordingly, multifamily use, developed to the normal market density level permitted by zoning, is the maximally productive use of the property.

Conclusion

Development of the site for multifamily use is the only use which meets the four tests of highest and best use. Therefore, it is concluded to be the highest and best use of the property as though vacant.

As Improved

No improvements are situated on the subject. Therefore, a highest and best analysis as improved is not applicable.

Most Probable Buyer

Taking into account the characteristics of the site, as well as area development trends, the probable buyer is a developer.

Valuation

Valuation Methodology

Appraisers usually consider three approaches to estimating the market value of real property. These are the cost approach, sales comparison approach and the income capitalization approach.

The **cost approach** assumes that the informed purchaser would pay no more than the cost of producing a substitute property with the same utility. This approach is particularly applicable when the improvements being appraised are relatively new and represent the highest and best use of the land or when the property has unique or specialized improvements for which there is little or no sales data from comparable properties.

The **sales comparison approach** assumes that an informed purchaser would pay no more for a property than the cost of acquiring another existing property with the same utility. This approach is especially appropriate when an active market provides sufficient reliable data. The sales comparison approach is less reliable in an inactive market or when estimating the value of properties for which no directly comparable sales data is available. The sales comparison approach is often relied upon for owner-user properties.

The **income capitalization approach** reflects the market's perception of a relationship between a property's potential income and its market value. This approach converts the anticipated net income from ownership of a property into a value indication through capitalization. The primary methods are direct capitalization and discounted cash flow analysis, with one or both methods applied, as appropriate. This approach is widely used in appraising income-producing properties.

Reconciliation of the various indications into a conclusion of value is based on an evaluation of the quantity and quality of available data in each approach and the applicability of each approach to the property type.

The methodology employed in this assignment is summarized as follows:

| Approaches to Value | | |
|--------------------------------|--------------------------|-------------------|
| Approach | Applicability to Subject | Use in Assignment |
| Cost Approach | Not Applicable | Not Utilized |
| Sales Comparison Approach | Applicable | Utilized |
| Income Capitalization Approach | Not Applicable | Not Utilized |

Sales Comparison Approach

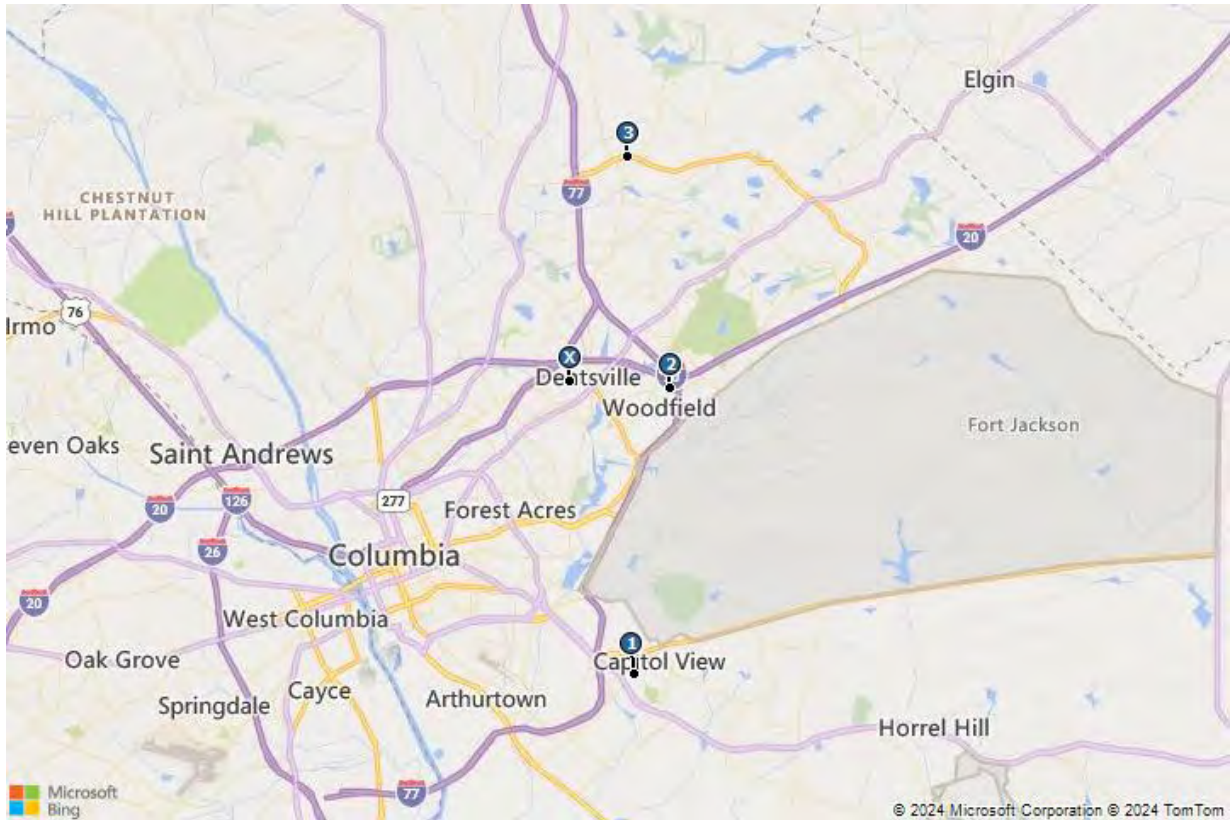
To develop an opinion of the subject's land value, as though vacant and available to be developed to its highest and best use, the sales comparison approach is used. This approach develops an indication of value by researching, verifying, and analyzing sales of similar properties. The research focused on transactions within the following parameters:

- Location: Preferably Richland County
- Size: 5 to 50 acres
- Use: Preferably multifamily uses
- Transaction Date: Most recent available

For this analysis, price per unit is used as the appropriate unit of comparison because market participants typically compare sale prices and property values on this basis. The most relevant sales are summarized in the following table:

| Summary of Comparable Land Sales | | | | | | | | |
|----------------------------------|---|----------------------|-------------------------|--------------------|--------|----------|---------------|-----------|
| No. | Name/Address | Sale Date; Status | Effective Sale Price | SF; Acres | Zoning | \$/Unit | \$/SF Land | \$/Acre |
| 1 | Land 1458 Trinity Dr. Columbia Richland County SC Comments: The property is comprised of three contiguous vacant land parcels and is under contract for \$60,000 per acre. The buyer intends to construct 124 townhome lots. | Feb-24 Closed | \$814,200 | 591,109 13.57 | RM-1 | \$6,566 | \$1.38 | \$60,000 |
| 2 | Affordable Housing Site 8209 Hunt Club Rd. Columbia Richland County SC | Feb-24 Closed | \$1,500,000 | 548,420 12.59 | RM-HD | \$10,204 | \$2.74 | \$119,142 |
| 3 | Killian Woods Development Longreen & Clemson Rd. Columbia Richland County SC Comments: Property is to be single-family town homes. The deal was for 80 1 bedroom units and 161 two bedroom units. If the property exceeded that amount then extra incentive was needed. Total amount of units is to be 241 units | Apr-22 Closed | \$1,850,000 | 1,224,472 28.11 | RM-HD | \$7,676 | \$1.51 | \$65,813 |
| | Subject Willowcreek at Watertree Apartments Site Columbia, SC | | | 693,475 15.92 | GC | | | |

Comparable Land Sales Map

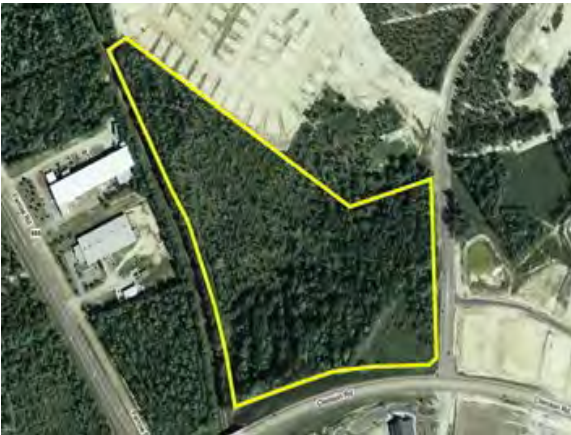




Sale 1
Land



Sale 2
Affordable Housing Site



Sale 3
Killian Woods Development

Adjustment Factors

The sales are compared to the subject and adjusted to account for material differences that affect value. Adjustments are considered for the following factors, in the sequence shown below.

| Adjustment Factors | |
|----------------------|---|
| Effective Sale Price | Accounts for atypical economics of a transaction, such as demolition cost, expenditures by the buyer at time of purchase, or other similar factors. Usually applied directly to sale price on a lump sum basis. |
| Real Property Rights | Fee simple, leased fee, leasehold, partial interest, etc. |
| Financing Terms | Seller financing, or assumption of existing financing, at non-market terms. |
| Conditions of Sale | Extraordinary motivation of buyer or seller, assemblage, forced sale, related-parties transaction. |
| Market Conditions | Changes in the economic environment over time that affect the appreciation and depreciation of real estate. |
| Location | Market or submarket area influences on sale price; surrounding land use influences. |
| Access/Exposure | Convenience to transportation facilities; ease of site access; visibility from main thoroughfares; traffic counts. |
| Size | Inverse relationship that often exists between parcel size and unit value. |
| Shape and Topography | Primary physical factors that affect the utility of a site for its highest and best use. |
| Zoning | Government regulations that affect the types and intensities of uses allowable on a site. |
| Entitlements | The specific level of governmental approvals attained pertaining to development of a site. |

Analysis and Adjustment of Sales

Adjustments are based on a rating of each comparable sale in relation to the subject. The adjustment process is typically applied through either quantitative or qualitative analysis, or a combination of both analyses. Quantitative adjustments are often developed as dollar or percentage amounts, and are most credible when there is sufficient data to perform a paired sales analysis.

