



**MARTIN** APPRAISAL  
**+ WOOD** GROUP,  
LTD.



## **AN APPRAISAL REPORT**

**"Executive Inn"**  
**A Two Story, 78 Room**  
**Economy Limited Service Lodging Facility**  
**Located At 325 W Columbia Street,**  
**Springfield, Ohio 45504**

**Effective Date of Value (As Is): *February 1, 2022***

***Work File #: MART-21-12-0267***

**Prepared For:**

**City of Springfield**  
**76 E. High Street**  
**Springfield, Ohio 45502**

**Attention: Mr. Jason T. Irick, Esq., Assistant Law Director**



February 10, 2022

City of Springfield  
76 E. High Street  
Springfield, Ohio 45502  
Attention: Mr. Jason T. Irick, Esq., Assistant Law Director

Work File No. MART-21-12-0267

RE: Real Estate Appraisal of a two story, 78 room, economy limited service lodging facility, containing 29,656 SF of GBA, on a 0.952-acre site, located at 325 W Columbia Street, Springfield, Ohio.

Dear Mr. Irick, Esq.:

In response to your request, we have performed an analysis of the above referenced property. Ryan D. Hugueley, MAI completed an interior and exterior property viewing February 1, 2022, which is also the effective date of as is value. The subject is occupied on short-term basis by primarily daily to weekly business/leisure guests. The accompanying appraisal report contains the results of our investigation and analysis.

The purpose of this appraisal is to estimate the market value of the fee simple estate, as a going concern, as is for establishing a purchase price for possible acquisition for the American Rescue Plan Act of 2021 (ARPA). The intended user is our client, the City of Springfield. The narrative appraisal report is in conformance to appraisal standards adopted by Uniform Standards of Professional Appraisal Practice, Ohio Revised Code, Department of Housing and Urban Development, and Uniform Relocation Act. The value reported is qualified by certain definitions, limiting conditions, and certifications that are set forth in the attached report. The analysis contained in the report that follows is presented in an Appraisal Report format as described in 2-2(a) of the Uniform Standards of Professional Appraisal Practice (USPAP).

It is our opinion, that the *Market Value* "As Is, As a Going Concern", with optimal occupancy and stabilized operating expenses of the subject property, as of February 1, 2022, is:

**TWO MILLION TWO HUNDRED THOUSAND DOLLARS**

**\$2,200,000**

*Letter of Transmittal (continued)*

This stated opinion of value is for the total going concern and is allocated at approximately 95%-real property, 0% intangible and 5% personal property, hence does not include any advantageous financing or other non-realty components. Furthermore, implicit within this valuation is an exposure time of 6 to 24 months, which is believed reasonable for this type of property as it is presently used.

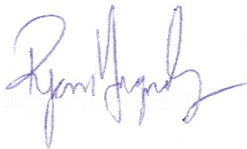
The market value is based upon the following extraordinary assumptions:

**Extraordinary assumption.** An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions.<sup>1</sup>

- The subject consists of a 78-Room/ 29,656 SF two-story lodging facility with typical room/ suite mix (king and double queen suites) on a 0.952-acre site. We have anticipated the stabilized occupancy at 52.5% with an ADR at \$54.00. Please view the income capitalization report for complete support to our projections.

This appraisal has been prepared in compliance with Uniform Standards of Professional Appraisal Practice (USPAP), FIRREA and standards established by the Appraisal Institute. The following Appraisal Report should provide an adequate outline of the appraised property's description, as well as the valuation procedures employed to arrive at the final opinion of market value. However, if you have any questions, or if we may be of further service, please let us know. Thank you.

Respectfully submitted,



Ryan D. Hugueley, MAI  
Appraiser  
Ohio General Certified Appraiser No. 2006003872  
Michigan General Certified Appraiser No. 1205075140



Kenneth P. Wood, President  
Ohio General Certified Appraiser No. 408942  
Michigan General Certified Appraiser No. 1205008336

**MARTIN + WOOD APPRAISAL GROUP, LTD**

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<sup>1</sup> Source: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed., s.v. "extraordinary assumptions" (Chicago: Appraisal Institute, 2015), PDF e-book.

**SUBJECT PHOTOGRAPHS**

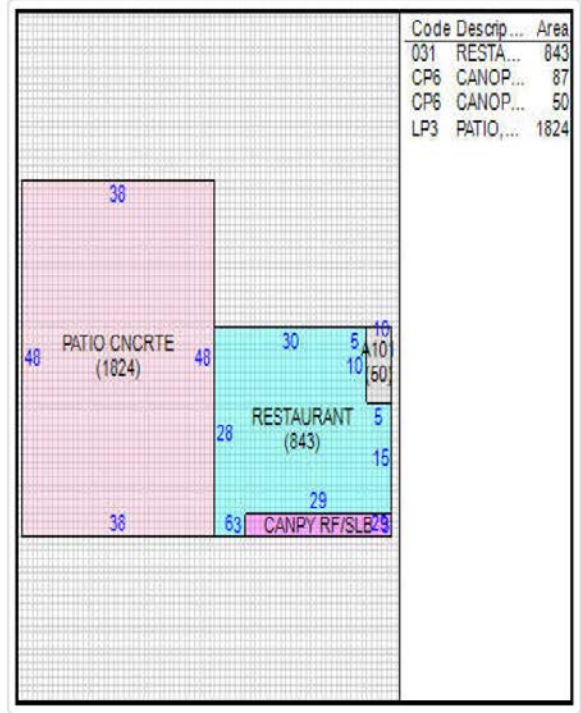
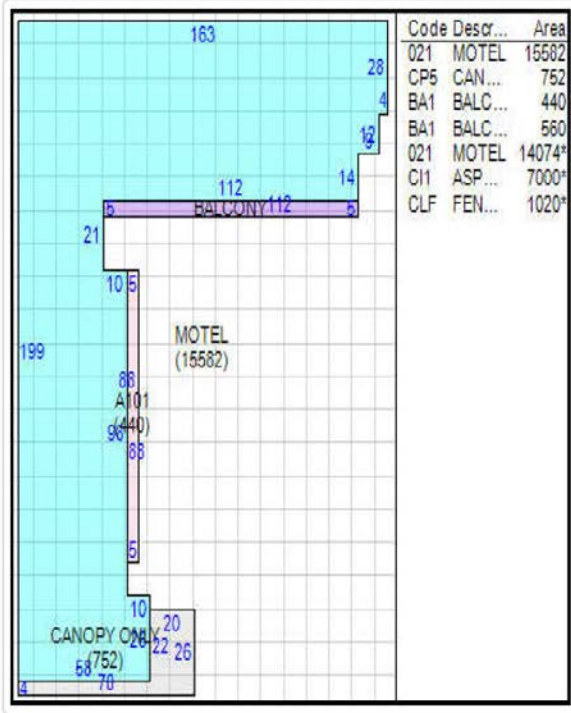








Sketches



**SUMMARY OF SALIENT FACTS AND IMPORTANT CONCLUSIONS**

**LOCATION:** 325 W Columbia Street, Springfield, Ohio

**REFERENCE:** Executive Inn

**EFFECTIVE DATES OF VALUE:**

**AS IS:** February 1, 2022

**DATE OF VIEWING:** February 1, 2022

**DATE OF REPORT:** February 10, 2022

**PROPERTY INTERESTS APPRAISED:** Fee Simple Estate as a Going Concern

**SITE DATA:**

**SITE AREA (Gross Acres):** 0.952 Acres

**ZONING:** UPOD, Neighborhood Commercial District

**FLOOD DATA:** Zone X (low risk)

**UTILITIES:** All Public

**CONFIGURATION:** Rectangular

**PROPERTY DESCRIPTION:**

**TYPE:** Two-story lodging facility

**IMPROVEMENTS:** The improvements consist of a 78-room, one building, two-story interior/exterior corridor, economy limited service lodging facility. It contains approximately 29,656 square feet and is of Class C construction according to Marshall Valuation Service with concrete block framing with the exterior of the improvements concrete block. The improvements have an office/lobby, laundry facilities, and ice/vending machines. There is an 843 SF full service restaurant on site, leased by the owner. The guest room mix is approximately 40% (31) King Suites and 60% (47) Double Queen Suites.

**YEAR BUILT:** 1963

**SIZE:** 29,656 SF GBA –29,656 SF NRA

**CONDITION:** Average

**HIGHEST AND BEST USE:**

AS VACANT: Commercial related use as proven feasible  
AS IMPROVED: Hospitality Property  
Most likely user: Short-term guests  
Most likely buyer: Regional to National investor

<b>RECONCILIATION OF VALUES</b>	
<b>APPROACH TO VALUE</b>	<b>As Is</b>
COST APPROACH:	Not Completed
SALES COMPARISON APPROACH:	\$2,100,000
INCOME APPROACH:	\$2,200,000
<b>RECONCILED OPINION OF VALUE:</b>	<b>\$2,200,000</b>
*Market Value in the Fee Simple Interest	<i>February-22</i>
<b><i>Value Breakdown</i></b>	
<b><i>Personal Property</i></b>	<b><i>\$100,000</i></b>
<b><i>Intangible Value</i></b>	<b><i>\$0</i></b>
<b><i>Real Property</i></b>	<b><i>\$2,100,000</i></b>

\*Subject to extraordinary assumptions and/or hypothetical conditions stated in the assumptions and limiting conditions section of the report.

## **BASIS OF APPRAISAL**

### **IDENTIFICATION OF SUBJECT:**

Address: 325 W Columbia Street, Springfield, Ohio  
Property Type/Use: Hospitality / Economy Limited Service Lodging Facility  
Submarket: Dayton-Springfield-Sidney CSA / Springfield-Fairborn  
Legal Description: See Addendum Auditor Records (Short)

<b>IDENTIFICATION OF THE SUBJECT</b>							
<i>No.</i>	<i>Parcel Id</i>	<i>Address</i>	<i>Land</i>	<i>Building</i>	<i>Market Value</i>	<i>Annual R/E Taxes</i>	<i>Land Size (Ac)</i>
1	3400700035320001	325 W Columbia St	\$57,260	\$548,110	\$605,370	\$15,476.12	0.329
2	3400700035320002	30 N Plum St	\$21,060	\$2,100	\$23,160	\$592.28	0.121
3	3400700035320003	W Columbia St	\$8,400	\$940	\$9,340	\$238.86	0.048
4	3400700035320004	26 N Plum St	\$39,600	\$3,310	\$42,910	\$1,097.10	0.227
5	3400700035320005	22 N Plum St	\$39,600	\$0	\$39,600	\$1,012.38	0.227
<b>TOTAL:</b>			<b>\$165,920</b>	<b>\$554,460</b>	<b>\$720,380</b>	<b>\$18,416.74</b>	<b>0.952</b>

The subject property is a two story, 78 room, economy limited service lodging facility, containing 29,656 SF of GBA, built in 1963. The subject is considered under assessed. Taxes are current.

**INTENDED USE AND USER:** The intended use of the appraisal is to estimate the market value of the fee simple estate, as a going concern, as is for establishing a purchase price for possible acquisition for the American Rescue Plan Act of 2021 (ARPA). The intended user of this report is our client, the City of Springfield.

**PURPOSE OF THE APPRAISAL:** To estimate the market value of the subject property, as of the effective dates of the appraisal, according to the definition within this report.

**MARKETING TIME & EXPOSURE TIME:** A typical marketing and exposure time to initiate a sale of a property of this type is estimated to be from 6 to 24 months.

**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.<sup>2</sup>

**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.<sup>3</sup>

<sup>2</sup> Source: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed., s.v. "marketing time" (Chicago: Appraisal Institute, 2015), PDF e-book.

<sup>3</sup> Source: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed., s.v. "exposure time" (Chicago: Appraisal Institute, 2015), PDF e-book.

**EXPLANATION AND SUPPORT FOR THE EXCLUSION OF ANY OF THE USUAL VALUATION APPROACHES:** There are three traditional approaches that are used to arrive at an estimate of market value: the cost approach, the sales comparison approach and the income capitalization approach. In this instance, the sales comparison and income capitalization approaches to value were utilized. Since the subject is a completed project (actual cost not available) and per scope of work requested, the cost approach was not considered necessary to develop a credible value conclusion.

**SUMMARY OF THE EXTENT OF THE PROCESS OF COLLECTING, CONFIRMING, AND REPORTING DATA (SCOPE OF WORK):** The scope of this assignment was to complete an appraisal and provide the Market Value in the fee simple interest. The value conclusions are reported herein in an Appraisal Report format that follows generally accepted appraisal procedures as set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), FIRREA and standards established by the Appraisal Institute. This appraisal utilized two of the three accepted approaches to value: (1) Sales Comparison Approach and (2) Income Capitalization Approach. The procedures and methodologies employed in these approaches are outlined in the Appraisal Process section of this report. The following steps were completed by the appraisers:

1. The appraiser completed an exterior and interior viewing of the site. The information regarding the size, condition and other physical aspects of the real estate were obtained/ relied upon from the viewing and data provided by the client/ owner representative. In addition, public records from the Clark County Assessor's, Recorder's Offices and the City Engineer's office were also utilized. In this instance, the building/ room count, and dimensions reported by public records and the owner were solely relied upon and assumed accurate.
2. Gathered information from various public sources. Secondary data sources were utilized regarding the compilation of regional and economic data.
3. Analyzed trends in the hotel market utilizing data compiled through confirmation of the comparable BAR/ADR, occupancy, operating expenses, local market surveys and national statistical data. Furthermore, numerous brokers, developers and/or local zoning/ planning department active in this market were also interviewed relative to new construction and buildings in the planning stages.
4. Reviewed a survey involving the subject property, and researched the floodplain reference relative to the survey provided.
5. Analyzed the highest and best use of the site as if vacant and the property as improved. Supply, demand and absorption potential as well as construction costs and required yields were analyzed relative to the subject market and specifically the subject property. Alternative uses were also analyzed relative to their financial feasibility.

6. For the **sales comparison approach** the appraiser gathered information on comparable improved sales which was derived from local county auditor's offices, LoopNet, CoStar and/or per conversation with brokers specializing in commercial properties in the Midwest region area; thereafter confirmed and analyzed the data with appropriate party and/or public records (deeds, mortgages, etc.) and applied the sales comparison approach to value, accordingly. Quantitative adjustments were made to the comparables based upon market derived supportable evidence, though in the final reconciliation of the sales comparison approach, each comparable was considered on a qualitative basis as well (inferior, similar or superior to the subject).
7. In the development and reporting of the **income approach**, the appraiser gathered and analyzed (ADR) comparables of similar lodging facilities near the subject and made adjustments to the comparables if deemed necessary. Operating expenses were gathered from the owner, local realtors, operating expense comparables and/or nationally published data. Furthermore, the direct capitalization method was used to derive at the final value estimates per the income approach. The overall capitalization rate applied in this instance was derived from similar sales utilizing a direct extraction technique and also the band of investment technique in conjunction with national statistical data.
8. In the final step, the approaches to value applied in this instance were reconciled based upon the appropriateness and strengths and weaknesses of each approach and thereafter are weighted against one another and a single dollar amount or range was concluded.

This is an **Appraisal Report** which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the *Uniform Standards of Professional Appraisal Practice (USPAP)*.

**OWNERSHIP AND SALES HISTORY OF THE SUBJECT PROPERTY:** The subject's identified parcel is in the ownership of Punjasahib Investment Company. There have been no recent sales within the last five years. There are no other sales or listings to consider within three years prior to the effective date of the appraisal.

**DEFINITION OF MARKET VALUE:** The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently 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 he or she considers his or her own best interest;
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.<sup>4</sup>

**DEFINITION OF GOING-CONCERN VALUE:** A Going Concern is an established and operating business with an indefinite future life. For certain types of properties (e.g., hotels and motels, restaurants, bowling alleys, car washes, manufacturing enterprises, athletic clubs and landfills), the physical real estate assets are integral parts of an ongoing business.

**Market value of the Going Concern.** The market value of an established and operating business including the real property, personal property, financial assets, and the intangible assets of the business.<sup>5</sup>

**PROPERTY RIGHTS APPRAISED:** An appraisal is an estimate of the value of specific rights of property ownership. The interest, which is the subject of this assignment, is the property's fee simple estate. A formal definition of the property interest is 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.<sup>6</sup>

The subject is considered to operate at or near a stabilized occupancy (52.5%), similar to occupancy rates indicated by the owner, with an ADR at \$54.00. The tenants are short-term/extended stay guests featuring king suites and double queen suites.

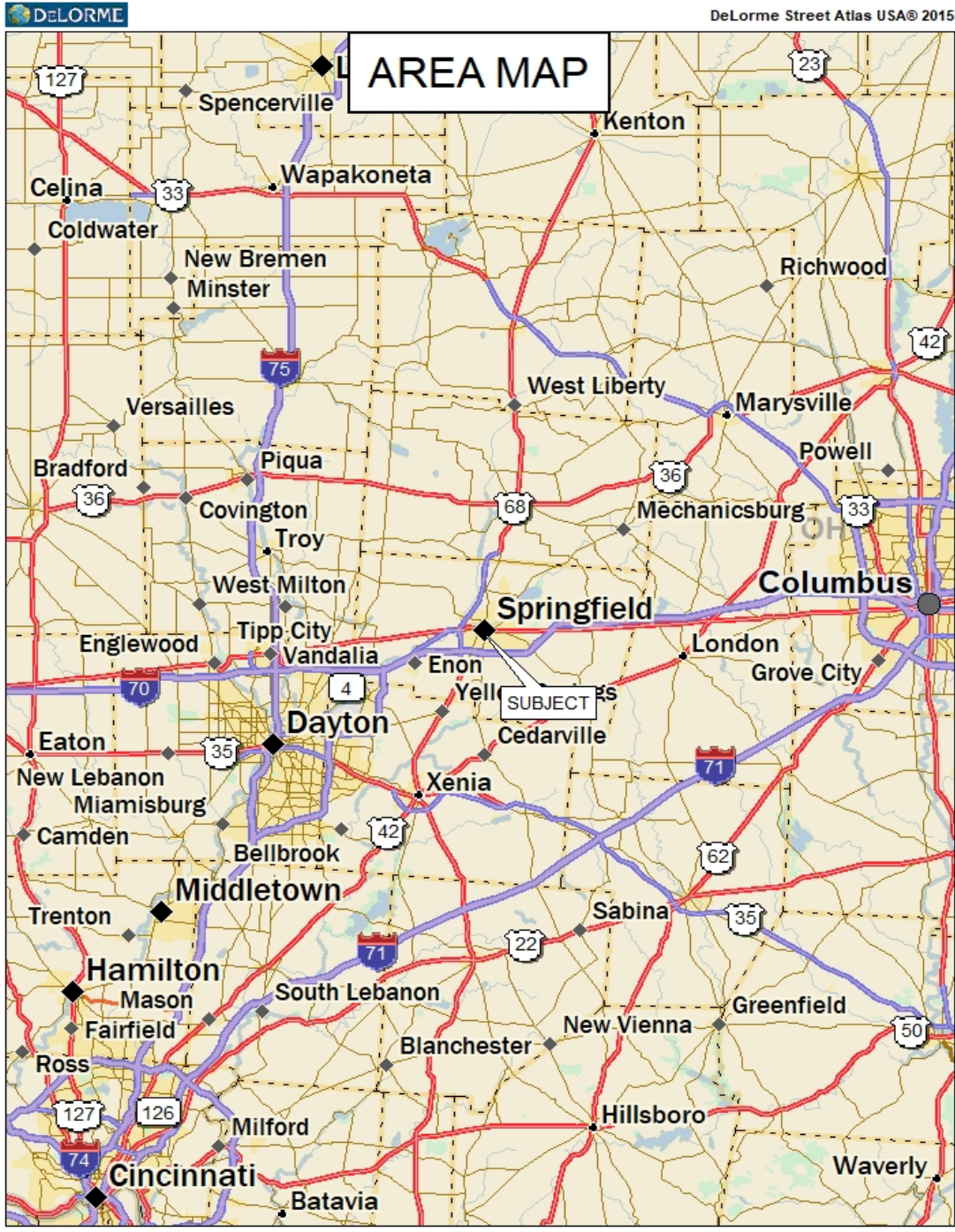
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<sup>4</sup> FDIC Law, Regulations, Related Acts, December 3, 2009, FDIC, December 6, 2011, <http://www.fdic.gov/regulations/laws/rules/2000-4300.html>.

<sup>5</sup> Source: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed., s.v. "market value of the Going Concern" (Chicago: Appraisal Institute, 2015), PDF e-book.

<sup>6</sup> Source: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed., s.v. "fee simple estate." (Chicago: Appraisal Institute, 2015), PDF e-book.

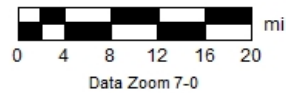
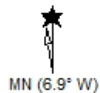
**SUMMARY AREA DESCRIPTION:** The subject property is located at 325 W Columbia Street, in Springfield, Clark County, Ohio. More specifically, the subject is located at the southeast corner of W Columbia Street and N Plum Street, west of the CBD, in Springfield, Clark County, Ohio.



Data use subject to license.

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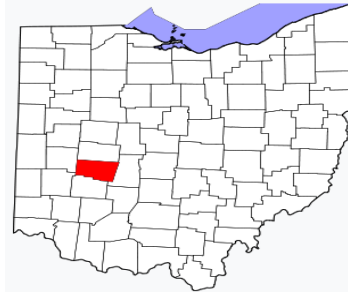
www.delorme.com



## CLARK COUNTY DATA

Clark County is located in southwest Ohio, approximately 70 miles north of Cincinnati, 122 miles south of Toledo, 132 miles east of Indianapolis, Indiana, 36 miles west of Columbus, and 159 miles east of Louisville, Kentucky.

Clark County comprises the Springfield, OH Metropolitan Statistical Area (MSA) and is also included in the Dayton-Springfield-Sidney-OH Combined Statistical area. It is adjacent to Champaign County (north), Madison County (east), Greene County (south), Montgomery County (southwest) and Miami County (west).



Clark County covers about 403 square miles and is the third smallest county in Ohio by total area. With a population of 135,556, it is the 21st most populous county of the 88 counties in the state of Ohio. The county consists of 2 cities, with Springfield being the county seat, 8 villages, 10 townships and numerous other unincorporated communities.

Clark County has experienced a mostly stable to slightly decreasing population base, and anticipated to continue the slight decline over the next 5 years (provided by STDB.com).

	Clark County,...
<b>Population</b>	
2000 Population	144,988
2010 Population	138,333
2021 Population	135,556
2026 Population	132,635
2000-2010 Annual Rate	-0.47%
2010-2021 Annual Rate	-0.18%
2021-2026 Annual Rate	-0.43%

Clark County is predominantly rural with less than one percent of the county's four hundred square miles consisting of urban areas. Eighty-nine percent (164,000 acres) of the county is in agricultural production, primarily crops such as corn, soybeans, wheat and grass & alfalfa hay. Clark County has led state in yield per acre in corn, soybeans and wheat. We have strong greenhouse and nurseries, farm markets, turf and fresh flower production, specialty crops for foreign markets, and hay going to states in the Deep South.

A profile of Clark County is presented on the following pages, provided by [development.ohio.gov](http://development.ohio.gov).

# Ohio County Profiles

Prepared by the Office of Research

2020 Edition



## Clark County

**Established:** Act - March 1, 1818  
**2019 Population:** 134,083  
**Land Area:** 400.0 square miles  
**County Seat:** Springfield City  
**Named for:** George Rogers Clark, American Frontiersman



### Taxes

Taxable value of real property	\$2,255,847,890
Residential	\$1,557,673,390
Agriculture	\$248,679,590
Industrial	\$83,982,560
Commercial	\$365,512,350
Mineral	\$0
Ohio income tax liability	\$56,829,622
Average per return	\$951.47

### Land Use/Land Cover

	Percent
Developed, Lower Intensity	13.85%
Developed, Higher Intensity	2.75%
Barren (strip mines, gravel pits, etc.)	0.08%
Forest	10.30%
Shrub/Scrub and Grasslands	0.73%
Pasture/Hay	8.49%
Cultivated Crops	61.70%
Wetlands	0.56%
Open Water	1.54%

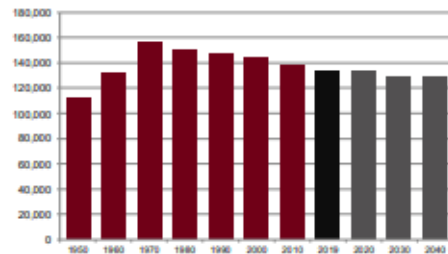
### Largest Places

	Est. 2019	Census 2010
Springfield city	58,877	60,608
Moorefield twp	12,075	12,436
Bethel twp UB	12,042	12,440
Springfield twp	11,814	12,237
Mad River twp UB	8,444	8,741
German twp UB	6,902	7,112
New Carlisle city	5,568	5,785
Pike twp UB	3,155	3,246
Harmony twp UB	3,074	3,193
Pleasant twp UB	2,858	2,966

UB: Unincorporated balance.

### Total Population

Census			Estimated
1800		1910	66,435
1810		1920	80,728
1820	9,533	1930	90,936
1830	13,114	1940	95,647
1840	16,882	1950	111,661
1850	22,178	1960	131,440
1860	25,300	1970	157,115
1870	32,070	1980	150,236
1880	41,948	1990	147,548
1890	52,277	2000	144,742
1900	58,939	2010	138,333
		2014	136,311
		2015	135,746
		2016	134,723
		2017	134,549
		2018	134,528
		2019	134,083
		Projected	
		2020	133,240
		2030	129,900
		2040	128,580



Population by Race	Number	Percent
ACS Total Population	135,198	100.0%
White	117,294	86.8%
African-American	10,641	7.9%
Native American	258	0.2%
Asian	836	0.6%
Pacific Islander	96	0.1%
Other	865	0.6%
Two or More Races	5,208	3.9%
Hispanic (may be of any race)	4,512	3.3%
<b>Total Minority</b>	<b>21,361</b>	<b>15.8%</b>

Educational Attainment	Number	Percent
Persons 25 years and over	92,344	100.0%
No high school diploma	11,551	12.5%
High school graduate	33,945	36.8%
Some college, no degree	21,093	22.8%
Associate degree	8,560	9.3%
Bachelor's degree	10,517	11.4%
Master's degree or higher	6,678	7.2%

Family Type by Employment Status	Number	Percent
Total Families	35,511	100.0%
Married couple, husband and wife in labor force	11,789	33.2%
Married couple, husband in labor force, wife not	4,566	12.9%
Married couple, wife in labor force, husband not	2,466	6.9%
Married couple, husband and wife not in labor force	5,779	16.3%
Male householder, in labor force	2,507	7.1%
Male householder, not in labor force	652	1.8%
Female householder, in labor force	5,332	15.0%
Female householder, not in labor force	2,420	6.8%

Household Income	Number	Percent
Total Households	54,905	100.0%
Less than \$10,000	3,611	6.6%
\$10,000 to \$19,999	6,238	11.4%
\$20,000 to \$29,999	6,622	12.1%
\$30,000 to \$39,999	5,754	10.5%
\$40,000 to \$49,999	6,038	11.0%
\$50,000 to \$59,999	4,668	8.5%
\$60,000 to \$74,999	5,820	10.6%
\$75,000 to \$99,999	7,084	12.9%
\$100,000 to \$149,999	6,021	11.0%
\$150,000 to \$199,999	1,846	3.4%
\$200,000 or more	1,203	2.2%
<b>Median household income</b>	<b>\$48,502</b>	

Percentages may not sum to 100% due to rounding.

Population by Age	Number	Percent
ACS Total Population	135,198	100.0%
Under 5 years	7,977	5.9%
5 to 17 years	22,736	16.8%
18 to 24 years	12,141	9.0%
25 to 44 years	30,480	22.5%
45 to 64 years	36,599	27.1%
65 years and more	25,265	18.7%
<b>Median Age</b>	<b>41.1</b>	

Family Type by Presence of Own Children Under 18	Number	Percent
Total Families	35,710	100.0%
Married-couple families with own children	8,027	22.5%
Male householder, no wife present, with own children	1,752	4.9%
Female householder, no husband present, with own children	4,539	12.7%
Families with no own children	21,392	59.9%

Poverty Status of Families By Family Type by Presence of Related Children	Number	Percent
Total Families	35,710	100.0%
Family income above poverty level	31,627	88.6%
Family income below poverty level	4,083	11.4%
Married couple, with related children	537	13.2%
Male householder, no wife present, with related children	468	11.5%
Female householder, no husband present, with related children	2,165	53.0%
Families with no related children	913	22.4%

Ratio of Income To Poverty Level	Number	Percent
Population for whom poverty status is determined	131,773	100.0%
Below 50% of poverty level	9,310	7.1%
50% to 99% of poverty level	11,465	8.7%
100% to 124% of poverty level	6,923	5.3%
125% to 149% of poverty level	7,356	5.6%
150% to 184% of poverty level	10,130	7.7%
185% to 199% of poverty level	4,287	3.3%
200% of poverty level or more	82,302	62.5%

Geographical Mobility	Number	Percent
Population aged 1 year and older	133,556	100.0%
Same house as previous year	108,214	81.0%
Different house, same county	17,402	13.0%
Different county, same state	5,179	3.9%
Different state	2,323	1.7%
Abroad	438	0.3%

Travel Time To Work	Number	Percent
Workers 16 years and over	57,509	100.0%
Less than 15 minutes	19,935	34.7%
15 to 29 minutes	21,214	36.9%
30 to 44 minutes	9,682	16.8%
45 to 59 minutes	3,808	6.6%
60 minutes or more	2,870	5.0%
<b>Mean travel time</b>	<b>22.5 minutes</b>	

Housing Units	Number	Percent
Total housing units	61,310	100.0%
Occupied housing units	54,905	89.6%
Owner occupied	35,679	65.0%
Renter occupied	19,226	35.0%
Vacant housing units	6,405	10.4%

Year Structure Built	Number	Percent
Total housing units	61,310	100.0%
Built 2014 or later	144	0.2%
Built 2010 to 2013	421	0.7%
Built 2000 to 2009	3,533	5.8%
Built 1990 to 1999	5,017	8.2%
Built 1980 to 1989	4,222	6.9%
Built 1970 to 1979	8,559	14.0%
Built 1960 to 1969	9,408	15.3%
Built 1950 to 1959	10,099	16.5%
Built 1940 to 1949	4,234	6.9%
Built 1939 or earlier	15,673	25.6%
<b>Median year built</b>	<b>1961</b>	

Value for Specified Owner-Occupied Housing Units	Number	Percent
Specified owner-occupied housing units	35,679	100.0%
Less than \$20,000	1,949	5.5%
\$20,000 to \$39,999	1,397	3.9%
\$40,000 to \$59,999	2,984	8.4%
\$60,000 to \$79,999	4,237	11.9%
\$80,000 to \$99,999	4,999	14.0%
\$100,000 to \$124,999	4,886	13.7%
\$125,000 to \$149,999	4,045	11.3%
\$150,000 to \$199,999	5,397	15.1%
\$200,000 to \$299,999	3,853	10.8%
\$300,000 to \$499,999	1,449	4.1%
\$500,000 to \$999,999	428	1.2%
\$1,000,000 or more	55	0.2%
<b>Median value</b>	<b>\$111,600</b>	

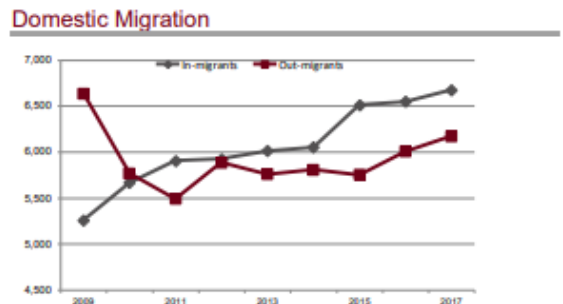
House Heating Fuel	Number	Percent
Occupied housing units	54,905	100.0%
Utility gas	39,662	72.2%
Bottled, tank or LP gas	2,471	4.5%
Electricity	9,763	17.8%
Fuel oil, kerosene, etc	1,766	3.2%
Coal, coke or wood	738	1.3%
Solar energy or other fuel	348	0.6%
No fuel used	157	0.3%

Percentages may not sum to 100% due to rounding.

Gross Rent	Number	Percent
Specified renter-occupied housing units	19,226	100.0%
Less than \$100	226	1.2%
\$100 to \$199	252	1.3%
\$200 to \$299	716	3.7%
\$300 to \$399	584	3.0%
\$400 to \$499	1,217	6.3%
\$500 to \$599	2,088	10.9%
\$600 to \$699	3,092	16.1%
\$700 to \$799	3,033	15.8%
\$800 to \$899	2,733	14.2%
\$900 to \$999	1,896	9.9%
\$1,000 to \$1,499	1,920	10.0%
\$1,500 or more	567	2.9%
No cash rent	902	4.7%
<b>Median gross rent</b>	<b>\$731</b>	
Median gross rent as a percentage of household income	27.1	

Selected Monthly Owner Costs for Specified Owner-Occupied Housing Units	Number	Percent
Specified owner-occupied housing units with a mortgage	21,168	100.0%
Less than \$400	215	1.0%
\$400 to \$599	1,394	6.6%
\$600 to \$799	3,479	16.4%
\$800 to \$999	4,161	19.7%
\$1,000 to \$1,249	4,468	21.1%
\$1,250 to \$1,499	3,116	14.7%
\$1,500 to \$1,999	2,567	12.1%
\$2,000 to \$2,999	1,541	7.3%
\$3,000 or more	227	1.1%
<b>Median monthly owners cost</b>	<b>\$1,075</b>	
Median monthly owners cost as a percentage of household income	19.5	

Vital Statistics	Number	Rate
Births / rate per 1,000 women aged 15 to 44	1,572	64.8
Teen births / rate per 1,000 females 15-19	131	29.5
Deaths / rate per 100,000 population	1,783	1,325.4



**Agriculture**

Land in farms (acres)	170,987
Number of farms	742
Average size (acres)	230
Total cash receipts	\$126,468,000
Per farm	\$170,443
Receipts for crops	\$100,167,000
Receipts for livestock/products	\$26,302,000

**Education**

Traditional public schools buildings	41
Students	18,727
Teachers (Full Time Equivalent)	1,343.8
Expenditures per student	\$8,710
Graduation rate	87.6
Community/charter schools buildings	2
Students	252
Teachers (Full Time Equivalent)	18.9
Expenditures per student	\$8,794
Graduation rate	
Private schools	7
Students	1,331
4-year public universities	0
Regional campuses	0
2-year public colleges/satellites	1
Ohio Technical Centers	0
Private universities and colleges	1
Public libraries (Districts / Facilities)	2 / 6

**Transportation**

Registered motor vehicles	150,738
Passenger cars	100,578
Noncommercial trucks	23,424
Total license revenue	\$3,757,220.71
Permissive tax revenue	\$2,692,462.50
Interstate highway miles	31.24
Turnpike miles	0.00
U.S. highway miles	54.92
State highway miles	98.66
County, township, and municipal road miles	1,053.05
Commercial airports	2

**Health Care**

Physicians	198
Registered hospitals	2
Number of beds	649
Licensed nursing homes	13
Number of beds	1,252
Licensed residential care	13
Number of beds	805
Persons with health insurance (Aged 0 to 64)	91.5%
Adults with insurance (Aged 18 to 64)	90.1%
Children with insurance (Aged Under 19)	94.9%

**Communications**

Television stations	0
Radio stations	2
Daily newspapers	1
Circulation	11,632
Average monthly unique visitors	1,065,236
Weekly newspapers	0
Circulation	0
Average monthly unique visitors	0
Online only	0
Average monthly unique visitors	0

**Crime**

Total crimes reported in Uniform Crime Report	5,346
Violent crime	393
Property crime	4,953

**Finance**

FDIC insured financial institutions (HQs)	1
Assets (000)	\$122,474
Branch offices	35
Institutions represented	12

**Transfer Payments**

Total transfer payments	\$1,487,732,000
Payments to individuals	\$1,456,317,000
Retirement and disability	\$489,585,000
Medical payments	\$742,327,000
Income maintenance (Supplemental SSI, family assistance, food stamps, etc)	\$124,636,000
Unemployment benefits	\$9,313,000
Veterans benefits	\$50,455,000
Federal education and training assistance	\$29,248,000
Other payments to individuals	\$10,753,000
Total personal income	\$5,486,879,000
Dependency ratio	27.1%
(Percent of income from transfer payments)	

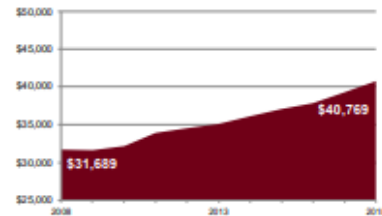
**Voting**

Number of registered voters	90,384
Voted in 2018 election	48,808
Percent turnout	54.0%

**State Parks, Forests, Nature Preserves, Scenic Waterways, And Wildlife Areas**

Areas/Facilities	5
Acreage	5,051

**Per Capita Personal Income**



Civilian Labor Force	2019	2018	2017	2016	2015
Civilian labor force	63,300	63,100	63,600	63,600	64,000
Employed	60,500	60,200	60,500	60,200	60,800
Unemployed	2,700	2,900	3,100	3,400	3,200
Unemployment rate	4.3	4.6	4.9	5.3	5.0

Establishments, Employment, and Wages by Sector: 2018

Industrial Sector	Number of Establishments	Average Employment	Total Wages	Average Weekly Wage
Private Sector	2,348	41,110	\$1,661,386,369	\$777
Goods-Producing	387	8,542	\$454,146,246	\$1,022
Natural Resources and Mining	36	547	\$31,432,612	\$1,104
Construction	187	1,051	\$47,738,855	\$873
Manufacturing	164	6,943	\$374,974,779	\$1,039
Service-Providing	1,961	32,568	\$1,207,240,123	\$713
Trade, Transportation and Utilities	572	9,397	\$351,481,727	\$719
Information	22	114	\$6,505,013	\$1,101
Financial Services	236	3,284	\$147,165,708	\$862
Professional and Business Services	288	4,551	\$207,317,267	\$876
Education and Health Services	367	8,414	\$358,014,832	\$818
Leisure and Hospitality	260	5,220	\$78,043,166	\$288
Other Services	217	1,589	\$58,712,410	\$711
Federal Government		549	\$34,952,435	\$1,225
State Government		164	\$8,863,575	\$1,038
Local Government		6,155	\$256,687,199	\$802

Private Sector total includes Unclassified establishments not shown.

