

APPRAISAL REPORT

Bayview Court, a 24-Unit Apartment Community

Effective date: September 30, 2026

Sample document for demonstration. All names, addresses and figures are fictional.

VALUE CONCLUSIONS

As of the effective date of September 30, 2026, the market value of the fee simple interest in Bayview Court, as is, is \$7,900,000.

The prospective market value upon stabilization, as of September 30, 2027, is \$8,300,000.

SUBJECT PROPERTY

On the date of inspection the subject was 91.7% occupied, with 22 of its 24 units leased at an average contract rent of \$2,318 per month.

The roof was replaced in 2024 and is in good condition.

INCOME CAPITALIZATION APPROACH

We project effective gross income of \$650,400 for the first year of the holding period.

Operating expenses are estimated at \$226,000, including a management fee of 3.0% of effective gross income.

Net operating income is therefore \$424,400.

Applying an overall capitalization rate of 5.40% to net operating income of \$424,400 indicates a value of \$7,859,259, rounded to \$7,900,000.

The concluded value equates to \$329,167 per unit.

This appraisal is subject to the assumptions and limiting conditions stated in the addenda.