

**UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

Case No. 8:20-CV-325-T-35AEP

BRIAN DAVISON;
BARRY M. RYBICKI;
EQUIALT LLC;
EQUIALT FUND, LLC;
EQUIALT FUND II, LLC;
EQUIALT FUND III, LLC;
EA SIP, LLC;

Defendants, and

128 E. DAVIS BLVD, LLC, et al.,

Relief Defendants.

_____ /

**RECEIVER'S VERIFIED UNOPPOSED MOTION TO APPROVE
PRIVATE SALE OF REAL PROPERTY —
1500 BELL RIDGE ROAD, JOHNSON CITY, TENNESSEE**

Burton W. Wiand, as Receiver over the assets of the above-captioned
Corporate Defendants and Relief Defendants,¹ moves the Court to approve the

¹ The (“**Receiver**” and the “**Receivership**” or “**Receivership Estate**”) has been expanded to include not only the Corporate and Relief Defendants but also the following entities: EquiAlt Qualified Opportunity Zone Fund, LP; EquiAlt QOZ Fund GP, LLC; EquiAlt Secured Income Portfolio REIT, Inc.; EquiAlt Holdings LLC; EquiAlt Property Management LLC; and EquiAlt Capital Advisors, LLC. *See* Doc. 184, at 6–7. *See also*, Doc. 284.

sale of real property located at 1500 Bell Ridge Road, Johnson City, Tennessee 37601 (the “**Property**”). The buyer of the Property is Guifu Chen (the “**Buyer**”), and the purchase price is \$2,260,000. A copy of the Purchase and Sale Agreement is attached as **Exhibit 1** (the “**Contract**”). Selling the Property in the manner described in this motion will result in a fair and equitable recovery for the Receivership Estate.

BACKGROUND

At the request of the Securities and Exchange Commission (“**SEC**”), the Court appointed the Receiver on February 14, 2020 and directed him, in relevant part, to “[t]ake immediate possession of all property, assets and estates of every kind of the Corporate Defendants and Relief Defendants,” which includes “all real property of the Corporate Defendants and Relief Defendants, wherever situated, and to administer such assets as is required in order to comply with the directions contained in this Order.” Doc. 6 (the “**Order**”) at 73, ¶ 1. The Court also ordered that “[t]itle to all property, real or personal, all contracts, rights of action and all books and records of the Corporate Defendants and Relief Defendants and their principals wherever located within or without this state, is vested by operation of law in the Receiver.” Doc. 6 at 77, ¶ 17.

The Order also directs the Receiver to “[m]ake or authorize such payments and disbursements from the funds and assets taken into control, or

thereafter received by the Receiver, and incur, or authorize the incurrence of, such expenses and make, or authorize the making of, such agreements as may be reasonable, necessary, and advisable in discharging the Receiver's duties." Doc. 6 at 75, ¶ 8.

The Procedures Applicable to Sales of Real Property

The procedures applicable to private sales of receivership real estate are set forth in 28 U.S.C. § 2001(b) ("**Section 2001(b)**")²:

After a hearing, of which notice to all interested parties shall be given by publication or otherwise as the court directs, the court may order the sale of such realty or interest or any part thereof at private sale for cash or other consideration and upon such terms and conditions as the court approves, if it finds that the best interests of the estate will be conserved thereby. Before confirmation of any private sale, the court shall appoint three disinterested persons to appraise such property or different groups of three appraisers each to appraise properties of different classes or situated in different localities. No private sale shall be confirmed at a price less than two-thirds of the appraised value. Before confirmation of any private sale, the terms thereof shall be published in such newspaper or newspapers of general circulation as the court directs at least ten days before confirmation. The private sale shall not be confirmed if a bona fide offer is made, under conditions prescribed by the court, which guarantees at least a 10 per centum increase over the price offered in the private sale.

28 U.S.C. § 2001(b).

² Section 2001(b) governs here because this is a private sale of real property and because 28 U.S.C. §§ 2001(a) and 2004 deal with public auctions and personal property, respectively.

The Receiver can move the Court to waive strict compliance with these procedures, but as explained below, the Receiver has substantially and materially complied with the statute.

**The Property, the Receiver's Marketing Efforts,
and the Proposed Sale**

EA SIP TN Holdings, LLC, a Receivership entity, owned the Property until the Order appointed the Receiver, who took title to the Property. The Property was purchased with scheme proceeds — i.e., money contributed to the scheme by victim investors. The Property is a multifamily apartment complex consisting of 41 units. The Receiver has determined that selling the Property at this time and in its current condition is in the best interest of the Receivership.

In order to publicize the sale of the Property it was listed on the Receivership website,³ Multiple Listing Service (“MLS”), and Zillow,⁴ the popular real estate listing website. MLS listings reach essentially every real estate broker and agent in the United States, and Zillow is the most visited real estate website in the United States.

³ See <https://www.equialtreceivership.com/assets-for-sale/1500-bell-ridge-road/> (last visited June 28, 2022).

⁴ See https://www.zillow.com/homedetails/1500-Bell-Ridge-Rd-Johnson-City-TN-37601/42570245_zpid/ (last visited June 27, 2022).

In compliance with Section 2001(b), the Receiver obtained valuations from three disinterested sources (collectively, the “**Valuations**”), which are attached as **Exhibits 2–4**. Exhibits 2, 3, and 4 estimate the as-is market value of the Property at \$2,270,000 (Ex. 2 at 2); \$2,000,000 (Ex. 3 at 2); \$2,000,000 (Ex. 4 at 2). The \$2,260,000 sale price is within this range. The sale of the Property would constitute a \$2,260,000 gross recovery for the Receivership Estate. In compliance with Section 2001(b), the sale price of \$2,260,000 is substantially greater than two-thirds of the average of the Valuations.

The Property is free of any significant liens or encumbrances, such as a mortgage. Should any administrative liens be discovered during a title search, they will be resolved routinely at closing.

Section 2001(b) Publication

To satisfy the publication requirement of Section 2001(b), the Receiver published the terms of the sale on June 24, 2022, in the Johnson City Press newspaper,⁵ which is regularly issued and of general circulation in the district where the Property is located. A copy of the affidavit of publication is attached

⁵ The terms of the proposed sale were also published on the Johnson City Press’ website. See https://www.johnsoncitypress.com/classifieds/community/announcements/legal/notice-of-sale/ad_26a68982-2ebd-578a-9453-3e567cfe5353.html (last visited June 27, 2022).

as **Exhibit 5**.⁶ Pursuant to Section 2001(b), after the 10-day statutory window for “bona fide offers” has elapsed, the Receiver will advise the Court whether he received any such offer and appropriate steps in response thereto. Absent such an offer, the Receiver submits that approval of the proposed sale pursuant to the Order and Section 2001(b) is commercially reasonable, fair and equitable, and will ensure a cost-effective recovery for the ultimate benefit of the Receivership Estate.

ARGUMENT

The Court’s power to supervise an equity receivership and to determine the appropriate actions to be taken in the administration of the receivership is extremely broad. *S.E.C. v. Elliott*, 953 F.2d 1560, 1566 (11th Cir. 1992); *S.E.C. v. Hardy*, 803 F.2d 1034, 1038 (9th Cir. 1986). The Court’s wide discretion derives from the inherent powers of an equity court to fashion relief. *Elliott*, 953 F.2d at 1566; *S.E.C. v. Safety Finance Service, Inc.*, 674 F.2d 368, 372 (5th Cir. 1982). A court imposing a receivership assumes custody and control of all assets and property of the receivership, and it has broad equitable authority to issue all orders necessary for the proper administration of the receivership estate. *See S.E.C. v. Credit Bancorp Ltd.*, 290 F.3d 80, 82-83 (2d Cir. 2002);

⁶ The affidavit of publication includes a newspaper clipping of the advertisement that is wrinkled and partially obscured. *See* Ex. 5 at 1. The advertisement proof that was provided before publication provides a legible copy of the advertisement. *See* Ex. 5 at 2.

S.E.C. v. Wencke, 622 F.2d 1363, 1370 (9th Cir. 1980). The court may enter such orders as may be appropriate and necessary for a receiver to fulfill his duty to preserve and maintain the property and funds within the receivership estate. *See, e.g., Official Comm. Of Unsecured Creditors of Worldcom, Inc. v. S.E.C.*, 467 F.3d 73, 81 (2d Cir. 2006). Any action taken by a district court in the exercise of its discretion is subject to great deference by appellate courts. *See United States v. Branch Coal*, 390 F.2d 7, 10 (3d Cir. 1969). Such discretion is especially important considering that one of the ultimate purposes of a receiver's appointment is to provide a method of gathering, preserving, and ultimately liquidating assets to return funds to creditors. *See S.E.C. v. Safety Fin. Serv., Inc.*, 674 F.2d 368, 372 (5th Cir. 1982) (court overseeing equity receivership enjoys "wide discretionary power" related to its "concern for orderly administration") (citations omitted).

Given these principles, the Court should approve the proposed sales for at least four reasons. First, the Receiver is complying with Section 2001(b). Specifically, he obtained the Valuations, and the total sale price is within the range of the estimates disclosed in those valuations. *See* Exs. 2–4. Section 2001(b) provides that "[n]o private sale shall be confirmed at a price less than two-thirds of the appraised value" — here, \$ 1,393,333 based on the average of the Valuations. The \$2,260,000 sale price for the Property is well above that amount.

The Receiver has published the terms of the proposed sale in the Johnson City Press. *See* Ex. 5. If no one objects to this motion or submits a “bona fide offer” pursuant to Section 2001(b), to conserve resources, the Receiver asks that the Court grant the motion without a hearing.

Second, as noted above, the sale price represents a gross recovery of \$2,260,000 for the benefit of the Receivership Estate, and ultimately its creditors, including the victim investors. Third, the Receiver’s independent evaluation of the transaction demonstrates that it is commercially reasonable. The Receiver is not aware of any other association between the Receivership entities and the Buyer. As such, this is an arm’s-length transaction. Fourth, the existence of a ready-and-willing buyer ensures an efficient and cost-effective recovery for the Receivership Estate, and in the Receiver’s opinion, the sale price is at or near the maximum price that can be anticipated for the sale of the Property.

CONCLUSION

For the reasons discussed above, this transaction is commercially reasonable, fair and equitable, and will ensure a cost-effective recovery for the ultimate benefit of the Receivership Estate. Therefore, the Receiver requests an order (1) approving the transaction and the Contract and (2) ordering that the Receiver may transfer title to the Property by Receiver’s Deed to the Buyer, free and clear of all claims, liens, and encumbrances.

Communications with underwriters and title counsel have indicated that including the legal description in the Court's order could promote quicker closings and avoid potential questions about the chain of title in an abundance of caution. As such, if the Court grants this motion the Receiver asks the Court include the legal description⁷ for the Property in the order. The legal description of the Property is as follows:

Situated, lying and being in the Ninth (9th) Civil District of Washington County, Tennessee, to-wit:

Beginning at an iron pin found in the southeasterly right-of-way of Oregon Street and corner to Earnest Campbell (Roll I Image 1485); thence in a Northeasterly direction along said right-of-way North 40°54'39" East, 33.97 feet to an iron pin in the Southwesterly right-of-way of Bell Ridge Road; thence in a Northeasterly direction along said right-of-way the following eleven calls and distances to wit: North 62°29'50" East, 87 feet to an iron pin; North 60°40'35" East, 115.66 feet to an iron pin; North 66°28'31" East, 27.32 feet to an iron pin; North 77°45'17" East, 52.55 feet to an iron pin; South 75°22'47" East, 157.68 feet to an iron pin; South 59°03'15" East, 28.31 feet to an iron pin; South 34°16'59" East, 59.91 feet to an iron pin; South 07°24'25" West, 99.17 feet to an iron pin; South 19°05'49" West, 150.68 feet to an iron pin; South 05°43'23" West, 51.82 feet to an iron pin; South 08°49'58" East, 82.07 feet to an iron pin found, corner to Bill Dunbar (Deed Book 669, Page 292); Thence leaving said right-of-way and with the line of Dunbar, South 64°40'51" West, 213.75 feet to an iron pin found, corner to C W Campbell (Roll 45 Image 789); Thence with the line of Campbell S 64°26'30" West, 205.25 feet to an iron pin set in the line of James Caudle (Deed Book 627, Page 550); thence with the line of Caudle in part and Jackie Beard (Deed Book 633, Page 112) in part North 27°58'58" West, 205.00 feet to an iron pin found, corner to Earnest Campbell; thence with the line of Campbell the following two calls and distances to-wit: North 40°31'21" East, 200.00 to an iron pin set; North 26°06'15" West, 200 feet to the point of BEGINNING, containing 5.196 acres, more or less, as shown by survey dated September 3, 1998, entitled "Phil A and Suzanne C Street" prepared by William Michael Glass, TRLD #927, 120 1/2 Boone Street, Jonesborough, TN 37659.

Being the same property conveyed to EA Sip TN Holdings, LLC, by Warranty Deed from Mark Boyd Dishman, II and wife, Elizabeth A. Dishman, of record in Roll 965, Image 368, in the Register's Office for Washington County, Tennessee, dated August 20, 2018, and recorded on August 20, 2018.

LOCAL RULE 3.01(G) CERTIFICATION

Counsel for the Receiver has conferred with counsel for the SEC and is authorized to represent to the Court that the SEC does not object to the relief sought.

Respectfully submitted,

⁷ The Contract identifies the Property by tax parcel ID number and provides that the legal description is "TBD." See Ex. 1 at 16. The legal description in this motion has been provided by the Receiver's title professionals in preparation for the proposed transaction.

s/R. Max McKinley

R. Max McKinley, FBN 119556

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Attorneys for the Receiver Burton W. Wiand

VERIFICATION OF THE RECEIVER

I, Burton W. Wiand, Court-Appointed Receiver in the above-styled matter, hereby certify that the information contained in this motion is true and correct to the best of my knowledge and belief.

s/ Burton W. Wiand

Burton W. Wiand, Court-Appointed Receiver

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on June 29, 2022, I electronically filed the foregoing with the Clerk of the Court by using the CM/ECF system.

s/R. Max McKinley

R. Max McKinley, FBN 119556

EXHIBIT 1

REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS REAL ESTATE PURCHASE AND SALE AGREEMENT (the “Agreement”) is made and entered into as of April __, 2022 (the “Effective Date”), by and between **Guifu Chen** and or assigns (hereinafter, the “Buyer”) and Burton W Wiand as Receiver for **EA SIP TN Holdings LLC** (hereinafter, the “Receiver” or “Seller”, and collectively with Buyer, the “Parties”) appointed in the matter of Securities and Exchange Commission v. Brian Davison, et al., United States District Court, Middle District of Florida, Tampa Division, Case No.: 8:20-cv-00325-T-35AEP (hereinafter, the “Action”).

W I T N E S S E T H:

WHEREAS, the Receiver was appointed pursuant to an Order Granting Plaintiff’s Emergency Ex Parte Motion for Appointment of Receiver and Memorandum of Law entered February 14, 2020 and an Order Granting Emergency Ex Parte Motion for Temporary Restraining Order, Asset Freeze, and Other Injunctive Relief entered February 14, 2020 in connection with the proceedings in the Action (the “Receivership Orders”); The Receiver’s powers, authorities, rights and privileges, which are outlined in the Receivership Orders, include him taking custody, control and possession of all Receivership Property, including the real property located **1500 Bell Ridge Road, Johnson City, Tennessee, 37601**, and he is authorized sell Receivership Property with approval of the United States District Court for the Middle District of Florida;

WHEREAS, Burton W Wiand, EA SIP Holdings TN LLC is a legal entity under the control of the Receiver pursuant to the Receivership Orders and it is the owner of the Property (as hereinafter defined) located at **1500 Bell Ridge Road, Johnson City, Tennessee 37601** being more particularly described on Exhibit A attached hereto and incorporated herein;

WHEREAS, pursuant to the Receivership Orders, the Seller has been granted full power and authority to market and enter into an agreement to sell the Property;

WHEREAS, subject to approval by the Court, compliance with the publication requirements of 28 U.S.C. § 2001(b), and the non-receipt of a Bona Fide Offer (defined below), Seller desires to sell and Buyer’s desire to purchase the Property pursuant to the terms and conditions set forth herein, and

WHEREAS, Buyer desires to purchase the Property and Seller desires to sell the Property, all on the terms and conditions hereinafter set forth.

NOW, THEREFORE, for and in consideration of these premises and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby agree as follows:

1. Property. The term “Property” shall mean, collectively, the following:

(a) The “Real Property,” being the fee interest in the land located at **1500 Bell Ridge Road, Johnson City, Tennessee, 37601** as more particularly described in Exhibit A attached hereto (the “Land”), together with (1) all improvements located thereon, including fixtures and security equipment (“Improvements”), (2) all rights, benefits, privileges, easements,

tenements, hereditaments, and appurtenances thereon or in anywise appertaining to such real property, and (3) any and all strips and gores and any land lying in the bed of any street, road or alley, open or proposed, adjoining such real property.

