

## VACANT LAND

1477 Sunnydale Avenue  
San Francisco, California 94134

### APPRAISAL REPORT

Date of Report: November 1, 2017

Colliers File #: FCH170092

Client File #: Sunnydale Parcel Q



PREPARED FOR  
Robin Zimble  
Related Companies of California  
18201 Von Karman Avenue Suite 900  
Irvine, CA 92612

PREPARED BY  
**COLLIERS INTERNATIONAL**  
VALUATION & ADVISORY SERVICES

# LETTER OF TRANSMITTAL

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November 1, 2017

Robin Zimbler

**Related Companies of California**

18201 Von Karman Avenue  
Suite 900  
Irvine, CA 92612

**RE: Vacant Land**

1477 Sunnydale Avenue  
San Francisco, California 94134

Colliers File #: FCH170092

Client File #: Sunnydale Parcel Q

Ms. Zimbler:

Pursuant with our engagement, the above captioned property was appraised utilizing best practice appraisal principles for this property type. This appraisal report satisfies the scope of work and requirements agreed upon by Related Companies of California and Colliers International Valuation & Advisory Services.

The date of this report is November 1, 2017. At the request of the client, this appraisal is presented in an Appraisal Report format as defined by *USPAP* Standards Rule 2-2(a). My appraisal format provides a detailed description of the appraisal process, subject and market data and valuation analyses.

The purpose of this appraisal is to develop an opinion of the As-Is Market Value of the subject property's fee simple interest. The following table conveys the final opinion of market value of the subject property that is developed within this appraisal report:

VALUE TYPE	INTEREST APPRAISED	DATE OF VALUE	VALUE
As-Is Market Value	Fee Simple	October 18, 2017	\$5,950,000

The subject is a 0.48-acre site at 1477 Sunnydale Avenue in San Francisco, California. The property consists of eight parcels (6356-61 through 68) that have been assembled into a mostly rectangular shaped lot at the southeast corner of Sunnydale Avenue and Hahn Street in San Francisco, California. The site is zoned RM-1 (Low Density Residential, Apartments and Houses) according to City of San Francisco Planning Department which allows a residential density of 1 unit per 800 SF of site area to 1 unit per 600 SF of site area.

The subject was originally listed in late 2015 at \$3,500,000, based on information provided by CoStar. Information provided by the San Francisco County Assessor indicates that the subject sold on December 19, 2016 for \$3,000,000. The subject was also appraised by Phil Sarazen of Colliers International Valuation and Advisory Services (CIVAS, Fresno Office) in a report dated February 19, 2016 (CIVAS Job #FAT160006). The subject was appraised by John Larson, MAI, JD, in a report dated May 11, 2017 (CIVAS Job # FCH170018) with an updated value conclusion of \$3,960,000. The most recent purchase price (\$3,000,000) and previous value estimates are below the As-Is Market Value conclusion in this report (\$5,950,000) based on the City of San Francisco's approval of the redevelopment of the Sunnysdale public housing site, located across Sunnysdale Avenue from the subject, which occurred on February 7, 2017, entitlement work completed on the subject, including upgrade to RM-1 zoning, as well as overall improvement in market conditions since the date of the previous sale and valuation dates.

The analyses, opinions and conclusions communicated within this appraisal report were developed based upon the requirements and guidelines of the current Uniform Standards of Professional Appraisal Practice (USPAP), the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute. The report is intended to conform to the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA) standards.

The report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter. *USPAP* defines an Extraordinary Assumption as, "an assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions". *USPAP* defines a Hypothetical Condition as, "that 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".

The Extraordinary Assumptions and/or Hypothetical Conditions that were made during the appraisal process to arrive at my opinion of value are fully discussed below. I advise the client to consider these issues carefully given the intended use of this appraisal, as their use might have affected the assignment results.

### **EXTRAORDINARY ASSUMPTIONS**

The subject was most recently inspected on March 22, 2017. This appraisal assumes that the subject site has not changed materially since the date of the last inspection. This appraisal assumes a capacity to construct at least 35 residential units based on information provided by the San Francisco Planning Department and included in the Addenda of this report. Should the actual density/maximum units vary from this estimate, a new valuation may be necessary.

### **HYPOTHETICAL CONDITIONS**

No Hypothetical Conditions were made for this assignment.

The signature below indicates my assurance to the client that the development process and extent of analysis for this assignment adhere to the scope requirements and intended use of the appraisal. If you have any specific questions or concerns regarding the attached appraisal report, or if Colliers International Valuation & Advisory Services can be of additional assistance, please contact the individuals listed below.

Sincerely,

**COLLIERS INTERNATIONAL  
VALUATION & ADVISORY SERVICES**

A handwritten signature in blue ink, appearing to read "John E. Larson", is positioned above the typed name and contact information.

John E. Larson MAI, JD  
Senior Valuation Services Director  
Certified General Real Estate Appraiser  
State of California License #AG039174  
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**LETTER OF TRANSMITTAL**

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**CERTIFICATION OF APPRAISAL****ASSUMPTIONS & LIMITING CONDITIONS****ADDENDA**

Engagement Letter
Subject Data
Valuation Glossary
Qualifications of Appraiser
Qualifications of Colliers International Valuation & Advisory Services

**GENERAL INFORMATION**

Property Name	Vacant Land
Property Type	Land - Retail Land
Address	1477 Sunnydale Avenue
City	San Francisco
State	California
Zip Code	94134
County	San Francisco
Core Based Statistical Area (CBSA)	San Francisco-Oakland-Fremont, CA
Market	San Francisco
Submarket	South of Market
Latitude	37.711867
Longitude	-122.415855
Number Of Parcels	8
Assessor Parcels	6356-061, 6356-062, 6356-063, 6356-064, 6356-065, 6356-
Total Assessed Value	\$2,325,764
Census Tract Number	264.04

**SITE INFORMATION**

Land Area	Acre	Square Feet
Usable	0.48	20,845
Unusable	0.00	0
Excess	0.00	0
Surplus	0.00	0
<b>Total</b>	<b>0.48</b>	<b>20,845</b>
Topography	Level at street grade	
Shape	Generally Rectangular	
Access	Average	
Exposure	Average	
Current Zoning	Low Density Residential (Apartments and Houses) (RM-1)	
Flood Zone	(Not Mapped)	
Seismic Zone	Highest Risk	

**VALUATION SUMMARY**

VALUATION INDICES	AS-IS MARKET VALUE
INTEREST APPRAISED	FEE SIMPLE
DATE OF VALUE	OCTOBER 18, 2017

**LAND VALUATION**

<b>LAND VALUE</b>	<b>\$5,950,000</b>
Value/Unit	\$170,000.00

&gt;





**FRONT VIEW LOOKING SOUTH**



**FRONT VIEW LOOKING SOUTHWEST**



**SIDE VIEW LOOKING EAST**



**SIDE VIEW LOOKING EAST**



**FRONT VIEW LOOKING SOUTHEAST**



**FRONT VIEW LOOKING SOUTH**





**SUNNYDALE AVENUE LOOKING EAST**



**SUNNYDALE AVENUE LOOKING WEST**



**HAHN STREET LOOKING NORTH**



**HAHN STREET LOOKING SOUTH**



**NORTH OF THE SUBJECT-RETAIL MARKET**



**SOUTH OF THE SUBJECT-RESIDENTIAL**

## PROPERTY IDENTIFICATION

The subject a 0.48-acre site at 1477 Sunnydale Avenue in San Francisco, San Francisco County, California. The assessor's parcel numbers are: 6356-061, 6356-062, 6356-063, 6356-064, 6356-065, 6356-066, 6356-067, 6356-068.

The legal description of the subject property is as follows:

## CLIENT IDENTIFICATION

The client of this specific assignment is Related Companies of California.

## PURPOSE

The purpose of this appraisal is to develop an opinion of the As-Is Market Value of the subject property's fee simple interest.

## INTENDED USE

The intended use of this appraisal is to assist the client in making internal business decisions related to this asset.

## INTENDED USERS

Sunnydale Development Co, LLC is the only intended user of this report. Use of this report by Third-Parties and other unintended users is not permitted. This report must be used in its entirety. Reliance on any portion of the report independent of others, may lead the reader to erroneous conclusions regarding the property values. Unless approval is provided by the authors no portion of the report stands alone.

## ASSIGNMENT DATES

Date of Report	November 1, 2017
Date of Inspection	March 22, 2017
Valuation Date - As-Is	October 18, 2017

## PERSONAL INTANGIBLE PROPERTY

No personal property or intangible items are included in this valuation.

## PROPERTY AND SALES HISTORY

### Current Owner

The subject title is currently recorded in the name of Sunnydale Parcel Q Housing Partners LP, who acquired title to the property on December 19, 2016 for \$3,000,000, as recorded within a Corporation Grant Deed #k377173.

### Three-Year Sales History

The subject was originally listed in late 2015 at \$3,500,000, based on information provided by CoStar. Information provided by the San Francisco County Assessor indicates that the subject sold on December 19, 2016 for \$3,000,000. The subject was also appraised by Phil Sarazen of Colliers International Valuation and Advisory Services (CIVAS, Fresno Office) in a report dated February 19, 2016 (CIVAS Job #FAT160006). The subject was appraised by John Larson, MAI, JD, in a report dated May 11, 2017 (CIVAS Job # FCH170018) with an updated value conclusion of \$3,960,000. The most recent purchase price (\$3,000,000) and previous value estimates are below the As-Is Market Value conclusion in this report (\$5,950,000) based on the City of San Francisco's approval of the redevelopment of the Sunnydale public housing site, located across Sunnydale Avenue from the subject, which occurred on February 7, 2017, entitlement work completed on the subject, including upgrade to RM-1 zoning, as well as overall improvement in market conditions since the date of the previous sale and valuation dates.

**Subject Sale Status**

The subject is not currently listed for sale.

**DEFINITIONS**

This section summarizes the definitions of value, property rights appraised, and value scenarios that are applicable for this appraisal assignment. All other applicable definitions for this assignment are located in the Valuation Glossary section of the Addenda.

**DEFINITIONS OF VALUE**

Given the scope and intended use of this assignment, the following definition of value is applicable:

**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, knowledgeably, and assuming that 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 United States dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.<sup>1</sup>

**PROPERTY RIGHTS APPRAISED**

The property rights appraised constitute the fee simple interest.

**Fee Simple Estate**

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat.<sup>2</sup>

**VALUE SCENARIOS****As-Is Value**

The estimate of the value of real property in its current physical condition, use, and zoning as of the appraisal date.<sup>3</sup>

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<sup>1</sup> Office of Comptroller of the Currency (OCC), Title 12 of the Code of Federal Regulation, Part 34, Subpart C - Appraisals, 34.42 (g); Office of Thrift Supervision (OTS), 12 CFR 564.2 (g); This is also compatible with the FDIC, FRS and NCUA definitions of market value.

<sup>2</sup> The Dictionary of Real Estate Appraisal, Fifth Edition, Appraisal Institute, Chicago, Illinois, 2010

<sup>3</sup> The Dictionary of Real Estate Appraisal, Fifth Edition, Appraisal Institute, Chicago, Illinois, 2010

## INTRODUCTION

The appraisal development and reporting processes requires gathering and analyzing information about those assignment elements necessary to properly identify the appraisal problem to be solved. The scope of work decision must include the research and analyses that are necessary to develop credible assignment results given the intended use of the appraisal. Sufficient information includes disclosure of research and analyses performed and might also include disclosure of research and analyses not performed. The scope of work for this appraisal assignment is outlined below:

- The appraiser analyzed the regional and local area economic profiles including employment, population, household income, and real estate trends. The local area was further studied to assess the general quality and condition, and emerging development trends for the real estate market. The immediate market area was inspected and examined to consider external influences on the subject.
- The appraiser confirmed and analyzed legal and physical features of the subject property including sizes of the site, flood plain data, seismic zone, zoning, easements and encumbrances, access and exposure of the site.
- The appraiser completed mixed-use market analysis that included market and sub-market overviews. The San Francisco market and South of Market sub-market overviews analyzed supply/demand conditions using vacancy, absorption, supply change and rent change statistics. Conclusions were drawn regarding the subject property's competitive position given its physical and locational characteristics, the prevailing economic conditions and external influences.
- The appraiser conducted Highest and Best Use analysis and conclusions were drawn for the highest and best use of the subject property As-Vacant. The analysis considered legal, locational, physical and financial feasibility characteristics of the subject site.
- The appraiser confirmed and analyzed financial features of the subject property including potential entitlement issues, and tax and assessment records. This information as well as trends established by confirmed market indicators was used to forecast performance of the subject property.
- Selection of the valuation methods was based on the identifications required in USPAP relating to the intended use, intended users, definition and date of value, relevant property characteristics and assignment conditions. This appraisal developed the Sales Comparison Approach to value, which was adjusted and reconciled as appropriate. The appraisal develops an opinion of the As-Is Market Value of the subject property's fee simple interest.
- Reporting of this appraisal is in an Appraisal Report format as required in USPAP Standard 2. The appraiser's analysis and conclusions are fully described within this document.
- I understand the Competency Rule of USPAP and the author of this report meets the standards.
- Marissa Nutter provided significant real property appraisal assistance to the appraiser signing the certification. Assistance included gathering, analyzing and reporting regional and local area information, confirming and analyzing the subject's zoning and tax information, and confirming some of the comparable data used for this analysis.

## SOURCES OF INFORMATION

The following sources were contacted to obtain relevant information:

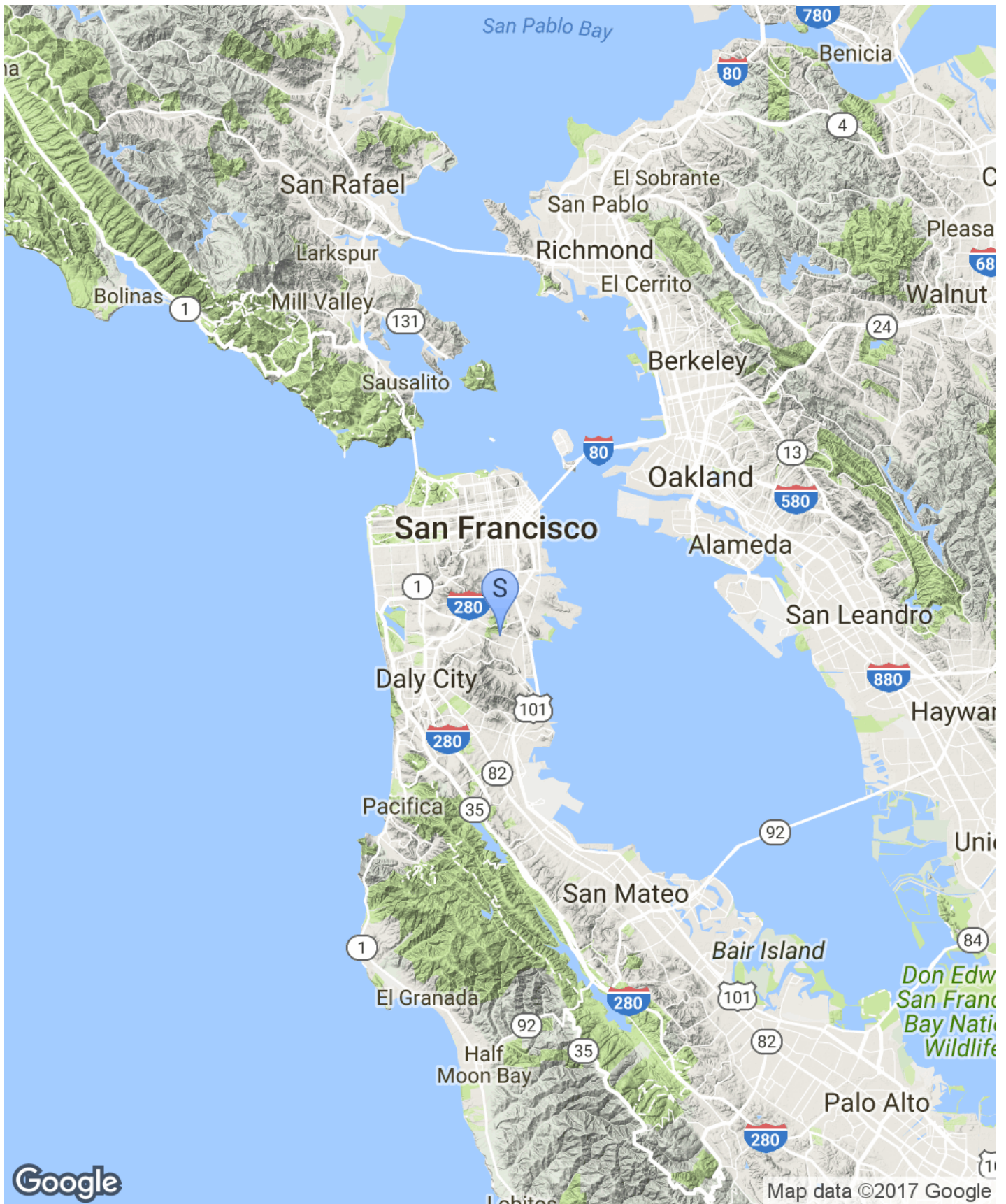
### SOURCES OF INFORMATION

ITEM	SOURCE
Tax Information	San Francisco County Tax Assessor
Zoning Information	City of San Francisco Zoning Code
Site Size Information	San Francisco County Tax Assessor
Building Size Information	San Francisco County Tax Assessor
New Construction	City of San Francisco / San Francisco County
Flood Map	Interflood
Demographics	Pitney Bow es/Gadberry Group - GroundView®
Comparable Information	See Comparable Datasheets for details
Legal Description	Grant Deed from RealQuest
Other Property Data	RealQuest

### SUBJECT PROPERTY INSPECTION

#### SUBJECT PROPERTY INSPECTION

APPRAISER	INSPECTED	EXTENT	DATE OF INSPECTION
John E. Larson MAI, JD	Yes	Site Only	March 22, 2017



## INTRODUCTION

The city of San Francisco is located in the county of San Francisco and is part of the three county San Francisco Metropolitan Statistical Area (MSA). The San Francisco MSA is comprised of San Francisco, Marin, and San Mateo Counties. The MSA is bordered by five neighboring counties as well as the Pacific Ocean. This area encompasses more than 1,015 square miles of land area and miles of scenic coastline.

While San Francisco covers a relatively small land area of approximately 45 square miles, it is the geographic center of the nine-county Bay Area and the fourth largest metropolitan area in the United States. San Francisco is characterized by a moderate climate, vibrant economy and one of the highest standards of living in the United States.

San Francisco is the historical center of the region and the phenomenal growth over the past three decades has led to the emergence of several distinct geographic and economic sub-regions. The area north of San Francisco (Marin, Napa and Sonoma counties) is noted for its rural charm and numerous wineries, many of which have become world-renowned. San Mateo County lies south of San Francisco between San Francisco Bay and the Pacific Ocean. The eastern portion, bordering the Bay, is highly developed, but rugged mountains reaching westward to the ocean characterize central San Mateo County. Santa Clara County, located at the southern end of the Bay, has emerged as a dominant force within the Greater Bay Area and is known internationally as “Silicon Valley” due to its high concentration of semiconductor manufacturers and other high-technology employers. Alameda and Contra Costa Counties form the standard metropolitan statistical area which comprises the East Bay Area. The East Bay region known as the “Tri-Valley” area has become a technology hub and an area of major job growth. Northern Alameda County and Solano County comprise the Sacramento River Delta communities. While much of the area is agricultural, many communities are experiencing rapid expansion due to lower housing costs compared with more established areas closer to the

## DEMOGRAPHIC ANALYSIS

The following is a demographic study of the region sourced by *Pitney Bowes/Gadberry Group - GroundView®*, an on-line resource center that provides information used to analyze and compare the past, present, and future trends of geographical areas. Demographic changes are often highly correlated to changes in the underlying economic climate. Periods of economic uncertainty necessarily make demographic projections somewhat less reliable than projections in more stable periods. These projections are used as a starting point, but we also consider current and localized market knowledge in interpreting them within this analysis.

### Transportation

The San Francisco MSA has numerous freeways, which provide good access throughout the area and to neighboring regions. The Bay Bridge provides the main access to the East Bay counties and to Interstates 80, 580, 680, and Interstate 880. The Golden Gate Bridge provides access to the north to



Marin County. Highway 101 runs north and south through the city and Highway 280 provides additional access to the south bay markets. Public transportation systems in San Francisco are extensive and include BART, MUNI, CalTrain, AC Transit, SAMTRANS, and the Municipal railway, which provide access to all counties of the Bay Area. Bart is the Bay Area Rapid Transit system, which provides access to Contra Costa and Alameda Counties from San Francisco. MUNI, CalTrain, AC Transit, and SAMSTRANS provide bus service and train service to north and south bay markets.

San Francisco is served primarily by San Francisco International Airport, which is located 13 miles south of the subject, and the Oakland International Airport, which is located across the Bay. Also available is the San Jose International Airport, located approximately 40 miles to the south.

### Climate

San Francisco's climate is characteristic of the cool-summer Mediterranean climate of California's coast with mild, wet winters and dry summers. Since it is surrounded on three sides by water, San Francisco's weather is strongly influenced by the cool currents of the Pacific Ocean which tends to moderate temperature swings and produce a remarkably mild climate with little seasonal temperature variation.

The combination of cold ocean water and the high heat of the California mainland create the city's characteristic fog that can cover the western half of the city all day during the spring and early summer. The fog is less pronounced in eastern neighborhoods, in the late summer, and during the fall, which are the warmest months of the year. Due to its sharp topography and maritime influences, San Francisco exhibits a multitude of distinct microclimates. The high hills in the geographic center of the city are responsible for a 20% variance in annual rainfall between different parts of the city. They also protect neighborhoods directly to their east from the foggy and cool conditions experienced in the Sunset District; for those who live on the eastern side of the city, San Francisco is sunnier, with an average of 260 clear days, and only 105 cloudy days per year.

### Topography/Geography & Service Infrastructure

The topography and geography of San Francisco is extremely varied. There are more than 50 hills within the San Francisco city limits and elevations range from sea level to 925 feet. All levels of public and private education are available, along with an extensive library system. Major colleges and universities include the University of California San Francisco, University of San Francisco and San Francisco State University.

### Population

According to Pitney Bowes/Gadberry Group - GroundView®, a Geographic Information System (GIS) Company, San Francisco County had a 2016 total population of 877,491 and experienced an annual growth rate of 1.4%, which was higher than the California annual growth rate of 1.0%. The accounted for 2.2% of the total California population (39,501,314). Within the the population density was 18,526 people per square mile compared to the lower California population density of 250 people per square mile and the lower United States population density of 90 people per square mile.

POPULATION			
YEAR	US	CA	COUNTY
2010 Total Population	308,745,538	37,253,956	805,235
2016 Total Population	324,035,643	39,501,314	877,491
2021 Total Population	337,543,660	41,419,169	941,946
2010 - 2016 CAGR	0.8%	1.0%	1.4%
2016 - 2021 CAGR	0.8%	1.0%	1.4%

Source: Pitney Bow es/Gadberry Group - GroundView®



POPULATION DENSITY			
YEAR	US	CA	COUNTY
2016 Per Square Mile	90	250	18,526
2021 Per Square Mile	94	262	19,887

Source: Pitney Bowes/Gadberry Group - GroundView®

The 2016 median age for the county was 38.60, which was 2.28% older than the United States median age of 37.72 for 2016. The median age in the county is anticipated to grow by 0.56% annually, increasing the median age to 39.68 by 2021.

MEDIAN AGE			
YEAR	US	CA	COUNTY
2016	37.72	35.99	38.60
2021	38.74	37.15	39.68
CAGR	0.54%	0.63%	0.56%

Source: Pitney Bowes/Gadberry Group - GroundView®

### Household Trends

The 2016 number of households in the county was 351,588. The number of households in the county is projected to grow by 0.3% annually, increasing the number of households to 357,378 by 2021. The 2016 average household size for the county was 2.43, which was -7.49% smaller than the United States average household size of 2.63 for 2016. The average household size in the county is anticipated to grow by 1.10% annually, raising the average household size to 2.57 by 2021.

NUMBER OF HOUSEHOLDS			
YEAR	US	CA	COUNTY
2016	120,355,207	12,948,716	351,588
2021	124,475,498	13,374,505	357,378
CAGR	0.7%	0.6%	0.3%

Source: Pitney Bowes/Gadberry Group - GroundView®

AVERAGE HOUSEHOLD SIZE			
YEAR	US	CA	COUNTY
2016	2.63	2.99	2.43
2021	2.65	3.03	2.57
CAGR	0.16%	0.31%	1.10%

Source: Pitney Bowes/Gadberry Group - GroundView®

San Francisco County had a 225,309 renter occupied units, compared to the higher 5,704,791 in California and the higher 41,906,547 in the United States.

HOUSING UNITS			
	US	CA	COUNTY
Owner Occupied	78,448,660	7,243,925	126,279
Renter Occupied	41,906,547	5,704,791	225,309

Source: Pitney Bowes/Gadberry Group - GroundView®

The 2016 median household income for the county was \$86,446, which was 55.8% higher than the United States median household income of \$55,497. The median household income for the county is projected to grow by 1.5% annually, increasing the median household income to \$93,279 by 2021.

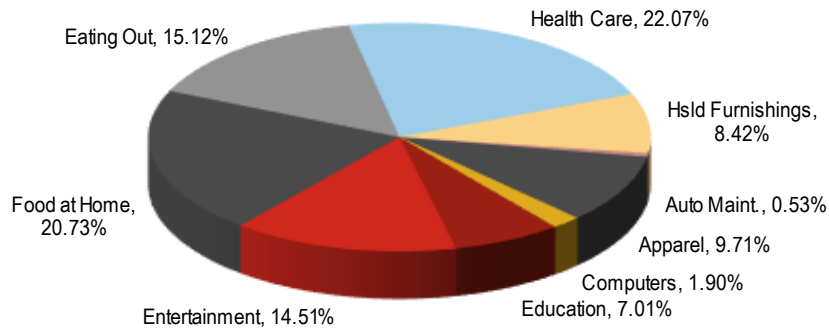
As is often the case when the median household income levels are higher than the national average, the cost of living index is also higher. According to the American Chamber of Commerce Researchers Association (ACCRA) Cost of Living Index, the San Francisco-Oakland-Fremont, CA MSA's cost of living is 164.7

compared to the national average score of 100. The ACCRA Cost of Living Index compares groceries, housing, utilities, transportation, health care and miscellaneous goods and services for over 300 urban areas.

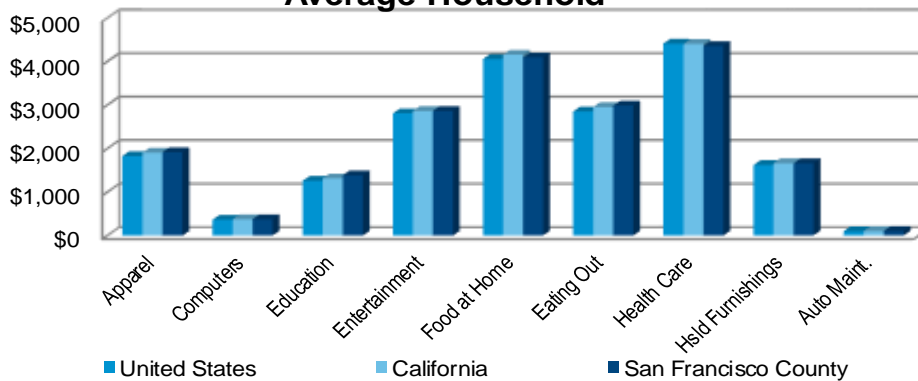
MEDIAN HOUSEHOLD INCOME			
YEAR	US	CA	COUNTY
2016	\$55,497	\$64,503	\$86,446
2021	\$59,208	\$69,335	\$93,279
CAGR	1.3%	1.5%	1.5%

Source: Pitney Bowes/Gadberry Group - GroundView®

**Consumer Spending San Francisco County**



**Consumer Spending Comparison Average Household**



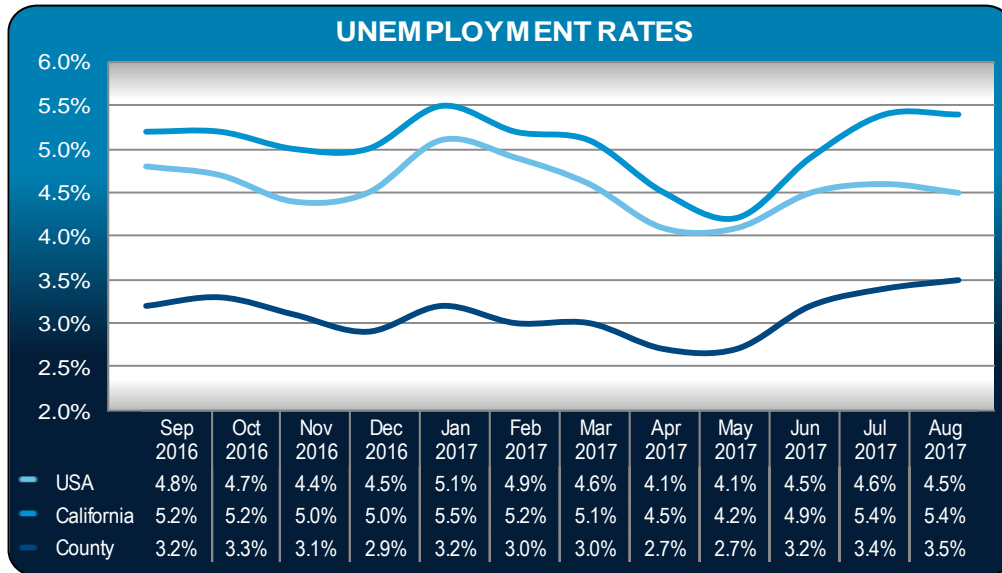
**EMPLOYMENT**

Total employment has increased annually over the past decade in the state of California by 0.7% and increased annually by 3.0% in the county. From 2015 to 2016 unemployment decreased in California by 0.8% and decreased by 0.3% in the county. In the state of California unemployment has decreased over the previous month by 0.0% and increased by 0.1% in the county.