Change Since 2013

Private Sector	-2.0%	-0.9%	15.0%	16.1%
Goods-Producing	-1.5%	6.7%	17.7%	10.2%
Natural Resources and Mining	28.6%	32.4%	107.8%	56.6%
Construction	-1.6%	-3.3%	6.8%	10.5%
Manufacturing	-6.3%	6.7%	15.0%	7.8%
Service-Producing	-2.1%	-2.8%	14.0%	17.3%
Trade, Transportation and Utilities	-2.1%	-8.8%	4.1%	14.1%
Information	-8.3%	-50.0%	-37.6%	25.1%
Financial Services	-2.1%	-5.6%	14.6%	21.4%
Professional and Business Services	5.1%	13.4%	36.1%	20.0%
Education and Health Services	5.8%	-0.6%	19.9%	20.6%
Leisure and Hospitality	-9.4%	4.2%	14.7%	10.3%
Other Services	-10.3%	-19.7%	-6.5%	16.6%
Federal Government		2.0%	8.3%	6.2%
State Government		10.8%	31.0%	18.1%
Local Government		-3.0%	8.8%	12.2%

Major & Notable Employers

Assurant Inc	Ins
Clark County Government	Govt
Community Mercy Health Partners	Serv
Dole Fresh Vegetables	Mfg
Gordon Food Service	Trade
Konescranes, Inc	Mfg
Marathon/Speedway SuperAmerica LLC	Trade
Navistar	Mfg
Springfield City Schools	Govt
Springfield Masonic Community	Serv
Wittenberg University	Serv
Yamada North America	Mfg

Residential

Construction	2015	2016	2017	2018	2019
Total units	63	55	121	68	76
Total valuation (000)	\$16,571	\$13,160	\$19,397	\$18,048	\$17,845
Total single-unit bldgs	61	55	69	68	70
Average cost per unit	\$270,613	\$239,271	\$255,749	\$265,405	\$248,294
Total multi-unit bldg units	2	0	52	0	6
Average cost per unit	\$32,040	\$0	\$33,665		\$77,469

## County Seat: Springfield City

The city of Springfield covers about 56 square miles and is located in southwestern Ohio and is situated on the Mad River, Buck Creek, and Beaver Creek, approximately 45 miles west of Columbus and 25 miles northeast of Dayton. Based on population, Springfield is the 12<sup>th</sup> largest city in the state of Ohio.

Per the Site To Do Business (STDB.com), the population is 59,528, which is a -0.88% annual decrease since 2010. The five-year projection for the population in the area is 158,100, representing a change of -0.48% annually.

Current median household income is \$38,037 in the area, compared to \$64,730 for all U.S. households. Median household income is projected to be \$41,134 in five years, representing an annual increase of 1.58%. Current average household income is \$52,603 in this area, compared to \$90,054 for all U.S. households. Average household income is projected to be \$58,355 in five years, increasing at an annual rate of 2.10%.

Median home value in the area is \$94,762, compared to a median home value of \$264,021 for the U.S. In five years, median value is projected to change by 5.43% annually to \$123,435.

	Springfield c...
<b>Population</b>	
2000 Population	66,528
2010 Population	60,903
2021 Population	59,528
2026 Population	58,100
2000-2010 Annual Rate	-0.88%
2010-2021 Annual Rate	-0.20%
2021-2026 Annual Rate	-0.48%
<b>Median Household Income</b>	
2021 Median Household Income	\$38,037
2026 Median Household Income	\$41,134
2021-2026 Annual Rate	1.58%
<b>Average Household Income</b>	
2021 Average Household Income	\$52,603
2026 Average Household Income	\$58,355
2021-2026 Annual Rate	2.10%
<b>Median Home Value</b>	
2021	\$94,762
2026	\$123,435

Many know Springfield as the Champion City, but it also has two other nicknames: the Home City and the City of Roses. The latter name comes from the fact that, in 1919, Springfield was home to 33 greenhouses that produced more roses than any other city in the world. Springfield is home to the Wittenberg University, a liberal arts college, and Clark State College. In addition, there are numerous other colleges and/or universities in nearby cities and counties that provide higher education.

Springfield is known as the Antique Capital of the Midwest, boasting the 116,000 SF Heart of Ohio Antique Center, which is the country's largest indoor antique mall featuring over 650 dealers spanning virtually every genre of collecting.

## **County Transportation**

Clark County is easily accessible by ground, air, rail, and water. Major roadways in Clark County include Interstates 70 and US Route 68 and State Highway 72. The Indiana and Ohio Railway, a shortline railroad with nearly 600 miles of rail, and Norfolk Southern provide rail service, and the county is also within three hours of water ports in Toledo, Cincinnati and Cleveland.

Clark County is home to the Springfield Beckley Municipal Airport, and there are three international airports within a two-hour drive: Cincinnati, Columbus and Indianapolis.

## **County Educational, Medical and Religious Facilities**

Clark County has 48 public schools serving about 20,716 students. Springfield is home to Clark State College and Wittenberg University, with approximately 18+ colleges and universities within 50 miles.

Medical care can be obtained from numerous health care facilities throughout the county, including The James @the Community Hospital Springfield, Mercy Medical Center, Madison County Hospital, Memorial Health, Greene Memorial Hospital, and more. There are numerous other medical facilities and major hospitals to provide healthcare in nearby counties.

There are over 109 religious facilities in Clark County that serve the faith-based needs of the communities.

## **County Housing and Income**

According to STDB.com, there are currently 61,419 housing units in the area, with 64.0% owner-occupied; 24.8% renter occupied, and 11.2% are vacant. The median home value in the area is \$140,108, compared to a median home value of \$264,021 for the U.S. In five years, median value is projected to change by 4.61% annually to \$175,534.

The current median household income is \$50,281 in the area, compared to \$64,730 for all U.S. households. Median household income is projected to increase at an annual rate of 1.44% over the next five years. The current average household income is \$65,306 in this area, compared to \$90,054 for all U.S. households. The average household income is projected to increase at an annual rate of 2.17% over the next five years to \$72,689.

Presented on the following page is the housing and income summary provided by the Site To Do Business (STDB).

<b>Housing</b>	
2021 Housing Affordability Index	179
2000 Total Housing Units	61,045
2000 Owner Occupied Housing Units	40,495
2000 Renter Occupied Housing Units	16,143
2000 Vacant Housing Units	4,407
2010 Total Housing Units	61,419
2010 Owner Occupied Housing Units	37,969
2010 Renter Occupied Housing Units	17,275
2010 Vacant Housing Units	6,175
2021 Total Housing Units	61,419
2021 Owner Occupied Housing Units	39,303
2021 Renter Occupied Housing Units	15,228
2021 Vacant Housing Units	6,888
2026 Total Housing Units	61,458
2026 Owner Occupied Housing Units	39,043
2026 Renter Occupied Housing Units	14,481
2026 Vacant Housing Units	7,934
<b>Median Home Value</b>	
2021	\$140,108
2026	\$175,534
<b>Median Household Income</b>	
2021 Median Household Income	\$50,281
2026 Median Household Income	\$54,004
2021-2026 Annual Rate	1.44%
<b>Average Household Income</b>	
2021 Average Household Income	\$65,306
2026 Average Household Income	\$72,689
2021-2026 Annual Rate	2.17%

## Employment Statistics

Clark County's major/notable employers include:

Assurant Inc.
Clark County Government
Community Mercy Health Partners
Dole Fresh Vegetables
Gordon Food Service
Konescranes, Inc.
Marathon/Speedway Super America LLC
Navistar
Yamada North America
Springfield Masonic Community
<i>Source: development.ohio.gov</i>

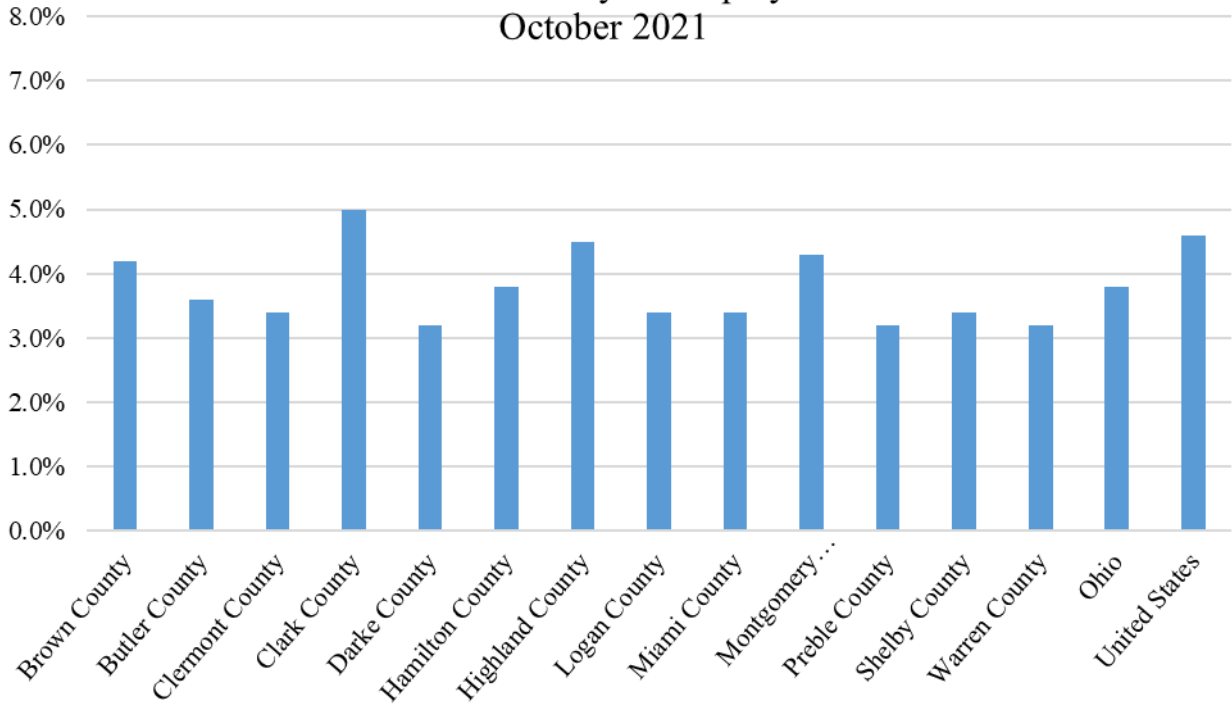
Per STDB, the largest employment sector in Clark County is the service sector, which comprises about 44.4% of the work force. Other major employment sectors include manufacturing (17.7%), retail trades (11.4%), and finance/insurance/real estate (5.7%).

<b>2021 Employed Population 16+ by Industry</b>	
Total	64,948
Agriculture/Mining	1.0%
Construction	5.3%
Manufacturing	17.7%
Wholesale Trade	2.8%
Retail Trade	11.4%
Transportation/Utilities	4.9%
Information	1.0%
Finance/Insurance/Real Estate	5.7%
Services	44.4%
Public Administration	5.8%

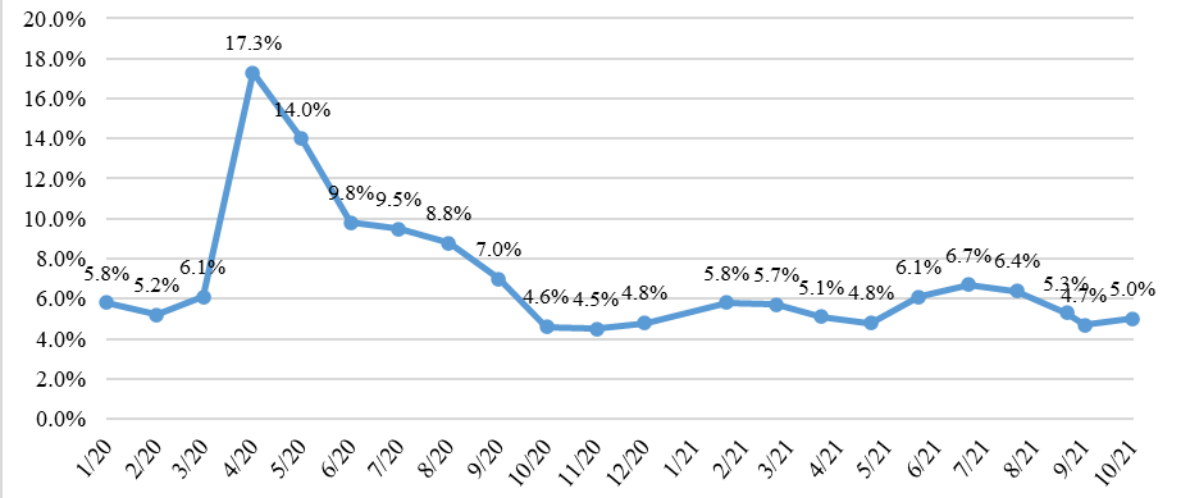
In general, the Southwest Ohio region is mostly in line with the Ohio employment and national levels. Presented below and on the following pages is the most recent employment data published by the U.S. Bureau of Labor Statistics.

<b>Southwest Ohio County Unemployment Rates</b>	
<b>October 2021</b>	
<b><u>Area Name</u></b>	<b><u>Unemployment Rate</u></b>
Brown County	4.2%
Butler County	3.6%
Clermont County	3.4%
Clark County	5.0%
Darke County	3.2%
Hamilton County	3.8%
Highland County	4.5%
Logan County	3.4%
Miami County	3.4%
Montgomery County	4.3%
Preble County	3.2%
Shelby County	3.4%
Warren County	3.2%
<b>Ohio</b>	<b>3.8%</b>
<b>United States</b>	<b>4.6%</b>
<i>Source: US Bureau of Labor Statistics</i>	

### Southwest Ohio County Unemployment Rates October 2021

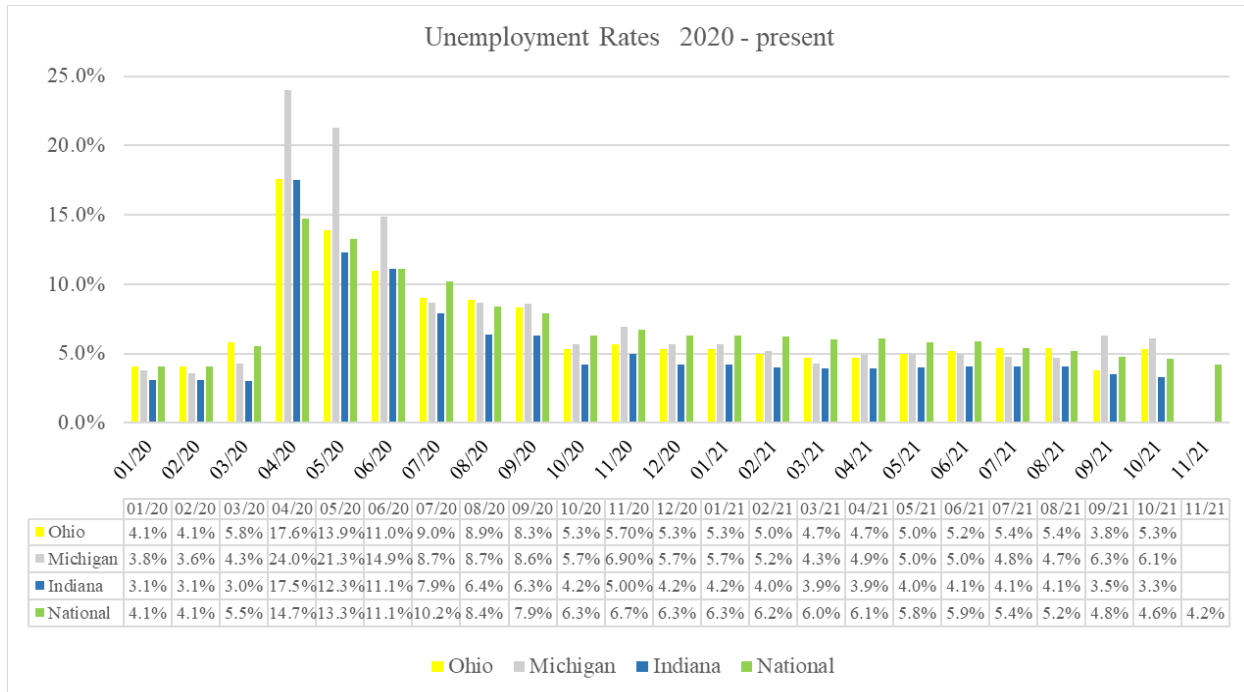


### Clark County Historical Unemployment Rates



On a national level, per the Bureau of Labor Statistics the unemployment rate declined by 0.4 percentage points to 4.2 percent in November. The number of unemployed persons fell by 542,000 to 6.9 million. Both measures are down considerably from their highs at the end of the February-April 2020 recession. However, they remain above their levels prior to the coronavirus (COVID-19) pandemic (3.5 percent and 5.7 million, respectively, in February 2020).

In November, notable job gains occurred in professional and business services, transportation and warehousing, construction, and manufacturing. Employment in retail declined over the month.



Source: US Bureau of Labor Statistics

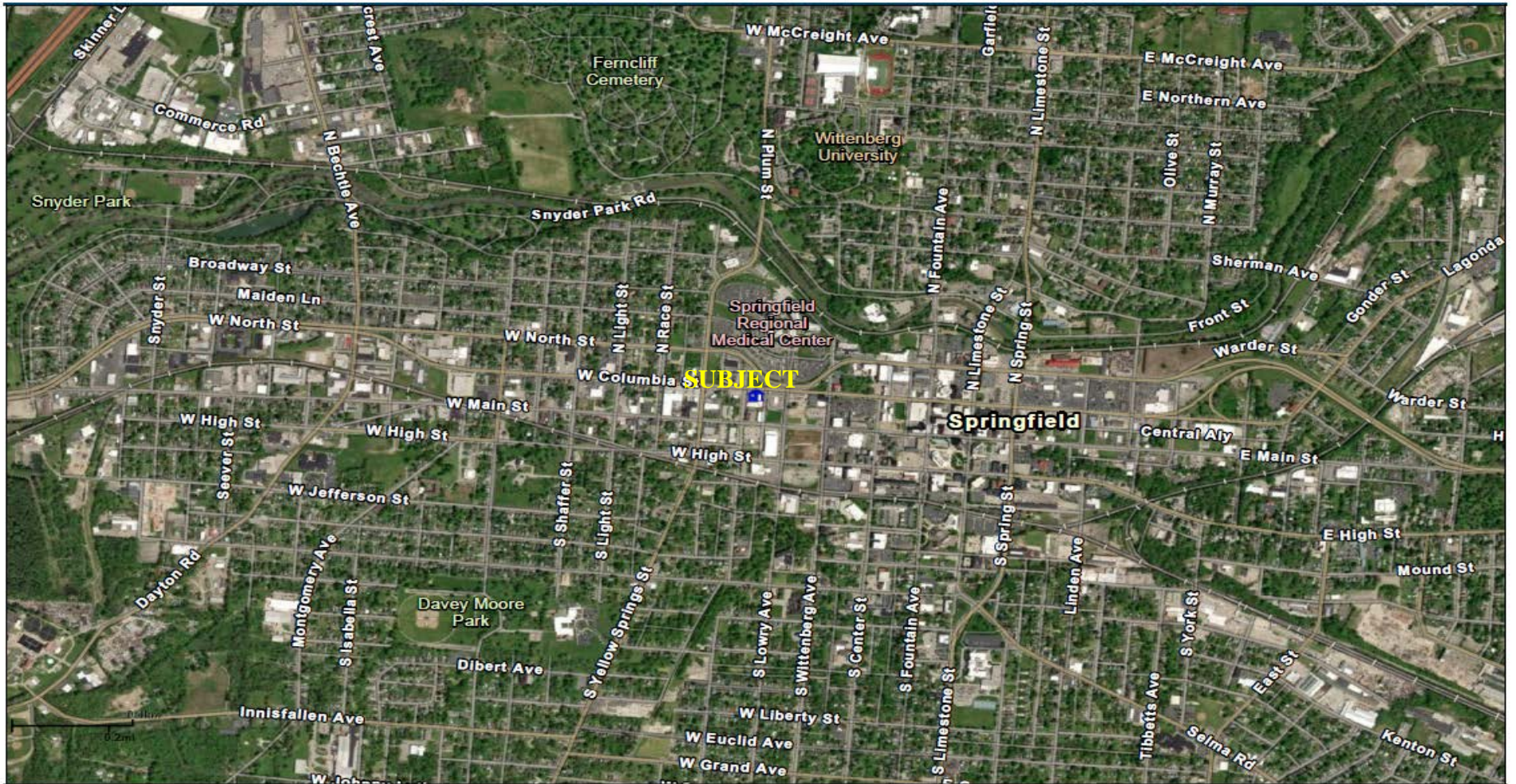
### Area Data Conclusion

In general, the Clark County area is following the regional and national trends and predictions. The population base has remained mostly level over the last ten years with a fairly diverse work force and employment centers, with the employment trend at or near record high levels. Though, with the unprecedented outbreak of the coronavirus pandemic, the local, regional and national economy is being impacted adversely, with an initial significant rise in unemployment, drop in consumer spending and an overall contraction of economic activity, though recovery is evident.

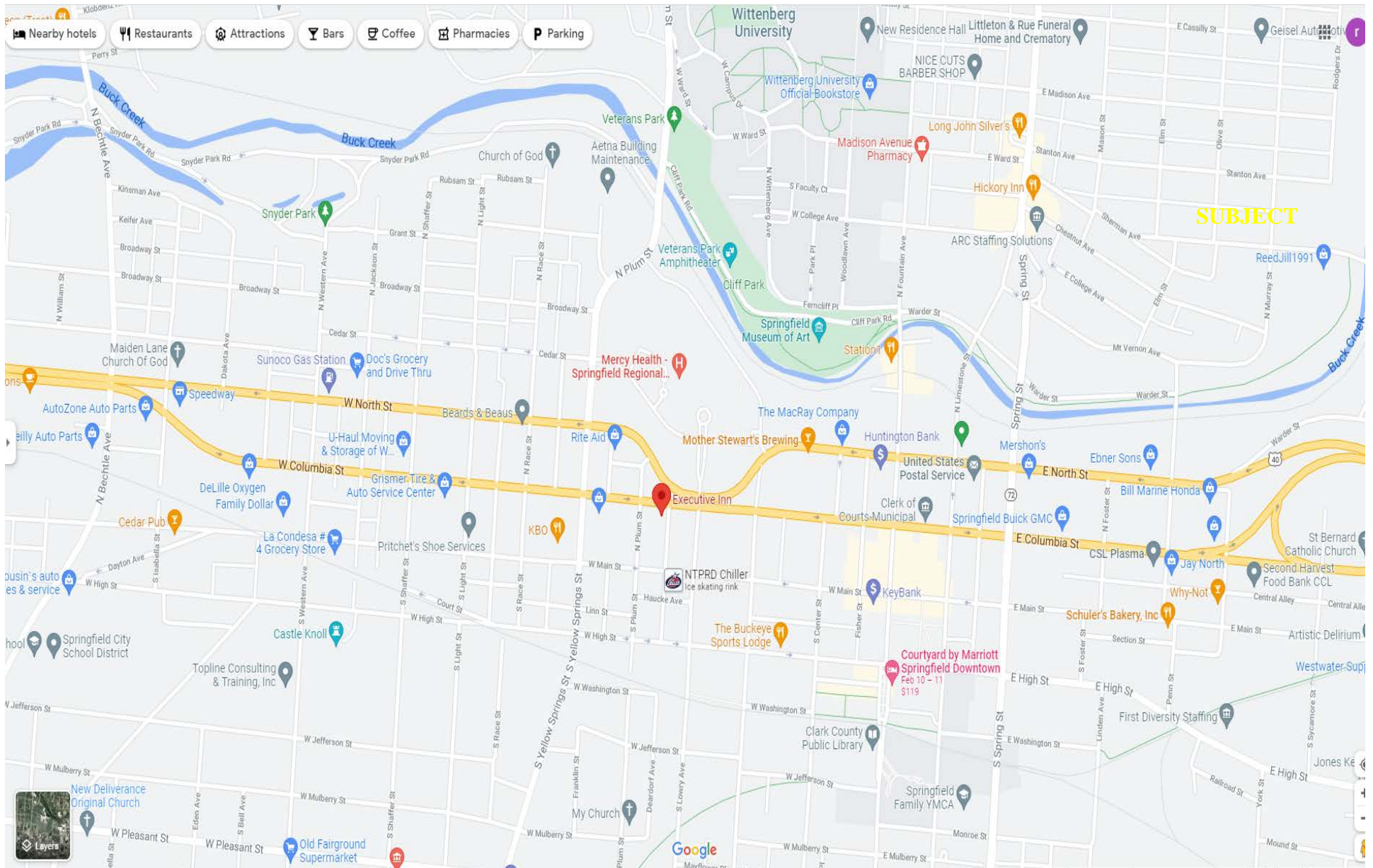
Furthermore, the supply and demand for most types of real estate in the Clark County area was relatively balanced though some sectors reached a complete pause due to the pandemic and depending on the duration of the outbreak, it may push these sectors in to a contraction or recession phase. Therefore, based upon historical trends in conjunction with future predictions which indicates continued mostly level population and household numbers and moderately increasing median household income in conjunction with moderate influx and retention of employment centers though with some uncertainty due to the coronavirus pandemic; the general market area of Clark County is considered to be moderate within the Southwestern Ohio region.



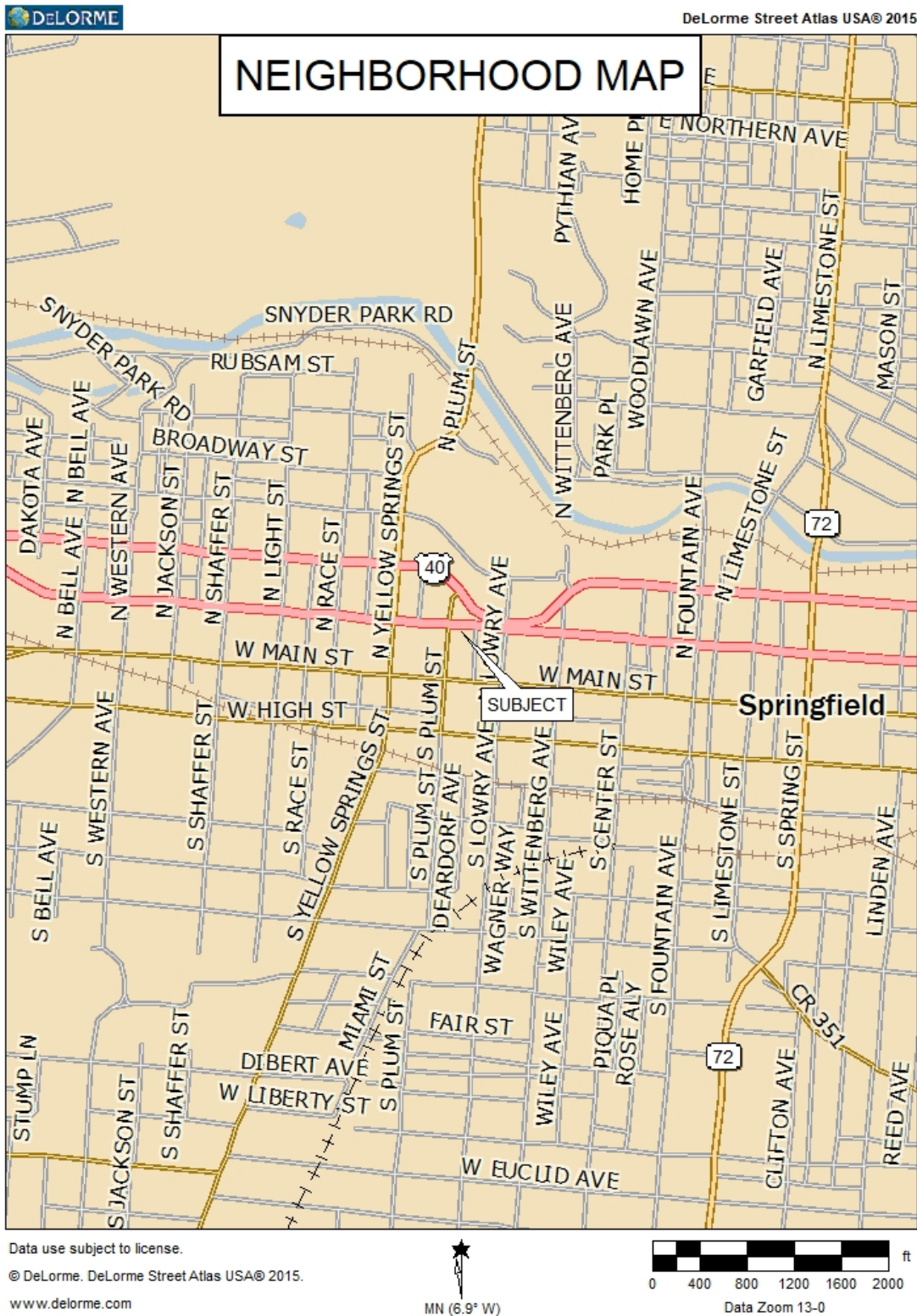
# Hybrid Map



January 28, 2022



**NEIGHBORHOOD ANALYSIS:** A neighborhood or district may be defined as a grouping of complimentary land uses, perhaps affected by similar operation of social, economic, governmental, and environmental forces, which affect property value.



The subject property consists of one parcel of land of approximately 0.952 acres, improved by a two story, 78 room, economy limited service lodging facility, containing 29,656 SF of GBA.

Springfield is the county seat of Clark County, located in southwestern Ohio and is situated on the Mad River, Buck Creek, and Beaver Creek, approximately 45 miles west of Columbus and 25 miles northeast of Dayton. Springfield is home to Wittenberg University, a liberal arts college. In recent years, Springfield has attempted revitalization of the downtown area with several projects to stimulate residential housing, attract heritage tourism, and benefit the local economy. The city developed new townhomes in downtown along Center Street, the Center Street Townes. A newer \$7 million parking garage in downtown was completed recently. Since 2000, notable downtown improvements that have been finished include the Ohio Valley Surgical Hospital, Springfield Regional Medical Center, Mother Stewart's Brewing Company, the NTPRD Chiller Ice Arena, and the demolition of several decaying structures. These buildings include the Arcue Building, the Robertson Building, and the Crowell-Collier building. Springfield has a notably weakened economy due to many factors, but a key cause for degradation of the economy in Springfield has been the decline in manufacturing jobs. Today, Springfield largely relies on healthcare, manufacturing, transportation, leisure, education, financial institutions, and retail for employment.

Wittenberg University is a Lutheran university that was founded in Springfield in 1845. It is a four-year private liberal arts university. It has approximately 1,800 students and a faculty of approximately 140. It is situated on a campus of 114 acres. The city is also home to Clark State Community College. It offers courses in business, health, public services, engineering technologies, agriculture, and general studies.

The defined neighborhood consists of a mix of single-family residential, commercial, office, special use/institutional applications west of the CBD. The commercial applications can be noted along the main arteries such as US Route 40, Columbia Street, Spring Street, and High Street. The residential living within the defined area has led to decreasing population levels. Access to major centers of employment throughout the Springfield area is easily achieved and is believed to be a positive influence of the subject's sub market.

The transportation support and accessibility to the area are believed to be good. Local thoroughfares are well maintained, and street widths are adequate. This sector of the Springfield area benefits from nearby connections with US Routes 68, 40, and 4, and Interstate 70, which is a major east-west travel route. Furthermore, local amenities such as groceries, service establishments and recreation are at sufficient levels to support the area population. The local school system provides a quality educational environment.



## Demographic and Income Profile

325 W Columbia St, Springfield, Ohio, 45504  
 Ring: 3 mile radius

Martin + Wood Appraisal Group  
 Latitude: 39.92609  
 Longitude: -83.81712

Summary	Census 2010		2021		2026	
Population	58,927		57,346		55,899	
Households	23,248		22,533		22,002	
Families	14,187		13,335		12,908	
Average Household Size	2.44		2.42		2.41	
Owner Occupied Housing Units	12,520		13,142		13,060	
Renter Occupied Housing Units	10,728		9,391		8,942	
Median Age	35.2		36.9		37.5	
Trends: 2021-2026 Annual Rate	Area		State		National	
Population	-0.51%		0.21%		0.71%	
Households	-0.48%		0.26%		0.71%	
Families	-0.65%		0.11%		0.64%	
Owner HHs	-0.13%		0.43%		0.91%	
Median Household Income	1.59%		1.83%		2.41%	
Households by Income	Census 2010		2021		2026	
	Number	Percent	Number	Percent	Number	Percent
<\$15,000	3,975	17.6%	3,423	15.6%	3,423	15.6%
\$15,000 - \$24,999	2,925	13.0%	2,644	12.0%	2,644	12.0%
\$25,000 - \$34,999	3,537	15.7%	3,317	15.1%	3,317	15.1%
\$35,000 - \$49,999	3,663	16.3%	3,528	16.0%	3,528	16.0%
\$50,000 - \$74,999	3,680	16.3%	3,814	17.3%	3,814	17.3%
\$75,000 - \$99,999	2,304	10.2%	2,480	11.3%	2,480	11.3%
\$100,000 - \$149,999	1,574	7.0%	1,798	8.2%	1,798	8.2%
\$150,000 - \$199,999	546	2.4%	641	2.9%	641	2.9%
\$200,000+	330	1.5%	356	1.6%	356	1.6%
Median Household Income			\$37,549		\$40,628	
Average Household Income			\$51,980		\$57,713	
Per Capita Income			\$20,538		\$22,830	
Population by Age	Census 2010		2021		2026	
	Number	Percent	Number	Percent	Number	Percent
0 - 4	4,536	7.7%	3,853	6.7%	3,773	6.7%
5 - 9	3,990	6.8%	3,723	6.5%	3,593	6.4%
10 - 14	3,841	6.5%	3,685	6.4%	3,570	6.4%
15 - 19	4,415	7.5%	4,022	7.0%	4,172	7.5%
20 - 24	4,859	8.2%	4,472	7.8%	4,284	7.7%
25 - 34	7,695	13.1%	7,559	13.2%	6,868	12.3%
35 - 44	6,764	11.5%	6,713	11.7%	6,742	12.1%
45 - 54	7,739	13.1%	6,076	10.6%	5,933	10.6%
55 - 64	7,061	12.0%	7,047	12.3%	6,164	11.0%
65 - 74	4,110	7.0%	5,844	10.2%	5,947	10.6%
75 - 84	2,690	4.6%	2,993	5.2%	3,543	6.3%
85+	1,226	2.1%	1,359	2.4%	1,311	2.3%
Race and Ethnicity	Census 2010		2021		2026	
	Number	Percent	Number	Percent	Number	Percent
White Alone	44,258	75.1%	41,816	72.9%	40,094	71.7%
Black Alone	10,781	18.3%	10,656	18.6%	10,407	18.6%
American Indian Alone	204	0.3%	257	0.4%	271	0.5%
Asian Alone	400	0.7%	455	0.8%	477	0.9%
Pacific Islander Alone	21	0.0%	29	0.1%	33	0.1%
Some Other Race Alone	927	1.6%	1,160	2.0%	1,285	2.3%
Two or More Races	2,337	4.0%	2,974	5.2%	3,331	6.0%
Hispanic Origin (Any Race)	1,815	3.1%	2,420	4.2%	2,774	5.0%

Data Note: Income is expressed in current dollars.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2021 and 2026.

January 28, 2022

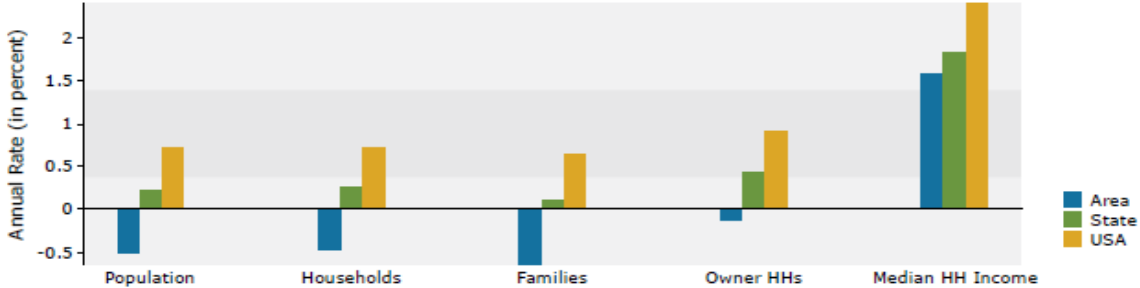


## Demographic and Income Profile

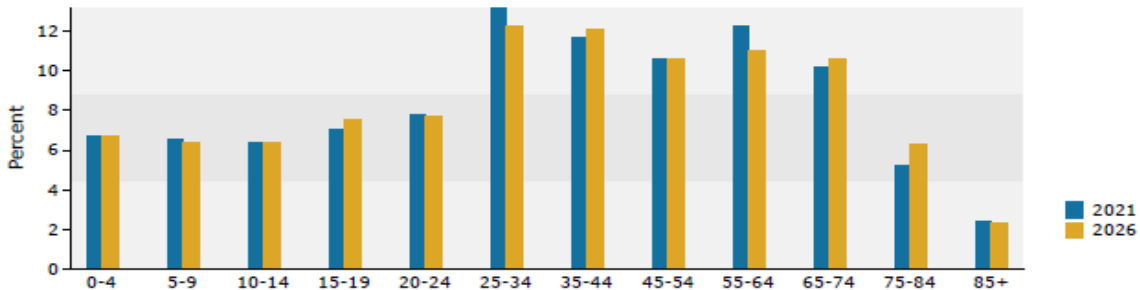
325 W Columbia St, Springfield, Ohio, 45504  
 Ring: 3 mile radius

Martin + Wood Appraisal Group  
 Latitude: 39.92609  
 Longitude: -83.81712

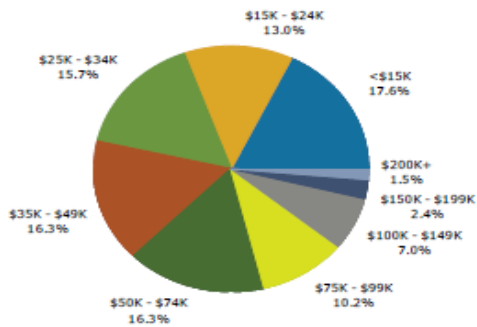
Trends 2021-2026



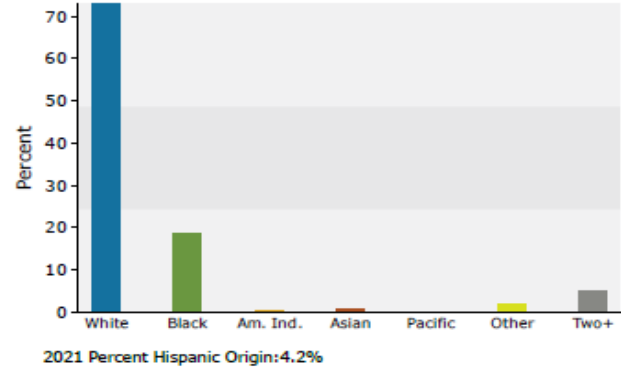
Population by Age



2021 Household Income



2021 Population by Race



Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2021 and 2026.

