



MARTIN APPRAISAL
+ WOOD GROUP,
LTD.



AN APPRAISAL REPORT

**“Villager Inn”
A Two Story, 142 Room
Economy Limited Service Lodging Facility
Located At 1715 W North Street,
Springfield, Ohio 45504**

Effective Date of Value (As Is): *July 19, 2022*

Work File #: MART-22-06-0358

Prepared For:

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

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



July 27, 2022

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

Work File No. MART-22-06-0358

RE: Real Estate Appraisal of a two story, four building, 142 room economy limited service lodging facility, containing 52,589 SF of GBA, on a 3.190-acre site, located at 1715 W North 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 July 19, 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. However, based on the site visit it appears the subject is a high vacancy property. The owner declined to share any financial/occupancy data for the purpose of this report. 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 July 19, 2022, is:

ONE MILLION SEVEN HUNDRED FIFTY THOUSAND DOLLARS

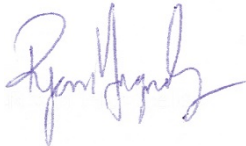
\$1,750,000

Letter of Transmittal (continued)

This stated opinion of value is for the total going concern and is allocated at approximately 94%-real property, 0% intangible and 6% 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.

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

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SUBJECT PHOTOGRAPHS

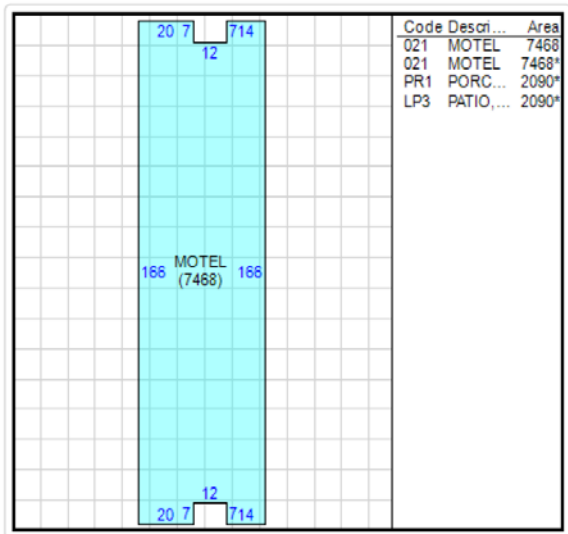
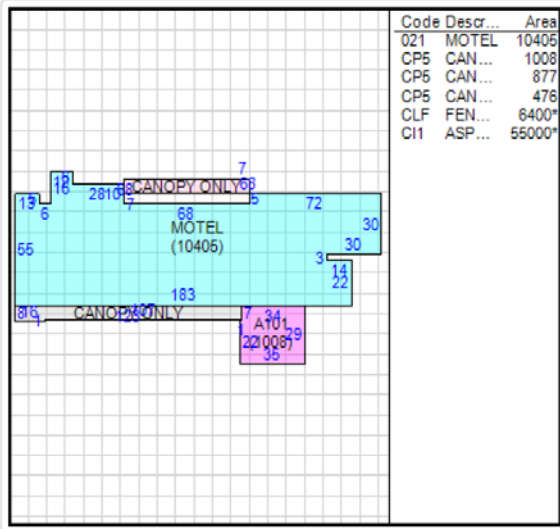


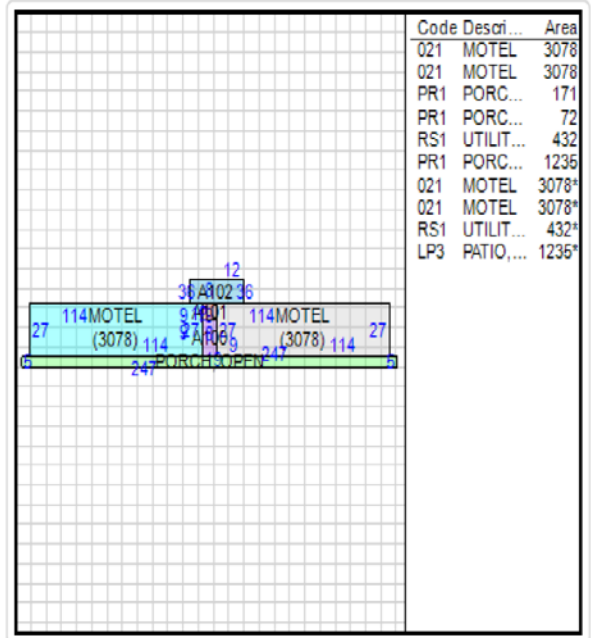
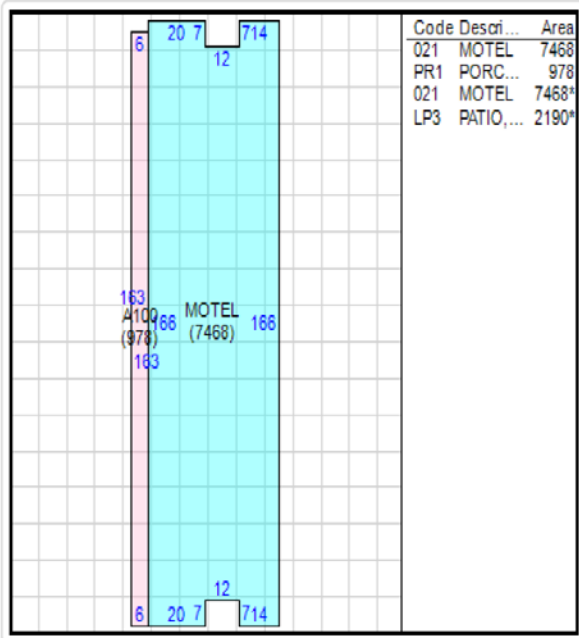






Sketches





SUMMARY OF SALIENT FACTS AND IMPORTANT CONCLUSIONS

LOCATION: 1715 W North Street, Springfield, Ohio

REFERENCE: Villager Inn

EFFECTIVE DATES OF VALUE:

AS IS: July 19, 2022

DATE OF VIEWING: July 19, 2022

DATE OF REPORT: July 27, 2022

PROPERTY INTERESTS APPRAISED: Fee Simple Estate as a Going Concern

SITE DATA:

SITE AREA (Gross Acres): 3.190 Acres

ZONING: CI-1, Intensive Commercial District

FLOOD DATA: Zone X (low risk)

UTILITIES: All Public

CONFIGURATION: Irregular

PROPERTY DESCRIPTION:

TYPE: Two-story lodging facility

IMPROVEMENTS: The improvements consist of a 142-room, four building, two-story interior/exterior corridor, economy limited service lodging facility. There is one building that is not utilized, therefore only 87 units are considered to be in service. It contains approximately 52,589 square feet and is of Class D construction according to Marshall Valuation Service with wood framing with the exterior of the improvements masonry/wood. The improvements have an office/lobby, lounge/banquet area, laundry facilities, and ice/vending machines. The guest room mix is king, double queen, and apartment suites (3).

YEAR BUILT: 1961

SIZE: 52,589 SF GBA –52,589 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

RECONCILIATION OF VALUES	
APPROACH TO VALUE	As Is
COST APPROACH:	Not Completed
SALES COMPARISON APPROACH:	\$1,750,000
INCOME APPROACH:	Not Completed
RECONCILED OPINION OF VALUE:	\$1,750,000
*Market Value in the Fee Simple Interest	<i>July-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>\$1,650,000</i>

*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: 1715 W North 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)

IDENTIFICATION OF THE SUBJECT							
No.	Parcel Id	Address	Land	Building	Market Value	Annual R/E Taxes	Land Size (Ac)
1	3400600011424009	1715 W North St	\$277,850	\$427,960	\$705,810	\$18,044.26	3.190
TOTAL:			\$277,850	\$427,960	\$705,810	\$18,044.26	3.190

The subject property is a two story, four building, 142 room economy limited service lodging facility, containing 52,589 SF of GBA, built in 1961. 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.

Exposure time.

1. The time a property remains on the market.
2. An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.¹

Marketing time. An opinion of the amount of time to sell a property interest at the concluded market value or at a benchmark price during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which precedes the effective date of an appraisal.²

¹ Appraisal Institute, The Dictionary of Real Estate Appraisal, 7th Edition, (Chicago: Appraisal Institute, 2022) “exposure time” p. 67-68, PDF e-book.

² Appraisal Institute, The Dictionary of Real Estate Appraisal, 7th Edition, (Chicago: Appraisal Institute, 2022) “marketing time” p. 116, 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 approach to value was 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. The subject is occupied on short-term basis by primarily daily to weekly business/leisure guests. However, based on the site visit it appears the subject is a high vacancy property. The owner declined to share any financial/occupancy data for the purpose of this report. Therefore, the data necessary to complete the income capitalization was not provided.

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 one of the three accepted approaches to value: (1) Sales Comparison Approach. The procedures and methodologies employed in this approach is 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 final step, typically the approaches to value applied are 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 is concluded. In this instance, only the sales comparison approach was utilized, thus no reconciliation was needed.

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 Fremont Properties, Inc.. 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:

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

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

³ Source: Federal Mortgage Lending (Comptroller of the Currency) retrieved 4/12/22 from [https://www.eCFR.gov/current/title-12/chapter-I/part-34#p-34.42\(h\)](https://www.eCFR.gov/current/title-12/chapter-I/part-34#p-34.42(h))

DEFINITION OF GOING-CONCERN VALUE:

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.⁴

Going Concern

1. An established and operating business having an indefinite future life.
2. An organization with an indefinite life that is sufficiently long that, over time, all currently incomplete transformations (transforming resources from one form to a different, more valuable form) will be completed⁵.

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.⁶

⁴ Appraisal Institute, The Dictionary of Real Estate Appraisal, 7th Edition, (Chicago: Appraisal Institute, 2022) “market value of the going concern” p. 119, PDF e-book.

⁵ Appraisal Institute, The Dictionary of Real Estate Appraisal, 7th Edition, (Chicago: Appraisal Institute, 2022) “going concern” p. 83, PDF e-book.

⁶ Appraisal Institute, The Dictionary of Real Estate Appraisal, 7th Edition, (Chicago: Appraisal Institute, 2022) “fee simple estate” p. 73, PDF e-book.

SUMMARY AREA DESCRIPTION: The subject property is located at 1715 W North Street, in Springfield, Clark County, Ohio. More specifically, the subject is located on the south side of W North Street, west of N Bechtle Avenue, west of the CBD, in Springfield, Clark County, Ohio.



CLARK COUNTY DATA



Clark County, OH (39023)

Geography: County



Population Summary	
2010 Total Population	138,333
2020 Total Population	136,001
2020 Group Quarters	2,520
2022 Total Population	134,983
2022 Group Quarters	2,520
2027 Total Population	134,082
2022-2027 Annual Rate	-0.13%
2022 Total Daytime Population	125,998
Workers	52,205
Residents	73,793
Household Summary	
2010 Households	55,244
2010 Average Household Size	2.45
2020 Total Households	55,844
2020 Average Household Size	2.39
2022 Households	55,652
2022 Average Household Size	2.38
2027 Households	55,635
2027 Average Household Size	2.36
2022-2027 Annual Rate	-0.01%
2010 Families	36,906
2010 Average Family Size	2.96
2022 Families	35,587
2022 Average Family Size	2.94
2027 Families	35,397
2027 Average Family Size	2.92
2022-2027 Annual Rate	-0.11%

Data Note: Household population includes persons not residing in group quarters. Average Household Size is the household population divided by total households. Persons in families include the householder and persons related to the householder by birth, marriage, or adoption. Per Capita Income represents the income received by all persons aged 15 years and over divided by the total population.

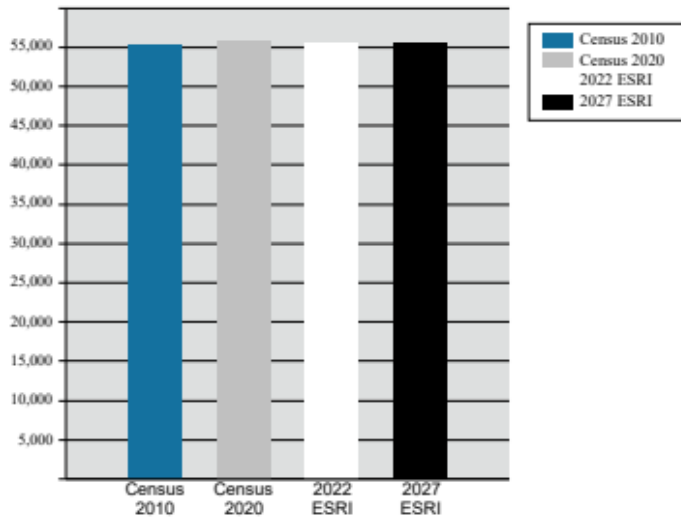
Clark County is located in southwest Ohio, approximately 70 miles north of Cincinnati, 122 miles south of Toledo, 132 miles east of Indianapolis, Indiana, 36 miles west of Columbus, and 159 miles east of Louisville, Kentucky. Clark County comprises the Springfield, OH Metropolitan Statistical Area (MSA) 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. Based on population, 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 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.



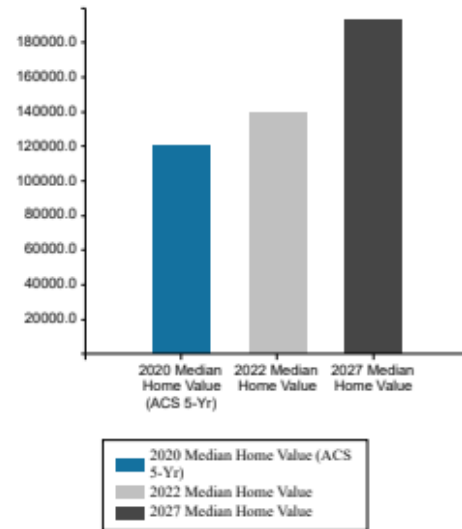
Clark County, OH (39023)

Geography: County

Households



Median Home Value



Median Home Value

2022	\$139,750
2027	\$192,784

Housing Unit Summary

2000 Housing Units	61,042
Owner Occupied Housing Units	66.3%
Renter Occupied Housing Units	26.4%
Vacant Housing Units	7.2%
2010 Housing Units	61,419
Owner Occupied Housing Units	61.8%
Renter Occupied Housing Units	28.1%
Vacant Housing Units	10.1%
2020 Housing Units	60,987
Vacant Housing Units	8.4%
2022 Housing Units	60,932
Owner Occupied Housing Units	62.6%
Renter Occupied Housing Units	28.7%
Vacant Housing Units	8.7%
2027 Housing Units	60,866
Owner Occupied Housing Units	63.2%
Renter Occupied Housing Units	28.2%
Vacant Housing Units	8.6%

Currently, 62.6% of the 60,932 housing units in the area are owner occupied; 28.7%, renter occupied; and 8.7% are vacant. Currently, in the U.S., 58.2% of the housing units in the area are owner occupied; 31.8% are renter occupied; and 10.0% are vacant. In 2020, there were 60,987 housing units in the area and 8.4% vacant housing units. The annual rate of change in housing units since 2020 is -0.04%. Median home value in the area is \$139,750, compared to a median home value of \$283,272 for the U.S. In five years, median value is projected to change by 6.65% annually to \$192,784.

Source: ACS, Esri, Esri-Data Axle, U.S. Census



Clark County, OH (39023)

Geography: County

Median Household Income	
2022	\$53,227
2027	\$60,598
Per Capita Income	
2022	\$30,209
2027	\$35,291
Median Age	
2010	40.5
2022	43.2
2027	43.8
2022 Households by Income	
Household Income Base	55,652
<\$15,000	10.7%
\$15,000 - \$24,999	9.2%
\$25,000 - \$34,999	12.3%
\$35,000 - \$49,999	14.3%
\$50,000 - \$74,999	18.8%
\$75,000 - \$99,999	13.0%
\$100,000 - \$149,999	13.6%
\$150,000 - \$199,999	5.4%
\$200,000+	2.7%
Average Household Income	\$73,015
Current median household income is \$53,227 in the area, compared to \$72,414 for all U.S. households. Median household income is projected to be \$60,598 in five years, compared to \$84,445 for all U.S. households	
Current average household income is \$73,015 in this area, compared to \$105,029 for all U.S. households. Average household income is projected to be \$84,795 in five years, compared to \$122,155 for all U.S. households	
Current per capita income is \$30,209 in the area, compared to the U.S. per capita income of \$40,363. The per capita income is projected to be \$35,291 in five years, compared to \$47,064 for all U.S. households	

Data Note: Income represents the preceding year, expressed in current dollars. Household income includes wage and salary earnings, interest dividends, net rents, pensions, SSI and welfare payments, child support, and alimony.