While percentage adjustments are presented in the adjustment grid, they are based on qualitative judgment rather than empirical research, as there is not sufficient data to develop a sound quantitative estimate. Although the adjustments appear to be mathematically precise, they are merely intended to illustrate an opinion of typical market activity and perception. With the exception

of market conditions, the adjustments are based on a scale, with a minor adjustment in the range of 1-5% and a substantial adjustment considered to be 20% or greater.

The rating of each comparable sale in relation to the subject is the basis for the adjustments. If the comparable is superior to the subject, its sale price is adjusted downward to reflect the subject's relative attributes; if the comparable is inferior, its price is adjusted upward.

Adjustments are considered for the following factors, in the sequence shown below.

Real Property Rights Conveyed

All of the sales are in the fee simple estate. No adjustments are necessary.

Financing Terms

For this analysis, no adjustments are necessary.

Conditions of Sale

For this analysis, no adjustments are necessary.

Market Conditions

The sales took place from April 2022 to February 2024. Market conditions have generally been strengthening. The adjustment grid accounts for this trend with upward adjustments over this period through the effective date of value.

Analysis and Adjustment of Sales

The analysis of the comparable sales is described in the following paragraphs.

Land Sale 1 is a 13.57 acre, or 591,109 square foot, parcel located at 1458 Trinity Dr., Columbia, Richland County, SC, with development potential for 124 units. The property sold in February 2024 for \$814,200, or \$6,566 per unit. An upward adjustment of 1% is indicated for market conditions. A downward adjustment of 20% is indicated for shape and topography. Overall, a downward adjustment is indicated.

Land Sale 2 is a 12.59 acre, or 548,420 square foot, parcel located at 8209 Hunt Club Rd., Columbia, Richland County, SC, with development potential for 147 units. The property sold in February 2024 for \$1,500,000, or \$10,204 per unit. An upward adjustment of 1% is indicated for market conditions. A downward adjustment of 20% is indicated for shape and topography. Overall, a downward adjustment is indicated.

Land Sale 3 is a 28.11 acre, or 1,224,472 square foot, parcel located at Longreen & Clemson Rd., Columbia, Richland County, SC, with development potential for 241 units. The property sold in April 2022 for \$1,850,000, or \$7,676 per unit. An upward adjustment of 7% is indicated for market conditions. A downward adjustment of 20% is indicated for shape and topography. Overall, a downward adjustment is indicated.

Adjustments Summary

The sales are compared to the subject and adjusted to account for material differences that affect value. The following table summarizes the adjustments applied to each sale.

| Land Sales Adjustment Grid | | | | |
|----------------------------------|--|--------------------------|-------------------------|---------------------------|
| | Subject | Comparable 1 | Comparable 2 | Comparable 3 |
| Name | Willowcreek at Watertree Apartments Site | Land | Affordable Housing Site | Killian Woods Development |
| Address | E/S Roof Street | 1458 Trinity Dr. | 8209 Hunt Club Rd. | Longreen & Clemson Rd. |
| City | Columbia | Columbia | Columbia | Columbia |
| County | Richland County | Richland | Richland | Richland |
| State | South Carolina | SC | SC | SC |
| Sale Date | | Feb-24 | Feb-24 | Apr-22 |
| Sale Status | | Closed | Closed | Closed |
| Sale Price | | \$814,200 | \$1,500,000 | \$1,850,000 |
| Other Adjustment | | \$0 | \$0 | \$0 |
| Effective Sale Price | | \$814,200 | \$1,500,000 | \$1,850,000 |
| Square Feet | 693,475 | 591,109 | 548,420 | 1,224,472 |
| Acres | 15.92 | 13.57 | 12.59 | 28.11 |
| Usable Acres | 15.92 | 13.57 | 12.59 | 28.11 |
| Number of Units | 112 | 124 | 147 | 241 |
| Shape | Irregular | Rectangular | Irregular | Irregular |
| Topography | Undulating | Level | Level | Level |
| Water | Yes | Yes | Yes | Yes |
| Sewer | Yes | Yes | Yes | Yes |
| Zoning Code | GC | RM-1 | RM-HD | RM-HD |
| Price per Unit | | \$6,566 | \$10,204 | \$7,676 |
| Property Rights | | Fee Simple | Fee Simple | Fee Simple |
| % Adjustment | | — | — | — |
| Financing Terms | | Cash to seller | Cash to seller | Cash to seller |
| % Adjustment | | — | — | — |
| Conditions of Sale | | Arm's Length | Arm's Length | Arm's Length |
| % Adjustment | | — | — | — |
| Market Conditions | 8/9/2024 | Feb-24 | Feb-24 | Apr-22 |
| Annual % Adjustment | 3% | 1% | 1% | 7% |
| Cumulative Adjusted Price | | \$6,632 | \$10,306 | \$8,214 |
| Location | | — | — | — |
| Access/Exposure | | — | — | — |
| Size | | — | — | — |
| Shape and Topography | | -20% | -20% | -20% |
| Zoning | | — | — | — |
| Net \$ Adjustment | | -\$1,326 | -\$2,061 | -\$1,643 |
| Net % Adjustment | | -20% | -20% | -20% |
| Final Adjusted Price | | \$5,305 | \$8,245 | \$6,571 |
| Overall Adjustment | | -19% | -19% | -14% |
| Range of Adjusted Prices | | \$5,305 - \$8,245 | | |
| Average | | \$6,707 | | |
| Indicated Value | | \$7,000 | | |

Land Value Conclusion

Prior to adjustments, the sales reflect a range of \$6,566 - \$10,204 per unit. After adjustment, the range is narrowed to \$5,305 - \$8,245 per unit, with an average of \$6,707 per unit. To arrive at an indication of value, we consider each sale.

Based on the preceding analysis, the land value conclusion for the subject is presented as follows:

| Land Value Conclusion | |
|------------------------------|------------|
| Indicated Value per Unit | \$7,000 |
| Subject Units | <u>112</u> |
| Indicated Value | \$784,000 |
| Rounded | \$780,000 |

Reconciliation and Conclusion of Value

As discussed previously, we use only the sales comparison approach in developing an opinion of value for the subject. The cost and income approaches are not applicable and are not used.

Based on the preceding valuation analysis and subject to the definitions, assumptions, and limiting conditions expressed in the report, our value opinion follows:

| Value Conclusion | | | |
|--------------------------------|--------------------|----------------|------------------|
| Value Type & Appraisal Premise | Interest Appraised | Date of Value | Value Conclusion |
| Market Value As Is | Fee Simple | August 9, 2024 | \$780,000 |

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

1. None noted.

The value conclusions are based on the following hypothetical conditions. A hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

1. None noted.

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

Exposure Time

Exposure time is the length of time the subject property would have been exposed for sale in the market had it sold on the effective valuation date at the concluded market value. Exposure time is always presumed to precede the effective date of the appraisal. Based on our review of recent sales transactions for similar properties and our analysis of supply and demand in the local market, it is our opinion that the probable exposure time for the subject at the concluded market value stated previously is 12-24 months.

Marketing Time

Marketing time is an estimate of the amount of time it might take to sell a property at the concluded market value immediately following the effective date of value. As we foresee no significant changes in market conditions in the near term, it is our opinion that a reasonable marketing period for the subject is likely to be the same as the exposure time. Accordingly, we estimate the subject's marketing period at 12-24 months.

Certification

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

1. The statements of fact contained in this report are true and correct.
2. 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, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. We have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. 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.
8. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice as well as applicable state appraisal regulations.
9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. Elizabeth B. Keys made a personal inspection of the property that is the subject of this report. Michael B. Dodds, MAI, CCIM, has not personally inspected the subject.
12. No one provided significant real property appraisal assistance to the person(s) signing this certification.
13. We have experience in appraising properties similar to the subject and are in compliance with the Competency Rule of USPAP.
14. As of the date of this report, Michael B. Dodds, MAI, CCIM has completed the continuing education program for Designated Members of the Appraisal Institute.

15. As of the date of this report, Elizabeth B. Keys has completed the Standards and Ethics Education Requirements for Candidates/Practicing Affiliates of the Appraisal Institute.



Elizabeth B. Keys
South Carolina State Certified General Real
Estate Appraiser #4794



Michael B. Dodds, MAI, CCIM
South Carolina State Certified General Real
Estate Appraiser #543

Assumptions and Limiting Conditions

This appraisal and any other work product related to this engagement are limited by the following standard assumptions, except as otherwise noted in the report:

1. The title is marketable and free and clear of all liens, encumbrances, encroachments, easements and restrictions. The property is under responsible ownership and competent management and is available for its highest and best use.
2. There are no existing judgments or pending or threatened litigation that could affect the value of the property.
3. There are no hidden or undisclosed conditions of the land or of the improvements that would render the property more or less valuable. Furthermore, there is no asbestos in the property.
4. The revenue stamps placed on any deed referenced herein to indicate the sale price are in correct relation to the actual dollar amount of the transaction.
5. The property is in compliance with all applicable building, environmental, zoning, and other federal, state and local laws, regulations and codes.
6. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.