(b) All leases, licenses, or other occupancy and/or use agreements affecting the Property, together with all amendments and guaranties (collectively, the “Leases”), together with all refundable security deposits made pursuant thereto.

(c) All service, maintenance, supply, equipment rental, revenue sharing, and other contracts and agreements related to the operation or maintenance of the Property (collectively, the “Service Contracts”) which are assumed by Buyer pursuant to Section 5(d) below.

2. Purchase and Sale. On the Closing Date, as hereinafter defined, and for the purchase price and upon the terms and conditions hereinafter provided, Seller agrees to sell, transfer, and convey the Property to Buyer. The purchase price for the Property shall be **TWO-MILLION TWO-HUNDRED SIXTY THOUSAND and No/100 Dollars (\$2,260,000.00)** payable by Buyer in cash or other immediately available funds on the Closing Date (the “**Purchase Price**”)

3. Court Approval Contingency. This Agreement is contingent upon (1) compliance with the publication procedures required by 28 U.S.C. § 2001(b), and (2) the non-receipt by Seller of a bona fide offer, under conditions pre-scribed by the Court, as described in 28 U.S.C. § 2001(b) (a “**Bona Fide Offer**”). Buyer under-stand and acknowledges that 28 U.S.C. § 2001(b) prohibits the Court’s approval and confirmation of the transaction contemplated by this Agreement if Seller receives a Bona Fide Offer. As such upon receipt of a Bona Fide Offer, Seller shall provide the Buyer with ten (10) days’ notice of such offer prior to filing a motion with the Court to approve any transaction. Buyer shall have the opportunity to make a competitive offer and the Seller agrees to recommend the acceptance of Buyers equal or better offer to the Court absent any material deficiencies in Buyers offer. Should the Seller or the Court determine that a Bona Fide Offer is superior to any final offer of the Buy-er Seller may terminate this agreement and the buyers exclusive remedy for such termination is limited to the return of its Earnest Money Deposit, as defined and set forth below. If the Seller does not receive a Bona Fide Offer after compliance with the publication procedures required by 28 U.S.C. § 2001(b), this Agreement is further contingent upon Seller obtaining an Order in substantially the form as Exhibit “B” attached hereto (the “Order”) approving: (1) the sale of the Property described in Exhibit “A” to Buyers free and clear of all liens, claims, encumbrances, and restrictions as provided for in the order of the United States District Court approving this trans-action and (2) Buyer’s quiet enjoyment of all assets assigned to and assumed by Buyers (collectively, the “Contingencies”).

In the event that Seller receives a Bona Fide Offer or the Court does not approve of the sale of the Property, i.e., if the Contingencies are not satisfied on or before the Closing Date, Buyers acknowledge and agree that its sole and exclusive remedy is to seek return of the Earnest Money, as defined below. This Agreement, when duly executed by the Parties, constitutes the express waiver in writing of any other remedy, whether legal or equitable, that may be available to the Buyer.

4. **Earnest Money.**

(a) **Deposit.** Within three (3) business days following the Effective Date, Buyer shall deposit with Gardener Title & Escrow, 4235 Hillsboro Pike, Suite 300, Nashville, TN 37215, (“**Escrow Agent**”), as escrow agent, the sum of be **FIFTY-THOUSAND and No/100 Dollars (\$50,000.00)** (the “**Earnest Money**”) by check, electronic funds transfer, or wire transfer of immediately available funds. The Earnest Money shall be held by the Escrow Agent and credited, disbursed or paid over by the Escrow Agent in accordance with the terms and provisions of this Agreement.

(b) **Refundability.** Prior to the conclusion of the Inspection Period, the Earnest Money shall be fully refundable upon a termination pursuant to Section 5(c). Upon conclusion of the Inspection Period, the Earnest Money shall be deemed fully earned and nonrefundable in all cases except an uncured Seller default, subject only to the Contingencies.

(c) Seller shall, on or before the date of Closing, make reasonable efforts to obtain approval from The United States District Court, Middle District of Florida to sell the Property pursuant to the terms of this Agreement. After the satisfaction of the contingencies in this Agreement if the Buyers withdraw from this Agreement prior to the approval of the sale, or if the Court approves the sale of the Property pursuant to the terms of this Agreement and the Buyers fail to perform under this Agreement except as to any rights the Buyers may have under Section 5(c), Section 5(e), Section 6(a), or Section 10, the Earnest Money shall be delivered immediately to Seller as liquidated damages for Buyer’s failure to perform. In the event that the Court fails to approve this Agreement, or the Buyer terminates the Agreement solely as provided for in Section 5(c), Section 5(e), Section 5(f), Section 6(a), or Section 10, this Agreement shall be null and void and of no further force and effect and neither Seller nor the Buyers shall have any further obligations hereunder to the other and the Earnest Money shall be delivered immediately to Buyer. Should Seller fail to perform any obligation under this Agreement for any other reason, the Buyers’ sole remedy shall be to seek return of all funds deposited in connection with this Agreement.

5. **Seller’s Delivery of Documents; Inspection Period; Contingencies.**

(a) **Seller’s Delivery of Property Information Documents.** Within five (5) days after the Effective Date, Seller shall provide to Buyer the Property Information listed on Exhibit C, attached hereto and incorporated herein, to the extent the same are in Seller’s possession or control. Buyer agrees that Seller may post the Property Information to a file sharing site, such as Drop Box, and Buyer shall acknowledge receipt of said Property Information upon posting to said site. Buyer shall acknowledge delivery of same, within five (5) days of its receipt of the Property Information and shall specify any items which Seller reasonably believes are missing. Buyer’s failure to send the acknowledgment within the time period set forth above shall be deemed that Seller has complied with the requirements of this Section.

(b) **Inspection.** Buyer shall have the period commencing on the Effective Date and expiring at 5:00 pm on the date which is thirty (30) days after the Effective Date (the “**Inspection Period**”) within which to conduct its examination and analysis of the Property. Buyer and its agents, employees, contractors and representatives shall have the right at all reasonable time to:

(i) enter upon the Property for purposes of performing inspections, tests, surveys, site planning, environmental audits, physical condition assessments, feasibility studies and other similar activities; (ii) contact any third parties for purposes of obtaining information related to the Property; and (iii) review all reports, books, records, materials and information related to the Property. Seller shall cooperate with Buyer in connection with such activities, including, but not limited to, making all reports, books, records, materials and other information related to the Property or the ownership, operation, use, construction, development, and operation of the Property available to Buyer. Buyer shall indemnify and hold Seller harmless from and against any loss, claim or liability arising or resulting from any physical damage to the Property or injuries to persons or property resulting from the inspections made by Buyer or Buyer's agents or representatives, unless the same are due to an act or omission of Seller or its employees, agents, contractors, representatives or tenants. The indemnification obligations of Buyer under this subsection shall survive the Closing or the termination of this Agreement.

(c) Right of Termination. Prior to the expiration of the Inspection Period, Buyer may terminate this Agreement without further liability to Seller for any reason or no reason, as determined by Buyer in its sole and absolute discretion, by giving written notice to Seller on or before 5:00 PM local time on the last day of the Inspection Period. In the event this Agreement is terminated pursuant to this section, the Escrow Agent shall refund to Buyer the remaining balance of the Earnest Money.

(d) Service Contracts. Before the expiration of the Inspection Period, Buyer will indicate in a written notice to Seller which Service Contract(s) Buyer will assume. All other Service Contract(s) will be terminated by Seller at or prior to Closing. If Buyer fails to timely deliver such written notice, Buyer shall be deemed to have rejected all of the Service Contracts. Buyer will assume the obligations arising from and after the Closing Date under those Service Contracts which Buyer has agreed to assume. Seller shall terminate at Closing all Service Contracts that are not so assumed. Notwithstanding the foregoing, Seller shall terminate at Closing, and Buyer shall not assume, any property or asset management agreement, any leasing services agreement and any insurance affecting the Property; and, notwithstanding anything contained in this Agreement to the contrary, such agreements and/or contracts shall not, in any event, be or be deemed to be Service Contracts.

(e) Financing Contingency. Purchaser's obligation to close on the acquisition of the Property shall be subject to Purchaser's ability to obtain financing reasonably acceptable to Purchaser within forty-five (45) days after the Effective Date. Financing shall be deemed to be reasonably acceptable to Purchaser if it satisfies the following minimum requirements:

- (i) LTV: Loan to Value ratio not less than 75% of the appraised value of the Property.
- (ii) Term: Minimum 10-year loan term.
- (iii) Interest Rate: Not to exceed eight percent (8%).

Purchaser shall apply for financing within five (5) days after the Effective Date, and shall provide evidence of such application to Seller. Purchaser shall diligently and continuously in good

faith pursue such financing and shall keep Seller apprised of the status of such financing. In the event Purchaser is unable to obtain such financing with said forty-five (45) day period, Purchaser shall have the right to terminate this Agreement by providing notice to Seller prior to the expiration of such forty-five (45) day period, in which event the Earnest Money shall be immediately returned to Purchaser and such termination shall otherwise be as provided in Section 5(c) above. In the event Purchaser does not terminate this Agreement due to failure of the financing contingency within said period, Purchaser shall be deemed to have waived its right to terminate as provided herein.

6. **Title.**

(a) **Title Documents.** Seller shall cause the Title Company to prepare and deliver to Buyer and its counsel prior to the end of the Inspection Period a title commitment (the “**Title Commitment**”) for the Property in an amount equal to the Purchase Price, from Gardner Title & Escrow, as agent for First American Title Insurance Company, 4235 Hillsboro Pike, Suite 300, Nashville, TN 37215 (the “**Title Company**”) for an owner’s title insurance policy (the “**Title Policy**”) on the most recent standard American Land Title Association form, together with copies of all recorded instruments identified as exceptions therein (together with the Title Commitment, referred to herein as the “**Title Documents**”). If the Title Commitment shows that Seller does not have good, record and marketable indefeasible, fee simple title to the Property, or that there are any defects, liens or encumbrances or any other matters which are not acceptable to Buyer (“**Title Objections**”), Buyer shall provide written notice with specificity to Seller (“**Title Objection Notice**”) within ten (10) days after receipt of the Title Documents. Seller shall notify Buyer within five (5) days after delivery of the Title Objection Notice whether Seller elects to remedy any or all of the Title Objections, in its sole discretion, provided Seller shall cure (i) any mortgage or similar security instrument entered into by Seller encumbering the Property, (ii) any mechanic’s, materialman’s or similar lien attributable to actions of Seller prior to Closing (unless resulting from any act or omission of Buyer or any of its agents, contractors, representatives or employees), and (iii) any past due taxes (collectively, the “**Monetary Liens**”). Seller’s failure to respond within such time period shall be deemed an election not to remedy any Title Objections. If Seller elects not to cure all of the title objections contained in the Title Objection Notice, Buyer shall have the option to either (i) accept the status of the title subject to such defects, liens or encumbrances and other matters and proceed with this Agreement, or (ii) give Seller written notice of termination on or before the date five (5) days after Buyer’s receipt of Seller’s Title Notice or expiration of Seller’s five (5) day response period, in which case, the Escrow Agent shall deliver to Buyer the Earnest Money, together with interest earned thereon, and this Agreement shall terminate and Buyer shall be released of all liabilities and obligations under this Agreement; provided, however that the indemnity obligations of the parties under this Agreement shall survive termination. Seller shall use reasonable efforts to cure and eliminate any Title Objections which Seller has elected to cure. If Seller is unable to cure and eliminate any such Title Objections prior to Closing, Buyer shall have the option, in Buyer’s sole and absolute discretion, to (i) waive such Objections, or (ii) terminate this Agreement as provided above in this Section. Any exception appearing on the Title Commitment, other than Monetary Liens, or which Seller does not agree to cure as provided herein, shall be deemed a “**Permitted Exception.**”

(b) **Survey.** Buyer may, at Buyer’s sole cost and expense, shall cause a survey for the Property (“**Survey**”) to be prepared, including a metes and bounds description of the Property, and

any such survey shall be certified to Buyer, Title Company, and such other parties as Buyer may elect. Buyer shall be responsible for all costs related to the Survey including, without limitation, costs related to any update of the Survey. Buyer shall promptly deliver a copy of the Survey to Seller.

7. Closing.

(a) Closing Date and Place. Unless extended by mutual agreement of the Parties, Closing shall take place within thirty (30) days after The United States District Court, Middle District of Florida's approval of the sale, with Buyers to provide written notice specifying the actual closing date (the "**Closing Date**") at least three (3) business days before such closing date. All funds and documents required to be deposited hereunder shall be deposited into escrow prior to Closing. The term "**Closing**" as used herein shall mean the date all contingencies provided in this Agreement shall be satisfied or waived by written instrument and the date the Deed in substantially the form as Exhibit "B" attached hereto has been recorded. The Closing shall occur in escrow on the Closing Date at the offices of the Title Company or at such other place as the parties may mutually agree in writing or remotely by mail, overnight courier, or electronic delivery of all closing documents.

(b) Seller's Closing Deliveries. At the Closing Seller shall execute and deliver the following documents and deliver the following items:

(i) Deed. At Closing, Seller shall convey to Buyer good and marketable fee simple absolute title to the Property by a duly executed and recordable Receiver's Deed (the "**Deed**"), in substantially the form as Exhibit "B" attached hereto, free and clear of any and all encumbrances, liens, leasehold interests or other defects in title except (A) real estate taxes for the current year and (B) the Permitted Exceptions.

(ii) Assignment of Leases. An Assignment and Assumption of Leases (the "Assignment of Leases"), executed by Seller, assigning all of Seller's right, title and interest in the Leases to Buyer, with mutual indemnities for periods before and after said assignment, respectively;

(iii) Assignment of Contracts. An Assignment and Assumption of Contracts (the "General Assignment"), executed by Seller, assigning to Buyer, all of Seller's right, title and interest in the Service Contracts;

(iv) FIRPTA. A Foreign Investment in Real Property Tax Act affidavit executed by Seller (or, if Seller is a disregarded entity, by the other appropriate entity; i.e., an affidavit executed by Seller or another appropriate entity to the effect that Seller or such other entity is not a "foreign person" within the meaning of Internal Revenue Code Section 1445 or successor statutes) ("FIRPTA Affidavit").

(v) Title Insurance Documents. At Closing, Seller shall execute and deliver to the Title Company a standard form owner's affidavit that is sufficient to cause the Title Company to delete the so-called "standard" pre-printed exceptions from the Title Commitment and the Owner's Title Policy.

(vi) Rent Roll. A Rent Roll as of the Closing, certified as true, correct and complete by Seller, with a schedule of all security deposits paid by Tenants (together with originals, to the extent in Seller's possession, of all Leases and all amendments, guaranties and other documents and records relating thereto);

(vii) Closing Statement. A closing statement prepared by the Escrow Agent, and executed by Seller, that sets forth the Purchase Price, all credits against the Purchase Price provided for in this Agreement, all amounts prorated between the parties pursuant to this Agreement, and all disbursements to be made at Closing on behalf of any of the parties hereto (the "Closing Statement").

(viii) such other and further documents as may be reasonably required hereunder, or which are customarily required by Escrow Agent and reasonably acceptable to Seller.

(c) Buyer's Closing Deliveries. At the Closing Seller shall execute and deliver the following documents and deliver the following items:

(i) Payment of the Purchase Price required pursuant to this Agreement, subject to adjustment as provided herein.

(ii) The Assignment and Assumption of Leases, executed by Buyer, assuming all of Seller's right, title and interest in the Leases;

(iii) The General Assignment, executed by Buyer, assuming all of Seller's right, title and interest in the Service Contracts;

(iv) The Closing Statement executed by Buyer; and

(v) such other and further documents as may be reasonably required hereunder or which are customarily required by Escrow Agent and reasonably acceptable to Buyer.

(d) Possession. Upon the completion of the Closing, Seller shall deliver possession of the Property to Buyer, subject only to the Permitted Exceptions.

8. Closing Costs. At Closing,

(a) Buyer shall pay the cost of a cost of the Title Commitment and the premium for the Owner's Title Policy and any Loan Policy of Title Insurance, any endorsements thereto and shall be responsible for the cost of the Survey, any Phase I or Phase II Environmental Site Assessment or physical inspection reports, or engineering or geotechnical assessments related to the Property obtained by Buyer, any costs or expenses related to obtaining financing for the acquisition of the Property; all transfer taxes in connection with the recording of the Deed; all recording costs due in connection with the recording the Deed and any mortgages or other documents related to the financing of the acquisition of the Property; and any fee charged by the Escrow Agent to conduct the Closing, and

(b) Seller shall pay Seller's legal, accounting and other professional fees and expenses and the cost of all certificates, instruments, documents and papers required to be

delivered, or to cause to be delivered, by Seller hereunder, including without limitation, the cost of performance by Seller of its obligations hereunder.