2022 Owner Occupied Housing Units by Value	
Total	38,150
<\$50,000	11.6%
\$50,000 - \$99,999	22.8%
\$100,000 - \$149,999	19.6%
\$150,000 - \$199,999	17.8%
\$200,000 - \$249,999	7.9%
\$250,000 - \$299,999	7.7%
\$300,000 - \$399,999	5.9%
\$400,000 - \$499,999	2.8%
\$500,000 - \$749,999	3.1%
\$750,000 - \$999,999	0.9%
\$1,000,000 - \$1,499,999	0.0%
\$1,500,000 - \$1,999,999	0.0%
\$2,000,000 +	0.0%
Average Home Value	\$174,924
2022 Affordability, Mortgage and Wealth	
Housing Affordability Index	160
Percent of Income for Mortgage	13.8%
Wealth Index	60

Source: ACS, Esri, Esri-Data Axle, U.S. Census



Clark County, OH (39023)

Geography: County

2022 Population by Age	
Total	134,983
0 - 4	5.5%
5 - 9	5.8%
10 - 14	5.9%
15 - 24	11.7%
25 - 34	12.0%
35 - 44	11.1%
45 - 54	11.9%
55 - 64	14.0%
65 - 74	12.5%
75 - 84	6.7%
85 +	2.8%
18 +	79.3%
2022 Population 25+ by Educational Attainment	
Total	95,977
Less than 9th Grade	2.3%
9th - 12th Grade, No Diploma	7.4%
High School Graduate	31.8%
GED/Alternative Credential	6.2%
Some College, No Degree	21.0%
Associate Degree	10.4%
Bachelor's Degree	12.8%
Graduate/Professional Degree	8.0%
2022 Civilian Population 16+ in Labor Force	
Civilian Population 16+	64,414
Population 16+ Employed	96.0%
Population 16+ Unemployment rate	4.0%
Population 16-24 Employed	14.2%
Population 16-24 Unemployment rate	11.0%
Population 25-54 Employed	59.7%
Population 25-54 Unemployment rate	3.6%
Population 55-64 Employed	18.0%
Population 55-64 Unemployment rate	1.1%
Population 65+ Employed	8.1%
Population 65+ Unemployment rate	0.0%
2022 Employed Population 16+ by Industry	
Total	61,820
Agriculture/Mining	0.9%
Construction	5.4%
Manufacturing	17.4%
Wholesale Trade	2.8%
Retail Trade	11.6%
Transportation/Utilities	5.2%
Information	1.0%
Finance/Insurance/Real Estate	5.5%
Services	44.8%
Public Administration	5.5%

Source: ACS, Esri, Esri-Data Axle, U.S. Census



Clark County, OH (39023)

Geography: County

2022 Labor Force						
Age Group	Population	Employed	Unemployed	Unemployment Rate	Labor Force Participation Rate	Employment-Population Ratio
16+	110,233	61,820	2,594	4.0%	58.4%	56
16-24	14,256	8,787	1,084	11.0%	69.2%	62
25-54	47,249	36,913	1,381	3.6%	81.0%	78
55-64	18,941	11,111	129	1.1%	59.3%	59
65+	29,787	5,009	0	0.0%	16.8%	17

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 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 12th largest city in the state of Ohio. 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.



Springfield City, OH (3974118)

Geography: Place

Population	
2010 Population	60,483
2020 Population	58,662
2022 Population	57,876
2027 Population	57,423
2010-2020 Annual Rate	-0.31%
2020-2022 Annual Rate	-0.60%
2022-2027 Annual Rate	-0.16%
Median Household Income	
2022 Median Household Income	\$40,336
2027 Median Household Income	\$46,862
2022-2027 Annual Rate	3.04%
Average Household Income	
2022 Average Household Income	\$58,867
2027 Average Household Income	\$68,278
2022-2027 Annual Rate	3.01%
Per Capita Income	
2022 Per Capita Income	\$24,756
2027 Per Capita Income	\$28,848
2022-2027 Annual Rate	3.11%
Current median household income is \$40,336 in the area, compared to \$72,414 for all U.S. households. Median household income is projected to be \$46,862 in five years, compared to \$84,445 for all U.S. households	
Current average household income is \$58,867 in this area, compared to \$105,029 for all U.S. households. Average household income is projected to be \$68,278 in five years, compared to \$122,155 for all U.S. households	
Current per capita income is \$24,756 in the area, compared to the U.S. per capita income of \$40,363. The per capita income is projected to be \$28,848 in five years, compared to \$47,064 for all U.S. households	
Median Home Value	
2022	\$95,273
2027	\$143,225

Currently, 46.8% of the 27,649 housing units in the area are owner occupied; 41.7%, renter occupied; and 11.5% are vacant. Currently, in the U.S., 58.2% of the housing units in the area are owner occupied; 31.8% are renter occupied; and 10.0% are vacant. In 2020, there were 27,689 housing units in the area and 11.1% vacant housing units. The annual rate of change in housing units since 2020 is -0.06%. Median home value in the area is \$95,273, compared to a median home value of \$283,272 for the U.S. In five years, median value is projected to change by 8.50% annually to \$143,225.

Employment Statistics

Clark County's major/notable employers include:

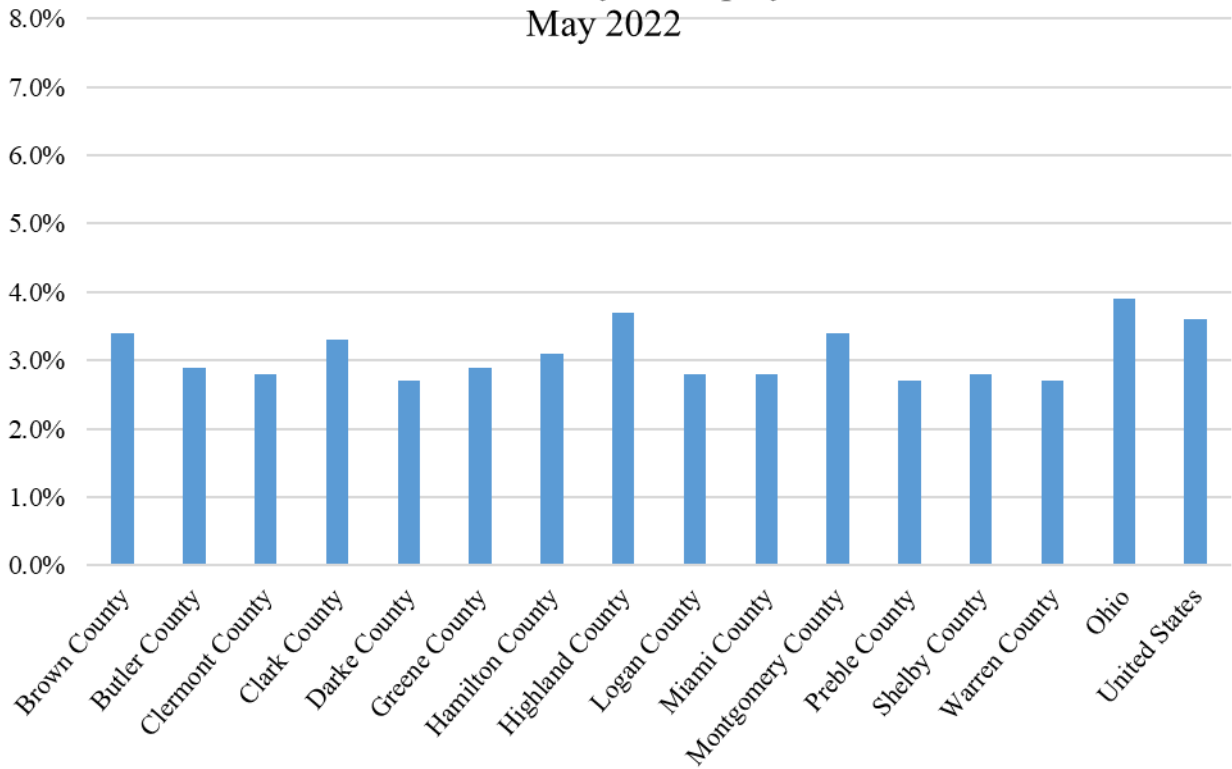
Assurant Inc.
Clark County Government
Community Mercy Health Partners
Dole Fresh Vegetables
Gordon Food Service
Konescranes, Inc.
Marathon/Speedway Super America LLC
Navistar
Yamada North America
Springfield Masonic Community
<i>Source: development.ohio.gov</i>

Per STDB, the largest employment sector in Clark County is the service sector, which comprises about 44.8% of the work force. Other major employment sectors include manufacturing (17.4%), retail trades (11.6%), and finance/insurance/real estate and public administration (5.5% each).

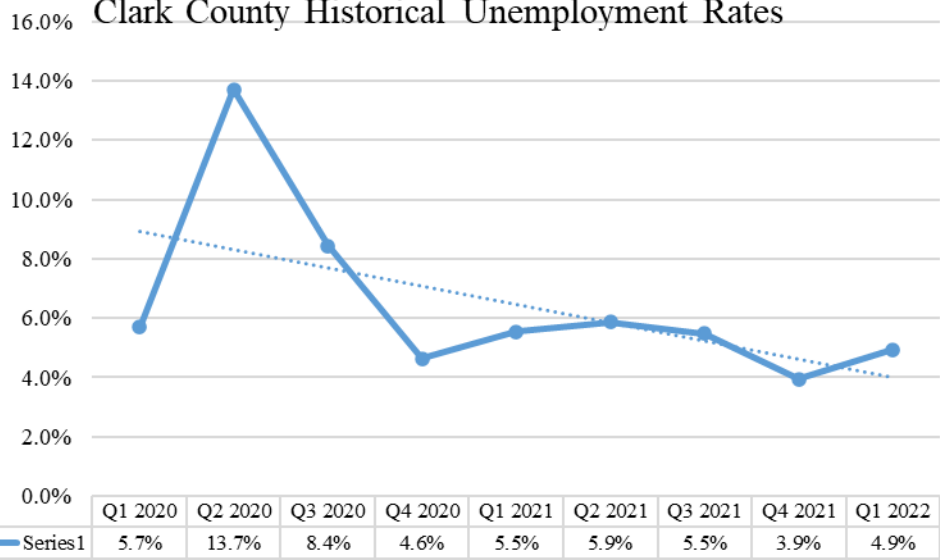
In general, the Southwest Ohio region is mostly in line with the Ohio employment and national levels. Presented below and on the following pages is the most recent employment data published by the U.S. Bureau of Labor Statistics.

Southwest Ohio County Unemployment Rates	
May 2022	
<u>Area Name</u>	<u>Unemployment Rate</u>
Brown County	3.4%
Butler County	2.9%
Clermont County	2.8%
Clark County	3.3%
Darke County	2.7%
Greene County	2.9%
Hamilton County	3.1%
Highland County	3.7%
Logan County	2.8%
Miami County	2.8%
Montgomery County	3.4%
Preble County	2.7%
Shelby County	2.8%
Warren County	2.7%
Ohio	3.9%
United States	3.6%
<i>Source: US Bureau of Labor Statistics</i>	

Southwest Ohio County Unemployment Rates May 2022



Clark County Historical Unemployment Rates

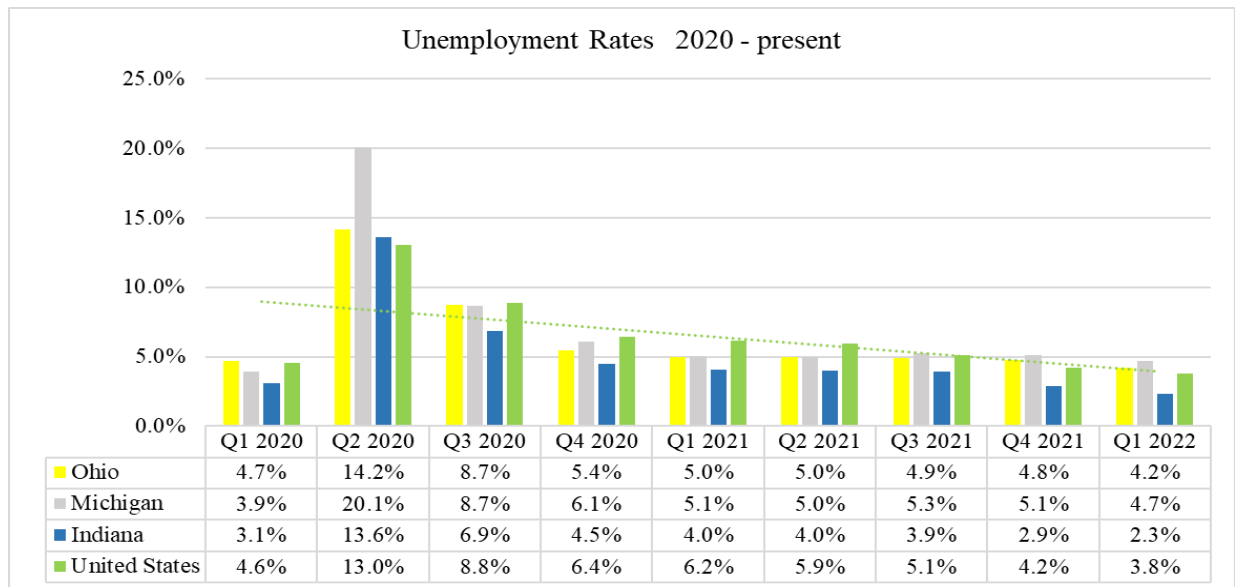


National, Ohio, Michigan, and Indiana Unemployment

On a national level, per the Bureau of Labor Statistics, for the third month in a row, the unemployment rate remained at 3.6 percent in May. The number of unemployed persons remained basically unchanged at 6.0 million. These measure are little different from their values in February 2020, prior to the coronavirus (COVID-19) pandemic.

In May, notable job gains occurred in leisure and hospitality, in professional and business services, and in transportation and warehousing. Employment in retail trade declined.

Below are the quarterly historical unemployment rates for the US, Ohio, Michigan and Indiana from Q1 2020 thru Q1 2022:



Source: US Bureau of Labor Statistics

Area Data Conclusion

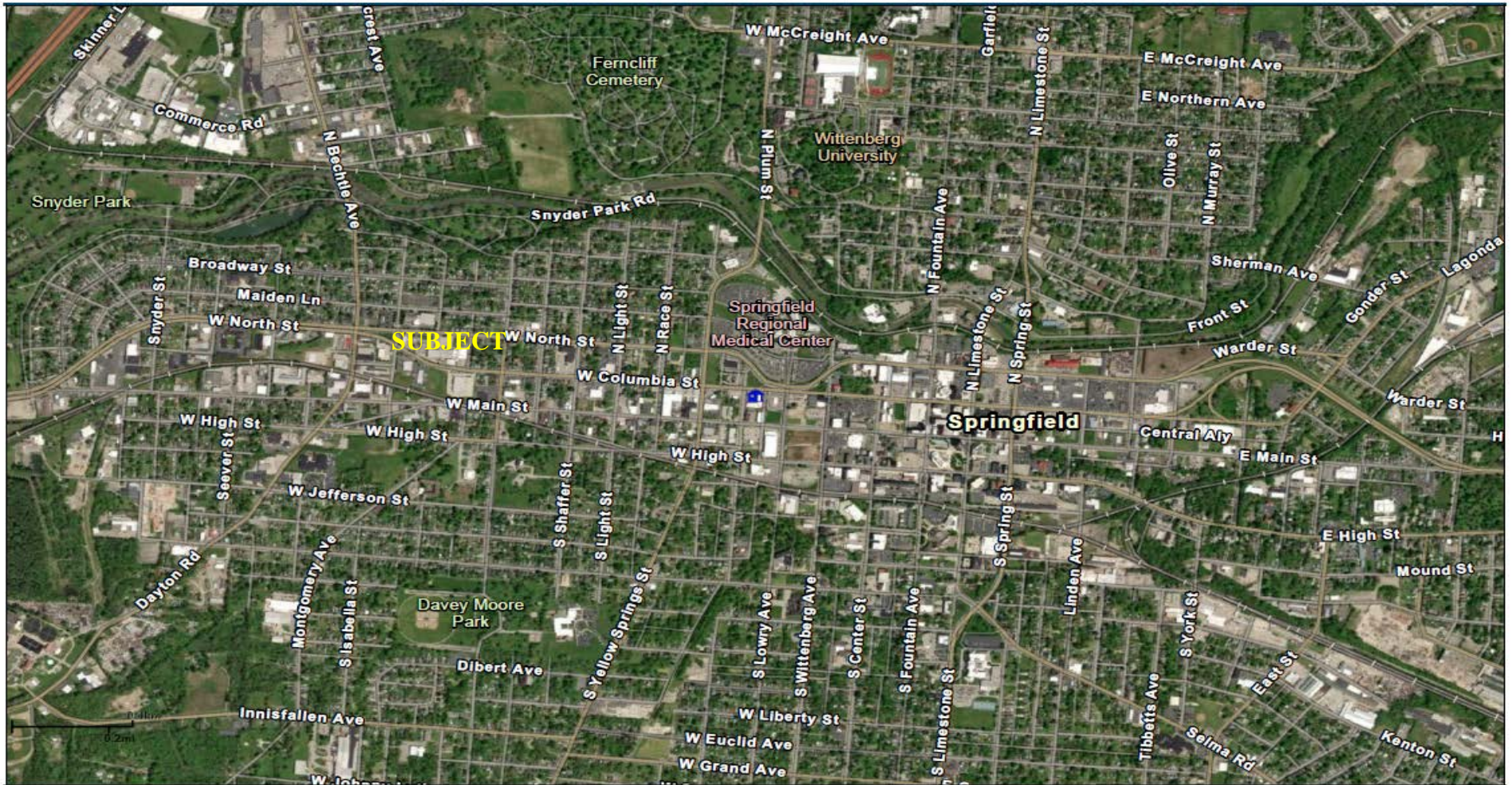
The impact of the ongoing, though somewhat subdued, coronavirus pandemic is still being felt in most employment sectors and households. Many businesses saw their supply chains interrupted, demand for their products and services decline, shortages in supplies and inputs, and government-mandated closures. Many employers continue to evaluate, adjust and adapt to the changing economy, and recovery is evident in most sectors.

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. Furthermore, the supply and demand for most types of real estate in the Clark County area was relatively balanced.