This appraisal and any other work product related to this engagement are subject to the following limiting conditions, except as otherwise noted in the report:

1. An appraisal is inherently subjective and represents our opinion as to the value of the property appraised.
2. The conclusions stated in our appraisal apply only as of the effective date of the appraisal, and no representation is made as to the effect of subsequent events.
3. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.
4. No environmental impact studies were either requested or made in conjunction with this appraisal, and we reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the appraisal assumes that such statement will be favorable and will be approved by the appropriate regulatory bodies.
5. Unless otherwise agreed to in writing, we are not required to give testimony, respond to any subpoena or attend any court, governmental or other hearing with reference to the property without compensation relative to such additional employment.
6. We have made no survey of the property and assume no responsibility in connection with such matters. Any sketch or survey of the property included in this report is for illustrative purposes only and should not be considered to be scaled accurately for size. The appraisal

- covers the property as described in this report, and the areas and dimensions set forth are assumed to be correct.
7. No opinion is expressed as to the value of subsurface oil, gas or mineral rights, if any, and we have assumed that the property is not subject to surface entry for the exploration or removal of such materials, unless otherwise noted in our appraisal.
 8. We accept no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal descriptions and other legal matters such as legal title, geologic considerations such as soils and seismic stability; and civil, mechanical, electrical, structural and other engineering and environmental matters. Such considerations may also include determinations of compliance with zoning and other federal, state, and local laws, regulations and codes.
 9. The distribution of the total valuation in the report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used. The appraisal report shall be considered only in its entirety. No part of the appraisal report shall be utilized separately or out of context.
 10. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the persons signing the report.
 11. Information, estimates and opinions contained in the report and obtained from third-party sources are assumed to be reliable and have not been independently verified.
 12. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute predictions of future operating results.
 13. If the property is subject to one or more leases, any estimate of residual value contained in the appraisal may be particularly affected by significant changes in the condition of the economy, of the real estate industry, or of the appraised property at the time these leases expire or otherwise terminate.
 14. Unless otherwise stated in the report, no consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property; only the real property has been considered.
 15. The current purchasing power of the dollar is the basis for the values stated in the appraisal; we have assumed that no extreme fluctuations in economic cycles will occur.
 16. The values found herein are subject to these and to any other assumptions or conditions set forth in the body of this report but which may have been omitted from this list of Assumptions and Limiting Conditions.
 17. The analyses contained in the report necessarily incorporate numerous estimates and assumptions regarding property performance, general and local business and economic

- conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates, and the variations may be material.
18. The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific survey or analysis of the property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. We claim no expertise in ADA issues, and render no opinion regarding compliance of the subject with ADA regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.
 19. The appraisal report is prepared for the exclusive benefit of you, your subsidiaries and/or affiliates. It may not be used or relied upon by any other party. All parties who use or rely upon any information in the report without our written consent do so at their own risk.
 20. No studies have been provided to us indicating the presence or absence of hazardous materials on the subject property or in the improvements, and our valuation is predicated upon the assumption that the subject property is free and clear of any environment hazards including, without limitation, hazardous wastes, toxic substances and mold. No representations or warranties are made regarding the environmental condition of the subject property. IRR - Columbia, Integra Realty Resources, Inc., and their respective officers, owners, managers, directors, agents, subcontractors or employees (the "Integra Parties"), shall not be responsible for any such environmental conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because we are not experts in the field of environmental conditions, the appraisal report cannot be considered as an environmental assessment of the subject property.
 21. The persons signing the report may have reviewed available flood maps and may have noted in the appraisal report whether the subject property is located in an identified Special Flood Hazard Area. However, we are not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are non-existent or minimal.
 22. We are not a building or environmental inspector. The Integra Parties do not guarantee that the subject property is free of defects or environmental problems. Mold may be present in the subject property and a professional inspection is recommended.
 23. The appraisal report and value conclusions for an appraisal assume the satisfactory completion of construction, repairs or alterations in a workmanlike manner.
 24. **IRR - Columbia is an independently owned and operated company. The parties hereto agree that Integra shall not be liable for any claim arising out of or relating to any appraisal report or any information or opinions contained therein as such appraisal report is the sole and exclusive responsibility of IRR - Columbia. In addition, it is expressly agreed that in any**

- action which may be brought against the Integra Parties arising out of, relating to, or in any way pertaining to the engagement letter, the appraisal reports or any related work product, the Integra Parties shall not be responsible or liable for any incidental or consequential damages or losses, unless the appraisal was fraudulent or prepared with intentional misconduct. It is further expressly agreed that the collective liability of the Integra Parties in any such action shall not exceed the fees paid for the preparation of the assignment (unless the appraisal was fraudulent or prepared with intentional misconduct). It is expressly agreed that the fees charged herein are in reliance upon the foregoing limitations of liability.**
25. IRR - Columbia is an independently owned and operated company, which has prepared the appraisal for the specific intended use stated elsewhere in the report. The use of the appraisal report by anyone other than the Client is prohibited except as otherwise provided. Accordingly, the appraisal report is addressed to and shall be solely for the Client's use and benefit unless we provide our prior written consent. We expressly reserve the unrestricted right to withhold our consent to your disclosure of the appraisal report or any other work product related to the engagement (or any part thereof including, without limitation, conclusions of value and our identity), to any third parties. Stated again for clarification, unless our prior written consent is obtained, no third party may rely on the appraisal report (even if their reliance was foreseeable).
26. The conclusions of this report are estimates based on known current trends and reasonably foreseeable future occurrences. These estimates are based partly on property information, data obtained in public records, interviews, existing trends, buyer-seller decision criteria in the current market, and research conducted by third parties, and such data are not always completely reliable. The Integra Parties are not responsible for these and other future occurrences that could not have reasonably been foreseen on the effective date of this assignment. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance. While we are of the opinion that our findings are reasonable based on current market conditions, we do not represent that these estimates will actually be achieved, as they are subject to considerable risk and uncertainty. Moreover, we assume competent and effective management and marketing for the duration of the projected holding period of this property.
27. All prospective value opinions presented in this report are estimates and forecasts which are prospective in nature and are subject to considerable risk and uncertainty. In addition to the contingencies noted in the preceding paragraph, several events may occur that could substantially alter the outcome of our estimates such as, but not limited to changes in the economy, interest rates, and capitalization rates, behavior of consumers, investors and lenders, fire and other physical destruction, changes in title or conveyances of easements and deed restrictions, etc. It is assumed that conditions reasonably foreseeable at the present time are consistent or similar with the future.

28. The appraisal is also subject to the following:

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

1. None noted.

The value conclusions are based on the following hypothetical conditions. A hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

1. None noted.

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

Addendum A

Appraiser Qualifications

Elizabeth B. Keys

Experience

Entered the real estate appraisal field in September 2003 appraising real property for the purpose of eminent domain (rights of way acquisition) and residential properties with the A. R. Martin Co. From March 2005 to May 2006 appraised commercial, residential and rural properties for tax assessment purposes. Joined the Columbia, South Carolina office of Integra Realty Resources Columbia in May 2006.

Valuation assignments have been completed on the following property types:

Road Widening projects: Carolina Crossroads-Richland and Lexington County, Highway 101, Spartanburg County; Highway 6, Lexington County; Highway 302, Lexington County; Highway 601, Richland County, SC Route 34, Lee County; US 15, Sumter County. Properties appraised include commercial, residential and vacant land.

Residential: Single-family residential; condominium, multifamily

Commercial: Vacant land, office buildings, mobile home parks, retail stores, shopping centers, quick lube automotive and restaurants

Industrial: Warehouses, light industrial properties, manufacturing

Special Purpose: Subdivisions, schools, cemeteries, churches, breweries, build-to-rent subdivisions

Licenses

South Carolina, State Certified General Real Estate Appraiser, 4794, Expires June 2026
Georgia, Certified General Real Property Appraiser, 433304, Expires March 2025

Education

Bachelor of Science Degree in Business, University of South Carolina 1991.

The following SC State Approved Appraisal courses were successfully completed:

L 1 Category Introductory Course Pertaining to Real Estate Appraisal
L 2 Category Course Pertaining to Valuation Procedures
L 3 Category Course in the Uniform Standards of Professional Appraisal Practice
C 1 Category Course Pertaining to Basic Income Appraisals
C 2 Category Course Pertaining to Advanced Income Appraisals
C 3 Category Course Pertaining to Applied Appraisal Techniques
HP 12C Calculator Class
Reconstructing Income/Expense Statements
USPAP Update
New Fannie Mae Form
Role of the Appraiser in Eminent Domain Acquisitions
Residential Green Description Made Easy
Analyzing Tenant Credit Risk and Commercial Lease Analysis

**Integra Realty
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State of South Carolina
Department of Labor, Licensing and Regulation
Real Estate Appraisers Board

ELIZABETH B KEYS


Is hereby entitled in practice as a:

Certified General Appraiser

License Number: **4794**

Expiration Date: 06/30/2026

POCKET CARD


Laura L. Smith
Board Executive

Michael B. Dodds, MAI, CCIM

Experience

A founding partner of Integra Realty Resources (IRR), and the Senior Managing Director of the Columbia and Greenville, South Carolina offices of IRR. Entered appraisal field in 1984 appraising commercial, residential, and rural properties for tax assessment purposes. Since 1986 has been responsible for valuation and consultation assignments on properties located in 27 states.