(c) Except as otherwise expressly provided herein, each party shall be responsible for paying all costs it incurs in connection with the transaction contemplated by this Agreement, including, but not limited to, attorneys' fees and due diligence costs.

9. Prorations. Except as otherwise provided herein, the items in this Section 9 shall be prorated between Seller and Buyer as of the close of the day (i.e., 11:59 p.m. Central Time) immediately preceding the Closing Date:

(a) Taxes and Assessments. General real estate taxes and assessments imposed by governmental authority and rent taxes, if any (collectively, "Taxes"), as well as any assessments by private covenant constituting a lien or charge on the Property, paid or payable during the then-current calendar year or other current tax or other period. If the Closing occurs prior to the receipt by Seller of the tax bill for (i.e., payable in) the calendar year or other applicable tax period in which the Closing occurs, Buyer and Seller shall prorate such Taxes for such calendar year or other applicable tax period based upon the most recent ascertainable assessed values and tax rates, which proration shall be subject to readjustment in accordance with Section 9(f).

(b) Collected Rent. All collected rent, prepaid rent, and other income (and any applicable state or local tax on rent) under Leases in effect on the Closing Date, including, without limitation, any operating expense pass-throughs, so-called "CAM" or common area maintenance charges, and the like. Seller shall be charged with any rentals collected by Seller before Closing but applicable to any period of time after Closing. Uncollected rent and other income shall not be prorated. If Buyer collects delinquencies after Closing, Buyer shall apply such rent to the obligations then due and owing to Buyer for its period of ownership and to reasonable costs of collection actually incurred, remitting the balance, if any, to Seller. Buyer shall bill and attempt to collect such delinquent rent in the ordinary course of business, but shall not be obligated to engage a collection agency or to take legal action to collect any delinquencies.

(c) Utilities. Utilities, including water, sewer, electric, and gas, based upon the last reading of meters prior to the Closing. Seller shall endeavor to obtain meter readings on the day before the Closing Date and, if such readings are obtained, there shall be no proration of such items. Seller shall pay at Closing the bills therefor for the period to the day preceding the Closing, and Buyer shall pay the bills therefor for the period subsequent thereto. If the utility company will not issue separate bills, Buyer will receive a credit against (or, if appropriate, a reimbursement from) the Purchase Price for Seller's portion and will pay the entire bill prior to delinquency after Closing. If Seller has paid any utilities more than thirty (30) days in advance in the ordinary course of business, then Buyer shall be charged its portion of such payment at Closing.

(d) Fees and Charges under Service Contracts. All prepaid and past-due fees and charges under the Service Contracts that are being assigned to and assumed by Buyer at the Closing, as well as any upfront monies or incentive payments paid to Seller, on the basis of the periods to which such Service Contracts relate.

(e) Miscellaneous. Such other apportionments and adjustments as are customarily apportioned in similar types of property in the county in which the Property is situated.

(f) Readjustment of Prorated Items. In the event any amount to be prorated between the parties or credited to either of the parties under the terms of this Section 9 is not known with certainty as of the Closing, the parties shall use an estimate of such amount at Closing, with a readjustment to be made between the parties after Closing as soon as such amount is finally known. If more current information is not available, such estimates shall be based upon the prior operating history of the Property and the most recent prior bills. The provisions of this Section shall survive the Closing and the delivery of the Deed.

10. Casualty and Condemnation.

(a) Casualty. Risk of loss up to and including the Closing Date shall be borne by Seller. In the event of any material damage to the Property or any portion thereof, including without limitation the release or discharge of Hazardous Substances, as hereinafter defined, on the Property, Buyer may, at its option, by notice to Seller given within ten (10) days after Buyer is notified by Seller in writing of such damage (and if necessary the Closing Date shall be extended to give Buyer the full 10-day period to make such election): (i) terminate this Agreement and the Earnest Money shall be immediately returned to Buyer or (ii) proceed under this Agreement, receive any insurance proceeds due Seller as a result of such damage and assume responsibility for such repair together with an amount equal to any applicable deductible under Seller's insurance policy. If Buyer elects (ii) above, Buyer may extend the Closing Date for up to an additional 10-day period in which to permit Seller to obtain insurance settlement agreements with Seller's insurers. If the Property is not materially damaged, then Buyer shall not have the right to terminate this Agreement, but Seller shall at its cost repair the damage before the Closing substantially to their former condition, or if repairs cannot be completed before the Closing, credit Buyer at Closing an amount equal to the total uncompleted restoration costs (inclusive of contractor fees). "Material damage" and "Materially damaged" means damage reasonably exceeding \$25,000.00.

(b) Condemnation. If, prior to the Closing, all or any part of the Property shall be condemned by governmental or other lawful authority, Buyer shall have the option of (a) completing the purchase, in which event all condemnation proceeds or claims thereof shall be assigned to Buyer or (b) canceling this Agreement, in which event the Earnest Money shall be returned to Buyer and this Agreement shall be terminated with neither party having any rights against the other..

11. Condition of the Property. The Property is being sold in an "AS IS, WHERE IS" condition and "WITH ALL FAULTS" as of the Effective Date and as of Closing. Except as specifically stated herein, no representations or warranties have been made or are made and no responsibility has been or is assumed by Seller or by any partner, officer, person, firm, agent, attorney or representative acting or purporting to act on behalf of Seller as to (a) the condition or state of repair of its Property; (b) the compliance or non-compliance of the Property with any applicable laws, regulations or ordinances (including, without limitation, any applicable zoning, building or development codes); (c) the value, expense of operation, or income potential of the Property; (d) any other fact or condition which has or might affect the Property or the condition, state of repair, compliance, value, expense of operation or income potential of the Property or any

portion thereof; or (e) whether the Property contains asbestos or harmful or toxic substances or pertaining to the extent, location or nature of same. The parties agree that all understandings and agreements heretofore made between them or their respective agents or representatives are merged in this Agreement and the Exhibits hereto annexed, which alone fully and completely express their agreement, and that this Agreement has been entered into after full investigation, or with the parties satisfied with the opportunity afforded for full investigation, neither party relying upon any statement or representation by the other unless such statement or representation is specifically embodied in this Agreement or the Exhibits annexed hereto.

Buyer waives its right to recover from, and forever releases and discharges the Seller Indemnified Parties of each Seller from any and all demands, claims (including, without limitation, causes of action in tort), legal or administrative proceedings, losses, liabilities, damages, penalties, fines, liens, judgments, costs or expenses whatsoever (including, without limitation, attorneys' fees and costs), whether direct or indirect, known or unknown, foreseen or unforeseen (collectively, "Claims"), that may arise on account of or in any way be connected with the Property, the physical condition thereof, or any law or regulation applicable thereto (including, without limitation, claims under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Section 6901, et seq.) ("CERCLA"), the Resources Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901, et seq.), the Clean Water Act (33 U.S.C. Section 1251, et seq.), the Safe Drinking Water Act (49 U.S.C. Section 1801, et seq.), the Hazardous Transportation Act (42 U.S.C. Section 6901, et seq.), and the Toxic Substance Control Act (15 U.S.C. Section 2601, et seq.). Without limiting the foregoing, Buyer, upon Closing, shall be deemed to have waived, relinquished and released Seller and all other Seller Indemnified Parties from any and all Claims, matters arising out of latent or patent defects or physical conditions, violations of applicable laws (including, without limitation, any environmental laws) and any and all other acts, omissions, events, circumstances or matters affecting the Property. As part of the provisions of this Section 11, but not as a limitation thereon, Buyer hereby agrees, represents and warrants that the matters released herein are not limited to matters which are known or disclosed, and Buyer hereby waives any and all rights and benefits which it now has, or in the future may have conferred upon it, by virtue of the provisions of federal, state or local law, rules and regulations. Buyer agrees that should any cleanup, remediation or removal of hazardous substances or other environmental conditions on or about the Property be required after the date of Closing, such clean-up, removal or remediation shall not be the responsibility of Seller. Without limiting the foregoing, Buyer hereby agrees that, if at any time after the Closing, any third-party or governmental authority seeks to hold Buyer responsible for the presence of, or any loss, cost or damage associated with, hazardous substances in, on, above or beneath the Property or emanating therefrom, then Buyer waives on behalf of itself and on behalf of each of its successors and assigns and each and all of its and their respective direct and indirect members, officers, directors, employees, parents, affiliates or subsidiaries and each of their respective successors and assigns (collectively the "Waiver Parties"), any rights Buyer or any Waiver Party may have against Seller in connection therewith, including under CERCLA, and Buyer agrees for itself and all Waiver Parties that neither Buyer nor any of the Waiver Parties shall (1) implead Seller, (2) bring a contribution action or similar action against Seller or (3) attempt in any way to hold Seller responsible with respect to any such matter.

12. Real Estate Brokers: Seller and Buyer represent and warrant each to the other that they have not dealt with any real estate broker, sales person or finder in connection with this transaction,

except for Kyle Gibson of Realty One Group Music City (“**Facilitator**”). At Closing, Seller agrees to pay a two percent (2%) facilitator commission to Facilitator pursuant to a separate written agreement by and between Seller and Facilitator. Seller and Buyer agree to indemnify and hold each other harmless from and against any claims, loss or damages for, fees or commission by anyone claiming that it is due a fee or commission as a result of this transaction contrary to the aforesaid representations. The provisions of this section shall survive Closing.

13. General Provisions.

(a) Choice of Law. This Agreement shall be governed by the laws of Tennessee.

(b) Venue. Buyer and Seller hereby (i) agree that all disputes and matters whatsoever arising under, in connection with, or incident to this Agreement shall be exclusively litigated as a summary proceeding in Securities and Exchange Commission v. Brian Davison, et al., United States District Court, Middle District of Florida, Tampa Division, Case No.: 8:20-cv-00325-T-35AEP, to the exclusion of the courts of or in any other state or country, and (ii) irrevocably submit to the exclusive jurisdiction of the United States District Court, Middle District of Florida, in any action or proceeding arising out of or relating to this Agreement, and hereby irrevocably waive any objection to the laying of venue of any such action or proceeding in any such court and any claim that any such action or proceeding has been brought in an inconvenient forum. A final judgment in any such action or proceeding shall be conclusive and may be enforced in any other jurisdiction by suit on the judgment or in any other manner provided by law.

(c) Consequential Damages. Notwithstanding anything to the contrary contained herein, in no event shall either party be liable for consequential, incidental, exemplary or punitive damages as a result of its default under this Agreement.

(d) Attorneys’ Fees. The prevailing party in any legal proceeding related to this Agreement or the transactions contemplated hereby shall be entitled to recover from the non-prevailing party therein all costs and expenses of mediation, arbitration, litigation, enforcement or collection, including reasonable attorney’s fees, court costs, mediation or arbitration costs, fees and expenses and expert witness fees incurred as a result of such default, including any such costs or expenses incurred on appeal.

(e) Prior Agreement; Amendments. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements, understandings, letters of intent, negotiations and representations with respect thereto. This Agreement may be amended only by a written instrument duly executed by the parties hereto or their respective successors or assigns.

(f) Successors and Assigns. This Agreement shall inure to the benefit of, and be binding upon, the Buyer’s and Seller’s respective successors and assigns, executors and administrators.

(g) Waiver. The failure of either party hereto to enforce at any time any provision of this Agreement shall not be construed to be a waiver of such provision, nor in any way to affect the validity of this Agreement or any part hereof or the right of such party thereafter to enforce

each and every such provision thereafter. No waiver of any breach of this Agreement shall be held to constitute a waiver of any other or subsequent breach.

(h) Time of Essence. TIME SHALL BE OF THE ESSENCE IN THE PERFORMANCE OF THE TERMS AND CONDITIONS OF THIS AGREEMENT. In the event any time period specified in this Agreement expires on a Saturday, Sunday or bank holiday on which national banks in Nashville, Tennessee are closed for business, then the time period shall be extended so as to expire on the next business day immediately succeeding such Saturday, Sunday or bank holiday.

(i) Severable Provisions. The provisions of this Agreement are severable, and if any one or more provisions may be determined to be illegal or judicially unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

(j) No Presumption. It is acknowledged that all provisions of this Agreement have been negotiated by the parties at arm's length and with benefit of counsel. In the event any ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

(k) Interpretation. Pronouns utilized herein shall be construed as the masculine, feminine, or neuter as applicable. The singular shall be construed as including the plural and the plural as singular as made necessary by the context.

(l) Headings. The section and paragraph headings contained in this Agreement are for reference purpose only and do not affect in any way the meaning or interpretation of this Agreement.

(m) Counterpart Originals and Electronic Transmission. This Agreement and any and all other documents contemplated hereby may be executed in two or more counterparts, without the necessity of all signatures being affixed to any one such counterpart so long as all signatures appear on the counterparts collectively, and each such counterpart shall be deemed an original and all of which shall constitute one and the same instrument. The original signature pages and notary acknowledgments, if any, from one or more separate original executed counterparts may be combined together with one or more other separate original executed counterparts to form a single document. This Agreement and any and all other documents contemplated hereby may be executed and delivered by facsimile transmission, electronic mail or other electronic means and the electronic signature of a party, or a signature transmitted or delivered by electronic means, shall be binding upon such party as fully as though such signature was executed and delivered in person. An electronic or photocopy of this Agreement, certified as being in full force and effect, shall be admissible into evidence in any judicial proceeding and no party shall be required to produce the copy of this Agreement containing the original signatures of the parties.

14. Notices. Any and all notices, elections or demands permitted or required to be made under this Agreement shall be in writing and shall be delivered personally or sent by certified mail, return receipt requested, by nationally recognized courier service (such as Federal Express) with confirmation of receipt, or by electronic mail or other electronic transmission with computer

confirmation of successful delivery without errors, to the other party or parties at the address set forth below, or at such other address as may be supplied to the other parties from time to time by notice given in the foregoing manner. The date of personal delivery, delivery to such courier service, or electronic transmission, as the case may be, or three (3) days following the date of mailing, if mailed in the foregoing manner, shall be the date of such notice, election or demand. Rejection, refusal to accept or inability to deliver because of a changed address of which no notice was sent shall not affect the validity of any notice, election or demand given in accordance with the provisions of this Escrow Agreement. Notice, election or demand given in any other manner shall be effective as of the date of actual receipt. For the purposes of this Agreement, and until changed as permitted hereinabove, the addresses of the parties are as follows:

SELLER: Burton Wiand
114 Turner Street
Clearwater, FL 33756
Email: burt@burtonwwiandpa.com
Telephone No.: 727-60-4679 (Shown for information purposes)

with a copy to: Tony Kelly
6707 1st Avenue South
St. Petersburg, FL 33710
Email: tony@abetterliferealty.com
Telephone No.: 863-287-4672 (Shown for information purposes)

BUYER: Guifu Chen
8874 Calle Perico,
San Diego, CA 92129
Attn: _____
Email: gfchen1@gmail.com
Telephone No.: (858) 386-8324 (Shown for information purposes)

with a copy to: Kyle Gibson
600A Frazier Drive, #123,
Franklin, TN 37067
Attn: _____
Email: kyle@realtyonemusiccity.com
Telephone No.: 615-926-6356 (Shown for information purposes)

15. Tax-Deferred Exchange Under I.R.C. Section 1031. Either party may incorporate in the sale or acquisition of the Property a so-called “deferred like-kind exchange” under Internal Revenue Code Section 1031, as amended. Both parties agree to cooperate with the other party to permit such party to accomplish the tax-deferred exchange, but at no additional expense or liability to the other party for the tax-deferred exchange, and with no delay in the Closing. Buyer’s and Seller’s cooperation will include, without limitation, executing such supplemental documents as either party may reasonably request.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

SELLER:



Burton W Wiand as Receiver for
EA SIP TN Holdings LLC

BUYER:




Guifu Chen

04/07/22 4:07 PM

BROKER'S ACKNOWLEDGEMENT

Kyle Gibson of Realty One Group Music City ("Facilitator") hereby acknowledge receipt of this Agreement and agree to be joined to this Agreement to the extent their compensation structure is discussed. The Broker hereby agrees to the compensation structure set forth in paragraph 12 above. Any dispute concerning the compensation shall be resolved pursuant to paragraph 13(b) herein.