**EMPLOYMENT & UNEMPLOYMENT STATISTICS 2007 - 2016**

Year	TOTAL EMPLOYMENT				UNEMPLOYMENT RATE		
	California		San Francisco County/city, CA		United States*	California	San Francisco County/city, CA
	Total	% Δ Yr Ago	Total	% Δ Yr Ago			
2007	16,931,590	0.8%	414,199	4.0%	4.6%	5.4%	4.2%
2008	16,854,482	(0.5%)	432,981	4.5%	5.8%	7.3%	5.3%
2009	16,182,572	(4.0%)	419,546	(3.1%)	9.3%	11.2%	8.7%
2010	16,091,945	(0.6%)	442,695	5.5%	9.6%	12.2%	8.9%
2011	16,258,133	1.0%	454,861	2.7%	8.9%	11.7%	8.1%
2012	16,602,672	2.1%	474,933	4.4%	8.1%	10.4%	6.8%
2013	16,958,735	2.1%	488,155	2.8%	7.4%	8.9%	5.5%
2014	17,348,645	2.3%	506,460	3.7%	6.2%	7.5%	4.4%
2015	17,723,266	2.2%	525,993	3.9%	5.3%	6.2%	3.6%
2016	18,065,043	1.9%	541,582	3.0%	4.9%	5.4%	3.3%
<b>CAGR</b>	<b>0.7%</b>	<b>-</b>	<b>3.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Source: U.S. Bureau of Labor Statistics \*Unadjusted Non-Seasonal Rate



The unemployment rate in the San Francisco-Redwood City-South San Francisco MD was 3.3 percent in August 2017, unchanged from a revised 3.3 percent in July 2017, and unchanged from the year-ago estimate of 3.3 percent. This compares with an unadjusted unemployment rate of 5.4 percent for California and 4.5 percent for the nation during the same period. The unemployment rate was 3.5 percent in San Francisco County, and 3.2 percent in San Mateo County.

## Major Employers

The following chart lists major employers in San Francisco County.

Employer Name	Location	Industry
Bechtel Corp	San Francisco	Engineers-Civil
Black Rock Inc	San Francisco	Pension Health & Welfare Funds
California Pacific Medical Ctr	San Francisco	Hospitals
California Physicians Ins Corp	San Francisco	Insurance
Deloitte	San Francisco	Accountants
Federal Reserve Bank	San Francisco	Federal Reserve Banks
Golden Gate University	San Francisco	Non-Profit Organizations
Gsa Pacific Rim Region	San Francisco	Government Offices-US
HC Moffitt Hospital	San Francisco	Hospitals
Hilton-Union Square	San Francisco	Hotels & Motels
Kaiser Hospital	San Francisco	Hospitals
Laguna Honda Hospital & Rehab	San Francisco	Rehabilitation Services
Marriott-Marquis	San Francisco	Hotels & Motels
Pacific Gas & Electric Co	San Francisco	Electric Companies
PG&E Corp	San Francisco	Utilities-Holding Companies
Police Dept-Public Affairs	San Francisco	Police Departments
San Francisco Chronicle	San Francisco	Newspapers (Publishers/Mfrs)
San Francisco Municipal Rlwy	San Francisco	Government Offices-City, Village & Twp
San Francisco Police Dept	San Francisco	Police Departments
State Compensation Ins Fund	San Francisco	Insurance
UCSF Medical Ctr-Parnassus	San Francisco	Hospitals
UCSF-MEDICAL Center At Mt Zion	San Francisco	Cancer Treatment Centers
University of Ca-San Francisco	San Francisco	Schools-Universities & Colleges Academic
US Veterans Medical Ctr	San Francisco	Hospitals
Williams-Sonoma	San Francisco	Kitchen Accessories

REGIONAL AREA DEMOGRAPHICS							
YEAR	US	CA	COUNTY	YEAR	US	CA	COUNTY
<b>POPULATION</b>				<b>NUMBER OF HOUSEHOLDS</b>			
2010 Total Population	308,745,538	37,253,956	805,235	2016	120,355,207	12,948,716	351,588
2016 Total Population	324,035,643	39,501,314	877,491	2021	124,475,498	13,374,505	357,378
2021 Total Population	337,543,660	41,419,169	941,946	CAGR	0.7%	0.6%	0.3%
2010 - 2016 CAGR	0.8%	1.0%	1.4%	<b>AVERAGE HOUSEHOLD SIZE</b>			
2016 - 2021 CAGR	0.8%	1.0%	1.4%	2016	2.63	2.99	2.43
<b>POPULATION DENSITY</b>				2021	2.65	3.03	2.57
2016 Per Square Mile	90	250	18,526	CAGR	0.16%	0.31%	1.10%
2021 Per Square Mile	94	262	19,887	<b>HOUSING UNITS</b>			
<b>MEDIAN AGE</b>				Owner Occupied	78,448,660	7,243,925	126,279
2016	37.72	35.99	38.60	Renter Occupied	41,906,547	5,704,791	225,309
2021	38.74	37.15	39.68	<b>AVERAGE HOUSEHOLD INCOME</b>			
CAGR	0.54%	0.63%	0.56%	2016	\$78,307	\$92,467	\$119,532
<b>MEDIAN HOME VALUE</b>				2021	\$82,265	\$97,528	\$124,497
2016	\$175,546	\$369,040	\$764,716	CAGR	1.0%	1.1%	0.8%
<b>PER CAPITA INCOME</b>				<b>MEDIAN HOUSEHOLD INCOME</b>			
2016	\$29,828	\$30,954	\$49,216	2016	\$55,497	\$64,503	\$86,446
2021	\$31,085	\$32,140	\$48,529	2021	\$59,208	\$69,335	\$93,279
CAGR	0.8%	0.8%	(0.3%)	CAGR	1.3%	1.5%	1.5%

Source: Pitney Bowes/Gadberry Group - GroundView®

## Population

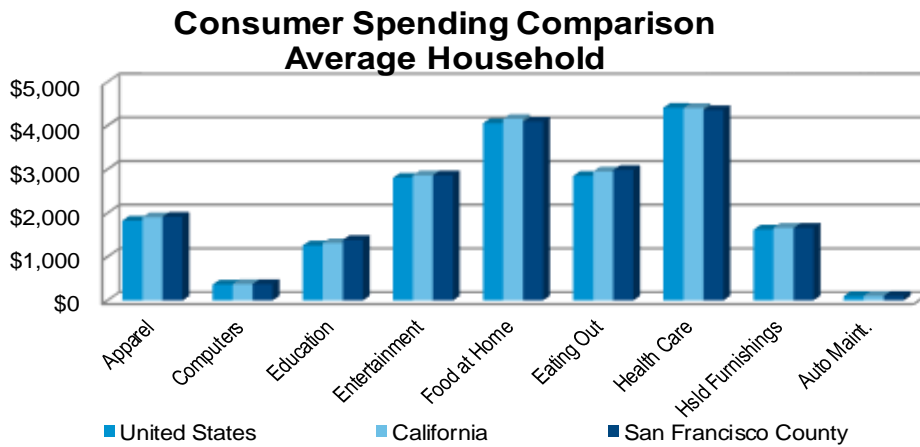
According to Pitney Bowes/Gadberry Group - GroundView®, a Geographic Information System (GIS) Company, San Francisco County had a 2016 total population of 877,491 and experienced an annual growth rate of 1.4%, which was higher than the California annual growth rate of 1.0%. The county accounted for 2.2% of the total California population (39,501,314). Within the county the population density was 18,526 people per square mile compared to the lower California population density of 250 people per square mile and the lower United States population density of 90 people per square mile.

## Household Trends

The 2016 number of households in the county was 351,588. The number of households in the county is projected to grow by 0.3% annually, increasing the number of households to 357,378 by 2021. The 2016 average household size for the county was 2.43, which was -7.49% smaller than the United States average household size of 2.63 for 2016. The average household size in the county is anticipated to grow by 1.10% annually, raising the average household size to 2.57 by 2021. San Francisco County had a 225,309 renter occupied units, compared to the higher 5,704,791 in California and the higher 41,906,547 in the United States.

## Income Trends

The 2016 median household income for the county was \$86,446, which was 55.8% higher than the United States median household income of \$55,497. The median household income for the county is projected to grow by 1.5% annually, increasing the median household income to \$93,279 by 2021. As is often the case when the median household income levels are higher than the national average, the cost of living index is also higher. According to the American Chamber of Commerce Researchers Association (ACCRA) Cost of Living Index, the San Francisco-Oakland-Fremont, CA MSA's cost of living is 164.7 compared to the national average score of 100. The ACCRA Cost of Living Index compares groceries, housing, utilities, transportation, health care and miscellaneous goods and services for over 300 urban areas.



In addition to large corporations, universities, hospitals and public sector employment located within the San Francisco MSA, smaller businesses make up a large portion of the local employment picture.

### AIRPORT STATISTICS

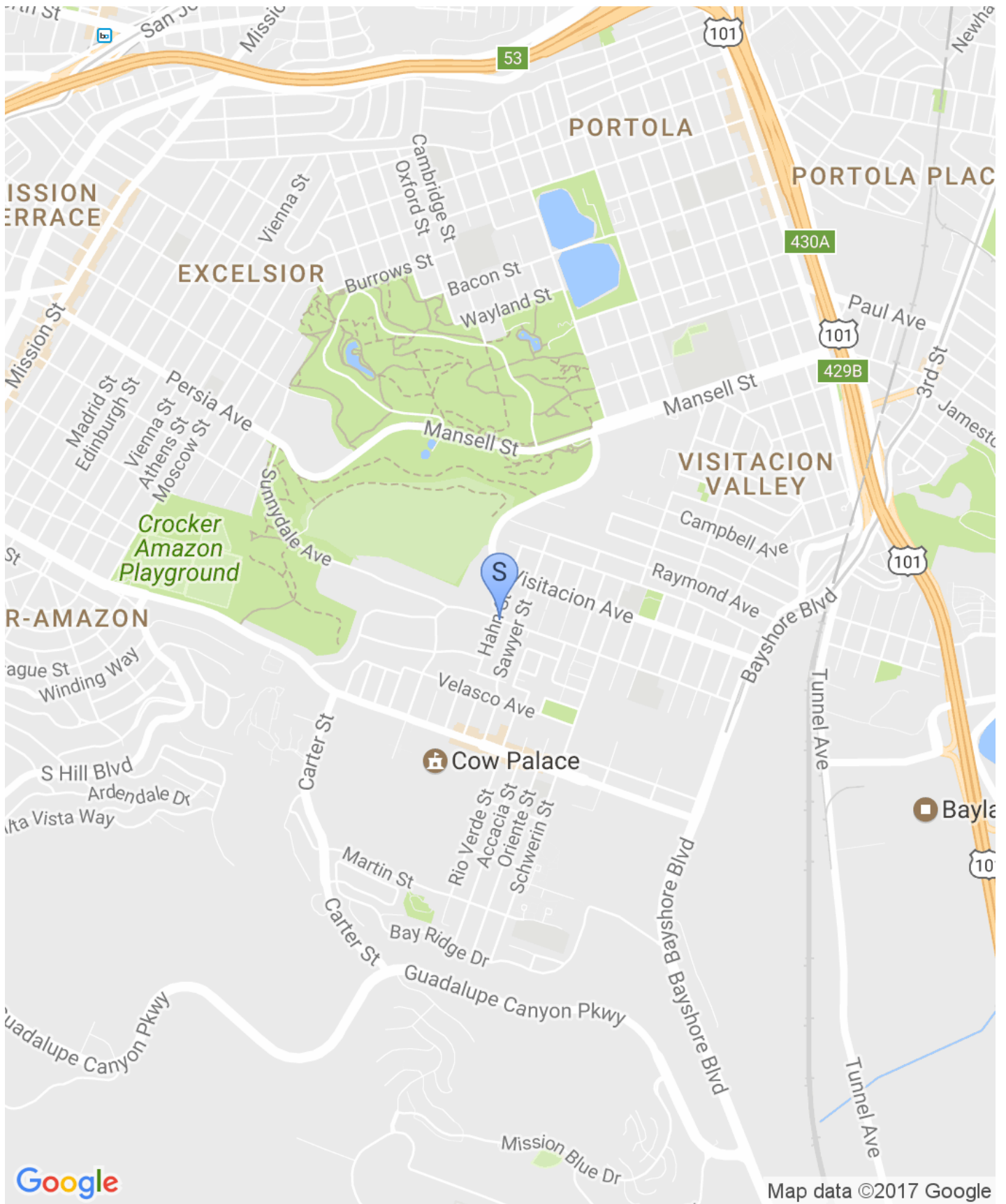
The following chart summarizes the local airport statistics.

SAN FRANCISCO INTERNATIONAL AIRPORT (SFO)		
YEAR	ENPLANED PASSENGERS	% CHG
2005	16,070,133	-
2006	16,236,592	1.0%
2007	17,280,328	6.4%
2008	18,135,827	5.0%
2009	18,467,908	1.8%
2010	19,359,003	4.8%
2011	20,056,568	3.6%
2012	21,284,236	6.1%
2013	21,704,626	2.0%
2014	22,756,008	4.8%
2015	24,190,549	6.3%

Source: U.S. Department of Transportation

### SUMMARY

Overall the condition and appeal of the market area is generally considered average. Growth is not physically restricted because of the abundance of undeveloped sites. New projects may be accomplished by development of vacant and under-improved properties as the economy slowly improves. Demand stalled during 2014 but improved during 2015. As the real estate market continues to recover from the recession, property values are expected to appreciate.



**INTRODUCTION**

In this section of the report, I provide details about the local area and describe the influences that bear on the real estate market as well as the subject property. A map of the local area is presented on the prior page. Below are insights into the local area based on fieldwork, interviews, demographic data and experience working in this market.

**LOCAL AREA PROFILE**

The subject property is located in San Francisco, California, within San Francisco County.

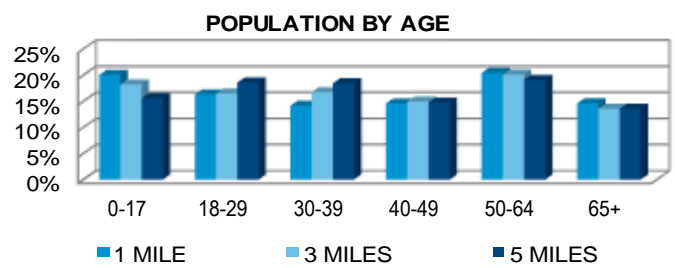
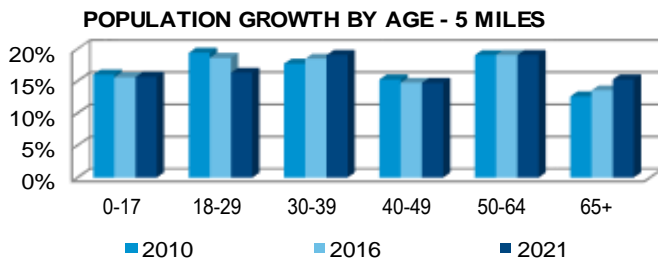
**DEMOGRAPHIC PROFILE**

Below is a demographic study of the area, sourced by *Pitney Bowes/Gadberry Group - GroundView®*, an on-line resource center that provides information used to analyze and compare the past, present, and future trends of properties and geographical areas.

LOCAL AREA DEMOGRAPHICS							
DESCRIPTION	1 MILE	3 MILES	5 MILES	DESCRIPTION	1 MILE	3 MILES	5 MILES
<b>POPULATION</b>				<b>AVERAGE HOUSEHOLD INCOME</b>			
2000 Population	38,068	285,015	659,642	2016	\$89,131	\$115,943	\$117,832
2010 Population	40,276	290,563	685,314	2021	\$94,530	\$121,037	\$122,945
2016 Population	41,634	306,989	739,341	Change 2016-2021	6.06%	4.39%	4.34%
2021 Population	44,485	328,097	792,233	<b>MEDIAN HOUSEHOLD INCOME</b>			
Change 2000-2010	5.80%	1.95%	3.89%	2016	\$66,626	\$84,929	\$86,748
Change 2010-2016	3.37%	5.65%	7.88%	2021	\$72,438	\$91,316	\$93,313
Change 2016-2021	6.85%	6.88%	7.15%	Change 2016-2021	8.72%	7.52%	7.57%
<b>POPULATION 65+</b>				<b>PER CAPITA INCOME</b>			
2010 Population	5,399	36,396	86,459	2016	\$23,789	\$35,724	\$42,833
2016 Population	6,072	41,621	100,199	2021	\$24,043	\$35,493	\$42,543
2021 Population	7,358	50,235	120,713	Change 2016-2021	1.07%	(0.65%)	(0.68%)
Change 2010-2016	12.47%	14.36%	15.89%	<b>2016 HOUSEHOLDS BY INCOME</b>			
Change 2016-2021	21.18%	20.70%	20.47%	<\$15,000	11.8%	8.4%	10.3%
<b>NUMBER OF HOUSEHOLDS</b>				\$15,000-\$24,999	10.1%	6.7%	6.7%
2000 Households	10,172	89,769	241,590	\$25,000-\$34,999	6.2%	5.6%	5.3%
2010 Households	11,084	93,308	256,996	\$35,000-\$49,999	11.1%	9.7%	8.8%
2016 Households	11,040	93,665	261,708	\$50,000-\$74,999	16.4%	14.7%	13.4%
2021 Households	11,237	95,229	267,004	\$75,000-\$99,999	12.7%	12.5%	11.8%
Change 2000-2010	8.97%	3.94%	6.38%	\$100,000-\$149,999	17.8%	19.2%	19.3%
Change 2010-2016	(0.40%)	0.38%	1.83%	\$150,000-\$199,999	7.0%	9.7%	10.2%
Change 2016-2021	1.78%	1.67%	2.02%	\$200,000 or greater	6.8%	13.5%	14.3%
<b>HOUSING UNITS (2016)</b>				<b>MEDIAN HOME VALUE</b>			
Owner Occupied	6,856	53,472	117,072	\$543,006	\$629,908	\$672,928	
Renter Occupied	4,177	40,131	144,702	<b>AVERAGE HOME VALUE</b>			
<b>HOUSING UNITS BY YEAR BUILT</b>				\$554,169 \$755,024 \$842,427			
Built 2010 or later	60	609	1,403	<b>HOUSING UNITS BY UNITS IN STRUCTURE</b>			
Built 2000 to 2009	1,059	5,569	21,504	1, detached	5,082	37,240	79,574
Built 1990 to 1999	880	4,886	14,935	1, attached	3,351	23,084	38,763
Built 1980 to 1989	744	6,094	15,616	2	732	9,235	22,617
Built 1970 to 1979	899	8,123	24,738	3 or 4	412	8,178	26,197
Built 1960 to 1969	1,225	8,663	24,525	5 to 9	494	5,860	22,630
Built 1950 to 1959	1,880	11,855	34,785	10 to 19	369	3,773	17,534
Built 1940 to 1949	2,105	12,638	27,872	20 to 49	177	2,834	18,397
Built 1939 or earlier	2,190	35,228	96,329	50 or more	400	2,881	34,343
				Mobile home	15	502	1,264
				Boat, RV, van, etc.	0	15	455

Source: Pitney Bowes/Gadberry Group - GroundView®





As noted in the table above, population has increased by 5.65% since 2010 in the subject’s market area (3-mile radius) and is expected to increase by 6.88% through 2021. Also, the subject’s market area has a higher number of owner occupied homes (53,472) than renter occupied homes (40,131). The average and median household income levels in the subject’s market area are \$115,943 and \$84,929, respectively.

**Residential Development**

There is a moderate amount of residential development in the subject’s market area. Zillow projects home values on a month-to-month basis. Zillow states that median home values are currently \$863,500. Home values in San Francisco have been increasing overall since November 2011. Multi-family developments within proximity to the subject include Heritage Homes, MG Properties, Pacific Place, Carter Terrace and Highpoint.

**Commercial Development**

Some commercial development is located along Sunnydale Avenue and Hahn Street but most retail use is located east and south of the subject property. General commercial and residential uses within proximity to the subject include community markets, shopping centers, fast food restaurants, banks, gas stations, grocery stores, self-storage facilities, and auto related shops. Retailers in the subject’s immediate are include: Little Village Market, Walgreens, McDonalds and KFC. There are a variety of other local tenants in the subject’s area.

**Community Services/Transportation**

Community services and facilities are readily available in the surrounding area. These include public services such as fire stations, hospitals, police stations, and schools (all ages). Nearby schools include Visitacion Valley Elementary School, Our Lady of Visitacion School, John McLaren School, Visitacion Valley Middle School, all located within one mile of the subject. Public transportation is available throughout the area. Local bus stops are located along Sunnydale Avenue and Hahn Street. There are a number of parks, golf courses, and other recreational facilities in the area including Coffman Pool, Gleneagles Golf Course and John McLaren Park.

## SUBJECT PROPERTY ANALYSIS

The following discussion draws context and analysis on how the subject property is influenced by the local and immediate areas.



### Community Services

Community services and facilities are readily available in the surrounding area. These include public services such as fire stations, hospitals, police stations, and schools (all ages). The subject property is located in the San Francisco School District. GreatSchools.org is an on-line tool that rates every school district on a scale of one to ten based on test scores. The chart details the subject's school district's rating, test scores, and graduation rate. It also compares the subject's rating to other area schools and the subject's graduation rate to state and national averages.

### IMMEDIATE AREA PROFILE

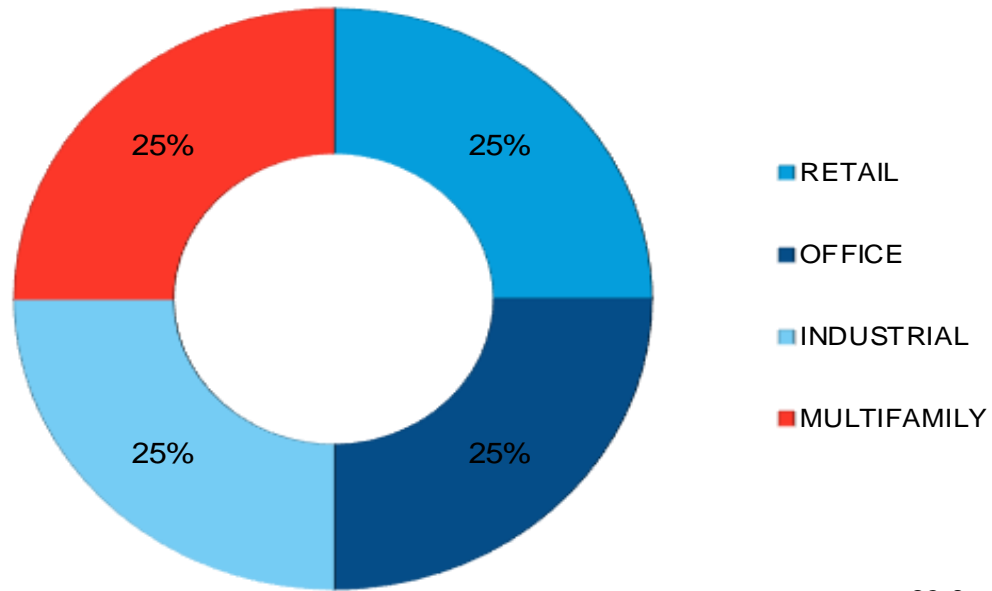
This section discusses uses and development trends in the immediate area that directly impact the performance and appeal of the subject property.

### Predominant Land Uses

Significant development in the immediate area consists of small retail, industrial, mixed-uses along major and minor arterials that are interspersed with multi-family complexes and single-family residential development

removed from arterials. The local area has a mix of commercial uses to the south. The composition of retail, office, and industrial is shown in the following graph.

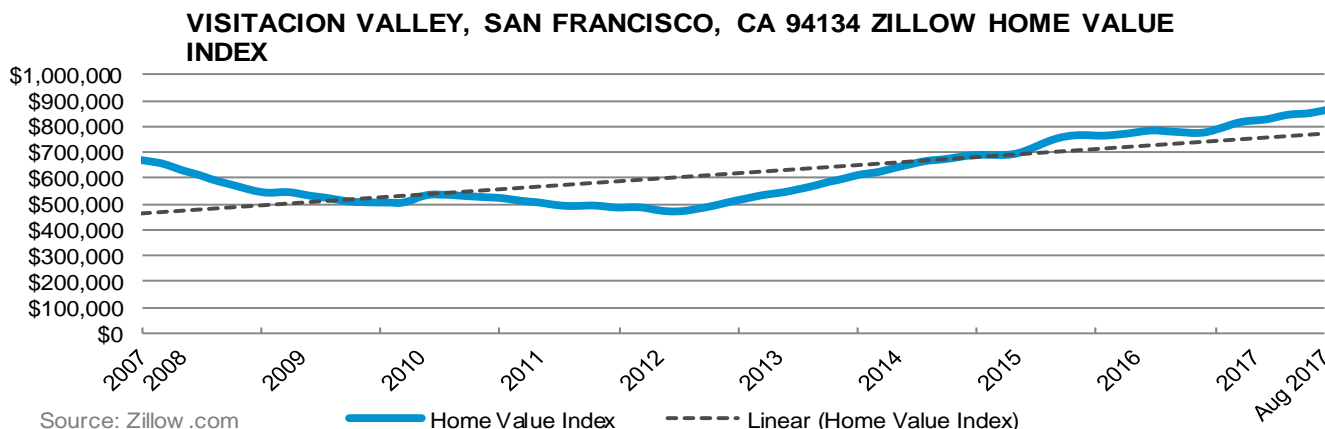
## COMMERCIAL AREA COMPOSITION



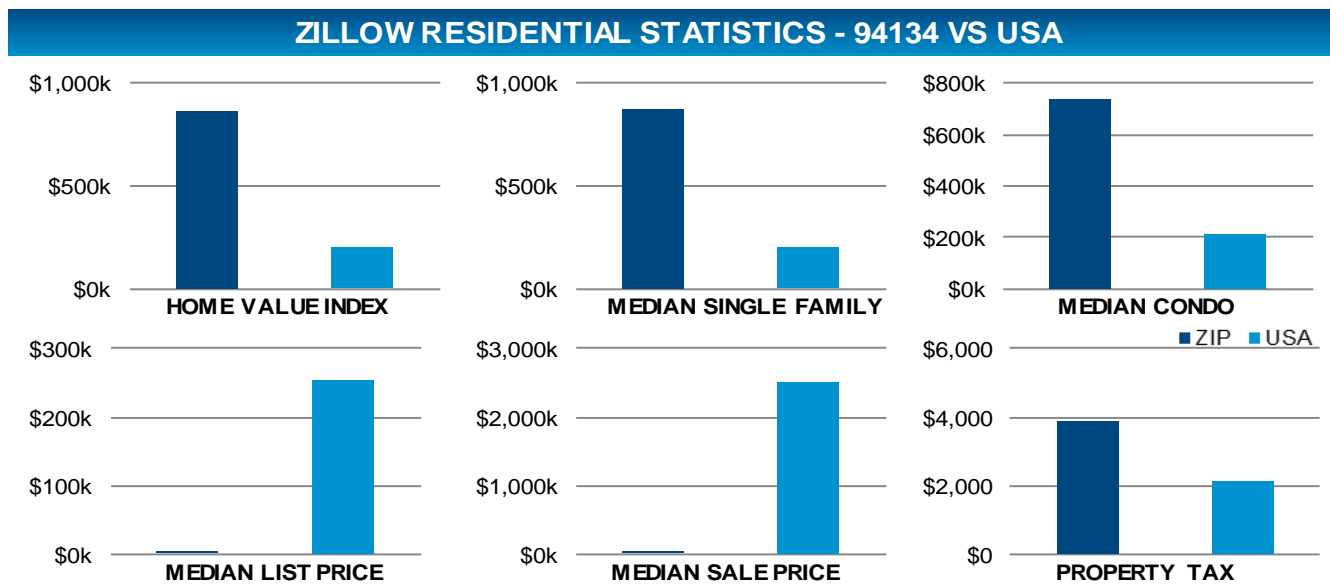
©CoStar

**Residential Development**

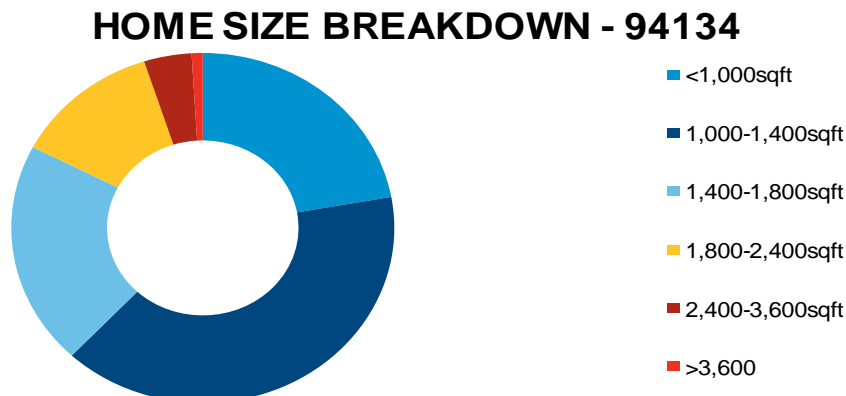
Residential users in the immediate area are primarily multi-family residential. Just to the west of the subject property is a large multi-family subdivision known as Mercy Housing. Additionally, there are smaller apartments and housing communities down the street from the subject property. The following graph shows the Zillow Home Value Index (ZHVI) for the subject zip code which is the mid-point of estimated home values for the area. Half the estimated home values are above this number and half are below.