SC Chapter of the Appraisal Institute Positions:

Chapter Chair - Public Relations Committee 2007
Chapter Co-Chair - Public Relations Committee 2006
Chapter President 2003
Chapter Board Member 1998 2003
Chapter Vice President 2001
Chapter Treasurer 1999
Young Advisory Council Delegate 1994, 1996, 1997
Young Advisory Council Discussion Leader – 1998

SC Chapter of the CCIM Institute Positions

Chapter Board Member 1996 - 1998
Editorial Advisory Board Member 2006

Member of: Greater Columbia Association of Realtors; South Carolina Bankers Association; Urban Land Institute

Michael was appointed by Governor Nikki Haley to the South Carolina Real Estate Appraisers Board. The Senate confirmed the appointment on February 22, 2012. The term of the initial appointment began immediately, with an immediate reappointment commencing May 31, 2012. After three terms, Mike's service on the board ended in 2024.

Professional Activities & Affiliations

MAI Designation, Appraisal Institute Appraisal Institute

Licenses

South Carolina, State Certified General Real Estate Appraiser, 543, Expires June 2026
Georgia, State Certified General Appraisal, 319054, Expires November 2024
North Carolina, State Certified Real Estate Appraiser, A4105, Expires June 2025

Education

B.A. Degree, University of South Carolina, Columbia, South Carolina 1985

Successfully completed real estate related courses and seminars sponsored by the Appraisal Institute and accredited universities.

Successfully completed real estate investment courses sponsored by the CCIM Institute.

Currently certified by the Appraisal Institute's voluntary program of continuing education for its designated members.

**Integra Realty
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Michael B. Dodds, MAI, CCIM

Articles and Publications

2008 - Lake Murray Columbia Magazine - The Effect of Lake Levels on Home Values

February 2009 – Radio interview regarding real estate market conditions on SC Business Review

March 2009 – Presentation on commercial real estate trends in SC to the commercial bankers of First Citizens Bank

March 2009 – Presentation on the commercial real estate market at the City of Greenville Economic Development Office real estate breakfast

April 2009 – Presentation to the Mortgage Bankers Association of the Carolinas on market conditions and investment trends in the Carolinas

April 2009 - Presentation at the Risk Management Association (RMA) Charleston conference on Carolinas Commercial Real Estate Outlook

June 2009 – Presentation to the Upstate Urban Land Institute group on commercial real estate value trends in Greenville, SC

September 2009 – Presentation to the Community Bankers Council of the SC Bankers Association on overall real estate market condition in South Carolina

January 2010 – Recorded webinar on Trends in Commercial real estate for SC Bar distance learning CE program

February 2010 – Speaker at the 2010 Credit Conference of the SC Bankers Association on the topic of Commercial Appraisal Review in a Declining Market

April 2010 – Speaker at Interface Carolinas conference in Charlotte, NC on the state of the commercial real estate market in South Carolina

September 2023 - Presentation on the state of the CRE market at a national Credit Union Service Organization conference

August 2023 - Presentation on commercial valuation to the Central Carolina Realtors® Association

Qualified Before Courts & Administrative Bodies

US Federal Bankruptcy Court

Miscellaneous

2010 Interface Carolinas - Panel Discussion Participant

**Integra Realty
Resources - Columbia**

1623 Lake Murray Blvd
Columbia, SC 29212

irr.com



South Carolina Department of Labor, Licensing and Regulation
Real Estate Appraisers Board



CERTIFIES THAT:
MICHAEL B DODDS
IS AUTHORIZED TO PRACTICE
Certified General Appraiser

LICENSE NO.
AB .543 CG

EXPIRATION DATE: 06/30/2026

To verify current license status, go to <http://verify.llronline.com/LicLookup/LookupMain.aspx>

About IRR

Integra Realty Resources, Inc. (IRR) provides world-class commercial real estate valuation, counseling, and advisory services. Routinely ranked among leading property valuation and consulting firms, we are now the largest independent firm in our industry in the United States, with local offices coast to coast and in the Caribbean.

IRR offices are led by MAI-designated Senior Managing Directors, industry leaders who have over 25 years, on average, of commercial real estate experience in their local markets. This experience, coupled with our understanding of how national trends affect the local markets, empowers our clients with the unique knowledge, access, and historical perspective they need to make the most informed decisions.

Many of the nation's top financial institutions, developers, corporations, law firms, and government agencies rely on our professional real estate opinions to best understand the value, use, and feasibility of real estate in their market.

Local Expertise...Nationally!

irr.com



Addendum B

Definitions

Definitions

The source of the following definitions is the Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute, 2015), unless otherwise noted.

As Is Market Value

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

Disposition Value

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

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

This definition can also be modified to provide for valuation with specified financing terms.

Effective Date

1. The date on which the appraisal or review opinion applies.
2. In a lease document, the date upon which the lease goes into effect.

Entitlement

In the context of ownership, use, or development of real estate, governmental approval for annexation, zoning, utility extensions, number of lots, total floor area, construction permits, and occupancy or use permits.

Entrepreneurial Incentive

The amount an entrepreneur expects to receive for his or her contribution to a project. Entrepreneurial incentive may be distinguished from entrepreneurial profit (often called *developer's*

profit) in that it is the expectation of future profit as opposed to the profit actually earned on a development or improvement. The amount of entrepreneurial incentive required for a project represents the economic reward sufficient to motivate an entrepreneur to accept the risk of the project and to invest the time and money necessary in seeing the project through to completion.

Entrepreneurial Profit

1. A market-derived figure that represents the amount an entrepreneur receives for his or her contribution to a project and risk; the difference between the total cost of a property (cost of development) and its market value (property value after completion), which represents the entrepreneur's compensation for the risk and expertise associated with development. An entrepreneur is motivated by the prospect of future value enhancement (i.e., the entrepreneurial incentive). An entrepreneur who successfully creates value through new development, expansion, renovation, or an innovative change of use is rewarded by entrepreneurial profit. Entrepreneurs may also fail and suffer losses.
2. In economics, the actual return on successful management practices, often identified with coordination, the fourth factor of production following land, labor, and capital; also called entrepreneurial return or entrepreneurial reward.

Exposure Time

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

Fee Simple Estate

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

Floor Area Ratio (FAR)

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

Highest and Best Use

1. The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.
2. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (ISV)

3. [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions)

Investment Value

1. The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market.
2. The value of an asset to the owner or a prospective owner for individual investment or operational objectives.

Lease

A contract in which rights to use and occupy land, space, or structures are transferred by the owner to another for a specified period of time in return for a specified rent.

Leased Fee Interest

The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.

Leasehold Interest

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

Liquidation Value

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

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

This definition can also be modified to provide for valuation with specified financing terms.

Marketing Time

An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal.

Market Value

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

- buyer and seller are typically motivated;
- both parties are well informed or well advised, and acting in what they consider their own best interests;
- a reasonable time is allowed for exposure in the open market;
- payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

(Source: Code of Federal Regulations, Title 12, Chapter I, Part 34.42[h]; also Interagency Appraisal and Evaluation Guidelines, Federal Register, 75 FR 77449, December 10, 2010, page 77472)

Prospective Opinion of Value

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

Addendum C

Property Information

| | | |
|--|-----------------------------|---------------------|
| Book 2739-682 | | |
| 2022024343 | 4/27/2022 15:34:24:300 Deed | |
| Fee: \$15.00 | County Tax: \$362.45 | State Tax: \$856.70 |
| 2022024343 John T. Hopkins II Richland County R.O.D. | | |

Upon Recording, return to:

Nelson Mullins Riley & Scarborough LLP
Attn: Terry Costolo, Esq.
390 N. Orange Ave., Suite 1400
Orlando, FL 32801

SOUTH CAROLINA LIMITED WARRANTY DEED

THIS LIMITED WARRANTY DEED is made this 26th day of April, 2022, by **L.W. SMITH, III, HENRY DENT SMITH** and **F.D. WINDHAM**, as Trustees of the L.W. Smith, Jr., Trust, whose address is 301 Park Lake Road, Columbia, SC 29223 ("**Grantor**"), to **PACES FOUNDATION, INC.**, a Georgia 501(c)(3) non-profit corporation, whose address is 2730 Cumberland Boulevard, Smyrna, GA 30080 ("**Grantee**").

WITNESSETH:

That Grantor, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00) and other valuable consideration, receipt of which is hereby acknowledged, does hereby grant, bargain, sell, alien, remise, release, convey, and confirm unto Grantee all Grantor's entire undivided interest as tenant in common (being a 23/56th or 41.07% undivided interest) in that certain land lying and being in Richland County, South Carolina, and more particularly described on **Exhibit A** attached hereto and made a part hereof (the "**Property**").

The Property is conveyed subject to all easements, restrictions, covenants, agreements, conditions and other matters of record that lawfully affect the Property or any part thereof and all encroachments and other matters that may be revealed by a survey or inspection of the Property.

Derivation: This being the same property conveyed to Grantor as described in the deeds recorded in the Office of the Register of Deeds for Richland County in Deed Book D-197, Page 941 and Deed Book D-494, Page 487.

Tax Parcel Number: 16904-01-01

TOGETHER with all and singular, the rights, members, hereditaments and appurtenances to the said premises belonging, or in anywise incident or appertaining.