January 28, 2022

Source: [www.stdb.com](http://www.stdb.com)

Thus, upon full consideration of those traits and characteristics of the subject's locale, it is believed that the overall rating for this vicinity is moderately favorable at best. With elements of transportation, employment base, population base and general demographic trending including lodging potential are considered moderate due to its proximity to the I-70 traffic corridor (please view supplemental data in the market analysis section).

## **MARKET ANALYSIS:**

Subject Location: 325 W Columbia Street, Springfield, Ohio  
General Market: Dayton-Springfield-Sidney CSA/ Midwest  
Sub Market: Springfield-Fairborn  
Property Type/Sub-Type: Lodging Facility / Economy Limited Service

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The market analysis forms a basis for assessing market area boundaries, supply and demand factors and indications of financial feasibility. The primary publications relied upon for the market analysis include; CoStar, PwC/ Reis, Reichle Klein Group, Cassidy Turley/DTZ Research, Marcus & Millichap, CBRE, CoStar and Signature Associates/ Cushman & Wakefield.

## **HOSPITALITY MARKET**

### **Introduction**

Smith Travel Research (STR), a leader in data collection for the lodging industry, categorizes hotels into six segments known as “chain scales”: Luxury, Upper-upscale, Upscale, Midscale (with food and beverage), Midscale (without food and beverage), and Economy. These chain scales are based on the actual system-wide-average room rates of the major chains. Furthermore, the industry-wide categorization is divided by three asset classes: limited-service, select-service, and full-service. Presented below are key definitions/ terminology for the Hotel industry.

### ADR (Average Daily Rate)

A measure of the average rate paid for rooms sold, calculated by dividing room revenue by rooms sold.

### OCC (Occupancy)

Occupancy is the percentage of available rooms that were sold during a specified period of time. Occupancy is calculated by dividing the number of rooms sold by rooms available.

Occupancy = Rooms Sold / Rooms Available

### RevPAR (Revenue per Available Room)

Revenue per Available Room (RevPAR) is the total guest room revenue divided by the total number of available rooms. RevPAR differs from average daily rate (ADR) because RevPAR is affected by the amount of unoccupied available rooms, while ADR shows only the average rate of rooms actually sold.

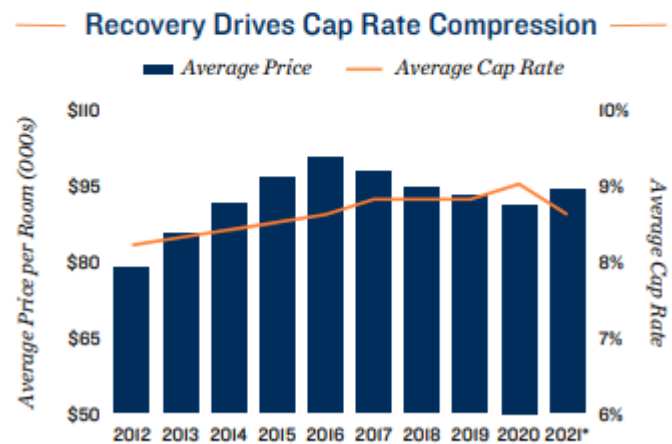
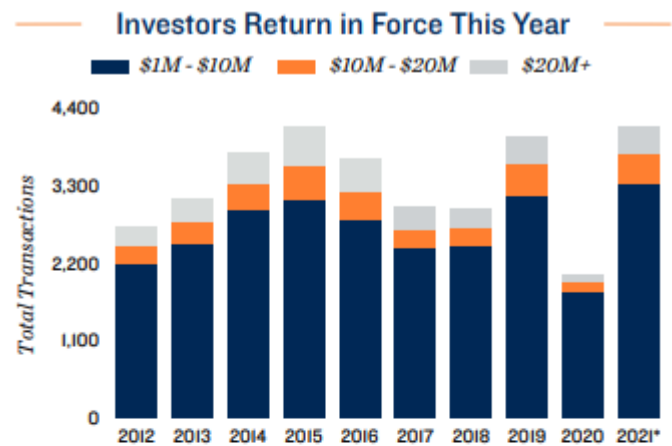
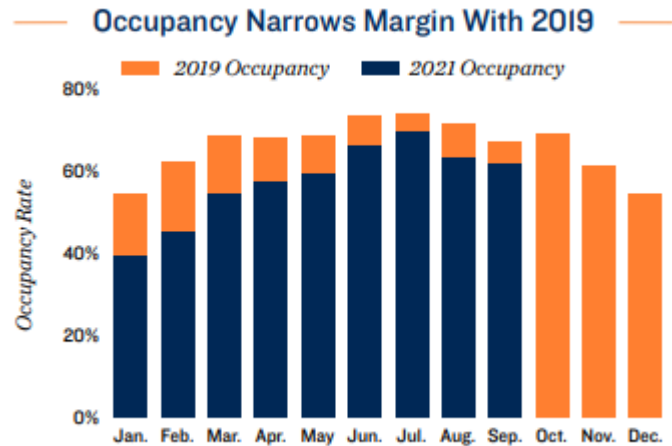
Occupancy x ADR = RevPAR

## General Overview

### *Marcus & Millichap Special Report – Q4-21 Hospitality<sup>7</sup>*

Outlook for Hotels Remains Bifurcated in 2022; Investment Demand Surging Back This Year Summer vacations jump-started recovery. The U.S. lodging sector entered the autumn season having made up substantial ground during the spring and summer months. Loosened capacity restrictions, vaccine availability and pent-up travel demand led to a marked increase in trips taken and rooms occupied. By the end of July foot traffic through airport checkpoints had recovered to about 80 percent of 2019 volumes, driven largely by leisure travelers, while hotel occupancy had roughly doubled from where it began 2021. Nightly rates improved even more notably, with the average daily rate for July surpassing the same metric from two years prior by 6 percent. Although partially mitigated by inflation, the rapid ADR recovery underscored the strong demand to get away that manifested this year.

Summer-to-autumn transition reveals seasonal walk back in visitation. From the start of August into the first weekend of October occupancy followed its traditional pattern, declining 630 basis points to 61.7 percent. The reduction was largely seasonal, with the start of in-person schooling limiting travel for many families.



\* Through 3Q

Sources: Marcus & Millichap Research Services; CoStar Group, Inc.; Real Capital Analytics

<sup>7</sup> Sources: Marcus & Millichap Research Services; CoStar Group, Inc.

For the same window in 2019, occupancy fell by a similar 600-basis-point margin. Rising COVID-19 infection rates may have also weighed on travel plans. Of the areas reporting steep climbs in cases, many were also favored vacation spots. Moving into 2022 hotel room demand nationally will likely follow typical seasonal patterns while trailing pre-pandemic levels by a shrinking margin. Property performance will still vary significantly by location and service level, however.

Leisure demand still dominant in 2022. Hotels in popular vacation destinations are projected to perform best next year, including those near beaches and parkland. These types of settings, including the Florida Keys, Colorado Springs and Virginia Beach, captured a large amount of demand during the past spring and summer. Hotels in drive-to locations reliant on regional vacationers will continue to draw travelers; however, they may lose some guests to more well-known areas as comfort with flying improves and barriers to international travel lighten. Therefore, while leisure travel is expected to grow further in 2022, room demand may be more diffused across markets as the overall economy will be more widely open.

More potent need to unwind lifts outlook for resorts next year. Resorts are likely to benefit in the months ahead as vacationers venture farther and seek relaxing settings after a challenging period. As of September 2021, resorts were still about 12 percent less occupied on average than two years prior, although ADR had climbed 22 percent above the same benchmark. Higher nightly rates are offsetting fewer reservations, resulting in an above-pre-pandemic level of revenue per available room. Even if a price ceiling on ADR manifests, resort RevPAR should continue to improve in 2022 due to climbing occupancy levels. Room demand will be aided by more international visitors.

#### Top 20 Markets by RevPAR Recovery

Metro	Sept. 21 Occupancy	Change From 2019	Sept. 21 RevPAR	Change From 2019
Myrtle Beach, SC	61.2%	630	\$91.61	57%
Sarasota, FL	55.5%	730	\$74.57	50%
Daytona Beach, FL	50.1%	620	\$61.37	50%
Mobile, AL	66.6%	890	\$83.30	49%
Florida Keys*	66.4%	-400	\$224.10	47%
Jackson, MS	66.3%	1,280	\$61.34	42%
Fort Myers, FL	56.4%	720	\$71.08	41%
Charleston, SC	65.2%	520	\$104.18	29%
Portland, ME	82.3%	180	\$167.81	28%
Savannah, GA	63.0%	390	\$82.42	24%
Florida Panhandle	62.8%	-50	\$93.49	23%
Norfolk-Virginia Beach, VA	63.2%	-30	\$77.03	20%
Riverside-San Bern., CA	62.7%	-30	\$82.77	20%
California Central Coast	72.2%	-400	\$179.60	19%
Milwaukee, WI	61.8%	-670	\$94.08	17%
Knoxville, TN	64.6%	440	\$64.52	17%
Jacksonville, FL	62.5%	180	\$74.54	16%
Fort Lauderdale, FL	56.0%	-460	\$72.47	16%
Colorado Springs, CO	74.9%	-200	\$124.00	16%
McAllen-Brownsville, TX	63.0%	140	\$57.50	15%
<b>United States</b>	<b>61.6%</b>	<b>-550</b>	<b>\$56.97</b>	<b>-7%</b>

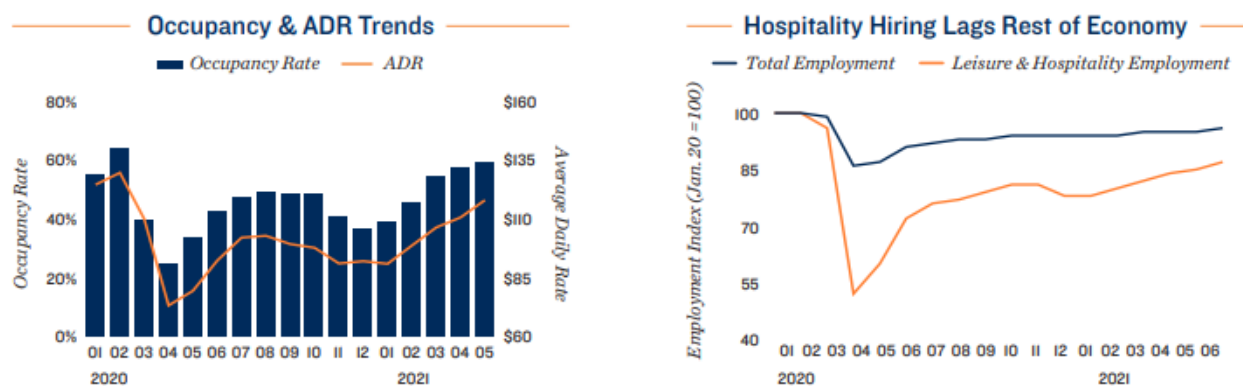
\* Due to impact of Hurricane Irma in Sept. 2019, values for Florida Keys are for the month of August

Business travel outlook mixed. Hotels that cater to business travelers will continue to face hurdles next year. Travel for business purposes has so far lagged leisure trips in recovery. While vaccines and tests are widely available, the potential for new coronavirus variants presents ongoing safety concerns that will prompt many employers to minimize staff travel. As such, the number of business trips is likely to trail more traditional levels by a wider margin than the leisure segment. That does not mean business travel will not improve next year in comparison with 2021. Barring a significant reversion in the health crisis, more conventions and trade shows should take place in 2022, with greater emphasis on physical attendance, prompting greater professional travel.

Select number of properties continue to be severely impaired. Hotels in major urban centers and frequent convention markets will see improved operations in 2022 but will remain the most troubled segment. Through September of this year hotels in core areas reported RevPAR values more than 25 percent below levels from two years prior, a steeper margin than for most other hotels. The problem is compounded in the country's largest gateway markets that typically cater to numerous international visitors, including New York and San Francisco. Both metros reported occupancy rates for the month of September that were 20 percentage points or more below the same period in 2019 and had the highest rate of temporary room closures. The return of certain health precautions in these metros may dissuade some visitation to the area until the pandemic notably improves. Overall, a prolonged drought in demand in many densely packed locales extends the road to recovery.

After period of caution, buyers look to hotels again. Despite the lingering challenges facing the lodging sector, investors are showing no signs of backing off. Hotel transaction activity has surged this year, with more properties changing hands between April and September than in all of 2020. While ample capital was set aside at the onset of the health crisis, anticipating widespread discounting, actual distress has been comparatively limited. Competition for listings has instead lifted sale prices for assets. The average sale price for the 12-month period ended in the third quarter was \$94,000 per room, more than 3 percent above the mean measure for 2020. The average cap rate over the past four-quarter span was 8.6 percent, a compression relative to the 9.0 percent yield recorded in 2020. Buyers are gravitating to markets where hotels outperformed this year or are well positioned for next year. This includes assets in California, Florida, Texas and North Carolina. As more hotels report positive operations, investor criteria will widen. Even in more challenged environments such as New York, the transaction pipeline is still greater than in recent pre-health crisis years as investors come off the sidelines. This behavior illustrates that while hotels across the country may follow more than one path forward in the coming months, the long-term outlook for the sector is overwhelmingly positive.

## 2021 Midyear Hospitality Report, Marcus & Millichap<sup>8</sup>



### Hotels Making Great Strides Toward Recovery; Numerous Hurdles Remain on the Horizon:

Hospitality demand improving. After being disproportionately impaired by the COVID-19 pandemic last year, hotels are welcoming back guests in greater numbers as postponed vacations are being taken. Air travel, in particular, has recovered significantly from the spring of 2020 when daily passenger volumes were only about 5 percent of normal levels. That metric has since increased fifteenfold as the rapid dissemination of vaccines has helped reduce infections, although about 25 percent fewer people are flying on any given day compared with 2019. This turnaround has nevertheless been able to lift hotel occupancy from a trough of 24.5 percent in April 2020 to back over 60 percent in June of this year. Demand for rooms from summer getaways is also aiding average daily rates, and the combination of higher occupancy and ADR has pushed the average U.S. RevPAR to within 20 percent of where it was two years prior.

**Labor shortage manifesting as operations ramp up.** As the demand for hotel rooms continues to ascend, many hoteliers are encountering difficulties with hiring staff. The total number of accommodation workers contracted by 48 percent between February and May of last year, by far the steepest peak-to-trough drop of any employment sector. While 563,000 accommodation jobs were created over the subsequent 13 months, payrolls remain 25 percent below pre-pandemic levels. Narrowing that gap further is less a question of labor needs, but rather a shortage of qualified candidates. Some former hospitality workers have moved away or changed professions, while others are still unable to work due to health concerns or childcare responsibilities. Most hotels are also competing for new hires at the same time, with more open positions now than at any other time on record dating back to 2000. The end to expanded federal unemployment benefits may accelerate onboarding in the coming months.

<sup>8</sup> <https://www.marcusmillichap.com/research/special-report/2021/07/hospitality-midyear-outlook>

**Domestic tourism driving hotel performance rehabilitation.**

Room demand from leisure travelers is anticipated to climb throughout the summer season as vaccinated households make up for lost time. A return to offices and in-person schooling in the fall may temper some of that activity later in the year, but overall hotel performance for 2021 will well exceed the previous year. Lodging business will be driven primarily by domestic leisure trips, with total spending expected to improve by about 20 percent this year after dropping by roughly 25 percent in 2020. By 2023 outlays by U.S. residents on vacations should reach or exceed 2019’s benchmark. The return of full international travel will take longer, however, as the uneven distribution of vaccines globally will likely keep some transit precautions in place. Total international leisure travel spending may not surpass the pre-pandemic level until 2024. As such, hospitality markets with a strong reliance on global tourism may take longer to fully recover, such as New York City, Miami, San Francisco and Los Angeles.

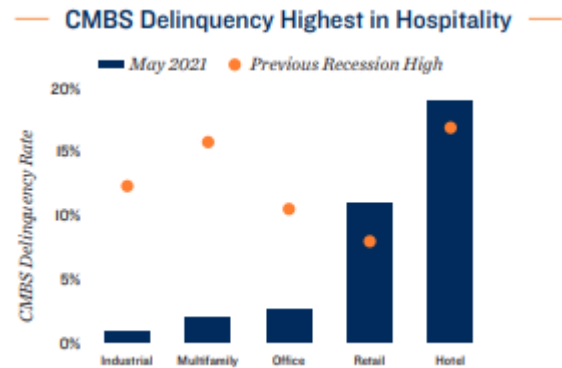


**Resumption of large corporate events yet to come.**

While individuals and families have been fairly quick to return to the road or the air for vacations, business trips remain less common. This behavior is reflected in lower weekday occupancy relative to the weekends, a pre-pandemic dynamic that has become more pronounced since the health crisis began. While smaller enterprise bookings are already underway, total domestic business travel spending more broadly is not expected to surpass 2019’s level until 2022 or later. Although some larger corporate events are scheduled for the fall, it will take more than a year for the normal meeting and convention cycle to resume, especially given digital options and constrained overseas transit. Global conference metros, including Washington, D.C., may be impacted by this lag in international business travel.

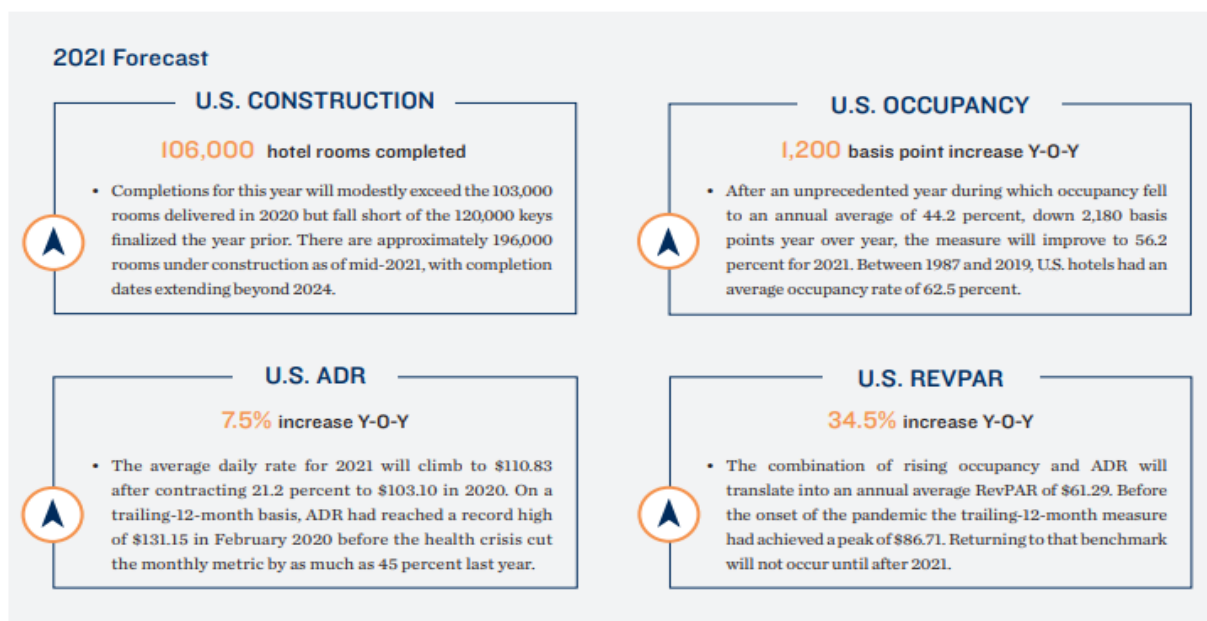
**Hotel distress falls short of expectations.**

As hoteliers’ incomes were drastically disrupted by the health crisis, concerns of potential distress on hospitality assets increased. The greatest concentration of new distress — bankruptcies, loan defaults, court administrations and liquidations — entered the investment market in the second quarter of 2020 when uncertainty was highest. Since then new inflow has lessened, while existing dilemmas have begun to be resolved.



Most remaining issues are tied to outstanding CMBS loans that were transferred to a special servicer. As such, the share of sales involving a hotel under distress increased from under 3 percent before the pandemic to over 18 percent in the first quarter of this year. That ratio is inflated, however, by the fact that total hotel acquisition dollar volume remains historically subdued. On the basis of dollar volume, more distressed hotel trades occurred in the second quarter of 2018 than within any 90-day period of the past 18 months. Overall, the degree of distressed sales did not reach the severity anticipated at the onset of the health crisis. There are nevertheless pockets of concern, especially in the country’s premier gateway metros, including New York City, San Francisco, Boston and Washington, D.C. High operating costs amid limited demand create steep financial hurdles, especially for assets with pre-existing issues.

**Open Hotels Well on Way Toward Resuming Full Operations**

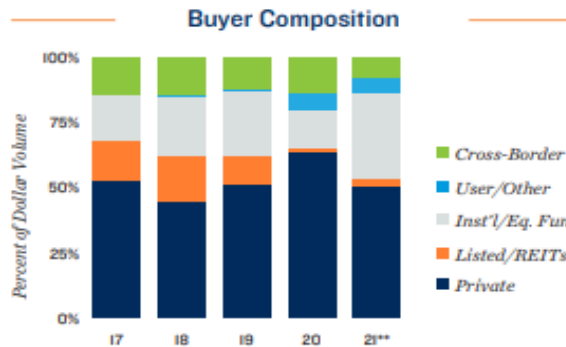
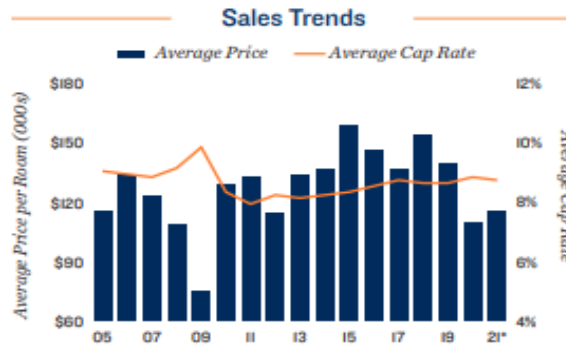


**2021 INVESTMENT OUTLOOK • Transaction velocity reveals signs of normalcy.**

Hotel trading activity plunged to just 20 percent of year-ago levels in the second quarter of 2020 as the health crisis unfurled. Sales velocity has improved in each subsequent quarter, returning to a pre-pandemic level of transactions in March of this year. Investment demand is strongest for limited-service hotels, which comprised over three-fourths of acquisitions in the first quarter of 2021.

Sale prices begin recovery. The comparatively higher volume of limited-service trades during the peak of the health crisis last year contributed to a decline in the overall average sale price per room to \$114,700 for the trailing-12-month period ended in March. While on an upward trajectory from 2020’s mean of \$109,000 per room, the measure is still below the 2019 pre-pandemic benchmark of \$138,800. The average cap rate has meanwhile hovered in the mid-8 to high-8 percent zone, falling to a high-7 percent mean for full-service assets.

Sunbelt states draw attention. Amid the turbulence created by the pandemic last year, hotels in the warm climates of California, Florida, Georgia and Texas led transactions. Relative to what has changed hands so far in 2021, hotels in Colorado, Florida, Oregon and Massachusetts have represented an increased share of trades. The popularity of low-density scenic towns and beaches among recent travelers is likely drawing the attention of buyers seeking properties in strong recovery positions. For investors who amassed capital in preparation for a wave of distress, competition for the lower-than-expected number of assets in acute financial trouble will limit the downward pressure on pricing

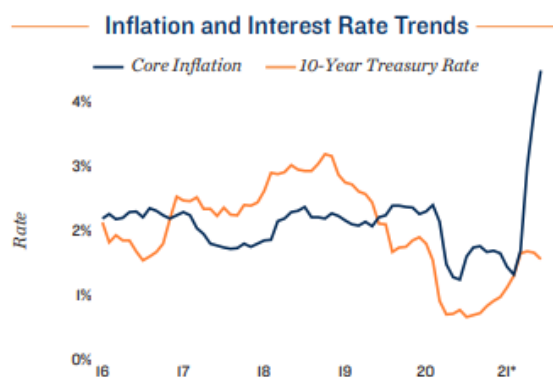


\* Through 1Q \*\* Trailing 12 months through 1Q  
 Includes sales \$2.5 million and greater  
 Source: Real Capital Analytics

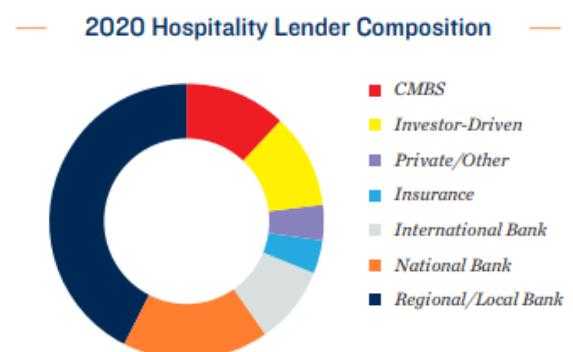
## Capital Availability Remains Constrained for Hospitality; Inflation Concerns Become Apparent

**Fed positions for temporary higher inflation period.** Applying lessons learned from the global financial crisis, Congress and the Federal Reserve acted swiftly to preserve market liquidity and support borrowers amid the pandemic last year. As U.S. infections recede and the economy reopens, attention is shifting to the potential longer-term ramifications of these actions. The rapid increase in money supply from multiple stimulus provisions paired with low interest rates and disrupted supply chains has led to higher inflation, with core CPI climbing 4.5 percent annually in June. While above earlier expectations, the Federal Open Market Committee (FOMC) still considers this a transitory concern and intends to allow inflation to stay above the traditional 2 percent growth target for longer than it has in the past. The Fed also expects to keep the overnight lending rate low for the near future, citing still-high unemployment as one reason to hold off. More committee members are now open to the prospect of raising rates in 2023, however. Current quantitative easing practices will also remain in effect for the time being. The FOMC will wait for more substantial economic progress before tapering asset purchases, although some pandemic period programs have already expired.

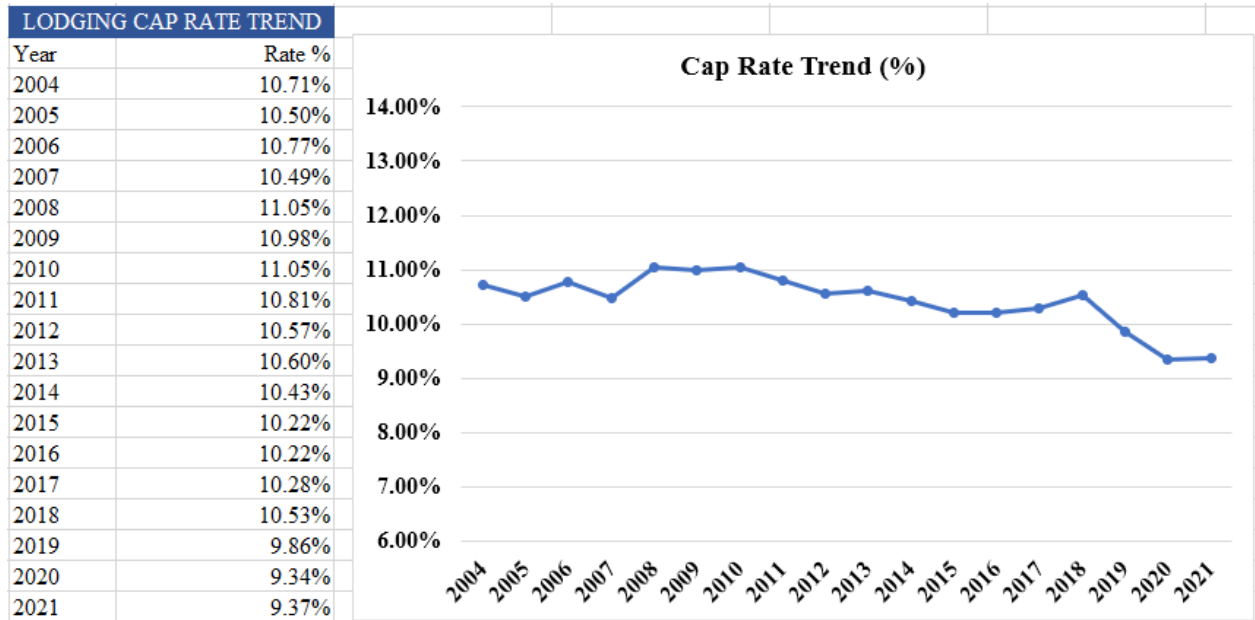
**Financing still difficult to obtain for many hotels, but improving fundamentals brighten outlook.** Following significant disruptions last year, the majority of lenders are now actively lending in relation to a range of commercial real estate. General sentiment is improving, aided by greater population mobility that will help properties in commercial and travel hubs that were disproportionately affected by lockdowns. Lenders are nevertheless favoring borrowers with whom they have an established and positive relationship. A borrower's credit worthiness and track record bear considerable weight when accessing capital, as does recent property performance, including income. This is especially true of hospitality assets, as the lodging industry has been significantly impaired by the health crisis. More opportunities are available for assets that demonstrated durability during the pandemic or since reopening. While hotel occupancies and revenue have been rapidly improving as vaccination rates climb and more people travel, lenders are nevertheless examining deals on a case-by-case basis, placing heavy emphasis on the most recent changes in fundamentals. CMBS lenders are a primary capital source for the property type at the moment, although local and regional banks as well as some debt funds may also provide financing for the right asset. As the hospitality industry recovers the availability of capital for lodging assets is anticipated to expand, aided federal government efforts to maintain liquidity at a general level.



\* Through June  
Sources: BLS; Federal Reserve; Real Capital Analytics



The RealtyRates.com historical cap rate trend data indicate a continued general decline in the cap rate as of Fourth Quarter 2021.



Source: RealtyRates.com

## Overview

### Springfield/Fairborn Hospitality

12 Mo Occupancy	12 Mo ADR	12 Mo RevPAR	12 Mo Supply	12 Mo Demand
<b>55.1%</b>	<b>\$80.81</b>	<b>\$44.55</b>	<b>1.3M</b>	<b>728.4K</b>

Springfield/Fairborn is smaller than the typical U.S. hotel submarket, and contains around 3,800 rooms spread over 49 properties. That adds up to about a third of the Dayton/Springfield market's hotel inventory. Hotels are somewhat smaller in Springfield/Fairborn than they are in the broader market, and have 77 rooms on average. The market-wide average of 90 rooms-per-building is more in line with the national norm.

The U.S. hospitality sector endured an unprecedented shock at the onset of the COVID-19 pandemic, and occupancies in the Springfield/Fairborn submarket itself bottomed out at 27.1% in April 2020. But with the low-point of the pandemic now in the rearview mirror, conditions are improving. Around 48,000 rooms were sold in the month of December, a considerable 27.6% increase compared to the same month the prior year.

Twelve-month RevPAR was recently climbing at an exceptionally strong rate: As of December, twelve-month average RevPAR in the Springfield/Fairborn hotel submarket was up 53.8%, in line with the similarly impressive market-wide average.

While developers are active elsewhere in the Dayton/Springfield market—360 rooms are underway—nothing is under construction in the submarket itself. While the pipeline is now empty, the submarket did see a 95-room hotel deliver within the past three years. That was partially offset by the demolitions of several smaller hotels, which contained around 48 rooms in total.

Springfield/Fairborn recorded 3 hotel trades over the past year—a bit below the norm over the past several years.

#### KEY INDICATORS

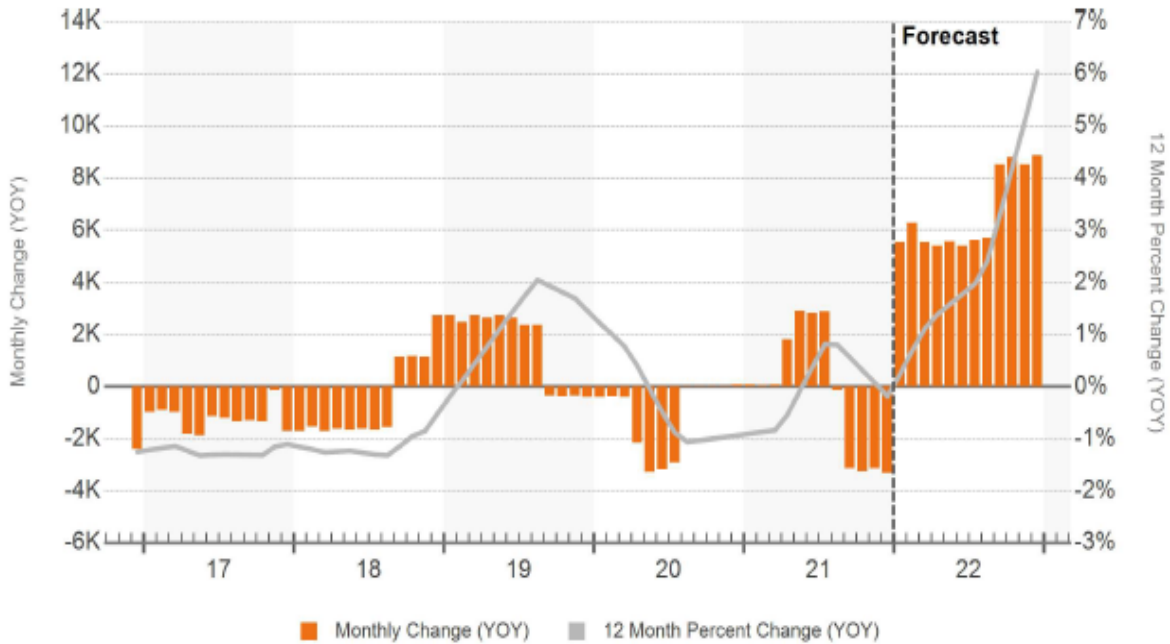
Class	Rooms	12 Mo Occ	12 Mo ADR	12 Mo RevPAR	12 Mo Delivered	Under Construction
Luxury & Upper Upscale	-	-	-	-	0	-
Upscale & Upper Midscale	1,947	57.7%	\$99.22	\$57.28	0	0
Midscale & Economy	1,826	52.6%	\$61.05	\$32.10	0	0
<b>Total</b>	<b>3,773</b>	<b>55.1%</b>	<b>\$80.81</b>	<b>\$44.55</b>	<b>0</b>	<b>0</b>

Average Trend	Current	3 Mo	YTD	12 Mo	Historical Average	Forecast Average
Occupancy	43.4%	51.1%	55.1%	55.1%	56.6%	66.9%
Occupancy Change	31.4%	31.0%	31.3%	31.3%	-2.1%	4.2%
ADR	\$78.20	\$82.04	\$80.81	\$80.81	\$79.93	\$98.31
ADR Change	21.2%	21.0%	17.1%	17.1%	0.9%	5.1%
RevPAR	\$33.91	\$41.94	\$44.55	\$44.55	\$45.23	\$65.74
RevPAR Change	59.2%	58.5%	53.8%	53.8%	-1.2%	9.5%