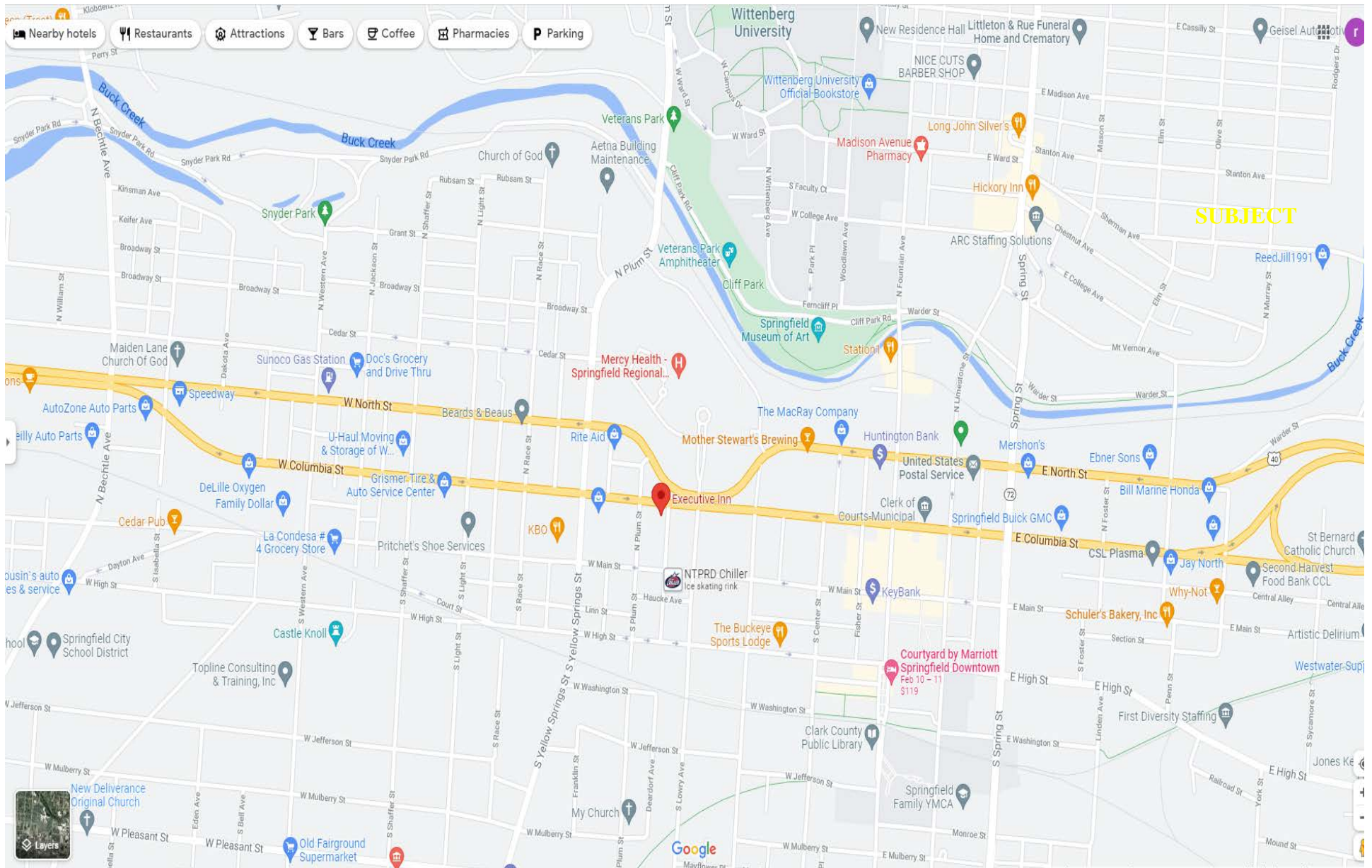
Therefore, based upon historical trends in conjunction with future predictions which indicates continued mostly level population and household numbers and moderately increasing median household income in conjunction with moderate influx and retention of employment centers though still with some uncertainty, the general market area of Clark County is considered to be moderate within the Southwestern Ohio region.



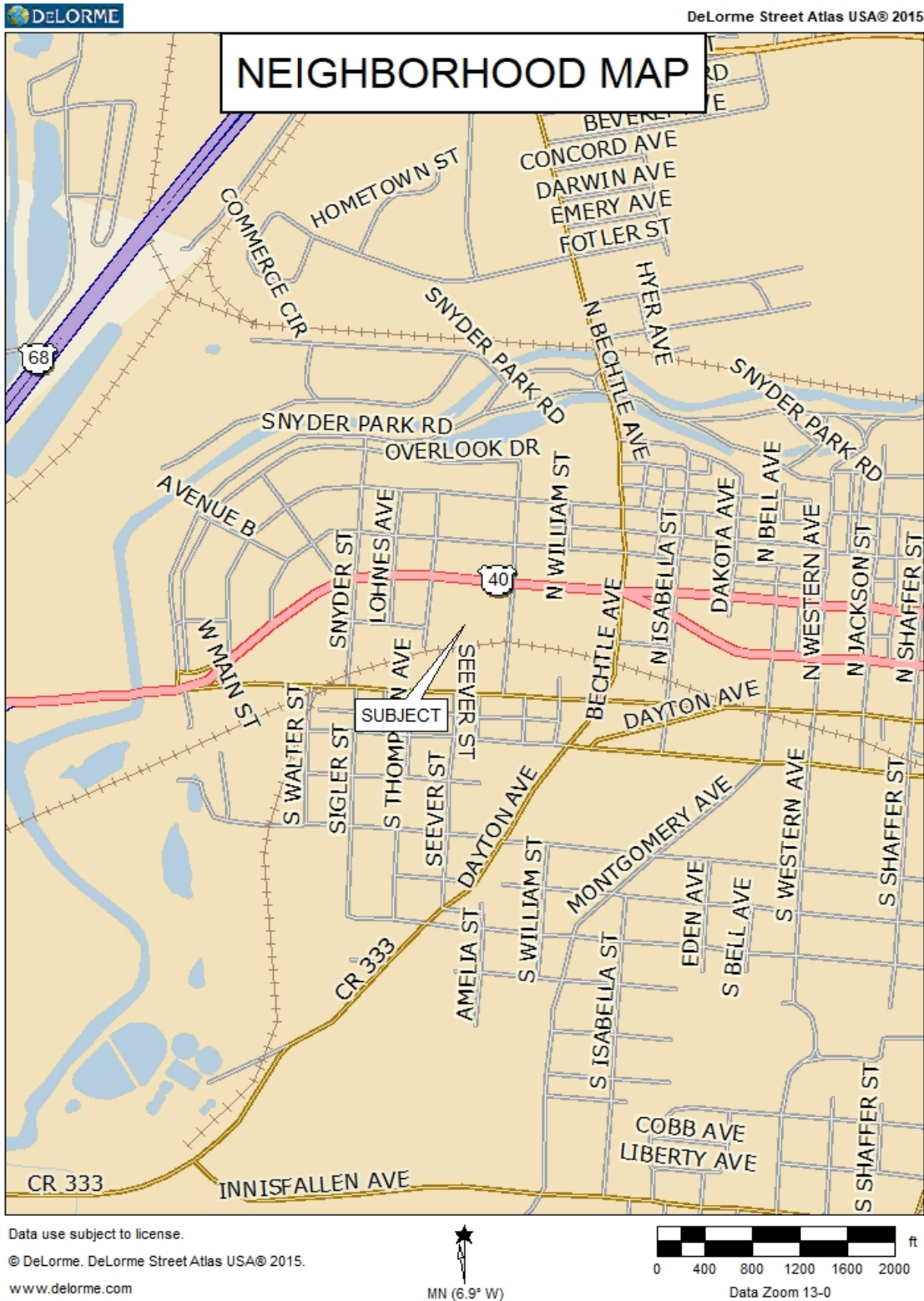
Hybrid Map



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 3.190 acres, improved by a two story, four building, 142 room economy limited service lodging facility, containing 52,589 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, North 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

1715 W North St, Springfield, Ohio, 45504
Ring: 3 mile radius

Martin + Wood Appraisal Group
Latitude: 39.92802
Longitude: -83.83858

Summary	Census 2010	Census 2020	2022	2027				
Population	45,147	43,022	42,463	42,203				
Households	17,482	17,236	17,174	17,164				
Families	10,795	-	10,114	10,047				
Average Household Size	2.47	2.40	2.38	2.36				
Owner Occupied Housing Units	9,136	-	8,944	9,023				
Renter Occupied Housing Units	8,346	-	8,230	8,142				
Median Age	34.1	-	36.7	37.2				
Trends: 2022-2027 Annual Rate	Area	State	National					
Population	-0.12%	0.01%	0.25%					
Households	-0.01%	0.10%	0.31%					
Families	-0.13%	0.01%	0.28%					
Owner HHs	0.18%	0.31%	0.53%					
Median Household Income	3.18%	3.31%	3.12%					
Households by Income	Census 2010		2022		2027			
	Number	Percent	Number	Percent	Number	Percent		
<\$15,000	2,809	16.4%	2,298	13.4%				
\$15,000 - \$24,999	2,051	11.9%	1,735	10.1%				
\$25,000 - \$34,999	2,737	15.9%	2,470	14.4%				
\$35,000 - \$49,999	2,645	15.4%	2,600	15.1%				
\$50,000 - \$74,999	2,740	16.0%	3,011	17.5%				
\$75,000 - \$99,999	1,856	10.8%	2,119	12.3%				
\$100,000 - \$149,999	1,413	8.2%	1,743	10.2%				
\$150,000 - \$199,999	537	3.1%	709	4.1%				
\$200,000+	385	2.2%	480	2.8%				
Median Household Income			\$39,476		\$46,164			
Average Household Income			\$59,786		\$69,651			
Per Capita Income			\$24,086		\$28,198			
Population by Age	Census 2010		2022		2027			
	Number	Percent	Number	Percent	Number	Percent		
0 - 4	3,545	7.9%	2,942	6.9%	2,944	7.0%		
5 - 9	3,150	7.0%	2,907	6.8%	2,838	6.7%		
10 - 14	3,042	6.7%	2,831	6.7%	2,837	6.7%		
15 - 19	3,603	8.0%	2,973	7.0%	3,085	7.3%		
20 - 24	3,938	8.7%	3,135	7.4%	3,076	7.3%		
25 - 34	5,768	12.8%	5,564	13.1%	5,192	12.3%		
35 - 44	5,088	11.3%	4,880	11.5%	5,014	11.9%		
45 - 54	5,755	12.7%	4,420	10.4%	4,453	10.6%		
55 - 64	5,341	11.8%	5,115	12.0%	4,472	10.6%		
65 - 74	3,074	6.8%	4,416	10.4%	4,622	11.0%		
75 - 84	1,955	4.3%	2,274	5.4%	2,667	6.3%		
85+	886	2.0%	1,007	2.4%	1,004	2.4%		
Race and Ethnicity	Census 2010		Census 2020		2022		2027	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
White Alone	32,495	72.0%	28,944	67.3%	28,313	66.7%	27,491	65.1%
Black Alone	9,504	21.1%	9,003	20.9%	8,981	21.2%	9,020	21.4%
American Indian Alone	160	0.4%	156	0.4%	155	0.4%	155	0.4%
Asian Alone	289	0.6%	297	0.7%	303	0.7%	306	0.7%
Pacific Islander Alone	16	0.0%	31	0.1%	31	0.1%	32	0.1%
Some Other Race Alone	789	1.7%	1,021	2.4%	1,023	2.4%	1,073	2.5%
Two or More Races	1,893	4.2%	3,571	8.3%	3,657	8.6%	4,127	9.8%
Hispanic Origin (Any Race)	1,475	3.3%	2,009	4.7%	1,997	4.7%	2,017	4.8%

Data Note: Income is expressed in current dollars.

Source: Esri forecasts for 2022 and 2027. U.S. Census Bureau 2010 decennial Census data converted by Esri into 2020 geography.

July 26, 2022

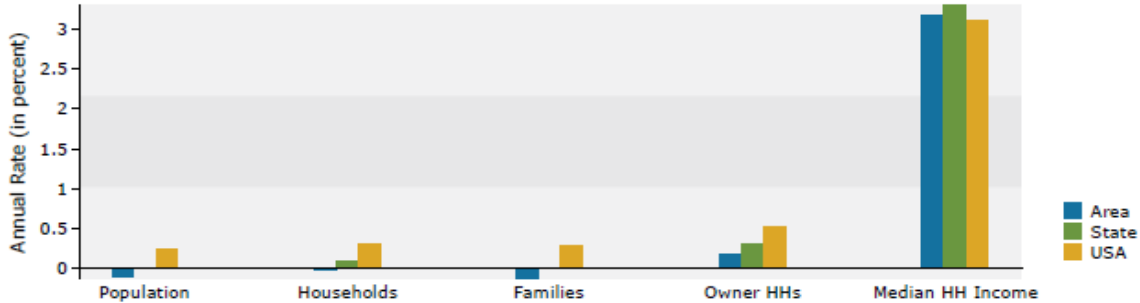


Demographic and Income Profile

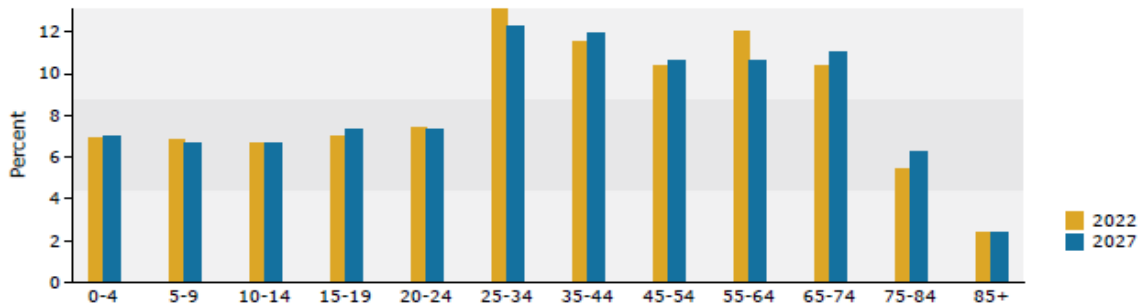
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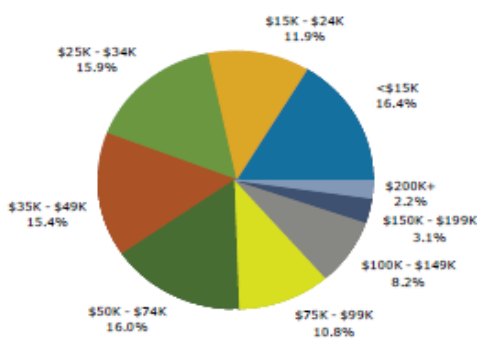
Trends 2022-2027



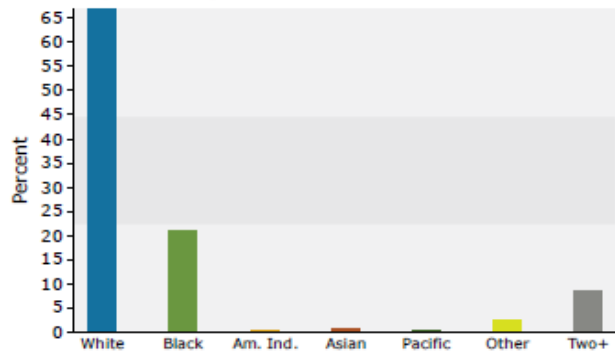
Population by Age



2022 Household Income



2022 Population by Race



2022 Percent Hispanic Origin: 4.7%

Source: Esri forecasts for 2022 and 2027. U.S. Census Bureau 2010 decennial Census data converted by Esri into 2020 geography.

July 26, 2022

Source: 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: 1715 W North Street, Springfield, Ohio
General Market: Dayton-Springfield-Sidney CSA/ Midwest
Sub Market: Springfield-Fairborn
Property Type/Sub-Type: Lodging Facility / Economy Limited Service

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

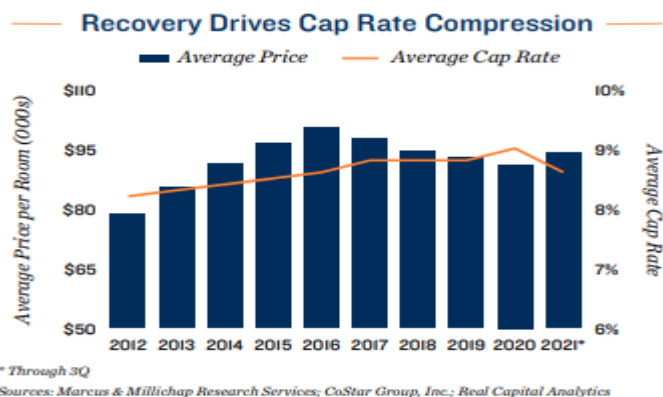
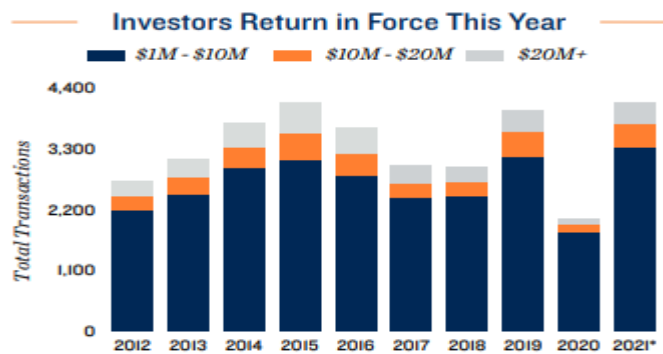
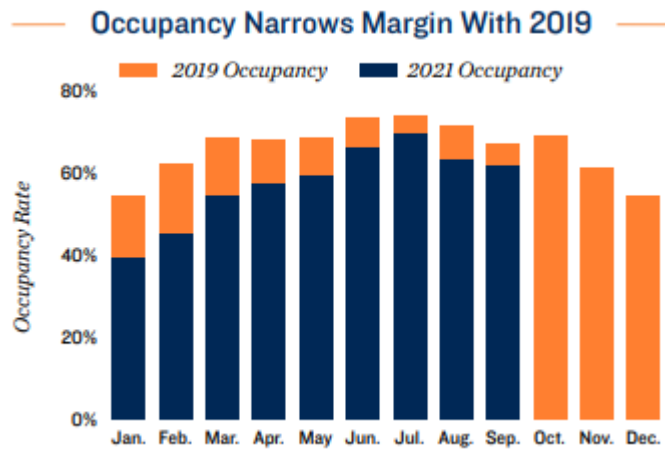
General Overview

Marcus & Millichap Special Report – Q4-21 Hospitality⁷

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. 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.



⁷ Sources: Marcus & Millichap Research Services; CoStar Group, Inc

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.

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.