TO HAVE AND TO HOLD, all and singular, the said Premises before mentioned unto the said Grantee, their heirs, executors and administrators, forever.

AND the said Grantor does hereby bind Grantor and Grantor's successors and/or assigns, to warrant and forever defend, all and singular, the said Premises unto the said Grantee, the Grantee's heirs, executors and administrators, against Grantor and Grantor's successors and/or assigns, and no others.

[SIGNATURES APPEAR ON THE FOLLOWING PAGES]

IN WITNESS WHEREOF, Grantor has caused this Limited Warranty Deed to be executed under seal on its behalf by its duly authorized officer on the day and year first above written.

Signed sealed and delivered in the presence of:

SELLER:

Bridgette W. Branson
Witness No. 1
Bridgette W. Branson
Print Name

L. W. Smith, III
L. W. Smith, III as Trustee of the L.W. Smith, Jr., Trust (SEAL)

Janice S. Smith
Witness No. 2
Janice S. Smith
Print Name

STATE OF SOUTH CAROLINA)
COUNTY OF RICHLAND)

ACKNOWLEDGMENT

I, Janice S. Smith, Notary Public for the State of South Carolina, do hereby certify that the above-named, L. W. Smith, III as Trustee of the L.W. Smith, Jr., Trust, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this 21st day of April, 2022.

Janice S. Smith
Notary Public for South Carolina
Name: Janice S. Smith
My Commission Expires: 8/25/2027

HDS
LWS
JDS

Signed sealed and delivered in the
presence of:

Bridgette W Branson

Witness No. 1

Bridgette W Branson

Print Name

Janice S Smith

Witness No. 2

Janice S. Smith

Print Name

SELLER:

Henry Dent Smith

Henry Dent Smith, as Trustee of the L.W.
Smith, Jr., Trust (SEAL)

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

ACKNOWLEDGMENT

I, Janice S Smith, Notary Public for the State of South Carolina, do hereby
certify that the above-named, Henry Dent Smith, as Trustee of the L.W. Smith, Jr., Trust,
personally appeared before me this day and acknowledged the due execution of the foregoing
instrument.

Witness my hand and official seal this 21st
day of April, 2022.

Janice S Smith

Notary Public for South Carolina

Name: Janice S Smith

My Commission Expires: 8/25/2027

H.D.W.
JS

Signed sealed and delivered in the
presence of:

Bridgette W Branson
Witness No. 1
Bridgette W Branson
Print Name

Jarice S Smith
Witness No. 2
Jarice S Smith
Print Name

SELLER:

F.D. Windham
F.D. Windham as Trustee of the L.W.
Smith, Jr., Trust (SEAL)

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

ACKNOWLEDGMENT

I, Jarice S Smith, Notary Public for the State of South Carolina do hereby
certify that the above-named, F.D. Windham as Trustee of the L.W. Smith, Jr., Trust, personally
appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this 21st
day of April, 2022.

Jarice S Smith
Notary Public for South Carolina
Name: Jarice S Smith
My Commission Expires: 8/25/2027

HD-5
dlw

EXHIBIT A**Description of the Property****Roof Street, North Tract**

all that certain piece, parcel or lot of land with improvements thereon, situate, lying and being in the State of South Carolina, County of Richland, near the City of Columbia, and being shown and delineated as parcels A, A-1, A-2 & A-3 on a plat prepared for L. W. Smith, Jr. Trust and J. B. Smith Estate By B.P. Barber & Associates, Inc., dated October 30, 1989, said property having the following metes and bounds to wit:

Beginning at a point on the eastern right-of-way of Roof Street (S-40-1060) being approximately 28' south of the projected centerline intersection of Nancy Avenue, and proceeding along the right-of-way of Roof Street (S-40-1060) in a direction of N 12°08'12" W for a distance of 720.58 Feet to a point; thence turning and proceeding along Trenholm Acres Subdivision the following courses and distances: N 72°51'51" E for a distance of 746.26 Feet to an iron; thence N 72°35'51" E for a distance of 224.00 Feet to an iron; thence N 73°17'48" E for a distance of 117.43 Feet to a point and then N 73°17'48" E for a distance of 103.17 Feet to an iron; thence turning and proceeding in a direction of S 02°28'17" E for a distance of 303.67 Feet to a point; thence S 02°23'13" E for a distance of 399.33 Feet to a point; thence turning and proceeding along Parcel "B-1B" in a direction of S 87°28'08" W for a distance of 49.44 Feet to a point; thence proceeding along Parcel "B-1A" in a direction of S 87°28'08" W for a distance of 100.00 Feet to a point; thence proceeding along Parcel "B-1" the following courses and distances: S 87°28'08" W for a distance of 294.00 Feet to a point; thence S 84°09'23" W for a distance of 209.75 Feet to a point; thence S 61°00'05" W for a distance of 202.53 Feet to a point; thence S 21°20'06" W for a distance of 202.65 Feet to a point and then S 77°51'48" W for a distance of 116.47 Feet to a point, this being the point of beginning. This parcel contains 19.391 Acres but when easements denominated on the above referenced plat as A-1, A-2 and A-3 are excluded, the acreage is 15.894 acres..

And

Faust Street, South Tract

all that certain piece, parcel or lot of land with improvements thereon, situate, lying and being in the State of South Carolina, County of Richland, near the City of Columbia, and being shown and delineated as parcels C, C-1, & C-2 on a plat prepared for L. W. Smith, Jr., Trust and J. B. Smith Estate by B. P. Barber & Associates, Inc., dated May 20, 1986, said property having the following metes and bounds to wit:

Beginning at an iron on the Western right-of-way of Faust Street being 151.89 Feet North of the intersection of Shakespeare Road (S-40-288) and Faust Street and proceeding along Parcel "F-1" in a direction of S 64°48'03" W for a distance of 8.07 Feet to a point; thence proceeding along parcel "F" in a direction of S 64°48'03" W for a distance of 284.13 Feet to a point; thence turning and proceeding along Parcel "E" in a direction of N 17°41'57" W for a distance of 238.72 Feet to an Iron; thence turning and continuing along Parcels "E" and "D" in a direction of: S 85°24'20" W for a distance of 486.70 Feet to a point on the Eastern right-of-way of Roof Road (S-40-1060); thence turning and proceeding along the right-of-way of Roof Road (S-40-1060) the following courses and distances: N 12°20'43" W for a distance of 252.53 Feet to a point and then N 12°20'38" W for a distance of 58.00 Feet to an iron; thence turning along Parcel "B-1" and "B-2" the following courses and distances: N 77°51'48" E for a distance of 124.94 Feet to an iron and then N 88°58'15" E for a distance of 633.92 Feet to an iron; thence turning and continuing along Parcel "B-2" in a direction of N 71°22'58" E for a distance of 10.17 Feet to an iron on the Eastern right-of-way of Faust Street; thence turning and proceeding along the eastern right-of-way of Faust Street in a direction of S 17°40'52" E for a distance of 404.62 Feet to a point, this being the point of beginning. This parcel contains 6.477 Acres which includes easements denominated on the above referenced plat as C-1 and C-2 containing 1.009 acres and .066 acres respectively.

Handwritten signature: L. W. Smith, Jr.

STATE OF SOUTH CAROLINA)
COUNTY OF RICHLAND)

Page 1 of 2

AFFIDAVIT FOR TAXABLE OR EXEMPT TRANSFERS

PERSONALLY appeared before me the undersigned, who being duly sworn, deposes and says:

1. I have read the information on this affidavit and I understand such information.
2. The property being transferred is located on Front Street, South of Claudia Drive and North of Shakespeare Road, bearing Richland County Tax Map Number R16904-01-01, was transferred by **L.W. SMITH, III, HENRY DENT SMITH and F.D. WINDHAM**, as Trustees of the L.W. Smith, Jr., Trust to **WILLOWBROOK AT WATREEE, LLC**, a South Carolina limited liability company on April 24 2022.

3. Check one of the following: The deed is
 - (a) x subject to the deed recording fee as a transfer for consideration paid or to be paid in money or money's worth.
 - (b) _____ subject to the deed recording fee as a transfer between a corporation, a partnership, or other entity and a stockholder, partner, or owner of the entity, or is a transfer to a trust or as a distribution to a trust beneficiary.
 - (c) _____ exempt from the deed recording fee because (See Information section of affidavit): _____
(If exempt, please skip items 4 - 7, and go to item 8 of this affidavit.)

If exempt under exemption #14 as described in the Information section of this affidavit, did the agent and principal relationship exist at the time of the original sale and was the purpose of this relationship to purchase the realty? Check Yes _____ or No _____

4. Check one of the following if either item 3(a) or item 3(b) above has been checked (See Information section of this affidavit.):
 - (a) x The fee is computed on the consideration paid or to be paid in money or money's worth in the amount of \$329,000.30.
 - (b) _____ The fee is computed on the fair market value of the realty which is _____.
 - (c) _____ The fee is computed on the fair market value of the realty as established for property tax purposes which is _____.

5. Check Yes _____ or No x to the following: A lien or encumbrance existed on the land, tenement, or realty before the transfer and remained on the land, tenement, or realty after the transfer. If "Yes," the amount of the outstanding balance of this lien or encumbrance is: _____.