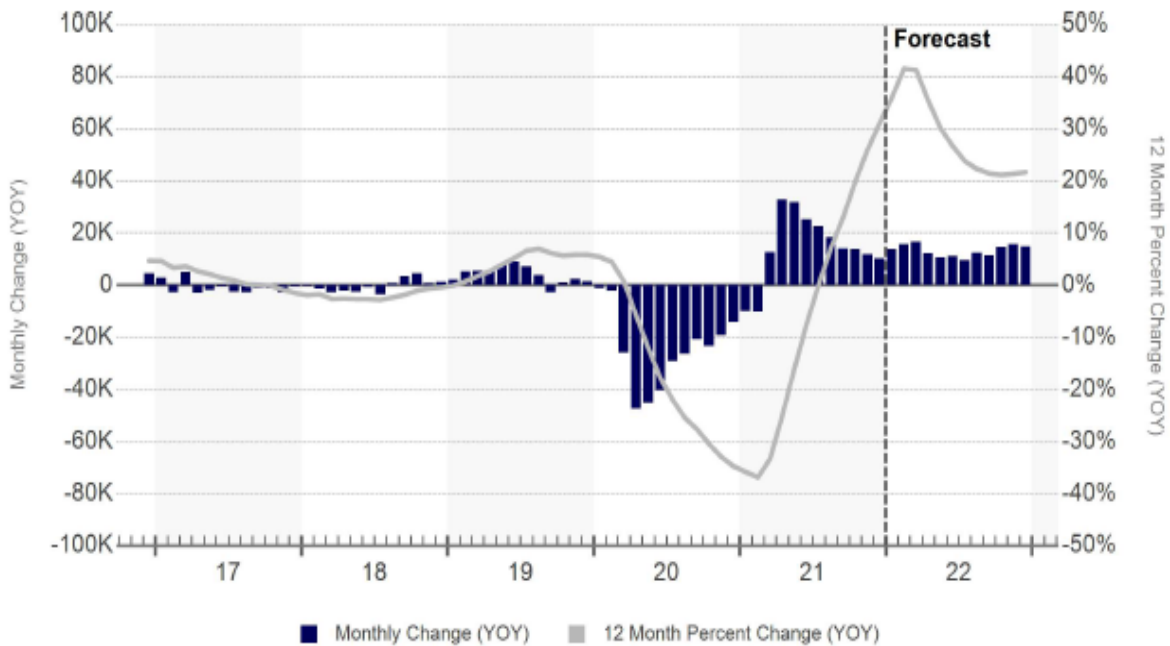
# Performance

Springfield/Fairborn Hospitality

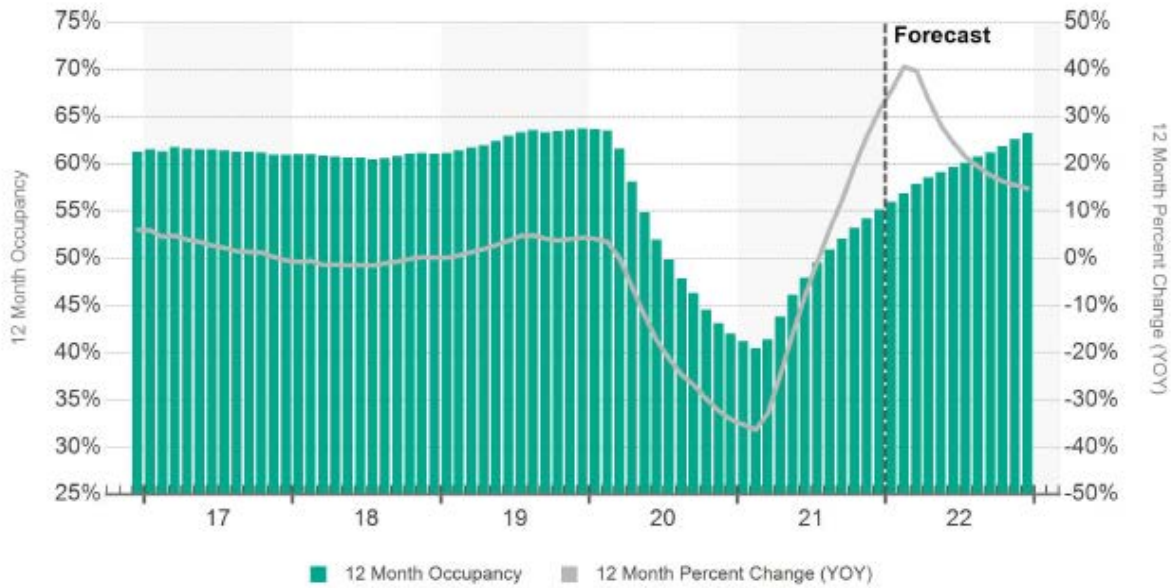
## SUPPLY CHANGE



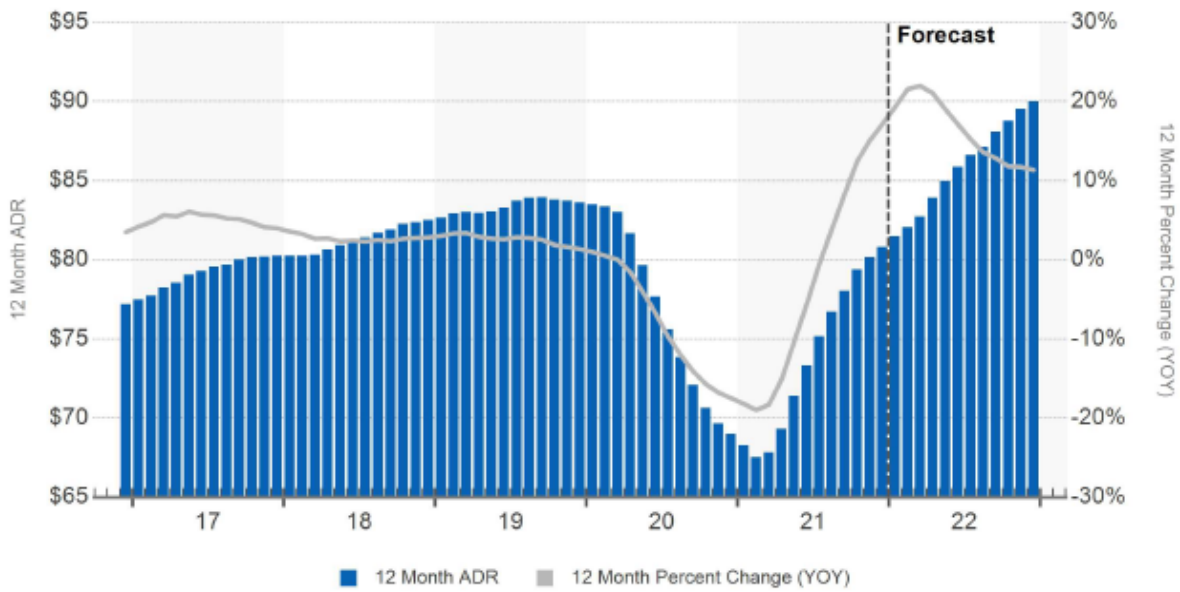
## DEMAND CHANGE



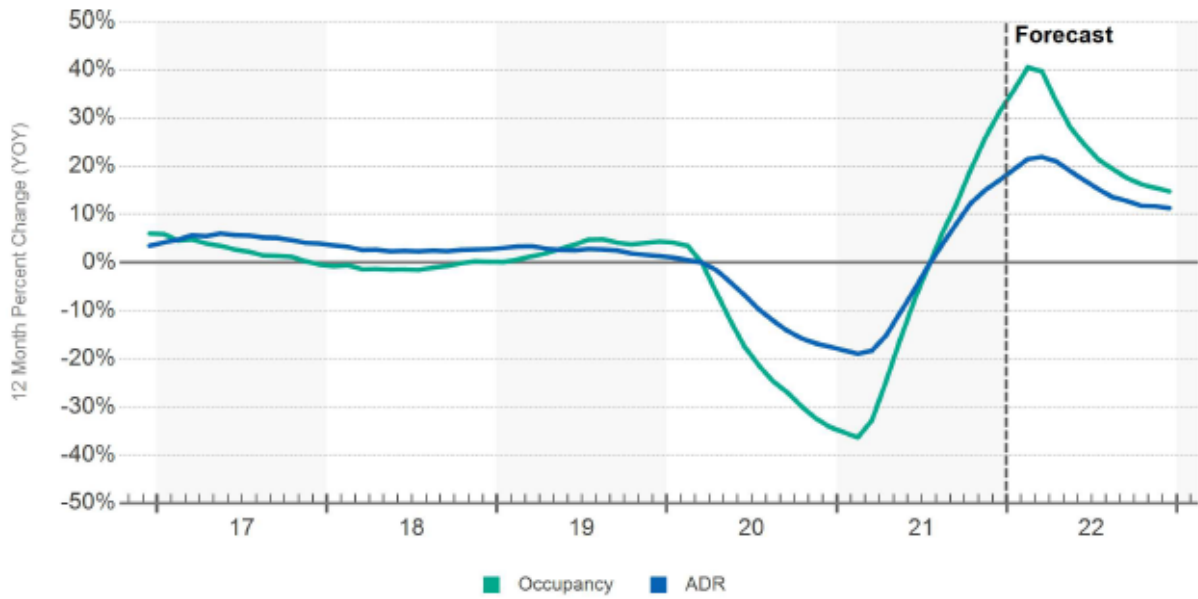
**OCCUPANCY**



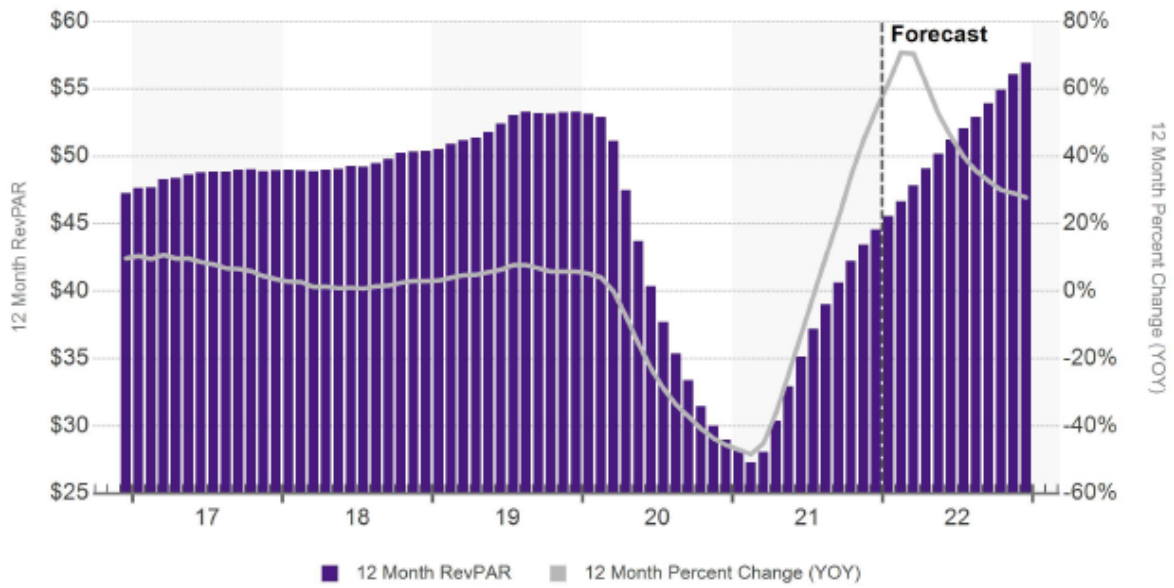
**ADR**



**OCCUPANCY & ADR CHANGE**



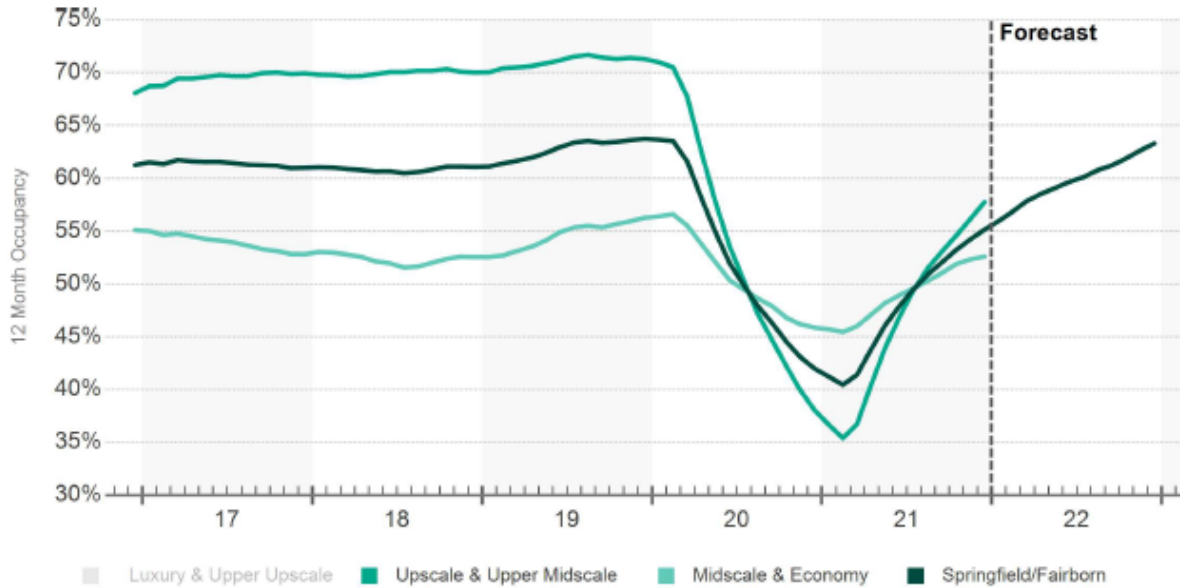
**REVPAR**



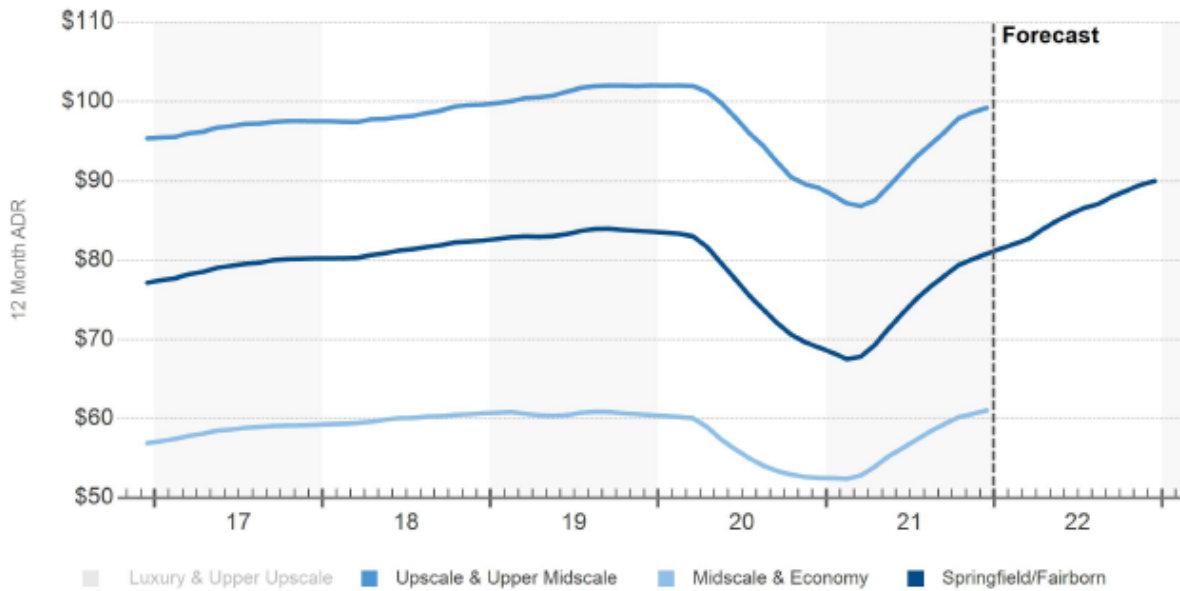
# Performance

## Springfield/Fairborn Hospitality

### OCCUPANCY BY CLASS



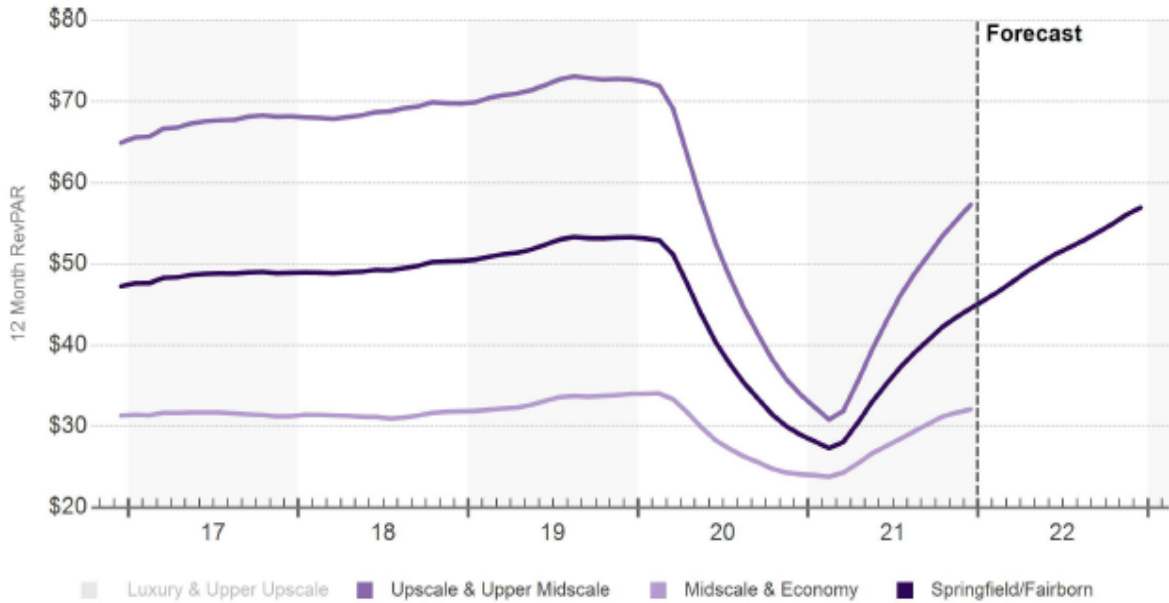
### ADR BY CLASS



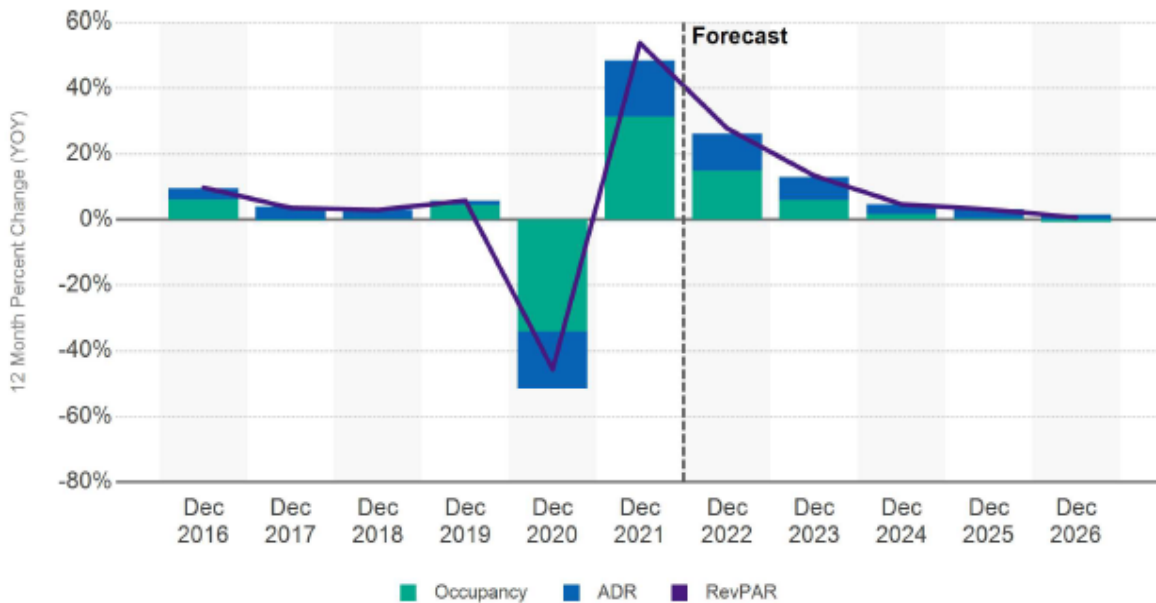
# Performance

Springfield/Fairborn Hospitality

## REVPAR BY CLASS



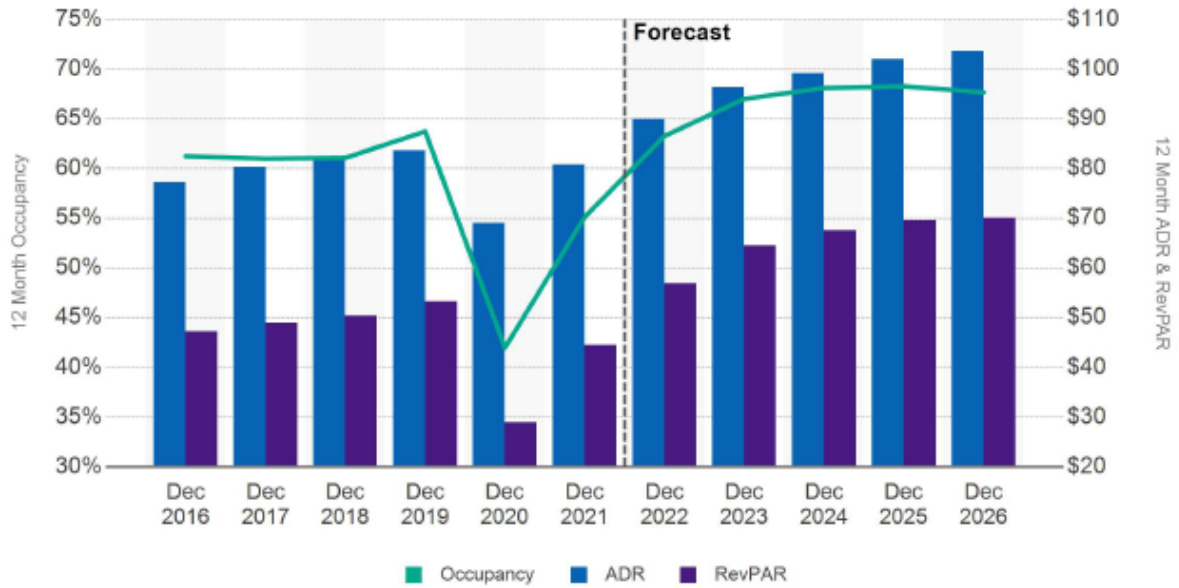
## REVPAR GROWTH COMPOSITION



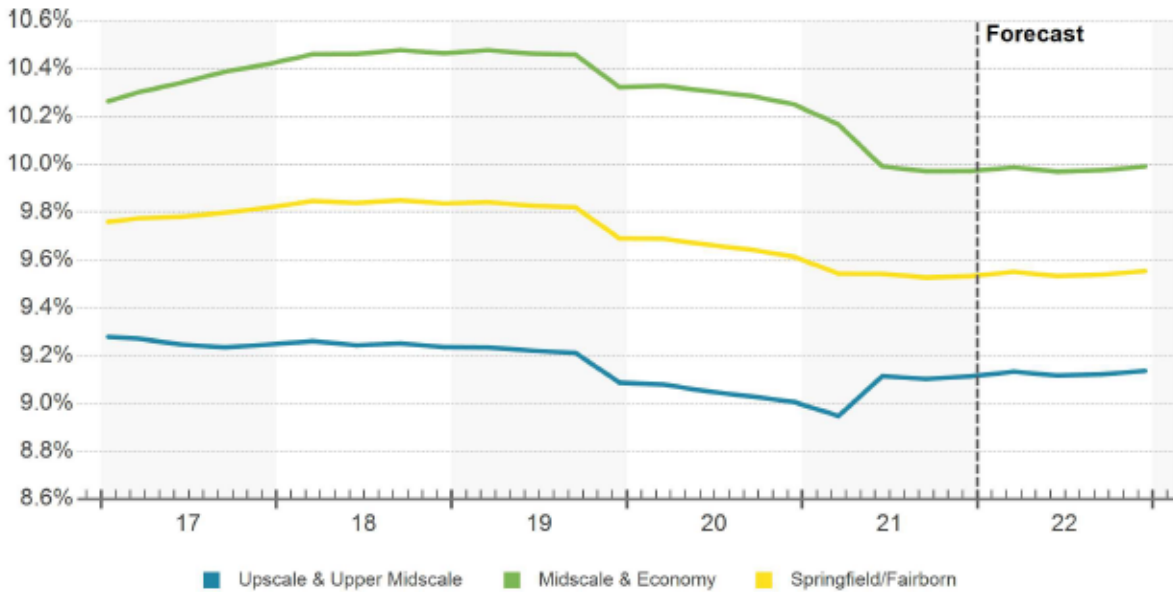
# Performance

Springfield/Fairborn Hospitality

## OCCUPANCY, ADR & REVPAR



## MARKET CAP RATE

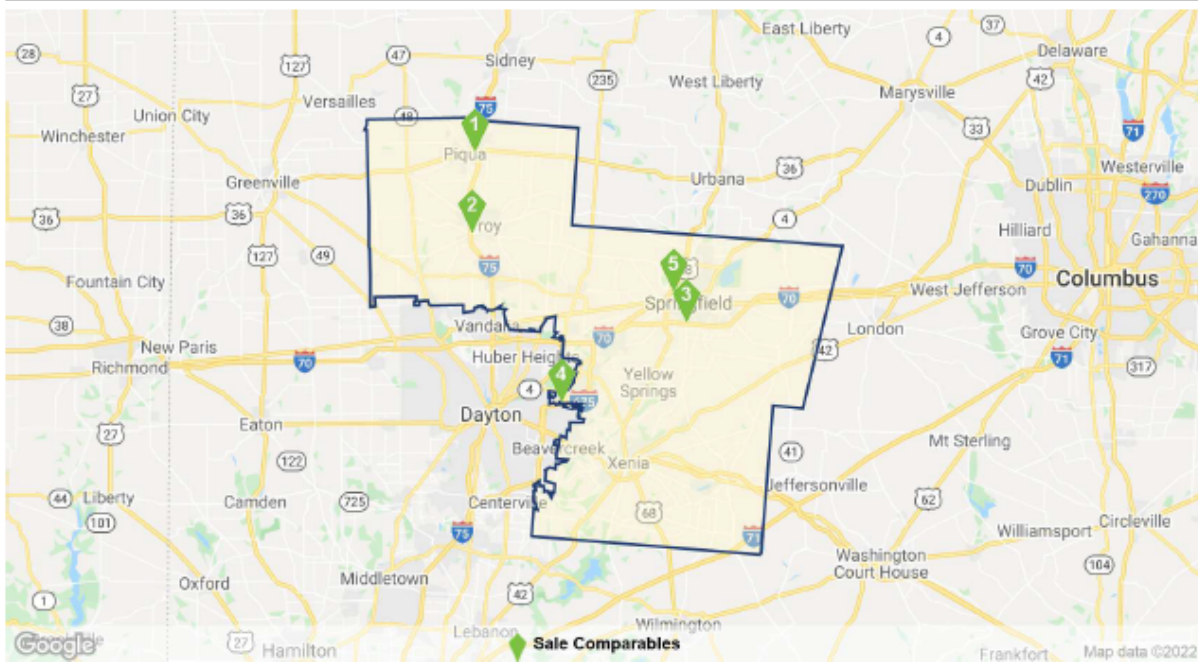


# Sales Past 12 Months

## Springfield/Fairborn Hospitality

Sale Comparables	Average Price/Room	Average Price	Average Cap Rate
<b>5</b>	<b>\$23K</b>	<b>\$2.1M</b>	<b>-</b>

### SALE COMPARABLE LOCATIONS



### SALE COMPARABLES SUMMARY STATISTICS

Sale Attributes	Low	Average	Median	High
Sale Price	\$915,000	\$2,113,400	\$2,325,200	\$3,100,000
Price/Room	\$9,150	\$22,563	\$29,065	\$30,693
Cap Rate	-	-	-	-
Time Since Sale in Months	7.3	9.0	9.0	10.2
Property Attributes	Low	Average	Median	High
Property Size in Rooms	61	80	80	101
Number of Floors	2	3	3	5
Total Meeting Space	750	2,101	2,101	3,452
Year Built	1970	1985	1988	2000
Class	Economy	Upper Midscale	Upper Midscale	Upper Midscale

**Subject Specific**

**Property Productivity Analysis**

The subject property is a two story, 78 room, economy limited service lodging facility, containing 29,656 SF of GBA on a 0.952 acre site of typical functional design and is considered to be of Average overall condition and of average quality of construction. It is located in the Springfield-Fairborn submarket surrounded by institutional and commercial applications, associated with the Springfield CBD.

The improvements consist of a 78-room, one building, two-story interior/exterior corridor, economy limited service lodging facility. It contains approximately 29,656 square feet and is of Class C construction according to Marshall Valuation Service with concrete block framing with the exterior of the improvements concrete block. The improvements have an office/lobby, laundry facilities, and ice/vending machines. There is an 843 SF full service restaurant on site, leased by the owner. The guest room mix is approximately 40% (31) King Suites and 60% (47) Double Queen Suites

The subject property is legally conforming, and no conversion/ zoning change appears logical.

**KEY INDICATORS**

Class	Rooms	12 Mo Occ	12 Mo ADR	12 Mo RevPAR	12 Mo Delivered	Under Construction
Luxury & Upper Upscale	-	-	-	-	0	-
Upscale & Upper Midscale	1,947	57.7%	\$99.22	\$57.28	0	0
Midscale & Economy	1,826	52.6%	\$61.05	\$32.10	0	0
<b>Total</b>	<b>3,773</b>	<b>55.1%</b>	<b>\$80.81</b>	<b>\$44.55</b>	<b>0</b>	<b>0</b>

Average Trend	Current	3 Mo	YTD	12 Mo	Historical Average	Forecast Average
Occupancy	43.4%	51.1%	55.1%	55.1%	56.6%	66.9%
Occupancy Change	31.4%	31.0%	31.3%	31.3%	-2.1%	4.2%
ADR	\$78.20	\$82.04	\$80.81	\$80.81	\$79.93	\$98.31
ADR Change	21.2%	21.0%	17.1%	17.1%	0.9%	5.1%
RevPAR	\$33.91	\$41.94	\$44.55	\$44.55	\$45.23	\$65.74
RevPAR Change	59.2%	58.5%	53.8%	53.8%	-1.2%	9.5%

Furthermore, the submarket area in general is considered to be in a stable trend based upon its life cycle with limited to no new construction noted for all segments in conjunction with moderately favorable at best demographic characteristics. The current trend is projected to continue over the next twelve to twenty-four months.

**Market Area Boundaries**

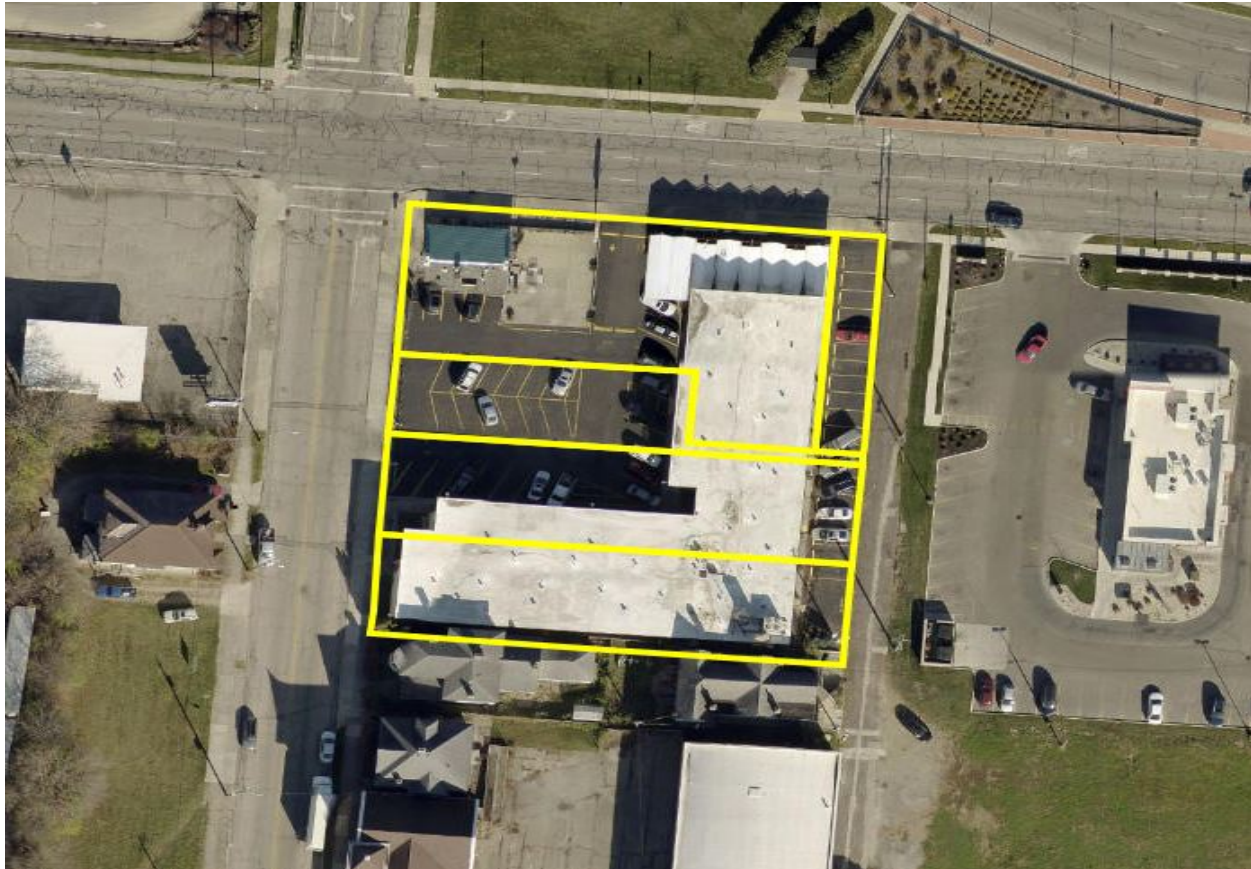
Market delineation is the process of defining the specific market and trade areas as well as the most probable users of the subject property. In this instance, the subject market area is defined as the Springfield-Fairmont submarket. The defined area for the subject appears to be the most logical based upon use of the subject's as a lodging facility. Furthermore, the most probable user of the subject's hotel rooms is limited service/ economy scale short-term guests.

**Demand and Supply Interaction**

Based upon the interrelationship of the identified demand and supply, the market is considered to be in the stable/contraction phase. Per our research, there is no new similar construction within the submarket, though with stable demand as indicated by the market report, the supply is anticipated to remain in balance, thus the lodging industry in the Springfield/Fairborn market is anticipated to remain in balance over the forecast period. Furthermore, taking into consideration the physical and locational characteristics of the subject; the overall marketability and competitive position based upon the defined sub-market location is considered moderately favorable at best.

**SUMMARY LAND/SITE DESCRIPTION:**

Address: 325 W Columbia Street, Springfield, Ohio 45504  
 Size: Approximately 29,656 SF or 0.952 Acres



**IDENTIFICATION OF THE SUBJECT**

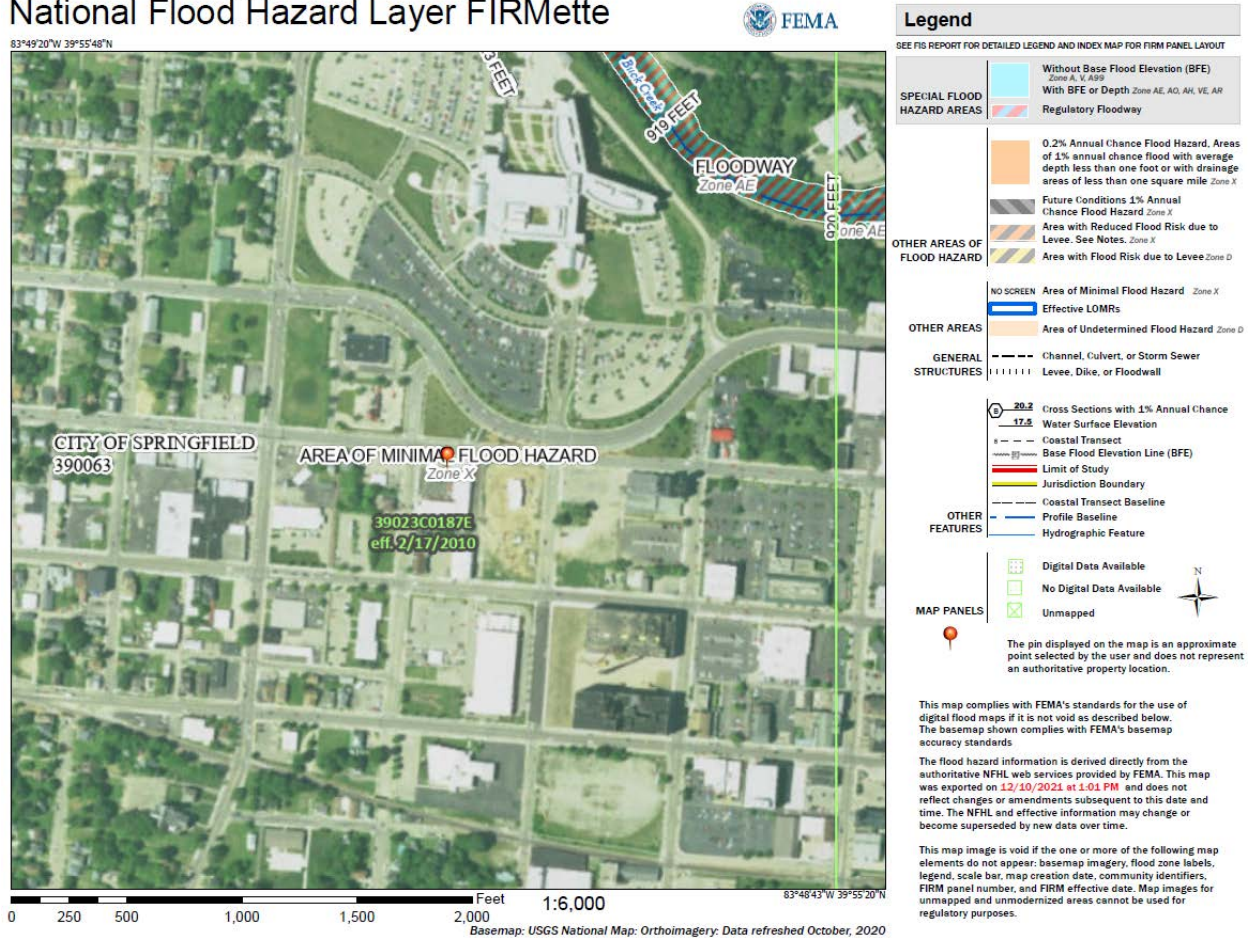
No.	Parcel Id	Address	Land	Building	Market Value	Annual R/E Taxes	Land Size (Ac)
1	3400700035320001	325 W Columbia St	\$57,260	\$548,110	\$605,370	\$15,476.12	0.329
2	3400700035320002	30 N Plum St	\$21,060	\$2,100	\$23,160	\$592.28	0.121
3	3400700035320003	W Columbia St	\$8,400	\$940	\$9,340	\$238.86	0.048
4	3400700035320004	26 N Plum St	\$39,600	\$3,310	\$42,910	\$1,097.10	0.227
5	3400700035320005	22 N Plum St	\$39,600	\$0	\$39,600	\$1,012.38	0.227
<b>TOTAL:</b>			<b>\$165,920</b>	<b>\$554,460</b>	<b>\$720,380</b>	<b>\$18,416.74</b>	<b>0.952</b>

Shape: Rectangular  
 Topography: Mostly level  
 Utilities: The site has all public utilities

Flood Zone:

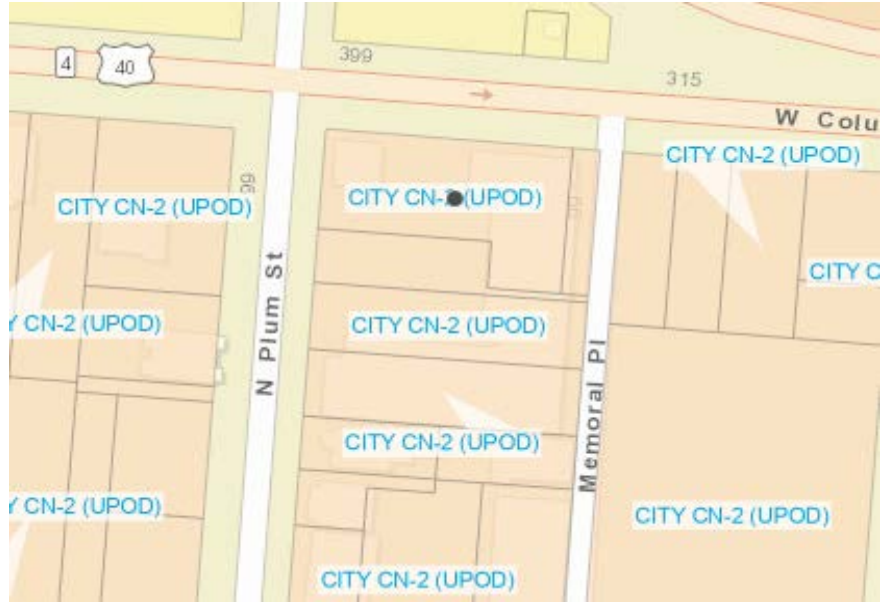
According to the Federal Emergency Management Agency Flood Insurance Rate Map Community Panel Number 39023C0187E, dated February 17, 2010, the subject site does not appear to be located within a designated floodplain (Zone X).