 Kyle Gibson 04/07/22 3:30 PM
Facilitator Kyle Gibson

EXHIBIT A

Description of the Land

Tax Parcel ID(s): **47P-003.00-000**

Legal Description: TBD

EXHIBIT B

Form of Deed

RECEIVER'S DEED	STATE OF TENNESSEE COUNTY OF _____ THE ACTUAL CONSIDERATION OR VALUE, WHICHEVER IS GREATER, FOR THIS TRANSFER IS \$_____.00 _____ Affiant SUBSCRIBED AND SWORN TO BEFORE ME, THIS THE ____ DAY OF _____, 2022. _____ Notary Public MY COMMISSION EXPIRES: _____ (AFFIX SEAL)	
THIS INSTRUMENT WAS PREPARED BY Matthew Noggle, Attorney at Law, 4235 Hillsboro Pike, Suite 300, Nashville, TN 37215		
ADDRESS NEW OWNER(S) AS FOLLOWS:	SEND TAX BILLS TO:	MAP-PARCEL NO.(S)
(NAME)	(NAME)	
(ADDRESS)	(ADDRESS)	
(CITY) (STATE) (ZIP)	(CITY) (STATE) (ZIP)	

FOR AND IN CONSIDERATION of the sum of Ten and No/100 Dollars (\$10.00) cash in hand paid, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Burton W. Wiand, Receiver for _____ (the "**Grantor**"), has bargained and sold, and by these presents does hereby transfer, grant and convey to _____ (the "**Grantee**"), its successors and assigns, that certain parcel of land in _____ County, State of Tennessee, being more particularly described on Exhibit A, attached hereto and incorporated herein by reference (the "**Property**").

Burton W. Wiand was appointed as Receiver for the Property pursuant to that certain Order Appointing Receiver in *Securities and Exchange Commission v. Brian Davison, et al.*, United States District Court, Middle District of Florida, Tampa Division, Case No.: 8:20-cv-00325-T-35AEP. The sale having been duly approved by Order of The United States District Court, Middle District of Florida, entered _____, 2020 (hereinafter referred to as the "Order" and attached hereto as Exhibit 1 and incorporated herein by this reference).

This conveyance of the Property, and all covenants and warranties contained herein, are made expressly subject to those exceptions listed on Exhibit B, attached hereto, and incorporated herein by reference (the "**Permitted Exceptions**").

This is improved property located at _____.

TO HAVE AND TO HOLD the Property with all the appurtenances, estate, title, and interest thereunto belonging or in any wise appertaining unto the Grantees, its successors and assigns, in fee simple forever.

IN WITNESS WHEREOF, the Grantor has executed this Special Warranty Deed effective as of the ____ day of _____, 2022.

GRANTOR:

Burton W. Wiand, Receiver

STATE OF _____)

COUNTY OF _____)

On this ____ day of _____, 2022, before me, the undersigned, a Notary Public in and for said state, personally appeared Burton W. Wiand, with whom I am personally acquainted, (or proved to me on the basis of satisfactory evidence), and who upon oath acknowledged himself to be the Receiver for _____, the within named Grantor, and that he as such Receiver, being authorized to do so, executed the foregoing instrument for the purposes therein contained.

WITNESS my hand, at office, this ____ day of _____, 2022.

Notary Public

My Commission Expires: _____

EXHIBIT 1 TO RECEIVER'S DEED

COURT ORDER

**IN THE UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA (TAMPA)**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

Case No. 8:20-cv-325-T-35AEP

BRIAN DAVISON,
BARRY M. RYBICKI,
EQUIALT LLC,
EQUIALT FUND, LLC
EQUIALT FUND II, LLC,
EQUIALT FUND III, LLC,
EA SIP, LLC,

Defendants,

and

128 E. DAVIS BLVD., LLC;
310 78TH AVE, LLC;
551 3D AVE S, LLC;
604 WEST AZEELE, LLC;
2101 W. CYPRESS, LLC;
2112 W. KENNEDY BLVD, LLC;
5123 E. BROADWAY AVE, LLC;
BLUE WATERS TI, LLC; BNAZ, LLC;
BR SUPPORT SERVICES, LLC;
BUNGALOWS TI, LLC;
CAPRI HAVEN, LLC; EA NY, LLC;
EQUIALT 519 3RD AVE S., LLC;
MCDONALD REVOCABLE LIVING TRUST;
ILVER SANDS TI, LLC;
TB OLDEST HOUSE EST. 1842, LLC.

Relief Defendants.

_____ /

ORDER

EXHIBIT B

Before the Court is the Receiver's Unopposed Verified Motion for Approval of Private Sale of Real Property Located in _____ County, Florida – Specifically, _____, better known as _____ County Property Appraiser's Parcel Folio Number: _____; (the "Motion") (Dkt. ____). Upon due consideration of the Receiver's powers as set forth in the Order Granting Emergency Ex Parte Motion for Temporary Restraining Order, Asset Freeze, and Other Injunctive Relief entered February 14, 2020 (Doc 10) and in the Order Granting Plaintiff's Emergency Ex Parte Motion for Appointment of Receiver and Memorandum of Law entered February 14, 2020, and applicable law, it is **ORDERED AND ADJUDGED** that the Motion is **GRANTED**.

The sale of the real property located at _____, better known as _____ County Property Appraiser's Parcel Folio Number: _____; pursuant to the Purchase and Sale Agreement attached as Exhibit ____ to the Motion, is hereby **APPROVED**. The Court finds the sale commercially reasonable, fair and equitable, and in the best interests of the Receivership Estate.

The Receiver is hereby directed to transfer free and clear of all claims, liens, and encumbrances to _____ by way of a Special Warranty Deed, pursuant to Purchase and Sale Agreement, title to the real property located in _____ County, Florida.

DONE and ORDERED in chambers in Tampa, Florida this ____ day of _____ 2020.

MARY S. SCRIVEN
UNITED STATES DISTRICT JUDGE

COPIES FURNISHED TO:
Counsel of Record

EXHIBIT B

EXHIBIT A TO RECEIVER'S DEED

LEGAL DESCRIPTIONS (subject to change)

EXHIBIT C

Property Information

1. Leases and Rent Roll. The standard form of apartment lease used by Seller for the Property, a rent roll (“Rent Roll”) and the rental payment ledger for the tenants under the Leases. Additionally, Buyer shall have the right to inspect and copy the existing Leases in the possession of Property Manager. Original leases are available onsite for Buyer to review;
2. Service Contracts. All contracts affecting or pertaining to the Property including, without limitation, all service, maintenance, supply, management, leasing, brokerage or other contracts relating to the operation of the Property and all management, leasing, listing or brokerage agreements relating to the Property (collectively, the “Service Contracts”);
3. Title Policy. Seller's existing owner's policy of title insurance and copy of most recent Loan Policy of Title Insurance;
4. Survey. Most current existing survey of the Property, if any;
5. Utilities. Current year utility bills;
6. Insurance. Copies of all current property and commercial liability insurance certificates and a detailed list of all insurance claims of any nature whatsoever of and relating to the Property for the twelve (12) month period immediately prior to the date of this Agreement.

EXHIBIT 2

APPRAISAL REPORT OF

**TIMBER RIDGE APARTMENTS
1500 BELL RIDGE ROAD
JOHNSON CITY, TENNESSEE 37601
FILE ID: 220504004**

PREPARED FOR

**COOPERATIVE BUSINESS SERVICE
8150 CORPORATE PARK DRIVE
CINCINNATI, OH 45242**

PREPARED BY

**BEN A. BROOME, MAI
RICH FRANCIS
◆ PROPERTY SERVICE GROUP SOUTHEAST, INC.
1129 N. 6TH AVENUE
KNOXVILLE, TENNESSEE 37917-6754**

EFFECTIVE DATE OF APPRAISAL: MAY 24, 2022

DATE OF REPORT: MAY 31, 2022

PROPERTY SERVICE GROUP SOUTHEAST

Real Estate Appraisals • Brokerage • Consulting

May 31, 2022

Cooperative Business Service
8150 Corporate Park Drive
Cincinnati, OH 45242

**RE: Real Estate Appraisal
Timber Ridge Apartments
1500 Bell Ridge Road
Johnson City, Tennessee 37601
File ID: 220504004**

To Whom It May Concern:

At your request, we have made an appraisal of the above-described property in order to estimate the market value as of May 24, 2022.

The subject property is an irregular -shaped, partially cleared parcel measuring approximately 260' wide x 420' deep containing a total of 5.2 acres with generally sloping topography. The subject is located along the west side of Bell Ridge Road with ~85.9' of frontage and good access. The site has ingress to Bell Ridge Road traveling south to King Springs Road west to ETSU campus and traveling north on Bell Ridge Road to E. Main Street west to the downtown area. The site is improved with a 41-unit multi-family development. The improvements were constructed in 1980 with an actual age of 42 years but have been well maintained and are considered to be in average overall condition.

The following Appraisal Report contains a description of the property, market information, and methods used to estimate value. It has been written to conform to the Uniform Standards of Professional Appraisal Practice (USPAP) as adopted by the Appraisal Standards Board of the Appraisal Foundation regarding the enactment of Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA) and the December 2010 Interagency Appraisal and Evaluation Guidelines.

Through this report, the market value of the subject property "as is" as of the date of inspection, May 24, 2022, was estimated to be:

**TWO MILLION TWO HUNDRED SEVENTY THOUSAND DOLLARS
(\$2,270,000.00)**

Cooperative Business Service/ SAMCO

May 31, 2022

Page 3

Note: As of the date of this report, the United States economy is experiencing impacts from the Coronavirus Disease 2019 (COVID19) pandemic, which began in March 2020. This is an evolving situation, and it is unknown at this time, what, if any, long term impact COVID-19 will have on real estate markets. While consideration to overall market conditions is given in this report, specific impacts related to COVID-19 are not fully understood as of the date of this report and no material impact on the valuation has been considered. To date, the local real estate markets have continued to be strong despite the pandemic and have not been significantly affected by COVID-19. Should more information and market evidence of impacts from COVID-19 become available at a later date, this report is subject to review and revision, as necessary.

The reader is referred to the Certification, General Assumptions and General Limiting Conditions included in the attached report. The appraisers certify that they have no present or contemplated future interest in the subject.

Thank you for the opportunity to provide this service. Please call if you have any questions.

Sincerely,



Ben A. Broome, MAI

TN Certified General Appraiser #CG-113



Rich Francis, MBA

Registered Trainee #RT-4188

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SUMMARY OF SALIENT FACTS

Identity of the Property:	Timber Ridge Apartments 1500 Bell Ridge Road Johnson City, Tennessee 37601
Tax Map Reference:	047P E 003.00
Property Owner:	EA SIP TN Holdings, LLC
Effective Date of Appraisal:	May 24, 2022
USPAP Report Type:	Appraisal Report
Property Rights Appraised:	Fee Simple & Leased Fee
Site Area:	5.2 acres or~ 226,512 S.F.
Improvement Description:	41-unit multi-family development
Highest and Best Use "As Vacant":	Residential development
Highest and Best Use "As Improved":	Continued Multi-family use
Indicated Value by Each Applicable Approach:	
Cost Approach:	N/A
Sales Comparison Approach:	\$2,260,000
Income Approach:	\$2,280,000
Estimated Market Value "As Is":	\$2,270,000
Exposure Time/ Marketing Time:	12 months/ 12 months
Furniture, fixtures & equipment value:	None – real estate only
Intended Use:	To establish market value for loan underwriting and/or credit decisions
Intended User:	Cooperative Business Service/ SAMCO Appraisal Management Company, LLC and/or affiliates

PROPERTY IDENTIFICATION

The subject property is identified as being tract of land in District 9 of Washington County, TN and within Johnson City. The subject is described as the Timber Ridge Apartments located at 1500 Bell Ridge Road, Johnson City, Tennessee. The property is further identified as being on Washington County Tax Map 047P, Group E, Parcel 003.00. The subject contains a total of 5.2 acres as described in Washington County Warranty Deed Book 965 and Page 368.

PURPOSE, INTENDED USE AND INTENDED USER

The purpose of this appraisal is to estimate the market value "as is" of the subject property as of the date of inspection, May 24, 2022. The intended use is to establish market value for loan underwriting and/or credit decisions and the intended user is Cooperative Business Service, and SAMCO Appraisal Management Company, LLC and/or affiliates. The appraisal is presented in appraisal report format.

DEFINITION OF VALUE

Market Value¹, as used in this report, is defined as follows:

"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

¹ Title XI, Financial Institutions Reform, Recovery, and Enforcement Act of 1989 ("FIRREA"), (Pub. L. No. 101-73, 103 Stat. 183 (1989), 12 U.S.C. 3310, 3331-3351, and section 5(b) of the Bank Holding Company Act, 12 U.S.C. 1844(b), Part 225, Subpart G: Appraisals; Paragraph 225.62(f).

Uniform Standards of Professional Appraisal Practice, Page 139

Federal Reserve System, 12 CFR Parts 208 and 225, Sec. 225.62

Office of the 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.

- 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."

EXPOSURE AND MARKETING TIME

Exposure Time is defined as follows:

*"The time a property remains on the market. 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."*²

In consideration of preceding marketing conditions and factors, exposure time for the subject property is estimated to be 12 months.

Marketing Time is defined as follows:

*"An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal."*³

Assessing current and subsequent marketing conditions and factors, marketing time for the subject is estimated to be 12 months.

PROPERTY RIGHTS APPRAISED

The property rights appraised in this report are *fee simple & leased fee estate* defined as follows:

Fee simple is *"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."*⁴

Leased Fee is *"The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires."*⁵

As will be illustrated in this Appraisal report, the subject property is leased at market rates with market expenses; thus, the estimated fee simple estate and leased fee values are essentially equal.

² The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, 2015, Page 83.

³ The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, 2015, Page 140.

⁴ The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, 2015, Page 90.

⁵ The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, 2015, Page 128.

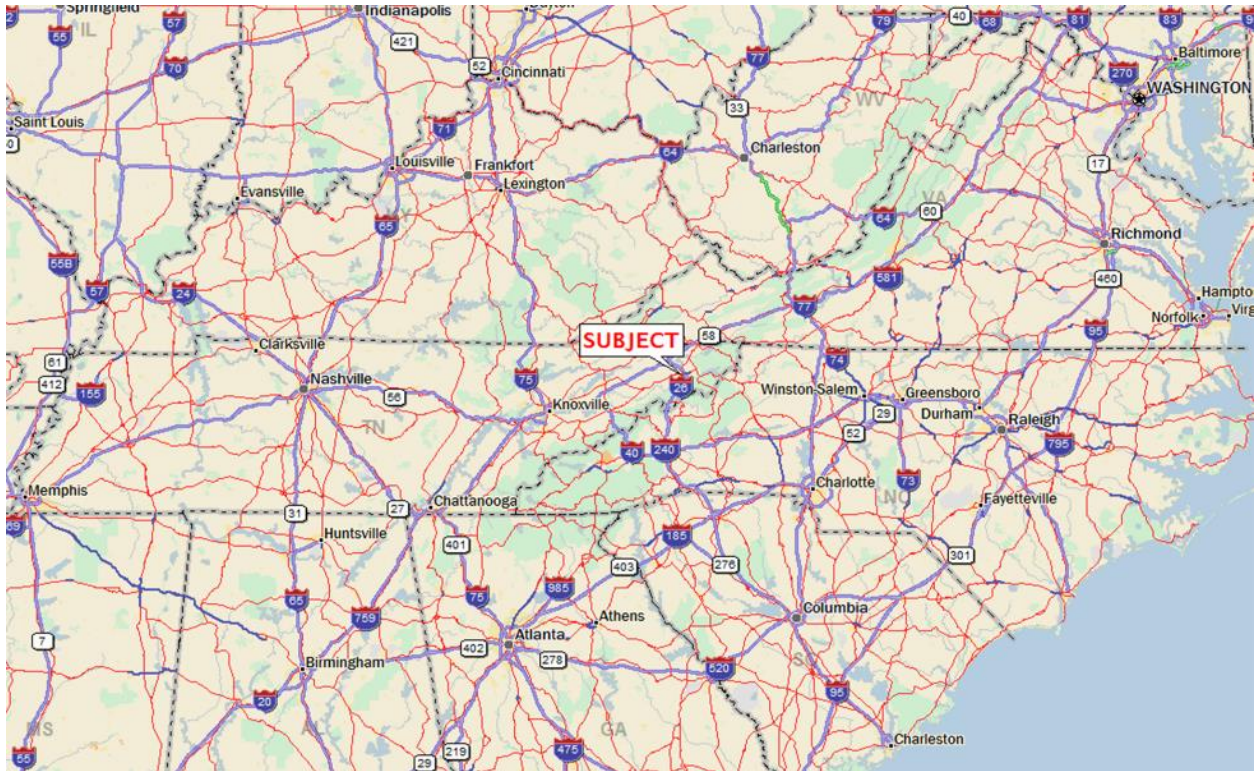
SCOPE OF THE APPRAISAL

The scope of this real estate appraisal includes the following:

- 1) A physical inspection of the property. For properties with existing improvements, this consists of a walk-thru inspection. I do not warrant the structural integrity of the buildings, but, unless otherwise noted, it is assumed to be of sound construction with all mechanical, plumbing, and electrical systems in working order.
- 2) A search of the public records relative to the subject. This search encompasses, among other things, tax and assessment information, easement, and other private, as well as public, deed restrictions, zoning, history of the property, etc.
- 3) A summary of neighborhood and regional area characteristics, as well as an analysis of supply and demand within the subject's market segment.
- 4) Analysis of physically possible uses, legally permissible uses, and all feasible uses in order to estimate the highest and best use of the subject property.
- 5) Research of public records for comparable sales and listings. Telephone verification, where possible, of all the sales and listings with the buyer, seller, or their representatives. Comparison of the comparable properties to the subject with consideration of such differences as legal encumbrances, financing terms, conditions of sale, market conditions, location, physical characteristics, availability of utilities, zoning, and highest and best use.
- 6) The three recognized approaches to value - Cost, Sales Comparison, and Income - will be developed unless sufficient supporting data is not available, or the nature of this assignment precludes application of any approach.
- 7) The preparation of a narrative appraisal report in compliance with the Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Standards Board of the Appraisal Foundation. The appraiser has met the competency provision as required by USPAP and is capable of completing the appraisal assignment competently.