6. The deed recording fee is computed as follows:

- (a) Place the amount listed in item 4 above here: \$329,000.30
- (b) Place the amount listed in item 5 above here: 0.00
- (If no amount is listed, place zero here.)
- (c) Subtract Line 6(b) from Line 6(a) and place result here: \$329,000.30

7. The deed recording fee due is based on the amount listed on Line 6(c) above and the deed recording fee due is: \$1,219.15.

8. As required by Code Section 12-24-70, I state that I am a responsible person who was connected with the transaction as: Grantor

HDS
[Signature]
F.D.W.

9. I understand that a person required to furnish this affidavit who willfully furnishes a false or fraudulent affidavit is guilty of a misdemeanor and, upon conviction, must be fined not more than one thousand dollars or imprisoned not more than one year, or both.

SWORN TO AND SUBSCRIBED before me this
21st day of April, 2022:

James S. Smith
Notary Public

Commission Expires: 8/25/2027

L. W. Smith III

L. W. Smith, III, as Trustee of the L. W.
Smith, Jr., Trust

SWORN TO AND SUBSCRIBED before me this
21st day of April, 2022:

James S. Smith
Notary Public

Commission Expires: 8/25/2027

Henry Dent Smith

Henry Dent Smith, as Trustee of the L. W.
Smith, Jr., Trust

SWORN TO AND SUBSCRIBED before me this
21st day of April, 2022:

James S. Smith
Notary Public

Commission Expires: 8/25/2027

F.D. Windham

F.D. Windham, as Trustee of the L. W.
Smith, Jr., Trust

INFORMATION

Except as provided in this paragraph, the term "value" means "the consideration paid or to be paid in money or money's worth for the realty." Consideration paid or to be paid in money's worth includes, but is not limited to, other realty, personal property, stocks, bonds, partnership interest and other intangible property, the forgiveness or cancellation of a debt, the assumption of a debt, and the surrendering of any right. The fair market value of the consideration must be used in calculating the consideration paid in money's worth. Taxpayers may elect to use the fair market value of the realty being transferred in determining fair market value of the consideration. In the case of realty transferred between a corporation, a partnership, or other entity and a stockholder, partner, or owner of the entity, and in the case of realty transferred to a trust or as a distribution to a trust beneficiary, "value" means the realty's fair market value. A deduction from value is allowed for the amount of any lien or encumbrance existing on the land, tenement, or realty before the transfer and remaining on the land, tenement, or realty after the transfer. Taxpayers may elect to use the fair market value for property tax purposes in determining fair market value under the provisions of the law.

Exempted from the fee are deeds:

- (1) transferring realty in which the value of the realty, as defined in Code Section 12-24-30, is equal to or less than one hundred dollars;
- (2) transferring realty to the federal government or to a state, its agencies and departments, and its political subdivisions, including school districts;
- (3) that are otherwise exempted under the laws and Constitution of this State or of the United States;
- (4) transferring realty in which no gain or loss is recognized by reason of Section 1041 of the Internal Revenue Code as defined in Section 12-6-40(A);
- (5) transferring realty in order to partition realty as long as no consideration is paid for the transfer other than the interests in the realty that are being exchanged in order to partition the realty;
- (6) transferring an individual grave space at a cemetery owned by a cemetery company licensed under Chapter 55 of Title 39;
- (7) that constitute a contract for the sale of timber to be cut;
- (8) transferring realty to a corporation, a partnership, or a trust in order to become, or as, a stockholder, partner, or trust beneficiary of the entity provided no consideration is paid for the transfer other than stock in the corporation, interest in the partnership, beneficiary interest in the trust, or the increase in value in such stock or interest held by the grantor. However, the transfer of realty from a corporation, a partnership, or a trust to a stockholder, partner, or trust beneficiary of the entity is subject to the fee even if the realty is transferred to another corporation, a partnership, or trust;
- (9) transferring realty from a family partnership to a partner or from a family trust to a beneficiary, provided no consideration is paid for the transfer other than a reduction in the grantee's interest in the partnership or trust. A "family partnership" is a partnership whose partners are all members of the same family. A "family trust" is a trust, in which the beneficiaries are all members of the same family. The beneficiaries of a family trust may also include charitable entities. "Family" means the grantor and the grantor's spouse, parents, grandparents, sisters, brothers, children, stepchildren, grandchildren, and the spouses and lineal descendants of any the above. A "charitable entity" means an entity which may receive deductible contributions under Section 170 of the Internal Revenue Code as defined in Section 12-6-40(A);
- (10) transferring realty in a statutory merger or consolidation from a constituent corporation to the continuing or new corporation;
- (11) transferring realty in a merger or consolidation from a constituent partnership to the continuing or new partnership; and,
- (12) that constitute a corrective deed or a quitclaim deed used to confirm title already vested in the grantee, provided that no consideration of any kind is paid or is to be paid under the corrective or quitclaim deed.
- (13) transferring realty subject to a mortgage to the mortgagee whether by a deed in lieu of foreclosure executed by the mortgagor or deed pursuant to foreclosure proceedings.
- (14) transferring realty from an agent to the agent's principal in which the realty was purchased with funds of the principal, provided that a notarized document is also filed with the deed that establishes the fact that the agent and principal relationship existed at the time of the original purchase as well as for the purpose of purchasing the realty.
- (15) transferring title to facilities for transmitting electricity that is transferred, sold, or exchanged by electrical utilities, municipalities, electric cooperatives, or political subdivisions to a limited liability company which is subject to regulation under the Federal Power Act (16 U.S.C. Section 791(a)) and which is formed to operate or to take functional control of electric transmission assets as defined in the Federal Power Act.

HDS
Quel
P.D.W.

Addendum D

Comparable Data

Location & Property Identification

| | |
|---------------------|--|
| Property Name: | Land |
| Sub-Property Type: | Residential, Townhome Development Land |
| Address: | 1458 Trinity Dr. |
| City/State/Zip: | Columbia, SC 29209 |
| County: | Richland |
| Submarket: | Southeast Columbia |
| Market Orientation: | Suburban |
| IRR Event ID: | 3193361 |



Sale Information

| | |
|-----------------------|---|
| Sale Price: | \$814,200 |
| Effective Sale Price: | \$814,200 |
| Sale Date: | 02/28/2024 |
| Contract Date: | 01/09/2023 |
| Sale Status: | Closed |
| \$/Unit: | \$6,566 /Approved Lot |
| \$/Acre(Gross): | \$60,000 |
| \$/Land SF(Gross): | \$1.38 |
| \$/Acre(Usable): | \$60,000 |
| \$/Land SF(Usable): | \$1.38 |
| \$/Unit (Potential): | \$6,566 /Approved Lot |
| Grantor/Seller: | Walker P. Ragin Jr ETAL, A. Forbes and Toma T. Patterson |
| Grantee/Buyer: | Hurricane Builders and/or its assigns |
| Assemblage: | Yes |
| Assets Sold: | Real estate only |
| Property Rights: | Fee Simple |
| Financing: | Cash to seller |
| Conditions of Sale: | Arm's-length |
| Document Type: | Deed |
| Recording No.: | 2903/1466 and 2903/2017 |
| Verified By: | Austin W. Bouknight |
| Verification Date: | 01/17/2024 |
| Confirmation Source: | Hurricane Builders |

Verification Type: Confirmed-Buyer

Improvement and Site Data

| | |
|---------------------------|---|
| MSA: | Columbia, SC |
| Legal/Tax/Parcel ID: | R16413-01-01, R16413-01-02 and R16413-01-03 |
| Acres(Usable/Gross): | 13.57/13.57 |
| Land-SF(Usable/Gross): | 591,109/591,109 |
| Usable/Gross Ratio: | 1.00 |
| No. of Units (Potential): | 124 |
| No. of Units/Unit Type: | 124/Approved Lots |
| Shape: | Rectangular |
| Topography: | Level |
| Corner Lot: | No |
| Frontage Feet: | 815 |
| Frontage Desc.: | Trinity Dr. |
| Density-Unit/Gross Acre: | 9.14 |
| Density-Unit/Usable Acre: | 9.14 |
| Zoning Code: | RM-1 |
| Zoning Desc.: | Residential Mixed District |
| Flood Plain: | No |
| Flood Zone Designation: | X |
| Comm. Panel No.: | 45079C0337L |
| Date: | 12/21/2017 |
| Utilities: | Electricity, Water Public, Sewer |



Improvement and Site Data (Cont'd)

Source of Land Info.: Public Records

Comments

The property is comprised of three contiguous vacant land parcels and is under contract for \$60,000 per acre. The buyer intends to construct 124 townhome lots.