### National Flood Hazard Layer FIRMette



Zoning:

According to local zoning officials, the subject property is zoned UPOD, Neighborhood Commercial District. The creation of this district is intended to provide for developable areas where a compatible mix of commercial, hospitality, office and retail land uses permitting flexibility in design and dimensional requirements within a commercial district. The permitted uses within the district is subject to typical set back, density requirements and site considerations. Thus, the subject's lodging use is considered legally conforming use.



**Environmental Disclaimer:** Unless otherwise stated within this report, the existence of any other hazardous material, which may or may not be present on the subject property, was not observed by the appraiser. The Fair Market Value Estimate is predicated on the assumption that there is not a significant amount of hazardous material on or in the subject property that would cause a loss in value. However, no responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. Thus, we recommend engaging an expert in this field to determine if any such conditions exist.

**Site Improvements:** In addition to the building improvements the site is improved with asphalt paved parking lot (7,000 SF Asphalt Paving), concrete sidewalks, fencing, canopies, and balconies, a 1,824 SF concrete patio, and landscaping in average condition. Furthermore, the site is served with the typical public water and sewer, electric, natural gas and telephone services as previously indicated.

**Conclusion:** The subject's site is adequate in size to support the improvements with limited parking areas. Ingress and egress are adequate with access/frontage along N Plum Street and W Columbia Street. Frontage and depth relationship is adequate. Highway/ Interstate access is average. Thus, overall site rating is considered moderately favorable.

## SUMMARY IMPROVEMENT DESCRIPTION:



The subject property is a two story, 78 room, economy limited service lodging facility, containing 29,656 SF of GBA on a .952 acre site of typical functional design and is considered to be of average overall condition and of average quality of construction. The improvements consist of a 78-room, one building, two-story interior/exterior corridor, economy limited service lodging facility. It contains approximately 29,656 square feet and is of Class C construction according to Marshall Valuation Service with concrete block framing with the exterior of the improvements concrete block. The improvements have an office/lobby, laundry facilities, and ice/vending machines. There is an 843 SF full service restaurant on site, leased by the owner. Average quality brick building with a pitched metal roof built in 1963. The guest room mix is approximately 40% (31) King Suites and 60% (47) Double Queen Suites.

The interior of the rooms is of a dated economy design, with comparable trims and finishes. The facilities have been adequately maintained. The mechanical systems are considered to be adequate for the use. Hence, overall the subject improvements are considered to be of moderately favorable functional utility in terms of size and design as a lodging facility. Other physical traits are as follows:

**General Data:**

Year Built: 1963  
Building Area: 29,656 SF GBA  
Land to Building Ratio: 1.36:1.00 (including restaurant SF)  
Overall Condition: Average

**Construction Detail:**

Foundation: Poured concrete  
Framing: CB framing, Class C construction according to Marshall Valuation Service.  
Exterior Walls: Concrete Block  
Floor Construction: Poured concrete on the first floor with the upper floor having wood sub-flooring covered by lightweight concrete.  
Roof : Pitched Metal  
Windows: Metal frame with no sliding function  
Elevators: None (Several Staircases)

**Mechanical Detail:**

HVAC: Gas fired forced air split system rooftop mounted units.  
Common Areas  
Guest Rooms Same  
Sprinklers: None  
Electric: Assumed to be adequate for existing use.  
Lighting: Typically, fluorescent, recessed, and wall sconces

**Interior Finish:**

Layout: Guest rooms, foyer/ lobby, registration area, office, laundry (2), and various support areas.  
Ceilings: Drywall and/or acoustical tile  
Walls: Primarily drywall painted finish and/or wall covering, wood, and concrete block throughout.  
Floor Covering: The units have carpeting, vinyl and/or tile flooring.  
Lighting: Incandescent and fluorescent

**Site Improvements:**

Lighting: Building lights and security lights  
On-Site Parking: Approximately 7,000 SF asphalt paving  
Landscaping: Typical limited landscaping

**Overall Condition:** Average

**Remaining Economic Life:** 15 Years

**Comments:** The subject property is of average overall condition and of functional design and appeal. Furthermore, with limited deferred maintenance, thus there are no diminishing factors/issues to take into account other than what was previously indicated, if applicable.

## HIGHEST AND BEST USE SUMMARY:

### 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. (IVS)
3. [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions)<sup>9</sup>

### As though vacant:

The subject site consists of multiple irregular shaped tax parcels in the City of Springfield, Clark County, Ohio. The subject site is zoned UPOD, Neighborhood Commercial District which primary purpose is for commercial related uses. The site contains a total of approximately 0.952 acres and in addition, there are no known unusual deed restrictions encumbering the subject, which could limit potential use. Thus, the subject site is considered to have a fairly wide range of physically possible and legally permissible uses. Furthermore, we have assumed that the site is “clean”, without any detrimental environmental issues.

The next step in the analysis is to consider the maximally productive use of the site and can be demonstrated financially feasible. As briefly introduced in the neighborhood analysis, the subject site is surrounded by commercial and institutional related uses, in conjunction with the neighboring Springfield CBD, with interspersed special use applications with some available land for development. Furthermore, based upon an inferred market analysis, the current demand for developable commercial land and/or other permissible uses are considered to be moderate for most applications, and per the feasibility rent analysis as a lodging facility, is considered to be limited, thus the site as if vacant should not be developed accordingly since the market rent is less in relation to the feasibility rent (no other alternative use appears logical). Thus, taking into consideration the physical characteristics, neighboring land uses, current zoning and other factors as noted, the highest and best use of the subject, as though vacant, would appear to be for holding for the development of a lodging facility and/or related commercial use, when demand warrants.

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<sup>9</sup> Source: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed., s.v. “highest and best use” (Chicago: Appraisal Institute, 2015), PDF e-book.

**As though improved:**

The subject property consists of a two story, 78 room, economy limited service lodging facility, containing 29,656 SF of GBA on a 0.952-acre site with a building ratio of 1.40:1 including the restaurant building. The subject's construction is of average quality construction and finish with moderately favorable characteristics and is considered to be of average overall condition. Parking is considered adequate although limited, and the site is served with all public utilities. Hence, the subject is physically possible and based upon the current UPOD, Neighborhood Commercial District; the existing use is considered legally conforming. The surrounding area is dominated by similar commercial and institutional applications; therefore, the subject is considered conforming to the immediate area.

We have projected the subject at 52.5% occupancy (physical occupancy), based upon the subject's projected income and expense data imputing market ADR and operating expenses (see income approach), it is anticipated that the subject can achieve an acceptable market return. Therefore, the as stabilized hotel facility operating as the Executive Inn is concluded to be feasible and maximally productive, thus the highest and best use as improved.

It is noteworthy the most likely user of the subject suites are business travelers and/or leisure quests, furthermore the most probable buyer would be a regional to local investor due to the subject's income producing characteristics, size and moderate market appeal.

## **SUMMARY OF ANALYSIS AND VALUATION**

### **Overview**

There are three approaches, which may be used to value a property:

- Cost Approach - value is estimated as the current cost of reproducing or replacing the improvements (including an appropriate entrepreneurial incentive or profit), minus the loss in value from depreciation, plus land value.
- Sales Comparison Approach – value is indicated by recent sales of comparable properties in the market.
- Income Capitalization Approach – value is indicated by a property’s earning power, based on the capitalization of income.

One or more approaches to value may be used depending on which approaches are necessary to produce credible assignment results, given the intended use. Each of the three approaches use market derived data and each is normally interrelated, to some degree, with the other. For instance, estimates of accrued depreciation and external obsolescence, necessary within the cost approach, are frequently based upon conclusions found within the sales comparison or income approach. Alternatively, overall and equity capitalization rates, extracted from sales within the sales comparison approach, are normally also applied within the income approach.

Regardless of interrelationship of the various approaches, normally three, sometimes differing value indications, are produced. The final value estimate is then the result of reconciling the multiple indications and placing greatest emphasis upon those considered most appropriate to the appraisal problem at hand. In this instance, two of the three approaches to value were considered to be relevant and shall be completed accordingly.

## **SALES COMPARISON APPROACH**

### **I. Introduction**

The sales comparison approach is based primarily upon the principle of substitution, which affirms that a prudent person will not pay more to rent or buy a property than that price at which an equally desirable property can be acquired. The application of this approach produces a value indication for a property, through comparison with similar properties, referred to as comparable sales. The sale prices of properties judged to be most comparable tend to set a range in which the value indication for the subject property falls. The sales comparison approach is normally applicable to all property types for which there are a sufficient number of recent, reliable transactions, to show the value patterns present in a market.

### **II. Procedure**

When applying the sales comparison approach, an appraiser follows a systematic procedure, whereby the comparable sales are adjusted to impute a value indication for the subject property.

The following steps are normal procedure:

- Research the market to obtain information about transactions and offerings of properties similar to the subject.
- Consult with necessary sources to determine if the obtained data are factually accurate and whether the transactions reflect arms-length market conditions.
- Determine relevant units of comparison and develop a comparative analysis for each unit.
- Compare the subject and comparable sales according to the elements of comparison and adjust the sale price of each comparable as appropriate or eliminate the property as a comparable.
- Reconcile the multiple value indications that result from the comparables into a single value calculation.

### **III. Units of Comparison**

Units of comparison are components into which the property may be divided for comparison purposes. Within the analysis, the price per room has been used.

### **IV. Elements of Comparison**

Elements of comparison are the characteristics of properties and transactions that cause prices to vary. Adjustments are normally made to the price of each comparable property when the differences are quantifiable.

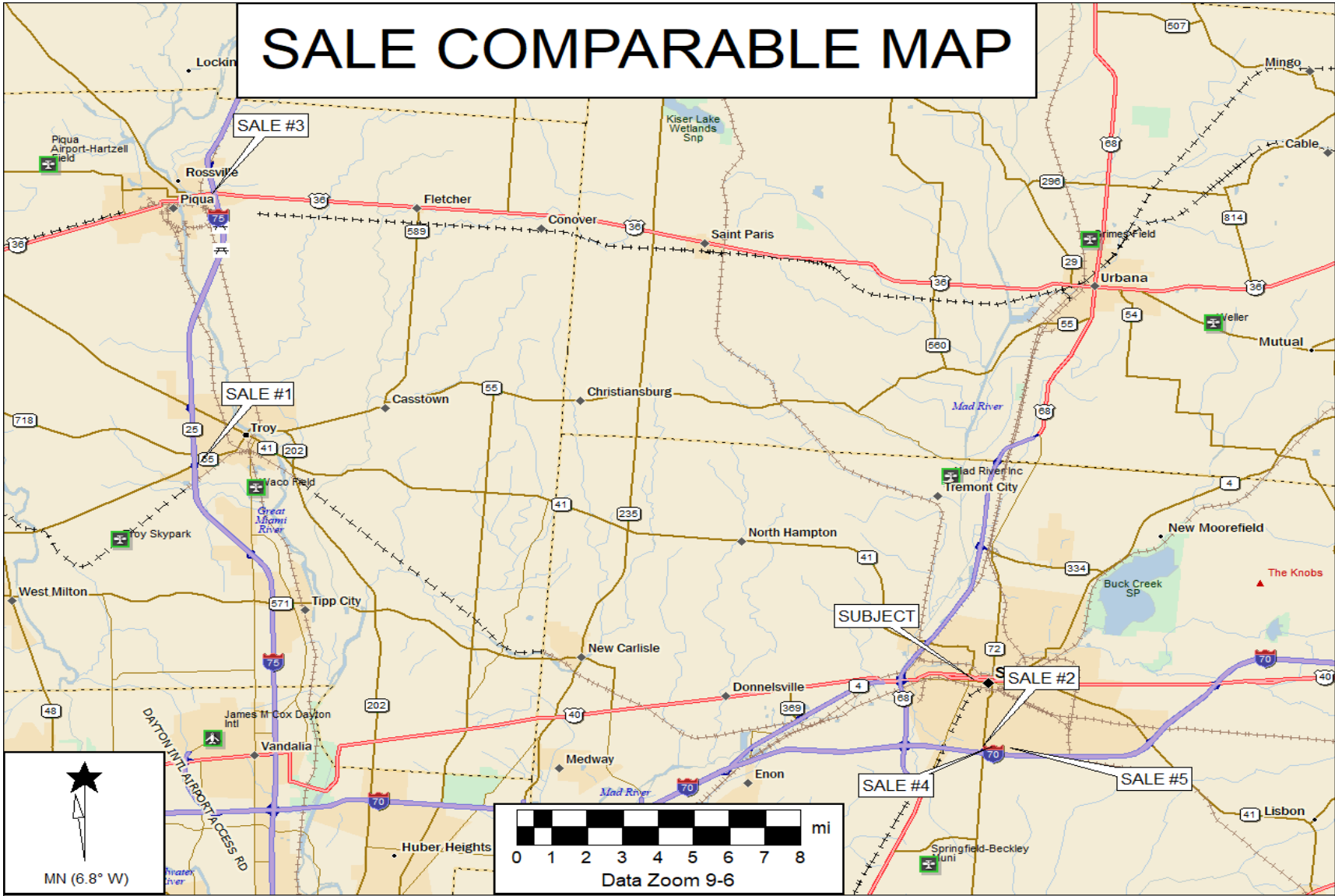
### **V. The Sales**


The presentation of the comparables in the table on the following page, include the most recent similar sales in the subject's market area that the appraiser's research uncovered. More detailed descriptions are found in the Addendum and the appraiser work files. As will be discussed further, the sales comparison approach is considered a secondary approach only to provide support for the income capitalization approach.

### IMPROVED SALES SUMMARY TABLE

<u>No</u>	<u>Location</u>	<u>Sale Date</u>	<u>Sale Price</u>	<u>Rooms</u>	<u>Price/Room</u>	<u>Size (SF)</u>	<u>Price / (SF)</u>
1	Motel 6, 1260 S Dorset, Troy	5/14/2021	\$2,325,200	80	\$29,065	44,000	\$52.85
2	USA Inn & Suites, 2 W Leffel Lane, Springfield	6/21/2021	\$915,000	100	\$9,150	58,064	\$15.76
3	Baymont Inn & Suites, 950 E Ash Street, Piqua	9/25/2020	\$2,600,000	70	\$37,143	22,512	\$115.49
4	Baymont Inn & Suites, 319 E Leffel Lane, Springfield	1/15/2020	\$1,158,000	44	\$26,318	27,566	\$42.01
5	Quality Inn, 383 E Leffel Lane, Springfield	8/6/2019	\$2,400,000	150	\$16,000	110,000	\$21.82

# SALE COMPARABLE MAP



 **DELORME**  
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www.delorme.com

**IMPROVED SALES COMPARISON GRID**

	<b>Subject</b>	<b>Sale #1</b>		<b>Sale #2</b>		<b>Sale #3</b>		<b>Sale #4</b>		<b>Sale #5</b>		
	"Executive Inn" 325 W Columbia Street, Springfield, Ohio	"Motel 6" 1260 S Dorset Road, Troy, Ohio		"USA Inn & Suites" 2 W Leffel Lane, Springfield, Ohio		"Baymont Inn" 950 E Ash Street, Piqua, Ohio		"Baymont Inn" 319 E Leffel Lane, Springfield, Ohio		"Quality Inn" 383 E Leffel Lane, Springfield, Ohio		
Item	Info	Info	Adj.	Info	Adj.	Info	Adj.	Info	Adj.	Info	Adj.	
Sale Price	N/A	\$2,325,200		\$915,000		\$2,600,000		\$1,158,000		\$2,400,000		
Price per Unit	N/A		\$29,065		\$9,150		\$37,143		\$26,318		\$16,000	
Property Right Conveyed	Fee Simple	Fee Simple		Fee Simple		Fee Simple		Fee Simple		Fee Simple		
Financing	Assume cash to seller	Cash Equivalent		Cash Equivalent		Cash Equivalent		Cash Equivalent		Cash Equivalent		
Conditions of Sale	Assume arm's length	Arm's Length		Arm's Length		Arms length		Arms length		Arms Length		
Market Conditions	2/1/2022	5/14/2021		6/21/2021		9/25/2020		1/15/2020		8/6/2019		
<b>Subtotal Adjusted Unit Price after Transactional Adjustments</b>			<b>\$29,065</b>		<b>\$9,150</b>		<b>\$37,143</b>		<b>\$26,318</b>		<b>\$16,000</b>	
<b>Location</b>	Springfield/ Average	Troy / Superior	-10%	Springfield / Similar		Piqua/ Similar		Springfield/ Similar		Springfield/ Similar		
<b>Building Age</b>	1963	1970		1974		1998	-5%	1994	-5%	1972, ren		
<b>Condition</b>	Average	Average		Poor	30%	Good	-20%	Average		Poor (Roof)	40%	
<b>Design/Quality of Constr.</b>	2st CB/CB facade Average	2St Masonry Similar		2St Masonry Similar		3st St Fr/ EIFS/Br Similar		2st St Fr/ EIFS/Br Similar		2 St Fr/ Mas Similar		
<b>Aggregate S.F.</b>	29,656	44,000		58,064	5%	22,512		27,566		110,000	10%	
<b>Mechanical Systems/Equip</b>	FA/CA	Similar		Similar		Similar		Similar		Similar		
<b>Room Count</b>	78	80		100		70		44	-5%	150		
<b>Site Influences (L-B Ratio; Parking Fac.)</b>	1.36:1.00 On-site parking	6.23:1.00 On-site parking	-5%	4.03:1.00 On-site parking	-5%	3.17:1.00 On-site parking		2.05:1.00 On-site parking		2.78:1.00 On-site parking		
<b>Amenities</b>	Vending, Laundry, Leased Restaurant (Rev)	Inferior	10%	Inferior	10%	Inferior	10%	Inferior	10%	Similar (Conference Cntr.)		
<b>Subtotal Adjustments</b>			<b>-5%</b>		<b>40%</b>		<b>-15%</b>		<b>0%</b>		<b>50%</b>	
<b>Net Adjustments</b>			<b>-5%</b>		<b>40%</b>		<b>-15%</b>		<b>0%</b>		<b>50%</b>	
<b>Final Adjusted Price/ Room</b>		<b>\$27,612</b>		<b>\$12,810</b>		<b>\$31,572</b>		<b>\$26,318</b>		<b>\$24,000</b>		
<b>Adjusted Statistical Indicators</b>	<b>Per Room</b>	<b>VALUE INDICATOR - SCA</b>										
	Mean:	\$24,462	<b>Opinion of Value - SCA:</b>									\$2,100,000
	Median:	\$26,318	<b>Rounded:</b>									
	Max:	\$31,572										
	Min:	\$12,810										
	Indicated Value/ Unit:	\$27,000										

**SUMMARY OF ANALYSIS (SCA)** –The sales comparison approach is frequently considered the most reliable indicator of value, as it directly reflects prices currently being paid for comparable properties within the local market. This approach typically provides a highly supportable estimate of value for relatively homogeneous properties where adjustments are few and relatively simple to compute. In this case, the five comparables summarized and presented in detail on the previous pages had a generally average degree of similarity and provided a fairly narrow range of values after adjustments were made.

The included five comparable sales have provided an overall range of values from \$9,150 to \$37,143 per room prior to adjustments. From a purely statistical point of view, after implementing transactional, physical and non-realty adjustments, the comparables provided the following adjusted indicators:

<u>Adjusted Statistical Indicators</u>	<u>Per Room</u>
<b>Mean:</b>	<b>\$24,462</b>
<b>Median:</b>	<b>\$26,318</b>
<b>Max:</b>	<b>\$31,572</b>
<b>Min:</b>	<b>\$12,810</b>
<b>Indicated Value/ Unit:</b>	<b>\$27,000</b>

In addition to a quantifiable analysis of the comparables as discussed above and summarized on the sales comparison grid, we completed a qualitative ranking analysis as indicated below.

<b>RANKING ANALYSIS</b> (After Transactional Adjustments)				
<u>Sale No.</u>	<u>Comparability</u>	<u>Sale Price</u>	<u>Rooms</u>	<u>Price/ Room</u>
3	Superior	\$2,600,000	70	\$37,143
1	Superior	\$2,325,200	80	\$29,065
Subject	N/A	TBD	78	TBD
4	Similar	\$1,158,000	44	\$26,318
2	Inferior	\$915,000	100	\$9,150
5	Inferior	\$2,400,000	150	\$16,000

After analyzing the five sales, the subject's price per room indicator was concluded at about **\$27,000 per room** or **\$2,100,000 (rounded)** which is based on the adjusted sale price of all sales, with more reliance on Sales #1 and #4, lease overall adjustments.

## INCOME CAPITALIZATION APPROACH

The income capitalization approach to value consists of methods, techniques and mathematical procedures that an appraiser uses when analyzing a property's capacity to generate income and when converting the future benefits into an indication of present value. An investor who purchases income-producing real estate is essentially trading a sum of present dollars for the right to receive future dollars.

The procedures included within the approach are generally divided as two categories: direct capitalization and yield capitalization. Each method is based upon differing measures of earnings expectations and upon differing assumptions regarding the relationship between expected earnings and value.

### Direct Capitalization

Direct capitalization is a method used to convert a single year's income expectancy into an indication of value in one direct step. The subject's income is divided by an appropriate rate or multiplied by an appropriate factor. The chosen rate or factor represents the relationship between income and value as observed in the market. The rate or factor is revealed in comparable sales analysis by dividing income, usually annual net operating income, by sale price.

The first step is then to derive the appropriate overall capitalization rate for use in the direct capitalization analysis. In this instance, we have utilized the overall capitalization rate method (no. 1) and the gross room revenue multiplier (GRRM) method (no. 2) to derive at the subject's opinion of value as is.

The following general steps were completed to derive an opinion of value via the direct capitalization method no 1:

- Step 1: Project Income Expectancy (one year)
- Step 2: Derive an Overall Capitalization Rate
- Step 3: Conclusion: 
$$\frac{\text{NOI}}{R_o} = \text{Final Value Opinion via Direct Capitalization}$$

The following general steps were completed to derive the opinion of values via the direct capitalization method no. 2:

- Step 1: Project Revenue Expectancy for each property
- Step 2: Derive a gross room revenue multiplier from comparable market data
- Step 3: Conclusion: Projected Revenue x Gross Room Revenue Multiplier = Final Value Opinion via Direct Capitalization

On the following pages is the subject's revenue and expenses projection as is. In this instance, we utilized a specifically selected competitive trending report published by CoStar based on STR (Smith Travel Research) to determine/ project the subject's ADR, occupancy and other revenue. Furthermore, the operating expenses were estimated based market extracted expense comparables and the projected operating expenses as indicated by the owner.

## Revenue and Expense Projection

### Room Revenue Projection

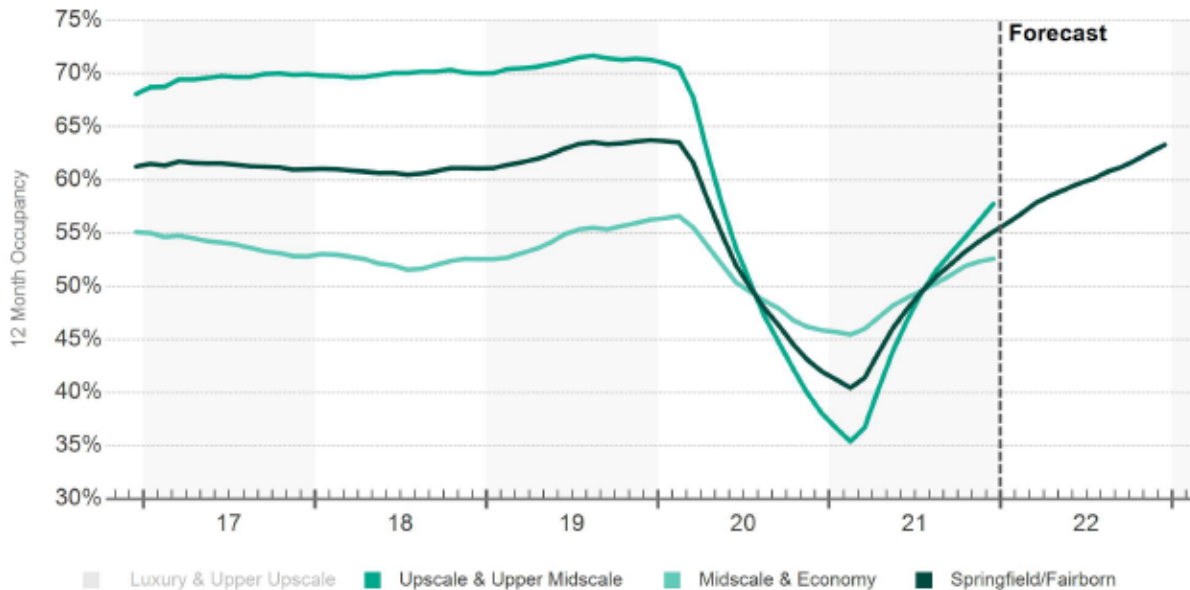
In order to determine an appropriate ADR and occupancy for the subject property, presented below are the selected competitive hotels taken from the Market Data for the Springfield/Fairborn Hospitality Market, specifically the Midscale & Economy segment (including the subject) utilized to derive an appropriate ADR and Occupancy.

#### KEY INDICATORS

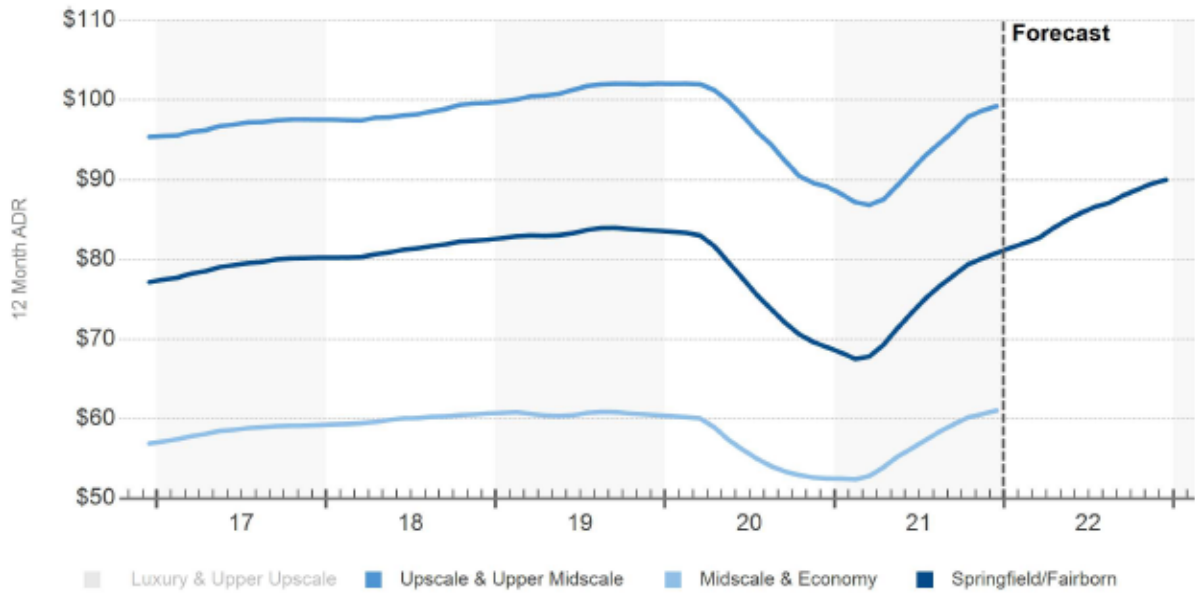
Class	Rooms	12 Mo Occ	12 Mo ADR	12 Mo RevPAR	12 Mo Delivered	Under Construction
Luxury & Upper Upscale	-	-	-	-	0	-
Upscale & Upper Midscale	1,947	57.7%	\$99.22	\$57.28	0	0
Midscale & Economy	1,826	52.6%	\$61.05	\$32.10	0	0
<b>Total</b>	<b>3,773</b>	<b>55.1%</b>	<b>\$80.81</b>	<b>\$44.55</b>	<b>0</b>	<b>0</b>

Average Trend	Current	3 Mo	YTD	12 Mo	Historical Average	Forecast Average
Occupancy	43.4%	51.1%	55.1%	55.1%	56.6%	66.0%
Occupancy Change	31.4%	31.0%	31.3%	31.3%	-2.1%	4.2%
ADR	\$78.20	\$82.04	\$80.81	\$80.81	\$79.93	\$98.31
ADR Change	21.2%	21.0%	17.1%	17.1%	0.9%	5.1%
RevPAR	\$33.91	\$41.94	\$44.55	\$44.55	\$45.23	\$85.74
RevPAR Change	59.2%	58.5%	53.8%	53.8%	-1.2%	9.5%

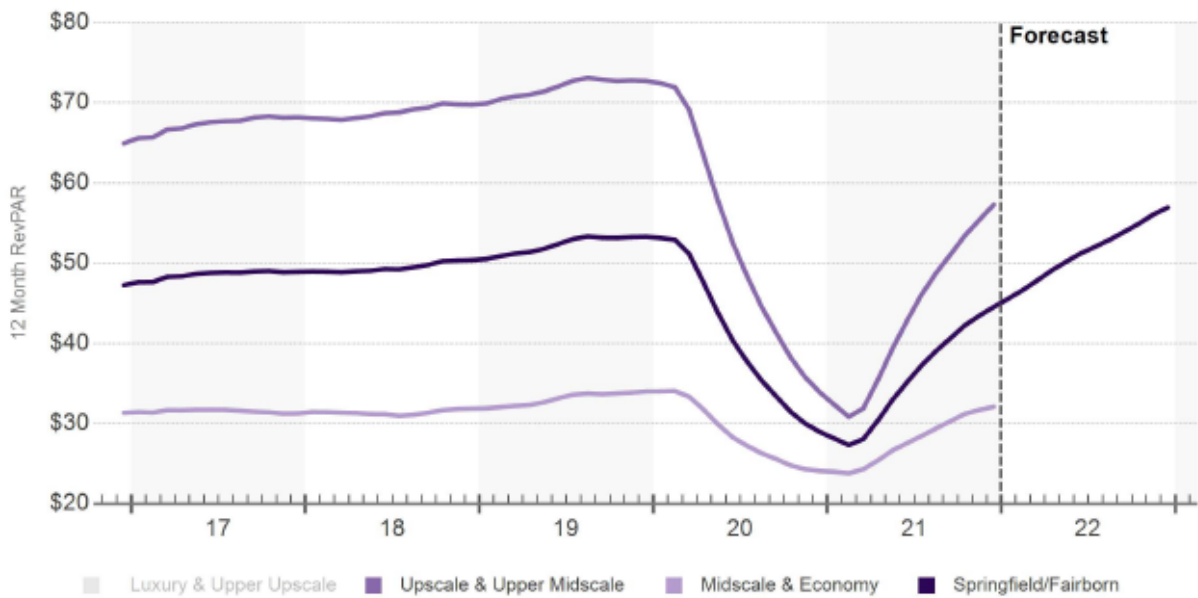
#### OCCUPANCY BY CLASS



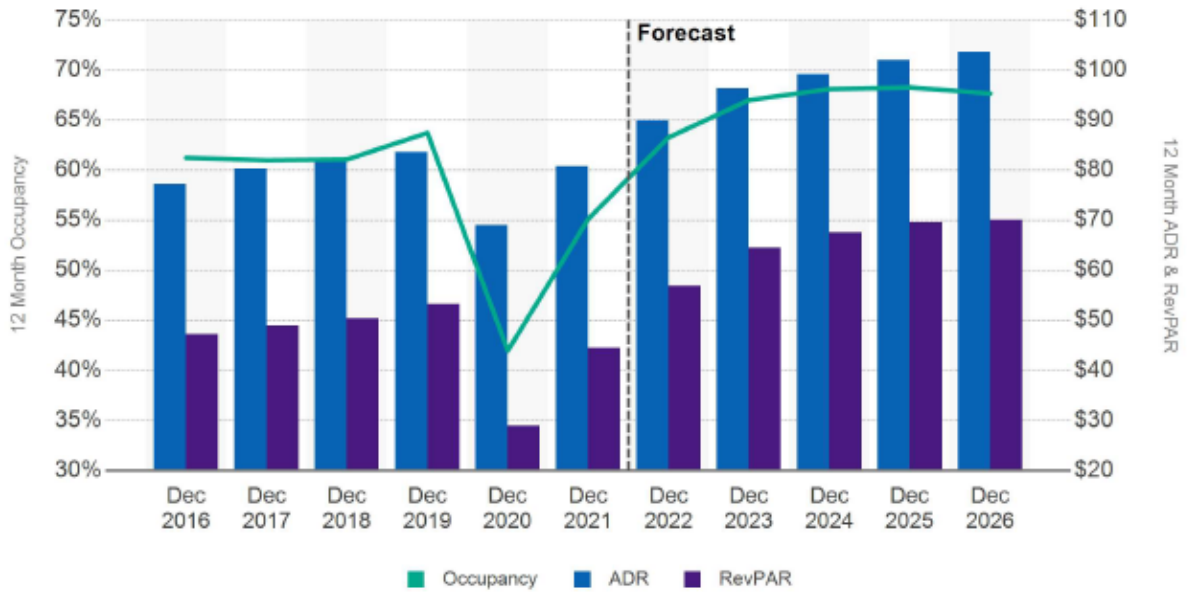
**ADR BY CLASS**



**REVPAR BY CLASS**



**OCCUPANCY, ADR & REVPAR**



INCOME AND EXPENSE HISTORICAL SUMMARY			
	2020		
REVENUE	Per Annum	Per Room/ Day	% of Revenue
Rooms	\$661,323	\$23.23	99.31%
Other Income	\$4,600	\$0.16	0.69%
<b>TOTAL PROJECTED REVENUE</b>	<b>\$665,923</b>	<b>\$23.39</b>	<b>100.00%</b>
<b>OPERATING EXPENSES</b>			
<u>Departmental Expenses</u>			
Room Supplies	\$91,084	\$3.20	13.68%
Payroll (plus benefits)	\$166,887	\$5.86	25.06%
<b>Total Departmental Expenses</b>	<b>\$257,971</b>	<b>\$9.06</b>	<b>38.74%</b>
<u>Undistributed Expenses</u>			
Administrative/ General (Inc. Other Taxes)	\$42,700	\$1.50	6.41%
Utilities	\$58,361	\$2.05	8.76%
Sales/ Marketing	\$1,529	\$0.05	0.23%
Property Operations and Maint.	\$13,762	\$0.48	2.07%
Management	\$0	\$0.00	0.00%
Franchise Fee	\$0	\$0.00	0.00%
<b>Total Undistributed Expenses</b>	<b>\$116,352</b>	<b>\$4.09</b>	<b>17.47%</b>
<u>Fixed Expenses</u>			
Real Estate Taxes	\$18,463	\$0.65	2.77%
Insurance	\$16,021	\$0.56	2.41%
Replacement Allowance	\$0	\$0.00	0.00%
<b>Total Fixed Expenses</b>	<b>\$34,484</b>	<b>\$1.21</b>	<b>5.18%</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$408,807</b>	<b>\$14.36</b>	<b>61.39%</b>
<b>NET OPERATING INCOME</b>	<b>\$257,116</b>	<b>\$9.03</b>	<b>38.61%</b>

**Note: Please see Addendum for owner provided 2021 Room Revenue which indicates room sales of \$804,445, significantly up from the 2020 figures. The 2021 expenses were not available at the time of appraisal.**

## Occupancy

The trend report indicated the Midscale & Economy Segment running 12 month average occupancy was 52.6%. Occupancy has not recovered to pre COVID-19 levels based on nearby competition. Thus, based upon the subject's moderately favorable competitiveness/ marketability and market indicators, we have projected the occupancy at 52.5%.

The ADR, year to date is \$61.05 and is above the historical ADR at the subject. Based upon the selected competitive hotels and historical performance, we have projected the ADR at \$54.00 which is reasonable based upon historical performance and the competitive data.

REVENUE PROJECTION	
	2022 As Is
Rooms	78
Rooms Available/ Year	28,470
Rooms Sold/ Year	14,947
Occupancy Rate	52.50%
Room Revenue	\$807,138
ADR	\$54.00
RevPAR	\$28.35

## Miscellaneous Revenues

Miscellaneous revenues are typically for food & beverage, meeting rooms, telephone revenues, dry cleaning income, guest laundry income, returned checks and other forms of miscellaneous income. These revenues are included in room revenue, as the historical data does not indicate these revenues. However, the owner leases the restaurant on site on a 10 year net lease at \$900 per month or \$10,800 annually. Therefore, based on this owner provided data, other revenue was projected.

## Total Projected Revenue

The potential income for the subject property was derived from typical room revenue and other miscellaneous income as noted above. The room revenue in this instance was based upon the average daily rate (ADR) and occupancy level, but also based on revenue per available room (RevPAR) indicated by the competitive properties. The other miscellaneous income was projected based on actual lease data. Presented in the table below is the total revenue projection for the subject as is.