The following chart shows residential statistics comparing the subject zip code to the United States.



The following chart shows the average home size breakdown for the subject zip code.



## SUBJECT PROPERTY ANALYSIS

The following discussion draws context and analysis on how the subject property is influenced by the local and immediate areas.

### Subject Property Analysis

The uses adjacent to the property are noted below:

- › **North** - Neighborhood Market
- › **South** - Multifamily Residential
- › **East** - Multifamily Residential
- › **West** - Multifamily Residential

### Access

The subject site has frontage on two neighborhood streets. Based on my field work, the subject's access is rated average compared to other properties with which it competes.

### Visibility

The subject is clearly visible in both directions along the street. The visibility of the property is not hampered by adjacent properties, trees or other obstructions. In comparison to competitive properties, the subject property has average visibility.

### Subject Conclusion

Trends in the local and immediate areas, adjacent uses and the property's specific location features indicate an overall typical external influence for the subject, constrained housing units and a lack of available sites suitable for development, which is concluded to have an above average position in context of competing properties.

## SUMMARY

The subject property is located in an established area of the San Francisco area. Residential uses present in the subject's immediate neighborhood primarily include multi-family and single-family development. Commercial developments are located along major thoroughfares and are easily accessible from the subject. The subject property has an average to good location with respect to commercial services, thoroughfares, public transportation, and community services. Condition and appeal of the neighborhood is generally Average. The neighborhood is anticipated to experience limited growth in the foreseeable future due to the built-out nature of the area (lack of developable land).

**General Description** The subject site consists of 8 parcels. As noted below, the subject site has 20,845 SF (0.48 AC) of land area. The area is estimated based on the assessor's parcel map, and may change if a professional survey determines more precise measurements. Going forward, our valuation analyses will utilize the usable site area. The following discussion summarizes the subject site size and characteristics.

**Assessor Parcels** See Multiple Parcel Chart For Breakdown

**Number Of Parcels** 8

Land Area	Acres	Square Feet
Primary Parcel	0.48	20,845
Unusable Land	0.00	0
Excess Land	0.00	0
<u>Surplus Land</u>	<u>0.00</u>	<u>0</u>
<b>Total Land Area</b>	<b>0.48</b>	<b>20,845</b>

**Shape** See Multiple Parcel Chart For Breakdown

**Topography** Level at street grade

**Drainage** Assumed Adequate

**Utilities** All available to the site

Street Improvements	Street	Direction	No. Lanes	Street Type	Curbs	Sidewalks	Streetsights	Center Lane	Gutters
Sunnydale Avenue	Primary Street	two-way	two-lane	minor arterial	✓	✓	✓		✓
Hahn Street	Secondary Street	two-way	two-lane	minor arterial	✓	✓	✓		✓

**Frontage** The site has approximately 125 feet of frontage along Sunnydale Avenue and approximately 167 feet of frontage along Hahn Street

**Accessibility** Average - There are no curb cuts and the previous improvements were demolished in the 1993-2000 period. The subject fronts two local streets, Sunnydale Avenue and Hahn Street

**Exposure** Average - The subject is at a non-signalized corner location at the intersection of two local arterials

**Seismic** The subject is in Highest Risk. The seismic zone factor (or Z factor) corresponds numerically to the effective horizontal peak bedrock acceleration (or equivalent velocity) that is estimated as a component of the design base shear calculation. In each seismic zone an earthquake-related event would create an effective peak bedrock acceleration of 0.1 times the force of gravity for Zone 1, 0.15 times the force of gravity for Zone 2A, 0.2 times the force of gravity for Zone 2B, 0.3 times the force of gravity for Zone 3 and 0.4 times the force of gravity for Zone 4. These values correspond to ground motion values with a 10% probability of being exceeded in 50 years.

**Flood Zone** The subject is located in an area that is not mapped for flooding by FEMA.

<b>MULTIPLE PARCEL SITE DESCRIPTION GRID</b>									
<b>PARCEL</b>	<b>USABLE</b>		<b>TOTAL</b>		<b>FRONTING</b>	<b>SHAPE</b>	<b>ACCESS</b>	<b>EXPOSURE</b>	<b>FLOOD</b>
	<b>SF</b>	<b>AC</b>	<b>SF</b>	<b>AC</b>	<b>STREET</b>				<b>PLAIN</b>
6356-061	2,300	0.05	2,300	0.05	Sunnydale Avenue	Rectangular	Average	Average	0
6356-062	2,300	0.05	2,300	0.05	Sunnydale Avenue	Rectangular	Average	Average	0
6356-063	2,300	0.05	2,300	0.05	Sunnydale Avenue	Rectangular	Average	Average	0
6356-064	2,300	0.05	2,300	0.05	Sunnydale Avenue	Rectangular	Average	Average	0
6356-065	2,468	0.06	2,468	0.06	Sunnydale Avenue	Irregular	Average	Average	0
6356-066	3,059	0.07	3,059	0.07	Hahn Street	Rectangular	Average	Average	0
6356-067	3,059	0.07	3,059	0.07	Hahn Street	Rectangular	Average	Average	0
6356-068	3,059	0.07	3,059	0.07	Hanh Street	Rectangular	Average	Average	0
<b>TOTAL</b>	<b>20,845</b>	<b>0.48</b>	<b>20,845</b>	<b>0.48</b>					

**Site Rating** Overall, the subject site is considered an average/good land site in terms of its location, exposure, and access to employment, education and shopping centers, recognizing its location along a neighborhood collector street.

**Easements** A preliminary title report was not available for review. During the on-site inspection, no adverse easements or encumbrances were noted. This appraisal assumes that there is no negative value impact on the subject improvements. If questions arise regarding easements, encroachments, or other encumbrances, further research is advised.

**Soils** A detailed soils analysis was not available for review. Based on the development of the subject, it appears the soils are stable and suitable for the existing improvements.

**Hazardous Waste** We have not conducted an independent investigation to determine the presence or absence of toxins on the subject property. If questions arise, the reader is strongly cautioned to seek qualified professional assistance in this matter. Please see the Assumptions and Limiting Conditions for a full disclaimer.

**Improvement Description** None

PLAT MAP

© COPYRIGHT SAN FRANCISCO  
CITY & COUNTY ASSESSOR 1995

lots51&53to56 into lots57to60 for 2001 roll  
lot57 into lots61to68 for 2004 roll

**6356**

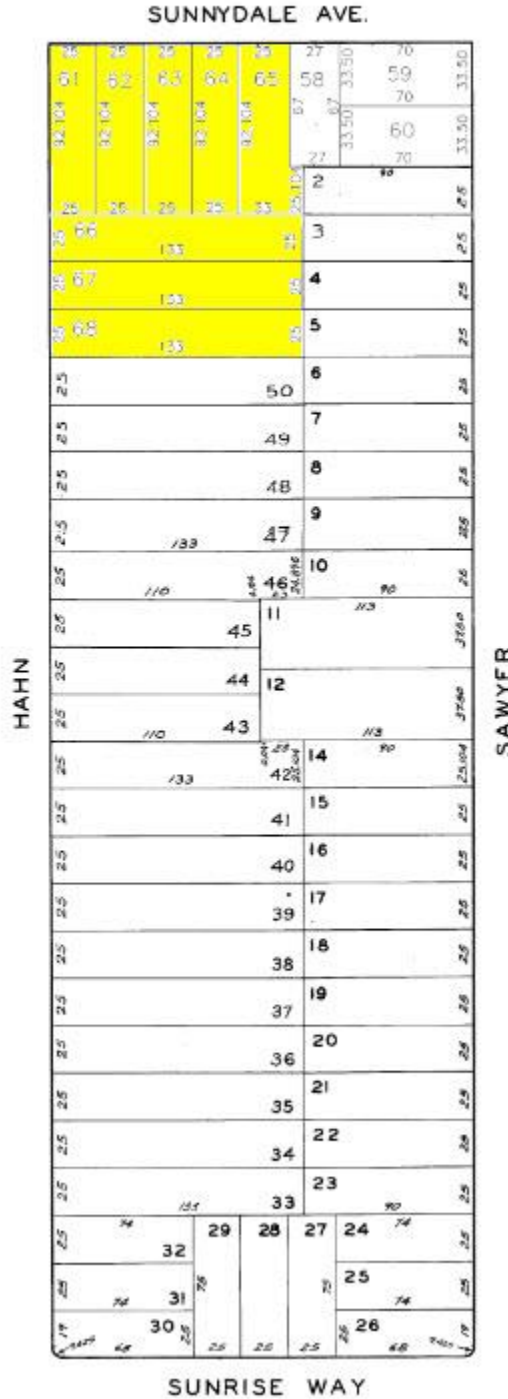
SUNNYVALE GARDEN  
SUN VALLEY SUB  
EXCELSIOR HD ASS'N  
BLK 78

REVISED '72  
" '73

Revised 2001  
Revised 2004



**LOTS MERGED**  
LOTS INTO LOT  
2-3 Overlaid '1947'  
13 "11-12" '1948'





ZONING MAP



FLOOD MAP

**Flood Map Report**

For Property Located At

**221 HAHN ST V, SAN FRANCISCO, CA 94134**



Report Date: 02/11/2016

County: SAN FRANCISCO, CA

Flood Zone Code	Flood Zone Panel	Panel Date
N	060298 - NONE	
Special Flood Hazard Area (SFHA)	Within 250 ft. of multiple flood zones?	Community Name
Out	No	

**Flood Zone Description:**

Area Not Mapped-An area that is located within a community or county that is not mapped on any published FIRM (Usually a community not participating in NFIP). Internal TFHC designation.



## INTRODUCTION

Assessment of real property is established by an assessor that is an appointed or elected official charged with determining the value of each property. The assessment is used to determine the necessary rate of taxation required to support the municipal budget. A property tax is a levy on the value of property that the owner is required to pay to the municipality in which it is situated. Multiple jurisdictions may tax the same property.

The subject property is located within San Francisco County. The assessed value and property tax for the current year are summarized in the following table.

ASSESSMENT & TAXES						
Tax Year	2017-2018			Tax Rate	1.1723%	
Tax Rate Area	1000			Taxes Current	Yes	
Taxes SF Basis	Gross Building Area					
APN	LAND	IMPV	TOTAL	EXEMPTIONS	TAXABLE	BASE TAX
6356-061	\$288,598	\$0	\$288,598	\$0	\$288,598	\$3,383
6356-062	\$288,598	\$0	\$288,598	\$0	\$288,598	\$3,383
6356-063	\$288,598	\$0	\$288,598	\$0	\$288,598	\$3,383
6356-064	\$288,598	\$0	\$288,598	\$0	\$288,598	\$3,383
6356-065	\$288,598	\$0	\$288,598	\$0	\$288,598	\$3,383
6356-066	\$294,258	\$0	\$294,258	\$0	\$294,258	\$3,450
6356-067	\$294,258	\$0	\$294,258	\$0	\$294,258	\$3,450
6356-068	\$294,258	\$0	\$294,258	\$0	\$294,258	\$3,450
<b>Totals</b>	<b>\$2,325,764</b>	<b>\$0</b>	<b>\$2,325,764</b>	<b>\$0</b>	<b>\$2,325,764</b>	<b>\$27,265</b>
<b>Total/SF</b>	<b>\$2,325,764.00</b>	<b>\$0.00</b>	<b>\$2,325,764.00</b>	<b>\$0.00</b>	<b>\$2,325,764.00</b>	<b>\$27,264.93</b>
Additional Tax Charges						
SFCCD Parcel Tax						\$792
SF-Teacher Support						\$1,953
SF BAY RS PARCEL TAX						\$96
<b>Total Additional Tax Charges</b>						<b>\$2,841</b>
<b>Total Additional Tax Charges Per SF</b>						<b>\$2,840.80</b>
<b>Total Base Tax &amp; Additional Tax Charges</b>						<b>\$30,106</b>
<b>Total Base Tax &amp; Additional Tax Charges Per SF</b>						<b>\$30,105.73</b>

Source: San Francisco County Assessment & Taxation

## SUBJECT PROPERTY ANALYSIS

The total assessment for the subject property is \$2,325,764 or \$2,325,764.00/SF. There are no exemptions in place. Total taxes for the property are \$30,106 or \$30,105.73/SF.

As part of the scope of work, I researched assessment and tax information related to the subject property. The following are key factors related to local assessment and taxation policy. Real property in San Francisco County is assessed at 100% of market value. Real property is reassessed upon sale, conversion, renovation or demolition. According to the staff representative at the County Assessor's Office, real estate taxes for the subject property are current as of the date of this report.

**INTRODUCTION**

Zoning requirements typically establish permitted and prohibited uses, building height, lot coverage, setbacks, parking and other factors that control the size and location of improvements on a site. The zoning characteristics for the subject property are summarized below:

<b>ZONING SUMMARY</b>	
<b>Municipality Governing Zoning</b>	City of San Francisco Planning & Zoning Department
<b>Current Zoning</b>	Low Density Residential (Apartments and Houses) (RM-1)
<b>Permitted Uses</b>	Uses typical of small neighborhood districts
<b>Prohibited Uses</b>	Liquor stores, cannabis dispensaries
<b>Current Use</b>	Vacant land
<b>Is Current Use Legally Permitted?</b>	Yes
<b>Zoning Change</b>	Not Likely

<b>ZONING REQUIREMENTS</b>	
<b>Minimum Site Area (SF)</b>	2,500 SF
<b>Minimum Yard Setbacks</b>	
Front (Feet)	Up to 15 feet or 15% of lot depth
Rear (Feet)	25% of lot depth
Side (Feet)	None
<b>Maximum Floor Area Ratio (FAR)</b>	1.8
<b>Maximum Density (Units/Acre)</b>	72.6 Unit/Acre
<b>Parking Requirement</b>	
Spaces Required	No minimum requirement. Maximum of 1 space per res unit and 1 space per 500 SF of occupied commercial space.

Source: City of San Francisco Planning & Zoning Department

**ZONING CONCLUSIONS**

Based on a copy of the SUD, the subject has RM-1 zoning within the Sunnydale HOPE SF Special Use District. The subject property is a vacant lot made up of 8 parcels with RM-1 zoning. Previous improvements included agricultural land, a TV repair shop and a beauty salon. Improvements were built in 1946-1956 and demolished between 1993 and 2000.

Detailed zoning studies are typically performed by a zoning or land use expert, including attorneys, land use planners, or architects. The depth of my analysis correlates directly with the scope of this assignment, and it considers all pertinent issues that have been discovered through my due diligence. Please note that this appraisal is not intended to be a detailed determination of compliance, as that determination is beyond the scope of this real estate appraisal assignment.

**INTRODUCTION**

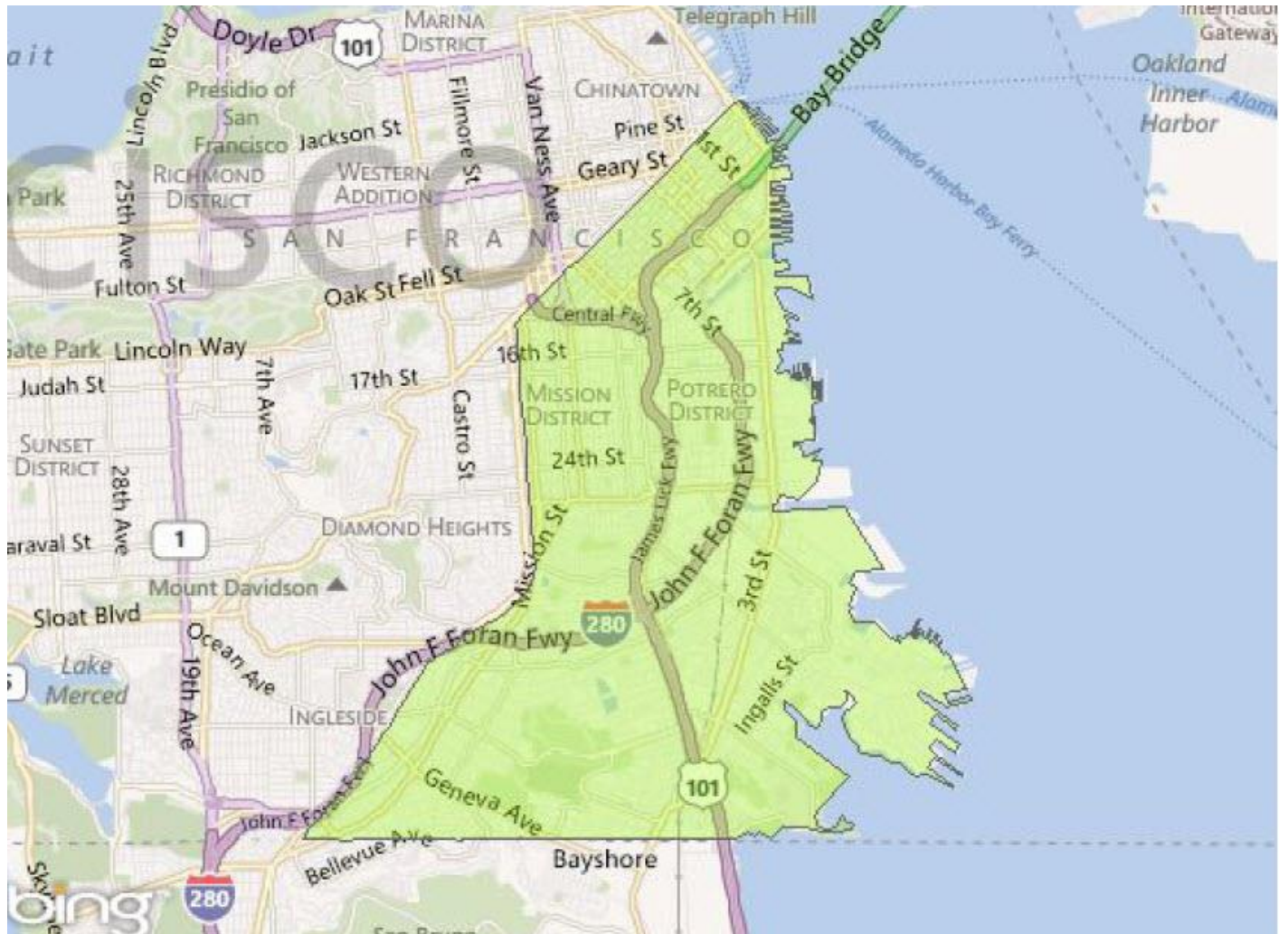
As concluded ahead, the highest and best use of the subject site as-vacant is development of low density residential housing . Therefore, this section provides a brief study of retail supply/demand conditions for the San Francisco Market and South of Market Submarket, market participant interviews and transaction trends. These findings are used to support my conclusions for the competitive position, and exposure period of the subject site.

The subject property is situated in the Haight Ashbury submarket, which is labeled 11 in the graphic below.

**San Francisco Metro Area**



South of Market Submarket



According to the submarket boundaries defined by REIS, the subject is located within the South of Market submarket. The following table provides a snapshot of the submarkets in the San Francisco Metro Area for Q4 2016.

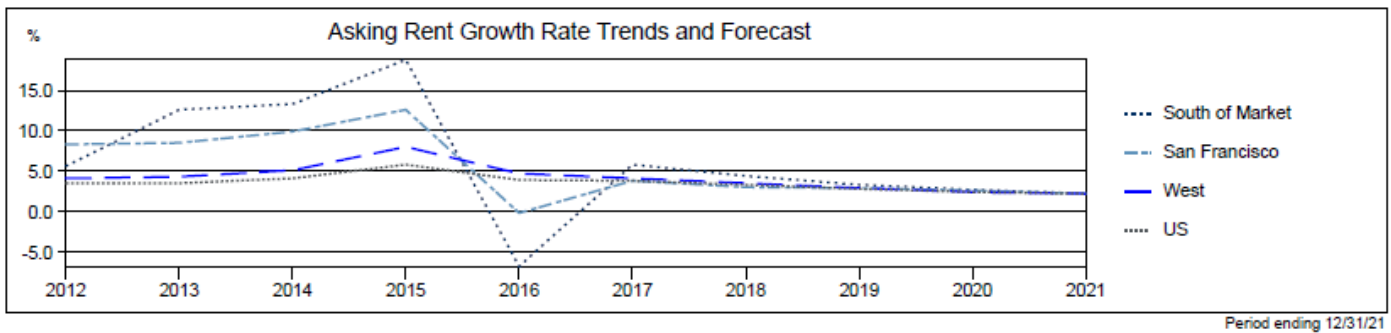
Submarket	Inventory (Buildings)	Inventory (Units)	Asking Rent \$	Vac %	Free Rent (mos)	Expenses % (Apartment)
North Marin	115	8,372	\$2,143	2.2%	0.07	34.9%
South Marin	54	7,144	\$2,596	3.6%	0.29	36.0%
North San Mateo	82	14,600	\$2,332	3.0%	0.23	36.5%
Central San Mateo	126	15,493	\$3,051	3.5%	0.26	35.5%
South San Mateo	178	12,497	\$2,873	4.5%	0.39	34.8%
South of Market	122	20,479	\$4,095	7.2%	0.94	32.8%
Russ Hill/Embarcadero	88	9,853	\$3,294	4.4%	0.36	36.0%
West San Francisco	130	19,525	\$2,637	1.5%	0.60	36.7%
Civic Ctr/Downtown	237	17,798	\$2,670	5.7%	0.22	35.0%
Marina/Pacific Hts	220	8,105	\$3,223	4.9%	0.00	35.8%
Haight Ashbury	215	13,969	\$3,314	6.3%	0.71	35.0%

According to REIS, there are 122 apartment buildings and 20,479 units in the South of Market Submarket with an average vacancy of 7.2%, which is at the top of the range for the metro area. The average asking rent in the subject's submarket (\$4,095) is also the highest of the range for the metro area.

**Rent Growth Comparisons**

	Asking Rent Growth						
	Quarterly			Annualized			
	2Q17	1Q17	YTD Avg	1 Year	3 Year	5 Year	5 Yr Forecast
South of Market	- 0.2%	3.1%	1.5%	- 6.7%	7.9%	8.3%	3.7%
San Francisco	0.9%	0.9%	0.9%	- 0.2%	7.3%	7.7%	2.9%
West	1.6%	0.6%	1.1%	4.7%	5.9%	5.2%	3.0%
United States	1.3%	0.6%	0.9%	3.9%	4.6%	4.1%	2.9%
Period Ending:	06/30/17	03/31/17	06/30/17	12/31/16	12/31/16	12/31/16	12/31/21

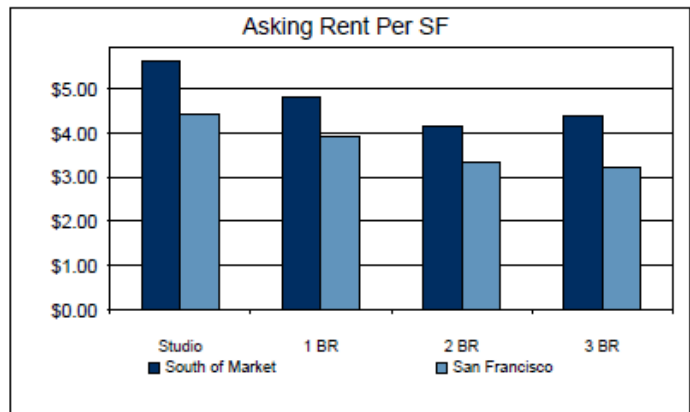
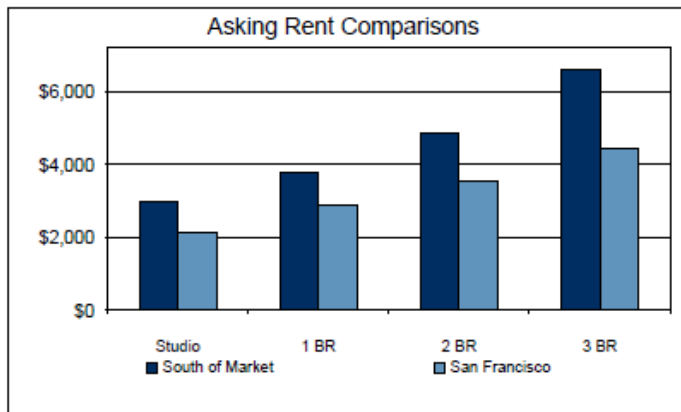
Submarket Rank Compared to:	Total Subs	Submarket Ranks						
		2Q17	1Q17	YTD	1 Year	3 Year	5 Year	5 Yr Forecast
San Francisco	11	9	2	4	11	4	4	4
West	240	235	7	56	240	42	18	51
United States	835	794	37	174	835	56	20	138



During the Q2 2017, rent growth in the South of Market Submarket was estimated at -0.2%, comparatively lower than the San Francisco Metro (0.9%) and the Western Region (1.6%). Over the next five years, REIS projects 3.7% rent growth within the submarket, slightly lower than the forecasted rent growth for the city (2.9%), the Western Region (3.0%), and the country as a whole (2.9%).

Rent By Unit Mix

Current Submarket Average Rents and Sizes				Asking Rent Growth					
	2Q 2017			Quarterly			Annualized		
	Rent	Avg. SF	Avg. Rent PSF	2Q17	1Q17	YTD	1 Year	3 Year	5 Year
Studio/Efficiency	\$2,957	526	\$ 5.62	1.7%	2.2%	3.9%	- 7.4%	10.4%	12.2%
One Bedroom	\$3,784	788	\$ 4.80	1.2%	4.2%	5.4%	- 6.3%	7.9%	7.9%
Two Bedroom	\$4,833	1170	\$ 4.13	- 1.9%	2.5%	0.6%	- 8.1%	6.6%	7.4%
Three Bedroom	\$6,595	1503	\$ 4.39	0.2%	0.6%	0.8%	5.0%	7.9%	8.0%
Average over period ending:				06/30/17	03/31/17	06/30/17	12/31/16	12/31/16	12/31/16



	Studio	1 BR	2 BR	3 BR
South of Market	\$2,957	\$3,784	\$4,833	\$6,595
San Francisco	\$2,132	\$2,854	\$3,539	\$4,409

As of 06/30/17

	Studio	1 BR	2 BR	3 BR
South of Market	\$ 5.62	\$ 4.80	\$ 4.13	\$ 4.39
San Francisco	\$ 4.41	\$ 3.90	\$ 3.33	\$ 3.23

As of 06/30/17

The South of Market submarket has generally higher rents than the overall San Francisco Metro when analyzed on a per month basis and per square foot basis. It is noted that the studio units experienced the highest rent growth for 2Q 2017 (1.7%). It is noted that the two bedrooms asking rent growth was the only unit type to experience negative rent growth (-1.9%).