AREA DESCRIPTION

The subject property is located within the city limits of Johnson City, Tennessee. Johnson City is a medium sized East Tennessee community located southeast of Interstate 81 along Interstate 26 in Washington, Carter and Sullivan Counties. Johnson City, Carter County and Washington County are in an area of East Tennessee known as the Tri-Cities, which includes the cities of Johnson City, Bristol, and Kingsport.



REGIONAL MAP

Access and Infrastructure

Washington, Carter and Unicoi Counties comprise the Johnson City Metropolitan Statistical Area, which is the seventh largest MSA in the state of Tennessee. Knoxville, the largest city in East Tennessee and the third largest in the state, is located about 98 miles southwest. The Johnson City MSA is located near the geographic center of the eastern portion of the United States and is equally distant from the Atlantic Coast, Mississippi River, Great Lakes, and Gulf of Mexico.

One-third of the total population of the United States is located within 500 miles of the Tri-Cities area and East Tennessee. Washington County has a land area of 323 square miles. Jonesborough is the county seat of Washington County and the oldest city in Tennessee.

The major thoroughfare through Washington County is Interstate 26, which extends north to south along the western portion of the county. Interstate 26 extends southeast from Interstate 81, providing access to Johnson City. Other access routes include U.S. Highways 11E, 19W, 23 and 321 and State Routes 34, 36, 81, and 381. Washington County is serviced by the CSX Transportation System and Norfolk Southern Railroad. There are seventeen motor freight companies servicing Washington County with five terminal truck facilities. The nearest airport is the Tri-Cities Regional Airport located 15 miles outside the city of Johnson City with 66 flights daily. The nearest navigable river port is located 90 miles southwest in Knoxville.

The Johnson City Power Board and Elizabethton Electric System distribute the electrical power generated by the Tennessee Valley Authority throughout Washington County. Water service in the area is distributed by the Johnson City Water Department. Local telephone service is provided by Sprint United Telephone.

East Tennessee State University (ETSU), situated on a 366-acre campus containing in excess of 80 buildings, is located along State of Franklin Road at University Parkway in the southeastern sector of the city. ETSU is the area's largest institution of high learning with 19,000+ students. Over 70 major fields of study are offered in undergraduate programs and over 40 fields in master's degree programs. The university attracts not only the employees and students to the neighborhood but attracts companies seeking to draw on the skills and technology provided by the university community.

There are five hospitals located in the Johnson City area with 881 beds and seven nursing homes, providing 1,001 beds. There are 109 Protestant churches in Johnson City. The Washington County area includes 20 parks, four regulation golf courses, 22 motels and hotels with over 1,725 rooms and access to four TVA lakes. Information on the public services and facilities was resourced from the Tennessee Community Datasheets compiled by the Department of Economic and Community Development.

Population

Based on 2020 US Census data, Johnson City had a population of 70,588, an increase of 12.5% from the 2010 population of 63,152 and Washington County had a population of 133,001, an increase of an increase of 8.1% from 2010. As stated earlier, Washington County is located in the Johnson City MSA, which includes the counties of Carter, Unicoi, and Washington. The total estimated population of the Johnson City MSA in 2020 was estimated to be 207,285.

JOHNSON CITY MSA POPULATION DATA

Area	<u>Population Estimate</u>			<u>Percent Change</u>		<u>Population</u>	<u>Change</u>
	1990	2000	2010	2000-10	Annual	2020	2010-20
Carter County	51,505	56,742	57,424	1.2%	0.1%	56,356	-1.9%
Unicoi County	16,549	17,667	18,313	3.7%	0.4%	17,928	-2.1%
Washington Co	92,315	107,198	122,979	14.7%	1.5%	133,001	8.1%
MSA Totals	160,369	181,607	198,716	9.4%	0.9%	207,285	4.3%

As shown in the population table, Washington County and Johnson City had increases in population for each census of the past four estimates. However, Carter County and Unicoi County had increased in each census between 1990 to 2010 but each had a decrease in their population in 2020 from the 2010 estimates.

Employment

As of April 2022, the Washington County unemployment rate was 2.6%, which was lower than the Johnson City Metropolitan Statistical Area (MSA) rate at 2.8% unemployment rate, the Tennessee unemployment rate at 3.2%, and below the 3.8% national unemployment rate. Overall, employment has greatly improved from the increased jobs loss associated with the COVID 19 recession in 2020, and local employment is nearing its pre-pandemic employment.

Labor Area	Average Annual Unemployment Rate												
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Washington Co	5.5%	8.8%	8.3%	7.8%	7.0%	7.3%	6.4%	5.7%	4.9%	4.4%	3.5%	3.5%	6.4%
Johnson City MSA	5.9%	9.5%	8.9%	8.4%	7.6%	7.8%	6.9%	6.2%	5.3%	4.7%	3.8%	3.7%	6.7%
Tennessee	6.4%	10.5%	9.7%	9.2%	8.2%	8.2%	7.7%	5.8%	4.8%	3.7%	3.5%	3.4%	7.5%
United States	5.8%	9.3%	9.6%	8.9%	8.1%	7.4%	6.2%	5.3%	4.9%	4.4%	3.9%	3.7%	8.1%

Source: U.S. Bureau of Labor Statistics

The Johnson City MSA has a diversified economy with no employment sector dominating the labor force. As a result, the Washington County economy is more stable than the economy in other portions of the United States. Some of the largest employment sectors in the Johnson City market include manufacturing, industry, health care, local university and local government.

The largest employers in Washington County include American Water Heater Group, which produces gas heaters, with 1,000 employees; TPI Corp, which produces electric heating units, employing 600 employees, and Kennametal, Inc., which produces carbide alloys with 450 employees and Superior Industries International, Inc., which produces cast aluminum wheels with 400 employees. The largest non-manufacturing employers of the county include East Tennessee State University with 3,500, Johnson City Medical Center Hospital with 2,700, Veterans Administration with 2,200, SPS Payment Systems, Inc. with 1,700, and Washington County/ Johnson City Schools with 2,300 and Mountain States Health Alliance with 1,000.

Economic Environment

Due to Johnson City, Washington County and the Johnson City MSA's diversified economy, low unemployment rates and an increase in population over recent years, there has been continued expansion of the commercial and retail market in the area. Most retail development in the Tri-Cities area has come from three regional shopping malls, one located in each city with the entire market estimated to contain approximately 8 million square feet of gross leasable retail area.

Johnson City is in the heart of a four-state trade area made up of Tennessee, North Carolina, Virginia, and Kentucky, encompassing a population of over 800,000 people. The four-state trade area is a useful concept for industry or business considering a location in Johnson City or Washington County. The rapid development of service and trade businesses within the region in the past ten years has been partially dependent on demand from outside the area. An improving transportation network system has further facilitated service and trade development.

*TIMBER RIDGE APARTMENTS, 1500 BELL RIDGE ROAD, JOHNSON CITY, TN***JOHNSON CITY EMPLOYMENT BY INDUSTRY IN THOUSANDS**

NAICS Industry	CURRENT JOBS		CURRENT GROWTH		10 YR HISTORICAL		5 YR FORECAST	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	8	1.2	2.43%	0.48%	-0.06%	0.52%	-0.94%	0.29%
Trade, Transportation and Utilities	14	0.9	2.44%	2.46%	0.90%	0.88%	0.15%	0.50%
Retail Trade	10	1.2	3.05%	3.87%	0.88%	0.44%	0.68%	0.41%
Financial Activities	5	1.0	2.65%	0.48%	2.86%	1.34%	-0.68%	0.59%
Government	15	1.3	-4.29%	-3.01%	-0.23%	-0.32%	1.03%	0.98%
Natural Resources, Mining and Construction	3	0.6	0.89%	1.10%	-0.50%	2.51%	-0.50%	0.98%
Education and Health Services	14	1.1	0.59%	0.64%	0.35%	1.52%	1.03%	1.70%
Professional and Business Services	9	0.7	6.61%	1.96%	0.33%	1.88%	0.32%	1.39%
Information	1	0.7	-6.73%	-1.29%	-4.92%	0.18%	1.79%	2.08%
Leisure and Hospitality	9	1.1	1.40%	1.88%	0.85%	0.41%	1.69%	4.10%
Other Services	3	0.9	5.49%	2.75%	1.86%	0.33%	-0.62%	1.10%
Total Employment	80	1.0	0.99%	0.76%	0.40%	0.92%	0.49%	1.33%

Source: Oxford Economics
LQ = Location Quotient

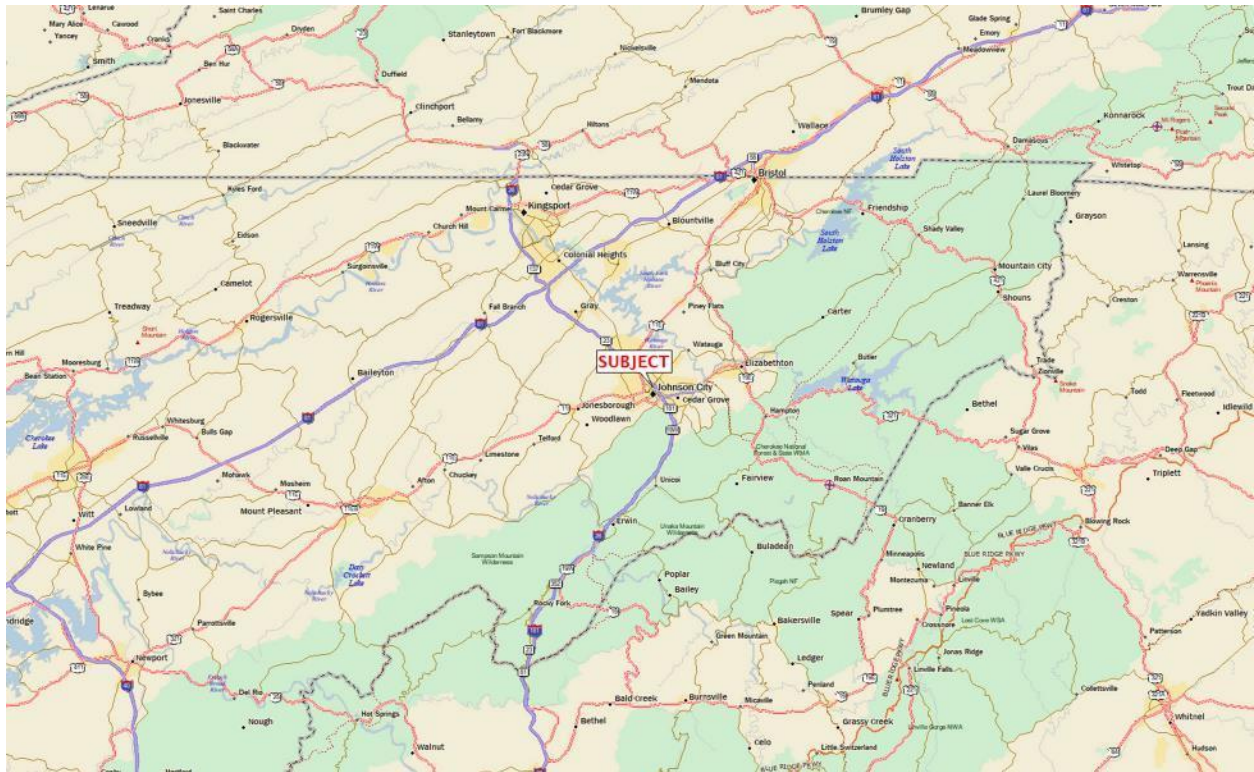
DEMOGRAPHIC TRENDS

Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	205,300	330,036,875	0.3%	0.2%	0.3%	0.6%	0.4%	0.5%
Households	87,641	123,302,586	0.2%	0.1%	0.5%	0.7%	0.4%	0.4%
Median Household Income	\$50,321	\$73,331	9.1%	8.2%	3.2%	3.9%	0.8%	1.8%
Labor Force	93,129	160,631,609	3.1%	-0.3%	-0.2%	0.5%	0.7%	0.7%
Unemployment	6.0%	6.2%	-1.1%	-2.1%	-0.3%	-0.3%	-	-

Source: Oxford Economics

Johnson City Medical Center Hospital, at the intersection of State of Franklin Road and Market Street, is one of the more significant developments to this med-tech corridor, providing in excess of 445 beds. The Johnson City Medical Center, designated a Level 1 Trauma Center by the State of Tennessee, is one of Ballad Health's three tertiary hospitals. Also affiliated with the center are the Niswonger Children's Hospital with 80+ beds, a domestic affiliate of St. Jude Children's Research Hospital, and Woodridge Hospital, a mental health and chemical dependency facility.

To the east of Johnson City Medical Center Hospital is the James H. Quillen Veterans Affairs Medical Center, which comprises 457 operating beds, a 58-bed nursing home care facility and 600-bed domiciliary. The VA campus serves as the primary teaching facility for the James H. Quillen College of Medicine at East Tennessee State University. At the southwest intersection of Market Street, there is a National Guard headquarters, a regional health center and Woodbridge Hospital, a 75-bed chemical dependency and psychiatric hospital.

TIMBER RIDGE APARTMENTS, 1500 BELL RIDGE ROAD, JOHNSON CITY, TN**AREA MAP*****Summary***

With the presence of East Tennessee State University, it appears that Johnson City will remain the cultural and educational center for the MSA. Considering the area also includes Johnson City Medical Center Hospital and the Veterans Administration Hospital, the health care industry also strengthens the economy of Johnson City MSA. With the extension of Interstate 26 from Interstate 81 into Johnson City, further development is promoted by the convenient interstate access to the surrounding East Tennessee area.

Therefore, due to the large educational and healthcare presence and the growing economic base, it appears the overall economy of the Washington County and Johnson City MSA will continue to be stable with growth taking place with the national economic conditions.

NEIGHBORHOOD DESCRIPTION

A neighborhood may be defined as: "a group of complementary land uses; a congruous grouping of inhabitants, buildings, or business enterprises." ⁶ Neighborhoods may be devoted to such uses as residential, commercial, industrial, agricultural, or a mixture of these uses. Analysis of the neighborhood in which a property is located is important due to the fact that the various economic, social, political, and physical forces that affect the neighborhood also directly influence the individual properties within it.

Located off the west side of Bell Ridge Road with ~85.9' of frontage and good access along Bell Ridge Road. The subject site has access traveling south along Bell Ridge Road to King Springs Road west to ETSU campus and traveling north on Bell Ridge Road to E. Main Street west to the downtown area.

The subject property is located along Bell Ridge Road in the eastern portion of Johnson City. The property has access south to King Springs Road and west to the ETSU campus and north to E. Main Street and west to the downtown area. The neighborhood has convenient access to the entire Johnson City area, the East Tennessee State University campus.

Two major concentrations of retail and commercial uses have developed within Johnson City in recent years. Primary development has occurred in the north sector along Market Street continuing along Highway 11E, which leads from downtown Johnson City to connect with Interstate 26 and direct routes to Kingsport and Bristol. Commercial properties in this area include Sam's Club, Home Depot, Best Buy, Wal-Mart, PetSmart, numerous other full-service and fast-food restaurants, gas stations and scattered office uses.

