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PAT SULLIVAN APPRAISAL

Date: 09/20/2025

Client Name: Richard Benichou
Client Address: On file
Contact Phone: 424 390 6478
Email: benichourichard@gmail.com

Property Address: 3531-3533 Brian Way, Bakersfield, CA 93308

Definition of Market Value: "The most probable price a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby buyer and seller are typically motivated; both parties are well informed or well advised, and acting in what they consider their best interests; a reasonable time is allowed for exposure in the open market; payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale." The definition of market value: The Appraisal Institute

MARKET VALUE APPRAISAL

RESTRICTED APPRAISAL REPORT

Subject Property:
3531–3533 Brian Way
Bakersfield, California 93308

Client: Richard Benichou

Prepared by:
Patrick M. Sullivan
License No.: AR032965
Expiration: 01/27/2026

Date of Report: 09/20/2025

Effective Date of Value: 09/20/2025

RESTRICTED APPRAISAL REPORT

This is a Restricted Appraisal Report, which is intended to comply with the reporting requirements set forth under Standard Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice for a Restricted Appraisal Report. As such, it does not include discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report.

In accordance with the agreement between the client and the appraiser, this report is the result of a limited appraisal process. This report fully conforms to the appraisal guidelines as defined by the Uniform Standards of Professional Appraisal Practice.

PURPOSE OF THE APPRAISAL

The purpose of the appraisal is to develop an opinion of market value on the fee simple interest in the subject property.

INTENDED USE

Internal accounting and consideration in establishing a list price.

INTENDED USER OF REPORT

The identified client only.

INTEREST VALUED

Fee Simple Interest.

EFFECTIVE DATE OF VALUE

09/20/2025

DATE OF REPORT

09/20/2025.

REAL ESTATE APPRAISED

7,499 square foot industrial property (APNs 332-172-04, 332-172-06). Three industrial buildings plus one single-family residence converted to office, on a 19,175 square foot lot.

HIGHEST AND BEST USE

Commercial Industrial

SCOPE OF WORK – APPRAISAL DEVELOPMENT AND REPORTING PROCESS

The appraisal report is a restricted appraisal report, with the client as the only authorized user. The appraiser did not personally view the property; all assessments regarding the property are based on public records and client-provided information, including a reference to a prior appraisal report supplied by the client. This report is completed under the extraordinary assumption that the subject was accurately reported in the client-provided appraisal report, is accurately described by the client, accurately depicted in public record, accurately reflected in Google Maps images, and, as of the effective date, the subject's condition and configuration are consistent with the data referenced. Assignment results are subject to alteration should any said extraordinary assumptions prove to be inaccurate.

CONCLUDED VALUE

$1,200,000 – As Is

Exposure/Marketing Time: 12 months

EXTRAORDINARY ASSUMPTIONS AND/OR HYPOTHETICAL CONDITIONS

The appraiser did not personally view the property, and all assessments regarding the property are based on public records and client-provided information, including reference to a prior appraisal report supplied by the client. This report is completed under the extraordinary assumption that client-provided data, including a 2024 appraisal, accurately portrays the property, as of the effective date of this report. Statements of fact pertaining to the subject property are based on the reporting within the referenced 2024 appraisal, information provided by the client, and public record information. Assignment results are subject to alteration should the extraordinary assumptions prove to be inaccurate.

ASSUMPTIONS AND LIMITING CONDITIONS

1. This is a Restricted Appraisal Report, which is intended to comply with the reporting requirements set forth under Standard Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice for a Restricted Appraisal Report. As such, it does not include discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report.

2. No responsibility is assumed for legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated in this report.

3. The property is appraised free and clear of any or all liens and encumbrances unless otherwise stated in this report.

4. Responsible ownership and competent property management are assumed unless otherwise stated in this report.

5. The information furnished by others is believed to be reliable. However, no warrant is given for its accuracy.

6. All engineering is assumed to be correct. Any plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.

7. It is assumed that there are no hidden or apparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.

8. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated in this report.

9. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in this appraisal report.

10. It is assumed that all required licenses, certificates of occupancy, or other legislative or administrative authority from any local, state, or national governmental, or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report are based.

11. Any sketch in this report may show approximate dimensions and is included to assist the reader in visualizing the property. Maps and exhibits found in this report are provided for the reader's reference purposes only. No guarantee as to accuracy is expressed or implied unless otherwise stated in this report. No survey has been made for the purpose of this report.