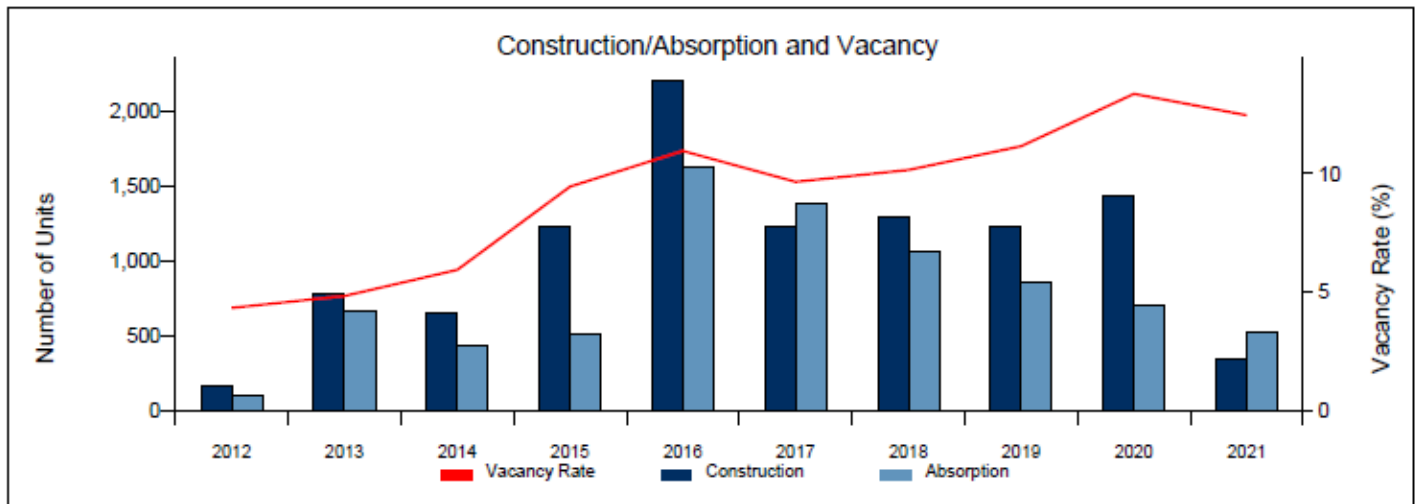
**Vacancy Comparisons**

	Vacancy Rates						
	Quarterly			Annualized			
	2Q17	1Q17	YTD Avg	1 Year	3 Year	5 Year	5 Yr Forecast
South of Market	7.2%	8.8%	8.0%	10.2%	8.0%	6.8%	11.4%
San Francisco	4.4%	4.9%	4.7%	4.8%	4.1%	3.9%	5.1%
West	3.7%	3.8%	3.8%	3.8%	3.7%	3.9%	4.4%
United States	4.4%	4.3%	4.4%	4.3%	4.3%	4.5%	5.0%
Period Ending:	06/30/17	03/31/17	06/30/17	12/31/16	12/31/16	12/31/16	12/31/21

Submarket Rank Compared to:	Total Subs	Submarket Ranks						
		2Q17	1Q17	YTD	1 Year	3 Year	5 Year	5 Yr Forecast
San Francisco	11	11	11	11	11	11	11	11
West	240	231	236	232	238	237	230	237
United States	835	759	803	781	822	793	739	824

As noted in the chart above, the Q2 2017 average vacancy in the South of Market Submarket was estimated at 7.2%, which higher than San Francisco Metro Area average of 4.4% and the Western Region average of 3.7%. Within the subject’s submarket, an average vacancy rate of 11.4% is projected over the next five years.

**Construction and Absorption**

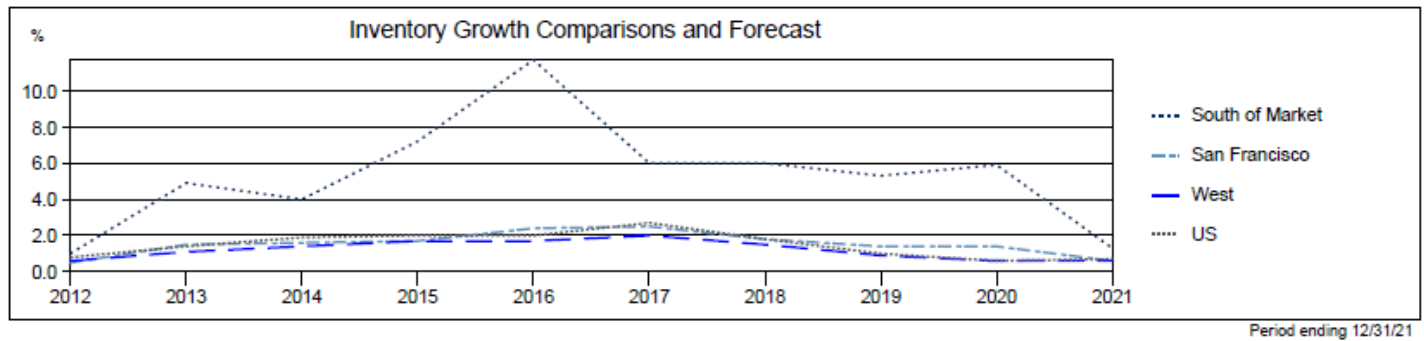


According to REIS, there were 114 units of new construction during the Q2 2017 within the San Francisco Metro. REIS forecasts 2,356 additional units of new construction over the next five years. Absorption and occupancy are forecasted to lag slightly behind new construction.

Please note that the majority of new construction projects are of superior appeal and design (high-rise complexes) located within the downtown core. Overall, new construction is not anticipated to have a negative effect on the subject’s occupancy and rent levels.

**General Vacancy Conclusion**

As summarized in the chart below this market analysis relied on various published data sources and field research for assessing how supply/demand conditions influence the long term vacancy estimate of the subject property at market rate.



Given the subject’s size and location, we have concluded a general vacancy rate of 5.0%. Credit loss is not applicable given the subject’s location and immediate market conditions. None of the surveyed properties in the subject’s market are currently offering free or reduced rent concessions. The subject property is vacant land is not currently offering concessions, nor has it offered concessions during its listing period. Based on the preceding, we have not included an additional concession factor within our vacancy conclusion.

## Rent Control

The city of San Francisco is regulated by rent control ordinance; however, buildings constructed after June 1979 are not subject to rent control. It is noted that the subject property is vacant land therefore not under rent control restrictions which restrict rent increases on existing tenants. We mention it here because the highest and best use "as vacant" and "as improved" of the subject site is to develop to the highest density permitted with mixed-use consisting of ground level commercial with residential uses above. Over the past year, the annual allowable increase amount was 1.9%. Effective March 1, 2017 through February 28, 2018, the annual allowable increase amount is 2.2%. Under rent control, landlords get an annual rent increase which can be imposed on tenants without the landlord having to petition the Rent Board. The landlord must give 30-day notice (or 60 days if this increase, as well as any other increases, in the past 12 months results in a rent increase of more than 10%). Landlords can "bank" these increases, that is, not impose an increase in one year but then impose that "banked" rent increase in a later year.

## SUMMARY OF APARTMENT MARKET ANALYSIS

Overall, based on interviews with planners and brokers, and Colliers International Valuation & Advisory Services market survey, there is sufficient demand for the land and improvements. The depth of demand for the subject property is anticipated to be sufficient based on continuing economic and population growth in the subject's area. Rent levels are anticipated to remain stable and/or increase. Demand is expected to remain strong in the subject's immediate market area based upon the immediate location and overall Bay Area location.

## SAN FRANCISCO RETAIL MARKET

The following is an analysis of supply/demand trends in the San Francisco Retail Market using information provided by CoStar, widely recognized as a credible source for tracking market statistics. The table below presents historical data for key market indicators.

SAN FRANCISCO HISTORICAL STATISTICS (LAST NINE YEARS)					
PERIOD	SUPPLY	NEW CONSTRUCTION	NET ABSORPTION	VACANCY	ASKING RENT
2008	82,209,371 SF	308,289 SF	813,603 SF	3.2%	\$29.65/SF
2009	82,430,286 SF	431,263 SF	(153,359) SF	3.6%	\$28.59/SF
2010	82,370,327 SF	178,768 SF	99,481 SF	3.5%	\$29.14/SF
2011	82,324,588 SF	103,676 SF	(51,619) SF	3.4%	\$28.25/SF
2012	81,877,504 SF	36,953 SF	(317,630) SF	3.2%	\$28.36/SF
2013	81,667,627 SF	76,004 SF	385,907 SF	2.9%	\$29.88/SF
2014	81,505,038 SF	81,904 SF	48,333 SF	2.4%	\$32.18/SF
2015	81,236,074 SF	78,287 SF	(290,682) SF	2.4%	\$35.09/SF
2016	81,274,047 SF	118,786 SF	(62,173) SF	2.4%	\$37.05/SF
<b>CAGR</b>	<b>(0.1%)</b>	-	-	-	<b>2.5%</b>

\*Supply numbers based on information which is amended/updated on an on-going basis by Costar.

Source: Costar®

The following table summarizes the trailing four quarter performance of the San Francisco market.

SAN FRANCISCO TRAILING FOUR QUARTER PERFORMANCE					
PERIOD	SUPPLY	NEW CONSTRUCTION	NET ABSORPTION	VACANCY	ASKING RENT
2016 Q4	81,274,047 SF	71,786 SF	141,236 SF	2.4%	\$36.75/SF
2017 Q1	81,275,133 SF	10,014 SF	(106,875) SF	2.5%	\$37.14/SF
2017 Q2	81,532,851 SF	269,061 SF	186,081 SF	2.6%	\$37.26/SF
2017 Q3	81,532,851 SF	0 SF	(73,092) SF	2.7%	\$38.38/SF

Source: Costar®

Key supply/demand statistics for the most recent quarter, last year and historical averages are summarized below.

SAN FRANCISCO MARKET TREND ANALYSIS			
	Q3 2017	2016	Last 9
Total SF	81,532,851	81,274,047	81,877,207
Vacant SF	2,214,938	1,950,577	2,445,399
Market Vacancy	2.7%	2.4%	3.0%
Construction Growth Rate	0.0%	0.1%	-0.1%
Absorption Rate	(0.1%)	(0.1%)	0.1%
Average Asking Rent/SF	\$38.38	\$37.05	\$30.91

Source: Costar®

### San Francisco Market Conclusion

Based on the preceding analysis, the San Francisco Retail market demonstrates sound fundamentals. Analysis of supply and demand factors indicate the market is currently stable with no evidence to prove this will change any time soon. There are no observed weaknesses of the market that stand out.

### SOUTH OF MARKET RETAIL SUBMARKET OVERVIEW

The following is an analysis of supply/demand trends in the San Francisco Retail Submarket using information provided by CoStar. The table below presents historical data for key market indicators.

SOUTH OF MARKET HISTORICAL STATISTICS (LAST NINE YEARS)					
PERIOD	SUPPLY	NEW CONSTRUCTION	NET ABSORPTION	VACANCY	ASKING RENT
2008	1,567,701 SF	0 SF	(21,830) SF	2.5%	\$19.60/SF
2009	1,567,701 SF	0 SF	(12,824) SF	3.1%	\$18.85/SF
2010	1,557,821 SF	0 SF	9,524 SF	2.4%	\$16.99/SF
2011	1,557,821 SF	0 SF	17,209 SF	2.1%	\$17.33/SF
2012	1,557,821 SF	0 SF	(2,666) SF	1.8%	\$18.55/SF
2013	1,557,821 SF	0 SF	(28,756) SF	2.6%	\$23.75/SF
2014	1,528,991 SF	0 SF	26,001 SF	1.0%	\$21.62/SF
2015	1,528,991 SF	0 SF	(18,080) SF	1.0%	\$44.61/SF
2016	1,528,991 SF	0 SF	(52,851) SF	3.0%	\$40.58/SF
<b>CAGR</b>	<b>(0.3%)</b>	-	-	-	8.4%

\*Supply numbers based on information which is amended/updated on an on-going basis by Costar.

Source: Costar®

The following table summarizes the trailing four quarter performance of the South of Market submarket.

SOUTH OF MARKET TRAILING FOUR QUARTER PERFORMANCE					
PERIOD	SUPPLY	NEW CONSTRUCTION	NET ABSORPTION	VACANCY	ASKING RENT
2016 Q4	1,528,991 SF	0 SF	(10,555) SF	4.9%	\$40.75/SF
2017 Q1	1,528,991 SF	0 SF	(17,343) SF	6.1%	\$38.97/SF
2017 Q2	1,523,991 SF	0 SF	8,720 SF	5.2%	\$36.99/SF
2017 Q3	1,523,991 SF	0 SF	(4,995) SF	5.5%	\$37.83/SF

Source: Costar®

Key supply/demand statistics for the most recent quarter, last year and historical averages are summarized below.

<b>SOUTH OF MARKET MARKET TREND ANALYSIS</b>			
	<b>Q3 2017</b>	<b>2016</b>	<b>Last 9</b>
Total SF	1,523,991	1,528,991	1,550,407
Vacant SF	84,049	46,328	33,575
Market Vacancy	5.5%	3.0%	2.2%
Construction Growth Rate	0.0%	0.0%	-0.3%
Absorption Rate	(0.3%)	(3.5%)	(0.6%)
Average Asking Rent/SF	\$37.83	\$40.58	\$24.65

Source: Costar®

### **South of Market Submarket Conclusion**

Based on the preceding analysis, the South of Market Retail market demonstrates sound fundamentals. Analysis of supply and demand factors indicate the market is currently stable with no evidence to prove this will change any time soon. There are no observed weaknesses of the market that stand out.

### **TRANSACTION TRENDS**

In the open market, the subject property type would command most interest from regional and local buyers that are actively pursuing similar small investment properties. There is currently steady buyer demand for substitute properties of the subject based on the volume of sale transactions and reports by buyers, sellers and other market participants during confirmation of market transactions. The most probable buyer is a regional and local investor.

Based on the preceding analysis, there is an established sales market for the subject property. As previously discussed, the velocity of sale transactions has been steady over the past six months. Currently there is steady buyer demand, while there is general availability for this property type on the supply side. Based on these factors, conditions are in equilibrium in regard to negotiating sale terms.

### **SUBJECT PROPERTY ANALYSIS**

Based on my analysis of the subject property and investigation of substitute properties in the marketplace, the subject is considered to have average overall buyer appeal with an average competitive position if the asset was exposed to the open market.

### **EXPOSURE TIME & MARKETING PERIOD**

Exposure time is defined as "The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective opinion based on an analysis of past events assuming a competitive and open market" (The Dictionary of Real Estate Appraisal, Appraisal Institute, 2010). Reasonable exposure time is impacted by the aggressiveness and effectiveness of a property's exposure to market participants, availability and cost of financing, and demand for similar investments. Exposure time is best established based the recent history of marketing periods for comparable sales, discussions with market participants and information from published surveys.

The availability of acquisition financing factors into exposure time. In recent quarters, financing has been available for well-positioned commercial real estate, particularly for stabilized assets within core MSAs and owner/user deals. For second tier or marginal properties, financing has been available but subject to more stringent requirements. Based on review of the local capital market, I conclude that adequate financing options would be available to consummate a sale of the property on the date of value.

**Exposure Time Conclusion**

The preceding information generally supports an exposure time range from 2 to 12 months for sites similar to the subject. Location and size factors place upward pressure on the subject's likely exposure time. Based on its overall physical and locational characteristics, the subject site has above average overall appeal to developers and/or owner/users. Considering these factors, a reasonable estimate of exposure time for the subject property is 12 months or less.

**Marketing Period Conclusion**

Marketing period is very similar to exposure time, but reflects a projected time period to sell the property, rather than a retrospective estimate. Having reviewed open listings and discussed the market with local participants, and given the nature of this site, I feel that a time period of 12 months or less is supported for the subject's marketing period.

## INTRODUCTION

The highest and best use of an improved property is defined as that reasonable and most probable use that will support its highest present value. The highest and best use, or most probable use, must be legally permissible, physically possible, financially feasible, and maximally productive. This section develops the highest and best use of the subject property As-Vacant.

## AS-VACANT ANALYSIS

### Legal Factors

The legal factors that possibly influence the highest and best use of the subject site are discussed in this section. Private restrictions, zoning, building codes, historic district controls, and environmental regulations are considered, if applicable to the subject site. Permitted uses of the subject's Low Density Residential (Apartments and Houses) (RM-1) zoning were listed in the Zoning Analysis section. Overall, legal factors support a narrow range of mixed-uses for the subject site.

### Physical & Locational Factors

Regarding physical characteristics, the subject site is generally rectangular in shape and has level topography with average access and average exposure. The subject site has frontage on two neighborhood streets. The immediate area is developed with office, retail, apartments and mixed-use development along major arterials that is interspersed with multi-family complexes and single-family residential development removed from arterials. Of the outright permitted uses, physical and locational features best support development of low density residential housing for the site's highest and best use as-vacant.

### Feasibility Factors

Regarding financial feasibility of retail properties in the region, construction delivery trends were previously discussed in the Market Analysis section. In general, the San Francisco Market and South of Market Submarket are experiencing a typical level of retail construction activity compared to historical norms. Based on this factor, as well as my analysis of other supply/demand factors that impact the feasibility of retail development. Financial feasibility factors generally support near-term development of the subject site.

### As-Vacant Conclusion

Based on the previous discussion, the subject's highest and best use as-vacant is concluded to be development of low density residential housing .

## INTRODUCTION

The following presentation of the appraisal process deals directly with the valuation of the subject property. The As-Is Market Value of the subject's fee simple interest is estimated using the Sales Comparison Approach, which is recognized as the standard appraisal technique for commercial land. The Cost and Income Capitalization Approaches are not applicable when valuing unimproved commercial land and are therefore excluded. Their exclusion is not detrimental to the reliability or credibility of the final value conclusion.

## SALES COMPARISON APPROACH

The Sales Comparison Approach is based on the principle of substitution, which asserts that no one would pay more for a property than the value of similar properties in the market. This approach analyzes comparable sales by applying transactional and property adjustments in order to bracket the subject property on an appropriate unit value comparison. The sales comparison approach is applicable when sufficient data on recent market transactions is available. Alternatively, this approach may offer limited reliability because many properties have unique characteristics that cannot be accounted for in the adjustment process.

## LAND VALUATION

As previously discussed within the Valuation Methods section, the subject is valued as one marketable economic site in this appraisal. Land value is influenced by a number of factors; most prominent of which is development and use potential. These factors, as well as others, are considered in the following analysis.

## UNIT OF COMPARISON

The most relevant unit of comparison is the price per unit. This indicator best reflects the analysis used by buyers and sellers in this market for land with similar utility and zoning in this marketplace.

## COMPARABLE SELECTION

A thorough search was made for similar land sales in terms of proximity to the subject, size, location, development potential, and date of sale. In selecting comparables, emphasis was placed on confirming recent sales of commercial sites that are similar to the subject property in terms of location and physical characteristics. Overall, the sales selected represent the best comparables available for this analysis.

## ADJUSTMENT PROCESS

Quantitative adjustments are made to the comparable sales. The following adjustments or general market trends were considered for the basis of valuation.

### Transactional Adjustments

Dollar adjustments to the comparable sales were considered and made when warranted for transactional adjustments in the sequence shown below:

Property Rights Transferred	The valuation of the subject site was completed on a fee simple basis. If warranted, leased fee, leasehold and/or partial interest land sales were adjusted accordingly.
Financing Terms	The subject site was valued on a cash equivalent basis. Adjustments were made to the comparables involving financing terms atypical of the marketplace.
Conditions of Sale	This adjustment accounts for extraordinary motivation on the part of the buyer or seller often associated with distressed sales and/or assemblages.
Expenditures After Purchase	Adjustments were applied if site conditions warranted expenditures on the part of the buyer to create a buildable site. Examples include costs for razing pre-



existing structures, general site clearing and/or mitigation of environmental issues.

Market Conditions

Market conditions adjustments were based on a review of historical sale data, market participant interviews and review of current versus historical pricing. Based on my research, the following table summarizes the market conditions adjustment applied in this analysis.

MARKET CONDITIONS ADJUSTMENT			
Per Year As Of	October 2017	(As-Is)	0%

The market has exhibited value stability during the time from the oldest sale date up through the effective valuation date; therefore a market conditions adjustment is not warranted.

**Property Adjustments**

Quantitative percentage adjustments are also made for location and physical characteristics such as size, shape, access, exposure, topography, zoning and overall utility. Where possible the adjustments applied are based on paired data or other statistical analysis. For example, location adjustments are based primarily on review of land values in the market areas for the comparables relative to the subject. It should be stressed that the adjustments are subjective in nature and are meant to illustrate my logic in deriving a value opinion for the subject site.

For location adjustments we compared median household incomes between each sale and the subject property and made adjustments based upon the percentage differences.

Other adjustments were made for lot size, exposure, lot shape, site utility, zoning, corner lot influence, easements and entitlements.

**LAND VALUATION PRESENTATION**

The following Land Sales Summation Table, Location Map and datasheets summarize the sales data used in this analysis. Following these items, the comparable land sales are adjusted for applicable elements of comparison and the opinion of site value is concluded.

**LAND SALES SUMMATION TABLE**

COMPARABLE	SUBJECT	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3	COMPARABLE 4	COMPARABLE 5	COMPARABLE 6
<b>Name</b>	Vacant Land	388 Fulton Street	MF Land	MF Land	2301 Lombard St	A multifamily site	MF Land
<b>Address</b>	1477 Sunnydale	388 Fulton St	349 8th St	953 Treat Ave	2301 Lombard St	800 Indiana St	915 Minna Stt
<b>City</b>	San Francisco	San Francisco	San Francisco	San Francisco	San Francisco	San Francisco	San Francisco
<b>State</b>	CA	CA	CA	CA	CA	CA	CA
<b>Zip</b>	94134	94102	94103	94110	94123	94107	94103
<b>County</b>	San Francisco	San Francisco	San Francisco	San Francisco	San Francisco	San Francisco	San Francisco
<b>APN</b>	6356-061, 6356-062, 6356-063,	-	3755-054, 3755-066, 3754-065,	3639-028	0512-031	4105-009	3510-058

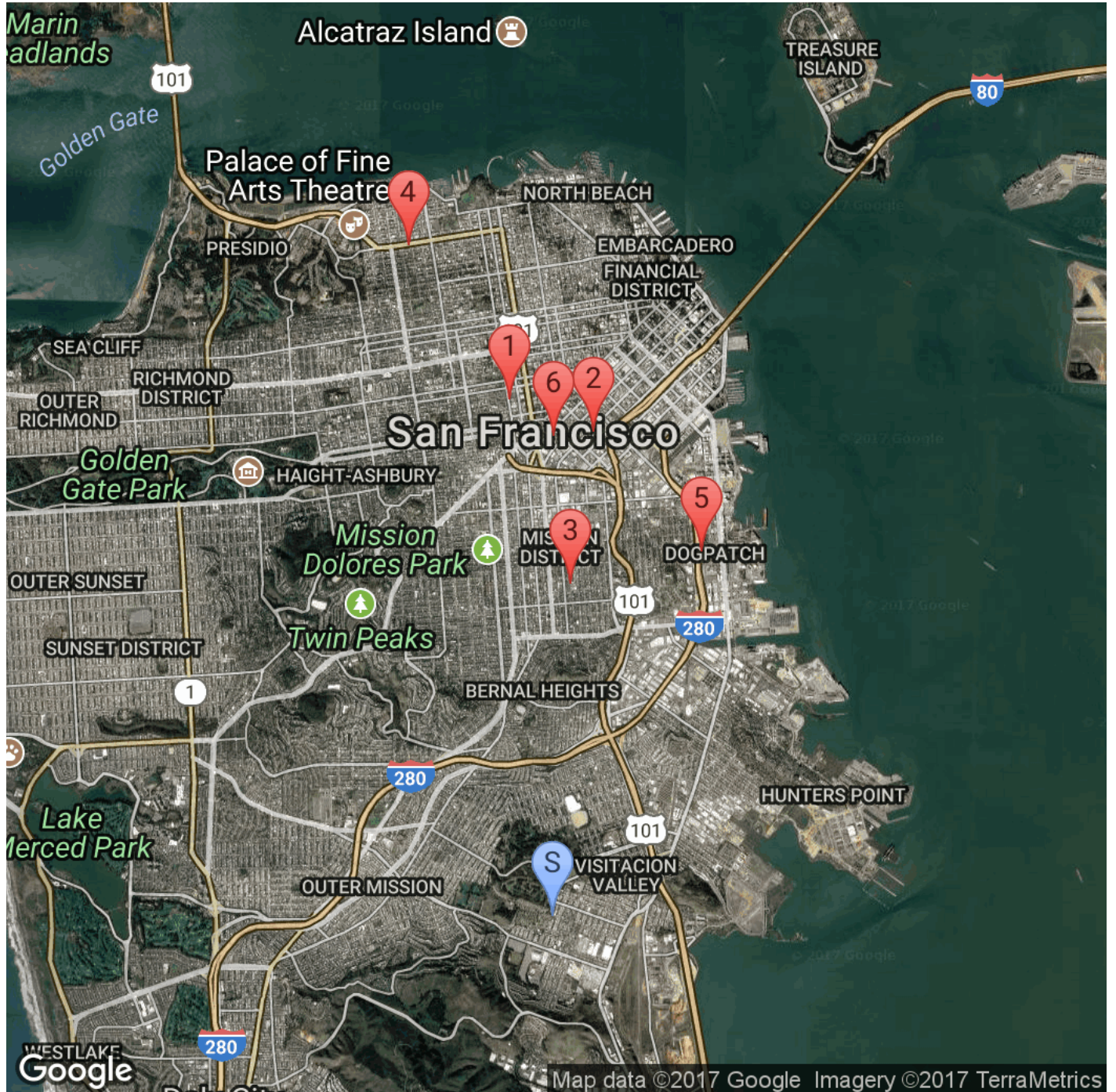
**PHYSICAL INFORMATION**

<b>Acres</b>	0.48	0.29	0.25	0.11	0.30	2.67	0.27
<b>SF</b>	20,845	12,632	10,890	4,792	13,068	116,455	11,761
<b>Density (Units/AC)</b>	73 Unit/Net Acre	238 Units/Net Acre	152 Unit/Net Acre	145 Units/Net Acre	73 Unit/Net Acre	122 Units/Net Acre	181 Units/Net Acre
<b>Max Units</b>	35	69	38	16	22	326	49
<b>Location</b>	Average/Good	Good/Excellent	Excellent	Good/Excellent	Good/Excellent	Good	Average/Good
<b>Exposure</b>	Average	Good	Average	Average	Average	Good	Good
<b>Access</b>	Average	Good	Average	Average	Average	Good	Good
<b>Shape</b>	Generally	Rectangular	Irregular	Irregular	L-shaped	Irregular	Irregular
<b>Site Utility Rating</b>	Average	Average	Average	Average	Average	Average	Average
<b>Zoning</b>	RM-1	NCT-3	WMUG	UMU	NC-3	UMU	SLR
<b>Corner</b>	Yes	Yes	No	No	No	No	No
<b>Topography</b>	Level	Level	Level	Level	Slight slope	Level	Level
<b>Utilities</b>	Yes	All to site	All to site	All to site	All to site	Trash Removal: No	All to site
<b>Easements</b>	Standard	Standard	Standard	Standard	Standard	None	Standard
<b>Envrmtl Issues</b>	None Noted	Environmental: None Noted	Environmental: None Noted	Environmental: None Noted	Environmental: None Noted	Environmental: None Noted	Environmental: None Noted
<b>Entitled</b>	Yes	Yes	No	No	No	No	No

**SALE INFORMATION**

<b>Date</b>		3/21/2014	6/2/2015	3/26/2015	8/4/2016	4/22/2015	6/13/2017
<b>Status</b>		Recorded	Recorded	Recorded	Recorded	In Contract	Recorded
<b>Rights Transferred</b>		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
<b>Transaction Price</b>		\$10,980,000	\$5,400,000	\$1,900,000	\$5,000,000	\$22,300,000	\$6,250,000
<b>Analysis Price</b>		\$10,980,000	\$5,400,000	\$1,920,000	\$5,000,000	\$22,300,000	\$6,250,000
<b>\$/Unit</b>		\$159,130	\$142,105	\$120,000	\$227,273	\$68,405	\$127,551

LAND SALES LOCATION MAP



COMPARABLE KEY

COMP	DISTANCE	ADDRESS	SALE DATE	ACRES	SF	\$/UNIT
SUBJECT	-	1477 Sunnydale Avenue, San Francisco, CA	-	0.5	20,845	\$170,000.00
No. 1	4.7 Miles	388 Fulton St, San Francisco, CA	3/21/2014	0.3	12,632	\$159,130
No. 2	4.4 Miles	349 8th St, San Francisco, CA	6/2/2015	0.3	10,890	\$142,105
No. 3	3.0 Miles	953 Treat Ave, San Francisco, CA	3/26/2015	0.1	4,792	\$120,000
No. 4	6.2 Miles	2301 Lombard St, San Francisco, CA	8/4/2016	0.3	13,068	\$227,273
No. 5	3.5 Miles	800 Indiana St, San Francisco, CA	4/22/2015	2.7	116,455	\$68,405
No. 6		915 Minna Stt, San Francisco, CA	6/13/2017	0.3	11,761	\$127,551

## COMPARABLE 1

### LOCATION INFORMATION

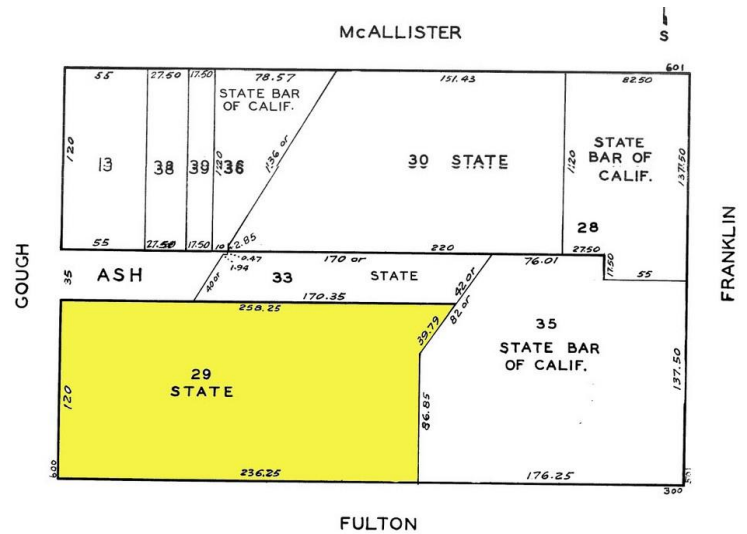
Name 388 Fulton Street  
 Address 388 Fulton St  
 City, State, Zip Code San Francisco, CA, 94102  
 County San Francisco  
 MSA San Francisco-Oakland-San Jose, CA CMS

### SALE INFORMATION

Buyer 7x7 Development LLC  
 Seller Equity Community Builders LLC  
 Transaction Date 03/21/2014  
 Transaction Status Recorded  
 Transaction Price \$10,980,000  
 Analysis Price \$10,980,000  
 Rights Transferred Fee Simple  
 Down Payment \$10,980,000  
 Conditions of Sale none

### PHYSICAL INFORMATION

Intended Use Mixed Use  
 Location Good/Excellent  
 Site Size Acres SF  
     Net 0.29 12,632  
     Gross 0.29 12,632  
 Zoning NCT-3  
 Development Potential 69  
 Density 237.93 Units/Net Acre  
 Shape Rectangular  
 Topography Level  
 Access Good  
 Exposure Good  
 Corner Yes  
 Easements Standard  
 Environmental Issues Environmental: None Noted  
 Utilities All to site



### 388 FULTON STREET

#### ANALYSIS INFORMATION

Price	\$/Acre	\$/SF	\$/Unit
Gross	\$37,862,069	\$869.22	\$159,130
Net	\$37,862,069	\$869.22	\$159,130

#### CONFIRMATION

Name Confidential  
 Company Confidential  
 Source Confidential  
 Date / Phone Number 02/26/2015 Confidential

#### REMARKS

Use At Sale: Parking lot This property is located in the Hayes Valley neighborhood. It transferred with entitlements to build a 69-unit condo project with 3,100 SF of ground floor commercial space and no on-site parking. The property was used as a paved parking lot at the time of sale and presents a fully-entitled site (12% BMR requirement).