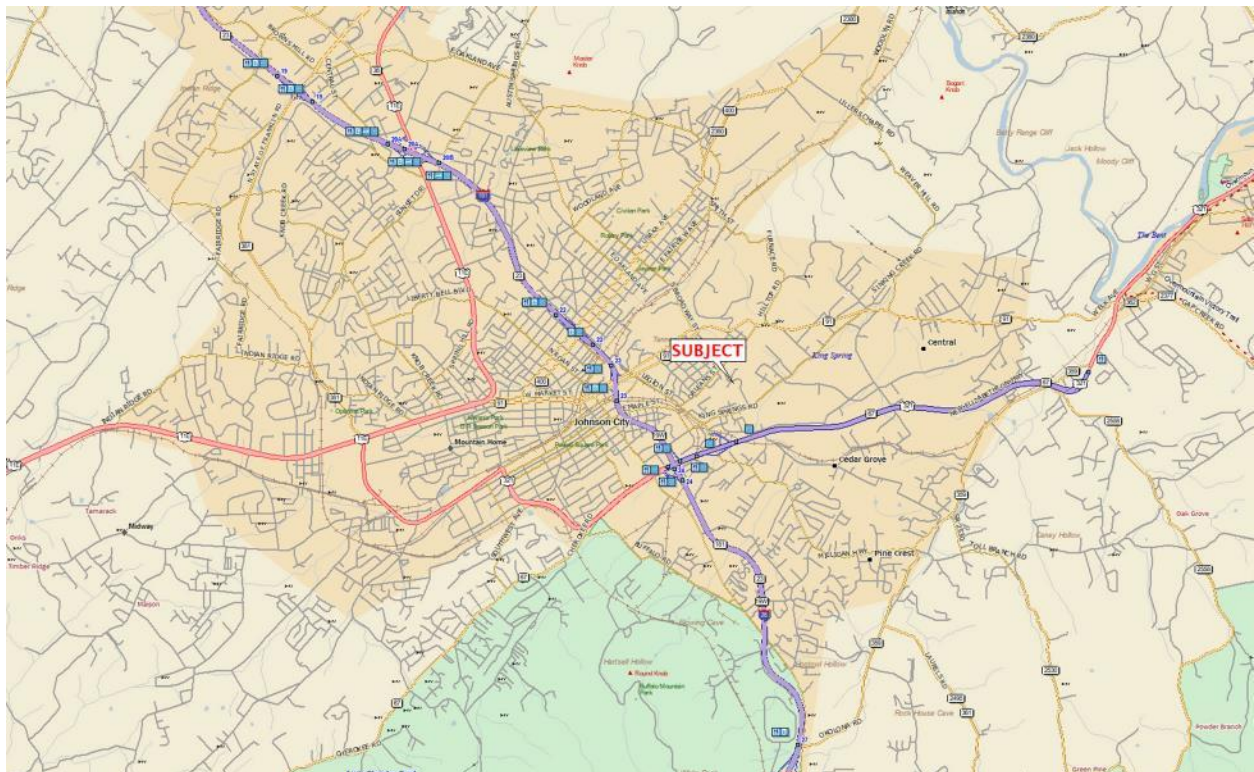
The second area of commercial concentration is clustered around the southern area of Johnson City along US Highway 321 extending east to Interstate 26. Most of the commercial development is clustered near Interstate 26. Commercial properties in this area include Walgreens, CVS Food City, Advance Auto Parts, Comfort Inn, Citizen Bank, BB&T Bank (now

⁶ The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, 2015, Page 156.

Truist Bank), Burger King, Arby's, Little Caesars and other fast-food restaurants and gas stations.

In conclusion, the subject property neighborhood features good access to the Johnson City area and convenient access to Interstate 26. The presence of East Tennessee State University along with the growing healthcare industry has also positively influenced the local economy.

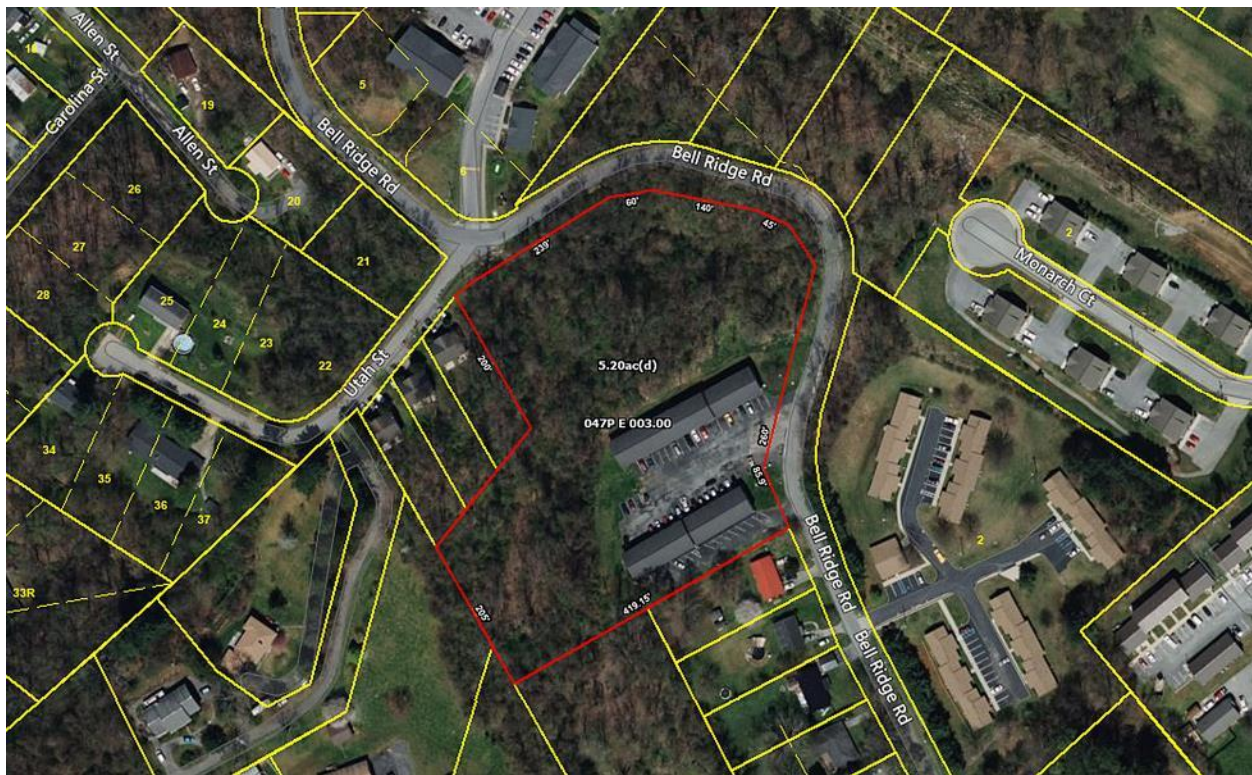
Based on the characteristics associated with the subject property neighborhood and considering the current economic conditions, it is anticipated that real estate values in the neighborhood will continue to be stable into the foreseeable future with long term prospects and possible growth awaiting final resolution of the pandemic.



NEIGHBORHOOD MAP

SITE DESCRIPTION

The subject property site is an irregular-shaped, partially cleared parcel measuring approximately 260' wide x 420' deep containing a total of 5.2 acres or 226,512 S.F. with generally sloping topography. The parcel is located off the west side of Bell Ridge Road with ~85.9' of frontage and good access along Bell Ridge Road. The subject site has access traveling south along Bell Ridge Road to King Springs Road west to ETSU campus and traveling north on Bell Ridge Road to E. Main Street west to the downtown area. The subject site is improved with a 41-unit multi-family development.



SITE MAP



LOOKING SOUTH ALONG BELL RIDGE ROAD



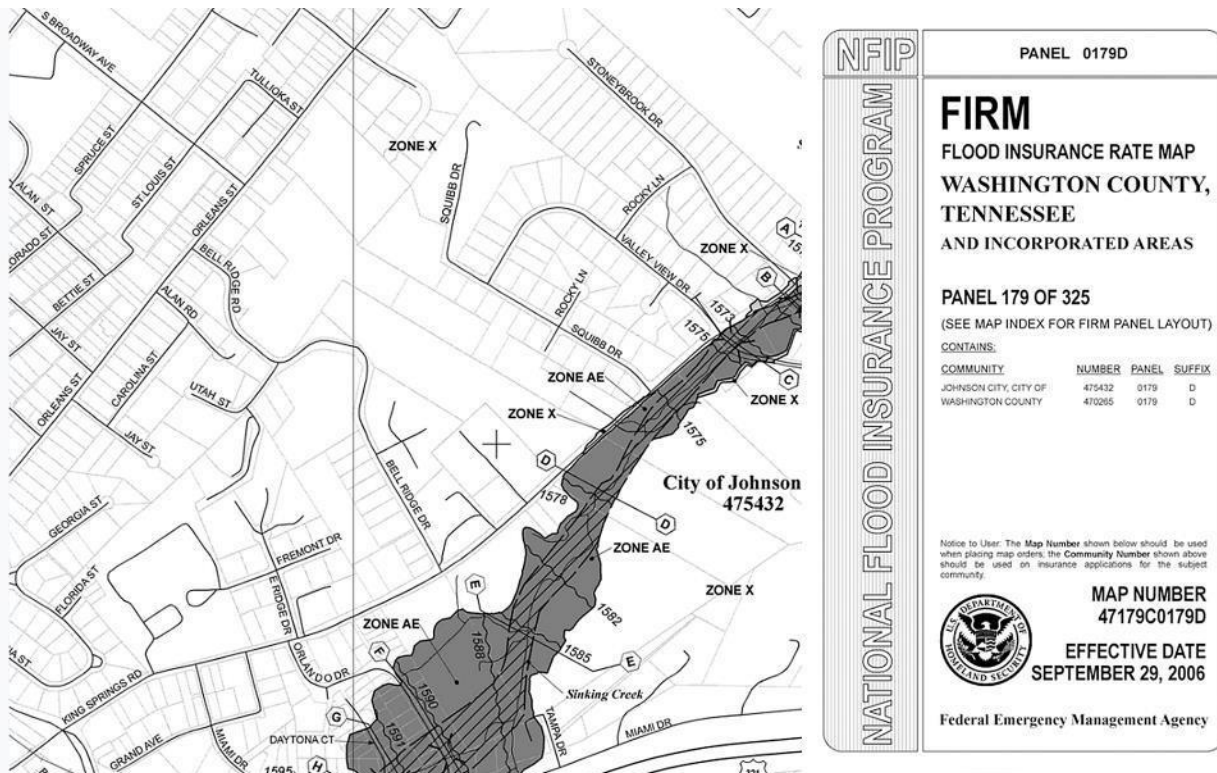
LOOKING NORTH ALONG BELL RIDGE ROAD

Utilities

The utilities available to the subject property include public water, electricity, gas, sewer, telephone, and all other municipal and county services.

Flood Map Information

According to the Federal Emergency Management Agency (FEMA) Flood Map 47179C0179D, dated September 29, 2006, the subject property is in Zone X, which is outside any designated flood hazard areas.



FLOOD MAP

Zoning

The subject is located in the zoning area of Johnson City and is currently zoned R-2, as a Medium Density Residential District. The subject property is a legally conforming use under this zoning. A complete copy and description of the zoning district is included in the Addenda of this report.



ZONING MAP

Real Estate Taxes

Based on the Washington County and Johnson City tax rates for 2021, the subject property's real estate taxes are calculated to be \$22,368.98 as shown below.

<u>Tax Parcel</u>	<u>Tax Appraisal</u>	<u>@</u>	<u>Assessed Value</u>	<u>Washington Tax Rate</u>	<u>Johnson City Tax Rate</u>	<u>Property Tax</u>
047P E 003.00	\$1,441,300	40%	\$576,520	\$1.73/ \$100	\$2.15/ \$100	\$22,368.98

IMPROVEMENTS DESCRIPTION**General Data**

Size & Type:	41-unit multi-family development
Age/ Condition:	Constructed in 1980 but have been well maintained and considered to be in average overall condition
Stories/ Features:	Two two-level buildings; one building has finished basement area

Exterior Detail

Construction:	Concrete footers and block with wood-frame construction, Not Sprinklered
Exterior Walls:	Brick veneer siding external walls. The entries are by wood-frame wooden entry doors. Double pane windows along all front and rear faces of buildings.
Roof:	Gabled roof with asphalt-shingle roof cover, gutters & downspouts

Interior Detail

General Layout:	The subject property consists of two two-story buildings containing a total of 41 single-level rental units. Each one-bedroom unit consists of a living room, kitchen/dining area, and a three-piece bath. The unit entries are by covered walkway along the front of the units, via exterior stairs along the front of buildings and covered grade level entries along the rear of the building to parking area. Property includes laundromat for tenants.
Floor:	The subject floor coverings are a mixture of commercial flooring including vinyl tile and plank
Interior Walls:	Consist of painted sheetrock with wood case hollow core doors. The majority of the space has ~8-10' ceiling height
Ceiling/Lighting:	Ceiling consists of painted and spackled sheetrock. Lighting includes mixture of overhead incandescent and fluorescent lighting
HVAC:	Structure includes PTAC, Packaged Terminal Air Conditioner, through the wall to all units

Site Improvements

Parking:	Subject has paved parking along the fronts of each building and along rear of lower-level building off Bell Ridge Road
Landscaping:	Subject features minimal landscaping with grass areas and trees along perimeter of building and site.

SUBJECT PHOTOGRAPHS



EAST VIEW OF SUBJECT BUILDINGS



NORTHWEST VIEW OF SUBJECT BUILDING



NORTHEAST VIEW OF SUBJECT BUILDING



NORTHWEST VIEW OF SUBJECT BUILDING LOWER LEVEL



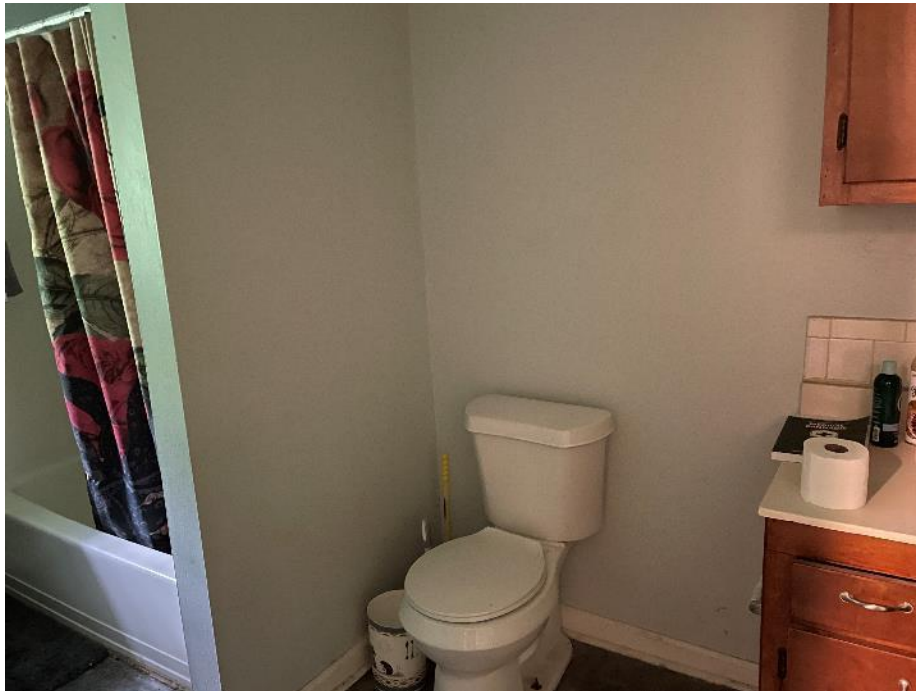
TYPICAL LIVING ROOM VIEW OF SUBJECT



TYPICAL KITCHEN VIEW OF SUBJECT



TYPICAL BEDROOM VIEW OF SUBJECT



TYPICAL BATHROOM VIEW OF SUBJECT



LAUNDROMAT AREA VIEW



LAUNDROMAT AREA VIEW

HISTORY

The subject property is currently under the ownership name as follows:

**EA SIP TN HOLDINGS, LLC
2112 W. KENNEDY BOULEVARD
TAMPA, FL 33606-1535**

The subject property was transferred from Mark Boyd Dishman II, et al by Warranty Deed dated August 20, 2018, for a stated consideration of \$1,450,000 as recorded by Warranty Deed Book 965 and Page 368, in the Washington County Register of Deed's Office.

The subject property is under a purchase and sale agreement to Guifu Chen dated April 8, 2022, for a stated consideration of \$2,260,000. There have been no known listings or contracts on the subject property since the previous sale.

HIGHEST AND BEST USE

Highest and best use is defined as:

*"The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. The highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future."*⁷

Highest and best use is divided into two categories: 1) "as vacant" and 2) "as improved." The first category assumes the site is vacant and addresses the issue of what use should be made of the site. The second category addresses the use that should be made of the property, as it exists. The highest and best use "as improved" may well be different than the existing use. The existing use will continue until the value of the vacant land exceeds the total value of the property in its existing use.

⁷ The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, 2015, Page 109.

Highest and Best Use, As Vacant

Highest and best use of land or a site as though vacant is defined as:

*"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."*⁸

The subject property is an irregular-shaped, partially cleared parcel measuring approximately 260' wide x 420' deep containing a total of 5.2 acres with the topography being generally sloping. The subject property is zoned R-2, as a Medium Density Residential District. The subject site is located off the west side of Bell Ridge Road has ~85.9' of frontage and good access along Bell Ridge Road. The subject site has access travelling south along Bell Ridge Road to King Springs Road west to ETSU campus and travelling north to E. Main Street west to the downtown area. The nearby development is other residential uses around the Johnson City area. Therefore, based on the subject's size, topography, location, zoning and surrounding land use patterns, it is concluded that the highest and best use of the subject property "as vacant" would be for residential development.