REVENUE	Per Annum	Per Room/ Day	% of Revenue
(78) Rooms @ 52.5% Occ x est. \$54 ADR	\$807,138	\$28.35	98.68%
Misc. Income (Restaurant Lease)	\$10,800	\$0.38	1.32%
<b>TOTAL PROJECTED REVENUE</b>	<b>\$817,938</b>	<b>\$28.73</b>	<b>100.00%</b>

## Operating Expenses

In addition to the subject's actual historical performance as indicated previously and the sale comparables introduced within the sales comparison approach, we utilized revenue and operating expense comparables as a secondary source for the subject operating expense projection.

**REVENUE & OPERATING EXPENSE COMPARABLES**

<u>No.</u>	<u>City/ State</u>	<u>Hotel Type</u>	<u>Rooms</u>	<u>Year Built</u>	<u>REV</u>	<u>OE</u>	<u>NOI</u>	<u>Rev/ Room</u>	<u>OE/ Room</u>	<u>NOI/ Room</u>	<u>OE %</u>
1	Louisville, KY	Hilton Garden Inn	112	2000's	\$2,918,832	\$1,615,367	\$1,303,465	\$26,061	\$14,423	\$11,638	55.34%
2	Dublin, OH	Staybridge Suites	111	2001/ Rem 12	\$3,221,867	\$2,322,223	\$899,644	\$29,026	\$20,921	\$8,105	72.08%
3	Anderson, IN	Lees Inn	87	1997	\$1,198,295	\$856,445	\$341,850	\$13,774	\$9,844	\$3,929	71.47%
4	Rosemont, IL	Loews Chicago O'Hare	556	2008	\$19,750,000	\$12,200,000	\$7,550,000	\$35,522	\$21,942	\$13,579	61.77%
5	Mount Vernon, OH	Comfort Inn	60	1995	\$1,054,689	\$769,689	\$285,000	\$17,578	\$12,828	\$4,750	72.98%
6	Bluffton, OH	Comfort Inn	64	1999	\$920,344	\$705,965	\$214,379	\$14,380	\$11,031	\$3,350	76.71%
7	Fremont, OH	Comfort Inn	64	Unknown	\$1,459,228	\$996,970	\$462,258	\$22,800	\$15,578	\$7,223	68.32%
8	New Jersey, NY	Homewood Suites	120	2012	\$3,613,500	\$2,221,500	\$1,392,000	\$30,113	\$18,513	\$11,600	61.48%
9	Clarksville, TN	Hilton Garden Inn	111	2008	\$3,000,000	\$1,987,458	\$1,012,542	\$27,027	\$17,905	\$9,122	66.25%
10	Indianapolis, IN	Holiday Inn Express	89	2008	\$2,521,916	\$1,568,884	\$953,032	\$28,336	\$17,628	\$10,708	62.21%
11	Cuyahoga Falls, OH	Country Inn & Suites	79	1998	\$1,868,537	\$1,206,424	\$662,113	\$23,652	\$15,271	\$8,381	64.57%
12	30 miles E - Columbus, OH	Holiday Inn Express	63	1999	\$1,652,140	\$1,099,748	\$552,392	\$26,224	\$17,456	\$8,768	66.57%
13	Avon, OH	Fairfield Inn	82	2002	\$2,123,615	\$1,291,574	\$832,041	\$25,898	\$15,751	\$10,147	60.82%
14	Norwalk, OH	Econo Lodge	43	1986	\$386,097	\$285,076	\$101,021	\$8,979	\$6,630	\$2,349	73.84%
15	Middleburg Heights, OH	Days Inn	106	1985	\$1,150,000	\$931,000	\$219,000	\$10,849	\$8,783	\$2,066	80.96%
16	Norwalk, OH	All American	64	2000	\$565,796	\$364,163	\$201,633	\$8,841	\$5,690	\$3,151	64.36%
17	Ashland, OH	Rodeway Inn	60	1985	\$315,277	\$220,694	\$94,583	\$5,255	\$3,678	\$1,576	70.00%
18	Lima, OH	Holiday Inn & Suites	116	2008	\$3,316,607	\$2,270,027	\$1,046,580	\$28,591	\$19,569	\$9,022	68.44%
19	Total U.S.	Chain Affiliated	198	N/A							71.59%
				<b>Mean:</b>	<b>\$3,330,874</b>	<b>\$2,193,833</b>	<b>\$1,137,041</b>	<b>\$23,409</b>	<b>\$15,670</b>	<b>\$7,739</b>	<b>67.88%</b>
				<b>Min:</b>	<b>\$315,277</b>	<b>\$220,694</b>	<b>\$94,583</b>	<b>\$5,255</b>	<b>\$3,678</b>	<b>\$1,576</b>	<b>55.34%</b>
				<b>Max:</b>	<b>\$19,750,000</b>	<b>\$12,200,000</b>	<b>\$7,550,000</b>	<b>\$61,868</b>	<b>\$44,291</b>	<b>\$17,577</b>	<b>80.96%</b>

## Income & Expense Industry Averages

### Limited Service Hotels

	Chain-Affiliated			East North Central			Suburban			Upper Midscale		
	Ratio to Sales	Per Available Room	Per Occ. Room night	Ratio to Sales	Per Available Room	Per Occ. Room night	Ratio to Sales	Per Available Room	Per Occ. Room night	Ratio to Sales	Per Available Room	Per Occ. Room night
Occupancy	72.8%			69.7%			72.0%			70.8%		
Average Size (Rooms)		118			103			113			105	
Average Rate			\$98.01			\$81.19			\$83.72			\$110.22
<b>REVENUE</b>												
Rooms	97.6%	\$26,934	\$98.01	97.9%	\$20,599	\$81.19	98.3%	\$21,959	\$83.72	97.7%	\$28,186	\$110.22
Minor Operated Departments	1.5%	\$392	\$1.48	1.6%	\$319	\$1.26	1.2%	\$267	\$1.02	1.3%	\$364	\$1.50
Rental & Other Income	0.8%	\$210	\$0.79	0.4%	\$95	\$0.37	0.4%	\$87	\$0.34	0.9%	\$260	\$1.02
<b>TOTAL REVENUE</b>	<b>100.0%</b>	<b>\$27,536</b>	<b>\$100.28</b>	<b>100.0%</b>	<b>\$21,013</b>	<b>\$82.82</b>	<b>100.0%</b>	<b>\$22,313</b>	<b>\$85.08</b>	<b>100.0%</b>	<b>\$28,810</b>	<b>\$112.74</b>
<b>DEPARTMENTAL EXPENSES</b>												
Rooms	22.4%	\$6,035	\$22.81	23.0%	\$4,741	\$18.69	22.2%	\$4,882	\$18.61	25.7%	\$7,257	\$28.38
Other Departmental Expenses	41.5%	\$250	\$0.94	50.5%	\$209	\$0.82	55.4%	\$196	\$0.75	57.4%	\$358	\$1.39
<b>TOTAL DEPARTMENTAL EXPENSES</b>	<b>22.8%</b>	<b>\$6,285</b>	<b>\$23.75</b>	<b>23.6%</b>	<b>\$4,950</b>	<b>\$19.51</b>	<b>22.8%</b>	<b>\$5,078</b>	<b>\$19.36</b>	<b>26.4%</b>	<b>\$7,615</b>	<b>\$29.77</b>
<b>UNDISTRIBUTED OPERATING EXPENSES</b>												
Administrative & General	8.4%	\$2,324	\$8.78	9.3%	\$1,949	\$7.68	9.0%	\$2,001	\$7.83	9.3%	\$2,679	\$10.48
Marketing	6.6%	\$1,817	\$6.87	7.0%	\$1,466	\$5.78	7.0%	\$1,570	\$5.99	6.6%	\$1,888	\$7.38
Franchise Fees	2.5%	\$676	\$2.56	3.0%	\$633	\$2.49	2.6%	\$571	\$2.18	4.2%	\$1,212	\$4.74
Utility Costs	4.4%	\$1,225	\$4.63	5.1%	\$1,073	\$4.23	5.1%	\$1,145	\$4.37	4.3%	\$1,244	\$4.87
Property Operations & Maintenance	4.8%	\$1,319	\$4.99	5.6%	\$1,173	\$4.62	5.5%	\$1,230	\$4.69	4.8%	\$1,391	\$5.44
<b>TOTAL UNDIS TRIBUTED OPERATING EXPENSES</b>	<b>26.7%</b>	<b>\$7,361</b>	<b>\$27.83</b>	<b>30.0%</b>	<b>\$6,294</b>	<b>\$24.80</b>	<b>29.2%</b>	<b>\$6,517</b>	<b>\$25.06</b>	<b>29.2%</b>	<b>\$8,414</b>	<b>\$32.91</b>
<b>GROSS OPERATING PROFIT</b>												
	<b>50.4%</b>	<b>\$13,890</b>	<b>\$48.70</b>	<b>46.5%</b>	<b>\$9,769</b>	<b>\$38.51</b>	<b>48.0%</b>	<b>\$10,718</b>	<b>\$40.66</b>	<b>44.4%</b>	<b>\$12,781</b>	<b>\$50.06</b>
Management Fee	2.8%	\$781	\$2.95	3.1%	\$645	\$2.54	2.9%	\$637	\$2.43	3.3%	\$957	\$3.74
<b>INCOME BEFORE FIXED CHARGES</b>	<b>47.6%</b>	<b>\$13,109</b>	<b>\$45.75</b>	<b>34.6%</b>	<b>\$9,124</b>	<b>\$35.97</b>	<b>37.6%</b>	<b>\$10,081</b>	<b>\$38.23</b>	<b>33.8%</b>	<b>\$11,824</b>	<b>\$46.32</b>
Taxes	4.4%	\$1,217	\$4.60	5.8%	\$1,224	\$4.82	4.6%	\$1,024	\$3.91	4.3%	\$1,238	\$4.84
Insurance	1.2%	\$339	\$1.28	1.3%	\$269	\$1.06	1.3%	\$290	\$1.10	1.1%	\$321	\$1.25
Reserve for Replacement	1.2%	\$317	\$1.20	0.8%	\$178	\$0.70	1.1%	\$249	\$0.94	1.4%	\$395	\$1.54
<b>EBITDA</b>	<b>40.8%</b>	<b>\$11,236</b>	<b>\$38.67</b>	<b>35.5%</b>	<b>\$7,453</b>	<b>\$29.39</b>	<b>38.2%</b>	<b>\$8,518</b>	<b>\$32.28</b>	<b>34.3%</b>	<b>\$9,870</b>	<b>\$38.69</b>
<i>*SOURCE: The Host Report STR</i>												

The operating expenses are divided into three major categories with several subheadings. These include departmental expenses, undistributed operating expenses and fixed expenses.

Departmental Expenses

**Room expense** for hotels typically include labor costs such as salaries and wages, front desk costs, housekeeping, reservations, and laundry plus employee benefits. Other operating expenses categorized in the room expense include linens, cleaning supplies, guest supplies, uniforms, central or franchise reservation fees, equipment leases and travel agent commissions. Based upon the historical expenses, operating expense comparables and other sources, the room expense was estimated at \$10.38 per room/ day or 36.14% of total revenue.

Undistributed Expenses

The undistributed expenses in this instance include **administrative/ general, utilities, sales and marketing, property operations and maintenance, management** and the **franchise fee (franchise fee does not exist in this case)**. These expenses were projected based upon the historical data, Host Report and/or operating expense comparables. Hence, the total undistributed expenses were concluded at 19% (rounded) of total revenue or \$159,380 per annum.

Fixed Expenses

The **real estate tax** was projected at \$51,129 per annum or 6.25% of total revenue. This is based upon on projected taxes (sales comparison value – less personal property and a current effective tax rate). The **insurance** and the **replacement allowance** were estimated at \$0.60 per SF and 5.0% of revenue respectively, or combined at \$58,691 per annum.

**Expense Summary**

The overall expense ratio for the subject was projected at 69.06% of total projected revenue or \$7,241 per room which was considered reasonable, as a non-franchised lodging facility.

RealtyRates.com INVESTOR SURVEY - 4th Quarter 2021*									
SURVEYED RESERVE REQUIREMENTS									
Property Type	Per SF			Per Unit			% of EGI		
	Min.	Max.	Typical	Min.	Max.	Typical	Min.	Max.	Typical
Apartments				\$165	\$425	\$394			
Golf				\$1,295	\$7,700	\$3,550	2.0%	4.5%	3.2%
Health Care/Senior Housing				\$270	\$735	\$410			
Industrial	\$0.25	\$0.80	\$0.53						
Lodging							4.0%	8.5%	4.6%
Mobile Home/RV Park				\$35	\$310	\$171	2.0%	5.5%	4.2%
Office	\$0.35	\$0.90	\$0.65						
Restaurants							2.0%	5.5%	3.2%
Retail	\$0.35	\$1.10	\$0.72						
Self-Storage	\$0.30	\$0.75	\$0.65	\$35	\$210	\$132			
Special Purpose	\$0.25	\$1.15	\$0.75						

\*3rd Quarter 2021 Data Copyright 2021 RealtyRates.com™

**TOTAL OPERATING EXPENSES**

**\$564,789**

## **Derivation of the Overall Capitalization Rate**

An appraiser can estimate the overall capitalization rate by using various techniques. The techniques the appraiser uses depend on the quantity and quality of the data available. The accepted techniques include: (1) derivation from comparable sales, (2) derivation from effective gross income multipliers, (3) band of investment analysis - using mortgage and equity components, (4) band of investment analysis - using land and building components, and by (5) using the debt coverage formula.

In our analysis using direct capitalization, we utilized in this instance; the band of investment using mortgage and equity components taken from the market, direct extraction from comparable sales and national surveys.

## **Band of Investment (BOI)**

### **Mortgage & Equity Components**

Because most properties are purchased with debt and equity capital, the return on investment component of the overall capitalization rate must satisfy the market return requirements of each investment position. Lenders must anticipate receiving a competitive equity yield commensurate with the perceived risk or they will divert their investment funds elsewhere. A simple weighted averages calculation is used to combine the relevant mortgage and equity components. RealtyRates.com indicators are utilized as support in projecting the subject's capitalization rate via the BOI technique.

### **Mortgage Constant (RM)**

The mortgage constant is a rate that reflects the relationship between debt service and the principal amount of the mortgage loan. It is a function of the interest rate, the frequency of amortization and the term of the loan. A survey of local lending institutions has revealed that a typical investor in this type of property, under current market conditions, could anticipate obtaining a first mortgage financing based upon a 60%-80% mortgage ratio, a 3.50%-7.50% interest rate, fixed over 1-5 years, and payments based upon a 15-25-year amortization. As a basis for the mortgage constant, intermediate terms including 60.00% and 80.00% loan-to-value ratios, a 5.00% interest rate and 20-year amortization have been used. This then results in a mortgage constant of 0.079195.

### **Equity Dividend Rate (RE)**

The equity dividend rate is the ratio of the annual equity dividend to the original equity investment. The equity dividend is simply the portion of the net operating income remaining after debt service and operating expenses. Per RealtyRates.com, the reported equity dividend rates for limited service lodging facilities range from 7.83% to 19.31% with a mean of 14.1%. Therefore, based upon these indicators, two equity dividend rates have been utilized for analysis purposes. Hence, summarized below are the BOI based upon a 15% and 17% equity rate and a debt to equity ratio of 60% and 80%.

Band of Investment									
0.60	x	0.079195	=	0.047517	0.60	x	0.079195	=	0.047517
0.40	x	0.170000	=	<u>0.068000</u>	0.40	x	0.150000	=	<u>0.060000</u>
				<b>11.55%</b>					<b>10.75%</b>
0.80	x	0.079195	=	0.063356	0.80	x	0.079195	=	0.063356
0.20	x	0.170000	=	<u>0.034000</u>	0.20	x	0.150000	=	<u>0.030000</u>
				<b>9.74%</b>					<b>9.34%</b>

<b>Min</b>	<b>9.34%</b>
<b>Max</b>	<b>11.55%</b>
<b>Mean</b>	<b>10.34%</b>
<b>Median</b>	<b>10.24%</b>

### Derivation of Overall Rate by Direct Extraction

Hotel sales utilized within the sale comparison approach and other similar hotel properties provided an overall range of 7.00% to 14.50% with a mean of 10.30% for the overall capitalization rate.

MARKET EXTRACTED CAP RATES									
<u>LODGING</u>									
City	County	State	Type	Sale Date	Sale Price	Units	Price/Unit	Year Built	Cap Rate
Canton	Stark	OH	Microtel	8/3/21	\$1,610,000	60	\$26,833	1997	10.34%
St Ignace	Mackinac	MI	Voyager Inn	3/18/21	\$1,360,000	42	\$32,381	1995	7.50%
Gladstone	Delta	MI	Lakeside Inn	7/7/21	\$690,000	30	\$23,000	1998	12.00%
Ludington	Mason	MI	Summer's Inn	7/14/21	\$1,500,000	29	\$51,724	1956	10.00%
St Joseph	Berrien	MI	Econo Lodge	10/22/21	\$1,250,000	36	\$34,722	1960	8.52%
Canton	Stark	OH	Rodeway Inn	6/29/20	\$630,000	83	\$7,590	1985	7.00%
Sandusky	Erie	OH	Days Inn	2/13/20	\$1,050,000	72	\$14,583	1967	9.00%
Athens	Athens	OH	Super 8	7/1/19	\$2,350,000	53	\$44,340	1998	14.50%
Saint Clairsville	Belmont	OH	Comfort Inn	5/23/19	\$4,250,000	54	\$78,704	2013	12.50%
Zanesville	Muskingum	OH	Best Western	12/20/19	\$4,675,000	75	\$62,333	1998	12.60%
Dayton	Montgomery	OH	Motel 6	8/23/19	\$1,660,000	92	\$18,043	1985	9.34%
Moraine	Montgomery	OH	Knights Inn	4/11/19	\$823,000	80	\$10,288	1976	12.26%
Maumee	Lucas	OH	Best Western	4/15/19	\$3,827,300	83	\$46,112	2002	7.63%
Dover Township	Fulton	OH	Days Inn	7/18/19	\$1,700,000	48	\$35,417	1963	11.47%
Monclova Township	Lucas	OH	Days Inn	2/21/19	\$1,750,000	54	\$32,407	2001	9.87%

<b>Mean:</b>	<b>10.30%</b>
<b>Min:</b>	<b>7.00%</b>
<b>Max:</b>	<b>14.50%</b>

## Overall Capitalization Rates – National Surveys

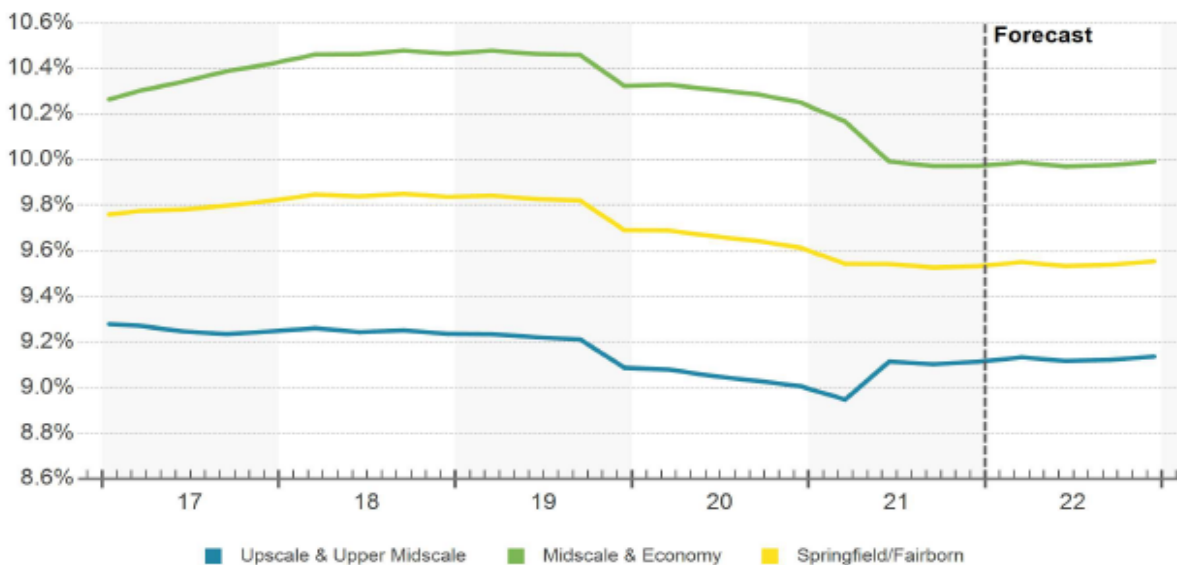
In addition to the band of investment and direct extraction from market comparables, the 4th quarter 2021 publication from the RealtyRates.com provided the following indicators.

RealtyRates.com INVESTOR SURVEY - 4th Quarter 2021*						
LODGING FACILITIES - ALL TYPES						
Item	Input					OAR
<b>Minimum</b>						
Spread Over 10-Year Treasury	1.35%	<b>DCR Technique</b>	1.00	0.040640	0.80	<b>3.25</b>
Debt Coverage Ratio	1.00	<b>Band of Investment Technique</b>				
Interest Rate	2.66%	Mortgage	80%	0.040640	0.032512	
Amortization	40	Equity	20%	0.078330	0.015666	
Mortgage Constant	0.040640	OAR				<b>4.82</b>
Loan-to-Value Ratio	80%	<b>Surveyed Rates</b>				<b>4.58</b>
Equity Dividend Rate	7.83%					
<b>Maximum</b>						
Spread Over 10-Year Treasury	10.55%	<b>DCR Technique</b>	2.85	0.142941	0.50	<b>20.37</b>
Debt Coverage Ratio	2.85	<b>Band of Investment Technique</b>				
Interest Rate	11.86%	Mortgage	50%	0.142941	0.071471	
Amortization	15	Equity	50%	0.193099	0.096549	
Mortgage Constant	0.142941	OAR				<b>16.80</b>
Loan-to-Value Ratio	50%	<b>Surveyed Rates</b>				<b>15.96</b>
Equity Dividend Rate	19.31%					
<b>Average</b>						
Spread Over 10-Year Treasury	3.89%	<b>DCR Technique</b>	1.53	0.074561	0.67	<b>7.63</b>
Debt Coverage Ratio	1.53	<b>Band of Investment Technique</b>				
Interest Rate	5.20%	Mortgage	67%	0.074561	0.049775	
Amortization	23	Equity	33%	0.141453	0.047022	
Mortgage Constant	0.074561	OAR				<b>9.68</b>
Loan-to-Value Ratio	66.8%	<b>Surveyed Rates</b>				<b>9.78</b>
Equity Dividend Rate	14.1%					

\*3rd Quarter 2021 Data

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### MARKET CAP RATE



## **Conclusion**

The band of investment method indicated an overall rate of 9.34% to 11.55% with a mean at 10.34%. This is based on typical investor criteria that would expect a loan amortization term of 20 years and a mortgage interest rate of 5.0%. Market extracted sales indicated a 7.00% to 14.50% cap rate with an average of 10.30%. National surveys (RealtyRates) indicate a range of 4.58% to 15.96% with an average of 9.78%. Therefore, taking into consideration these sources and given the fact that the subject is in average overall condition and of moderate competitiveness /desirability, located within a moderately stable sub-market area; an overall rate toward the higher end of the range at **11.50%** was commensurate with the risk involved and has been utilized within the income approach.

Presented on the following page is the income and expense projection of the subject As Is operating as a (total Going Concern).

INCOME AND EXPENSE PROJECTION SUMMARY			
	Appraiser Projection		
REVENUE	Per Annum	Per Room/ Day	% of Revenue
(78) Rooms @ 52.5% Occ x est. \$54 ADR	\$807,138	\$28.35	98.68%
Misc. Income (Restaurant Lease)	\$10,800	\$0.38	1.32%
<b>TOTAL PROJECTED REVENUE</b>	<b>\$817,938</b>	<b>\$28.73</b>	<b>100.00%</b>
OPERATING EXPENSES			
<u>Departmental Expenses</u>			
Room Supplies, est @ \$3.20 per room/ day	\$91,104	\$3.20	11.14%
Payroll (plus benefits) @ 25% of Total Revenue	\$204,485	\$7.18	25.00%
<b>Total Departmental Expenses</b>	<b>\$295,589</b>	<b>\$10.38</b>	<b>36.14%</b>
<u>Undistributed Expenses</u>			
Administrative/ General est. @ 7% of Total Revenue	\$57,256	\$2.01	7.00%
Utilities, est @ \$2.05 per room/ day	\$58,364	\$2.05	7.14%
Sales/ Marketing est. @ 0.25% of Total Revenue	\$2,045	\$0.07	0.25%
Property Operations and Maint., est @ 2.1% of Total Revenue	\$17,177	\$0.60	2.10%
Management, est. @ 3%	\$24,538	\$0.86	3.00%
Franchise Fee, not applicable	\$0	\$0.00	0.00%
<b>Total Undistributed Expenses</b>	<b>\$159,380</b>	<b>\$5.60</b>	<b>19.49%</b>
<u>Fixed Expenses</u>			
Real Estate Taxes <sup>1)</sup>	\$51,129	\$1.80	6.25%
Insurance, est @ \$0.60 per SF	\$17,794	\$0.63	2.18%
Replacement Allowance est. @ 5.0% of Revenue	\$40,897	\$1.44	5.00%
<b>Total Fixed Expenses</b>	<b>\$109,820</b>	<b>\$3.86</b>	<b>13.43%</b>
<b>TOTAL OPERATING EXPENSES, est @ 69.06% or \$7,241/ Room</b>	<b>\$564,789</b>	<b>\$19.84</b>	<b>69.05%</b>
<b>NET OPERATING INCOME, est @ 30.94% or \$3,245/ Room</b>	<b>\$253,149</b>	<b>\$8.89</b>	<b>30.95%</b>
<b>Capitalized @ 11.5%</b>	<b>\$2,201,296</b>		

1). R/E taxes projected based upon sales comparison concluded value (less FF&E) and current effective tax rate

	Overall	Per Room
<b>OPINION OF VALUE VIA ICA</b>	<b>\$2,200,000</b>	<b>\$28,205</b>

**Room Revenue Multiplier Method (Direct Capitalization Method No. 2)**

In this instance, the gross room revenue multiplier (GRRM) was considered to be a relevant unit of comparison as previously noted (direct capitalization method No. 2). A gross room revenue multiplier is the ratio of the sale price to gross revenue. This is used to convert a single year’s gross room revenue into an indication of property value. The comparable sales in our analysis and other sales provided the following gross revenue multipliers:

Gross Room Revenue Multipliers				
No.	Location	Rooms	Sale Date	GRRM
1	10753 Airport Hwy., Swanton, OH	54	2/21/2019	2.42
2	8319 SR 108, Wauseon, OH	48	7/18/2019	2.62
3	Knights Inn 2450 Dryden, Moraine, OH	80	4/11/2019	2.64
4	Days Inn, 8319 SR 108, Dover twp., OH	48	7/18/2019	2.62
5	Days Inn, 10753 Airport Hwy, Monc. Twp. OH	54	2/21/2019	2.36
6	855 SR 103, Bluffton, OH	30	9/26/2018	2.84
7	342 Milan Road, Norwalk, OH	43	11/18/2016	2.42
8	1290 Independence Dr., Napoleon, OH	55	1/30/2017	2.95
9	Fairfield Inn & Suites, Avon, OH	82	8/18/2016	3.37
10	Holiday Inn & Suites, Lima, OH	116	6/17/2016	3.73
11	Candlewood Suites, Perrysburg, OH	83	1/22/2016	3.2
12	Econo Lodge, Findlay, OH	51	8/16/2016	2.45
13	Days Inn, Middleburg, OH	106	5/16/2016	1.9
			<b>Mean:</b>	<b>2.73</b>
			<b>Min:</b>	<b>1.90</b>
			<b>Max:</b>	<b>3.73</b>

These sales provided a range of GRRM’s from 1.90 to 3.73. From a statistical standpoint, the sales provide a mean of 2.73. Based upon a qualitative analysis, given equal weight to the GRRM’s indicators, we projected the subject’s GRRM at 2.60, which is near the middle and considered appropriate since the subject is an average limited service lodging facility of moderately favorable competitiveness/ risk assessment. Therefore, the value using the GRRM is then calculated as follows:

$$\$807,138 \text{ (Room Revenue)} \times 2.60 \text{ (GRRM)} = \mathbf{\$2,100,000 \text{ (rounded)}}$$

The two methods/ estimates produced similar results of each other. Thus, in this instance, all weight was given to the direct capitalization method.

**INDICATED VALUE – INCOME CAPITALIZATION APPROACH**

**(As Is):**

**\$2,200,000**

## **INTANGIBLE VALUATION**

Intangible property is defined as “*nonphysical assets, including but not limited to franchise, trademarks, patents, copyrights, goodwill, equities, securities, and contracts as distinguished from physical assets such as facilities and equipment*”<sup>10</sup>.

The ownership of hotels involves the bundling of rights that can be a combination of tangible and intangible real estate. One must analyze the level of operational efficiencies and effectiveness, as an example, to assess the business over and above the real estate value. There are a number of publications and theories that have been promulgated in an effort to systematically isolate and quantify the intangible (business) component of a hotel.

Typical practice in underwriting and determining the value of a hotel is to consider, and account for, the cost of third-party managing agents to operate a property in return for a management fee. The management fee is paid to the operator as a normal operating expense. Below this line is identified net income available for debt service and a metric that can be used to calculate the equity ownership’s position. With a competent hotel management company operating the property, the hotel owner does not need to be involved in the day-to-day operation of the asset.

The market value of a property’s going concern is typically determined by capitalizing its anticipated cash flow while implementing certain in-place strategies. Although we attempt to make adjustments to the profit-and-loss assumptions so the projections are market-oriented, we are relying on in-place controls which suggest that the market-oriented cash flow could render a capitalization result that includes certain value components that are not part of “market value” as defined by Interagency Appraisal and Evaluation Guidelines.

### **We note the following:**

The tangible real and personal property components of the subject property have been valued in this appraisal using the aforementioned techniques. These valuation methods account for—and extract— intangible value by the deduction of a market-oriented management fee (included in payroll) and all applicable franchise and/or licensing costs.

The subject property is located in a market with competitive pressure from other lodging facilities. The feasibility in adding supply of hotel rooms to the market is somewhat limited; nevertheless, the barrier to entry is not significant. The subject is not considered an asset that currently has, or is expected to have a sustainable competitive advantage that would generate excess rent or revenue to any of its departments. Furthermore, the subject property does not enjoy a sustained competitive advantage that would insulate it from an equilibrium environment.

The market value of the subject property is deemed to be well below its replacement cost, including consideration for entrepreneurial profit.

The application of the capitalization rate used in this appraisal reflects a relatively risky commercial real estate investment. The resulting market value when applying this capitalization rate (and other investment parameters) is not considerably in excess of comparable sales of similar asset types in the area.

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<sup>10</sup> Source: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed., s.v. “intangible property” (Chicago: Appraisal Institute, 2015), PDF e-book.

The subject’s projected stabilized net operating income ratio is within the range of comparable properties and is generally reflective of industry performance.

By accounting for these factors, and the unprecedented COVID-19 adverse impact in general in this market, there is no business value included in our conclusion of market value. Furthermore, since it has been determined that there is no value to any component other than those to be recognized as part of “market value” in this appraisal, the going concern value in this document is concluded to be the same as market value.

**PERSONAL PROPERTY**

In order to provide some allocation for personal property, which in this case pertains to various furniture, fixtures and equipment (F.F. & E) for the 78 guest rooms, we have estimated the replacement cost for these items, based on Marshall & Swift estimates, as follows:

<b>PERSONAL PROPERTY VALUATION</b>						
	<b>Replacement Cost Per Room</b>	<b># Rooms</b>	<b>Total Replacement Costs</b>	<b>Estimated Depreciation</b>	<b>Current Value</b>	
F. F. & E	\$5,000	78	\$390,000	75%	\$97,500	
Personal Property Value				5%	\$100,000	
Intangible Value				0%	\$0	
Real Property				95%	\$2,100,000	
Total Property Value				100%	\$2,200,000	
Rounded Figures						

Therefore, the personal property allocation is estimated to be **\$100,000 or \$1,280 per room**. The indicated cost for these items was based upon a cost manual cost estimate.

## RECONCILIATION OF VALUE:

The following is a summary of value indications provided by each of the three approaches:

RECONCILIATION OF VALUES	
APPROACH TO VALUE	As Is
COST APPROACH:	Not Completed
SALES COMPARISON APPROACH:	\$2,100,000
INCOME APPROACH:	\$2,200,000
<b>RECONCILED OPINION OF VALUE:</b>	<b>\$2,200,000</b>
*Market Value in the Fee Simple Interest	<i>February-22</i>
<i>Value Breakdown</i>	
<i>Personal Property</i>	<i>\$100,000</i>
<i>Intangible Value</i>	<i>\$0</i>
<i>Real Property</i>	<i>\$2,100,000</i>

Of the three approaches to value, the **Cost Approach** is normally the technique given the least emphasis due to the subjectivity associated with accrued depreciation estimates. It is generally just a benchmark for the more market-oriented approaches: the sales comparison approach and income capitalization approach. In this instance, since the subject is completed projected and per scope of work requested, the cost approach was not considered necessary to develop a credible value conclusion.

**The Sales Comparison Approach** includes comparable building sales; the price-per-room method is employed. The improved sales are compared to the subject and adjustments applied as necessary. In this instance, five hotel sales of average comparability were available, and they provided an overall range of values from \$9,150 to \$37,143 per room prior to adjustments. After reconciling the differences between the various comparables and the subject, the property's value was estimated to lie at \$27,000 per room or equivalent to **\$2,100,000**. In this instance the sales comparison approach was given no weight in the final reconciliation in relation to the income approach, and should only be used as support in relation to the income capitalization approach.

**The Income Approach** utilized a market rent report from the subject's general market area, and the vacancy and expense projections are considered adequately supported. In addition, the overall capitalization rate and in this instance, gross room revenue multiplier employed was derived by direct extraction, national statistical data and/or band-of-investment techniques, using a market-based capitalization rate. Thus, based upon the direct capitalization method, the income approach provided an indicated value of **\$2,200,000**. In this instance, the income approach received all weight in relation to the sales comparison approach in the final reconciliation as noted. The subject is an income producing property and a typical investor in lodging facilities would strongly consider the income generated, so it should be viewed as the primary approach in the valuation process.

It is our opinion, that the *Market Value* “As Is, As a Going Concern”, with optimal occupancy and stabilized operating expenses of the subject property, as of February 1, 2022, is:

**TWO MILLION TWO HUNDRED THOUSAND DOLLARS**

**\$2,200,000**

This stated opinion of value is for the total going concern and is allocated at approximately 95%-real property, 0% intangible and 5% personal property, hence does not include any advantageous financing or other non-realty components. Furthermore, implicit within this valuation is an exposure time of 6 to 24 months, which is believed reasonable for this type of property as it is presently used.

## **ASSUMPTIONS, HYPOTHETICAL CONDITIONS, AND LIMITING CONDITIONS THAT AFFECT THE ANALYSES, OPINIONS, AND CONCLUSIONS:**

This report has been made with the following general assumptions:

1. This is an Appraisal Report, which is intended to comply with the reporting requirements set forth under Standard Rule 2-2 (a) of the Uniform Standards of Professional Appraisal Practice for an Appraisal Report. As such, the content of the report must be consistent with the intended use of the appraisal and, at a minimum; state the identity of the client and any intended users, by name or type, state the intended use of the appraisal, summarize information sufficient to identify the real estate involved in the appraisal, including the physical, legal, and economic property characteristics relevant to the assignment, state the real property interest appraised, state the type and definition of value and cite the source of the definition, state the effective date of the appraisal and the date of the report, summarize the scope of work used to develop the appraisal, summarize the information analyzed, the appraisal methods and techniques employed, and the reasoning that supports the analyses, opinions, and conclusions; exclusion of the sales comparison approach, cost approach, or income approach must be explained, state the use of the real estate existing as of the date of value and the use of the real estate reflected in the appraisal, when an opinion of highest and best use was developed by the appraiser, summarize the support and rationale for that opinion, clearly and conspicuously: state all extraordinary assumptions and hypothetical conditions; and state that their use might have affected the assignment results; and include a signed certification in accordance with Standards Rule 2-3. The appraiser is not responsible for unauthorized use of this report.
2. Any legal description or plats reported herein are assumed to be accurate. Any sketches, surveys, plats, photographs, drawings or other exhibits are included only to assist the intended user to better understand and visualize the subject property, the environs, and the competitive data. We have made no survey of the property and assume no responsibility in connection with such matters.
3. The appraiser has not conducted any engineering or architectural surveys in connection with this appraisal assignment. Information reported pertaining to dimensions, sizes, and areas is either based on measurements taken by the appraiser or the appraiser's staff or was obtained or taken from referenced sources and is considered reliable. No responsibility is assumed for the costs of preparation or for arranging geotechnical engineering, architectural, or other types of studies, surveys, or inspections that require the expertise of a qualified professional.
4. No responsibility is assumed for matters legal in nature. Title is assumed to be good and marketable and in fee simple unless otherwise stated in the report. The property is considered to be free and clear of existing liens, easements, restrictions, and encumbrances, except as stated.
5. Unless otherwise stated herein, it is assumed there are no encroachments or violations of any zoning or other regulations affecting the subject property and the utilization of the land and improvements is within the boundaries or property lines of the property described and that there are no trespasses or encroachments.

6. The appraiser assumes there are no private deed restrictions affecting the property which would limit the use of the subject property in any way.
7. It is assumed the subject property is not adversely affected by the potential of floods; unless otherwise stated herein.
8. It is assumed all water and sewer facilities (existing and proposed) are or will be in good working order and are or will be of sufficient size to adequately serve any proposed buildings.
9. Unless otherwise stated within the report, the depiction of the physical condition of the improvements described herein is based on visual inspection. No liability is assumed for the soundness of structural members since no engineering tests were conducted. No liability is assumed for the condition of mechanical equipment, plumbing, or electrical components, as complete tests were not made. No responsibility is assumed for hidden, unapparent or masked property conditions or characteristics that were not clearly apparent during our inspection.
10. If building improvements are present on the site, no significant evidence of termite damage or infestation was observed during our physical inspection, unless so stated in the report. No termite inspection report was available, unless so stated in the report. No responsibility is assumed for hidden damages or infestation.
11. Any proposed or incomplete improvements included in this report are assumed to be satisfactorily completed in a workmanlike manner or will be thus completed within a reasonable length of time according to plans and specifications submitted.
12. No responsibility is assumed for hidden defects or for conformity to specific governmental requirements, such as fire, building, safety, earthquake, or occupancy codes, except where specific professional or governmental inspections have been completed and reported in the appraisal report.
13. Responsible ownership and competent property management are assumed.
14. The appraisers assume no responsibility for any changes in economic or physical conditions which occur following the effective date of value within this report that would influence or potentially affect the analyses, opinions, or conclusions in the report. Any subsequent changes are beyond the scope of the report.
15. The value estimates reported herein apply to the entire property. Any proration or division of the total into fractional interests will invalidate the value estimates, unless such proration or division of interests is set forth in the report.
16. Any division of the land and improvement values estimated herein is applicable only under the program of utilization shown. These separate valuations are invalidated by any other application.