**COMPARABLE 2**

**LOCATION INFORMATION**

Name MF Land  
 Address 349 8th St  
 City, State, Zip Code San Francisco, CA, 94103  
 County San Francisco  
 MSA San Francisco-Oakland-San Jose, CA CMS  
 APN 3755-054, 3755-066, 3754-065, 3755-065, .

**SALE INFORMATION**

Buyer Rodgers Street Llc  
 Seller Callan Robert & B Trust  
 Transaction Date 06/2/2015  
 Transaction Status Recorded  
 Transaction Price \$5,400,000  
 Analysis Price \$5,400,000  
 Recording Number 70110  
 Rights Transferred Fee Simple  
 Conditions of Sale None  
 Marketing Time 167 Months

**PHYSICAL INFORMATION**

Intended Use Redevelopment  
 Location Excellent  
 Site Size Acres SF  
     Net 0.25 10,890  
     Gross 0.25 10,890  
 Zoning WMUG  
 Development Potential 38  
 Shape Irregular  
 Topography Level  
 Access Average  
 Exposure Average  
 Corner No  
 Easements Standard  
 Environmental Issues Environmental: None Noted  
 Utilities All to site



**MF LAND**

**ANALYSIS INFORMATION**

Price	\$/Acre	\$/SF	\$/Unit
Gross	\$21,600,000	\$495.87	\$142,105
Net	\$21,600,000	\$495.87	\$142,105

**CONFIRMATION**

Name Confidential  
 Company Confidential  
 Source CoStar  
 Date / Phone Number 12/24/2015 Confidential

**REMARKS**

The subject property was sold for a combined total of \$5.4 million. This consists of 3 parcels of land totaling .25-acre site. The parcels were sold separately on the same day. The Site is a surface parking lot consisting of three contiguous parcels totaling 10,315 square feet of land area, spanning from 8th Street to Rodgers Street. The Site is currently 100% leased to a third-party parking operator providing ideal in-place income. The buyer plans to construct a new five-story 27,421 sf mixed-use residential building with ground floor retail space.

**COMPARABLE 3**

**LOCATION INFORMATION**

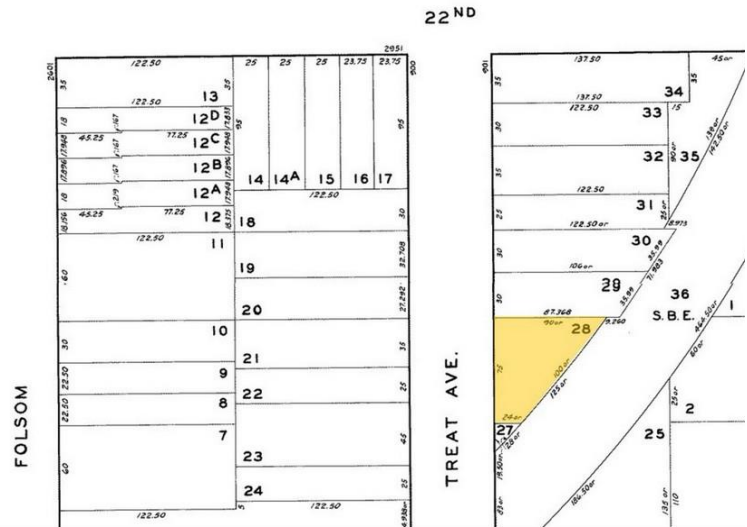
Name MF Land  
 Address 953 Treat Ave  
 City, State, Zip Code San Francisco, CA, 94110  
 County San Francisco  
 MSA San Francisco-Oakland-San Jose, CA CMS  
 APN 3639-028

**SALE INFORMATION**

Buyer 953 Treat Avenue Lp  
 Seller James W & Barbara G Heinzler  
 Transaction Date 03/26/2015  
 Transaction Status Recorded  
 Transaction Price \$1,900,000  
 Analysis Price \$1,920,000  
 Recording Number 38839  
 Rights Transferred Fee Simple  
 Down Payment \$570,000  
 Conditions of Sale None  
 Marketing Time 56 Months

**PHYSICAL INFORMATION**

Intended Use Multi-residential  
 Location Good/Excellent  
 Site Size Acres SF  
     Net 0.11 4,792  
     Gross 0.11 4,792  
 Zoning UMU  
 Development Potential 16  
 Density 145.45 Units/Net Acre  
 Shape Irregular  
 Topography Level  
 Access Average  
 Exposure Average  
 Corner No  
 Easements Standard  
 Environmental Issues Environmental: None Noted  
 Utilities All to site



**MF LAND**

**ANALYSIS INFORMATION**

Price	\$/Acre	\$/SF	\$/Unit
Gross	\$17,454,545	\$400.67	\$120,000
Net	\$17,454,545	\$400.67	\$120,000

**CONFIRMATION**

Name Confidential  
 Company Confidential  
 Source CoStar  
 Date / Phone Number 12/24/2015 Confidential

**REMARKS**

The subject property was \$1.9 million on 3/26/2015. This consists of 2 parcels of land approximately .11-acre. The property is zoned for UMU- Urban Mixed Use that can accommodate 9-16 residential condo's. Escrow length was approximately 30 days. The analysis price includes an upward adjustment of \$20,000 for demolition of an existing residence.

**COMPARABLE 4**

**LOCATION INFORMATION**

Name 2301 Lombard St  
 Address 2301 Lombard St  
 City, State, Zip Code San Francisco, CA, 94123  
 County San Francisco  
 MSA San Francisco-Oakland-Fremont, CA  
 APN 0512-031

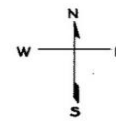
**SALE INFORMATION**

Buyer DM Development  
 Seller Pacific Coast Homes  
 Transaction Date 08/4/2016  
 Transaction Status Recorded  
 Transaction Price \$5,000,000  
 Analysis Price \$5,000,000  
 Recording Number 302433  
 Rights Transferred Fee Simple  
 Down Payment \$5,000,000  
 Financing All Cash  
 Conditions of Sale Arms-Length

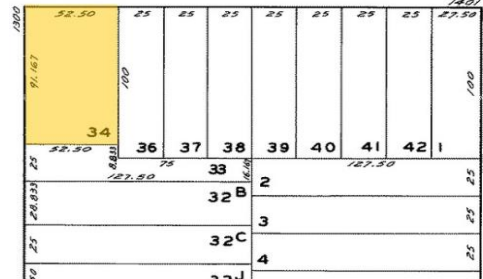
**PHYSICAL INFORMATION**

Intended Use Retail Land  
 Location Good/Excellent  
 Site Size Acres SF  
     Net 0.30 13,068  
     Gross 0.30 13,068  
 Zoning NC-3  
 Development Potential 22  
 Shape L-shaped  
 Topography Slight slope  
 Access Average  
 Exposure Average  
 Easements Standard  
 Environmental Issues Environmental: None Noted  
 Utilities All to site

**1770**  
 SUNSET BLK. 687



IRVING



**2301 LOMBARD ST**

**ANALYSIS INFORMATION**

Price	\$/Acre	\$/SF	\$/Unit
Gross	\$16,666,667	\$382.61	\$227,273
Net	\$16,666,667	\$382.61	\$227,273

**CONFIRMATION**

Name N/A  
 Company RealQuest  
 Source County Assessor  
 Date / Phone Number 05/11/2017 N/A

**REMARKS**

This land parcel is located along Irving St, east of 19th Avenue (Highway 1). Golden Gate Park, which features multiple playgrounds and recreational areas as well as de Young Museum and Kezar Stadium, is located one block north of the parcel. The University of San Francisco is located 1.5 miles northeast of the parcel and Buena Vista Park is located 1.73 miles east. Also near the property is UCSF Medical Center which is less than one mile east along Parnassus Avenue.

**COMPARABLE 5**

**LOCATION INFORMATION**

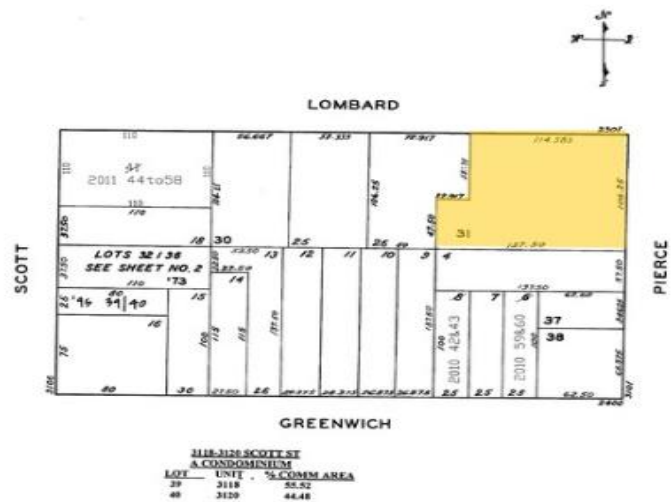
Name A multifamily site  
 Address 800 Indiana St  
 City, State, Zip Code San Francisco, CA, 94107  
 County San Francisco  
 MSA San Francisco-Oakland-San Jose, CA CMS  
 APN 4105-009

**SALE INFORMATION**

Buyer Archstone  
 Seller San Francisco Opera Association  
 Transaction Date 04/22/2015  
 Transaction Status In Contract  
 Transaction Price \$22,300,000  
 Analysis Price \$22,300,000  
 Rights Transferred Fee Simple  
 Conditions of Sale None

**PHYSICAL INFORMATION**

Intended Use Multi-residential  
 Location Good  
 Site Size Acres SF  
     Net 2.67 116,455  
     Gross 2.67 116,455  
 Zoning UMU  
 Development Potential 326  
 Density 122.10 Units/Net Acre  
 Shape Irregular  
 Topography Level  
 Access Good  
 Exposure Good  
 Corner No  
 Easements None  
 Environmental Issues Environmental: None Noted  
 Utilities Trash Removal: No



**A MULTIFAMILY SITE**

**ANALYSIS INFORMATION**

Price	\$/Acre	\$/SF	\$/Unit
Gross	\$8,352,060	\$191.49	\$68,405
Net	\$8,352,060	\$191.49	\$68,405

**CONFIRMATION**

Name N/A  
 Company RealQuest  
 Source County Assessor  
 Date / Phone Number 04/17/2015 N/A

**REMARKS**

This parcel is located along Lombard St which is merged with Highway 101. Along Lombard, directly north of the parcel are multiple retail developments including Chotto, Amici's East Coast Pizzeria, Home Plate, IHOP, Barry's Bootcamp, and Days Inn San Francisco - Lombard. The parcel's neighborhood is composed of a mix of retail development, smaller multifamily developments, and single family homes. Marina Middle School is located 0.3 miles northeast of the property.



**COMPARABLE 6**

**LOCATION INFORMATION**

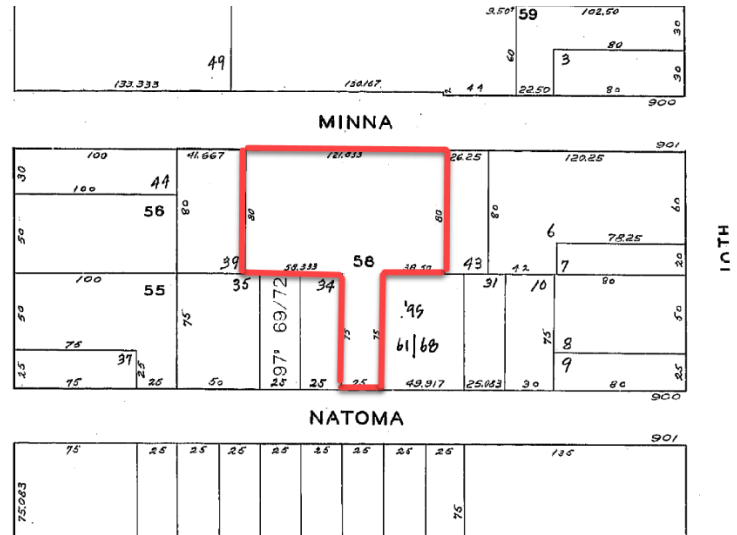
Name MF Land  
 Address 915 Minna Stt  
 City, State, Zip Code San Francisco, CA, 94103  
 County San Francisco  
 MSA San Francisco-Oakland-San Jose, CA CMS;  
 APN 3510-058

**SALE INFORMATION**

Buyer Dolmen Property Group, Inc.  
 Seller Alta Investors  
 Transaction Date 06/13/2017  
 Transaction Status Recorded  
 Transaction Price \$6,250,000  
 Analysis Price \$6,250,000  
 Rights Transferred Fee Simple  
 Financing All Cash  
 Conditions of Sale None

**PHYSICAL INFORMATION**

Intended Use Multi-residential  
 Location Average/Good  
 Site Size Acres SF  
     Net 0.27 11,761  
     Gross 0.27 11,761  
 Zoning SLR  
 Development Potential 49  
 Density 181 Unit/Net Acre  
 Shape Irregular  
 Topography Level  
 Access Good  
 Exposure Good  
 Corner No  
 Easements Standard  
 Environmental Issues Environmental: None Noted  
 Utilities All to site



**MF LAND**

**ANALYSIS INFORMATION**

Price	\$/Acre	\$/SF	\$/Unit
Gross	\$23,148,148	\$531.42	\$127,551
Net	\$23,148,148	\$531.42	\$127,551

**CONFIRMATION**

Name Confidential  
 Company Confidential  
 Source CoStar  
 Date / Phone Number Confidential Confidential

**REMARKS**

Dolmen Property Group, Inc., acquired this lot fully entitled and "shovel ready". Owners intend to construct a 49-Unit condominium project.

**LAND SALES ADJUSTMENT TABLE**

COMPARABLE	SUBJECT	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3	COMPARABLE 4	COMPARABLE 5	COMPARABLE 6
<b>Name</b>	Vacant Land	388 Fulton Street	MF Land	MF Land	2301 Lombard St	A multifamily site	MF Land
<b>Address</b>	1477 Sunnysdale	388 Fulton St	349 8th St 3755-054, 3755-066, 3754-065, 3755-065, 3755-066	953 Treat Ave	2301 Lombard St	800 Indiana St	915 Minna Stt
<b>APN</b>	6356-061, et. Al.	-		3639-028	0512-031	4105-009	3510-058
<b>SF</b>	20,845	12,632	10,890	4,792	13,068	116,455	11,761
<b>Density (Units/AC)</b>	73 Unit/Net Acre	238 Units/Net Acre	152 Unit/Net Acre	145 Units/Net Acre	73 Unit/Net Acre	122 Units/Net Acre	181 Units/Net Acre
<b>Max Units</b>	35	69	38	16	22	326	49
<b>Location</b>	Average/Good	Good/Excellent	Excellent	Good/Excellent	Good/Excellent	Good	Average/Good
<b>Exposure</b>	Average	Good	Average	Average	Average	Good	Good
<b>Access</b>	Average	Good	Average	Average	Average	Good	Good
<b>Shape</b>	Generally Rectangular	Rectangular	Irregular	Irregular	L-shaped	Irregular	Irregular
<b>Site Utility Rating</b>	Average	Average	Average	Average	Average	Average	Average
<b>Zoning</b>	RM-1	NCT-3	WMJG	UMU	NC-3	UMU	SLR
<b>Corner</b>	Yes	Yes	No	No	No	No	No
<b>Topography</b>	Level	Level	Level	Level	Slight slope	Level	Level
<b>Street Frontage</b>	73 Units/Net Ac.	N/A	N/A	145 Units/Net Ac.	54 Units/Net Ac.	72 Units/Net Ac.	122 Units/Net Ac.
<b>Entitled</b>	Yes	Yes	No	No	No	No	No

**SALE INFORMATION**

<b>Date</b>	3/21/2014	6/2/2015	3/26/2015	8/4/2016	4/22/2015	6/13/2017
<b>Status</b>	Recorded	Recorded	Recorded	Recorded	In Contract	Recorded
<b>Rights Transferred</b>	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
<b>Analysis Price</b>	\$10,980,000	\$5,400,000	\$1,920,000	\$5,000,000	\$22,300,000	\$6,250,000
<b>Price/Unit</b>	\$159,130	\$142,105	\$120,000	\$227,273	\$68,405	\$127,551

**TRANSACTIONAL ADJUSTMENTS**

<b>Property Rights</b>	0%	0%	0%	0%	0%	0%
<b>Conditions of Sale</b>	0%	0%	0%	0%	0%	0%
<b>Financing</b>	0%	0%	0%	0%	0%	0%
<b>Expenditures After the Sale</b>	0%	0%	0%	0%	0%	0%
<b>Market Conditions<sup>1</sup></b>	0%	0%	0%	0%	0%	0%
<b>Subtotal Transactional Adj Price</b>	\$159,130	\$142,105	\$120,000	\$227,273	\$68,405	\$127,551

**PROPERTY ADJUSTMENTS**

<b>Location</b>	-10%	-20%	-10%	-10%	-5%	0%
<b>Size</b>	0%	0%	0%	0%	50%	0%
<b>Exposure</b>	-5%	0%	0%	0%	-5%	-10%
<b>Access</b>	-5%	0%	0%	0%	-5%	-10%
<b>Shape</b>	0%	10%	10%	0%	10%	0%
<b>Density (Units/AC)</b>	40%	25%	25%	0%	25%	30%
<b>Entitled</b>	-2.5%	2.5%	2.5%	2.5%	2.5%	-2.5%
<b>Subtotal Property Adjustment</b>	18%	18%	28%	-8%	73%	8%

<b>TOTAL ADJUSTED PRICE (\$/SF Developable)</b>	<b>\$186,978</b>	<b>\$166,974</b>	<b>\$153,000</b>	<b>\$210,227</b>	<b>\$117,998</b>	<b>\$137,117</b>
-------------------------------------------------	------------------	------------------	------------------	------------------	------------------	------------------

<b>STATISTICS</b>	<b>UNADJUSTED</b>	<b>ADJUSTED</b>
<b>LOW</b>	\$68,404.91	\$117,998.47
<b>HIGH</b>	\$227,272.73	\$210,227.28
<b>MEDIAN</b>	\$134,828.14	\$159,986.84
<b>AVERAGE</b>	\$140,744.06	\$162,049.17

<sup>1</sup> Market Conditions Adjustment: 0%

Date of Value (for adjustment calculations): 10/18/17

## LAND SALES ANALYSIS

### Introduction

The comparable land sales indicate an adjusted value range from \$117,998 to \$210,227/Unit, with a median of \$159,987/Unit and an average of \$162,049/Unit. The range of total gross adjustment applied to the comparables was from 13% to 103%, with an average gross adjustment across all comparables of 56%. The level of total adjustment applied to the comparables is considered minimal, an indication that the dataset is applicable to the subject and increases the credibility of the analysis. The adjustment process for each comparable land sale is discussed in the following paragraphs.

### Discussion of Adjustments

Comparable 1 (\$186,978/Unit as adjusted) did not require any transaction adjustments. This comparable required a total upward adjustment of 18% for property characteristics. The total gross adjustment applied to this comparable was 63%. The substantial level of gross adjustments required for this comparable was justified due to the comparable's varying attributes. Considering these factors, this comparable is given secondary consideration as a value indicator for the subject.

Comparable 2 (\$166,974/Unit as adjusted) did not require any transaction adjustments. This comparable required a total upward adjustment of 18% for property characteristics. The total gross adjustment applied to this comparable was 58%. The substantial level of gross adjustments required for this comparable was justified due to the comparable's varying attributes. Considering these factors, this comparable is given secondary consideration as a value indicator for the subject.

Comparable 3 (\$153,000/Unit as adjusted) did not require any transaction adjustments. This comparable required a total upward adjustment of 28% for property characteristics. The total gross adjustment applied to this comparable was 48%. The substantial level of gross adjustments required for this comparable was justified due to the comparable's varying attributes. Considering these factors, this comparable is given secondary consideration as a value indicator for the subject.

Comparable 4 (\$210,227/Unit as adjusted) did not require any transaction adjustments. This comparable required a total downward adjustment of -8% for property characteristics. The total gross adjustment applied to this comparable was 13%. The substantial level of gross adjustments required for this comparable was justified due to the comparable's varying attributes. Considering these factors, this comparable is given primary consideration as a value indicator for the subject.

Comparable 5 (\$117,998/Unit as adjusted) did not require any transaction adjustments. This comparable required a total upward adjustment of 73% for property characteristics. The total gross adjustment applied to this comparable was 103%. The substantial level of gross adjustments required for this comparable was justified due to the comparable's varying attributes. Considering these factors, this comparable is given minimal consideration as a value indicator for the subject.

### CALCULATION OF VALUE

The comparable land sales indicate an adjusted value range from \$117,998 to \$210,227/Unit, with a median of \$159,987/Unit and an average of \$162,049/Unit. Based on the results of the preceding analysis, Comparable 4 (\$210,227/Unit adjusted) is given primary consideration for the subject's opinion of land value. With greater emphasis on the primary indicator (Comparable 4) I conclude slightly above the mid-range of the adjusted comparables at \$170,000/Unit.

The following table summarizes the analysis of the comparables, reports the reconciled price per unit value conclusion, and presents the concluded value of the subject site.

CALCULATION OF LAND VALUE								
COMP	ANALYSIS PRICE	ADJUSTMENT			FINAL	NET ADJ %	GROSS ADJ %	OVERALL COMPARISON
		TRANSACTIONAL <sup>1</sup>	ADJUSTED	PROPERTY <sup>2</sup>				
1	\$159,130	0%	\$159,130	18%	<b>\$186,978</b>	18%	63%	SECONDARY
2	\$142,105	0%	\$142,105	18%	<b>\$166,974</b>	17%	58%	SECONDARY
3	\$120,000	0%	\$120,000	28%	<b>\$153,000</b>	28%	48%	SECONDARY
4	\$227,273	0%	\$227,273	-8%	<b>\$210,227</b>	-7%	13%	PRIMARY
5	\$68,405	0%	\$68,405	73%	<b>\$117,998</b>	73%	103%	MINIMAL
6	\$127,551	0%	\$127,551	8%	<b>\$137,117</b>	8%	53%	SECONDARY
<b>LOW</b>	<b>\$117,998</b>					<b>AVERAGE</b>		<b>\$162,049</b>
<b>HIGH</b>	<b>\$210,227</b>					<b>MEDIAN</b>		<b>\$159,987</b>
<b>COMPONENT</b>		<b>SUBJECT UNITS (MAX)</b>		<b>\$/UNIT</b>		<b>VALUE</b>		
<b>TOTAL PROPERTY</b>		<b>35</b>	<b>x</b>	<b>\$170,000</b>	<b>=</b>	<b>\$5,950,000</b>		

<sup>1</sup>Cumulative <sup>2</sup>Additive

Rounded to nearest \$10,000

**LAND VALUE CONCLUSION**

The Sales Comparison Approach was utilized for valuation of the subject site, as it best reflects the decision-making of buyers and sellers of development land in the local marketplace. The purpose of this appraisal is to develop an opinion of the As-Is Market Value of the subject property’s fee simple interest. The following table conveys the final opinion of market value of the subject property that is developed within this appraisal report:

The subject was originally listed in late 2015 at \$3,500,000, based on information provided by CoStar. Information provided by the San Francisco County Assessor indicates that the subject sold on December 19, 2016 for \$3,000,000. The subject was also appraised by Phil Sarazen of Colliers International Valuation and Advisory Services (CIVAS, Fresno Office) in a report dated February 19, 2016 (CIVAS Job #FAT160006). The subject was appraised by John Larson, MAI, JD, in a report dated May 11, 2017 (CIVAS Job # FCH170018) with an updated value conclusion of \$3,960,000. The most recent purchase price (\$3,000,000) and previous value estimates are below the As-Is Market Value conclusion in this report (\$5,950,000) based on the City of San Francisco’s approval of the redevelopment of the Sunnysdale public housing site, located across Sunnysdale Avenue from the subject, which occurred on February 7, 2017, entitlement work completed on the subject, including upgrade to RM-1 zoning, as well as overall improvement in market conditions since the date of the previous sale and valuation dates.

**ANALYSIS OF VALUE CONCLUSIONS**

<b>VALUATION INDICES</b>	<b>AS-IS MARKET VALUE</b>
<b>INTEREST APPRAISED</b>	<b>FEE SIMPLE</b>
<b>DATE OF VALUE</b>	<b>OCTOBER 18, 2017</b>
<b>FINAL VALUE CONCLUSION</b>	<b>\$5,950,000</b>
Exposure Time	12 Months or Less
Marketing Period	12 Months or Less

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions of the signer are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- The signer of this report has no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- John E. Larson MAI, JD has 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. Colliers International Valuation and Advisory Services has provided appraisal services within the three-year period immediately preceding acceptance of this assignment.
- The signer is not biased with respect to the property that is the subject of this report or to the parties involved with this assignment.
- The engagement in this assignment was not contingent upon developing or reporting predetermined results.
- The 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.
- The reported analysis, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice* and the *Code of Professional Ethics and Standards of Professional Appraisal Practice* of the Appraisal Institute.
- John E. Larson MAI, JD inspected the property that is the subject of this report. Marissa Nutter did not inspect the property that is the subject of this report.
- Marissa Nutter provided significant real property appraisal assistance to the appraiser signing the certification. Assistance included gathering, analyzing and reporting regional and local area information, confirming and analyzing the subject’s zoning and tax information, and confirming some of the comparable data used for this analysis.

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

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John E. Larson MAI, JD  
 Senior Valuation Services Director  
 Certified General Real Estate Appraiser  
 State of California License #AG039174  
 +1 559 221 7391  
 john.larson@colliers.com

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November 1, 2017  
 Date

This appraisal is subject to the following assumptions and limiting conditions:

- The appraiser may or may not have been provided with a survey of the subject property. If further verification is required, a survey by a registered surveyor is advised.
- We assume no responsibility for matters legal in character, nor do we render any opinion as to title, which is assumed to be marketable. All existing liens, encumbrances, and assessments have been disregarded, unless otherwise noted, and the property is appraised as though free and clear, under responsible ownership, and competent management.
- The exhibits in this report are included to assist the reader in visualizing the property. We have made no survey of the property and assume no responsibility in connection with such matters.
- Unless otherwise noted herein, it is assumed that there are no encroachments, zoning, or restrictive violations existing in the subject property.
- The appraiser assumes no responsibility for determining if the property requires environmental approval by the appropriate governing agencies, nor if it is in violation thereof, unless otherwise noted herein.
- Information presented in this report has been obtained from reliable sources, and it is assumed that the information is accurate.
- This report shall be used for its intended purpose only, and by the party to whom it is addressed. Possession of this report does not include the right of publication.
- The appraiser may not be required to give testimony or to appear in court by reason of this appraisal, with reference to the property in question, unless prior arrangements have been made therefore.
- The statements of value and all conclusions shall apply as of the dates shown herein.
- There is no present or contemplated future interest in the property by the appraiser which is not specifically disclosed in this report.
- Without the written consent or approval of the author neither all, nor any part of, the contents of this report shall be conveyed to the public through advertising, public relations, news, sales, or other media. This applies particularly to value conclusions and to the identity of the appraiser and the firm with which the appraiser is connected.
- This report must be used in its entirety. Reliance on any portion of the report independent of others, may lead the reader to erroneous conclusions regarding the property values. Unless approval is provided by the author no portion of the report stands alone.
- The valuation stated herein assumes professional management and operation of the buildings throughout the lifetime of the improvements, with an adequate maintenance and repair program.
- The liability of Colliers International Valuation & Advisory Services, its principals, agents, and employees is limited to the client. Further, there is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions. The appraiser is in no way responsible for any costs incurred to discover or correct any deficiency in the property.
- The appraiser is not qualified to detect the presence of toxic or hazardous substances or materials which may influence or be associated with the property or any adjacent properties, has made no investigation or analysis as to the presence of such materials, and expressly disclaims any duty to note the degree of fault. Colliers International Valuation & Advisory Services and its principals, agents, employees, shall not be liable for any costs, expenses, assessments, or penalties, or diminution in value, property damage, or

personal injury (including death) resulting from or otherwise attributable to toxic or hazardous substances or materials, including without limitation hazardous waste, asbestos material, formaldehyde, or any smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids, solids or gasses, waste materials or other irritants, contaminants or pollutants.