Highest and Best Use, As Improved

Highest and best use of a property, as improved, is defined as:

*"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."*⁹

The subject property is improved with a 41-unit multi-family development originally constructed in 1980. The subject improvements have an overall actual age of 42 years but have been well maintained and are considered to be in average overall condition. Therefore, based on the location, zoning, access and physical condition of the existing improvements, it is concluded that the highest and best use of the subject property "as improved" would be for a continued multi-family use.

⁸ The Dictionary of Real Estate Appraisal, Fifth Edition, Appraisal Institute, 2010, Page 93.

⁹ The Dictionary of Real Estate Appraisal, Fifth Edition, Appraisal Institute, 2010, Page 94.

APPROACHES TO VALUE

In the appraisal process, under ideal conditions, there are three approaches to an estimate of value. These approaches are briefly defined as:

- 1) Cost Approach - In this approach, the indication of value is derived by estimating the value of the land based on sales of similar land and adding to this value the replacement cost of improvements less accrued depreciation.
- 2) Sales Comparison or Market Approach - This method develops a value estimate by the direct comparison of the subject of the appraisal with properties that are similar in nature, or which are adapted to the same use which have recently sold, or which are listed for sale in the open market under competitive conditions.
- 3) Income Approach - In this approach, the value of the property is indicated by the capitalization of an anticipated net rental income stream over a specified period of time. Four steps are required: (1) gross income is estimated; (2) expenses are deducted to estimate net income; (3) a capitalization method is selected; and (4) the net income estimate is capitalized into an indication of value by applying the selected capitalization method.

In the appraisal of the subject property, all three approaches were considered in the valuation of the subject property.

The Cost Approach involves the deduction of accrued depreciation from the improvements cost new and then adding the land value. The subject property was originally built in 1980 and has had additions and periodic remodeling. The Cost Approach is most effective when improvements are new and little accrued depreciation has occurred. Considering the multiple ages due to additions and renovations of the subject building and the resulting difficulty in estimating effective age and accrued depreciation, the Cost Approach was considered unable to estimate a reliable indication of the market value of the subject property. Also, this approach does not accurately reflect the typical investor for income producing commercial properties. Thus, the Cost Approach appraisal method was not utilized in the valuation of the subject property.

Therefore, in the appraisal of the subject property, only the Sales Comparison Approach and the Income Approach appraisal methods were utilized.

SALES COMPARISON APPROACH

The Sales Comparison Approach is defined as:

"The process of deriving a value indication for the subject property by comparing sales of similar properties to the property being appraised, identifying appropriate units of comparison, and making adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison." ¹⁰

In this analysis, the comparable sales are analyzed based on the sales price per unit technique. A search of the subject market area, including in and surrounding Johnson City, was made to find comparable sales of multi-family development properties. The comparable sales of similar properties that reflect the market appeal of the subject property are shown on the following pages.

Unless otherwise noted, any FF&E included in the comparable sales were considered to have negligible value, based on sale contacts, market participants and other available information. In addition, based on research conducted for this appraisal and all obtainable data, the comparable property sales are for real estate only and contain no business value.

¹⁰ The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, 2015, Page 207.

IMPROVED SALE 1

Location: 3010 Golden Way, White Pine, TN

Tax Map & Parcel: 039A A 0004.00 - Jefferson County

Grantor: Hugh K. & Pamela S. Johns

Grantee: David & Parrish Vaughn

Sale Date: 12/30/2019

Sale Price: \$1,600,000

Recorded: Warranty Deed Book 1511, Page 524

Improvements Size: 42 units, or 28,770 S.F.

Site Size: 3.27 acres

Description: The sale of a Kent Street Apartments two-building multi-family property built in 1971 consisting of a total of 42 rental units. Each single-level unit contains one-bedroom/one-bathroom configurations with a living room area, kitchen, half bath and washer/ dryer area on ground level. The units rented from \$350-\$500 with average of \$435/month. OAR of 6.8% 8.2%

Unit Price: \$38,095/unit



IMPROVED SALE 2

Location: 1920 Bowater Drive, Kingsport, TN

Tax Map & Parcel: 046E E 002.00 – Sullivan County

Grantor: OREADES 1404, LLC

Grantee: Bridgewater Retreat, LLC

Sale Date: 10/16/2021

Sale Price: \$5,300,000

Recorded: Warranty Deed Book 3475, page 564

Improvements Size: 100 units/ 87,309 S.F.

Site Size: 8.90 acres

Description: Sale of Bridgewater Retreat improved with seven two-story apartment buildings originally constructed in 1970 with a brick veneer exterior. Each of the apartment buildings include four to eight rental units containing one, two, and three bedrooms. Each unit consists of a living room, kitchen area, and full bath. Property was stated to be in average condition at the time of sale. Rents reportedly ranging from \$450-\$750.

Unit Price: \$53,000/unit



IMPROVED SALE 3

Location: 3500 Timberlake Road, Johnson City, TN

Tax Map: 030H D 007 – Washington County

Grantor: Northern SSA, LLC

Grantee: Buffalo Ridge, LLC

Sale Date: 5/19/2021

Sale Price: \$3,475,000

Recorded: Warranty Deed Book 1052, Page 866

Improvement Size: 62 units or 48,150 S.F.

Site Size: 1.95 acres

Description: Sale of Buffalo Ridge Apartments, a multi-family development built in 1972 renovated 2020. The facility contains 39 one-bedroom units and 15 two-bedroom units and eight three-bedroom units. Each unit has a living/dining area, kitchen and three-piece bathroom. Rent: one-bedroom: \$400-\$500/month; two-bedroom: \$500-650/month. The buildings were considered in average overall condition.

Unit Price: \$56,048/unit



IMPROVED SALE 4

Location: 800 Broyles Avenue, Erwin, TN

Tax Map: 031G C 027.01 – Unicoi County

Grantor: Capitol Amusements, Inc.

Grantee: BABA Properties, LLC

Sale Date: 12/14/2021

Sale Price: \$2,350,000

Recorded: Warranty Deed Book 454, Page 36

Improvement Size: 40 units or 31,192 S.F.

Site Size: 7.1 acres

Description: Sale of Holiday House Apartments, a 40-unit multi-family development of 10 buildings built in 1976 containing a total of 40 rental units and a single-story office building. The buildings consist of one-bedroom and two-bedroom units and contain a living/dining area, kitchen, closets and a three-piece bathroom. Monthly one-bed rent is \$400-\$450 and two-bed rent at \$500-\$600. The buildings had recent renovation and considered to be in average to good overall condition. 6.91%

Unit Price: \$58,750/unit



IMPROVED SALE 5

Location: 539 Old Sevierville Pike, Seymour, TN

Tax Map & Parcel: 045C 038, 039, 041 – Sevier County

Grantor: Delwood Properties, LLC

Grantee: Randall Ferman

Sale Date: 3/29/2021

Sale Price: \$1,550,000

Recorded: Book 5753, Page 172

Improvements Size: 26 units or 15,530 S.F.

Site Size: 0.96-acre

Description: The sale of Countryside Apartments, 26-unit complex built in 2010. The apartments are located in western Sevier County, west of Sevierville along Old Sevierville Pike. Apartments are all one-bedroom/one-bathroom units and are considered in average overall condition. Leased at \$450-\$550/month, and the cap rate was 7.1%. Was on the market two months asking \$880,000.

Unit Price: \$59,615/unit



IMPROVED SALE 6

Location: 2805 W. Walnut Street, Johnson City, TN

Tax Map: 053M B 003 – Washington County

Grantor: TYL Holdings, LLC

Grantee: Brice Moss

Sale Date: 6/18/2021

Sale Price: \$1,325,000

Recorded: Warranty Deed Book 1052, Page 866

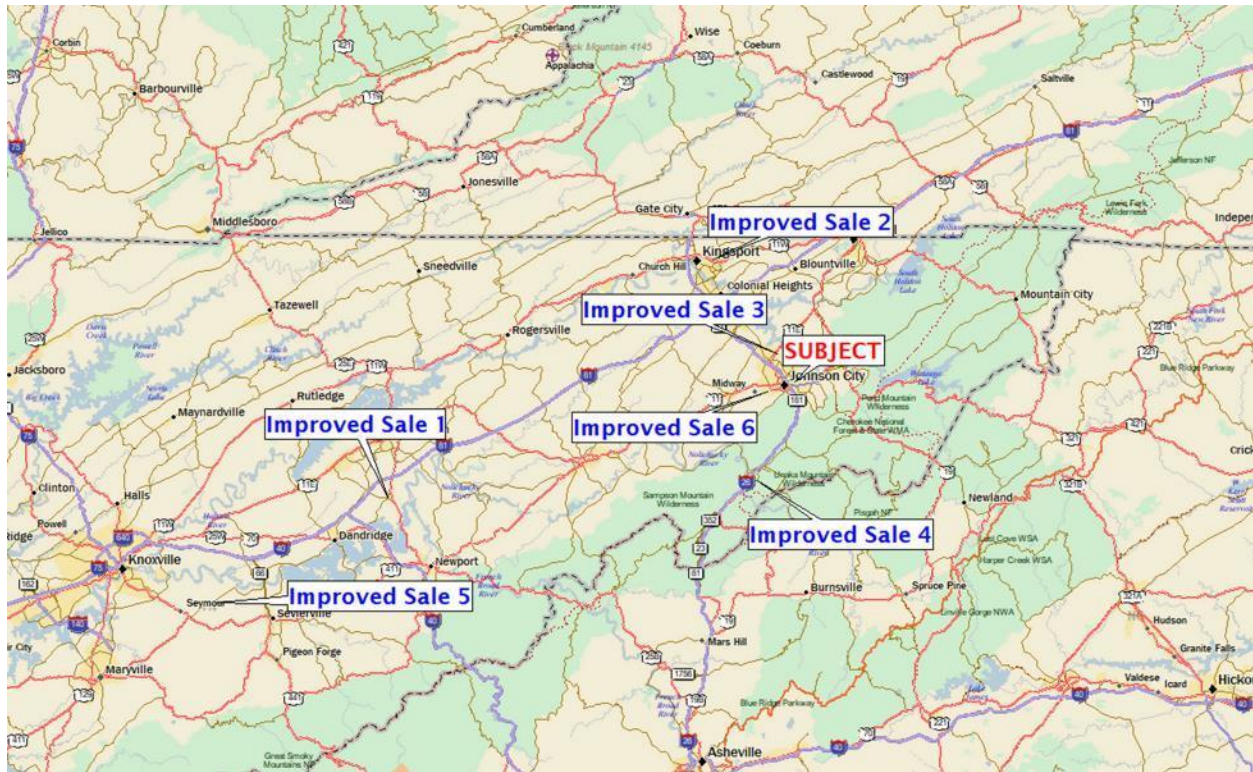
Improvement Size: 22 units or 13,440 S.F.

Site Size: 1.10 acres

Description: Sale of the Villager Apartments, a multi-family development originally built in 1967. The facility contains two two-story buildings containing 12 one-bedroom units and 10 two-bedroom units. Each unit has a living/dining area, kitchen and three-piece bathroom. The buildings were considered to be in average overall condition. Rent: one-bedroom: \$400-\$500/month; two-bedroom: \$450-\$600/month. 6.1%

Unit Price: \$60,227/unit



TIMBER RIDGE APARTMENTS, 1500 BELL RIDGE ROAD, JOHNSON CITY, TN**IMPROVED SALES MAP**

IMPROVED SALES SUMMARY					
#	Location	Sale Date	Sale Price	Size (unit)	Price/(unit)
1	3010 Golden Way, White Pine, TN	12/30/2019	\$1,600,000	42	\$38,095
2	1920 Bowater Dr, Kingsport, TN	10/16/2021	\$5,300,000	100	\$53,000
3	3500 Timberlake Road, Johnson City, TN	5/19/2021	\$3,475,000	62	\$56,048
4	800 Broyles Ave, Erwin, TN	12/14/2021	\$2,350,000	40	\$58,750
5	539 Old Sevierville Pike, Seymour, TN	3/29/2021	\$1,550,000	26	\$59,615
6	2805 W Walnut Street, Johnson City, TN	6/18/2021	\$1,325,000	22	\$60,227
Low Indication :		12/30/2019	\$1,325,000	22	\$38,095
Average Indication :				49	\$54,289
High Indication :		12/14/2021	\$5,300,000	100	\$60,227

The subject property is improved with a 41-unit multi-family development originally constructed in 1980. The improvements have an actual age of 42 years but have been well maintained and are in average overall condition.

Improved Sales Qualitative Comparison Table

Timber Ridge Apts

1500 Bell Ridge Road

	Subject	Sale 1	Sale 2	Sale 3	Sale 4	Sale 5	Sale 6
Physical Data							
Improvement units	41	42	100	62	40	26	22
Land Area (Ac)	5.200	3.27	8.90	1.95	7.10	0.96	1.10

Sales Data

Sales Price	-----	\$1,600,000	\$5,300,000	\$3,475,000	\$2,350,000	\$1,550,000	\$1,325,000
Date of Sale	-----	12/30/2019	10/16/2021	5/19/2021	12/14/2021	3/29/2021	6/18/2021
Sales Price/unit	-----	\$38,095	\$53,000	\$56,048	\$58,750	\$59,615	\$60,227

Market Adjustments

Ownership Rights	Fee Simple -----	Fee Simple =	Fee Simple =	Fee Simple =	Fee Simple =	Fee Simple =	Fee Simple =
Financing/Concessions	None -----	None =	None =	None =	None =	None =	None =
Conditions of Sale	Typical -----	Typical =	Typical =	Typical =	Typical =	Typical =	Typical =
Market Conditions	Stable -----	Similar =	Similar =	Similar =	Similar =	Similar =	Similar =

Physical Adjustments

Location/Access	Good -----	Inferior -	Similar =	Similar =	Similar =	Superior +	Superior +
Unit Size	41 -----	Similar =	Inferior -	Similar =	Similar =	Similar =	Similar =
Condition	Good -----	Inferior -	Similar =	Similar =	Superior +	Similar =	Superior +
Utility - Garage	Good -----	Similar =	Similar =	Similar =	Similar =	Similar =	Similar =

Overall Comparison to Subject: *Inferior* *Inferior* *Similar* *Superior* *Superior* *Superior*

The comparable properties are all located in and surrounding Johnson City area within similar markets as the subject property. Sale 1 is a similar size facility as the subject with an inferior condition and competitive location compared to the subject. Sale 2 is a larger size facility than subject with a similar condition and competitive location as the subject property. Sale 3 is a similar size facility as the subject with similar condition and similar competitive location as the subject. Sale 4 is similar size facility as the subject with a superior renovated condition, but similar competitive location compared to the subject. Sale 5 is a similar size facility as the subject with a similar condition, but superior competitive location compared to the subject

property. Sale 6 is a similar size facility as the subject with a superior location and has a superior renovated condition compared to the subject property.

Therefore, based on the analysis of these comparable sales, considering the subject's building size, age, condition, location and access, it is concluded that the upper-middle portion of the adjusted range best indicates the market value of the subject property, estimated to be \$55,000.00/unit for the 41-unit multi-family development.

SUMMARY OF SALES COMPARISON APPROACH

41 units @ \$55,000.00/unit = \$2,260,000 (R)

INCOME APPROACH

The Income Capitalization Approach is defined as:

"Specific appraisal techniques applied to develop a value indication for a property based on its earning capability and calculated by the capitalization of property income." ¹¹

Gross Income Estimate

The first step in the application of the Income Approach is estimating the property's potential gross income. The rental and financial for the subject property is included below as provided by the current owner and the client.

The current monthly rent for the subject property one-bedroom units ranges from \$425 to \$700 with an average of \$495, based on the provided financial information.

In order to estimate the subject's market rent, a survey of similar multi-family development properties in and surrounding the Johnson City market area was made. The rental rates of comparable multi-family developments for one-bedroom units from the Sales Comparison Approach were found and considered most similar to the subject property. The details of these comparable rental properties are summarized as included in the following chart.

¹¹ The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, 2014, Page 115.

COMPARABLE RENTAL SUMMARY				
Rental	Location	Imp Size (unit)	Rent Range Per Unit	
1	3010 Golden Way, White Pine, TN	42	\$350	\$450
2	1920 Bowater Dr, Kingsport, TN	100	\$450	\$500
3	3500 Timberlake Road, Johnson City, TN	62	\$400	\$500
4	800 Broyles Ave, Erwin, TN	40	\$450	\$525
5	539 Old Sevierville Pike, Seymour, TN	26	\$450	\$550
6	2805 W Walnut Street, Johnson City, TN	22	\$450	\$600
Low Indication :		22	\$350	
Average Indication :		49	\$473	
High Indication :		100	\$600	

The subject property is improved with a 41-unit multi-family development originally constructed in 1980 with an actual age of 42 years but has been well maintained and is considered to be in average overall condition. The subject property is currently leased with one vacancy. The market rates indicated above are considered to be a realistic representation of the comparable market rents for the subject property.