17. Unless otherwise stated in the report, only the real property is considered, so no consideration is given to the value of personal property or equipment located on the premises or the costs of moving or relocating such personal property or equipment.
18. Unless otherwise stated, it is assumed that there is no subsurface oil, gas or other mineral deposits or subsurface rights of value involved in this appraisal, whether they are gas, liquid, or solid. Nor are the rights associated with extraction or exploration of such elements considered; unless otherwise stated. Unless otherwise stated it is also assumed that there are no air or development rights of value that may be transferred.
19. Any projections of income and expenses, including the reversion at time of resale, are not predictions of the future. Rather, they are our best estimate of current market thinking of what future trends will be. No warranty or representation is made that these projections will materialize. The real estate market is constantly fluctuating and changing. It is not the task of an appraiser to estimate the conditions of a future real estate market, but rather to reflect what the investment community envisions for the future in terms of expectations of growth in rental rates, expenses, and supply and demand. The forecasts, projections, or operating estimates contained herein are based on current market conditions, anticipated short-term supply and demand factors, and a continued stable economy. These forecasts are, therefore, subject to changes with future conditions.
20. Unless subsoil opinions based upon engineering core borings were furnished, it is assumed there are no subsoil defects present, which would impair development of the land to its maximum permitted use or would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.
21. The appraiser is not an expert in determining the presence or absence of hazardous substances, defined as all hazardous or toxic materials, wastes, pollutants or contaminants (including, but not limited to, asbestos, PCB, UFFI, or other raw materials or chemicals) used in construction or otherwise present on the property. We assume no responsibility for the studies or analyses which would be required to determine the presence or absence of such substances or for loss as a result of the presence of such substances. Appraisers are not qualified to detect such substances. The client is urged to retain an expert in this field.
22. We are not experts in determining the habitat for protected or endangered species, including, but not limited to, animal or plant life (such as bald eagles, gophers, tortoises, etc.) that may be present on the property. We assume no responsibility for the studies or analyses which would be required to determine the presence or absence of such species or for loss as a result of the presence of such species. The appraiser hereby reserves the right to alter, amend, revise, or rescind any of the value opinions based upon any subsequent endangered species impact studies, research, and investigation that may be provided.
23. No environmental impact studies were either requested or made in conjunction with this analysis. The appraiser hereby reserves the right to alter, amend, revise, or rescind any of the value opinions based upon any subsequent environmental impact studies, research, and investigation that may be provided.

24. The appraisal is based on the premise that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated in the report; further, that all applicable zoning, building, and use regulations and restrictions of all types have been complied with unless otherwise stated in the report; further, it is assumed that all required licenses, consents, permits, or other legislative or administrative authority, local, state, federal and/or private entity or organization have been or can be obtained or renewed for any use considered in the value estimate.
25. Neither all nor any part of the contents of this report or copy thereof shall be conveyed to the public through advertising, public relations, news, sales, or any other media, without the prior written consent and approval of the appraisers. This limitation pertains to any valuation conclusions, the identity of the analyst or the firm and any reference to the professional organization of which the appraiser is affiliated or to the designations thereof.
26. Although the appraiser has made, insofar as is practical, every effort to verify as factual and true all information and data set forth in this report, no responsibility is assumed for the accuracy of any information furnished the appraiser either by the client or others. If for any reason, future investigations should prove any data to be in substantial variance with that presented in this report, the appraiser reserves the right to alter or change any or all analyses, opinions, or conclusions and/or estimates of value.
27. If this report has been prepared in a so-called “public non-disclosure” state, real estate sales prices and other data, such as rents, prices, and financing, are not a matter of public record. If this is such a “non-disclosure” state, although extensive effort has been expended to verify pertinent data with buyers, sellers, brokers, lenders, lessors, lessees, and other sources considered reliable, it has not always been possible to independently verify all significant facts. In these instances, the appraiser may have relied on verification obtained and reported by appraisers outside of our office. Also, as necessary, assumptions and adjustments have been made based on comparisons and analyses using data in the report and on interviews with market participants. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.
28. The American Disabilities Act (ADA) became effective January 26, 1992. The appraiser has not made a specific compliance survey or analysis of the property to determine whether or not it is in conformity with the various detailed requirements of ADA. It is possible that a compliance survey of the property and a detailed analysis of the requirements of the ADA would reveal that the property is not in compliance with one or more of the requirements of the act. If so, this fact could have a negative impact upon the value of the property. Since the appraiser has no direct evidence relating to this issue, possible noncompliance with the requirements of ADA was not considered in estimating the value of the property.
29. This appraisal report has been prepared for the exclusive benefit of the client. It may not be used or relied upon by any other party. Any other party who is not the identified client within this report who uses or relies upon any information in this report does so at their own risk.
30. The dollar amount of any value opinion herein rendered is based upon the purchasing power and price of the United States Dollar as of the effective date of value. This appraisal is based on market conditions existing as of the date of this appraisal.

31. The right is reserved by the appraiser to make adjustments to the analyses, opinions, and conclusions set forth in this report as may be required by consideration of additional or more reliable data that may become available. No change of this report shall be made by anyone other than the appraiser or appraisers. The appraiser(s) shall have no responsibility for any unauthorized change(s) to the report.
32. If the client instructions to the appraiser were to inspect only the exterior of the improvements in the appraisal process, the physical attributes of the property were observed from the street(s) as of the inspection date of the appraisal. Physical characteristics of the property were obtained from tax assessment records, available plans, if any, descriptive information, and interviewing the client and other knowledgeable persons. It is assumed the interior of the subject property is consistent with the exterior conditions as observed and that other information relied upon is accurate.
33. The submission of this report constitutes completion of the services authorized. It is submitted on the condition the client will provide reasonable notice and customary compensation, including expert witness fees, relating to any subsequent required attendance at conferences, depositions, and judicial or administrative proceedings. In the event the appraiser is subpoenaed for either an appearance or a request to produce documents, a best effort will be made to notify the client immediately. The client has the sole responsibility for obtaining a protective order, providing legal instruction not to appear with the appraisal report and related work files and will answer all questions pertaining to the assignment, the preparation of the report, and the reasoning used to formulate the estimate of value. Unless paid in whole or in part by the party issuing the subpoena or by another party of interest in the matter, the client is responsible for all unpaid fees resulting from the appearance or production of documents regardless of who orders the work.
34. Use of this appraisal report constitutes acknowledgement and acceptance of the general assumptions and limiting conditions, special assumptions (if any), extraordinary assumptions (if any), and hypothetical conditions (if any) on which this estimate of market value is based.
35. If provided, the estimated insurable value is included at the request of the client and has not been performed by a qualified insurance agent or risk management underwriter. This cost estimate should not be solely relied upon for insurable value purposes. The appraisers are not familiar with the definition of insurable value from the insurance provider, the local governmental underwriting regulations, or the types of insurance coverage available. These factors can impact cost estimates and are beyond the scope of the intended use of this appraisal. The appraisers are not cost experts in cost estimating for insurance purposes.

## **Special Assumptions, Conditions and/or Considerations:**

**Extraordinary assumption.** An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions.<sup>11</sup>

1. The appraiser has assumed that all financial data and/or other supportive documents that was provided by the owner, client or other outside parties to be accurate/ true representation of the subject.
2. The subject consists of a 78-Room/ 29,656 SF two-story lodging facility with typical room/ suite mix (king and double queen suites) on a 0.952-acre site. We have anticipated the stabilized occupancy at 52.5% with an ADR at \$54.00. Please view the income capitalization report for complete support to our projections.

**Hypothetical condition** 1. A condition that is presumed to be true when it is known to be false. (SVP) 2. A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results but is used for the purpose of analysis.<sup>12</sup>

This report contains no hypothetical conditions.

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<sup>11</sup> Source: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed., s.v. "extraordinary assumptions" (Chicago: Appraisal Institute, 2015), PDF e-book.

<sup>12</sup> Source: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed., s.v. "hypothetical condition" (Chicago: Appraisal Institute, 2015), PDF e-book.

**CERTIFICATE OF APPRAISAL:**

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

The statements of fact contained in this report are true and correct.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and is our personal, impartial and unbiased professional analyses, opinions and conclusions.

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 acceptance of this assignment.

We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

Our engagement in this assignment was not contingent upon the developing or reporting predetermined results.

Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.

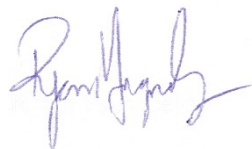
Jonas Westrin, MAI made a personal inspection of the property that is the subject of this report on the specified date of value. Ryan Hugueley, MAI, also made a personal inspection and has completed the research, analysis and report writing. Kenneth P. Wood did not inspect the subject property on the specified date of value. No other individuals provided significant professional assistance.

The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

As of the date of this report, Ryan Hugueley has completed the continuing education program and the Standards and Ethics Requirements for Designated Members of the Appraisal Institute.

As of the date of this report, Kenneth P. Wood has completed the Standards and Ethics Education Requirements for Practicing Affiliates of the Appraisal Institute.



Ryan Hugueley, Appraiser



Kenneth P. Wood, Appraiser

## **ADDENDUM**

- EXHIBIT A:           SUBJECT PROPERTY DATA**
- EXHIBIT B:           FINANCIAL DATA / SALES DATA**
- EXHIBIT C:           ENGAGEMENT LETTER**
- EXHIBIT D:           QUALIFICATIONS OF THE APPRAISERS**

# **EXHIBIT A**



**Improvements Totals**

Total Appraised Value \$3,540.00  
 Total Assessed Value \$1,239.00

**Commercial**

Year Built: 1963 Building Number: 1  
 Number of Units: 74 Description: 315  
 Identical Units: Identical Units: 1  
 Improvement Name: EXECUTIVE INN

Year Built: 1963 Building Number: 1  
 Number of Units: Description: 321  
 Identical Units: Identical Units: 2  
 Improvement Name: MS. BRES. RESTAURANT

**Commercial Features**

Code	Measurement 1	Measurement 2	Elevator Stops	Identical Units	Value
CP5	752	1		1	\$6,527.00
BA1	5	112		1	\$6,076.00
BA1	5	88		1	\$4,774.00
LP3	38	48		1	\$6,361.00
CP6	10	5		1	\$532.00
CP6	29	3		1	\$924.00

**Commercial Construction**

Sec. Num	From	To	Width	Length	undefined	Perimeter	Desc	Wall Height	Exterior	Const	Heat	AC
1	01	01				764	021	10	02	1	3	2
1	02	02				712	021	10	02	1	3	2
1	01	01				126	031	10	01	1	2	2

**Photos**



3400700035320001 04/22/2017

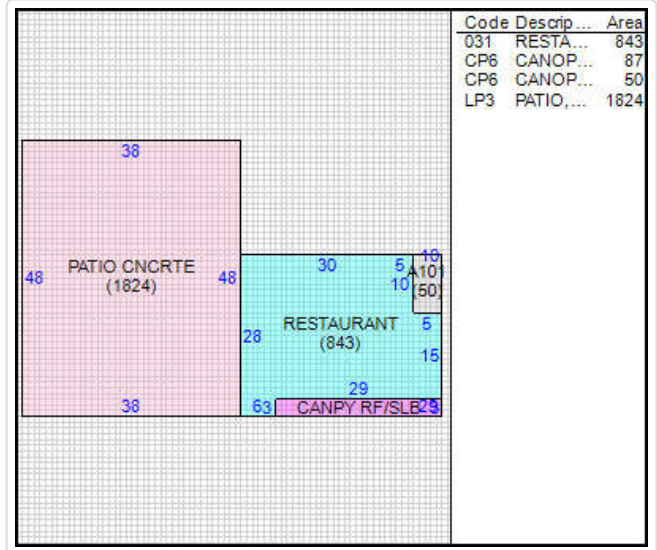
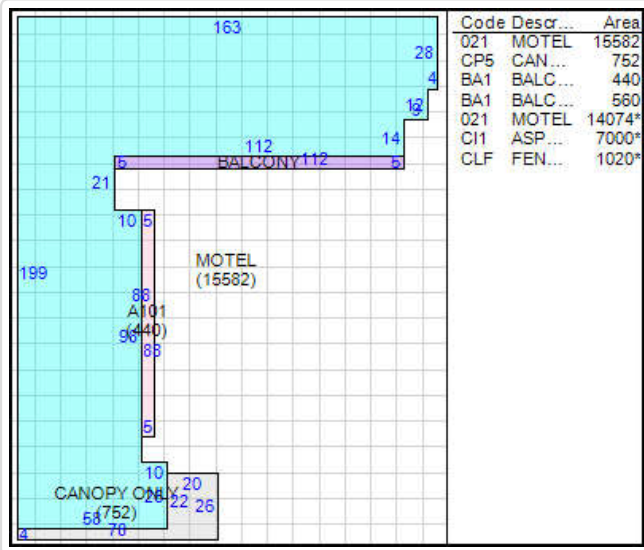


3400700035320001 04/22/2017



3400700035320001 04/22/2017

**Sketches**

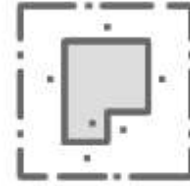


Clark County, Ohio



Report generated: Friday, December 10, 2021

Parcel Report



Sorry, no sketch available for this record

**Base Data**

**Parcel Number:** 3400700035320002  
**Owner Name:** PUNJASAHIB INVESTMENT COMPANY  
**Property Address:** 30 N PLUM ST, SPRINGFIELD 45504  
**Percent Owned %:** 100

**Legal**

**Neighborhood:** 340C6000  
**Legal Description:** DEMINTS PT MID PTS  
 122 124;  
**Class:** C

**Legal Acres:** 0.00  
**Land Use:** 456 PARKING GARAGE STRUCTURE & LOTS  
**Map Number:** 0005-01

**Valuation**

**Appraised Assessed (35%)**  
**Land Value:** \$21,060.00 \$7,370.00  
**Building Value:** \$2,100.00 \$740.00  
**Total Value:** \$23,160.00 \$8,110.00  
**CAUV Value:** \$0.00  
**Taxable Value:** \$8,110.00

**Tax Credits**

**Homestead:** No  
**Exemption:**  
**2.5% Reduction:** No

**Land**

Description	Effective Lot Size	Act. Frontage	Acres	Sq. Foot	Value
PRIMARY SITE			0.121	5,265	\$21,060.00

**Land Totals**

**Effective Total Acres:** 0.121  
**Effective Total Square Footage:** 5,265  
**Total Value:** \$21,060.00

**Valuation**

**Appraised Assessed (35%)**  
**Land Value:** \$21,060.00 \$7,370.00  
**Building Value:** \$2,100.00 \$740.00  
**Total Value:** \$23,160.00 \$8,110.00  
**CAUV Value:** \$0.00  
**Taxable Value:** \$8,110.00

## Valuation History

Tax Year	Appraised Land Value	Appraised Building Value	CAUV Value	AppraisedTotalValue
2019	\$21,060.00	\$2,100.00	\$0.00	\$23,160.00
2018	\$21,060.00	\$0.00	\$0.00	\$21,060.00
2017	\$21,060.00	\$0.00	\$0.00	\$21,060.00
2016	\$21,060.00	\$0.00	\$0.00	\$21,060.00
2015	\$21,060.00	\$0.00	\$0.00	\$21,060.00
2014	\$21,060.00	\$0.00	\$0.00	\$21,060.00
2013	\$21,060.00	\$0.00	\$0.00	\$21,060.00
2012	\$9,900.00	\$0.00	\$0.00	\$9,900.00
2011	\$9,900.00	\$0.00	\$0.00	\$9,900.00
2010	\$9,900.00	\$0.00	\$0.00	\$9,900.00
2009	\$9,900.00	\$0.00	\$0.00	\$9,900.00
2008	\$9,900.00	\$0.00	\$0.00	\$9,900.00
2007	\$9,900.00	\$0.00	\$0.00	\$9,900.00

## Sales

Sale Date	Sale Price	Seller	Buyer	Number of Parcels
05/11/1998	\$0.00	HART JOHN MICHAEL	PUNJASAHIB INVESTMENT COMPANY	
12/30/1987	\$200,000.00			

## Property Tax

Tax Year 2020 Payable 2021

	First Half	Second Half
<b>Gross Charge:</b>	\$359.69	\$359.69
<b>Reduction Factor:</b>	(\$63.55)	(\$63.55)
<b>Non-Business Credit:</b>	\$0.00	\$0.00
<b>Owner Occupancy Credit:</b>	\$0.00	\$0.00
<b>Homestead Reduction:</b>	\$0.00	\$0.00
<b>Net Tax Due:</b>	\$296.14	\$296.14
<b>Special Assessments:</b>	\$0.00	\$0.00
<b>Penalties And Adjustments:</b>	\$0.00	\$0.00
<b>Subtotals:</b>	\$0.00	\$0.00
<b>Interest:</b>	\$0.00	
<b>Prior Charges:</b>	\$0.00	
<b>Full Year Total:</b>	\$592.28	
<b>Payments:</b>	\$592.28	
<b>Half Year Due:</b>	\$0.00	
<b>Full Year Due:</b>	\$0.00	

## Tax History

Tax Year 2007	First Half	Second Half
<b>Gross Charge:</b>	\$147.81	\$147.81
<b>Reduction Factor:</b>	(\$41.59)	(\$41.59)
<b>Non-Business Credit:</b>	\$0.00	\$0.00
<b>Owner Occupancy Credit:</b>	\$0.00	\$0.00
<b>Homestead Reduction:</b>	\$0.00	\$0.00
<b>Net Tax Due:</b>	\$106.22	\$106.22
<b>Special Assessments:</b>	\$0.00	\$0.00
<b>Penalties And Adjustments:</b>	\$0.00	\$0.00
<b>Subtotals:</b>	\$0.00	\$0.00
<b>Interest:</b>	\$0.00	
<b>Prior Charges:</b>	\$0.00	
<b>Full Year Total:</b>	\$212.44	
<b>Payments:</b>	\$212.44	
<b>Half Year Due:</b>	\$0.00	
<b>Full Year Due:</b>	\$0.00	

## Payments

Date	Amount
03/15/2021	(\$296.14)
07/09/2021	(\$296.14)

## Improvements

Card	Code	Year Built	Year Remodeled	Dimensions	Grade	Condition	Depreciation	Appraised Value	Assessed Value
1	CI1	1963			C	F	1.947	\$2,100.00	\$735.00

## Improvements Totals

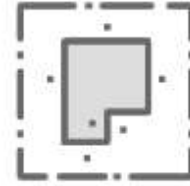
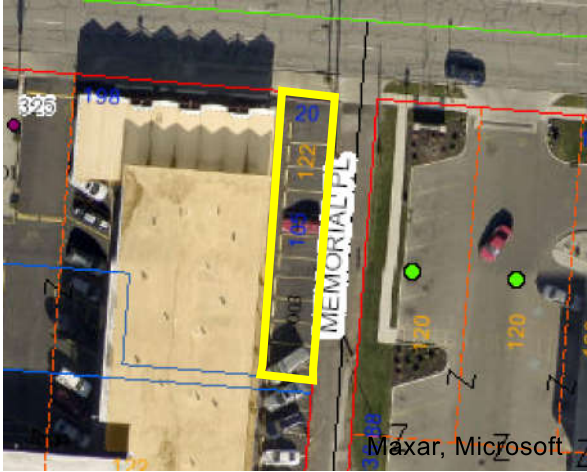
<b>Total Appraised Value</b>	\$2,100.00
<b>Total Assessed Value</b>	\$735.00

Clark County, Ohio



Report generated: Friday, December 10, 2021

Parcel Report



Sorry, no sketch available for this record

**Base Data**

**Parcel Number:** 3400700035320003  
**Owner Name:** PUNJASAHIB INVESTMENT COMPANY  
**Property Address:** W COLUMBIA ST, SPRINGFIELD 45504  
**Percent Owned %:** 100

**Legal**

**Neighborhood:** 340C6000  
**Legal Description:** DEMINTS PT E PT  
**Class:** C  
**Legal Acres:** 0.00  
**Land Use:** 456 PARKING GARAGE STRUCTURE & LOTS  
**Map Number:** 0005-01  
 122;

**Valuation**

	Appraised	Assessed (35%)
<b>Land Value:</b>	\$8,400.00	\$2,940.00
<b>Building Value:</b>	\$940.00	\$330.00
<b>Total Value:</b>	\$9,340.00	\$3,270.00
<b>CAUV Value:</b>	\$0.00	
<b>Taxable Value:</b>	\$3,270.00	

**Tax Credits**

**Homestead Exemption:** No  
**2.5% Reduction:** No

**Land**

Description	Effective Lot Size	Act. Frontage	Acres	Sq. Foot	Value
PRIMARY SITE			0.048	2,100	\$8,400.00

**Land Totals**

<b>Effective Total Acres</b>	0.048
<b>Effective Total Square Footage</b>	2,100
<b>Total Value</b>	\$8,400.00

**Valuation**

	Appraised	Assessed (35%)
<b>Land Value:</b>	\$8,400.00	\$2,940.00
<b>Building Value:</b>	\$940.00	\$330.00
<b>Total Value:</b>	\$9,340.00	\$3,270.00
<b>CAUV Value:</b>	\$0.00	
<b>Taxable Value:</b>	\$3,270.00	

## Valuation History

Tax Year	Appraised Land Value	Appraised Building Value	CAUV Value	Appraised Total Value
2019	\$8,400.00	\$940.00	\$0.00	\$9,340.00
2018	\$8,400.00	\$0.00	\$0.00	\$8,400.00
2017	\$8,400.00	\$0.00	\$0.00	\$8,400.00
2016	\$8,400.00	\$0.00	\$0.00	\$8,400.00
2015	\$8,400.00	\$0.00	\$0.00	\$8,400.00
2014	\$8,400.00	\$0.00	\$0.00	\$8,400.00
2013	\$8,400.00	\$0.00	\$0.00	\$8,400.00
2012	\$3,950.00	\$0.00	\$0.00	\$3,950.00
2011	\$3,950.00	\$0.00	\$0.00	\$3,950.00
2010	\$3,950.00	\$0.00	\$0.00	\$3,950.00
2009	\$3,950.00	\$0.00	\$0.00	\$3,950.00
2008	\$3,950.00	\$0.00	\$0.00	\$3,950.00
2007	\$3,950.00	\$0.00	\$0.00	\$3,950.00

## Sales

Sale Date	Sale Price	Seller	Buyer	Number of Parcels
05/11/1998	\$0.00	HART JOHN MICHAEL	PUNJASAHIB INVESTMENT COMPANY	
12/30/1987	\$200,000.00			

## Tax History

Tax Year 2007	First Half	Second Half
<b>Gross Charge:</b>	\$58.78	\$58.78
<b>Reduction Factor:</b>	(\$16.53)	(\$16.53)
<b>Non-Business Credit:</b>	\$0.00	\$0.00
<b>Owner Occupancy Credit:</b>	\$0.00	\$0.00
<b>Homestead Reduction:</b>	\$0.00	\$0.00
<b>Net Tax Due:</b>	\$42.25	\$42.25
<b>Special Assessments:</b>	\$0.00	\$0.00
<b>Penalties And Adjustments:</b>	\$0.00	\$0.00
<b>Subtotals:</b>	\$0.00	\$0.00
<b>Interest:</b>	\$0.00	
<b>Prior Charges:</b>	\$0.00	
<b>Full Year Total:</b>	\$84.50	
<b>Payments:</b>	\$84.50	
<b>Half Year Due:</b>	\$0.00	
<b>Full Year Due:</b>	\$0.00	

## Payments

Date	Amount
03/15/2021	(\$119.41)
03/15/2021	(\$2.00)
07/09/2021	(\$117.41)

## Improvements

Card	Code	Year Built	Year Remodeled	Dimensions	Grade	Condition	Depreciation	Appraised Value	Assessed Value
1	C11	1963			C	F	2.172	\$940.00	\$329.00

## Improvements Totals

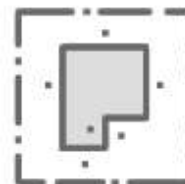
<b>Total Appraised Value</b>	\$940.00
<b>Total Assessed Value</b>	\$329.00

Clark County, Ohio



Report generated: Friday, December 10, 2021

Parcel Report



Sorry, no sketch available for this record

**Base Data**

**Parcel Number:** 3400700035320004  
**Owner Name:** PUNJASAHIB INVESTMENT COMPANY  
**Property Address:** 26 N PLUM ST, SPRINGFIELD 45504  
**Percent Owned %:** 100

**Legal**

**Neighborhood:** 340C6000  
**Legal Description:** DEMINTS S MID PTS  
**Acres:** 0.00  
**Land Use:** 456 PARKING GARAGE STRUCTURE & LOTS  
**Map Number:** 0005-01  
 122 124;  
**Class:** C

**Valuation**

**Appraised Assessed (35%)**  
**Land Value:** \$39,600.00 \$13,860.00  
**Building Value:** \$3,310.00 \$1,160.00  
**Total Value:** \$42,910.00 \$15,020.00  
**CAUV Value:** \$0.00  
**Taxable Value:** \$15,020.00

**Tax Credits**

**Homestead:** No  
**Exemption:**  
**2.5% Reduction:** No

**Land**

Description	Effective Lot Size	Act. Frontage	Acres	Sq. Foot	Value
PRIMARY SITE			0.227	9,900	\$39,600.00

**Land Totals**

**Effective Total Acres:** 0.227  
**Effective Total Square Footage:** 9,900  
**Total Value:** \$39,600.00

**Valuation**

**Appraised Assessed (35%)**  
**Land Value:** \$39,600.00 \$13,860.00  
**Building Value:** \$3,310.00 \$1,160.00  
**Total Value:** \$42,910.00 \$15,020.00  
**CAUV Value:** \$0.00  
**Taxable Value:** \$15,020.00

**Sales**

Sale Date	Sale Price	Seller	Buyer	Number of Parcels
05/11/1998	\$0.00	HART JOHN MICHAEL	PUNJASAHIB INVESTMENT COMPANY	
12/30/1987	\$200,000.00			

**Improvements**

Card	Code	Year Built	Year Remodeled	Dimensions	Grade	Condition	Depreciation	Appraised Value	Assessed Value
1	CI1	1963			C	F	1.862	\$3,310.00	\$1,158.50

**Improvements Totals**

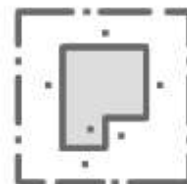
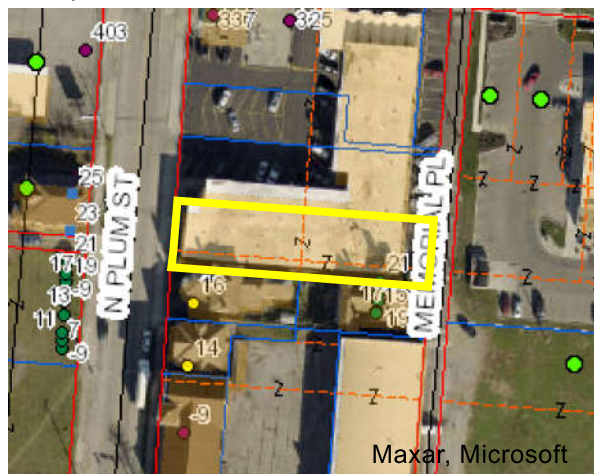
<b>Total Appraised Value</b>	\$3,310.00
<b>Total Assessed Value</b>	\$1,158.50

Clark County, Ohio



Report generated: Friday, December 10, 2021

Parcel Report



Sorry, no sketch available for this record

**Base Data**

**Parcel Number:** 3400700035320005  
**Owner Name:** PUNJASAHIB INVESTMENT COMPANY  
**Property Address:** 22 N PLUM ST, SPRINGFIELD 45504  
**Percent Owned %:** 100

**Legal**

**Neighborhood:** 340C6000 **Legal Acres:** 0.00  
**Legal Description:** DEMINTS PTS EA **Land Use:** 400 COMMERCIAL VACANT LAND  
 122 124 167; **Map Number:** 0005-01  
**Class:** C

**Valuation**

**Appraised Assessed (35%)**  
**Land Value:** \$39,600.00 \$13,860.00  
**Building Value:** \$0.00 \$0.00  
**Total Value:** \$39,600.00 \$13,860.00  
**CAUV Value:** \$0.00  
**Taxable Value:** \$13,860.00

**Tax Credits**

**Homestead:** No  
**Exemption:**  
**2.5% Reduction:** No

**Land**

Description	Effective Lot Size	Act. Frontage	Acres	Sq. Foot	Value
PRIMARY SITE			0.227	9,900	\$39,600.00

**Land Totals**

**Effective Total Acres:** 0.227  
**Effective Total:** 9,900  
**Square Footage:**  
**Total Value:** \$39,600.00

**Valuation**

**Appraised Assessed (35%)**  
**Land Value:** \$39,600.00 \$13,860.00  
**Building Value:** \$0.00 \$0.00  
**Total Value:** \$39,600.00 \$13,860.00  
**CAUV Value:** \$0.00  
**Taxable Value:** \$13,860.00

**Sales**

Sale Date	Sale Price	Seller	Buyer	Number of Parcels
05/11/1998	\$0.00	HART JOHN MICHAEL	PUNJASAHIB INVESTMENT COMPANY	
12/30/1987	\$200,000.00			

# **EXHIBIT B**

1:58 PM

05/15/21

Cash Basis

Punjasahib Investment Co.  
**Profit & Loss**  
January through December 2020

	Jan - Dec 20
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
3010 · Sales - Room	661,323.36
3030 · Rental Income	4,599.96
<b>Total Income</b>	<b>665,923.32</b>
<b>Expense</b>	
6050 · Accounting	4,405.00
6100 · Advertising	1,529.20
6150 · Auto and Truck Expense	7,989.57
6250 · Bank Charges	101.85
6251 · Bonuses	1,100.00
6350 · Contributions	6,150.00
6400 · Credit Card Fees	2,748.73
6670 · Guest Supplies	5,571.36
6750 · Health Insurance	6,704.66
6800 · Insurance	16,021.30
6900 · Laundry and Cleaning	1,255.00
7000 · Licenses and Fees	125.00
7100 · Office Expense	670.27
7126 · Payroll Expense	945.00
7160 · Pest Control	3,022.68
7300 · Repairs and Maintenance	9,484.27
7350 · Salaries - Officers	44,076.94
7400 · Salaries and Wages	113,546.50
7450 · Supplies - Motel	85,513.45
7500 · Taxes - Fica Expense	12,058.19
7550 · Taxes - Futa	338.46
7555 · Taxes - Municipal Net profit	360.00
7560 · Taxes - Suta	613.32
7580 · Taxes - Real Estate	18,463.10
7595 · Taxes - CAT	150.00
7600 · Telephone	6,105.47
7750 · Utilities - Electric	43,991.39
7760 · Utilities - Garbage	1,765.93
7770 · Utilities - Water	12,604.89
7800 · Workers Compensation	1,459.38
<b>Total Expense</b>	<b>408,870.91</b>
<b>Net Ordinary Income</b>	<b>257,052.41</b>
<b>Other Income/Expense</b>	
<b>Other Income</b>	8,370.80
8305 · BWC Refund	125.04
8310 · Discount Earned on Sales Tax	
<b>Total Other Income</b>	<b>8,495.84</b>
<b>Other Expense</b>	6,793.09
8510 · Interest Expense	29,503.00
8520 · Depreciation	346.00
8530 · Amortization	
<b>Total Other Expense</b>	<b>36,642.09</b>
<b>Net Other Income</b>	<b>-28,146.25</b>
<b>Net Income</b>	<b>228,906.16</b>

2:19 PM  
02/07/22  
Accrual Basis

Punjasahib Investment Co.  
Transaction Detail By Account  
January through December 2021

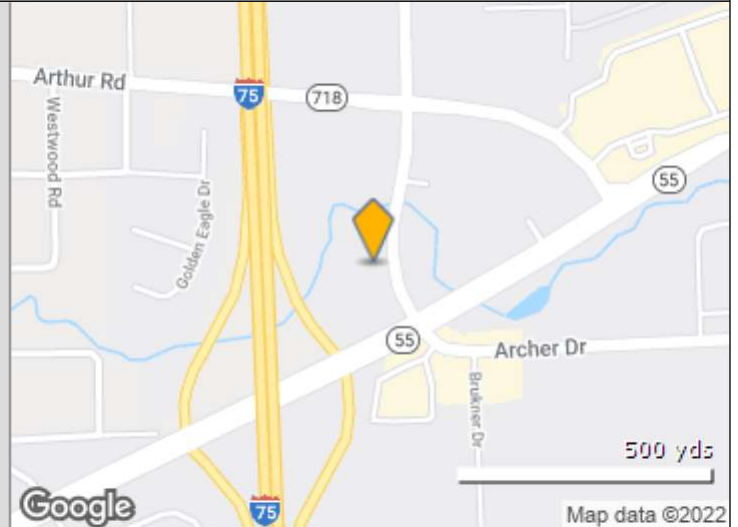
Type	Date	Num	Adj	Memo	Clr	Split	Credit	Balance
<b>3010 - Sales - Room</b>								
General Journal	01/31/2021	Sales ...	.	Record Sales		-SPLIT-	74,920.82	74,920.82
General Journal	02/28/2021	Sales ...	.	Record Sales		-SPLIT-	75,374.28	150,295.10
General Journal	03/31/2021	Sales ...	.	Record Sales		-SPLIT-	52,249.39	202,544.49
General Journal	04/30/2021	Sales ...	.	Record Sales		-SPLIT-	66,467.14	269,011.63
General Journal	05/31/2021	Sales ...	.	Record Sales		-SPLIT-	63,504.88	332,516.51
General Journal	06/30/2021	Sales ...	.	Record Sales		-SPLIT-	59,412.97	391,929.48
General Journal	07/31/2021	Sales ...	.	Record Sales		-SPLIT-	67,732.95	459,662.43
General Journal	08/31/2021	Sales ...	.	Record Sales		-SPLIT-	62,964.18	522,616.61
General Journal	09/30/2021	Sales ...	.	Record Sales		-SPLIT-	71,723.69	594,340.30
General Journal	10/31/2021	Sales ...	.	To record Oct...		-SPLIT-	71,265.17	665,605.47
General Journal	11/30/2021	Sales ...	.	To record Nov...		-SPLIT-	67,397.41	733,002.88
General Journal	12/31/2021	Sales ...	.	To record Dec...		-SPLIT-	71,442.46	804,445.34
<b>TOTAL</b>							<b>804,445.34</b>	<b>804,445.34</b>

**1260 S Dorset Rd - Motel 6 Troy**

**SOLD**

Troy, OH 45373

Sale on 5/14/2021 for \$2,325,200 (\$52.85/SF; \$29,065/Room) - Research Complete  
 44,000 SF, 80 Room Hotel Building Built in 1970



**Buyer & Seller Contact Info**

Recorded Buyer: **Misty Hospitality Inc**  
 True Buyer: **Rajnikant Patel**  
**Rajnikant Patel**  
 29099 Health Campus Dr  
 Cleveland, OH 44145  
 (216) 241-8654  
 Buyer Type: **Individual**

Recorded Seller: **Keshav Bhavani Llc**  
 True Seller: **Sangitaben Patel**  
**Sangitaben Patel**  
 1261 S Dorset Rd  
 Troy, OH 45373  
 (937) 335-0021  
 Seller Type: **Individual**

**Transaction Details**

ID: 5539049

Sale Date: **05/14/2021**  
 Escrow Length: -  
 Sale Price: **\$2,325,200-Full Value**  
 Asking Price: -  
 Price/SF: **\$52.85**  
 Price/AC Land Gross: **\$369,666.14**

Sale Type: **Investment**  
 Bldg Type: **Hotel**  
 Year Built/Age: **Built in 1970 Age: 51**  
 GLA: **44,000 SF**  
 Land Area: **6.29 AC (273,992 SF)**

Price/Room: **\$29,065**  
 Percent Leased: -  
 Tenancy: **Single**

Percent Improved: **50.1%**  
 Total Value Assessed: **\$353,990 in 2020**  
 Improved Value Assessed: **\$177,240**  
 Land Value Assessed: **\$176,750**  
 Land Assessed/AC: **\$28,100**

# of Rooms: **80**  
 Avg Room Size: -  
 Typical Floor Size: **20,000 SF**

Stories: **2**  
 Building FAR: **0.16**  
 Zoning: **S1**

Parcel No: **D08056630**  
 Document No: **008660**

Sale History: **Sold for \$2,325,200 (\$52.85/SF; \$29,065/Room) on 5/14/2021**  
**Sold for \$1,060,000 (\$24.09/SF; \$13,250/Room) on 10/26/2015**  
**Sold for \$2,126,000 (\$48.32/SF; \$26,575/Room) on 9/18/2009 Non-Arms Length**

**1260 S Dorset Rd - Motel 6 Troy****SOLD**

44,000 SF, 80 Room Hotel Building Built in 1970 (con't)

**Transaction Notes**

On May 14th, 2021 this 80 Room Hotel located at 1260 S Dorset Rd. Troy, OH sold in an Investment sale for \$2,325,200. This property is located in Miami County and sits on 6.29 acres of land as a Masonry construction type. The parties involved were not at liberty to disclose any of the vital data, or were unable to be contacted. All information is based on recorded documents and county assessor records.