Top 20 Markets by RevPAR Recovery

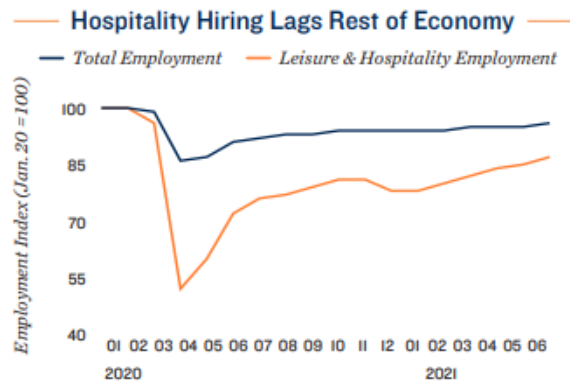
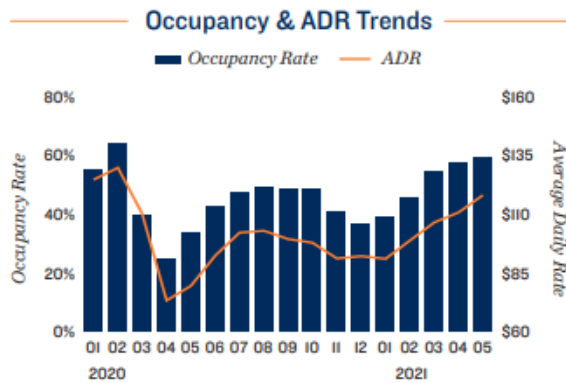
Metro	Sept. 21 Occupancy	Change From 2019	Sept. 21 RevPAR	Change From 2019
Myrtle Beach, SC	61.2%	630	\$91.61	57%
Sarasota, FL	55.5%	730	\$74.57	50%
Daytona Beach, FL	50.1%	620	\$61.37	50%
Mobile, AL	66.6%	890	\$83.30	49%
Florida Keys*	66.4%	-400	\$224.10	47%
Jackson, MS	66.3%	1,280	\$61.34	42%
Fort 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%
United States	61.6%	-550	\$56.97	-7%

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

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 & Millichap⁸



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

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.

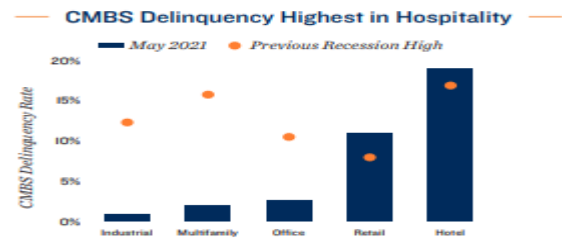
Domestic tourism driving hotel performance

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 Forecast

U.S. CONSTRUCTION

106,000 hotel rooms completed

- Completions for this year will modestly exceed the 103,000 rooms delivered in 2020 but fall short of the 120,000 keys finalized the year prior. There are approximately 196,000 rooms under construction as of mid-2021, with completion dates extending beyond 2024.

U.S. OCCUPANCY

1,200 basis point increase Y-O-Y

- After an unprecedented year during which occupancy fell to an annual average of 44.2 percent, down 2,180 basis points year over year, the measure will improve to 56.2 percent for 2021. Between 1987 and 2019, U.S. hotels had an average occupancy rate of 62.5 percent.

U.S. ADR

7.5% increase Y-O-Y

- The average daily rate for 2021 will climb to \$110.83 after contracting 21.2 percent to \$103.10 in 2020. On a trailing-12-month basis, ADR had reached a record high of \$131.15 in February 2020 before the health crisis cut the monthly metric by as much as 45 percent last year.

U.S. REVPAR

34.5% increase Y-O-Y

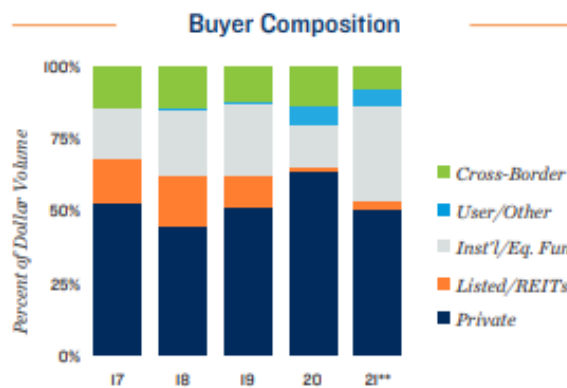
- The combination of rising occupancy and ADR will translate into an annual average RevPAR of \$61.29. Before the onset of the pandemic the trailing-12-month measure had achieved a peak of \$86.71. Returning to that benchmark will not occur until after 2021.

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

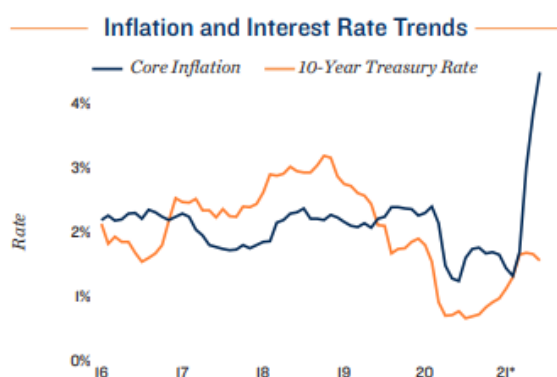


* Through 1Q ** Trailing 12 months through 1Q
Includes sales \$2.5 million and greater
Source: Real Capital Analytics

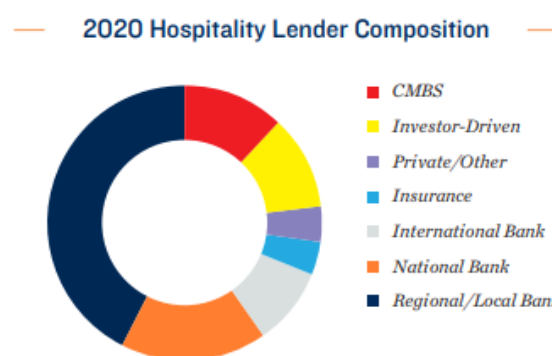
Capital Availability Remains Constrained for Hospitality; Inflation Concerns Become Apparent

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.

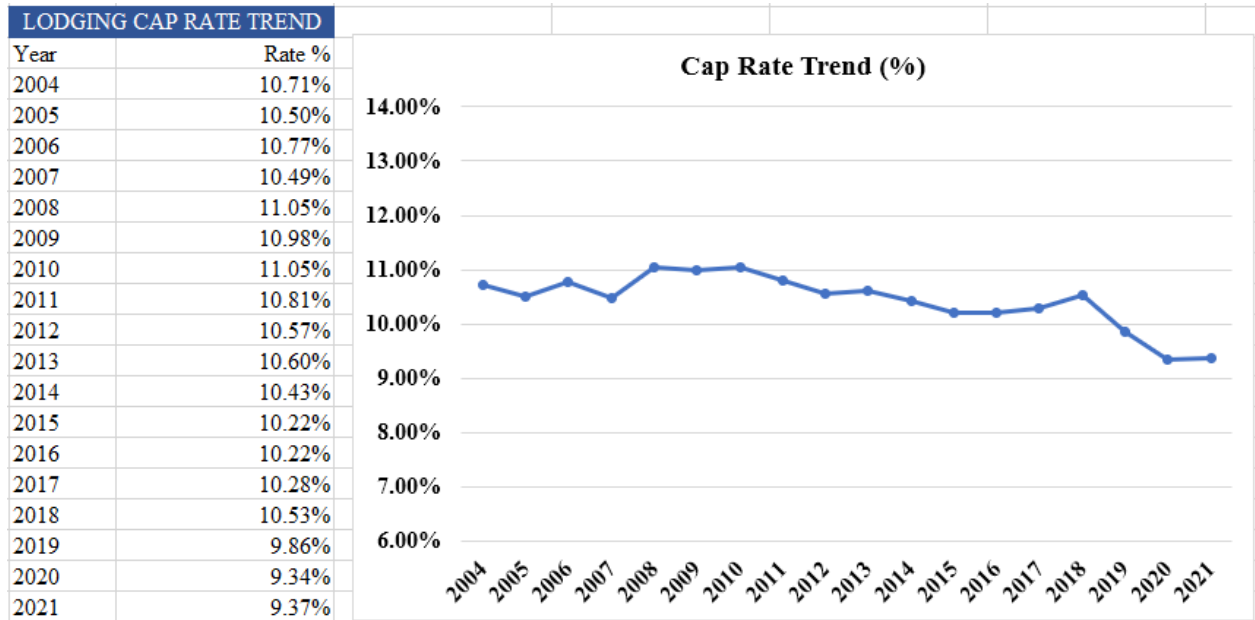
Financing still difficult to obtain for many hotels, but improving fundamentals brighten outlook. Following significant disruptions last year, the majority of lenders are now actively lending in relation to a range of commercial real estate. General sentiment is improving, aided by greater population 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
56.8%	\$87.64	\$49.78	1.3M	737.9K

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 COVID-19 pandemic had a profound impact on the entire U.S. hospitality sector, and the Springfield/Fairborn hotel submarket was no exception to this trend. At worst, the monthly occupancy rate dropped to 27.1% in April 2020. While occupancies have started to recover, room demand is down by 4.8% as of June (compared to the same month the prior year).

As of June, twelve-month average RevPAR in the

Springfield/Fairborn hotel submarket was climbing at an exceptionally strong 40.8% annual rate. That's similar to the market-wide trend. In fact, the Dayton/Springfield RevPAR increase was even stronger over the same timeframe.

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

Just one trade closed over the past 12 months. While Springfield/Fairborn is not among the most actively traded U.S. hotel submarkets in general, it usually sees at least a handful of trades in a given year.

KEY INDICATORS

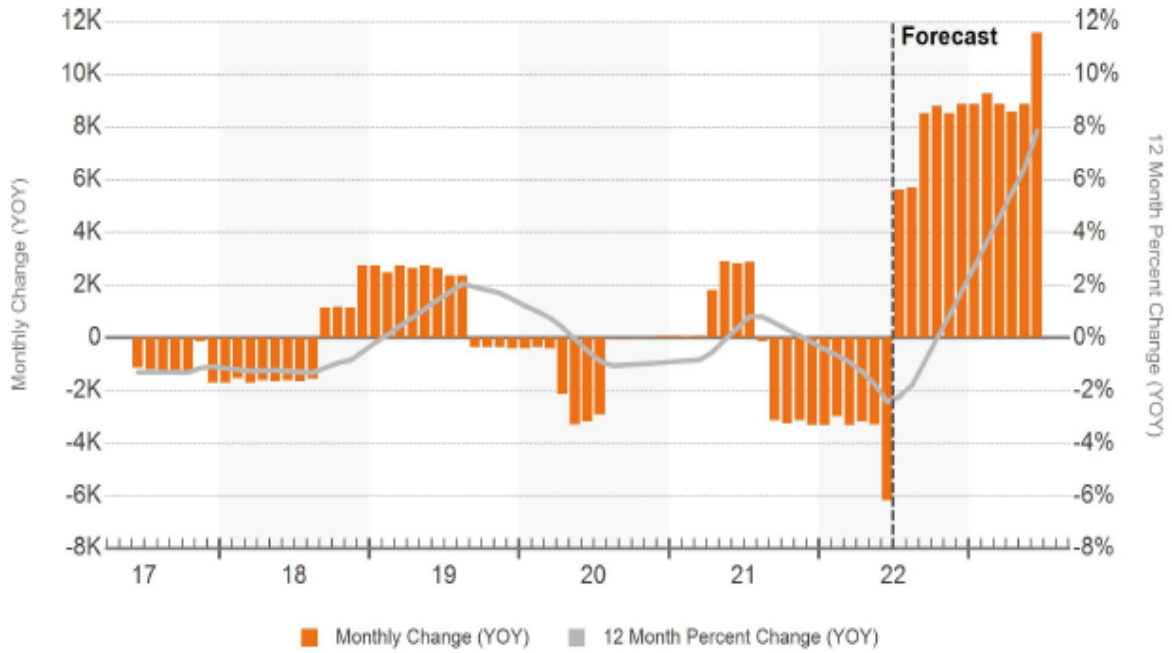
Class	Rooms	12 Mo Occ	12 Mo ADR	12 Mo RevPAR	12 Mo Delivered	Under Construction
Luxury & Upper Upscale	28				0	0
Upscale & Upper Midscale	1,939	60.6%	\$106.71	\$64.69	0	0
Midscale & Economy	1,806	53.0%	\$64.55	\$34.19	0	0
Total	3,773	56.8%	\$87.64	\$49.78	0	0

Average Trend	Current	3 Mo	YTD	12 Mo	Historical Average	Forecast Average
Occupancy	66.4%	62.5%	55.5%	56.8%	56.1%	66.8%
Occupancy Change	0.9%	3.0%	6.1%	18.5%	-1.6%	3.5%
ADR	\$98.13	\$96.45	\$90.16	\$87.64	\$81.01	\$107.96
ADR Change	15.4%	17.6%	16.2%	18.8%	2.0%	5.3%
RevPAR	\$85.12	\$80.26	\$50.01	\$49.78	\$45.41	\$72.07
RevPAR Change	16.4%	21.1%	23.3%	40.8%	0.4%	9.0%