- The appraiser assumes no responsibility for determining if the subject property complies with the *Americans with Disabilities Act (ADA)*. Colliers International Valuation & Advisory Services, its principals, agents, and employees, shall not be liable for any costs, expenses, assessments, penalties or diminution in value resulting from non-compliance. This appraisal assumes that the subject meets an acceptable level of compliance with *ADA* standards; if the subject is not in compliance, the eventual renovation costs and/or penalties would negatively impact the present value of the subject. If the magnitude and time of the cost were known today, they would be reduced from the reported value conclusion.
- An on-site inspection of the subject property was conducted. No evidence of asbestos materials on-site was noted. A Phase 1 Environmental Assessment was not provided for this analysis. This analysis assumes that no asbestos or other hazardous materials are stored or found in or on the subject property. If evidence of hazardous materials of any kind occurs, the reader should seek qualified professional assistance. If hazardous materials are discovered and if future market conditions indicate an impact on value and increased perceived risk, a revision of the concluded values may be necessary.
- A detailed soils study was not provided for this analysis. The subject's soils and sub-soil conditions are assumed to be suitable based upon a visual inspection, which did not indicate evidence of excessive settling or unstable soils. No certification is made regarding the stability or suitability of the soil or sub-soil conditions.
- This analysis assumes that the financial information provided for this appraisal, including rent rolls and historical income and expense statements; accurately reflect the current and historical operations of the subject property.

Engagement Letter  
Subject Data  
Valuation Glossary  
Qualifications of Appraiser  
Qualifications of Colliers International Valuation & Advisory Services



AMENDMENT NO. #2 TO CONSULTANT AGREEMENT

This Amendment No. #2 to Consultant Agreement (the "Amendment") is made and entered into as of this 4<sup>th</sup> day of October, 2017, by and between Sunnydale Development Co., LLC, a California limited partnership ("Client"), and Colliers International Valuation & Advisory Services, LLC ("Consultant"), with reference to the following recitals of fact:

RECITALS:

A. WHEREAS, Client and Consultant entered into that certain Consultant Agreement, dated as of February 9<sup>th</sup>, 2016 and amended by Amendment No. 1 as of March 15<sup>th</sup>, 2017 (the "Agreement").

B. WHEREAS, Client and Consultant desire to amend the Agreement as more fully set forth herein below.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, Client and Consultant hereby agree as follows:

AGREEMENT:

1. Capitalized Terms. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Agreement.

2. Full Force and Effect. Except as amended hereby, (a) the Agreement remains unmodified and in full force and effect, and (b) the terms and provisions of the Agreement are incorporated herein by this reference as if fully set forth herein in their entirety.

3. Additional Scope of Work. The Services described on Exhibit A to the Agreement are hereby amended to include, without limitation, the additional Services set forth on Exhibit A attached to this Amendment.

4. Additional Compensation. The Compensation payable to the Consultant pursuant to the terms of the Agreement is hereby increased pursuant to Exhibit B attached to this Amendment, so that the aggregate Compensation is \$12,600.00.

IN WITNESS WHEREOF, the parties hereto have entered into this Amendment as of the day and year first above written.

CLIENT:

CONSULTANT:

Sunnydale Parcel Q Housing Partners, LP, a California limited partnership

Colliers International Valuation & Advisory Services, LLC

By: Related/Sunnydale Parcel Q Development Co, LLC a California limited liability company,

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

## **EXHIBIT A – Scope of Services**

- Consultant will provide the appraisal in accordance with USPAP, and the Code of Ethics and Certifications Standards of the Appraisal Institute and State Licensing Laws. Consultant will inspect the property, research relevant market data, and perform analysis to the extent necessary to produce credible appraisal results. Consultant anticipates developing the following valuation approaches:
  - Sales Comparison Approach
- 1 Electronic Draft Appraisal, 1 Electronic Final Appraisal and 2 printed color final Appraisal
- Updated Appraisal

## EXHIBIT B

ADDITIONAL WORK	FEE TYPE	ADDITIONAL COMPENSATION
<i>Amendment #2</i>	<i>Fixed</i>	<b>\$3,700.00</b>
<b>CHANGE ORDER 2 TOTAL</b>		<b>\$3,700.00</b>

ORIGINAL CONTRACT AND PREVIOUS CHANGE ORDERS		\$4,900.00
CHANGE ORDER 1 TOTAL		\$4,000.00
CHANGE ORDER 2 TOTAL		\$3,700.00
<b>AGGREGATE COMPENSATION</b>		<b>\$12,600.00</b>

### Reimbursables

The Consultant will utilize the Client's approved vendors for all printing, reproduction of plans, associate services, material samples or mockup costs, shipping/courier service and permit, agency submittal fees associated with the project (See Exhibit D - Authorized Vendor List). All such services shall be billed directly to the Client without Consultant mark-up or handling charges. Other out-of-pocket expenses (i.e., time and expenses for travel) are not included and will be considered reimbursable. All reimbursables will be billed at cost, with no mark-up.

Work completed on a time and materials basis shall be billed per the Associate Hourly Rate Schedule below.



1 [Planning Code - Sunnydale HOPE SF Special Use District]

2  
3 **Ordinance amending the Planning Code to create the Sunnydale HOPE SF Special Use**  
4 **District to facilitate development of the Sunnydale HOPE SF project by modifying**  
5 **specific requirements related to permitted uses, dwelling unit density, building height**  
6 **and bulk standards, and parking and streetscape matters; adopting findings under the**  
7 **California Environmental Quality Act; making findings of consistency with the General**  
8 **Plan, as proposed for amendment, and the eight priority policies of Planning Code,**  
9 **Section 101.1; and adopting findings of public necessity, convenience, and welfare**  
10 **under Planning Code, Section 302.**

11 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.  
12 **Additions to Codes** are in *single-underline italics Times New Roman font*.  
13 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.  
14 **Board amendment additions** are in double-underlined Arial font.  
15 **Board amendment deletions** are in ~~strikethrough Arial font~~.  
16 **Asterisks (\* \* \* \*)** indicate the omission of unchanged Code  
17 subsections or parts of tables.

18 Be it ordained by the People of the City and County of San Francisco:

19 Section 1. Findings.

20 (a) The Board of Supervisors adopted a companion ordinance related to General Plan  
21 amendments for the Sunnydale HOPE SF project. This companion ordinance described the  
22 project and included findings under the California Environmental Quality Act (Public  
23 Resources Code Sections 21000 et seq.), General Plan findings, and the eight priority policies  
24 of Planning Code Section 101.1. The Board of Supervisors adopts all of these findings for  
25 purposes of this ordinance. The companion ordinance on the General Plan amendments and

1 the accompanying findings are on file with the Clerk of the Board of Supervisors in File No.  
2 161309 and are incorporated herein by reference.

3 (b) On November 17, 2016, in Resolution No. 19787, the Planning Commission  
4 adopted findings under Planning Code Section 302 determining that this ordinance serves the  
5 public necessity, convenience, and general welfare. The Board of Supervisors adopts as its  
6 own these findings. The Planning Commission Resolution is on file with the Clerk of the  
7 Board of Supervisors in File No. 161162 and is incorporated herein by reference.

8  
9 Section 2. The Planning Code is hereby amended by adding Section 249.75, to read  
10 as follows:

11 **SEC 249.75. SUNNYDALE HOPE SF SPECIAL USE DISTRICT.**

12 (a) **Purpose.** *In order to give effect to the Development Agreement for the Sunnydale HOPE*  
13 *SF development project as approved by the Board of Supervisors in an ordinance in Board File No.*  
14 *, there shall be a Sunnydale HOPE SF Special Use District as designated on Sectional Map SU-11 of*  
15 *the Zoning Maps of the City and County of San Francisco. The purpose of the Special Use District is to*  
16 *allow a project that will replace the Sunnydale and Velasco public housing projects with a mixed-use*  
17 *and mixed-income development of affordable dwelling units in a number in excess of the existing public*  
18 *housing units, market-rate dwelling units, neighborhood commercial, and community facility uses, and*  
19 *new infrastructure improvements, including streets, sidewalks, utilities, and open spaces.*

20 (b) **Definitions.**

21 *"Design Standards and Guidelines " shall mean the Sunnydale HOPE SF Design Standards and*  
22 *Guidelines adopted by the Planning Commission in Resolution No. 19790, approved by the Board of*  
23 *Supervisors as part of this Special Use District, and found in Board File No. 161162, and as may be*  
24 *amended from time to time. The Design Standards and Guidelines is herein incorporated by reference.*

1           "Development Agreement" shall mean the Development Agreement By and Between the City  
2 and County of San Francisco and Sunnydale Development Company, LLC, a joint venture of Mercy  
3 Housing California and The Related Companies of California, approved by the Board of Supervisors in  
4 an ordinance in Board File No. 161164.

5           "Master Infrastructure Plan " or "MIP" shall mean the Sunnydale HOPE SF approved by the  
6 Board of Supervisors as part of the Development Agreement and found in Board File No. 161164, and  
7 as may be amended from time to time. The MIP is herein incorporated by reference.

8           (c) **Development Controls.** The controls contained in the Design Standards and Guidelines  
9 shall regulate development in the Sunnydale HOPE SF Special Use District, except for those controls  
10 specifically enumerated in this Section 249.75. Where not explicitly superseded by definitions  
11 established in the Design Standards and Guidelines, the definitions in this Code shall apply. All  
12 procedures and requirements in Article 3 of the Planning Code shall apply to development in this  
13 Special Use District to the extent that they are not in conflict with this Special Use District or the  
14 Development Agreement. The Planning Commission may amend the Design Standards and Guidelines  
15 upon initiation by the Planning Department or upon application by an owner of property within this  
16 Special Use District (or his or her authorized agent), or any party to the Development Agreement, to  
17 the extent that such amendments are consistent with this Special Use District, the General Plan, and  
18 the Development Agreement. The Zoning Administrator may approve minor amendments to the Design  
19 Standards and Guidelines upon initiation by the Planning Department or upon application by an owner  
20 of property within this Special Use District (or his or her authorized agent), or any party to the  
21 Development Agreement. For the purposes of this subsection (c), "minor amendments" shall be defined  
22 as amendments necessary to clarify omissions or correct inadvertent mistakes in the Design Standards  
23 and Guidelines and are consistent with the intent of the Design Standards and Guidelines, this Special  
24 Use District, the General Plan, and the Development Agreement.

1                   (1) **Zoning Designation.** The applicable zoning designation shall be as set forth in  
2 Zoning Map ZN-11, consisting of the Residential, Mixed, Low Density (RM-1) district. The Planning  
3 Code provisions for the underlying RM-1 use district shall control except to the extent they conflict with  
4 the provisions of this Section 249.75. Notwithstanding the foregoing sentence, this Special Use District  
5 and the Design Standards and Guidelines shall apply only to construction and other activities that  
6 further implement the Sunnydale HOPE SF development project. For proposed activities other than  
7 implementation of the Sunnydale HOPE SF development project (e.g., changes of use in existing  
8 buildings, alterations to existing buildings prior to commencement of the project), the underlying RM-1  
9 controls shall continue to apply.

10                   (2) **Uses.**

11                   (A) **Permitted Uses.** In addition to the uses permitted in the RM-1 district,  
12 those uses that are principally or conditionally permitted in a Small-Scale Neighborhood Commercial  
13 District (NC-2) use district shall be permitted in this Special Use District to the same extent as in a NC-  
14 2 district; provided, however, that liquor stores and medical cannabis dispensaries shall not be  
15 permitted in this Special Use District and that Conditional Use size thresholds pursuant to Planning  
16 Code Section 711.21 shall not apply to Medical Uses, Large Institutions, Small Institutions, Public  
17 Uses. Public Uses shall be principally permitted.

18                   (B) **Ground Floor Uses.** Notwithstanding anything in this Section 249.75 to  
19 the contrary, “active uses” as defined in Section 145.1(b)(2) or Medical Services as defined in Section  
20 790.114 shall be required at the ground floor frontages along the west side of Hahn Street between  
21 Sunnydale Avenue and Center Street, as identified in the Development Agreement, and the south side of  
22 Sunnydale Avenue between Hahn Street and A Street, as identified in the Development Agreement;  
23 provided, however, that for purposes of this Section of the Special Use District, active uses shall  
24 exclude ground floor residential units.



1                   (3) **Dwelling Unit Density.** The controls set forth in the underlying RM-1 use  
2 district shall govern dwelling unit density within the Special Use District. However, greater dwelling  
3 unit density than permitted by the underlying RM-1 use district may be provided on individual lots, as  
4 long as the overall density of the Special Use District does not exceed the density allowed by the  
5 underlying RM-1 zoning for the entire Special Use District, accounting for density that could be  
6 permitted as a Planned Unit Development pursuant to Section 304. The overall density limit shall be  
7 determined by the size and configuration of the lots within this Special Use District as they exist at the  
8 time of the adoption of this Special Use District.

9                   (4) **Building Standards.**

10                   (A) **Building Height.** The applicable height limits for this Special Use  
11 District shall be as set forth on Section Map HT-11 of the Zoning Map of the City and County of San  
12 Francisco. Height shall be measured and regulated as provided in the Design Standards and  
13 Guidelines and not as provided in Article 2.5 of the Planning Code, except that the exemptions to  
14 height limits set forth in Section 260(b) shall apply. Measurement of height may be modified through a  
15 Major Modification process.

16                   (B) **Building Bulk.** Except as described in the Design Standards and  
17 Guidelines, there are no bulk limitations for this Special Use District.

18                   (C) **Building Setbacks.** The applicable building setback requirements for  
19 this Special Use District shall be as set forth in the Design Standards and Guidelines and not as  
20 provided in Article 1.2 of the Planning Code.

21                   (D) **Open Space.** The usable open space requirement shall be set at 80  
22 square feet per unit. The Design Standards and Guidelines shall set forth the methods for satisfying  
23 the open space requirement.

24                   (E) **Sign controls.** Sign controls for NC-2 Districts shall apply to the Special  
25 Use District for commercial establishments in-lieu of sign controls for the underlying use district.

1                   (5) **Off-Street Automobile Parking.** There is no minimum off-street parking  
2 requirement for any use in this Special Use District. Upon completion of the Sunnydale HOPE SF  
3 Project, the number of off-street parking spaces within this Special Use District shall not exceed: one  
4 parking space per residential dwelling unit and one parking space per 500 square feet of occupied  
5 commercial, institutional, and community facility space. Car share parking spaces shall be provided in  
6 the amounts set forth in Section 166. Collective off-street parking pursuant to Section 160(a) shall be  
7 permitted such that the amount of parking on a particular lot may exceed the maximum parking  
8 allowed for uses on that lot so long as the amount of parking for the entire Special Use District does  
9 exceed the overall maximum amount allowed.

10                   (6) **Bicycle Parking.** Bicycle parking shall be provided as required by the Planning  
11 Code.

12                   (7) **Streetscape and Public Realm Requirements.** In lieu of the requirements of  
13 Section 138.1, each building shall include the design and construction of the appropriate adjacent and  
14 related street and public realm infrastructure, consistent with the Development Agreement, Design  
15 Standards and Guidelines, and other supporting documents to the Development Agreement.  
16 Construction of such improvements shall be subject to approval and review by the Planning  
17 Department and other relevant City agencies as provided by the Development Agreement.

18                   (8) **Residential Affordable Housing Requirement.** The provisions of Section 415  
19 shall not apply, except as otherwise stipulated in the Development Agreement.

20                   (d) **Modifications to Building Standards.** Modification of the Building Standards,  
21 including measurement of height, set forth in subsection (c) above and as outlined in the Design  
22 Standards and Guidelines may be approved on a project-by-project basis and according to the  
23 procedures of subsection (e).

24                   The following Controls as provided in the Design Standards and Guidelines document cannot  
25 be modified:

<u><b>DSG Control No. or Nos.</b></u>	<u><b>Topic</b></u>
<u>4.1 control 1, 2 and 3</u>	<u>Land Use</u>
<u>7.1.1 control 1</u>	<u>Height</u>
<u>6.1 control 1 and 2</u>	<u>Open Space</u>
<u>7.1.7 control 2</u>	<u>Blank Facades</u>
<u>7.1.8 control 1</u>	<u>Meters, Utilities and Trash</u>
<u>7.1.9 controls 2 and 3</u>	<u>Gates and Fences</u>
<u>7.1.11 control 1</u>	<u>Roof Design</u>
<u>7.1.13 control 1</u>	<u>Parking, Parking Entrances and Curb Cuts</u>
<u>7.2.2 control 1</u>	<u>Block 3</u>

*The following Controls as provided in the Design Standards and Guidelines can only be modified through the Major Modification process as described in subsection (e)(4)(b), below:*

<u><b>DSG Control No. or Nos.</b></u>	<u><b>Topic</b></u>
<u>7.1.5 controls 1, 2, 3, and 4</u>	<u>Residential Entrances</u>
<u>7.1.7 controls 1 and 3</u>	<u>Blank Facades</u>
<u>7.1.10 controls 1, 2, and 5</u>	<u>Retail Facades</u>
<u>7.1.12 control 1</u>	<u>Building Lighting</u>
<u>7.1.13 control 2</u>	<u>Parking, Parking Entrances and Curb Cuts</u>
<u>7.1.14 control 1</u>	<u>Usable Open Space</u>
<u>7.2.1 control 1</u>	<u>Block 1</u>

<u>7.2.11 controls 1, 2, and 3</u>	<u>Block 15 &amp; 16, 19 &amp; 20, 23 &amp; 24, and 28 &amp; 29</u>
<u>7.2.12 controls 1, 2, and 3</u>	<u>Blocks 17 &amp; 18 and 26 &amp; 27</u>
<u>7.3 control 1 and 2</u>	<u>Townhouse blocks</u>

If a modification for any of the Controls in the Design Controls and Guidelines that are listed below is sought such that the modification would deviate by 10% or more from the quantitative standard, the Major Modification process described in subsection (e)(4)(B) would be required.

<u><b>DSG Control No. or Nos.</b></u>	<u><b>Topic</b></u>
<u>7.1.1 controls 2 and 3</u>	<u>Building Heights</u>
<u>7.1.2 controls 1 and 2</u>	<u>Building Massing</u>
<u>7.1.3 controls 1 and 2</u>	<u>Lot Coverage / Rear Yard</u>
<u>7.1.4 controls 1 and 3</u>	<u>Setback Lines</u>
<u>7.1.5 control 4</u>	<u>Residential Entries</u>
<u>7.1.9 control 1</u>	<u>Gates and Fences</u>
<u>7.1.10 control 3</u>	<u>Retail Facades</u>
<u>7.1.13 control 3, 4, and 5</u>	<u>Parking, Parking Entrances and Curb Cuts</u>

For any other modification being sought from the Controls in Chapters 4, 6 and 7 of the Design Standards and Guidelines document, the Minor Modification process described in subsection (e)(4)(A), below, would be required.

(e) **Project Review and Approval.**

(1) **Purpose.** The design review process for this Special Use District is intended to ensure that new buildings within this Special Use District are designed to complement the aesthetic

1 quality of the development, exhibit high quality architectural design, and promote the purpose of this  
2 Special Use District.

3 (2) **Development Phase Approval.** The Planning Department shall only approve  
4 applications for individual building projects that are consistent with and described in an approved  
5 Development Phase Application. The Development Phase Approval process, as set forth in greater  
6 detail in the Development Agreement, is intended to ensure that all buildings within a phase as well as  
7 new infrastructure, utilities, open space and all other improvements promote the purpose of the HOPE  
8 SF Program, the Special Use District and meet the requirements of the Sunnydale Development  
9 Agreement. The Planning Director shall act on a Development Phase Application within 60 days after  
10 a Development Phase Application is deemed complete upon his or her determination that the  
11 Development Phase Application is complete.

12 (3) **Building Design Review and Approval.** The construction, expansion, or major  
13 alteration of, or additions to, all structures within this Special Use District requires applications for  
14 design review described in this Section 249.75. Applications for design review may be submitted  
15 concurrently with or subsequent to a Development Phase Design Review Application. The owner or  
16 authorized agent of the owner of the property for which the design review is sought may file  
17 applications for design review. Department staff shall review the application for completeness and  
18 advise the applicant in writing of any deficiencies within 30 days after receipt of the application or, if  
19 applicable, within 15 days after receipt of any supplemental information requested pursuant to this  
20 section. If Department staff does not so advise the applicant, and if the related Phase Application has  
21 been approved, the application will be deemed complete. The application shall include the documents  
22 and materials necessary to determine consistency with this Special Use District, the Design Standards  
23 and Guidelines, and the applicable requirements of the Development Agreement, including site plans,  
24 sections, elevations, renderings, landscape plans, and exterior material samples to illustrate the overall  
25 concept design of the proposed buildings, and conformance with any phasing plan. If any requests for a

1 Major Modification or Minor Modification are sought in accordance with the allowances of this  
2 Section 249.75, the application shall contain a narrative for each modification sought that describes  
3 how the proposed project meets the full intent of the Design Standards and Guidelines and provides  
4 architectural treatment and public benefit that are equivalent to or superior to strict compliance with  
5 the standards.

6 (A) **Pre-application Meeting.** Not more than 6 months prior to filing a  
7 Building Design Review application, the project sponsor shall conduct a minimum of one pre-  
8 application meeting with the public. The meeting shall be conducted at, or within a one-mile radius of,  
9 the project site, but otherwise subject to the Planning Department's pre-application meeting  
10 procedures, including but not limited to the submittal of required meeting documentation.

11 (B) **Staff Design Review.** The Department shall perform administrative  
12 design review for each application as further detailed in the Development Agreement. Department staff  
13 shall review the project to determine if it complies with this Special Use District, the Design Standards  
14 and Guidelines, the Development Agreement, an approved Development Phase Application, and any  
15 applicable mitigation measures. The Department shall complete the initial review and respond to the  
16 project sponsor within 60 days of receiving a complete application. The Department staff shall have 30  
17 days to respond to any modifications or revisions submitted by the project sponsor after the submission  
18 of the initial application. Upon completing review, Department staff may draft a staff report to the  
19 Planning Director or Planning Commission, as appropriate, including a recommendation regarding  
20 any modifications to the project. The staff report shall be delivered to the applicant no less than 14  
21 days prior to Planning Director or Planning Commission action on the application, and shall be kept  
22 on file for public review. The Department shall provide public notice of the staff report and  
23 recommendation no less than 14 days prior to action on the application by the Planning Director or  
24 Planning Commission. Written notice shall be mailed to the notification group which shall include the  
25 project sponsor, tenants of the subject property, relevant neighborhood organizations as maintained by

1 the Planning Department, and all individuals having made a written request for notification for the  
2 project site pursuant to Planning Code Section 351.

3 **(4) Approvals and Public Hearings.**

4 **(A) Projects Not Seeking Major Modifications.** Except for projects seeking  
5 a Major Modification, the Planning Director may approve or disapprove the project design and any  
6 Minor Modifications based on its compliance with this Special Use District, the Design Standards and  
7 Guidelines, the Development Phase Design Review approval, and the findings and recommendations of  
8 the staff report. If the project is consistent with the quantitative Standards set forth in this Special Use  
9 District and the Design Standards and Guidelines, the Planning Director's discretion to approve or  
10 disapprove the project shall be limited to the project's consistency with the qualitative elements of the  
11 Design Standards and Guidelines and the General Plan. Prior to making a decision, the Planning  
12 Director, in his or her sole discretion, may seek comment and guidance from the public and Planning  
13 Commission on the design of the project, including the granting of any Major Modifications, in  
14 accordance with the procedures of subsection (B) below. If a Major Modification is not sought, any  
15 Planning Commission review will be informational only, will be limited to the project's consistency  
16 with the qualitative elements of the Design Standards and Guidelines, and will not result in any action  
17 by the Planning Commission.

18 **(B) Projects Seeking Major Modifications.** The Planning Commission shall  
19 hold a public hearing for all projects seeking one or more Major Modifications and for any project  
20 seeking one or more Minor Modifications that the Planning Director, in his or her sole discretion,  
21 refers to the Commission as a Major Modification. The Planning Commission shall consider all  
22 comments from the public and the recommendations of the staff report and the Planning Director in  
23 making a decision to approve or disapprove the project design, including the granting of any Major or  
24 Minor Modifications.

1                    (C) **Notice of Hearings.** The Department shall provide notice of hearings  
2 required by subsections (A) and (B) above as follows: (i) mail notice to the project applicant, property  
3 owners within 300 feet of the exterior boundaries of the property that is the subject of the application,  
4 using for this purpose the names and addresses as shown on the citywide assessment roll in the Office  
5 of the Tax Collector, and residents within 150 feet of the exterior boundaries of the property that is the  
6 subject of the application, and any person who has requested notice by mail not less than 20 days prior  
7 to the date of the hearing; and (ii) post notice on the subject property at least 10 days prior to the date  
8 of the hearing.

9                    (5) **Design Review and Approval of Community Improvements.** To ensure that any  
10 Community Improvements (as defined in the Development Agreement) meet the Design Standards and  
11 Guidelines and the Master Infrastructure Plan requirements, the project sponsor shall submit an  
12 application and receive approval from the Planning Department, or the Planning Commission if  
13 required, prior to obtaining any permits for the construction of any Community Improvement within or  
14 adjacent to the Special Use District. Design approval for major open space Community Improvements  
15 (not associated with an individual building or block development and not improvements that are to be  
16 owned and operated by the Recreation and Park Department on behalf of the City and County of San  
17 Francisco), along with any stand alone community center building shall be subject to the Design  
18 Review procedure set forth in subsection (e)(3), above. The Recreation and Park Department shall  
19 conduct Design Review for improvements owned and operated by, and under the jurisdiction of, that  
20 Department.

21                    (6) **Building Permit Approval by the Planning Department.** The project sponsor  
22 shall notify the Department of Building Inspection when submitting a building permit application that  
23 the application must be routed to the Planning Department for review. Planning Department staff shall  
24 review the building permit application for consistency with the authorizations granted pursuant to this  
25 Section 249.75. The Department of Building Inspection shall not issue a building permit for work



1 within this Special Use District unless Planning Department staff determines such permit is consistent  
2 with the standards set forth in the Design Standards and Guidelines, as they may be modified by a  
3 Minor Modification or a Major Modification, to the extent such standards regulate building design.  
4 The Design Review process described in this Special Use District and the Development Agreement  
5 shall supersede the review and notification process otherwise required by Section 311.

6 (7) **Discretionary Review.** The Planning Department shall not accept, and the  
7 Planning Commission shall not hear, requests for discretionary review for projects subject to this  
8 Section 249.75.

9 (8) **Demolition of Dwelling Units.** No mandatory discretionary review or  
10 Conditional Use authorization pursuant to Section 317 shall be required for the demolition of any  
11 residential dwelling unit within the Sunnydale HOPE SF Special Use District.

12 (9) **Appeal and Decision on Appeal.** Any person aggrieved by the decision of the  
13 Planning Director to grant or deny any project, including any Minor Modification, or of the Planning  
14 Commission to grant or deny any Major Modification, may appeal the decision to the Board of Appeals  
15 within 10 days after the date of the decision by filing a written notice of appeal with that body. Such  
16 notice must set forth the alleged error in the interpretation of the provisions of this Code or the Design  
17 Standards and Guidelines or the alleged abuse of discretion on the part of the Planning Director or  
18 Planning Commission, which error or abuse is the basis for the appeal. Upon the hearing of an appeal,  
19 the Board of Appeals may, subject to the same limitations placed on the Planning Commission or  
20 Planning Director by Charter, this Code, and the Development Agreement, approve, disapprove, or  
21 modify the appealed decision by a vote of four of its members. Notwithstanding anything to the contrary  
22 in the Business and Tax Regulations Code, if the determination of the Board differs from that of the  
23 Planning Director or Planning Commission, the Board of Appeals shall, in a written decision, make  
24 findings specifying the error of interpretation or abuse of discretion on the part of the Planning  
25 Director or Planning Commission, and the specific facts relied upon, that are the basis for the Board's

1 determination. As set forth in Section 308.1, the Board of Supervisors shall hear appeals of the  
2 Planning Commission's Conditional Use decisions.

3 (10) **Interim Uses.** An interim use may be authorized by the Planning Director,  
4 pursuant to the Design Review procedures outlined in subsection (e)(3) of this Special Use District for  
5 a period not to exceed 5 years, if the Director finds that such use: (A) will not impede orderly  
6 development within the Special Use District; (B) is consistent with intent Special Use District and  
7 Development Agreement; and (C) would not pose a nuisance to surrounding residential uses. In  
8 addition to those uses set forth in Section 205, such interim uses may include, but are not limited to:  
9 farmers' markets, arts or concert uses, and rental or sales offices incidental to new development.  
10 Temporary or semi-temporary structures may be permitted under this subsection (10) for resident-  
11 serving community facilities such as wellness centers, or other improvements intended to facilitate  
12 phased development of the Project. An authorization granted pursuant to this subsection (10) shall not  
13 exempt the applicant from obtaining any other permit required by law. Additional time for such uses  
14 may be authorized only if the Planning Director approves the action after receiving a new application.