Location & Property Identification

| | |
|---------------------|-------------------------------|
| Property Name: | Affordable Housing Site |
| Sub-Property Type: | Residential, Multifamily Land |
| Address: | 8209 Hunt Club Rd. |
| City/State/Zip: | Columbia, SC 29223 |
| County: | Richland |
| Submarket: | Northeast Columbia |
| Market Orientation: | Suburban |
| IRR Event ID: | 2723072 |



Sale Information

| | |
|-----------------------|----------------------------|
| Sale Price: | \$1,500,000 |
| Effective Sale Price: | \$1,500,000 |
| Sale Date: | 02/14/2024 |
| Sale Status: | Closed |
| \$/Unit: | \$10,204 /Approved Unit |
| \$/Acre(Gross): | \$119,142 |
| \$/Land SF(Gross): | \$2.74 |
| \$/Acre(Usable): | \$119,142 |
| \$/Land SF(Usable): | \$2.74 |
| \$/Unit (Potential): | \$10,204 /Approved Unit |
| Grantor/Seller: | Hugh Palmer, Trustee |
| Grantee/Buyer: | Oak Grove at Hunt Club LLC |
| Assemblage: | No |
| Portfolio Sale: | No |
| Assets Sold: | Real estate only |
| Property Rights: | Fee Simple |
| Financing: | Cash to seller |
| Document Type: | Deed |
| Recording No.: | 2900/3049 |
| Verified By: | Elizabeth B. Keys |
| Verification Date: | 10/29/2021 |
| Confirmation Source: | Steve Bien |
| Verification Type: | Confirmed-Buyer |

| | |
|---------------------------|--------------------------------------|
| Legal/Tax/Parcel ID: | 19801-03-01 and 19704-15-11 |
| Acres(Usable/Gross): | 12.59/12.59 |
| Land-SF(Usable/Gross): | 548,420/548,420 |
| Usable/Gross Ratio: | 1.00 |
| No. of Units (Potential): | 147 |
| No. of Units/Unit Type: | 147/Approved Units |
| Corner Lot: | No |
| Density-Unit/Gross Acre: | 11.68 |
| Density-Unit/Usable Acre: | 11.68 |
| Zoning Code: | RM-HD |
| Zoning Desc.: | Residential Multifamily High Density |
| Flood Plain: | No |
| Utilities: | Electricity, Water Public, Sewer |
| Source of Land Info.: | Other |

Improvement and Site Data

| | |
|------|--------------|
| MSA: | Columbia, SC |
|------|--------------|

Location & Property Identification

| | |
|---------------------|-------------------------------|
| Property Name: | Killian Woods Development |
| Sub-Property Type: | Residential, Multifamily Land |
| Address: | Longreen & Clemson Rd. |
| City/State/Zip: | Columbia, SC 29229 |
| County: | Richland |
| Submarket: | Northeast Columbia |
| Market Orientation: | Suburban |
| IRR Event ID: | 2904610 |



Sale Information

| | |
|-------------------------|--------------------------------|
| Sale Price: | \$1,850,000 |
| Effective Sale Price: | \$1,850,000 |
| Sale Date: | 04/07/2022 |
| Recording Date: | 04/08/2022 |
| Listing Price: | \$1,950,000 |
| Sale Status: | Closed |
| \$/Unit: | \$7,676 /Apt. Unit |
| \$/Acre(Gross): | \$65,813 |
| \$/Land SF(Gross): | \$1.51 |
| \$/Acre(Usable): | \$65,813 |
| \$/Land SF(Usable): | \$1.51 |
| \$/Unit (Potential): | \$7,676 /Approved Unit |
| Grantor/Seller: | Goebel Partners |
| Grantee/Buyer: | Killian Woods Development, LLC |
| Assets Sold: | Real estate only |
| Property Rights: | Fee Simple |
| % of Interest Conveyed: | 100.00 |
| Financing: | Cash to seller |
| Conditions of Sale: | Arm's-length |
| Document Type: | Deed |
| Recording No.: | Book 2733 Page 3057 |
| Verified By: | Jack E. Hendrix |
| Verification Date: | 08/11/2022 |
| Confirmation Source: | Benjamin E. Kelly, III, CCIM |
| Verification Type: | Confirmed-Seller Broker |

Occupancy

| | |
|----------------------------|-------|
| Occupancy at Time of Sale: | 0.00% |
|----------------------------|-------|

Improvement and Site Data

| | |
|---------------------------|--|
| MSA: | Columbia, SC Metropolitan Statistical Area |
| Legal/Tax/Parcel ID: | R17400-05-46 |
| Acres(Usable/Gross): | 28.11/28.11 |
| Land-SF(Usable/Gross): | 1,224,472/1,224,472 |
| Usable/Gross Ratio: | 1.00 |
| No. of Units (Potential): | 241 |
| No. of Units/Unit Type: | 241/Apt. Units |
| Shape: | Irregular |
| Topography: | Level |
| Corner Lot: | Yes |
| Frontage Feet: | 436 |
| Frontage Desc.: | Clemson |
| AccessibilityRating: | Average |
| Visibility Rating: | Average |
| Density-Unit/Gross Acre: | 8.57 |
| Density-Unit/Usable Acre: | 8.57 |
| Zoning Code: | RM-HD |
| Zoning Desc.: | Multifamily-High Density |
| Utilities: | Electricity, Water Public, Sewer |
| Source of Land Info.: | Public Records |

Unit Mix

Unit Mix (Cont'd)

| No. of Bed- rooms | No. of Bath- rooms | No. of Units | Approx. Units SF | Total Units SF | % of Total |
|-------------------------|--------------------------|-----------------|---------------------|-------------------|---------------|
| 1.00 | 1.00 | 80 | | | 0.0% |
| 2.00 | 2.00 | 161 | | | 0.0% |
| | | 241 | | | |

Comments

Property is to be single-family town homes. The deal was for 80 1 bedroom units and 161 two bedroom units. If the property exceeded that amount then extra incentive was needed. Total amount of units is to be 241 units

Property is currently zoned RM-HD. It will change to R6 with new Richland County Zoning



Addendum E

Engagement Letter

Integra Realty Resources
Atlanta | Charlotte | Raleigh | Richmond |
Savannah | Greenville | Charleston

Willowcreek at Watertree
Columbia, SC 29113

PROPERTY
9000 FARM



August 1, 2024

Ms. Renee Sandell
The Paces Foundation
2730 Cumberland Blvd. SE
Smyrna, Georgia 30080

SUBJECT: Proposal/Authorization for Valuation and Consulting Services
Proposed Willowcreek at Watertree Apartments, Columbia, South Carolina
(the "Subject Property")

Dear Ms. Sandell

Upon your acceptance of this letter agreement, Integra Realty Resources – Columbia ("IRR – Columbia"), will prepare an appraisal of the Subject Property.

The purpose of the appraisal is to provide an opinion of the market value of the leased fee interest in the Subject Property. The intended use of the appraisal is for financing purposes. The use of the appraisal by anyone other than you is prohibited. The appraisal will be prepared in conformance with and subject to, the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute and the *Uniform Standards of Professional Appraisal Practice* (USPAP) developed by the Appraisal Standards Board of the Appraisal Foundation. The Ethics Rule of USPAP requires us to disclose to you any prior services we have performed regarding the Subject Property within a three year period immediately preceding the acceptance of this assignment, either as an appraiser or in any other capacity. We have conducted a real estate consulting service involving the property within the previous three years.

In accordance with our correspondence, the scope of this assignment will require IRR – Columbia to consider all relevant and applicable approaches to value as determined during the course of our research, Subject Property analysis and preparation of the report.

Federal banking regulations require banks and other lending institutions to engage appraisers where FIRREA compliant appraisals must be used in connection with mortgage loans or other

A handwritten signature in blue ink, appearing to be "R. Sandell", is written over the end of the paragraph.

Ms. Renee Sandell
August 1, 2024
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transactions involving federally regulated lending institutions. Given that requirement, this appraisal may not be accepted by a federally regulated financial institution.

The appraisal will be communicated in an Appraisal Report – Summary Format. All work will be performed under the direct supervision of the undersigned, together with other staff members. The appraisal and this letter agreement will be subject to our standard assumptions and limiting conditions a copy of which is attached as Attachment I.

IRR – Columbia is an independently owned and operated company. The parties hereto agree that Integra Realty Resources, Inc. ("Integra") shall not be liable for any claim arising out of or relating to any appraisal report or any information or opinions contained therein as such appraisal report is the sole and exclusive responsibility of IRR – Columbia. In addition, it is expressly agreed that in any action which may be brought against IRR – Columbia and/or any of its officers, owners, managers, directors, agents, subcontractors or employees (the "Integra Parties"), arising out of, relating to, or in any way pertaining to this engagement letter, the appraisal reports or any related work product, the Integra Parties shall not be responsible or liable for any incidental or consequential damages or losses, unless the appraisal was fraudulent or prepared with intentional misconduct. It is further expressly agreed that the collective liability of the Integra Parties in any such action shall not exceed the fees paid for the preparation of the assignment (unless the appraisal was fraudulent or prepared with intentional misconduct). It is expressly agreed that the fees charged herein are in reliance upon the foregoing limitations of liability.

The total fee for this assignment will be \$2,500 and the delivery date will be 15 business days after receiving a signed copy of this letter. The fees will be due and payable within 30 days of the delivery of the reports. It is understood that simple interest of 15% per annum will accrue on any unpaid balance for compensation due, subject to reduction pursuant to any applicable usury law. We shall also be entitled to recover our costs (including attorneys' fees), associated with collecting any amounts owed or otherwise incurred in connection with this assignment. If the assignment is cancelled by either party prior to completion, you agree to pay us for all our expenses and our time to date based upon the percentage of work completed. Upon default, we shall be permitted to file a lien against the Subject Property for any amounts owed pursuant to this engagement.

Two copies of each appraisal report will be provided. The delivery date is contingent upon the absence of events outside our control, timely access for inspection of the Subject Property, as well as our receipt of all requested information necessary to complete the assignment.

Please be advised that we are not experts in the areas of building inspection (including mold), environmental hazards, ADA compliance or wetlands. Therefore, unless we have been provided with appropriate third party expert reports, the appraisals will assume that there are no environmental, wetlands, or ADA compliance problems. The agreed upon fees for our services assume the absence of such issues inasmuch as additional research and analysis may be required. If an expert is required, you are responsible for their selection, payment and actions.