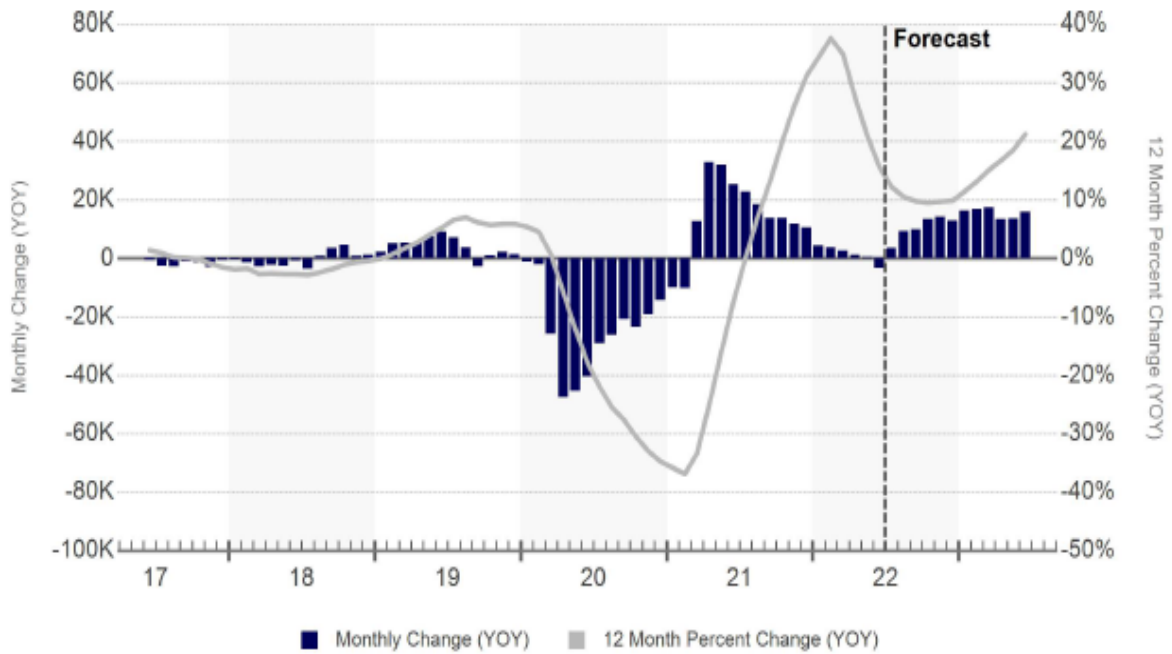
Performance

Springfield/Fairborn Hospitality

SUPPLY CHANGE



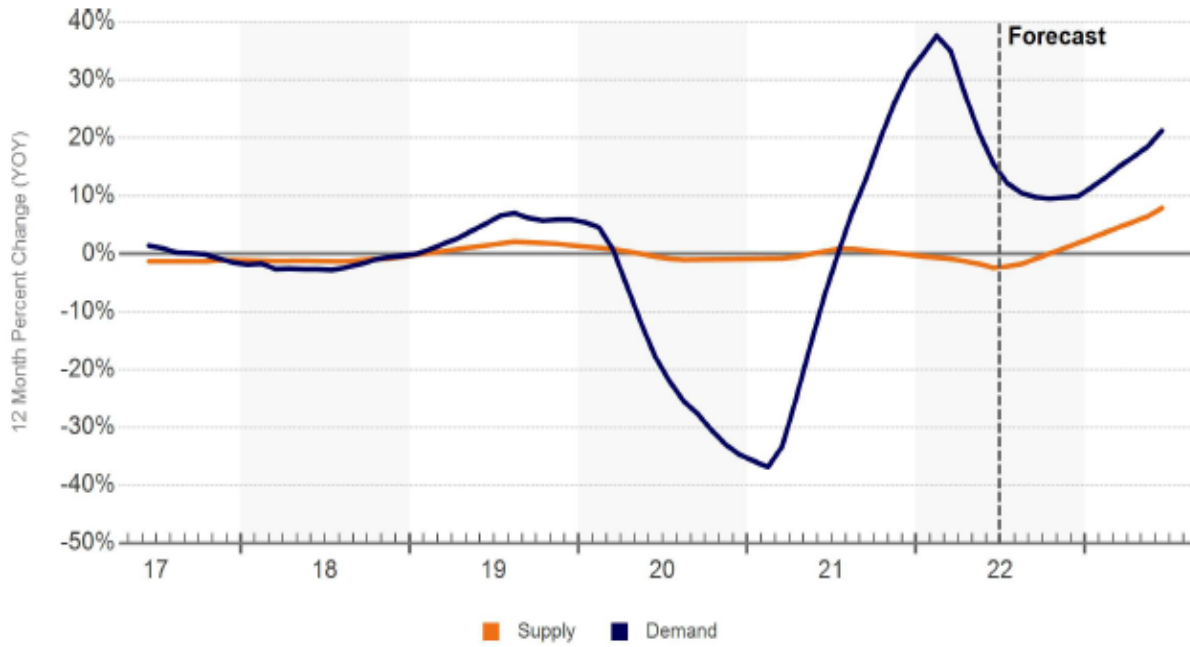
DEMAND CHANGE



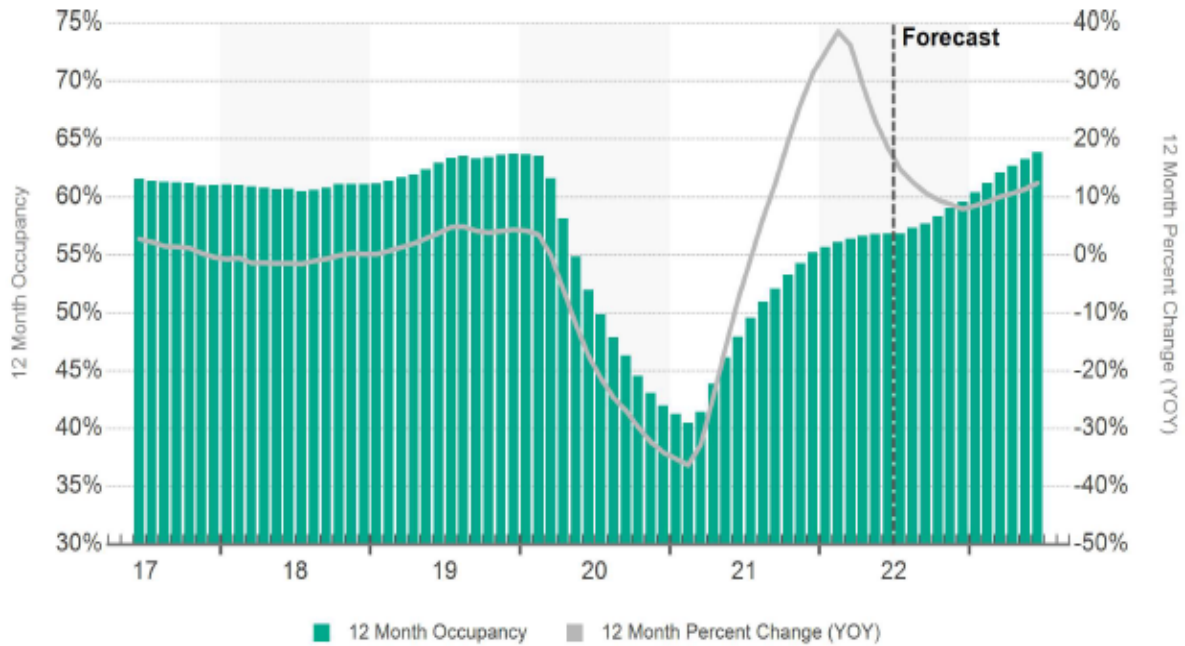
Performance

Springfield/Fairborn Hospitality

SUPPLY & DEMAND CHANGE



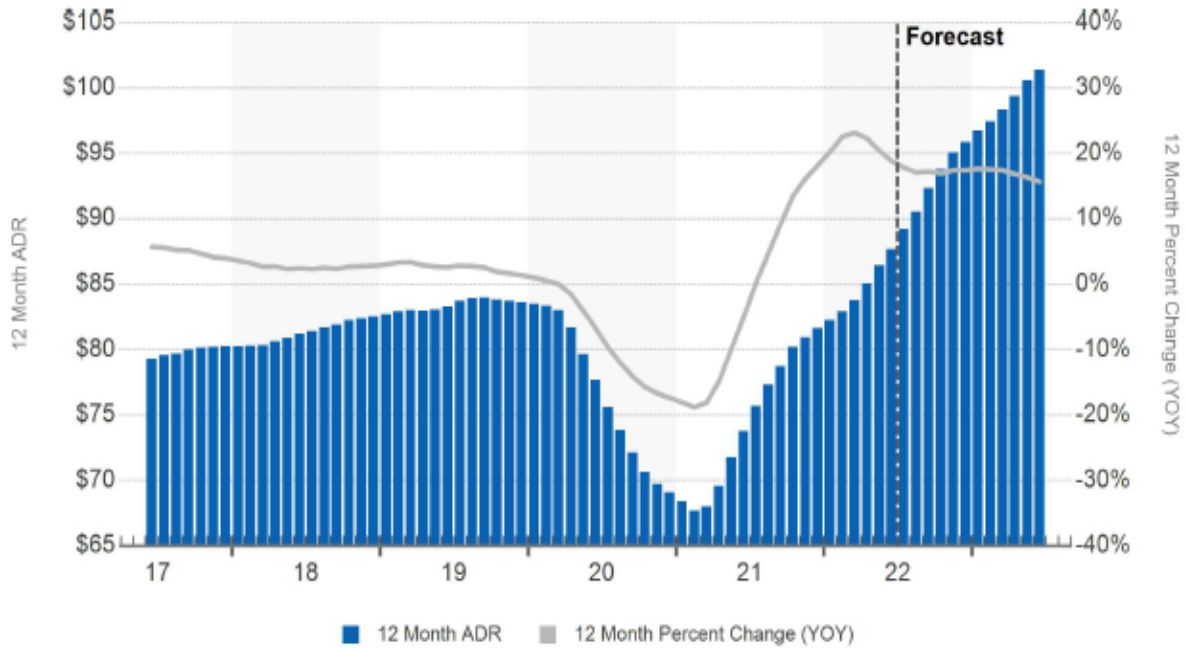
OCCUPANCY



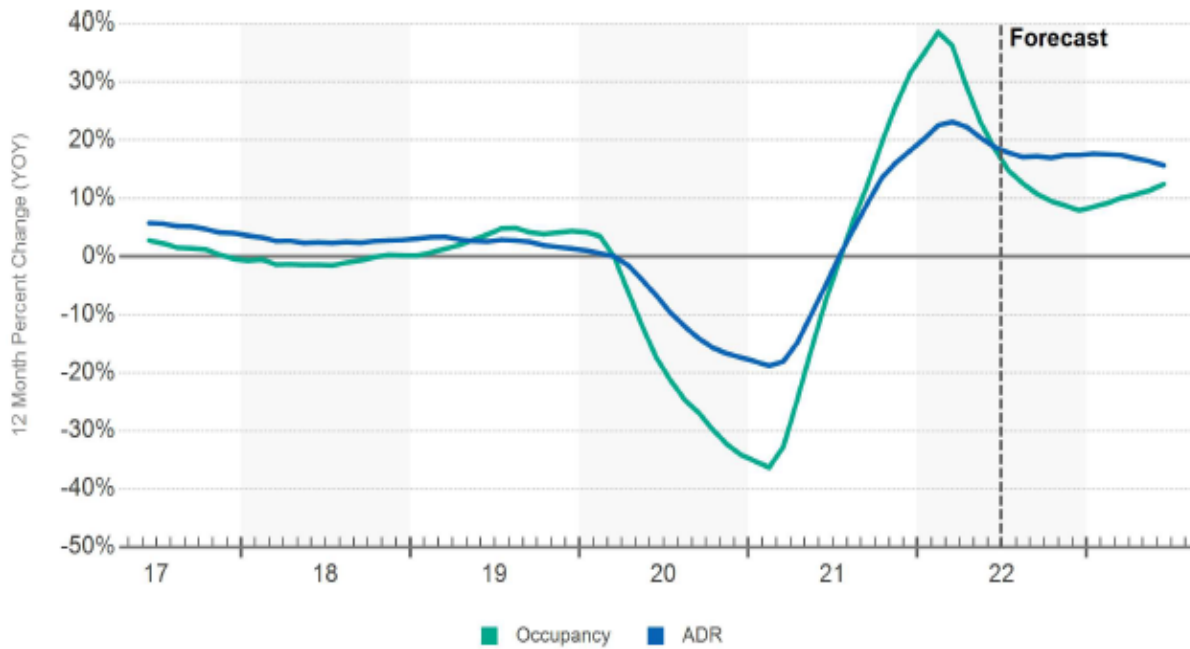
Performance

Springfield/Fairborn Hospitality

ADR

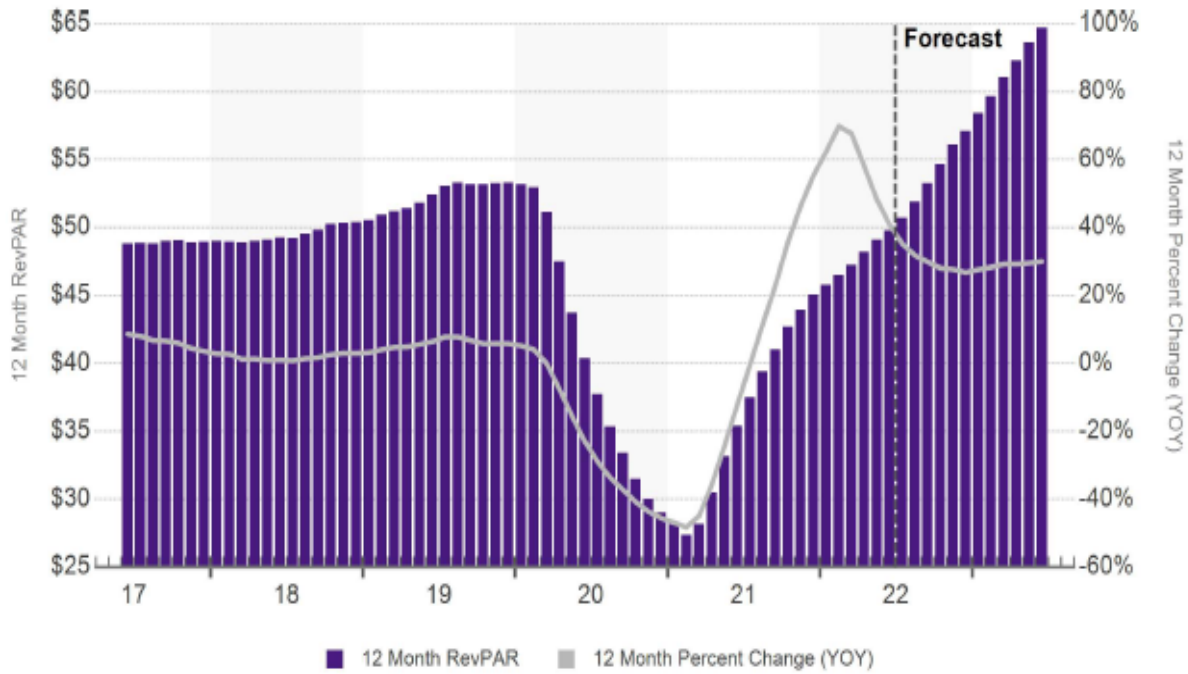


OCCUPANCY & ADR CHANGE

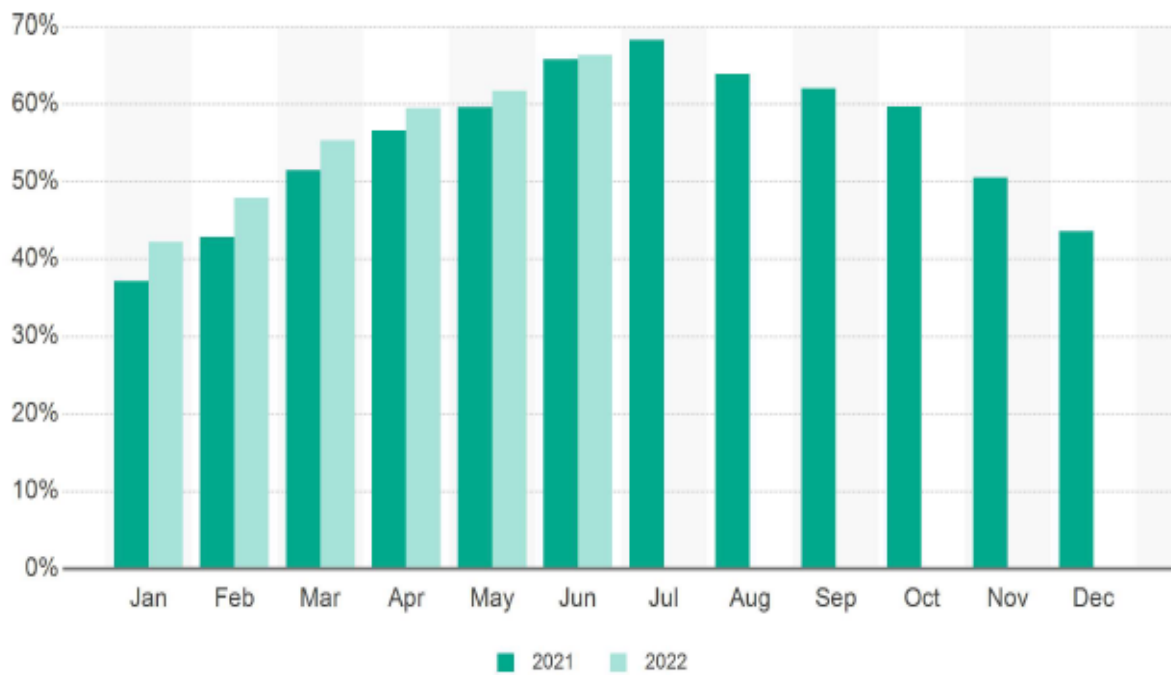


Performance

REVPAR



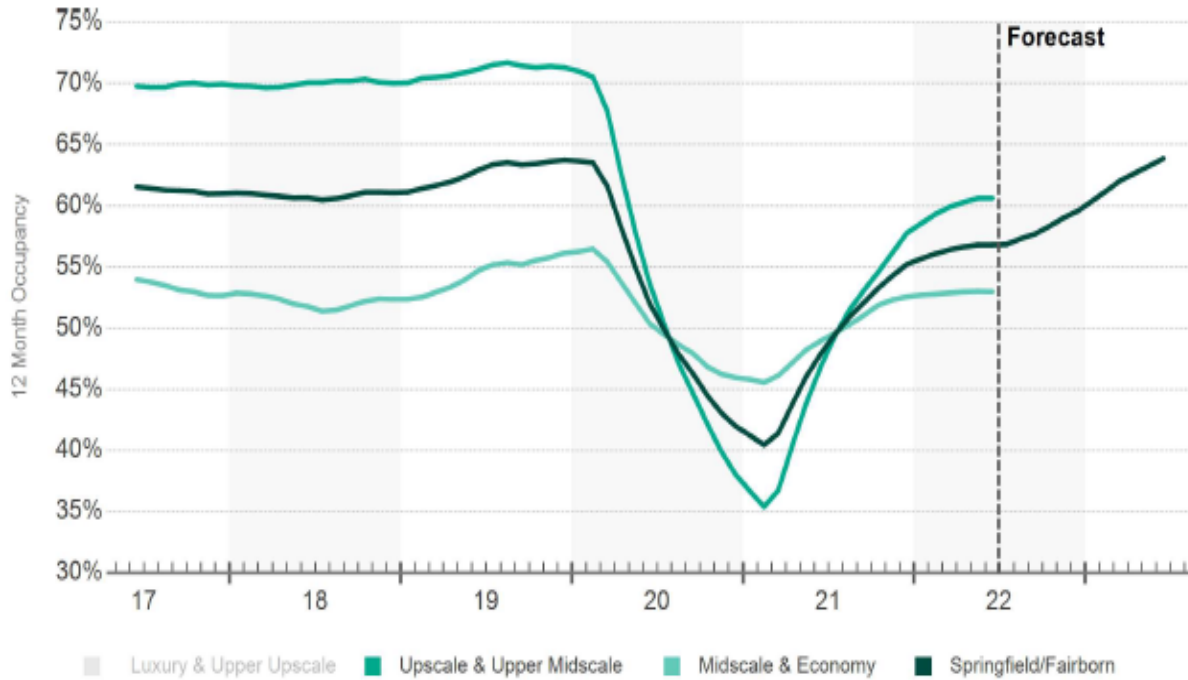
OCCUPANCY MONTHLY



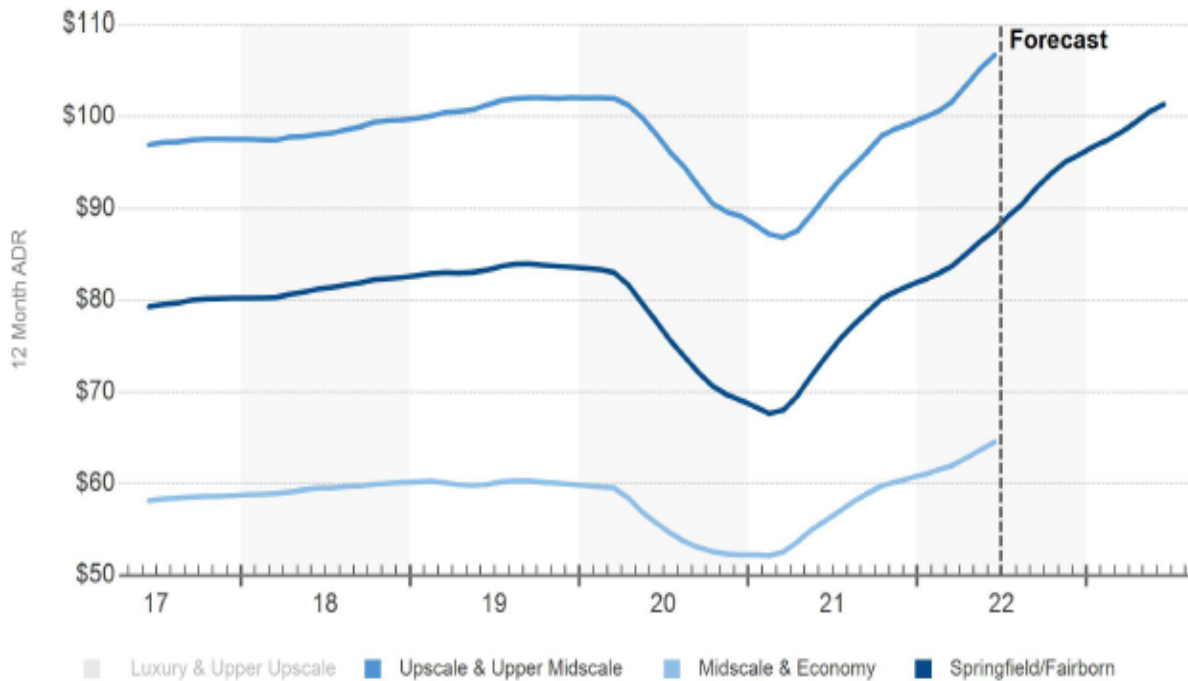
Performance

Springfield/Fairborn Hospitality

OCCUPANCY BY CLASS



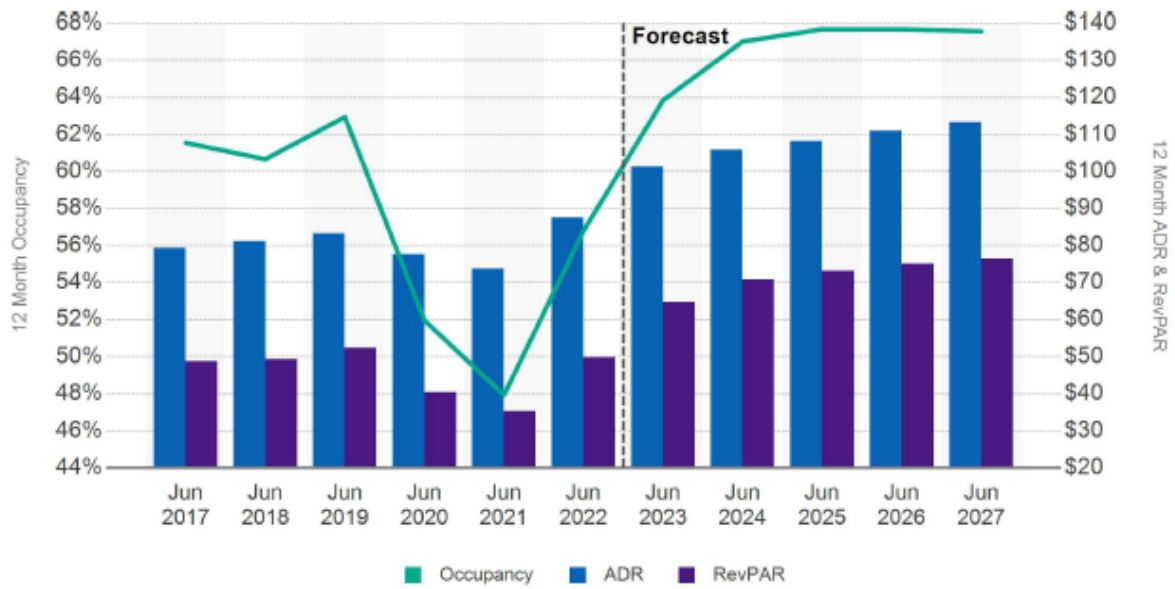
ADR BY CLASS



Performance

Springfield/Fairborn Hospitality

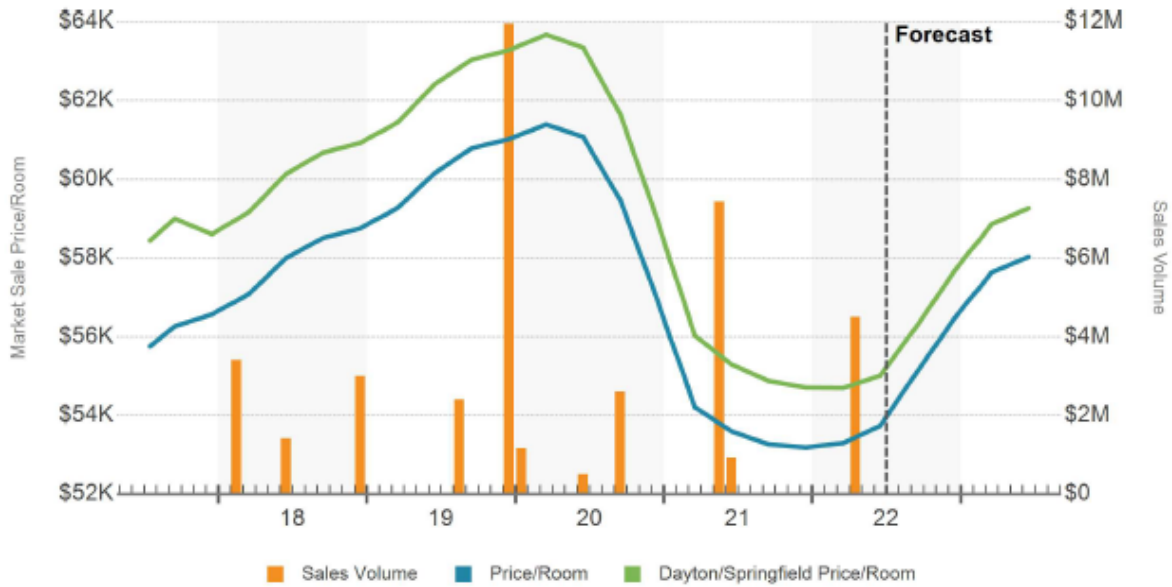
OCCUPANCY, ADR & REVPAR



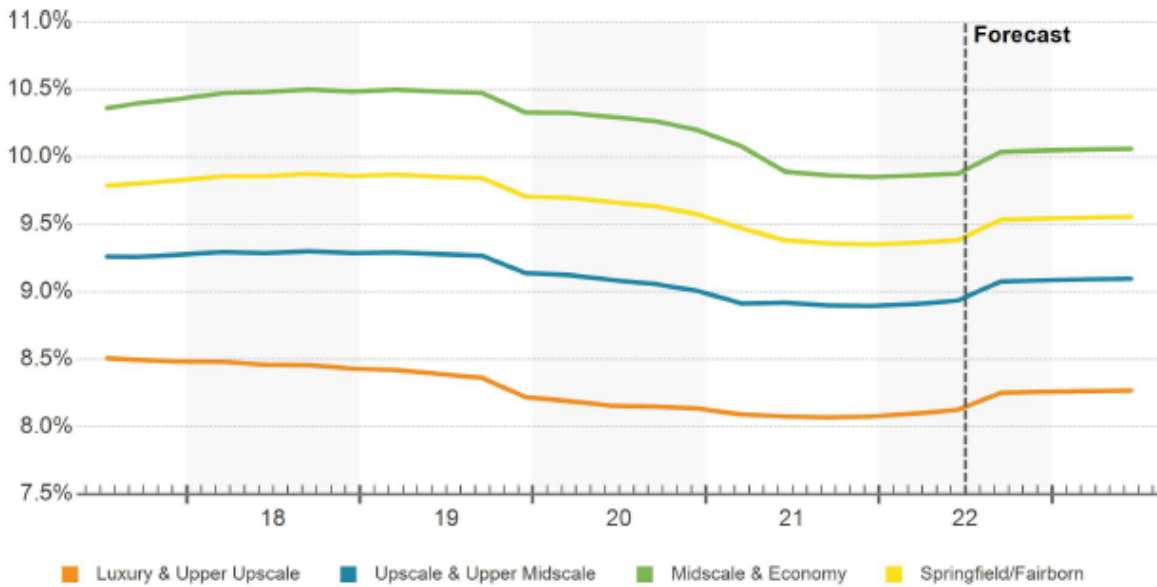
Sales

Springfield/Fairborn Hospitality

SALES VOLUME & MARKET SALE PRICE PER ROOM



MARKET CAP RATE



Subject Specific

Property Productivity Analysis

The subject property is a two story, four building, 142 room economy limited service lodging facility, containing 52,589 SF of GBA on a 3.190 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 142-room, four building, two-story interior/exterior corridor, economy limited service lodging facility. There is one building that is not utilized, therefore only 87 units are considered to be in service. It contains approximately 52,589 square feet and is of Class D construction according to Marshall Valuation Service with wood framing with the exterior of the improvements masonry/wood. The improvements have an office/lobby, lounge/banquet area, laundry facilities, and ice/vending machines. The guest room mix is king, double queen, and apartment suites (3).

The subject is occupied on short-term basis by primarily daily to weekly business/leisure guests. However, based on the site visit it appears the subject is a high vacancy property. The owner declined to share any financial/occupancy data for the purpose of this report.

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	28				0	0
Upscale & Upper Midscale	1,939	60.6%	\$106.71	\$64.69	0	0
Midscale & Economy	1,806	53.0%	\$64.55	\$34.19	0	0
Total	3,773	56.8%	\$87.64	\$49.78	0	0

Average Trend	Current	3 Mo	YTD	12 Mo	Historical Average	Forecast Average
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RevPAR Change	16.4%	21.1%	23.3%	40.8%	0.4%	9.0%

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: 1715 W North Street, Springfield, Ohio 45504
 Size: Approximately 52,589 SF or 3.190 Acres



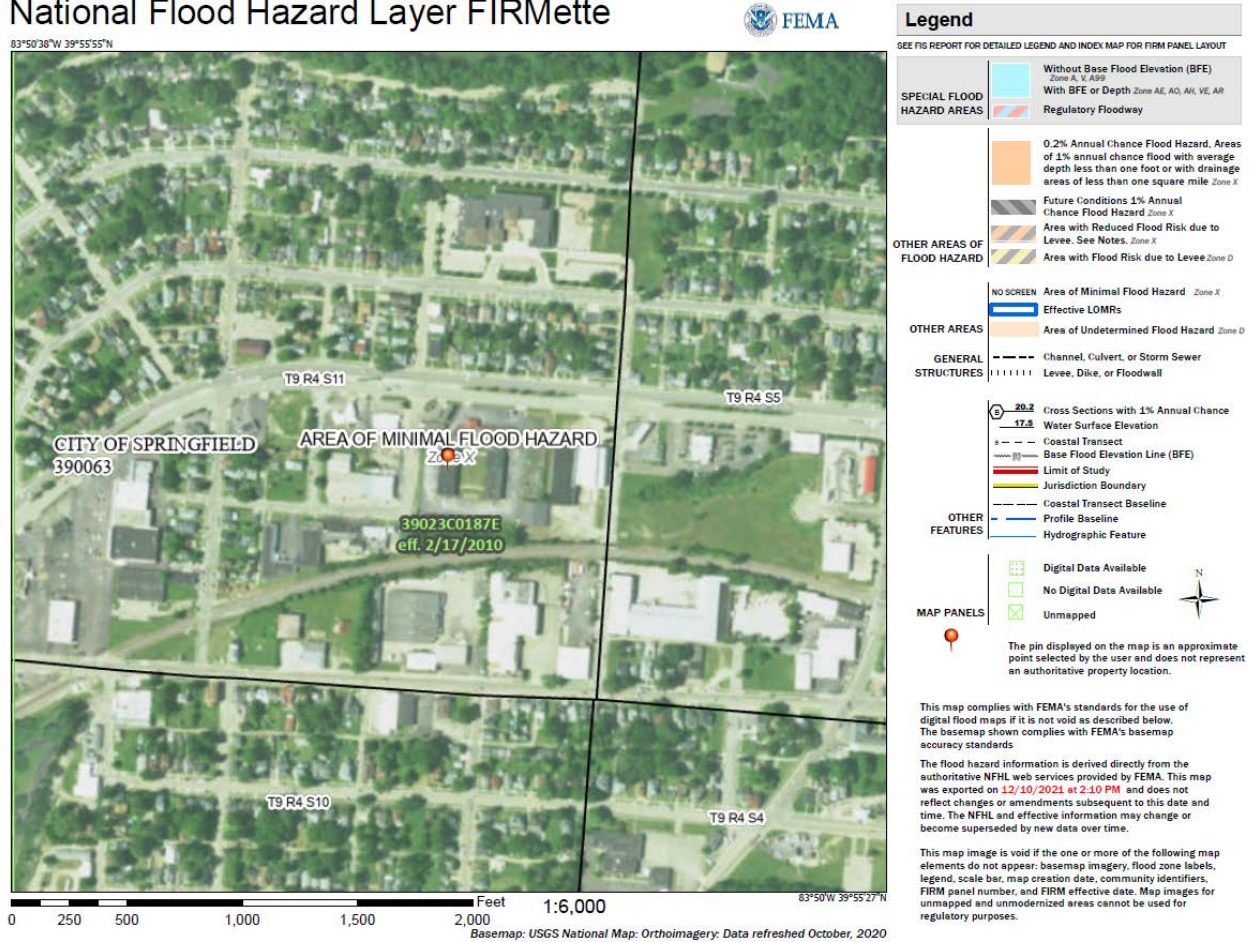
IDENTIFICATION OF THE SUBJECT							
No.	Parcel Id	Address	Land	Building	Market Value	Annual R/E Taxes	Land Size (Ac)
1	3400600011424009	1715 W North St	\$277,850	\$427,960	\$705,810	\$18,044.26	3.190
TOTAL:			\$277,850	\$427,960	\$705,810	\$18,044.26	3.190
Tax District						Tax Rate:	2.557%
Springfield Corp/ Springfield CSD						Effective Tax Rate:	\$73.041850
						Est. R/E Tax:	\$44,738

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

Flood Zone:

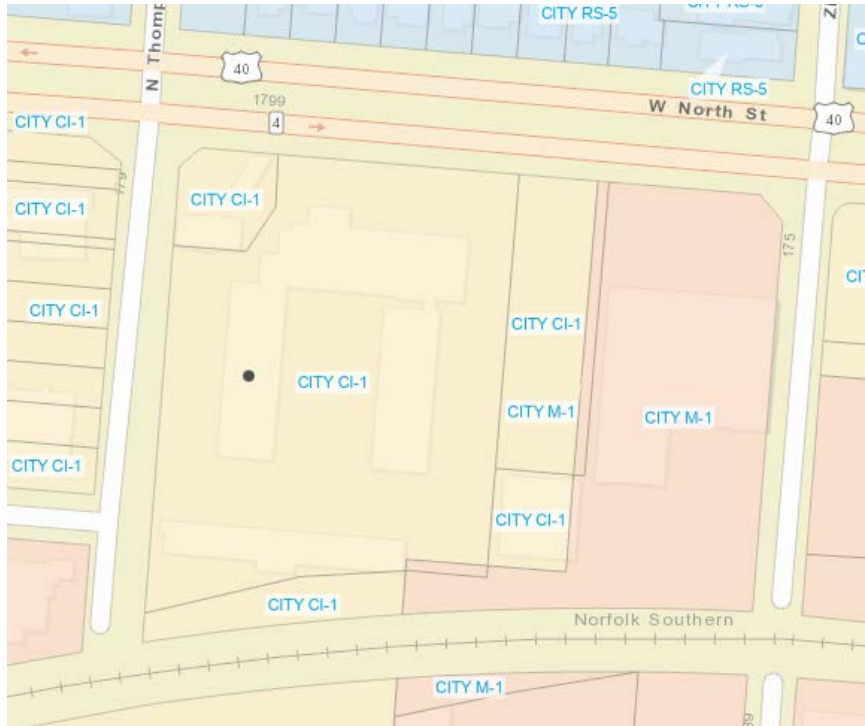
According to the Federal Emergency Management Agency Flood Insurance Rate Map Community Panel Number 39023C0187E, dated February 17, 2010, the subject site does not appear to be located within a designated floodplain (Zone X).

National Flood Hazard Layer FIRMette



Zoning:

According to local zoning officials, the subject property is zoned CI-1, Intensive 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 (55,000 SF Asphalt Paving), concrete sidewalks, fencing (6,400 SF), canopies (2,361 SF), balconies/patio (10,061 SF), 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 W North 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, four building, 142 room economy limited service lodging facility, containing 52,589 SF of GBA on a 3.190 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 142-room, four building, two-story interior/exterior corridor, economy limited service lodging facility. There is one building that is not utilized, therefore only 87 units are considered to be in service. It contains approximately 52,589 square feet and is of Class D construction according to Marshall Valuation Service with wood framing with the exterior of the improvements masonry/wood. The improvements have an office/lobby, lounge/banquet area, laundry facilities, and ice/vending machines. The guest room mix is king, double queen, and apartment suites (3). Average quality buildings with pitched metal/flat rubber roofs built in 1961.

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: 1961
Building Area: 52,589 SF GBA
Land to Building Ratio: 2.60:1.00
Overall Condition: Average

Construction Detail:

Foundation: Poured concrete
Framing: Wood framing, Class D construction according to Marshall Valuation Service.
Exterior Walls: Masonry/Wood
Floor Construction: Poured concrete on the first floor with the upper floor having wood sub-flooring covered by lightweight concrete.
Roof : Pitched Metal/Flat Rubber
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 PTAC
Sprinklers: None
Electric: Assumed to be adequate for existing use.
Lighting: Typically, fluorescent, recessed, and wall sconces

Interior Finish:

Layout: Guest rooms, foyer/ lobby, lounge/banquet, registration area, office, laundry, 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 55,000 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)
4. [For fair value determination] The use of a nonfinancial asset by market participants that would maximize the value of the asset or the group of assets and liabilities (for example, a business) within which the asset would be used. (FASB Glossary) The highest and best use of a nonfinancial asset takes into account the use that is physically possible, legally permissible, and financially feasible. (FASB 820-10-35-10B). The highest and best use of a nonfinancial asset establishes the valuation premise used to measure the fair value of the asset, as follows: (a) The highest and best use of a nonfinancial asset might provide maximum value to market participants through its use in combination with other assets as a group (as installed or otherwise configured for use) or in combination with other assets and liabilities (for example, a business). (b) The highest and best use of the asset might provide maximum value to market participants on a standalone basis.⁹

Highest and Best Use, as Though Vacant

Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements.¹⁰

Highest and Best Use, as Improved

The use that should be made of a property, as it exists. An existing property should be renovated or retained as long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one.¹¹

⁹Appraisal Institute, The Dictionary of Real Estate Appraisal, 7th Edition, (Chicago: Appraisal Institute, 2022) "highest and best use" p. 88, PDF e-book.

¹⁰ Appraisal Institute, The Dictionary of Real Estate Appraisal, 7th Edition, (Chicago: Appraisal Institute, 2022) "highest and best use" p.88, PDF e-book.

¹¹Appraisal Institute, The Dictionary of Real Estate Appraisal, 7th Edition, (Chicago: Appraisal Institute, 2022) "highest and best use" p. 88, PDF e-book.