15  
16 Section 3. The Planning Code is hereby amended by adding Section 263.30, to read as  
17 follows:

18 **SEC. 263.30. SUNNYDALE HOPE SF SPECIAL USE DISTRICT AND THE 40/65-X**  
19 **HEIGHT AND BULK DISTRICT.**

20 In the Sunnydale HOPE SF Special Use District and the 40/65-X Height and Bulk District,  
21 heights are more specifically prescribed on a block-by-block basis pursuant to the Sunnydale HOPE SF  
22 Design Standards and Guidelines document as referenced by Planning Code Section 249.75, the  
23 Sunnydale HOPE SF Special Use District. The Sunnydale HOPE SF Design Standards and Guidelines  
24 also provide specific provisions for height measurement, and exceptions. Where there is a conflict

1 between such provisions in the Sunnydale Hope Design Standards and Guidelines and those otherwise  
2 provided in the Planning Code, the Sunnydale Hope SF Design Standards and Guidelines shall govern.

3  
4 Section 4. Effective Date. This ordinance shall become effective 30 days after  
5 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the  
6 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board  
7 of Supervisors overrides the Mayor's veto of the ordinance.

8  
9 APPROVED AS TO FORM:  
10 DENNIS J. HERRERA, City Attorney

11 By:

  
12 John D. Malamut  
13 Deputy City Attorney

14 n:\legana\as2016\1700205\01156444.docx



City and County of San Francisco

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Tails
Ordinance

File Number: 161162

Date Passed: January 31, 2017

Ordinance amending the Planning Code to create the Sunnydale HOPE SF Special Use District to facilitate development of the Sunnydale HOPE SF project by modifying specific requirements related to permitted uses, dwelling unit density, building height and bulk standards, and parking and streetscape matters; adopting findings under the California Environmental Quality Act; making findings of consistency with the General Plan, as proposed for amendment, and the eight priority policies of Planning Code, Section 101.1; and adopting findings of public necessity, convenience, and welfare under Planning Code, Section 302.

January 09, 2017 Land Use and Transportation Committee - RECOMMENDED

January 24, 2017 Board of Supervisors - PASSED, ON FIRST READING

January 31, 2017 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Tang and Yee

File No. 161162

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 1/31/2017 by the Board of Supervisors of the City and County of San Francisco.

Handwritten signature of Angela Calvillo
Angela Calvillo
Clerk of the Board

Handwritten signature of Mayor
Mayor

Handwritten date: 2/3/2017
Date Approved

## Larson, John

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**From:** Snyder, Mathew (CPC) <mathew.snyder@sfgov.org>  
**Sent:** Monday, October 30, 2017 9:42 AM  
**To:** Larson, John; Amaral, Sara (MYR)  
**Cc:** Mark, Jonathan W (Jonathan.W.Mark@related.com)  
**Subject:** RE: Sunnydale Parcel Q (Mercy Housing)

Hi John –

The answer is still somewhat the same.

There is no FAR restriction on residential projects in the RM-1 District regardless of whether it is affordable or not – this is true throughout all of San Francisco.

Throughout the City, the density limit for RM-1 districts, in general, is one unit for every 800 gsf of lot area. Elsewhere in the City, this density can be increased to about one unit for every 600 gsf of lot area through a Conditional Use. However, this lot is also within the Sunnydale HOPE SF Special Use District, which enables the density to be increased on a block by block basis as long as the density for the entire Sunnydale HOPE SF area is not greater than the density permitted by the RM-1 District at complete buildout.

Planning Code Section 249.75 The Sunnydale HOPE SF Special Use District

*(c )(3) Dwelling Unit Density. The controls set forth in the underlying RM-1 use district shall govern dwelling unit density within the Special Use District. However, greater dwelling unit density than permitted by the underlying RM-1 use district may be provided on individual lots, as long as the overall density of the Special Use District does not exceed the density allowed by the underlying RM-1 zoning for the entire Special Use District, accounting for density that could be permitted as a Planned Unit Development pursuant to Section 304. The overall density limit shall be determined by the size and configuration of the lots within this Special Use District as they exist at the time of the adoption of this Special Use District*

## Mat Snyder

Planner  
San Francisco Planning Department  
1650 Mission Street, Suite 400  
San Francisco, CA 94103

Phone: (415) 575-6891  
Fax: (415) 558-6409

[mathew.snyder@sfgov.org](mailto:mathew.snyder@sfgov.org)  
[www.sfplanning.org](http://www.sfplanning.org)

---

**From:** Larson, John [mailto:John.Larson@colliers.com]  
**Sent:** Monday, October 30, 2017 9:22 AM  
**To:** Amaral, Sara (MYR); Snyder, Mathew (CPC)

**Cc:** Mark, Jonathan W (Jonathan.W.Mark@related.com)  
**Subject:** RE: Sunnydale Parcel Q (Mercy Housing)

Hi Sara and Matt,

Thanks for considering this issue with me. I appreciate your responses yet here is the thing: Sunnydale Parcel Q isn't yet dedicated to affordable service – there are no restrictive covenants in place yet, so the question remains, what F.A.R and residential density would be applied to the subject given its current legal use and status and without considering its future use as affordable housing?

If you can answer that for me I can swiftly wrap up my revisions to the appraisal for my client.

Thanks in advance for any additional response. Best regards,

**John E. Larson** MAI, JD  
Senior Valuation Services Director  
**Direct** +1 559 221 7391 | **Mobile** +1 916 712 7780  
[john.larson@colliers.com](mailto:john.larson@colliers.com)

---

**From:** Amaral, Sara (MYR) [<mailto:sara.amaral@sfgov.org>]  
**Sent:** Friday, October 27, 2017 4:17 PM  
**To:** Larson, John <[John.Larson@colliers.com](mailto:John.Larson@colliers.com)>  
**Cc:** Jonathan.W.Mark ([Jonathan.W.Mark@related.com](mailto:Jonathan.W.Mark@related.com)) <[Jonathan.W.Mark@related.com](mailto:Jonathan.W.Mark@related.com)>  
**Subject:** FW: Sunnydale Parcel Q (Mercy Housing)

Not sure this exactly helps, but it's from the planner on the project

Sara F. Amaral  
Project Manager  
Mayor's Office of Housing and Community Development  
T (415) 701-5614

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**From:** Snyder, Mathew (CPC)  
**Sent:** Friday, October 27, 2017 4:15 PM  
**To:** Amaral, Sara (MYR) <[sara.amaral@sfgov.org](mailto:sara.amaral@sfgov.org)>  
**Cc:** Jonathan.W.Mark ([Jonathan.W.Mark@related.com](mailto:Jonathan.W.Mark@related.com)) <[Jonathan.W.Mark@related.com](mailto:Jonathan.W.Mark@related.com)>  
**Subject:** RE: Sunnydale Parcel Q (Mercy Housing)

Hi Sara –

There is no FAR limit on residential zoned lots (parcel Q is RM-1) for residential projects in San Francisco. Also, there is no density limit (no. of units / lot) for 100% affordable housing projects in San Francisco.

Hope this helps.

Mat

**Mat Snyder**  
Planner  
San Francisco Planning Department  
1650 Mission Street, Suite 400  
San Francisco, CA 94103

Phone: (415) 575-6891

Fax: (415) 558-6409

[mathew.snyder@sfgov.org](mailto:mathew.snyder@sfgov.org)

[www.sfplanning.org](http://www.sfplanning.org)

---

**From:** Amaral, Sara (MYR)  
**Sent:** Friday, October 27, 2017 3:09 PM  
**To:** Snyder, Mathew (CPC)  
**Cc:** Jonathan.W.Mark ([Jonathan.W.Mark@related.com](mailto:Jonathan.W.Mark@related.com))  
**Subject:** FW: Sunnysdale Parcel Q (Mercy Housing)

Hi Mat,

We are getting an appraisal done for Parcel Q. Can you confirm the zoning and max FAR as per the appraisers request below?

Thanks!

Sara F. Amaral  
Project Manager  
Mayor's Office of Housing and Community Development  
T (415) 701-5614

---

**From:** Larson, John [<mailto:John.Larson@colliers.com>]  
**Sent:** Friday, October 27, 2017 3:06 PM  
**To:** Amaral, Sara (MYR) <[sara.amaral@sfgov.org](mailto:sara.amaral@sfgov.org)>  
**Cc:** Mark, Jonathan W ([Jonathan.W.Mark@related.com](mailto:Jonathan.W.Mark@related.com)) <[Jonathan.W.Mark@related.com](mailto:Jonathan.W.Mark@related.com)>  
**Subject:** RE: Sunnysdale Parcel Q (Mercy Housing)

Thanks for your time Sara!

If you could simply confirm the FAR (Floor Area Ratio) on the subject parcels – that should allow me to finalize the appraisal.

Best regards,

**John E. Larson**, MAI, JD  
Senior Valuation Services Director  
Valuation & Advisory Services  
**Direct +1 559 221 7391** | Mobile + 1 916 712 7780  
Main +1 559 221 1271  
[john.larson@colliers.com](mailto:john.larson@colliers.com)

Assistant: Marisa Nutter +1 559 221 8649  
[marissa.nutter@colliers.com](mailto:marissa.nutter@colliers.com)

**Colliers International Fresno Office**  
7485 N. Palm Avenue | Suite 110  
Fresno, CA 93711 | USA

[www.colliers.com](http://www.colliers.com)



View the current issue of [\*Knowledge Leader\*](#).



# Property Detail Report

For Property Located At :  
**504 V ST, , CA**



## Owner Information

Owner Name: **SUNNYDALE PARCEL Q HOUSING PAR**  
 Mailing Address: **18201 VON KARMAN AVE #900, IRVINE CA 92612-1097 C036**  
 Vesting Codes: **//**

## Location Information

Legal Description:		APN:	<b>6356-061</b>
County:	<b>SAN FRANCISCO, CA</b>	Alternate APN:	
Census Tract / Block:	<b>264.04 / 1</b>	Subdivision:	
Township-Range-Sect:		Map Reference:	<b>/</b>
Legal Book/Page:		Tract #:	
Legal Lot:	<b>61</b>	School District:	<b>SAN FRANCISCO</b>
Legal Block:	<b>6356</b>	School District Name:	
Market Area:		Munic/Township:	
Neighbor Code:	<b>10E</b>		

## Owner Transfer Information

Recording/Sale Date:	<b>/</b>	Deed Type:	
Sale Price:		1st Mtg Document #:	
Document #:			

## Last Market Sale Information

Recording/Sale Date:	<b>05/16/2007 / 05/08/2007</b>	1st Mtg Amount/Type:	<b>/</b>
Sale Price:	<b>\$250,000</b>	1st Mtg Int. Rate/Type:	<b>/</b>
Sale Type:	<b>FULL</b>	1st Mtg Document #:	
Document #:	<b>J392-57</b>	2nd Mtg Amount/Type:	<b>/</b>
Deed Type:	<b>GRANT DEED</b>	2nd Mtg Int. Rate/Type:	<b>/</b>
Transfer Document #:		Price Per SqFt:	
New Construction:		Multi/Split Sale:	
Title Company:	<b>ALLIANCE TITLE CO</b>		
Lender:			
Seller Name:	<b>GAGE BENJAMIN &amp; DENISE</b>		

## Prior Sale Information

Prior Rec/Sale Date:	<b>07/07/2005 / 07/01/2005</b>	Prior Lender:	
Prior Sale Price:	<b>\$200,000</b>	Prior 1st Mtg Amt/Type:	<b>/</b>
Prior Doc Number:	<b>1926-492</b>	Prior 1st Mtg Rate/Type:	<b>/</b>
Prior Deed Type:	<b>GRANT DEED</b>		

## Property Characteristics

Year Built / Eff:	<b>/</b>	Total Rooms/Offices:		Garage Area:	
Gross Area:		Total Restrooms:		Garage Capacity:	
Building Area:		Roof Type:		Parking Spaces:	
Tot Adj Area:		Roof Material:		Heat Type:	
Above Grade:		Construction:		Air Cond:	
# of Stories:		Foundation:		Pool:	
Other Improvements:		Exterior wall:		Quality:	
		Basement Area:		Condition:	

## Site Information

Zoning:	<b>NC1</b>	Acres:	<b>0.05</b>	County Use:	<b>VACANT LOT COMM AND IND (VCI)</b>
Lot Area:	<b>2,300</b>	Lot Width/Depth:	<b>x 92</b>	State Use:	
Land Use:	<b>COMMERCIAL LOT</b>	Commercial Units:		Water Type:	
Site Influence:		Sewer Type:		Building Class:	

## Tax Information

Total Value:	<b>\$288,598</b>	Assessed Year:	<b>2017</b>	Property Tax:	<b>\$3,652.40</b>
Land Value:	<b>\$288,598</b>	Improved %:		Tax Area:	<b>1000</b>
Improvement Value:		Tax Year:	<b>2016</b>	Tax Exemption:	
Total Taxable Value:	<b>\$288,598</b>				

# Property Detail Report

For Property Located At :  
**504 SAWYER ST V, SAN FRANCISCO, CA 94134**



## Owner Information

Owner Name: **SUNNYDALE PARCEL Q HOUSING PAR**  
 Mailing Address: **18201 VON KARMAN AVE #900, IRVINE CA 92612-1097 C036**  
 Vesting Codes: **//**

## Location Information

Legal Description:  
 County: **SAN FRANCISCO, CA** APN: **6356-062**  
 Census Tract / Block: **264.04 / 1** Alternate APN:  
 Township-Range-Sect: Subdivision:  
 Legal Book/Page: Map Reference: **/**  
 Legal Lot: **62** Tract #: **SAN FRANCISCO**  
 Legal Block: **6356** School District:  
 Market Area: School District Name:  
 Neighbor Code: **10E** Munic/Township:

## Owner Transfer Information

Recording/Sale Date: **/** Deed Type:  
 Sale Price: 1st Mtg Document #:  
 Document #:

## Last Market Sale Information

Recording/Sale Date: **05/16/2007 / 05/08/2007** 1st Mtg Amount/Type: **\$200,000 /**  
 Sale Price: **\$250,000** 1st Mtg Int. Rate/Type: **/**  
 Sale Type: **FULL** 1st Mtg Document #: **J392-59**  
 Document #: **J392-58** 2nd Mtg Amount/Type: **/**  
 Deed Type: **GRANT DEED** 2nd Mtg Int. Rate/Type: **/**  
 Transfer Document #: Price Per SqFt:  
 New Construction: Multi/Split Sale:  
 Title Company: **ALLIANCE TITLE CO**  
 Lender:  
 Seller Name: **UMANZOR JOSE R**

## Prior Sale Information

Prior Rec/Sale Date: **12/22/2004 / 12/09/2004** Prior Lender:  
 Prior Sale Price: **\$220,000** Prior 1st Mtg Amt/Type: **\$110,000 / PRIVATE PARTY**  
 Prior Doc Number: **I789-16** Prior 1st Mtg Rate/Type: **/ FIX**  
 Prior Deed Type: **GRANT DEED**

## Property Characteristics

Year Built / Eff: <b>/</b>	Total Rooms/Offices	Garage Area:
Gross Area:	Total Restrooms:	Garage Capacity:
Building Area:	Roof Type:	Parking Spaces:
Tot Adj Area:	Roof Material:	Heat Type:
Above Grade:	Construction:	Air Cond:
# of Stories:	Foundation:	Pool:
Other Improvements:	Exterior wall:	Quality:
	Basement Area:	Condition:

## Site Information

Zoning: <b>NC1</b>	Acres: <b>0.05</b>	County Use: <b>VACANT LOT COMM AND IND (VCI)</b>
Lot Area: <b>2,300</b>	Lot Width/Depth: <b>x 92</b>	State Use:
Land Use: <b>COMMERCIAL LOT</b>	Commercial Units:	Water Type:
Site Influence:	Sewer Type:	Building Class:

## Tax Information

Total Value: <b>\$288,598</b>	Assessed Year: <b>2017</b>	Property Tax: <b>\$3,652.40</b>
Land Value: <b>\$288,598</b>	Improved %:	Tax Area: <b>1000</b>
Improvement Value:	Tax Year: <b>2016</b>	Tax Exemption:
Total Taxable Value: <b>\$288,598</b>		

# Property Detail Report

For Property Located At :  
**504 SAWYER ST V, SAN FRANCISCO, CA 94134**



## Owner Information

Owner Name: **SUNNYDALE PARCEL Q HOUSING PAR**  
 Mailing Address: **18201 VON KARMAN AVE #900, IRVINE CA 92612-1097 C036**  
 Vesting Codes: **//**

## Location Information

Legal Description:  
 County: **SAN FRANCISCO, CA** APN: **6356-063**  
 Census Tract / Block: **264.04 / 1** Alternate APN:  
 Township-Range-Sect: Subdivision:  
 Legal Book/Page: Map Reference: **/**  
 Legal Lot: **63** Tract #: **SAN FRANCISCO**  
 Legal Block: **6356** School District:  
 Market Area: School District Name:  
 Neighbor Code: **10E** Munic/Township:

## Owner Transfer Information

Recording/Sale Date: **/** Deed Type:  
 Sale Price: 1st Mtg Document #:  
 Document #:

## Last Market Sale Information

Recording/Sale Date: **12/19/2016 / 11/28/2016** 1st Mtg Amount/Type: **\$5,000,000 / CONV**  
 Sale Price: **\$3,000,000** 1st Mtg Int. Rate/Type: **/**  
 Sale Type: **FULL** 1st Mtg Document #: **K377175**  
 Document #: **K377173** 2nd Mtg Amount/Type: **/**  
 Deed Type: **CORPORATION GRANT DEED** 2nd Mtg Int. Rate/Type: **/**  
 Transfer Document #: Price Per SqFt:  
 New Construction: Multi/Split Sale: **MULTIPLE**  
 Title Company: **OLD REPUBLIC TITLE**  
 Lender: **CITY & CNTY/SAN FRANCISCO**  
 Seller Name: **KISHEK FAMILY TRUST**

## Prior Sale Information

Prior Rec/Sale Date: **05/16/2007 / 05/08/2007** Prior Lender:  
 Prior Sale Price: **\$250,000** Prior 1st Mtg Amt/Type: **\$200,000 /**  
 Prior Doc Number: **J392-60** Prior 1st Mtg Rate/Type: **/**  
 Prior Deed Type: **GRANT DEED**

## Property Characteristics

Year Built / Eff: <b>/</b>	Total Rooms/Offices	Garage Area:
Gross Area:	Total Restrooms:	Garage Capacity:
Building Area:	Roof Type:	Parking Spaces:
Tot Adj Area:	Roof Material:	Heat Type:
Above Grade:	Construction:	Air Cond:
# of Stories:	Foundation:	Pool:
Other Improvements:	Exterior wall:	Quality:
	Basement Area:	Condition:

## Site Information

Zoning: <b>NC1</b>	Acres: <b>0.05</b>	County Use: <b>VACANT LOT COMM AND IND (VCI)</b>
Lot Area: <b>2,300</b>	Lot Width/Depth: <b>x 92</b>	State Use:
Land Use: <b>COMMERCIAL LOT</b>	Commercial Units:	Water Type:
Site Influence:	Sewer Type:	Building Class:

## Tax Information

Total Value: <b>\$288,598</b>	Assessed Year: <b>2017</b>	Property Tax: <b>\$3,652.40</b>
Land Value: <b>\$288,598</b>	Improved %:	Tax Area: <b>1000</b>
Improvement Value:	Tax Year: <b>2016</b>	Tax Exemption:
Total Taxable Value: <b>\$288,598</b>		

# Property Detail Report

For Property Located At :  
**504 SAWYER ST V, SAN FRANCISCO, CA 94134**



## Owner Information

Owner Name: **SUNNYDALE PARCEL Q HOUSING PAR**  
 Mailing Address: **18201 VON KARMAN AVE #900, IRVINE CA 92612-1097 C036**  
 Vesting Codes: **//**

## Location Information

Legal Description:  
 County: **SAN FRANCISCO, CA** APN: **6356-064**  
 Census Tract / Block: **264.04 / 1** Alternate APN:  
 Township-Range-Sect: Subdivision:  
 Legal Book/Page: Map Reference: **/**  
 Legal Lot: **64** Tract #: **SAN FRANCISCO**  
 Legal Block: **6356** School District:  
 Market Area: School District Name:  
 Neighbor Code: **10E** Munic/Township:

## Owner Transfer Information

Recording/Sale Date: **/** Deed Type:  
 Sale Price: 1st Mtg Document #:  
 Document #:

## Last Market Sale Information

Recording/Sale Date: **05/16/2007 / 05/08/2007** 1st Mtg Amount/Type: **/**  
 Sale Price: **\$250,000** 1st Mtg Int. Rate/Type: **/**  
 Sale Type: **FULL** 1st Mtg Document #: **/**  
 Document #: **J392-62** 2nd Mtg Amount/Type: **/**  
 Deed Type: **GRANT DEED** 2nd Mtg Int. Rate/Type: **/**  
 Transfer Document #: Price Per SqFt:  
 New Construction: Multi/Split Sale:  
 Title Company: **ALLIANCE TITLE CO**  
 Lender:  
 Seller Name: **GAGE BENJAMIN & DENISE**

## Prior Sale Information

Prior Rec/Sale Date: **07/07/2005 / 07/01/2005** Prior Lender:  
 Prior Sale Price: **\$200,000** Prior 1st Mtg Amt/Type: **/**  
 Prior Doc Number: **I926-493** Prior 1st Mtg Rate/Type: **/**  
 Prior Deed Type: **GRANT DEED**

## Property Characteristics

Year Built / Eff: **/** Total Rooms/Offices  
 Gross Area: Total Restrooms:  
 Building Area: Roof Type:  
 Tot Adj Area: Roof Material:  
 Above Grade: Construction:  
 # of Stories: Foundation:  
 Other Improvements: Exterior wall:  
 Basement Area:  
 Garage Area:  
 Garage Capacity:  
 Parking Spaces:  
 Heat Type:  
 Air Cond:  
 Pool:  
 Quality:  
 Condition:

## Site Information

Zoning: **NC1** Acres: **0.05** County Use: **VACANT LOT COMM AND IND (VCI)**  
 Lot Area: **2,300** Lot Width/Depth: **x 92** State Use:  
 Land Use: **COMMERCIAL LOT** Commercial Units:  
 Site Influence: Sewer Type: Building Class:

## Tax Information

Total Value: **\$288,598** Assessed Year: **2017** Property Tax: **\$3,652.40**  
 Land Value: **\$288,598** Improved %:  
 Improvement Value: Tax Area: **1000**  
 Total Taxable Value: **\$288,598** Tax Year: **2016** Tax Exemption:

# Property Detail Report

For Property Located At :  
**1437 SUNNYDALE AVE V, SAN FRANCISCO, CA 94134**



## Owner Information

Owner Name: **SUNNYDALE PARCEL Q HOUSING PAR**  
 Mailing Address: **18201 VON KARMAN AVE #900, IRVINE CA 92612-1097 C036**  
 Vesting Codes: **//**

## Location Information

Legal Description:		APN:	<b>6356-065</b>
County:	<b>SAN FRANCISCO, CA</b>	Alternate APN:	
Census Tract / Block:	<b>264.04 / 1</b>	Subdivision:	
Township-Range-Sect:		Map Reference:	<b>/</b>
Legal Book/Page:		Tract #:	
Legal Lot:	<b>65</b>	School District:	<b>SAN FRANCISCO</b>
Legal Block:	<b>6356</b>	School District Name:	
Market Area:		Munic/Township:	
Neighbor Code:	<b>10E</b>		

## Owner Transfer Information

Recording/Sale Date:	<b>/</b>	Deed Type:	
Sale Price:		1st Mtg Document #:	
Document #:			

## Last Market Sale Information

Recording/Sale Date:	<b>05/16/2007 / 05/08/2007</b>	1st Mtg Amount/Type:	<b>/</b>
Sale Price:	<b>\$250,000</b>	1st Mtg Int. Rate/Type:	<b>/</b>
Sale Type:	<b>FULL</b>	1st Mtg Document #:	
Document #:	<b>J392-63</b>	2nd Mtg Amount/Type:	<b>/</b>
Deed Type:	<b>GRANT DEED</b>	2nd Mtg Int. Rate/Type:	<b>/</b>
Transfer Document #:		Price Per SqFt:	
New Construction:		Multi/Split Sale:	
Title Company:	<b>ALLIANCE TITLE CO</b>		
Lender:			
Seller Name:	<b>GAGE BENJAMIN &amp; DENISE</b>		

## Prior Sale Information

Prior Rec/Sale Date:	<b>03/31/2006 / 03/29/2006</b>	Prior Lender:	
Prior Sale Price:	<b>\$345,000</b>	Prior 1st Mtg Amt/Type:	<b>/</b>
Prior Doc Number:	<b>J109-630</b>	Prior 1st Mtg Rate/Type:	<b>/</b>
Prior Deed Type:	<b>GRANT DEED</b>		

## Property Characteristics

Year Built / Eff:	<b>/</b>	Total Rooms/Offices:		Garage Area:	
Gross Area:		Total Restrooms:		Garage Capacity:	
Building Area:		Roof Type:		Parking Spaces:	
Tot Adj Area:		Roof Material:		Heat Type:	
Above Grade:		Construction:		Air Cond:	
# of Stories:		Foundation:		Pool:	
Other Improvements:		Exterior wall:		Quality:	
		Basement Area:		Condition:	

## Site Information

Zoning:	<b>NC1</b>	Acres:	<b>0.06</b>	County Use:	<b>VACANT LOT COMM AND IND (VCI)</b>
Lot Area:	<b>2,468</b>	Lot Width/Depth:	<b>x</b>	State Use:	
Land Use:	<b>COMMERCIAL LOT</b>	Commercial Units:		Water Type:	
Site Influence:		Sewer Type:		Building Class:	

## Tax Information

Total Value:	<b>\$288,598</b>	Assessed Year:	<b>2017</b>	Property Tax:	<b>\$3,652.40</b>
Land Value:	<b>\$288,598</b>	Improved %:		Tax Area:	<b>1000</b>
Improvement Value:		Tax Year:	<b>2016</b>	Tax Exemption:	
Total Taxable Value:	<b>\$288,598</b>				

# Property Detail Report

For Property Located At :  
**209 HAHN ST V, SAN FRANCISCO, CA 94134**



## Owner Information

Owner Name: **SUNNYDALE PARCEL Q HOUSING PAR**  
 Mailing Address: **18201 VON KARMAN AVE #900, IRVINE CA 92612-1097 C036**  
 Vesting Codes: **//**

## Location Information

Legal Description:  
 County: **SAN FRANCISCO, CA** APN: **6356-066**  
 Census Tract / Block: **264.04 / 1** Alternate APN:  
 Township-Range-Sect: Subdivision:  
 Legal Book/Page: Map Reference: **/**  
 Legal Lot: **66** Tract #: **SAN FRANCISCO**  
 Legal Block: **6356** School District:  
 Market Area: School District Name:  
 Neighbor Code: **10E** Munic/Township:

## Owner Transfer Information

Recording/Sale Date: **/** Deed Type:  
 Sale Price: 1st Mtg Document #:  
 Document #:

## Last Market Sale Information

Recording/Sale Date: **10/30/2007 / 10/23/2007** 1st Mtg Amount/Type: **/**  
 Sale Price: **\$260,000** 1st Mtg Int. Rate/Type: **/**  
 Sale Type: **FULL** 1st Mtg Document #: **/**  
 Document #: **J507-56** 2nd Mtg Amount/Type: **/**  
 Deed Type: **GRANT DEED** 2nd Mtg Int. Rate/Type: **/**  
 Transfer Document #: Price Per SqFt:  
 New Construction: Multi/Split Sale:  
 Title Company: **ALLIANCE TITLE CO**  
 Lender:  
 Seller Name: **UMANZOR JOSE R**

## Prior Sale Information

Prior Rec/Sale Date: **03/30/2004 / 03/26/2004** Prior Lender: **PRIVATE INDIVIDUAL**  
 Prior Sale Price: **\$700,000** Prior 1st Mtg Amt/Type: **\$255,000 / PRIVATE PARTY**  
 Prior Doc Number: **I605-46** Prior 1st Mtg Rate/Type: **/ FIX**  
 Prior Deed Type: **GRANT DEED**

## Property Characteristics

Year Built / Eff: **/** Total Rooms/Offices  
 Gross Area: Total Restrooms:  
 Building Area: Roof Type:  
 Tot Adj Area: Roof Material:  
 Above Grade: Construction:  
 # of Stories: Foundation:  
 Other Improvements: Exterior wall:  
 Basement Area:  
 Garage Area:  
 Garage Capacity:  
 Parking Spaces:  
 Heat Type:  
 Air Cond:  
 Pool:  
 Quality:  
 Condition:

## Site Information

Zoning: **NC1** Acres: **0.07** County Use: **VACANT LOT COMM AND IND (VCI)**  
 Lot Area: **3,059** Lot Width/Depth: **x 33** State Use:  
 Land Use: **COMMERCIAL LOT** Commercial Units:  
 Site Influence: Sewer Type: Building Class:

## Tax Information

Total Value: **\$294,258** Assessed Year: **2017** Property Tax: **\$3,717.84**  
 Land Value: **\$294,258** Improved %:  
 Improvement Value: Tax Area: **1000**  
 Total Taxable Value: **\$294,258** Tax Year: **2016** Tax Exemption:

# Property Detail Report

For Property Located At :  
**217 HAHN ST V, SAN FRANCISCO, CA 94134**



## Owner Information

Owner Name: **SUNNYDALE PARCEL Q HOUSING PAR**  
 Mailing Address: **18201 VON KARMAN AVE #900, IRVINE CA 92612-1097 C036**  
 Vesting Codes: **//**

## Location Information

Legal Description:  
 County: **SAN FRANCISCO, CA** APN: **6356-067**  
 Census Tract / Block: **264.04 / 1** Alternate APN:  
 Township-Range-Sect: Subdivision:  
 Legal Book/Page: Map Reference: **/**  
 Legal Lot: **67** Tract #: **SAN FRANCISCO**  
 Legal Block: **6356** School District:  
 Market Area: School District Name:  
 Neighbor Code: **10E** Munic/Township:

## Owner Transfer Information

Recording/Sale Date: **/** Deed Type:  
 Sale Price: 1st Mtg Document #:  
 Document #:

## Last Market Sale Information

Recording/Sale Date: **10/30/2007 / 10/23/2007** 1st Mtg Amount/Type: **/**  
 Sale Price: **\$260,000** 1st Mtg Int. Rate/Type: **/**  
 Sale Type: **FULL** 1st Mtg Document #: **/**  
 Document #: **J507-58** 2nd Mtg Amount/Type: **/**  
 Deed Type: **GRANT DEED** 2nd Mtg Int. Rate/Type: **/**  
 Transfer Document #: Price Per SqFt:  
 New Construction: Multi/Split Sale:  
 Title Company: **ALLIANCE TITLE CO**  
 Lender:  
 Seller Name: **UMANZOR JOSE R**

## Prior Sale Information

Prior Rec/Sale Date: **03/30/2004 / 03/26/2004** Prior Lender: **PRIVATE INDIVIDUAL**  
 Prior Sale Price: **\$700,000** Prior 1st Mtg Amt/Type: **\$255,000 / PRIVATE PARTY**  
 Prior Doc Number: **I605-46** Prior 1st Mtg Rate/Type: **/ FIX**  
 Prior Deed Type: **GRANT DEED**

## Property Characteristics

Year Built / Eff: **/** Total Rooms/Offices  
 Gross Area: Total Restrooms:  
 Building Area: Roof Type:  
 Tot Adj Area: Roof Material:  
 Above Grade: Construction:  
 # of Stories: Foundation:  
 Other Improvements: Exterior wall:  
 Basement Area:  
 Garage Area:  
 Garage Capacity:  
 Parking Spaces:  
 Heat Type:  
 Air Cond:  
 Pool:  
 Quality:  
 Condition:

## Site Information

Zoning: **NC1** Acres: **0.07** County Use: **VACANT LOT COMM AND IND (VCI)**  
 Lot Area: **3,059** Lot Width/Depth: **x 33** State Use:  
 Land Use: **COMMERCIAL LOT** Commercial Units:  
 Site Influence: Sewer Type: Building Class:

## Tax Information

Total Value: **\$294,258** Assessed Year: **2017** Property Tax: **\$3,717.84**  
 Land Value: **\$294,258** Improved %:  
 Improvement Value: Tax Area: **1000**  
 Total Taxable Value: **\$294,258** Tax Year: **2016** Tax Exemption:

# Property Detail Report

For Property Located At :  
**221 HAHN ST V, SAN FRANCISCO, CA 94134**



## Owner Information

Owner Name: **SUNNYDALE PARCEL Q HOUSING PAR**  
 Mailing Address: **18201 VON KARMAN AVE #900, IRVINE CA 92612-1097 C036**  
 Vesting Codes: **//**

## Location Information

Legal Description:  
 County: **SAN FRANCISCO, CA** APN: **6356-068**  
 Census Tract / Block: **264.04 / 1** Alternate APN:  
 Township-Range-Sect: Subdivision:  
 Legal Book/Page: Map Reference: **/**  
 Legal Lot: **68** Tract #: **SAN FRANCISCO**  
 Legal Block: **6356** School District:  
 Market Area: School District Name:  
 Neighbor Code: **10E** Munic/Township:

## Owner Transfer Information

Recording/Sale Date: **10/30/2007 / 10/23/2007** Deed Type: **GRANT DEED**  
 Sale Price: **\$260,000** 1st Mtg Document #: **J507-61**  
 Document #: **J507-60**

## Last Market Sale Information

Recording/Sale Date: **03/30/2004 / 03/26/2004** 1st Mtg Amount/Type: **\$255,000 / PRIVATE PARTY**  
 Sale Price: **\$700,000** 1st Mtg Int. Rate/Type: **/ FIXED**  
 Sale Type: **UNKNOWN** 1st Mtg Document #: **I605-47**  
 Document #: **I605-46** 2nd Mtg Amount/Type: **/**  
 Deed Type: **GRANT DEED** 2nd Mtg Int. Rate/Type: **/**  
 Transfer Document #: Price Per SqFt:  
 New Construction: **Y** Multi/Split Sale: **MULTI**  
 Title Company: **FIRST AMERICAN TITLE**  
 Lender: **PRIVATE INDIVIDUAL**  
 Seller Name: **RLL LLC**

## Prior Sale Information

Prior Rec/Sale Date: **/** Prior Lender:  
 Prior Sale Price: Prior 1st Mtg Amt/Type: **/**  
 Prior Doc Number: Prior 1st Mtg Rate/Type: **/**  
 Prior Deed Type:

## Property Characteristics

Year Built / Eff: **/** Total Rooms/Offices  
 Gross Area: Total Restrooms:  
 Building Area: Roof Type:  
 Tot Adj Area: Roof Material:  
 Above Grade: Construction:  
 # of Stories: Foundation:  
 Other Improvements: Exterior wall:  
 Basement Area:  
 Garage Area:  
 Garage Capacity:  
 Parking Spaces:  
 Heat Type:  
 Air Cond:  
 Pool:  
 Quality:  
 Condition:

## Site Information

Zoning: **NC1** Acres: **0.07** County Use: **VACANT LOT COMM AND IND (VCI)**  
 Lot Area: **3,059** Lot Width/Depth: **x 33** State Use:  
 Land Use: **COMMERCIAL LOT** Commercial Units:  
 Site Influence: Sewer Type: Building Class:

## Tax Information

Total Value: **\$294,258** Assessed Year: **2017** Property Tax: **\$3,717.84**  
 Land Value: **\$294,258** Improved %:  
 Improvement Value: Tax Area: **1000**  
 Total Taxable Value: **\$294,258** Tax Year: **2016** Tax Exemption:



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Seattle, WA 98101

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These definitions were extracted from the following sources or publications:

*The Dictionary of Real Estate Appraisal*, Fifth Edition, Appraisal Institute, Chicago, Illinois, 2010 (*Dictionary*).

*Uniform Standards of Professional Appraisal Practice*, 2014-2015 Edition (USPAP).

*The Appraisal of Real Estate*, Fourteenth Edition, Appraisal Institute, Chicago, Illinois, 2013 (*14<sup>th</sup> Edition*).

*Marshall Valuation Service*, Marshall & Swift, Los Angeles, California (*MVS*).

### **Absolute Net Lease**

A lease in which the tenant pays all expenses including structural maintenance, building reserves, and management; often a long-term lease to a credit tenant. (*Dictionary*)

### **Ad Valorem Tax**

A real estate tax based on the assessed value of the property, which is not necessarily equivalent to its market value. (*14<sup>th</sup> Edition*)

### **Aggregate of Retail Values (ARV)**

The sum of the separate and distinct market value opinions for each of the units in a condominium; subdivision development, or portfolio of properties, as of the date of valuation. The aggregate of retail values does not represent an opinion of value; it is simply the total of multiple market value conclusions. (*Dictionary*)

### **Arm's-length Transaction**

A transaction between unrelated parties who are each acting in his or her own best interest. (*Dictionary*)

### **As-Is Market Value**

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

### **Assessed Value**

The value of a property according to the tax rolls in ad valorem taxation; may be higher or lower than market value, or based on an assessment ratio that is a percentage of market value. (*14<sup>th</sup> Edition*)

### **Average Daily Room Rate (ADR)**

In the lodging industry, total guest room revenue divided by the total number of occupied rooms. (*Dictionary*)

### **Band of Investment**

A technique in which the capitalization rates attributable to components of a capital investment are weighted and combined to derive a weighted-average rate attributable to the total investment. (*Dictionary*)

### **Cash-Equivalent Price**

The price of a property with above- or below-market financing expressed in terms of the price that would have been paid in an all-cash sale. (*Dictionary*)

### **Common Area**

The total area within a property that is not designed for sale or rental but is available for common use by all owners, tenants, or their invitees, e.g., parking and its appurtenances, malls, sidewalks, landscaped areas, recreation areas, public toilets, truck and service facilities. (*Dictionary*)

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## Contract Rent

The actual rental income specified in a lease. *(14th Edition)*

## Cost Approach

A set of procedures through which a value indication is derived for the fee simple interest in a property by estimating the current cost to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial incentive; deducting depreciation from the total cost; and adding the estimated land value. Adjustments may then be made to the indicated fee simple value of the subject property to reflect the value of the property interest being appraised. *(14th Edition)*

## Curable Functional Obsolescence

An element of depreciation; a curable defect caused by a flaw in the structure, materials, or design, which can be practically and economically corrected. *(Dictionary)*

## Debt Coverage Ratio (DCR)

The ratio of net operating income to annual debt service, which measures the relative ability of a property to meet its debt service out of net operating income; also called *debt service coverage ratio (DSCR)*. *(Dictionary)*

## Deferred Maintenance

Needed repairs or replacement of items that should have taken place during the course of normal maintenance. *Dictionary)*

## Depreciation

In appraising, a loss in property value from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the market value of the improvement on the same date. *(Dictionary)*

## Direct Costs

Expenditures for the labor and materials used in the construction of improvements; also called *hard costs*. *(Dictionary)*

## Discounted Cash Flow (DCF) Analysis

The procedure in which a discount rate is applied to a set of projected income streams and a reversion. The analyst specifies the quantity, variability, timing, and duration of the income streams and the quantity and timing of the reversion, and discounts each to its present value at a specified yield rate. *(Dictionary)*

## Discount Rate

An interest rate used to convert future payments or receipts into present value; usually considered to be a synonym for *yield rate*. *(Dictionary)*

## Disposition Value

The most probable price that a specified interest in real property is likely to bring under all of the following conditions:

1. Consummation of a sale within a future exposure time specified by the client.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider their best interests.
7. An adequate marketing effort will be made during the exposure time specified by the client.

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8. Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto.

9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This definition can also be modified to provide for valuation with specified financing terms. *(Dictionary)*

### Easement

The right to use another's land for a stated purpose. Access or right-of-way easements may be acquired by private parties or public utilities. Governments may be the beneficiaries of easements placed on privately owned land that is dedicated to conservation, open space, or preservation. *(14<sup>th</sup> Edition)*

### Economic Life

The period over which improvements to real property contribute to property value. *(Dictionary)*

### Effective Age

The age of property that is based on the amount of observed deterioration and obsolescence it has sustained, which may be different from its chronological age. *(Dictionary)*

### Effective Date

The date on which the analyses, opinions, and advice in an appraisal, review, or consulting service apply. *(Dictionary)*

### Effective Gross Income (EGI)

The anticipated income from all operations of the real property after an allowance is made for vacancy and collection losses and an addition is made for any other income. *(Dictionary)*

### Effective Gross Income Multiplier (EGIM)

The ratio between the sale price (or value) of a property and its effective gross income. *(Dictionary)*

### Effective Rent

The rental rate net of financial concessions such as periods of free rent during the lease term and above or below-market tenant improvements (TIs). *(14<sup>th</sup> Edition)*

### Eminent Domain

The right of government to take private property for public use upon the payment of just compensation. The Fifth Amendment of the U.S. Constitution, also known as the *takings clause*, guarantees payment of just compensation upon appropriation of private property. *(Dictionary)*

### Entrepreneurial Incentive

The amount an entrepreneur expects to receive for his or her contribution to a project. Entrepreneurial incentive may be distinguished from entrepreneurial profit (often called *developer's profit*) in that it is the expectation of future profit actually earned on a development or improvement. *(Dictionary)*

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## Entrepreneurial Profit

A market-derived figure that represents the amount an entrepreneur receives for his or her contribution to a project and risk; the difference between the total cost of a property (cost of development) and its market value (property value after completion), which represents the entrepreneur's compensation for the risk and expertise associated with development. An entrepreneur is motivated by the prospect of future value enhancement (i.e., the entrepreneurial incentive). An entrepreneur who successfully creates value through new development, expansion, renovation, or an innovative change of use is rewarded by entrepreneurial profit. Entrepreneurs may also fail and suffer losses. *(Dictionary)*

## Excess Land

Land that is not needed to serve or support the existing improvement. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land may have the potential to be sold separately and is valued separately. *(Dictionary)*

## Excess Rent

The amount by which contract rent exceeds market rent at the time of the appraisal; created by a lease favorable to the landlord (lessor) and may reflect unusual management, unknowledgeable or unusually motivated parties, a lease execution in an earlier, stronger rental market, or an agreement of the parties. Due to the higher risk inherent in the receipt of excess rent, it may be calculated separately and capitalized or discounted at a higher rate in the income capitalization approach. *(14<sup>th</sup> Edition)*

## Expense Stop

A clause in a lease that limits the landlord's expense obligation, which results in the lessee paying any operating expenses above a stated level or amount. *(Dictionary)*

## Exposure Time

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

## External Obsolescence

An element of depreciation; a diminution in value caused by negative externalities and generally incurable on the part of the owner, landlord, or tenant. *(Dictionary)*

## Extraordinary Assumption

An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information 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. An extraordinary assumption may be used in an assignment only if:

- It is required to properly develop credible opinions and conclusions;
- The appraiser has a reasonable basis for the extraordinary assumption;
- Use of the extraordinary assumption results in a credible analysis; and
- The appraiser complies with the disclosure requirements set forth in USPAP for extraordinary assumptions. (USPAP)

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## Fair Market Value

A term that is, in concept, similar to market value in general usage; used mainly in condemnation, litigation, income tax, and property tax situations. When an appraisal assignment involves developing an opinion of fair market value, the appropriate, requisite, and precise definition of the term depends on the use of the appraisal and the applicable jurisdiction. (*Dictionary*)

## Feasibility Analysis

A study of the cost-benefit relationship of an economic endeavor. (*USPAP*)

## 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. (*Dictionary*)

## Floor Area Ratio (FAR)

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

## Functional Obsolescence

The impairment of functional capacity of a property according to market tastes and standards. (*Dictionary*)

## Functional Utility

The ability of a property or building to be useful and to perform the function for which it is intended according to current market tastes and standards; the efficiency of a building's use in terms of architectural style, design and layout, traffic patterns, and the size and type of rooms. (*Dictionary*)

## Furniture, Fixtures, and Equipment (FF&E)

Business trade fixtures and personal property, exclusive of inventory. (*Dictionary*)

## Going-concern Value

1. The market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the *market value of the going concern*.

2. The value of an operating business enterprise. Goodwill may be separately measured but is an integral component of going-concern value when it exists and is recognizable. (*Dictionary*)

## Gross Building Area (GBA)

Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the region. (*Dictionary*)

## Gross Leasable Area (GLA) - Commercial

Total floor area designed for the occupancy and exclusive use of tenants, including basements and mezzanines; measured from the center of joint partitioning to the outside wall surfaces. (*Dictionary*)

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## Gross Living Area (GLA) - Residential

Total area of finished, above-grade residential area; calculated by measuring the outside perimeter of the structure and includes only finished, habitable, above-grade living space. (Finished basements and attic areas are not generally included in total gross living area. Local practices, however, may differ.) (*Dictionary*)

## Highest & Best Use

The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Alternatively, the probable use of land or improved property—specific with respect to the user and timing of the use—that is adequately supported and results in the highest present value. (*Dictionary*)

## Highest and Best Use of Land or a Site 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. (*Dictionary*)

## Highest and Best Use of Property as Improved

The use that should be made of a property as it exists. An existing improvement should be renovated or retained as is so 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. (*Dictionary*)

## Hypothetical Condition

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. 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. (*USPAP*)

## Income Capitalization Approach

In the income capitalization approach, an appraiser analyzes a property's capacity to generate future benefits and capitalizes the income into an indication of present value. The principle of anticipation is fundamental to this approach. Techniques and procedures from this approach are used to analyze comparable sales data and to measure obsolescence in the cost approach. (*14th Edition*)

## Incurable Functional Obsolescence

An element of depreciation; a defect caused by a deficiency or superadequacy in the structure, materials, or design that cannot be practically or economically corrected. (*Dictionary*)

## Indirect Costs

Expenditures or allowances for items other than labor and materials that are necessary for construction, but are not typically part of the construction contract. Indirect costs may include administrative costs; professional fees; financing costs and the interest paid on construction loans; taxes and the builder's or developer's all-risk insurance during construction; and marketing, sales, and lease-up costs incurred to achieve occupancy or sale. (*Dictionary*)

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## Insurable Value

Value used by insurance companies as the basis for insurance. Often considered to be replacement or reproduction cost plus allowances for debris removal or demolition less deterioration and non-insurable items. Sometimes cash value or market value, but often entirely a cost concept. *(MVS)*

## Liquidation Value

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

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

This definition can also be modified to provide for valuation with specified financing terms. *(Dictionary)*

## Interim Use

The temporary use to which a site or improved property is put until it is ready to be put to its future highest and best use. *(Dictionary)*

## Leased Fee Interest

A freehold (ownership interest) where the possessory interest has been granted to another party by creation of a contractual landlord-tenant relationship. *(Dictionary)*

## Leasehold Interest

The tenant's possessory interest created by a lease. *(Dictionary)*

## Legally Nonconforming Use

A use that was lawfully established and maintained, but no longer conforms to the use regulations of the current zoning in the zone where it is located; also known as a *grandfathered use*. *(Dictionary)*

## Market Study

A macroeconomic analysis that examines the general market conditions of supply, demand, and pricing or the demographic of demand for a specific area or property type. A market study may also include analyses of construction and absorption trends. *(Dictionary)*

## Marketability Study

A microeconomic study that examines the marketability of a given property or class of properties, usually focusing on the market segment(s) in which the property is likely to generate demand. Marketability studies are useful in determining a specific highest and best use, testing development proposals, and projecting an appropriate tenant mix. *(Dictionary)*

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## Market Analysis

A process for examining the demand for and supply of a property type and the geographic market area for that property type. *(Dictionary)*

## Market Area

The area associated with a subject property that contains its direct competition. *(Dictionary)*

## Market Rent

The most probable rent that a property should bring in a competitive and open market reflecting all conditions and restrictions of the lease agreement, including permitted uses, use restrictions, expense obligations, term, concessions, renewal and purchase options, and tenant improvements (TIs). *(14th Edition)*

## 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. *(Office of Comptroller of the Currency (OCC), Title 12 of the Code of Federal Regulation, Part 34, Subpart C - Appraisals, 34.42 (g); Office of Thrift Supervision (OTS), 12 CFR 564.2 (g); This is also compatible with the RTC, FDIC, FRS and NCUA definitions of market value.)*

## Net Operating Income (NOI)

The actual or anticipated net income that remains after all operating expenses are deducted from effective gross income but before mortgage debt service and book depreciation are deducted. Note: This definition mirrors the convention used in corporate finance and business valuation for EBITDA (earnings before interest, taxes, depreciation, and amortization). *(14th Edition)*

## Obsolescence

One cause of depreciation; an impairment of desirability and usefulness caused by new inventions, changes in design, improved processes for production, or external factors that make a property less desirable and valuable for a continued use; may be either functional or external. *(Dictionary)*



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### Off-site Costs

Costs incurred in the development of a project, excluding actual building construction costs, e.g., the costs of streets, sidewalks, curbing, traffic signals, and water and sewer mains; also called *common costs* or *off-site improvement costs*. (*Dictionary*)

### On-site Costs

Costs incurred for the actual construction of buildings and improvements on a particular site. (*Dictionary*)

### Overage Rent

The percentage rent paid over and above the guaranteed minimum rent or base rent; calculated as a percentage of sales in excess of a specified breakeven sales volume. (*14<sup>th</sup> Edition*)

### Overall Capitalization Rate (OAR)

An income rate for a total real property interest that reflects the relationship between a single year's net operating income expectancy and the total property price or value. (*Dictionary*)

### Potential Gross Income (PGI)

The total income attributable to real property at full occupancy before vacancy and operating expenses are deducted. (*Dictionary*)

### Potential Gross Income Multiplier (PGIM)

The ratio between the sale price (or value) of a property and its annual potential gross income. (*Dictionary*)

### Present Value (PV)

The value of a future payment or series of future payments discounted to the current date or to time period zero. (*Dictionary*)

### Parking Ratio

The ratio of parking area or parking spaces to an economic or physical unit of comparison. Minimum required parking ratios for various land uses are often stated in zoning ordinances. (*Dictionary*)

### Prospective Opinion of Value

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

### Qualitative Analysis

The process of accounting for differences (such as between comparable properties and the subject property) that are not quantified; may be combined with quantitative analysis. (*Dictionary*)

### Quantitative Adjustment

In the sale comparison approach, the process of making numerical adjustments to the sale prices of comparable properties, including data analysis techniques (paired data analysis, grouped data analysis, and secondary data analysis), statistical analysis, graphic analysis, trend analysis, cost analysis (cost-to-cure, depreciated cost), and capitalization of rent differences; usually precedes qualitative analysis. (*Dictionary*)

### Rentable Area

The amount of space on which the rent is based; calculated according to local practice. (*Dictionary*)

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## Replacement Cost

The estimated cost to construct, at current prices as of the effective appraisal date, a substitute for the building being appraised, using modern materials and current standards, design, and layout. (*Dictionary*)

## Reproduction Cost

The estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same materials, construction standards, design, layout, and quality of workmanship and embodying all the deficiencies, superadequacies, and obsolescence of the subject building. (*Dictionary*)

## Retrospective Value Opinion

A value opinion effective as of a specified historical date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion." (*Dictionary*)

## Sales Comparison Approach

The process of deriving a value indication for the subject property by comparing market information for similar properties with the property being appraised, identifying appropriate units of comparison, and making qualitative comparisons with or quantitative adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison.

## Scope of Work

The type and extent of research and analysis in an appraisal or appraisal review assignment. Scope of work includes, but is not limited to:

The extent to which the property is identified;

The extent to which tangible property is inspected;

The type and extent of data researched; and

The type and extent of analysis applied to arrive at opinions or conclusions. (*USPAP*)

## Shopping Center Types

Neighborhood Shopping Center: The smallest type of shopping center, generally with a gross leasable area of between 30,000 and 100,000 square feet. Typical anchors include supermarkets. Neighborhood shopping centers offer convenience goods and personal services and usually depend on a market population support of 3,000 to 40,000 people.

Community Shopping Center: A shopping center of 100,000 to 400,000 square feet that usually contains one junior department store, a variety store, discount or department store. A community shopping center generally has between 20 and 70 retail tenants and a market population support of 40,000 to 150,000 people.

Regional Shopping Center: A shopping center of 300,000 to 900,000 square feet that is built around one or two full-line department stores of approximately 200,000 square feet each plus small tenant spaces. This type of center is typically supported by a minimum population of 150,000 people.

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## Shopping Center Types (cont.)

**Super-Regional Center:** A large center of 600,000 to 2.0 million square feet anchored by three or more full-line department stores. This type of center is typically supported by a population area of 300,000 people. (14<sup>th</sup> Edition)

## Superadequacy

An excess in the capacity or quality of a structure or structural component; determined by market standards. (Dictionary)

## Surplus Land

Land that is not currently needed to support the existing improvement but cannot be separated from the property and sold off. Surplus land does not have an independent highest and best use and may or may not contribute value to the improved parcel. (Dictionary)

## Tenant Improvements (TIs)

1. Fixed improvements to the land or structures installed for use by a lessee.
2. The original installation of finished tenant space in a construction project; subject to periodic change for succeeding tenants. (Dictionary)

## Triple Net Lease

A lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management. Also called *NNN*, *triple net lease*, or *fully net lease*. (Dictionary)

## Usable Area

The area that is actually used by the tenants measured from the inside of the exterior walls to the inside of walls separating the space from hallways and common areas. (Dictionary)

## Useful Life

The period of time over which a structure or a component of a property may reasonably be expected to perform the function for which it was designed. (Dictionary)

## Vacancy and Collection Loss

A deduction from potential gross income (PGI) made to reflect income deductions due to vacancies, tenant turnover, and non-payment of rent; also called *vacancy and credit loss* or *vacancy and contingency loss*. Often vacancy and collection loss is expressed as a percentage of potential gross income and should reflect the competitive market. Its treatment can differ according to the interest being appraised, property type, capitalization method, and whether the property is at stabilized occupancy. (Dictionary)

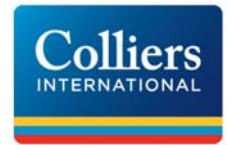
## Yield Capitalization

A method used to convert future benefits into present value by 1) discounting each future benefit at an appropriate yield rate, or 2) developing an overall rate that explicitly reflects the investment's income pattern, holding period, value change, and yield rate. (Dictionary)



# John E. Larson, MAI

SENIOR VALUATION SERVICES DIRECTOR  
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## STATE CERTIFICATION

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John Larson joined Colliers International Valuation & Advisory Services in 1999. John has combined his broad interests and experience into a thriving commercial appraisal practice, having appraised a variety of property types including multifamily apartments and condominiums, offices, retail buildings, residential subdivisions, senior care facilities, vacant land, industrial buildings and special use properties.

While John's appraisal interests are wide-ranging he has developed a special skill set involving multifamily appraisals, particularly affordable multifamily work such as LIHTC (tax credit) appraisals and market studies, HUD rent surveys and HUD MAP (Multifamily Accelerated Processing) appraisals and market studies. John has been officially approved for HUD MAP assignments through the San Francisco Office of HUD. John now oversees a group of appraiser associates. His affordable multifamily group is capable of completing large portfolio appraisal assignments in addition to smaller fee assignments.

John was born and raised in Salt Lake City, Utah. After graduating from high school he attended Brigham Young University and the University of Utah, where he studied political science and Spanish, graduating with a BA in 1987.

After college, John attended Creighton University School of Law where he graduated with a Juris Doctor degree in 1990.

## EXPERIENCE

Senior Valuation Services Director, Colliers International Valuation & Advisory Services

Loan Servicing, Prudential Federal Savings and Loan, Salt Lake City, Utah

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Designated Member of the Appraisal Institute

Committee Chair - 2015 Mid-Year Meeting Committee, Northern California Chapter of the Appraisal Institute

Approved for HUD Multifamily Accelerating Processing (MAP) Appraisals

## APPRAISAL INSTITUTE COURSES

Course 110 Appraisal Principles

Course 120 Appraisal Procedures

Course 410/420 Uniform Standards of Professional Appraisal Practice

Highest & Best Use and Market Analysis

Advanced Report Writing

Advanced Applications

Advanced Sales & Costs

Advanced Income

## APPRAISAL INSTITUTE SEMINARS

Appraisal of Affordable Multifamily Apartments

The Valuation of Bank Branches



Business, Consumer Services & Housing Agency  
**BUREAU OF REAL ESTATE APPRAISERS**  
**REAL ESTATE APPRAISER LICENSE**

**John E. Larson**


has successfully met the requirements for a license as a residential and commercial real estate appraiser in the State of California and is, therefore, entitled to use the title:

“Certified General Real Estate Appraiser”

This license has been issued in accordance with the provisions of the Real Estate Appraisers' Licensing and Certification Law.

BREA APPRAISER IDENTIFICATION NUMBER: **A** AG 039174

Effective Date: December 28, 2015  
Date Expires: December 27, 2017

  
Jim Martin, Bureau Chief, BREA

3024368



# Colliers International

## Valuation & Advisory Services

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- GSA Properties
- Special Use Properties
- Telecommunications

Real estate valuations play a pivotal role in today's business climate. An accurate and well supported opinion of property value can mean the difference between reaching a critical goal—securing a loan, closing a sale, reporting to investors, choosing the best asset—or failing to achieve it altogether.

Colliers Valuation & Advisory Services' reports are designed to deliver insight into a property's fundamentals, its competition and the overall market dynamics affecting value. A solid valuation report can be a strategic asset for investors, lenders and owners, provided that it addresses both a property's unique characteristics and the most current market conditions.

Commitment to high-end client service, coupled with Colliers International's unparalleled market intelligence and resources, differentiates us as the firm of choice in the real estate industry.

### PROFESSIONALS

Our professionals share a commitment to deliver the highest level of service and consistent results. We go the extra mile for our clients, whether this means meeting a tight deadline or working with a complex and challenging property.

### TECHNOLOGY

Our unmatched report creation technology speeds appraisals through the pipeline. This secure, centralized production system generates a wide range of reports and high volume portfolio orders without delays.

### INFORMATION

Today's business climate places valuation in a more pivotal position than ever before. All our appraisals are evaluated and approved by an experienced review team to ensure our clients receive concise and timely appraisals. With clear, prompt reporting and a comprehensive, big picture approach, Colliers International's Valuation and Advisory reports give our clients the information they need to make better business decisions.

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