12. The appraiser is not qualified to detect hazardous waste and/or toxic materials. Any comment by the appraiser that might suggest the possibility of the presence of such substances should not be taken as confirmation of the presence of hazardous waste and/or toxic materials. Such determination would require investigation by a qualified expert in the field of environmental assessment. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The appraiser's value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value unless otherwise stated in this report. No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. The appraiser's descriptions and resulting comments are the result of the routine observations made during the appraisal process.

13. Unless otherwise stated in this report, the subject property is appraised without a specific compliance survey having been conducted to determine if the property is or is not in conformance with the requirements of the Americans with Disabilities Act. The presence of architectural and

communications barriers that are structural in nature and would restrict access by disabled individuals may adversely affect the property's value, marketability, or utility.

14. Any proposed improvements are assumed to be completed in a good workmanlike manner in accordance with the submitted plans and specifications.

15. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.

16. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event, only with proper written qualification and only in its entirety.

17. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news sales, or other media without prior written consent and approval of the appraiser.

18. The liability of the authors of this appraisal report and any other employees/contractors is limited to the fee collected for the preparation of this appraisal report.

19. Acceptance of, and/or use of, this appraisal report constitutes acceptance of the above conditions.

CERTIFICATIONS

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

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

2. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.

3. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions, and conclusions.
4. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.

5. My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

6. This appraisal was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

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

8. The appraiser has not provided any services related to the subject property within 36 months of the effective date of this report.

PROPERTY DESCRIPTION / HISTORY

The subject is a 7,499-square-foot industrial property situated on a 19,175-square-foot lot. Improvements include:

- Building 1: 1,600 sf industrial, built 1984
- Building 2: 2,000 sf industrial, built 1984
- Building 3: 2,400 sf industrial, built 1984, with mezzanine (350 sf counted)
- Building 4: 1,149 sf former house converted to office, built 1950

Clear heights: 12–16 feet. Six grade-level doors. Office finish: 15%. Two parcels (APNs 332-172-04 and 332-172-06) function as one unit.

Zoning: M-3 Heavy Industrial. Current use: legal and conforming. Remaining economic life: 25+ years.

Legal Description: Map 1198 Lot P 11

Note: Title was not provided or reviewed. The legal description is abbreviated based on public record reporting.

SALES COMPARISON APPROACH

	Comp 1	Comp 2	Comp 3	Comp 4
Address	2221 Mohawk St	2254 Orpheus Ct	3201–3207 Pegasus Dr	3401 Fruitvale Ave
Sale Date	9/11/2025	8/22/2025	8/4/2025	8/1/2025
Sale Price	$940,732	$1,100,000	$1,500,000	$949,500
Lot Area (SF / AC)	93,654 / 2.15	30,928 / 0.71	12,075 / 0.28	30,927 / 0.71
GBA (SF)	8,400	5,000	12,075	4,000
$/SF GBA	$111.99	$220.00	$124.22	$237.38
$/SF Lot	$10.05	$35.58	$124.22	$30.71
Zoning	M-2	M-2	M-2	M-2
Notes	4-prop sale, 100% leased, 1999	Unicorn Business Center, 2005	Multi-tenant, investment	Single tenant, 1979

SALES COMPARISON APPROACH

	Comp 5	Comp 6	Comp 7	Comp 8
Address	4212 Armour Ave	5005 Marlin Ct	2115 E California Ave	700 22nd St
Sale Date	2/3/2025	12/27/2024	10/1/2024	10/3/2024
Sale Price	$820,000	$1,550,000	$675,000	$815,000
Lot Area (SF / AC)	46,174 / 1.06	47,480 / 1.09	13,695 / 0.31	16,553 / 0.38
GBA (SF)	5,000	7,500	8,929	6,250
$/SF GBA	$164.00	$206.67	$75.60	$130.40
$/SF Lot	$17.77	$32.63	$49.30	$49.26
Zoning	M-3	M-2	M-2	M-1
Notes	Off-market, vacant	Owner-user, petroleum co.	Built 1938, La Barata tenant	Downtown, vacant, DOM 199

SALES COMPARISON APPROACH

	Comp 9	Comp 10	Comp 11
Address	2825 Standard St – B	2717 Henry Ln	7041 Meany Ave
Sale Date	7/26/2024	8/29/2024	4/26/2024
Sale Price	$2,000,000	$450,000	$1,200,000
Lot Area (SF / AC)	39,204 / 0.90	17,008 / 0.39	34,848 / 0.80
GBA (SF)	8,500	2,200	6,000
$/SF GBA	$235.29	$204.55	$200.00
$/SF Lot	$51.02	$26.47	$34.45
Zoning	M-3	M-1	M-2 PD
Notes	Multi-tenant, built 1980	Owner-user, built 1964	Vacant at sale, older build

RECONCILIATION OF SALES COMPARISON APPROACH

Eleven industrial sales were analyzed, with reported prices ranging from $450,000 to $2,000,000 and building sizes from 2,200 to 12,075 square feet. The indicated unit prices range from $75.60 per square foot (2115 E California Ave) to $237.38 per square foot (3401 Fruitvale Ave).