As though vacant:

The subject site consists of one irregular shaped tax parcel in the City of Springfield, Clark County, Ohio. The subject site is zoned CI-1, Intensive Commercial District which primary purpose is for commercial related uses. The site contains a total of approximately 3.190 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.

As though improved:

The subject property consists of a two story, four building, 142 room economy limited service lodging facility, containing 52,589 SF of GBA on a 3.190-acre site with a building ratio of 2.64:1. 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 CI-1, Intensive 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.

It is anticipated that the subject can achieve an acceptable market return, under effective management. Therefore, a stabilized hotel facility 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 leisure/long-term guests, 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, one 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

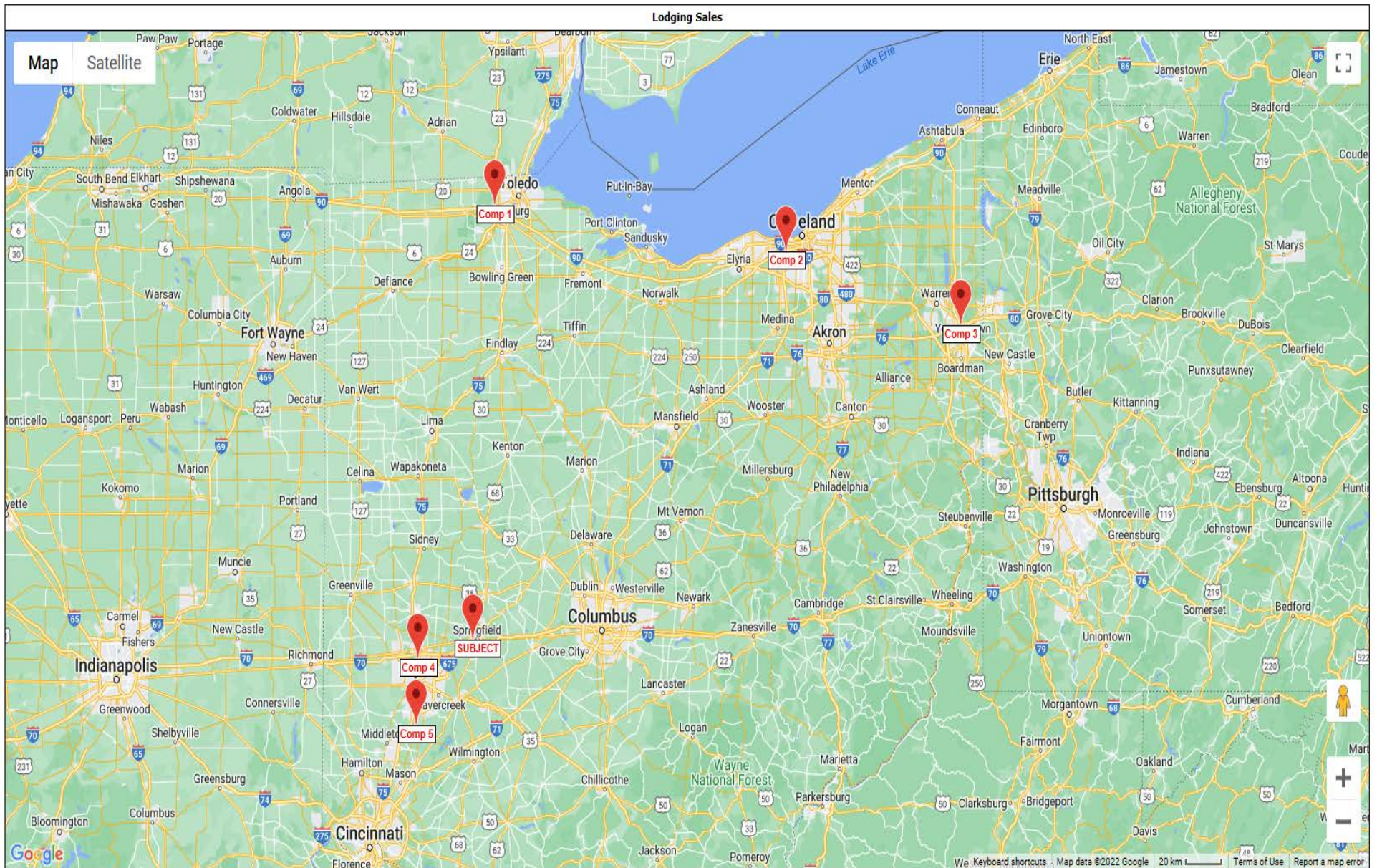
Units of comparison are components into which the property may be divided for comparison purposes. Within the analysis, the price per room has been used.

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.



Lodging Sale No. 1



Record ID	104
Property Type	Limited Service
Property Name	Quality Inn Holland
Address	1404 East Mall Drive, Holland, Lucas County, Ohio 43528
Location	North of Airport Highway, west of Interstate 475
Tax ID	65-86957
Restrictions	Typical
School District	Springfield
Date Inspected	2/7/2022
MSA	Toledo
Market Type	South/Southwest
<u>Sale Data</u>	
Grantor	Goldberg, LLC
Grantee	Shineri, LLC
Sale Date	March 18, 2022
Conditions of Sale	Arm's Length
Financing	Cash Equivalent
Sale History	No prior arm's length transactions
Verification	Kamran Azim (Buyer); (513) 290 1153, February 07, 2022; Other sources: Purchase Contract, Confirmed by Ryan Hugueley
Sale Price	\$2,950,000
Cash Equivalent	\$2,950,000
Adjusted Price	\$2,950,000

Lodging Sale No. 1 (Cont.)

Land Data

Land Size	3.099 Acres or 134,975 SF
Front Footage	East Mall Drive;
Zoning	C-2, General Commercial District, Commercial
Topography	Level
Utilities	All Public
Shape	Irregular
Landscaping	Typical
Fencing	Yes
Flood Info	Zone X (39095C0227E dated August 16, 2011)
Current Use	Lodging Facility
Highest & Best Use	Lodging Facility
Ingress/Egress	Typical

General Physical Data

Gross SF	42,952
Number Of Rooms	130
Construction Type	Frame / Wood-Vinyl
Corridors	Yes
Electrical	Assume Adequate
HVAC	GFA/AC
Stories	3
Floor Height	9'
Meeting/Banquet Facilities	Yes
Restaurant	Breakfast
Lounge	Yes
Amenities	Outdoor Pool, Laundry, Exercise/Fitness
Year Built	1989
Condition	Average
Total FF&E	\$160,000

Income Analysis

Average Occupancy Rate	43%
Total Revenue	\$1,165,628
Gross Expenses	\$879,080
Net Operating Income	\$286,548

Indicators

Sale Price/Gross SF	\$68.68
Sale Price/Room	\$22,692
Expense Ratio	75.42%
NOI/Room	\$2,204
Overall Cap Rate	9.71%

Remarks

Pending Sale: The sales price is allocated at \$2,430,000 for real property/personal property and \$520,000 for intangible business value.

Lodging Sale No. 2



Property Identification

Record ID	99
Property Type	Limited Service
Property Name	Marriott Cleveland Airport
Address	4277 West 150th Street, Cleveland, Cuyahoga County, Ohio 44135
Tax ID	023-02-005
Restrictions	Typical

Sale Data

Grantor	4277 W 150th ST. LLC
Grantee	4277 West 150th Street Holdings LLC
Sale Date	August 07, 2020
Conditions of Sale	Arm's Length
Financing	Cash Equivalent
Sale History	No prior arm's length transactions
Verification	Eric Belfrage, CBRE; Michael P. Hunter, MAI, Other sources: Public Records, Confirmed by Jonas Westrin

Sale Price	\$5,932,500
Cash Equivalent	\$5,932,500
Adjusted Price	\$5,932,500

Lodging Sale No. 2 (Cont.)

Land Data

Land Size	8.360 Acres or 364,162 SF
Front Footage	132 ft West 150th Street;
Zoning	Commercial
Topography	Level
Utilities	All Public
Shape	Flag shaped
Landscaping	Typical
Flood Info	Zone X
Current Use	Lodging Facility
Highest & Best Use	Lodging Facility
Ingress/Egress	Typical

General Physical Data

Gross SF	226,142
Number Of Rooms	372
Construction Type	Masonry/ Steel
Corridors	Yes
Electrical	Assume Adequate
Stories	9
Meeting/Banquet Facilities	Yes
Restaurant	Yes
Lounge	Yes
Amenities	Indoor Pool, Laundry, Exercise/Fitness
Year Built	1970
Condition	Average

Indicators

Sale Price/Gross SF	\$26.23
Sale Price/Room	\$15,948

Remarks

Property sold at auction. CBRE handled the marketing of the property prior to sale. Buyer is reflagging to a Wyndham brand(s). Recorded at actual sale price. Financials are as Marriott prior to sale (pre-COVID). Now operating as Wyndham Cleveland Airport in 2021. Hotel amenities include a fitness center, indoor pool, business center, complimentary airport shuttle service, over 14,000 SF of meeting space, and an on-site restaurant—AMP 150. The guestrooms feature plush mattresses, ergonomic workstations, high-speed WiFi, mini-fridge, 24-hour room service, coffee maker and oversized chair. The suites feature a separate living/sitting area.

Lodging Sale No. 3



Property Identification

Record ID	100
Property Type	Limited Service
Property Name	Quality Inn & Suites North
Address	4055 Belmont Avenue, Youngstown, Trumbull County, Ohio 44505
Tax ID	12-762300
Restrictions	Typical

Sale Data

Grantor	BHAVYA SREE LLC
Grantee	Youngstown Hotel, LLC
Sale Date	January 06, 2020
Conditions of Sale	Arm's Length
Financing	Cash Equivalent
Sale History	No prior arm's length transfers past 3 yrs
Verification	Reliable Third Party, Integra; Other sources: Public Records, Confirmed by Jonas Westrin
Sale Price	\$1,500,000
Cash Equivalent	\$1,500,000
Adjusted Price	\$1,500,000

Lodging Sale No. 3 (Cont.)

Land Data

Land Size	2.630 Acres or 114,563 SF
Front Footage	Belmont Avenue;
Zoning	Commercial
Topography	Level
Utilities	All Public
Shape	Rectangular
Landscaping	Typical
Flood Info	Zone X
Current Use	Lodging Facility
Highest & Best Use	Lodging Facility
Ingress/Egress	Typical

General Physical Data

Gross SF	72,771
Number Of Rooms	149
Construction Type	Masonry/Steel
Corridors	Yes
Electrical	Assume Adequate
HVAC	PTAC
Stories	6
Meeting/Banquet Facilities	Yes
Restaurant	Yes
Lounge	Yes
Year Built	1973
Condition	Below Average

Income Analysis

Total Revenue	\$875,228 trailing 12
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Indicators

Sale Price/Gross SF	\$20.61 Actual or \$20.61 Adjusted
Sale Price/Room	\$10,067 Actual or \$10,067 Adjusted

Remarks

Recorded price of \$1,500,000 is actual sale price. Nothing unusual per the broker. Restaurant is leased for \$30,000/year. Seller was motivated. Limited service hotel with good access/exposure at Interstate 80 exit.

Lodging Sale No. 4



Property Identification

Record ID	98
Property Type	Limited Service
Property Name	Motel 6
Address	7130 Miller Lane, Dayton, Montgomery County, Ohio 45414
Tax ID	A01 27614 0002
Restrictions	Typical
School District	Van Butler CSD
MSA	Dayton

Sale Data

Grantor	Dayton ABVI Group LLC
Grantee	7130 Dayton Inc
Sale Date	August 23, 2019
Marketing Time	~ 1 yr
Conditions of Sale	Arm's Length
Financing	Cash Equivalent
Sale History	Sold 6/16/2017 for 700,000 or \$7,608/ room
Instrument	Deed ref. 201900045432
Verification	Reliable Third Party - Integra; Andrew Post, Amber Hotel, Other sources: Public Records, Confirmed by Jonas Westrin

Sale Price	\$1,660,000
Cash Equivalent	\$1,660,000
Adjusted Price	\$1,660,000

Lodging Sale No. 4 (Cont.)

Land Data

Land Size	2,000 Acres or 87,120 SF
Front Footage	240 ft Miller Lane;
Zoning	Commercial
Topography	Mostly Level
Utilities	All Public
Shape	Mostly Rectangular
Landscaping	Typical
Flood Info	Zone X
Current Use	Lodging
Highest & Best Use	Lodging
Ingress/Egress	Typical

General Physical Data

Gross SF	27,360
Number Of Rooms	92
Construction Type	Wd Fr
Corridors	Exterior
Electrical	Assume Adequate
HVAC	PTAC
Stories	3
Amenities	Outdoor Pool, Laundry, Elevator
Year Built	1985
Condition	Average

Income Analysis

Total Revenue	\$517,000
Gross Expenses	\$361,900 est. 70%
Net Operating Income	\$155,100

Indicators

Sale Price/Gross SF	\$60.67 Actual or \$60.67 Adjusted
Sale Price/Room	\$18,043 Actual or \$18,043 Adjusted
Expense Ratio	70%
NOI/Room	\$1,686
Overall Cap Rate	9.34%

Remarks

The comparable is located directly west of I-75 just south of the I-70/ I-75 interchange in the northwest section of Dayton. The buyer is out of North Carolina emerged from a few interested parties. Property was previously flagged as an America's Best Value Inn before becoming independent. It was reflagged as a Motel 6 around December 2017 (began reporting to STR at that time) after an extensive renovation.

Listing price dropped to \$1,695,000 in early 2019. Room revenue of \$517,000 at the time of sale. The buyer aimed to invest about \$250,000 in renovations and expected to increase revenue to \$700,000. Recorded price was actual sale price. As indicated, the transfer in 2017 was prior to renovations. The condition assessment at that time was considered fair.

Lodging Sale No. 5



Property Identification

Record ID	97
Property Type	Limited Service
Property Name	Knights Inn
Address	2450 Dryden Road, Moraine, Montgomery County, Ohio 45439
Tax ID	J44 04101 0063 & J44 04101 0040
Restrictions	Typical
School District	Kettering CSD

Sale Data

Grantor	Nisha Investments Inc
Grantee	Shabdkosh Ganesh LLC
Sale Date	April 11, 2019
Deed Book/Page	2019-05680
Marketing Time	~2 years
Conditions of Sale	Arm's Length
Financing	Cash Equivalent
Sale History	No prior sales past 3 years
Verification	Reliable Third Party - Integra; March 23, 2021; Other sources: Public Records, Confirmed by Jonas Westrin
Sale Price	\$823,000
Cash Equivalent	\$823,000
Adjusted Price	\$823,000

Lodging Sale No. 5 (Cont.)

Land Data

Land Size	1.770 Acres or 77,101 SF
Front Footage	353 ft Dryden Road;
Zoning	Commercial
Topography	Mostly level
Utilities	All public
Shape	Irregular
Landscaping	Typical
Flood Info	Zone X - Primarily
Current Use	Lodging
Highest & Best Use	Lodging

General Physical Data

Gross SF	24,960
Number Of Rooms	80
Construction Type	Wd Fr/ Masonry
Corridors	Exterior walkway
Electrical	Assume adequate
HVAC	PTAC
Stories	2
Amenities	Laundry, Lobby/ Reception Area
Year Built	1976
Condition	Below Average

Income Analysis

Total Revenue	\$312,280
Gross Expenses	\$211,376
Net Operating Income	\$100,904

Indicators

Sale Price/Gross SF	\$32.97
Sale Price/Room	\$10,288
Expense Ratio	67.69%
NOI/Room	\$1,261
Overall Cap Rate	12.26%

Remarks

Property was converted to a Knights Inn from a Super 8 in 2016. Listed for \$1,000,000 in 2017. 2016 room revenue of \$330,000. 2017 room revenue of \$296,937. Actual 2018 financials shown (room revenue \$312,280, management (3%) and reserves (4%) added). Needed a lot of work per the broker. Property eventually sold for \$823,000 and was extensively renovated and reopened as a 75-room Red Roof Inn. At the time of sale, 80 rooms, though 65 was considered rentable.

Improved Sales Summary and Adjustment Grid

	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Street:	1715 W North Street	1404 East Mall Drive	4277 West 150th Street	4055 Belmont Avenue	7130 Miller Lane	2450 Dryden Road
City:	Springfield	Holland	Cleveland	Youngstown	Dayton	Moraine
State:	OH	OH	OH	OH	OH	OH
Date of Sale:		3/18/22	8/7/20	1/6/20	8/23/19	4/11/19
Sale Price:		\$2,950,000	\$5,932,500	\$1,500,000	\$1,660,000	\$823,000
Building Size:	52,589	42,952	226,142	72,771	27,360	24,960
Unadjusted Price/SF:		\$69	\$26	\$21	\$61	\$33
Unadjusted Price/Room:		\$22,692	\$15,948	\$10,067	\$18,043	\$10,288
Adjustments						
Rights Transferred:	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Financial Considerations:	Cash Equivalent	Market	Market	Market	Market	Market
Conditions of Sale:	Assume Arm's Length	Arm's Length	Arm's Length	Arm's Length	Arm's Length	Arm's Length
Market Conditions - Time:	7/19/2022	Stable	Stable	Stable	Stable	Stable
Subtotal after Transactional Adj. Price/SF:		\$69	\$26	\$21	\$61	\$33
Subtotal after Transactional Adj. Price/Room:		\$22,692	\$15,948	\$10,067	\$18,043	\$10,288
Location:	Average	Superior	Superior	Similar	Similar	Similar
		-20%	-20%			
No. of Rooms:	142	130	372	149	92	80
			-5%			
Year Built:	1961	1989	1970	1973	1985	1976
Condition:	Average	Average	Average	Below Average	Average	Below Average
				10%		10%
Quality of Const.	Average	Average	Average	Average	Average	Average
Classification/Affiliation:	Limited Service	Limited Service	Limited Service	Limited Service	Limited Service	Limited Service
Amenities:	Minimal	Superior	Superior	Similar	Superior	Similar
		-20%	-20%		-20%	
Subtotal Adjustments:		-40%	-45%	10%	-20%	10%
Adjusted Price/SF:		\$41	\$14	\$23	\$49	\$36
Adjusted Price/Room:		\$13,615	\$8,771	\$11,074	\$14,435	\$11,316

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 \$10,067 to \$22,692 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:

Indicator	Per Room
Min:	\$8,771
Max:	\$14,435
Mean:	\$11,842

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.