Ms. Renee Sandell
August 1, 2024
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In the event that we receive a subpoena or are called to testify in any litigation, arbitration or administrative hearing of any nature whatsoever or as a result of this engagement or the related report, to which we are not a party, you agree to pay our then current hourly rates for such preparation and presentation of testimony. You agree that: (i) the data collected by us in this assignment will remain our property; and (ii) with respect to any data provided by you, IRR – Columbia and its partner companies may utilize, sell and include such data (either in the aggregate or individually), in the Integra database and for use in derivative products. You agree that all data already in the public domain may be utilized on an unrestricted basis. Finally, you agree that we may use commercially available as well as proprietary software programs to perform your assignment (web based and others).

If you are in agreement with the terms set forth in this letter and wish us to proceed with the engagement, please sign below and return one copy to us. Thank you for this opportunity to be of service and we look forward to working with you.

Sincerely,

INTEGRA REALTY RESOURCES – COLUMBIA



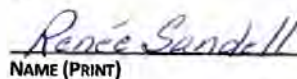
Michael B. Dodds, MAI, CCIM
Senior Managing Director

Attachments

AGREED & ACCEPTED THIS 5th DAY OF August, 2024.

BY: Ms. Renee Sandell



AUTHORIZED SIGNATURE

NAME (PRINT)

Ms. Renee Sandell
August 1, 2024
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ATTACHMENT I

STANDARD ASSUMPTIONS & LIMITING CONDITIONS

The appraisal report and any work product related to the engagement will be limited by the following standard assumptions:

1. The title is marketable and free and clear of all liens, encumbrances, encroachments, easements and restrictions. The Subject Property is under responsible ownership and competent management and is available for its highest and best use.
2. There are no existing judgments or pending or threatened litigation that could affect the value of the Subject Property.
3. There are no hidden or undisclosed conditions of the land or of the improvements that would render the Subject Property more or less valuable. Furthermore, there is no asbestos in the Subject Property.
4. The revenue stamps placed on any deed referenced herein to indicate the sale price are in correct relation to the actual dollar amount of the transaction.
5. The Subject Property is in compliance with all applicable building, environmental, zoning, and other federal, state and local laws, regulations and codes.
6. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.

The appraisal report and any work product related to the engagement will be subject to the following limiting conditions, except as otherwise noted in the report:

1. An appraisal is inherently subjective and represents our opinion as to the value of the Subject Property appraised.
2. The conclusions stated in our appraisal apply only as of the effective date of the appraisal, and no representation is made as to the effect of subsequent events.
3. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.
4. No environmental impact studies were either requested or made in conjunction with this appraisal, and we reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the appraisal assumes that such statement will be favorable and will be approved by the appropriate regulatory bodies.
5. Unless otherwise agreed to in writing, we are not required to give testimony, respond to any subpoena or attend any court, governmental or other hearing with reference to the Subject Property without compensation relative to such additional employment.
6. We have made no survey of the Subject Property and assume no responsibility in connection with such matters. Any sketch or survey of the Subject Property included in this report is for illustrative

Ms. Renee Sandell
August 1, 2024
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purposes only and should not be considered to be scaled accurately for size. The appraisal covers the Subject Property as described in this report, and the areas and dimensions set forth are assumed to be correct.

7. No opinion is expressed as to the value of subsurface oil, gas or mineral rights, if any, and we have assumed that the Subject Property is not subject to surface entry for the exploration or removal of such materials, unless otherwise noted in our appraisal.
8. We accept no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal descriptions and other legal matters such as legal title, geologic considerations, such as soils and seismic stability, and civil, mechanical, electrical, structural and other engineering and environmental matters. Such considerations may also include determinations of compliance with zoning and other federal, state, and local laws, regulations and codes.
9. The distribution of the total valuation in the report between land and improvements applies only under the reported highest and best use of the Subject Property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used. The appraisal report shall be considered only in its entirety. No part of the appraisal report shall be utilized separately or out of context.
10. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the persons signing the report.
11. Information, estimates and opinions contained in the report and obtained from third-party sources are assumed to be reliable and have not been independently verified.
12. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute predictions of future operating results.
13. If the Subject Property is subject to one or more leases, any estimate of residual value contained in the appraisal may be particularly affected by significant changes in the condition of the economy, of the real estate industry, or of the Subject Property at the time these leases expire or otherwise terminate.
14. Unless otherwise stated in the report, no consideration has been given to personal property located on the Subject Property or to the cost of moving or relocating such personal property; only the real property has been considered.
15. The current purchasing power of the dollar is the basis for the value stated in the appraisal; we have assumed that no extreme fluctuations in economic cycles will occur.
16. The values found herein are subject to these and to any other assumptions or conditions set forth in the body of this report but which may have been omitted from this list of Assumptions and Limiting Conditions.

Ms. Renee Sandell
August 1, 2024
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17. The analyses contained in the report necessarily incorporate numerous estimates and assumptions regarding property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates, and the variations may be material.
18. The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific survey or analysis of the Subject Property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. We claim no expertise in ADA issues, and render no opinion regarding compliance of the Subject Property with ADA regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.
19. The appraisal report is prepared for the exclusive benefit of you, your subsidiaries and/or affiliates. It may not be used or relied upon by any other party. All parties who use or rely upon any information in the report without our written consent do so at their own risk.
20. No studies have been provided to us indicating the presence or absence of hazardous materials on the Subject Property or in the improvements, and our valuation is predicated upon the assumption that the Subject Property is free and clear of any environment hazards including, without limitation, hazardous wastes, toxic substances and mold. No representations or warranties are made regarding the environmental condition of the Subject Property. IRR – Columbia and/or any of its officers, owners, managers, directors, agents, subcontractors or employees (the "Integra Parties") shall not be responsible for any such environmental conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because we are not experts in the field of environmental conditions, the appraisal report cannot be considered as an environmental assessment of the Subject Property.
21. The persons signing the report may have reviewed available flood maps and may have noted in the appraisal report whether the Subject Property is located in an identified Special Flood Hazard Area. However, we are not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the Subject Property, and the value conclusion is predicated on the assumption that wetlands are non-existent or minimal.
22. We are not a building or environmental inspector. The Integra Parties do not guarantee that the Subject Property is free of defects or environmental problems. Mold may be present in the Subject Property and a professional inspection is recommended.
23. The appraisal report and value conclusions for an appraisal assumes the satisfactory completion of construction, repairs or alterations in a workmanlike manner.
24. IRR – Columbia is an independently owned and operated company. The parties hereto agree that Integra Realty Resources, Inc. ("Integra") shall not be liable for any claim arising out of or relating to any appraisal report or any information or opinions contained therein as such

Ms. Renee Sandell
August 1, 2024
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appraisal report is the sole and exclusive responsibility of IRR – . In addition, it is expressly agreed that in any action which may be brought against the Integra Parties arising out of, relating to, or in any way pertaining to the engagement letter, the appraisal reports or any related work product, the Integra Parties shall not be responsible or liable for any incidental or consequential damages or losses, unless the appraisal was fraudulent or prepared with intentional misconduct. It is further expressly agreed that the collective liability of the Integra Parties in any such action shall not exceed the fees paid for the preparation of the assignment (unless the appraisal was fraudulent or prepared with intentional misconduct). It is expressly agreed that the fees charged herein are in reliance upon the foregoing limitations of liability.

25. IRR –Columbia is an independently owned and operated company, which has prepared the appraisal for the specific intended use stated elsewhere in the report. The use of the appraisal report by anyone other than the Client is prohibited except as otherwise provided. Accordingly, the appraisal report is addressed to and shall be solely for the Client's use and benefit unless we provide our prior written consent. We expressly reserve the unrestricted right to withhold our consent to your disclosure of the appraisal report or any other work product related to the engagement (or any part thereof including, without limitation, conclusions of value and our identity), to any third parties. Stated again for clarification, unless our prior written consent is obtained, no third party may rely on the appraisal report (even if their reliance was foreseeable).
26. The conclusions of this report are estimates based on known current trends and reasonably foreseeable future occurrences. These estimates are based partly on property information, data obtained in public records, interviews, existing trends, buyer-seller decision criteria in the current market, and research conducted by third parties, and such data are not always completely reliable. The Integra Parties are not responsible for these and other future occurrences that could not have reasonably been foreseen on the effective date of this assignment. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance. While we are of the opinion that our findings are reasonable based on current market conditions, we do not represent that these estimates will actually be achieved, as they are subject to considerable risk and uncertainty. Moreover, we assume competent and effective management and marketing for the duration of the projected holding period of the Subject Property.
27. All prospective value opinions presented in this report are estimates and forecasts which are prospective in nature and are subject to considerable risk and uncertainty. In addition to the contingencies noted in the preceding paragraph, several events may occur that could substantially alter the outcome of our estimates such as, but not limited to changes in the economy, interest rates, capitalization rates, behavior of consumers, investors and lenders, fire and other physical destruction, changes in title or conveyances of easements and deed restrictions, etc. It is assumed that conditions reasonably foreseeable at the present time are consistent or similar with the future.

As will be determined during the course of the assignment, additional extraordinary or hypothetical conditions may be required in order to complete the assignment. The appraisal shall also be subject to those assumptions.