The median unit price across the sample is approximately $200 per square foot, with the average at $173 per square foot. This data reflects a broad cross-section of local market activity, including both owner-user and investment sales.

Market conditions adjustments were not noted to be indicated and are not applied.

While the median indicator is $200/SF, the subject's quality, condition, and utility characteristics support a downward adjustment. An applied rate of $160 per square foot is determined, resulting in an indicated value of $1,200,000 (rounded) according to the Sales Comparison Approach. The value opinion is based on a 3-9 month exposure period.

INCOME APPROACH

Rental Grid (R1–R3)

	R1	**R2**	**R3**
Address	4233 Foster Ave	5301 White Ln	709 Workman St
Sign / Start	Jul 2025 / Aug 2025	Jan 2025 / Jan 2025	Jan 2025 / May 2025
Leased Area (SF)	5,000	10,014	2,500
Rentable Area (SF)	5,000	13,500	5,000
Starting Rent	**$0.90 IG**	**$0.85 MG**	**$1.31 MG**
Asking Rent	$1.15 IG	$1.30 MG	$1.31 MG
Lease Type / Term	Direct / 3 yrs	Sublease / 2 yrs	Direct / 1 yr
Vacancy at Lease	0%	0%	50%
Building Notes	1999, metal, 17' CL	1980, single-tenant	2023, multi, excellent finish

Rental Grid (R4–R6)

Field	R4	R5	R6
Address	815 Espee St	3504 Standard St (Unit 21)	1649 Elzworth St (Suite 4)
Sign / Start	Apr 2025 / Jun 2025	Feb 2025 / Mar 2025	Oct 2024 / Nov 2024
Leased Area (SF)	5,600	3,000	4,000
Rentable Area (SF)	7,300	19,270	10,000
Starting Rent	**$0.90 MG**	**$0.83 IG**	**$1.15 IG**
Asking Rent	$0.90 MG	$1.00 IG	$1.15 IG
Lease Type / Term	Direct / 5 yrs	Direct / 4 yrs	Direct / 1 yr 7 mo
Vacancy at Lease	0%	48.5%	0%
Building Notes	1952, multi	1966, multi, 16' CL	1998, multi, 18' CL

The subject's actual rents of $1.11/SF/month are within the range of the comparable data ($0.83–$1.31/SF/month). The lease appears to reflect market rent levels, albeit slightly higher than the sample median of $0.90/SF/month. The subject actual rents are considered to reflect market rent.

Cap Rate Grid

Field	Comp 1	Comp 2	Comp 3
Address	5303 Woodmere Dr	4201 Arrow St	5010 Lisa Marie Ct
Sale Date	10/18/2024	6/24/2024	5/20/2024
Sale Price	$1,125,000	$2,000,000	$850,000
Building Area (SF)	6,000	11,232	5,000
Price/SF	$187.50	$178.06	$170.00
Cap Rate (Actual)	**5.65%**	**5.74%**	**6.00%**
Occupancy at Sale	100%	100%	100%
Year Built/Reno	1996	1992 / 2013	1992
Zoning	M	M-1	M-2
Notes	Owner-user, buyer relocating ops	1031 exchange, Class C	Leased to NGC Construction (to 2028)

Income Approach - Direct Capitalization

Item	Amount
Potential Gross Income	$100,200
Less Vacancy (5%)	–$5,010
Effective Gross Income	$95,190
Expenses	–$25,260
Net Operating Income	$69,930
Capitalization Rate	5.75%
Indicated Value	$1,216,000 (rounded)

RECONCILIATION OF VALUE INDICATIONS

Sales Comparison Approach: $1,200,000
Income Approach: $1,216,000

The Income Approach and Sales Comparison Approaches indicate a similar value range.

Final Market Value Conclusion as of 09/20/2025 is:

$1,200,000 (One Million Two Hundred Thousand Dollars)

This is my digital signature, and should be relied upon for certification of this report.

Patrick Sullivan

Patrick Sullivan

CA AR032965

Exp: 01/26/2025

Date of Signature

Date of Report