RANKING ANALYSIS					
After Transactional Adjustments					
	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Adj. Price per Room	\$22,692	\$15,948	\$10,067	\$18,043	\$10,288
Overall Comparability	Superior	Superior	Inferior	Superior	Inferior

After analyzing the five sales, the subject's price per room indicator was concluded at about **\$12,275 per room** or **\$1,750,000 (rounded)** which is based on the adjusted sale price of all sales, with more reliance on Sales #3, #4, and #5, lease overall adjustments.

INTANGIBLE VALUATION

Intangible Property. Nonphysical assets, including but not limited to franchises, trademarks, patents, copyrights, goodwill, equities, securities, and contracts as distinguished from physical assets such as facilities and equipment. (USPAP, 2020-2021 ed.)¹²

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.

¹²Appraisal Institute, The Dictionary of Real Estate Appraisal, 7th Edition, (Chicago: Appraisal Institute, 2022) "intangible property" p. 97, 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 142 guest rooms, we have estimated the replacement cost for these items, based on Marshall & Swift estimates, as follows:

PERSONAL PROPERTY VALUATION						
	Replacement Cost Per Room	# Rooms	Total Replacement Costs	Estimated Depreciation	Current Value	
F. F. & E	\$5,000	142	\$710,000	85%	\$106,500	
Personal Property Value				6%	\$100,000	
Intangible Value				0%	\$0	
Real Property				94%	\$1,650,000	
Total Property Value				100%	\$1,750,000	
Rounded Figures						

Therefore, the personal property allocation is estimated to be **\$100,000 or \$700 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:	\$1,750,000
INCOME APPROACH:	Not Completed
RECONCILED OPINION OF VALUE:	\$1,750,000
*Market Value in the Fee Simple Interest	July-22
<i>Value Breakdown</i>	
<i>Personal Property</i>	<i>\$100,000</i>
<i>Intangible Value</i>	<i>\$0</i>
<i>Real Property</i>	<i>\$1,650,000</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 \$10,067 to \$22,692 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 \$12,275 per room or equivalent to **\$1,750,000**. In this instance the sales comparison approach was given all weight in the final reconciliation, as it is the only approach utilized in this instance.

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. The subject is occupied on short-term basis by primarily daily to weekly business/leisure guests. However, based on the site visit it appears the subject is a high vacancy property. The owner declined to share any financial/occupancy data for the purpose of this report. The subject is an income producing property and a typical investor in lodging facilities would strongly consider the income generated, so it is typically seen as the primary approach in the valuation process. Due to the high vacancy and lack of data from the owner, the income capitalization approach was not completed.

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 July 19, 2022, is:

ONE MILLION SEVEN HUNDRED FIFTY THOUSAND DOLLARS

\$1,750,000

This stated opinion of value is for the total going concern and is allocated at approximately 94%-real property, 0% intangible and 6% 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 assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions. Comment: Uncertain information might include physical, legal, or economic characteristics of the subject property, or conditions external to the property, such as market conditions or trends, or about the integrity of data used in an analysis. (USPAP, 2020-2021 ed.).¹³

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.

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.¹⁴

Comment: Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends, or about the integrity of data used in an analysis.

This report contains no hypothetical conditions.

¹³Appraisal Institute, The Dictionary of Real Estate Appraisal, 7th Edition, (Chicago: Appraisal Institute, 2022) "extraordinary assumption" p. 68, PDF e-book.

¹⁴S Appraisal Institute, The Dictionary of Real Estate Appraisal, 7th Edition, (Chicago: Appraisal Institute, 2022) "hypothetical condition" p. 92, 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*.

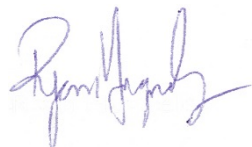
Jonas Westrin, MAI made a personal inspection of the property that is the subject of this report on the specified date of value. Ryan Hugueley, MAI, also made a personal inspection and has completed the research, analysis and report writing. Kenneth P. Wood did not inspect the subject property on the 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: ENGAGEMENT LETTER

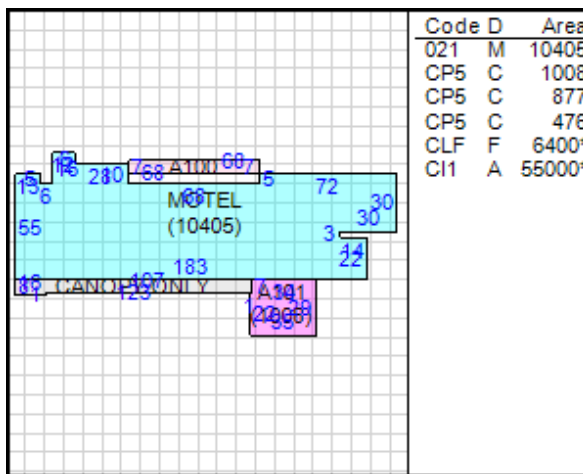
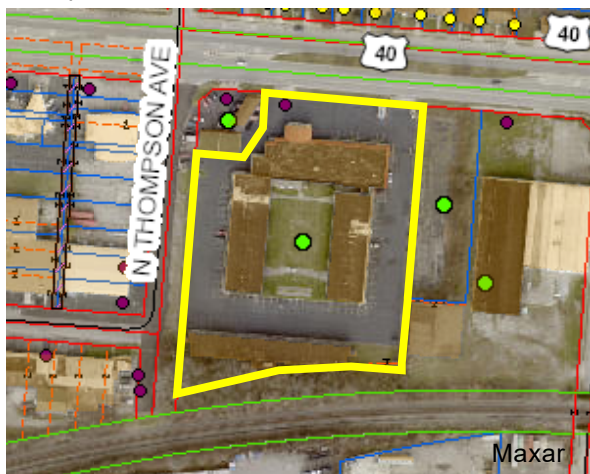
EXHIBIT C: QUALIFICATIONS OF THE APPRAISERS

EXHIBIT A



Report generated: Wednesday, June 22, 2022

Parcel Report



Base Data

Parcel Number: 3400600011424009
Owner Name: FREMONT PROPERTIES INC
Property Address: 1715 W NORTH ST,
 SPRINGFIELD 45504
Percent Owned %: 100

Legal

Neighborhood: 340C6000
Legal: 3.19
Acres:
Land Use: 410
 MOTELS
 AND
 TOURIST
 CABINS
 0011-01
Map Number:

Class: C

Tax Credits

Homestead: No
Exemption:
2.5% Reduction: No

Valuation

	Appraised	Assessed (35%)
Land Value:	\$277,850.00	\$97,250.00
Building Value:	\$427,960.00	\$149,790.00
Total Value:	\$705,810.00	\$247,040.00
CAUV Value:	\$0.00	
Taxable Value:	\$247,040.00	

Land

Description	Effective Lot Size	Act. Frontage	Acres	Sq. Foot	Value
PRIMARY SITE			3.19	138,956	277,850

Land Totals

Effective Total Acres	3.19
Effective Total Square Footage	138,956
Total Value	\$277,850.00

Valuation

	Appraised	Assessed (35%)
Land Value:	\$277,850.00	\$97,250.00
Building Value:	\$427,960.00	\$149,790.00
Total Value:	\$705,810.00	\$247,040.00
CAUV Value:	\$0.00	
Taxable Value:	\$247,040.00	

Improvements

Card	Code	Year Built	Year Remodeled	Dimensions	Grade	Condition	Depreciation	Appraised Value	Assessed Value
1	CLF	1990		8 * 800	C	A	1.3	\$4,160.00	\$1,456.00
1	CI1	1961			C	F	1.671	\$22,060.00	\$7,721.00

Improvements Totals

Total Appraised Value	\$26,220.00
Total Assessed Value	\$9,177.00

Commercial

Year Built: 1961 **Building Number:** 4

Number of Units: 315 **Description:**

Identical Units: 4 **Card:**

Improvement Name: VILLAGER INN

Year Built: 1961 **Building Number:** 3

Number of Units: 315 **Description:**

Identical Units: 3 **Card:**

Improvement Name: VILLAGER INN

Year Built: 1961 **Building Number:** 2

Number of Units: 315 **Description:**

Identical Units: 2 **Card:**

Improvement Name: VILLAGER INN

Year Built: 1961 **Building Number:** 1

Number of Units: 315 **Description:**

Identical Units: 1 **Card:** 1

Improvement Name: VILLAGER INN

Commercial Features

Code	Measurement 1	Measurement 2	Elevator Stops	Identical Units	Value
PR1	19	9		1	4,241
LP3	1235	1		1	4,307
RS1	12	36		1	5,189
PR1	8	9		1	1,786
CP5	476	1		1	4,132
CP5	877	1		1	7,612
CP5	1008	1		1	8,750
LP3	2090	1		1	7,290
PR1	2090	1		1	51,832
LP3	2190	1		1	7,638
PR1	2190	1		1	54,312
PR1	1235	1		1	30,628
RS1	12	36		1	5,189

Commercial Construction

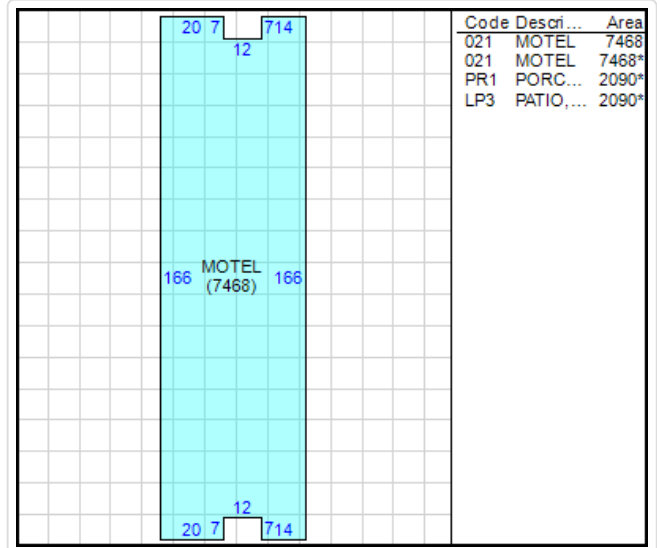
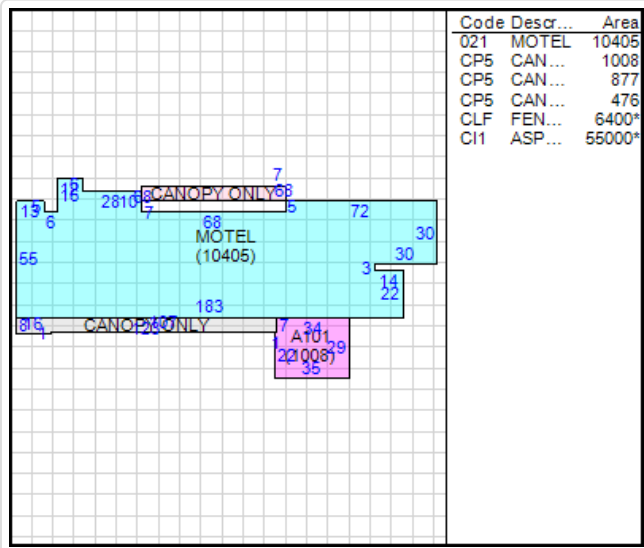
Sec. Num	From	To	Width	Length	Perimeter	Desc	Wall Height	Exterior	Const	Heat	AC
1	01	01	27	114	282	021	9	01	1	2	1
1	02	02	27	114	282	021	9	01	1	2	1
2	01	01	27	114	282	021	9	01	1	2	1
2	02	02	27	114	282	021	9	01	1	2	1
1	01	01			578	021	10	01	1	2	1
1	01	01	153	46	452	021	9	01	1	2	1
1	02	02	153	46	452	021	9	01	1	2	1
1	01	01	163	46	452	021	9	01	1	2	1
1	02	02	163	46	452	021	9	01	1	2	1

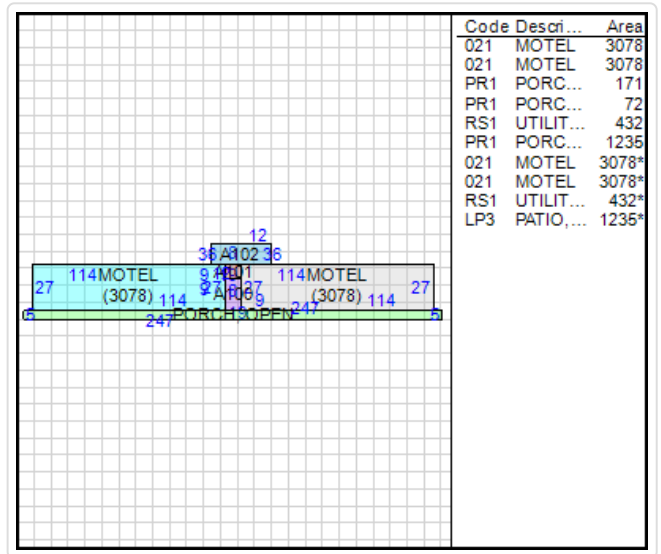
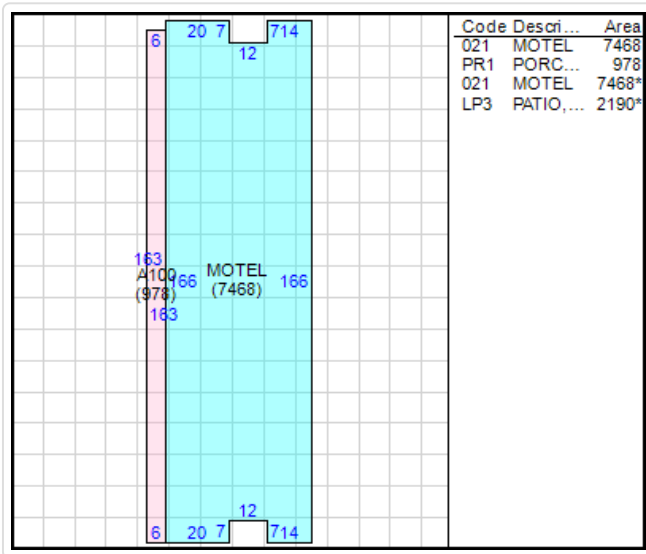
Photos



3400600011424009 06/05/2017

Sketches





Clark County, Ohio

EXHIBIT B



**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 1715 W. North Street, 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
"Villager Inn" Motel 1715 W. North St. Springfield, OH	Fremont Properties, Inc.	Motel on 3.80 acre (2 parcels)	Narrative Appraisal	45-60 days	\$4,000
TOTAL:					\$4,000

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 "Executive Inn" motel property located at 325 W. Columbia 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

Payment for appraisal services will be made to Martin + Wood Appraisal Group, Ltd. in the amount of \$4,000 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 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

EXHIBIT C

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

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
BUREAU OF PROFESSIONAL LICENSING
P.O. BOX 30670
LANSING, MI 48909

STATE OF MICHIGAN - DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
BUREAU OF PROFESSIONAL LICENSING
CERTIFIED GENERAL REAL ESTATE APPRAISER
LICENSE

RYAN DANIEL HUGUELEY

LICENSE NO.	EXPIRATION DATE	
1205075140	07/31/2024	22193150737

RYAN DANIEL HUGUELEY
5080 EAGLES LANDING
OREGON, OH 43616

COMPLAINT INFORMATION:

THE ISSUANCE OF THIS LICENSE SHOULD NOT BE CONSTRUED AS A WAIVER, DISMISSAL OR ACQUIESCENCE TO ANY COMPLAINTS OR VIOLATIONS PENDING AGAINST THE LICENSEE, ITS AGENTS OR EMPLOYEES.

FUTURE CONTACTS:

YOU SHOULD DIRECT INQUIRIES REGARDING THIS LICENSE OR ADDRESS CHANGES TO THE DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS BY EMAILING BPLHELP@MICHIGAN.GOV OR CALL (517) 241-0199

GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
BUREAU OF PROFESSIONAL LICENSING
CERTIFIED GENERAL REAL ESTATE APPRAISER LICENSE

RYAN DANIEL HUGUELEY

LICENSE NO.
1205075140

EXPIRATION DATE
07/31/2024

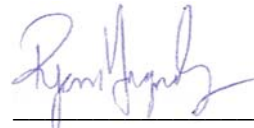
22193150737

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

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
- 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

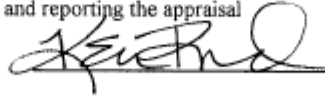
2. Class of Certification/Licensure: Certified General
 Licensed Residential
 Temporary General Licensed

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

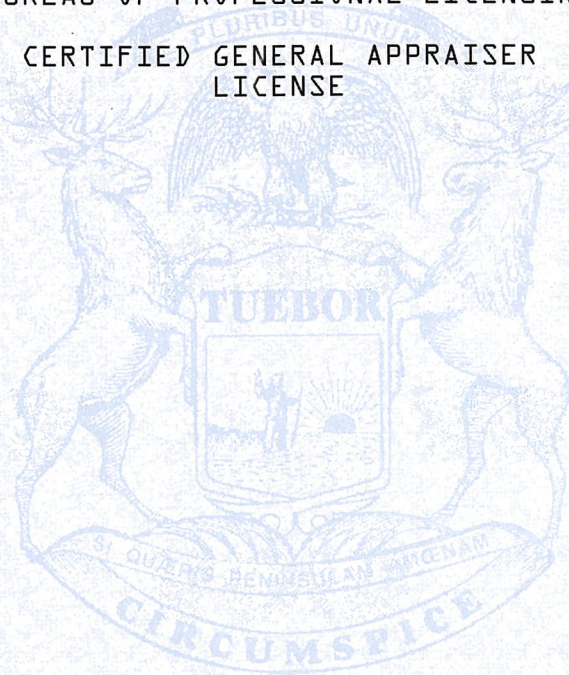
Q019322

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