**Current Building Information**

ID: 684334

Hotel Name:	<b>Motel 6</b>	Bldg Status:	<b>Built in 1970</b>
Hotel Size:	<b>44,000 SF</b>	Stories:	<b>2</b>
# Rooms:	<b>80</b>	Avg Room Size:	<b>-</b>
Avg Daily Rate:	<b>60 SF</b>	Typical Floor Size:	<b>20,000 SF</b>
Building FAR:	<b>0.16</b>	Const Type:	
Lot Dimensions:	<b>-</b>	Zoning:	<b>S1</b>
Land Area:	<b>6.29 AC</b>		
Owner Type:	<b>Individual</b>		
Parking:	<b>80 free Surface Spaces are available; Ratio of 2.00/1,000 SF; 1.00/Room</b>		
Amenities:	<b>Pool</b>		

**Location Information**

Metro Market: **Cincinnati/Dayton**  
 Submarket: **North Dayton Ind/North Dayton Ind**  
 County: **Miami**  
 CBSA: **Dayton, OH**  
 CSA: **Dayton-Springfield-Sidney, OH**  
 DMA: **Dayton, OH**

# 2 W Leffel Ln - USA Inn & Suites

**SOLD**

14

Springfield, OH 45506  
 Sale on 6/21/2021 for \$915,000 (\$15.76/SF; \$9,150/Room) - Research Complete  
 58,064 SF, 100 Room Hotel Building Built in Jun 1974



### Buyer & Seller Contact Info

**Recorded Buyer:** Shiv Parvati Llc  
**True Buyer:** Prakashchandra Patel  
 Prakashchandra Patel  
 103 Harry Sauner Rd  
 Hillsboro, OH 45133  
 (901) 948-9005  
 Kuldip D Patel  
 Kuldip Patel  
 442 McCray Blvd  
 Springboro, OH 45066  
 (716) 836-6972  
**Buyer Type:** Individual

**Recorded Seller:** Friends Group Hospitality Llc  
**True Seller:** Patel Paresh  
 Paresh Patel  
 1286 Quinlan Ct  
 Springfield, OH 45503  
 (937) 460-7281  
**Seller Type:** Other - Private

### Transaction Details

ID: 5566969

<b>Sale Date:</b> 06/21/2021	<b>Sale Type:</b> Investment
<b>Escrow Length:</b> -	<b>Bldg Type:</b> Hotel
<b>Sale Price:</b> \$915,000-Full Value	<b>Year Built/Age:</b> Built in Jun 1974 Age: 47
<b>Asking Price:</b> -	<b>GLA:</b> 58,064 SF
<b>Price/SF:</b> \$15.76	<b>Land Area:</b> 5.37 AC (233,943 SF)
<b>Price/AC Land Gross:</b> \$170,372.03	
<b>Price/Room:</b> \$9,150	<b>Percent Improved:</b> 47.5%
<b>Percent Leased:</b> 100.0%	<b>Total Value Assessed:</b> \$307,650 in 2020
<b>Tenancy:</b> Single	<b>Improved Value Assessed:</b> \$146,040
	<b>Land Value Assessed:</b> \$161,610
	<b>Land Assessed/AC:</b> \$30,091
<b># of Rooms:</b> 100	<b>Stories:</b> 2
<b>Avg Room Size:</b> -	<b>Building FAR:</b> 0.25
<b>Typical Floor Size:</b> 36,129 SF	<b>Zoning:</b> CC-2
<b>Financing:</b> \$100,000.00 from First State Bank:: 84 yr amtz.; Conventional loan type	
\$1,344,000.00 from First State Bank:: due in 252 yrs; Conventional loan type	

**2 W Leffel Ln - USA Inn & Suites****SOLD**

58,064 SF, 100 Room Hotel Building Built in Jun 1974 (con't)

Parcel No: 34-00700-03331-4020, 34-00700-03331-4009  
 Document No: 2193-0155  
 Sale History: Sold for \$915,000 (\$15.76/SF; \$9,150/Room) on 6/21/2021  
 Sold on 3/18/2016  
 Sold for \$1,900,000 (\$32.72/SF; \$19,000/Room) on 9/17/2012

**Current Building Information**

ID: 5540809

Hotel Name:	USA Inn & Suites	Bldg Status:	Built in Jun 1974
Hotel Size:	58,064 SF	Stories:	2
# Rooms:	100	Avg Room Size:	-
Avg Daily Rate:	57 SF	Typical Floor Size:	36,129 SF
Building FAR:	0.25	Const Type:	
Lot Dimensions:	-	Zoning:	CC-2
Land Area:	5.37 AC		
Owner Type:	Individual		
Parking:	140 free Surface Spaces are available; Ratio of 1.94/1,000 SF; 1.40/Room		

**Location Information**

Metro Market: Cincinnati/Dayton  
 Submarket: Central MF/Springfield MF  
 County: Clark  
 CBSA: Springfield, OH  
 CSA: Dayton-Springfield-Sidney, OH  
 DMA: Dayton, OH

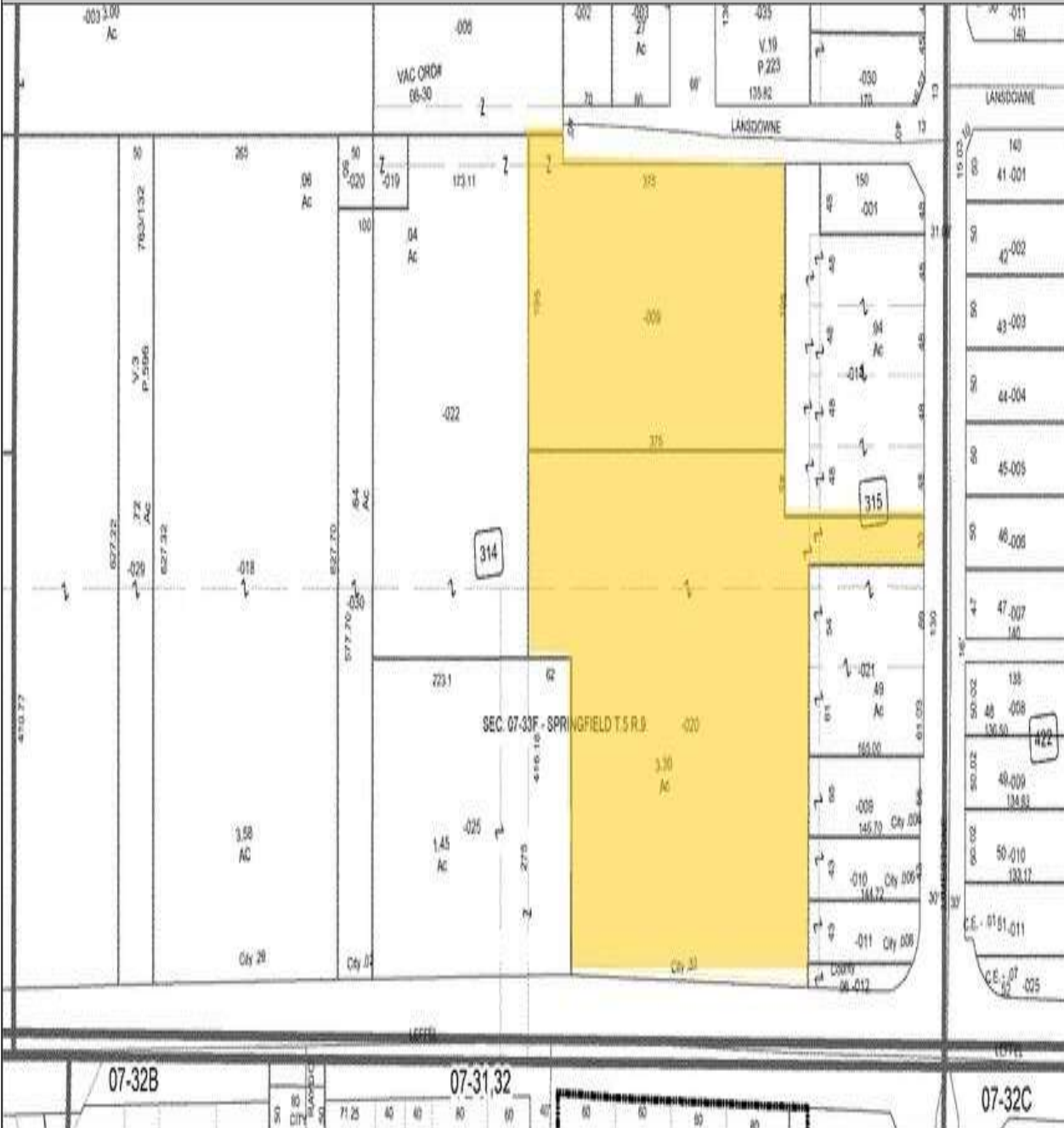
2 W Leffel Ln - USA Inn & Suites

SOLD

58,064 SF, 100 Room Hotel Building Built in Jun 1974 (con't)

Parcel Number: 34-00700-03331-4020, 34-00700-03331-4009  
Legal Description: -  
County: Clark

Plat Map: 2 W Leffel Ln



Created By: Clark County Auditors GIS Dept - 01-06-2012

Johnathan A. Burr P.E., P.S. - Clark County Engineer

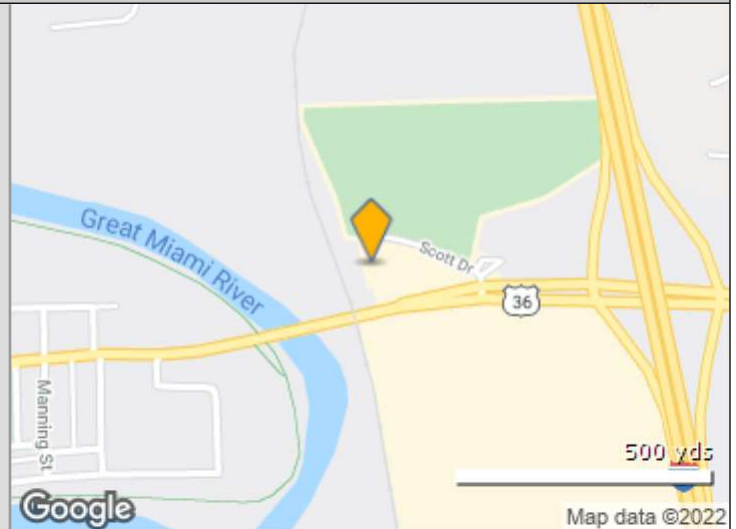
# 950 E Ash St - Baymont Inn & Suites Piqua

**SOLD**

2

Piqua, OH 45356

Sale on 9/25/2020 for \$2,600,000 (\$115.49/SF; \$37,143/Room) - Research Complete  
22,512 SF, 70 Room Hotel Building Built in 1998



### Buyer & Seller Contact Info

Recorded Buyer: Shree Sumukh Llc  
True Buyer: Paresh J Patel  
Paresh Patel  
1443 Golden Eagle Dr  
Troy, OH 45373  
(616) 822-8042  
Buyer Type: Individual  
Buyer Broker: No Buyer Broker on Deal

Recorded Seller: Mercer Hospitality Inc  
True Seller: Mercer Hospitality Inc  
Jashoda Patel  
950 E Ash St  
Piqua, OH 45356  
(304) 487-6050  
Seller Type: Other - Private  
Listing Broker: No Listing Broker on Deal

### Transaction Details

ID: 5274931

Sale Date: 09/25/2020  
Escrow Length: -  
Sale Price: \$2,600,000-Confirmed  
Asking Price: -  
Price/SF: \$115.49  
Price/AC Land Gross: \$1,585,365.85  
Price/Room: \$37,143  
Percent Leased: 100.0%

Sale Type: Investment  
Bldg Type: Hotel  
Year Built/Age: Built in 1998 Age: 22  
GLA: 22,512 SF  
Land Area: 1.64 AC (71,438 SF)

Percent Improved: 80.1%  
Total Value Assessed: \$516,360 in 2019  
Improved Value Assessed: \$413,600  
Land Value Assessed: \$102,760  
Land Assessed/AC: \$62,658

# of Rooms: 70  
Avg Room Size: -  
Typical Floor Size: 7,504 SF

Stories: 3  
Building FAR: 0.32  
Zoning: H

Financing: Down payment of \$508,500.00 (19.6%)  
\$2,091,500.00 from Millennium Bank

Parcel No: N44072964  
Document No: 014216

**950 E Ash St - Baymont Inn & Suites Piqua****SOLD**

22,512 SF, 70 Room Hotel Building Built in 1998 (con't)

**Transaction Notes**

On September 25th, 2020, the 22,512 square foot hospitality building at 950 E Ash St in Piqua, OH, 45356-4104, sold for \$2,600,000. The property, built in 1998, is class B, has a three-star rating, and was in good condition at the time of sale.

The seller was Mercer Hospitality Inc and the buyer was Shree Sumukh LLC. Neither the seller nor the buyer was represented in the transaction.

There are no sale conditions associated with this transaction.

The deed was unavailable at the time of publication.

All information on this transaction was confirmed by sources deemed reliable on the buyers side.

**Income Expense Data**

Expenses	- Taxes	\$31,504
	- Operating Expenses	
	Total Expenses	\$31,504

**Current Building Information**

ID: 5009490

Hotel Name:	Baymont	Bldg Status:	Built in 1998
Hotel Size:	22,512 SF	Stories:	3
# Rooms:	70	Avg Room Size:	-
Avg Daily Rate:	74 SF	Typical Floor Size:	7,504 SF
Building FAR:	0.32	Const Type:	
Lot Dimensions:	-	Zoning:	H
Land Area:	1.64 AC		
Owner Type:	Individual		
Parking:	76 Surface Spaces are available; Ratio of 1.09/Room		
Amenities:	Business Center, Pool		

**Location Information**

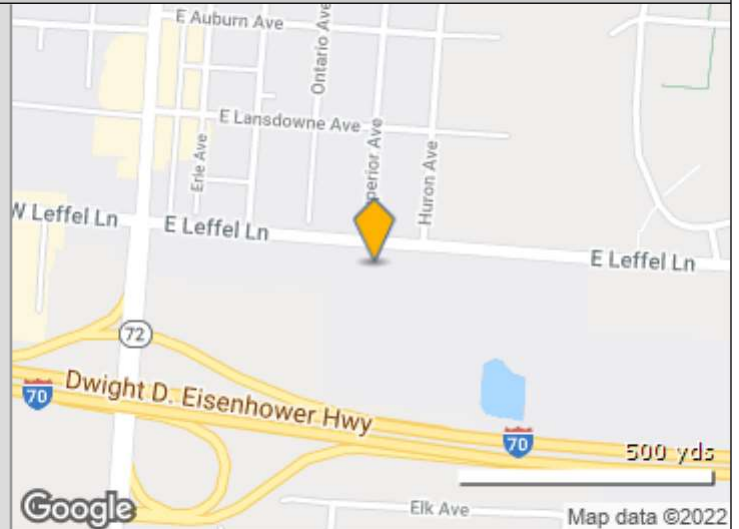
Metro Market:	Cincinnati/Dayton
Submarket:	North Dayton Ind/North Dayton Ind
County:	Miami
CBSA:	Dayton, OH
CSA:	Dayton-Springfield-Sidney, OH
DMA:	Dayton, OH

319 E Leffel Ln - Baymont Inn & Suites Springfield

SOLD

SPRINGFIELD, OH 45505

Sale on 1/15/2020 for \$1,158,000 (\$42.01/SF; \$26,318/Room) - Research Complete  
 27,566 SF, 44 Room Hotel Building Built in 1994



Buyer & Seller Contact Info

Recorded Buyer: Shivam Manpar LLC

Recorded Seller: Jayni LLC  
 319 E Leffel Ln  
 SPRINGFIELD, OH 45505  
 (937) 360-9757

True Buyer: Om Shri Shiv LLC  
 Paresh Patel  
 2418 Main  
 Springfield, OH 45503  
 (917) 636-0522

True Seller: -

Buyer Type: Individual

Buyer Broker: No Buyer Broker on Deal

Listing Broker: No Listing Broker on Deal

Transaction Details

ID: 5049363

Sale Date: 01/15/2020  
 Escrow Length: -  
 Sale Price: \$1,158,000-Full Value  
 Asking Price: -  
 Price/SF: \$42.01  
 Price/AC Land Gross: \$890,769.23

Sale Type: Investment  
 Bldg Type: Hotel  
 Year Built/Age: Built in 1994 Age: 26  
 GLA: 27,566 SF  
 Land Area: 1.30 AC (56,628 SF)

Price/Room: \$26,318  
 Percent Leased: 100.0%  
 Tenancy: Single

Percent Improved: 90.7%  
 Total Value Assessed: \$424,930 in 2018  
 Improved Value Assessed: \$385,290  
 Land Value Assessed: \$39,640  
 Land Assessed/AC: \$30,492

# of Rooms: 44  
 Avg Room Size: -  
 Typical Floor Size: 13,783 SF

Stories: 2  
 Building FAR: 0.49  
 Zoning: 012 - Hotel

Financing: Down payment of \$158,000.00 (13.6%)  
 \$1,000,000.00 from Security National Bank

**319 E Leffel Ln - Baymont Inn & Suites Springfield****SOLD**

27,566 SF, 44 Room Hotel Building Built in 1994 (con't)

Parcel No: 33-00700-03220-0017  
 Document No: 2167-0416

**Transaction Notes**

On January 15th, 2020, the 27,566 square foot hospitality building at 319 E Leffel Ln in Springfield, OH 45505-4746, sold for \$1,158,000. The property, built in 1994, was class-C, had a 3-star rating and was in adequate condition at the time of sale. Additionally, the property sits on 1.3 acres and is zoned 012-Hotel.

The seller was Jayni, LLC and the buyer was Shivam Manpar, LLC. Neither the buyer nor seller was represented by brokers.

All information on this transaction was retrieved from public records.

The deed was unavailable at the time of publication.

**Income Expense Data**

Expenses	- Taxes	\$27,894
	- Operating Expenses	
	Total Expenses	\$27,894

**Current Building Information**

ID: 5540808

Hotel Name:	Baymont	Bldg Status:	Built in 1994
Hotel Size:	27,566 SF	Stories:	2
# Rooms:	44	Avg Room Size:	-
Avg Daily Rate:	81 SF	Typical Floor Size:	13,783 SF
Building FAR:	0.49	Const Type:	
Lot Dimensions:	-	Zoning:	012 - Hotel
Land Area:	1.30 AC		

Owner Type: Other - Private

Parking: 50 Surface Spaces are available; Ratio of 1.81/1,000 SF; 1.14/Room

Amenities: Business Center, Fitness Center, Pool

**Location Information**

Metro Market: Cincinnati/Dayton  
 Submarket: Central MF/Springfield MF  
 County: Clark  
 CBSA: Springfield, OH  
 CSA: Dayton-Springfield-Sidney, OH  
 DMA: Dayton, OH

# 383 E Leffel Ln - Quality Inn & Conference Center Springfield

**SOLD**

13

Springfield, OH 45505

Sale on 8/6/2019 for \$2,400,000 (\$21.82/SF; \$16,000/Room) - Research Complete

110,000 SF, 150 Room Hotel Building Built in Jun 1972, Renov 2009



### Buyer & Seller Contact Info

Recorded Buyer: Harris Hospitality Springfield LLC  
 True Buyer: Sharjeel Ahmad  
 Sharjeel Ahmad  
 137 Breezewood Dr  
 Charlotte, NC 28262  
 (443) 850-5474  
 Buyer Type: Individual  
 Buyer Broker: Baltres Commercial Realty  
 Terry Baltres  
 (937) 438-6700

Recorded Seller: Canus Hospitality LLC  
 True Seller: Canus Hospitality LLC  
 Anuraag Mullick  
 383 Leffel Ln  
 Springfield, OH 45505  
 (937) 323-8631  
 Seller Type: Individual  
 Listing Broker: Baltres Commercial Realty  
 Terry Baltres  
 (937) 438-6700

### Transaction Details

ID: 4852517

Sale Date: 08/06/2019 (273 days on market)	Sale Type: Investment
Escrow Length: -	Bldg Type: Hotel
Sale Price: \$2,400,000-Confirmed	Year Built/Age: Built in Jun 1972, Renov 2009 Age: 47
Asking Price: \$2,800,000	GLA: 110,000 SF
Price/SF: \$21.82	Land Area: 7.03 AC (306,227 SF)
Price/AC Land Gross: \$341,394.03	
Price/Room: \$16,000	Percent Improved: 80.0%
Percent Leased: -	Total Value Assessed: \$2,600,000 in 2018
Tenancy: Single	Improved Value Assessed: \$2,079,410
Actual Cap Rate: 8.60%	Land Value Assessed: \$520,590
Sale Conditions: Deferred Maintenance	Land Assessed/AC: \$74,052
# of Rooms: 150	Stories: 2
Avg Room Size: -	Building FAR: 0.36
Typical Floor Size: 55,000 SF	Zoning: -
Parcel No: 30-50700-03220-0012	
Document No: 2160-1493	

**383 E Leffel Ln - Quality Inn & Conference Center Springfield****SOLD**

110,000 SF, 150 Room Hotel Building Built in Jun 1972, Renov 2009 (con't)

Sale History: Sold for \$2,400,000 (\$21.82/SF; \$16,000/Room) on 8/6/2019  
 Sold for \$2,900,000 (\$26.36/SF; \$19,333/Room) on 4/1/2008

**Transaction Notes**

On August 6th, 2019, the 110,000 square foot and 150 unit hotel at 383 E Leffel Ln in Springfield, OH 45505 was sold for \$2,400,000, or \$16,000 per room.

This property was put on the market on November 6th, 2018. Length in escrow was unknown.

The cap rate at closing was 8.6%.

There is an estimated \$1,000,000 in deferred maintenance costs for the roof.

**Income Expense Data**

Expenses	- Taxes	\$65,715
	- Operating Expenses	
	Total Expenses	<u>\$65,715</u>

**Current Building Information**

ID: 5717954

Hotel Name:	Quality Inn	Bldg Status:	Built in Jun 1972, Renov 2009
Hotel Size:	110,000 SF	Stories:	2
# Rooms:	150	Avg Room Size:	-
Avg Daily Rate:	71 SF	Typical Floor Size:	55,000 SF
Building FAR:	0.36	Const Type:	
Lot Dimensions:	-	Zoning:	-
Land Area:	7.03 AC		
Owner Type:	Individual		
Parking:	262 free Surface Spaces are available; Ratio of 2.38/1,000 SF; 1.75/Room		
Amenities:	Fitness Center, Pool, Restaurant		

**Location Information**

Metro Market:	Cincinnati/Dayton
Submarket:	Central MF/Springfield MF
County:	Clark
CBSA:	Springfield, OH
CSA:	Dayton-Springfield-Sidney, OH
DMA:	Dayton, OH

# **EXHIBIT C**



**BID PROPOSAL & AGREEMENT  
FOR APPRAISAL SERVICES**

*To:* Jason T. Irick, Esq.  
Assistant Law Director  
**City of Springfield**

*From:* Kenneth P. Wood, President  
**Martin + Wood Appraisal Group, Ltd.**

*RE:* Bid proposal for an appraisal of motel property located at 325 W. Columbia St., Springfield, Ohio for ARPA Funded Acquisition of Facility for Homeless Services.

*Date:* September 3, 2021

-----  
Per your request, the following is a cost/time bid to complete the following appraisal:

Reference/ Property Address	Property Owner	Property Type	Report Type	Due Date	Fee
"Executive Inn" Motel 325 W. Columbia St. Springfield, OH	Punjasahib Investment Company	74 room motel and restaurant on 0.95 acre (5 parcels)	Narrative Appraisal	45-60 days	\$4,500
				<b>TOTAL:</b>	<b>\$4,500</b>

The time estimate to complete the appraisal is 45-60 days and is from the date of authorization to proceed and assumes that there are no delays in gaining access to the property and applicable financial data (2-3 years income and expenses). Our fee quote above is contingent upon also being awarded the appraisal of the "Villager Inn" motel property located at 1715 W. North St., Springfield, Ohio

The Narrative Appraisal Report will be in conformance to appraisal standards adopted by Uniform Standards of Professional Appraisal Practice, Ohio Revised Code, Department of Housing and Urban Development, and Uniform Relocation Act. The intended use for the appraisal report is to determine the market value to establish purchase price for possible acquisition for the American Rescue Plan Act of 2021 (ARPA). The intended user is City of Springfield.

**43 S. St. Clair Street, Toledo, OH 43604**  
**office: 419-241-4998 fax: 419-241-5932**  
**[www.martin-woodappraisal.com](http://www.martin-woodappraisal.com)**

**Payment for appraisal services will be made to Martin + Wood Appraisal Group, Ltd. in the amount of \$4,500 and is due within 30 days after delivery of the appraisal in PDF format.**

Please note that since 1965 we have completed over 425,000 appraisals of residential, commercial, industrial, agriculture, and special purpose properties and we maintain a high level of professionalism, competency, and thoroughness within our work. “M+W” has offices in Toledo OH, Dublin OH, and Northville MI. Visit our website at [www.martin-woodappraisal.com](http://www.martin-woodappraisal.com) for additional information on our firm.

Thank you for your consideration and please let me know if you have any questions or have further instructions. **If the fees quoted and terms are acceptable, please fax a signed copy of the agreement to 419-241-5932.**

Respectfully Submitted By:  
**Martin + Wood Appraisal Group, Ltd.**



9/3/2021

\_\_\_\_\_  
Kenneth P. Wood  
President

\_\_\_\_\_  
Date

Proposal Accepted By:  
**City of Springfield**

\_\_\_\_\_  
Jason T. Irick, Esq.  
Assistant Law Director

\_\_\_\_\_  
Date

76 E. High Street  
Springfield, OH 45502  
937-324-7351  
[jirick@springfieldohio.gov](mailto:jirick@springfieldohio.gov)

# **EXHIBIT D**

## **QUALIFICATIONS OF RYAN D. HUGUELEY**

---

- Independent fee MAI Appraiser for Martin + Wood Appraisal Group, Ltd., Real Estate Consultants and Appraisers. Work scope includes appraisals, feasibility studies, consulting services for lending institutions and private clients throughout the Toledo metropolitan area and the Midwestern United States.

### **Educational Background:**

- Bachelor of Science Degree in Business Management, Wittenberg University, 2001.
- Continuing education in Real Estate Appraisal, Appraisal Institute Courses 110 Appraisal Principles, 120 Appraisal Procedures, 310 Basic Income Capitalization, 410 & 420 (Standards of Professional Practice), 510 Advanced Income Capitalization, 520 Highest and Best Use and Market Analysis, 530 Advanced Sales Comparison and Cost Approaches, 540 Report Writing and Valuation Analysis, and 550 Advanced Applications.
- Continuing Education in Real Estate Appraisal, Appraisal Institute, Fundamentals of Separating Real Property, Personal Property, and Intangible Business Assets

### **Real Estate Experience:**

- Fee appraiser since October 2002
- US Realty Consultants 2002-2005
- Samuel D. Koon & Associates 2005-2016
- Martin + Wood Appraisal Group, Ltd. May 2016-Present
- Certified General Real Estate Appraiser, State of Ohio and Michigan

### **Types of Properties Appraised:**

- Office Buildings
- Apartments
- Industrial/Warehouses
- Nursing Homes
- Manufacturing Plants
- Automobile Dealerships
- Assisted Living Facilities
- Medical Office Buildings
- Shopping Centers/Retail Buildings
- Potential Development Land
- Special Purpose Properties
- Golf Courses

### **Professional Affiliations:**

- Member, Appraisal Institute, MAI Designation (2014)

AN APPRAISER LICENSE/CERTIFICATE  
has been issued under ORC Chapter 4763 to:

NAME:  
**Ryan Daniel Hugueley**

LIC/CERT NUMBER:  
2006003872

LIC LEVEL:  
Certified General Real Estate Appraiser

**Ohio**

Department  
of Commerce

Division of Real Estate  
& Professional Licensing

CURRENT ISSUE DATE:  
12/15/2021

EXPIRATION DATE:  
12/04/2022

USPAP DUE DATE:  
12/04/2023

GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
BUREAU OF PROFESSIONAL LICENSING

P769111

CERTIFIED GENERAL APPRAISER  
LICENSE

RYAN DANIEL HUGUELEY

LICENSE NO.  
1205075140

EXPIRATION DATE  
07/31/2022

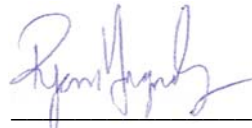
AUDIT NO  
3458961

THIS DOCUMENT IS DULY ISSUED  
UNDER THE LAWS OF THE STATE  
OF MICHIGAN

**APPRAISER DISCLOSURE STATEMENT**

In compliance with Ohio Revised Code Section 4763.12(C)

1. Name of Appraiser: Ryan Daniel Hugueley
2. Class of Certification/Licensure: Certified General  
Certification/Licensure Number: 2006003872
3. This report is within the scope of my Certification or Licensure
4. This service is provided by a disinterested and unbiased third party.
5. Signature of person preparing and reporting the appraisal:



\_\_\_\_\_  
Ryan Daniel Hugueley

This form must be included in conjunction with all appraisal assignments or specialized services performed by a state-certified or state-licensed real estate appraiser.

## QUALIFICATIONS OF KENNETH P. WOOD

### General Education

Graduated from the University of Toledo, Bachelor of Business Administration, June 1990; graduated from Whitmer High School, June 1985

### Appraisal Experience

2000-Present *Martin + Wood Appraisal Group, Ltd.* President/CEO and 100% owner of a full service appraisal firm that has a staff of 38 full time employees (including 31 appraisers). The company was formed October 6, 2000 after the acquisition of Martin Appraisal Service (founded in 1965). Also, acquired Town & Country Appraisers in 2003 and JB Appraisers in 2008. Headquarters is located in Downtown Toledo, Ohio with additional offices in Dublin, Ohio and Northville, Michigan.

Since 1965 the company has completed over 400,000 appraisals and is on the approved appraiser's list of over 1,000 banks, credit unions, insurance companies, government agencies, and relocation companies throughout Northwest Ohio and the United States. Area of specialization is in commercial, industrial, residential, and special purpose properties for financing, litigation support, easements, right-of-ways, relocations, tax questions, probate court, estates, investments, and private and public consulting. Various assignments completed within the last year include: office buildings, apartments, mobile home parks, shopping centers, truck terminals, warehouses, various industrial properties, automotive centers, restaurants, lifestyle centers, air hub sorting & hangar facilities, health clubs, motels, vacant land, park land, residential and commercial subdivisions, golf courses, cellular towers, churches, 1-4 family residences and special purpose properties. The value range for commercial/industrial properties appraised is between \$0 and \$51,000,000 and single family residential properties appraised is between \$0 and \$9,500,000. Additional information at [www.martin-woodappraisal.com](http://www.martin-woodappraisal.com)

### TEACHING EXPERIENCE

Real Estate Instructor at The University of Findlay (1996 to 1998), Stautzenberger College (1994-2001) and Toledo Board of Realtors (2001 to present).

### EXPERT WITNESS TESTIMONY

Has testified in court as an expert and technical witness for the purpose of establishing values of easements, eminent domain cases, bankruptcy, divorces, zoning disputes, and ad valorem. Has testified in United States Bankruptcy Court (Northern District); Ohio Board of Revision; and courts in the following Ohio counties: Lucas, Wood, Ottawa, Richland, and Allen.

### SPEAKING ENGAGEMENTS

Guest speaker at Toledo Bar Association (ad valorem appraisals, tax appeal hearings, probate appraisals, and State and Federal Appraisal Regulations), University of Toledo (commercial real estate appraising), Toledo Board of Realtors (FHA/HUD Appraising, Market Trends, and Appraisal Basics for New Realtors), City of Toledo (public hearings for new Jeep site acquisition and City of Toledo Hazard Mitigation Program), and Toledo-Lucas County Plan Commissions (historic districts and feasibility studies). Mortgage Banker's Association (Real Estate Trends, Home Valuation Code of Conduct, Uniform Appraisal Dataset), Home Builder's Association (Building Green and Energy Efficient Mortgages), Navigating Business Space (annual company meeting), and has taught continuing education courses for Toledo Board of Realtors, ReMax Preferred Associates, Danberry Realtors, Sulphur Springs, Fifth Third Bank, and Loss Realty.

## *Qualifications Continued...*

### AFFILIATIONS

Certified General Real Estate Appraiser by the State of Ohio (#408942) and State of Michigan (#1201008336). Ohio Department of Transportation Appraiser #021075.

Affiliate member of Home Builder's Association, Toledo Board of Realtors, Monroe County Board of Realtors, Worldwide Employee Relocation Council, Toledo Chamber of Commerce, & Sylvania Chamber of Commerce, Appraisal Institute, and International Right of Way Association.

Approved appraiser by Ohio Department of Transportation, Ohio Attorney General's Office, Ohio Department of Taxation, Lucas County Engineer's Office, Toledo-Lucas County Port Authority, US Department of Housing and Urban Development, Wood County Engineer's Office, City of Toledo, Lucas County Commissioners, Ohio Department of Natural Resources, City of Sylvania, Erie County Engineer's Office, Lucas County Probate Court, Michigan Department of Transportation, City of Lima, Allen County Engineer's Office, Lucas County Auditors, City of Findlay, Putnam County Engineers, Ohio Turnpike, et al.

Former treasurer and board member for Mortgage Banker's Association of Northwest Ohio; 2008 co-chair for United Way Community Building Event; former board member of the Toledo Area Small Business Association/Chamber of Commerce; former board member of Downtown Toledo Parking Authority; former chair and co-founder for "Game Changers" at Toledo Board of Realtors, and current board member of TWC Architectural Committee.

- 2013-Present *West Erie Realty Solutions, Ltd.* CEO and 100% owner of a full service right of way acquisition firm with a staff of 10 full time employees. Additional information at [www.westerierealty.com](http://www.westerierealty.com)
- 1999-2002 *The Ken Wood Valuation Group, Ltd.* Founder and owner of appraisal and consulting firm specializing in right of way appraisals for government agencies.
- 1991-1999 *Martin Appraisal Service.* Served as field and review appraiser.
- 1988-1991 *Appraisal Associates.* Served as a field appraiser.

### Professional Education and Training

Successfully completed the following Appraisal Institute courses and seminars (partial list):

Real Estate Appraisal Principles, Chapel Hill, NC, 1993  
Real Estate Appraisal Procedures, Chapel Hill, NC, 1993  
Standards of Professional Practice(A), Elkhart, IN, 1993  
Standards of Professional Practice(B), Columbus, OH, 1993  
Basic Income Capitalization, Cleveland, OH, 1994  
General Applications, Columbus, OH, 1994  
Business Valuations I & II, Columbus, OH, 1995  
Advanced Income Capitalization, Indianapolis, IN, 1995  
Electronic Data Interchange Seminar, Toledo, OH, 1995  
Special Purpose Properties, Toledo, OH, 1995  
Litigation Skills, Cleveland, OH, 1998  
Condemnation Appraising, Columbus, OH, 1999  
FHA & Appraisal Process, Cleveland, OH, 1999  
Manufacturing Housing Seminar, Cleveland, OH, 2000  
Regression Analysis in Appraising, Cleveland, OH, 2001  
ODOT Seminar: Eminent Domain Methodology, Columbus, OH, 2001  
USPAP 2011, Toledo, OH  
Valuation of Conservation Easements Certified Program, Chicago, IL, 5/2011  
**Completes 15 hours annually for continuing education for State of Ohio and Michigan**

**APPRAISER DISCLOSURE STATEMENT**

**In compliance with Ohio Revised Code Section 4763.12 ©**

1. Name of Appraiser Kenneth P. Wood

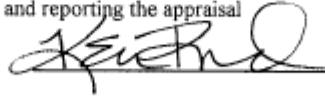
2. Class of Certification/Licensure:  Certified General  
 Licensed Residential  
 Temporary  General  Licensed

Certification/Licensure Number: 408942

3. Scope: This report  is within the scope of my Certification or License.  
 is not within the scope of my Certification or License.

4. Service Provided by:  Disinterested & Unbiased Third Party  
 Interested & Biased Third Party  
 Interested Third Party on Contingent Fee Basis

5. Signature of person preparing and reporting the appraisal



**This form must be included in conjunction with all appraisal assignments or specialized services performed by a state-certified or state-licensed real estate appraiser.**

State of Ohio  
Department of Commerce  
Division of Real Estate  
Appraiser Section  
Cleveland (216) 787-3100

GRETCHEN WHITMER  
GOVERNOR

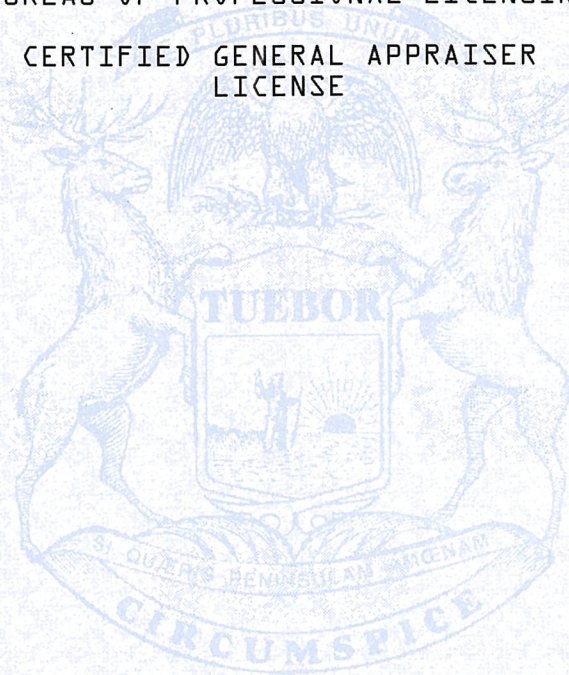
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STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

BUREAU OF PROFESSIONAL LICENSING

CERTIFIED GENERAL APPRAISER  
LICENSE

KENNETH P WOOD



LICENSE NO.  
1205008336

EXPIRATION DATE  
07/31/2023

AUDIT NO  
3482778

THIS DOCUMENT IS DULY ISSUED  
UNDER THE LAWS OF THE STATE  
OF MICHIGAN

AN APPRAISER LICENSE/CERTIFICATE  
has been issued under ORC Chapter 4763 to:

NAME:  
**Kenneth P Wood**

LIC/CERT NUMBER:  
**000408942**

LIC LEVEL:  
**Certified General Real Estate Appraiser**

**Ohio**

Department  
of Commerce

Division of Real Estate  
& Professional Licensing

CURRENT ISSUE DATE:  
**10/07/2021**

EXPIRATION DATE:  
**11/09/2022**

USPAP DUE DATE:  
**11/09/2022**