The comparable properties are all located in and surrounding Johnson City within similar markets as the subject property. As shown in the Comparable Rental Summary chart, the rental rates in the area exhibit a typical market range. Higher rentals are typically newer construction/renovation and/or have superior locations. Lower rentals are either older construction or have not been renovated recently and/or have inferior locations. The similar property rents range from \$350/unit to \$600/unit with an average of \$473/unit. The current rents of the subject property are well within the ranges exhibited by the comparable multi-family development properties.

Therefore, based on an analysis of these comparable rental properties, considering the subject's size, finished area, age and present physical condition, it is concluded that the upper-middle portion of the range best indicates the market rent for the subject property. Thus, the subject's current average rent of \$495.00/unit is considered to be market rent, which is used for a total income estimate of \$243,540 per year.

Expense Estimate

The second step in processing the Income Approach is that of estimating the typical expenses associated with the property. The appraisers believe it is appropriate to include a vacancy and collection loss, management fee and allowance for structural reserves paid by the owners. As there are few vacancies in the subject area, a vacancy rate of 3% is applied to the subject's gross income estimate.

Additionally, a management/ administration fee of 4.0%, a maintenance/ reserve estimate of 8.0%, outside services of 2.0%, insurance expense of 4.0%, and actual real estate taxes are deducted from the gross income. The expenses are based on actual subject expenses and estimates from other competitive commercial properties. The income and expenses for the subject property are shown on the Operating Income Statement below.

Operating Income Statement

Building Data:	Timber Ridge Apartments, 1500 Bell Ridge Road		
Type:	<u>Multi-family development</u>		
Size (units):	41		
Rent/unit	\$495.00		
Market rent	\$243,540		
Stabilized Potential Gross Income Estimate (PGI)			\$243,540
Vacancy and Collection Loss Estimate @	(3%)		(\$7,306)
Stabilized Effective Gross Income Estimate (EGI)			\$236,234
Stabilized Operating Expenses:	Dollar <u>Amount</u>	Percent of <u>EGI</u>	Cost per <u>Unit</u>
Management/Admin	\$9,449	4.0%	\$230.47
Maintenance/Reserve	\$18,899	8.0%	\$460.94
Outside Services	\$4,725	2.0%	\$115.24
Insurance	\$9,449	4.0%	\$230.47
RE Taxes	\$22,369	9.5%	\$545.59
Total Operating Expenses		27.5%	\$1,582.71
Stabilized Net Operating Income Estimate:			<u>\$171,343</u>

Capitalization Process

Direct Capitalization is defined as:

*"A method used to convert an estimate of a single year's income expectancy into an indication of value in one direct step, either by dividing the income estimate by an appropriate capitalization rate or by multiplying the income estimate by an appropriate factor. Direct capitalization employs capitalization rates and multipliers extracted or developed from market data. Only one year's income is used. Yield and value changes are implied, but not explicitly identified."*¹²

According to RealtyRates.com 4th Quarter 2021 Investor Survey, the overall capitalization rate for Apartments - All Types ranges from 4.03% to 11.92% with an average of 7.94%.

RealtyRates.com INVESTOR SURVEY - 4th Quarter 2021*						
APARTMENTS - ALL TYPES						
Item	Input					OAR
Minimum						
Spread Over 10-Year Treasury	1.30%	DCR Technique	1.10	0.040305	0.90	3.99
Debt Coverage Ratio	1.10	Band of Investment Technique				
Interest Rate	2.61%	Mortgage	90%	0.040305	0.036275	
Amortization	40.0	Equity	10%	0.060984	0.006098	
Mortgage Constant	0.040305	OAR				4.24
Loan-to-Value Ratio	90%	Surveyed Rates				4.03
Equity Dividend Rate	6.10%					
Maximum						
Spread Over 10-Year Treasury	6.00%	DCR Technique	1.86	0.109950	0.55	11.25
Debt Coverage Ratio	1.86	Band of Investment Technique				
Interest Rate	7.31%	Mortgage	55%	0.109950	0.060472	
Amortization	15.0	Equity	45%	0.144495	0.065023	
Mortgage Constant	0.109950	OAR				12.55
Loan-to-Value Ratio	55%	Surveyed Rates				11.92
Equity Dividend Rate	14.45%					
Average						
Spread Over 10-Year Treasury	2.99%	DCR Technique	1.43	0.063383	0.73	6.64
Debt Coverage Ratio	1.43	Band of Investment Technique				
Interest Rate	4.30%	Mortgage	73%	0.063383	0.046437	
Amortization	26	Equity	27%	0.106915	0.028585	
Mortgage Constant	0.063383	OAR				7.50
Loan-to-Value Ratio	73.3%	Surveyed Rates				7.94
Equity Dividend Rate	10.69%					

*3rd Quarter 2021 Data

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¹² The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, 2015, Page 65.

In addition to the capitalization rates indicated by RealtyRates.com, overall capitalization rates were extracted from comparable sales in the subject market area including comparable properties from the Sales Comparison Approach and other comparable sales surveyed for this report.

COMPARABLE RATE SUMMARY		
Location	Sale Date	Indicated Rate
Johnson City, TN	2021	7.67%
Johnson City, TN	2021	6.97%
Johnson City, TN	2022	7.36%
Kingsport, TN	2021	6.61%
Johnson City, TN	2020	7.70%
Morristown, TN	2021	6.76%
Johnson City, TN	2021	7.45%
Low Indication :		6.61%
Average Indication :		7.22%
High Indication :		7.70%

Comparable properties from the subject market area indicate overall capitalization rates from 6.61% to 7.70% with an average of 7.22%. These rates were derived from comparable recent sales in the local market and are similar to and within the range indicated by RealtyRates.com.

Therefore, based on RealtyRates.com and the capitalization rates indicated by comparable sales in the market, it is concluded a capitalization rate of **7.50%** best represents the market conditions for the subject property.

Timber Ridge Apartments	
<u>Income Capitalization</u>	
Net Operating Income	\$171,343
Divided By	
Overall Capitalization Rate	÷ 7.50%
Equals	
Indicated Market Value	\$2,284,570
Rounded:	\$2,280,000

SUMMARY OF INCOME APPROACH

Improvement Value Indicated by Income Approach: **\$2,280,000 (R)**

CORRELATION AND FINAL VALUE ESTIMATE

The indicated value of the subject property through the three approaches is:

Cost Approach.....	N/A
Sales Comparison Approach	\$2,260,000
Income Approach	\$2,280,000

The Cost Approach involves the deduction of accrued depreciation from the improvements cost new then adding the land value. This approach is most useful when the subject property is new and there is little accrued depreciation involved. Since the actual age of the subject property is 42 years with additions and remodeling, this approach was not considered to be able to estimate a reliable indication of the market value of the subject property.

In the Sales Comparison Approach, sales were directly compared to the subject property on the basis of square footage, age, condition, location and access. Based on the sales of similar properties in the subject property's market, it is concluded that the Sales Comparison Approach is considered to be a reliable indication of the market value of the subject property.

The Income Approach is based on the anticipation of future benefits from the investment of income producing property. In this approach, the potential market rent was estimated then the estimated expenses were deducted to indicate a net operating income for the property. The net operating income was then capitalized into a market value indication based on the capitalization rate determined in the market. The Income Approach to value best represents the behavior of the typical investor for the income producing property. For this reason, the Income Approach is considered to produce a valid indication of the market value of the subject property.

Therefore, based on a correlation of the approaches, it is concluded that the final market value of the subject property "as is" as of the date of inspection, May 24, 2022, was estimated to be:

TWO MILLION TWO HUNDRED SEVENTY THOUSAND DOLLARS

(\$2,270,000.00)

GENERAL ASSUMPTIONS

This appraisal report has been made with the following general assumptions:

1. No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
2. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
3. Responsible ownership and competent property management are assumed.
4. The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
5. All engineering is assumed to be correct. The plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
6. It is assumed that there are no hidden or unapparent 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.
7. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report.
8. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a non-conformity has been stated, defined, and considered in the appraisal report.
9. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
10. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.

GENERAL LIMITING CONDITIONS

1. 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.
2. 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.
3. The appraiser herein by reason of this appraisal is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.
4. 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 the prior written consent and approval of the appraiser.
5. Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the attention of nor did the appraiser become aware of such during the appraiser's inspection. The appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraiser, however, is not qualified to test such substances or conditions. If the presence of such substances, such as asbestos, urea-formaldehyde foam insulation, or other hazardous substances or environmental conditions, may affect the value of the property, the value estimated is predicated on the assumption that there is no such condition on or in the property or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them.
6. The appraisal assignment was not based on a requested minimum valuation, a specific valuation or the approval of a loan. The appraisal has been prepared in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP).

CERTIFICATION

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have 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.
- I have not performed 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.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My 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.
- My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
- The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the *Code of Professional Ethics & Standards of Professional Appraisal Practice* of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- Ben A. Broome made a personal inspection of the property that is the subject of this report.
- No one provided significant real property appraisal assistance to the persons signing this certification.
- As of the date of this report, Ben A. Broome has completed the continuing education program for designated members of the Appraisal Institute. Rich Francis has completed the requirements of the Continuing Education Program for the State of Tennessee and is a non-licensed Registered Trainee who participated in the property inspection, market research and analyses, and preparation of the report.



Ben A. Broome, MAI
TN Certified General Appraiser #CG-113



Rich Francis
TN Registered Trainee #RT-4188

QUALIFICATIONS

BEN A. BROOME, MAI

President, Property Service Group Southeast, Inc.
 1129 N. 6th Avenue
 Knoxville, TN 37917-6754

Experience

Experience in real estate appraising in Tennessee, Kentucky, Virginia, North Carolina, and Florida since 1982.
 Tennessee Certified General Appraiser #CG-113
 Kentucky Real Property Appraiser #0127
 Georgia Certified General Appraiser #243921
 Virginia Certified General Appraiser #4001017906
 North Carolina Certified General Appraiser #A8451
 Qualified expert witness in Tennessee, Kentucky

Education

Bearden High School - Knoxville, TN
 University of Tennessee - Knoxville, TN
 Bachelor of Science in Business Administration, June 1982.
 Major: Real Estate & Urban Development; Finance
 American Institute of Real Estate Appraisers
 Courses: 8-1; Real Estate Principles
 8-2; Residential Valuation
 8-3; Standards of Professional Practice
 1B-A; Capitalization Theory, Part A
 1B-B; Capitalization Theory, Part B
 2-1; Case Studies in Real Estate Valuation
 2-2; Valuation Analysis and Report Writing
 Uniform Appraisal Standards for Federal Land Acquisitions 2018

I received a Certificate of Completion for the Valuation of Conservation Easements certificate program, 11/2/2012, as offered by the Appraisal Institute and endorsed by the Land Trust Alliance. This certificate indicates that I have completed the Valuation of Conservation Easements educational requirements and passed the examination.

Professional Organizations

Appraisal Institute (MAI Designation)
 President, Greater Tennessee Chapter, 2002
 Education Chairman, Volunteer State Chapter, 1994-95
 Board of Directors, Volunteer State Chapter 1994-96
 Regional Representative, 2001
 Young Advisory Council, 1999

Appraisal Clients

American Trust Bank
 Andrew Johnson Bank
 Appalachian Electric Cooperative
 Bank of Athens
 Bank of East Tennessee
 Bank of the West
 BB&T
 CapitalMark Bank & Trust
 Citizens First Bank
 City of Kingsport
 City of Knoxville
 Clayton Bank & Trust
 Comerica Bank
 Commercial Bank
 Community South Bank
 CSX Real Property
 Department of Energy
 Dept. of the Army – Corps of Engineers
 Dept. of General Services
 Development Corporation of Knox County
 First Century Bank
 First Community Bank
 First National Bank of Oneida
 First Tennessee Bank
 First Trust & Savings Bank
 FSGBank
 General Services Administration

Greeneville Federal Bank
 Habitat for Humanity
 Home Federal Bank
 Jefferson Federal Bank
 Knox County
 Knoxville Utilities Board
 Knoxville's Community Development Corporation
 Mountain Commerce Bank
 Mountain National Bank
 National Park Service
 Norfolk Southern Corp.
 Pellissippi State Community Technical College
 Peoples Bank of the South
 Pinnacle National Bank
 Public Building Authority
 Regions Bank
 Small Business Administration
 SmartBank
 State of Franklin Bank
 SunTrust Bank
 Tennessee Clean Water Network
 Tennessee Dept. of Transportation (TDOT)
 Tennessee Nature Conservancy
 Tennessee Parks & Greenways
 Tennessee State Bank
 The Citizens Bank of East Tennessee
 University of Tennessee

RICH FRANCIS, MBA

Property Service Group Southeast, Inc.
1129 N. 6th Avenue
Knoxville, Tennessee 37917-6754

Experience

Property Service Group Southeast, Inc. October 2007 – Present
Real Estate Appraising

Education

The University of Tennessee, Knoxville

Master's Degree, Business Administration 1993
Bachelor's Degree, Business Minor 1991

Appraisal Institute, Chicago, IL

100 Appraisal Principles
101 Appraisal Procedures
410 Standards of Professional Practice
Business Practices and Ethics
General Appraiser Site Valuation & Cost Approach
General Appraiser Sales Comparison Approach

State Certification/Licensure:

State of Tennessee Registered Appraiser Trainee - #RT-4188

Professional Organizations

Associate Member of Appraisal Institute, #501268

ADDENDA

- Deed
- Zoning
- Engagement Letter
- Appraisers' License
- E&O Certificate

Deed

ROLL/IMG: 965/368-370
18013374

3 PGSAL-DEED	
ROLL/IMG: 965/368-370 03:28 PM	
VALUE	1450000.00
MORTGAGE TAX	0.00
TRANSFER TAX	5365.00
RECORDING FEE	15.00
ARCHIVE FEE	0.00
DPFEE	2.00
REGISTER'S FEE	1.00
TOTAL AMOUNT	5383.00

STATE OF TENNESSEE, WASHINGTON COUNTY
GINGER B. JILTON
REGISTER OF DEEDS

Prepared by:
JOHN B. McKNINCH, III
110 E. Ninth Avenue
Johnson City, TN 37601
423-926-1900

WARRANTY DEED

THIS DEED, made and entered into on this the 20th day of August, 2018, by
and between Mark Boyd Dishman, II and wife, Elizabeth A. Dishman, Parties of the First
Part; and EA SIF TN HOLDINGS, LLC, Party of the Second Part;

WITNESSETH:

THAT FOR AND IN CONSIDERATION of the sum of \$10.00 cash in hand paid, and
other good and valuable considerations, the receipt of which is hereby acknowledged, the Parties
of the First Part have granted, bargained, sold and conveyed, and do hereby grant, bargain, sell
and convey unto the Party of the Second Part, its successors and assigns, the following described
property, situate, lying and being in the Ninth (9th) Civil District of Washington County,
Tennessee, to-wit:

BEGINNING at an iron pin found in the southeasterly right-of-way of Oregon Street, and
corner to Ernest Campbell (Roll I, Image 1485); thence in a northeasterly direction along
said right-of-way N. 40 deg. 54 min. 39 sec. E. 33.97 feet to an iron pin in the
southwesterly right-of-way of Bell Ridge Road; thence in a northeasterly direction along
said right-of-way the following eleven calls and distances, to-wit: N. 62 deg. 29 min.
50 sec. E. 87 feet to an iron pin; N. 60 deg. 40 min. 35 sec. E. 115.66 feet to an iron
pin; N. 66 deg. 28 min. 31 sec. E. 27.32 feet to an iron pin; N. 77 deg. 45 min. 17
sec. E. 52.53 feet to an iron pin; S. 72 deg. 22 min. 47 sec. E. 157.68 feet to an iron
pin; S. 59 deg. 03 min. 15 sec. E. 28.31 feet to an iron pin; S. 34 deg. 16 min. 59
sec. E. 59.91 feet to an iron pin; S. 7 deg. 24 min. 25 sec. W. 99.17 feet to an iron
pin; S. 19 deg. 5 min. 49 sec. W. 150.68 feet to an iron pin; S. 5 deg. 43 min. 23
sec. W. 51.82 feet to an iron pin; S. 8 deg. 49 min. 58 sec. E. 82.07 feet to an iron
pin found, corner to Bill Dunbar (Deed Book 669, Page 292); thence leaving said right-
of-way and with the line of Dunbar, S. 64 deg. 40 min. 51 sec. W. 213.75 feet to an
iron pin found, corner to C. W. Campbell (Roll 45, Image 789); thence with the line of

Campbell S. 64 deg. 26 min. 30 sec. W. 205.25 feet to an iron pin set in the line of James Caudle (Deed Book 627, Page 550); thence with the line of Caudle in part and Jackie Beard (Deed Book 633, Page 112) in part, N. 27 deg. 58 min. 58 sec. W. 205.00 feet to an iron pin found, corner to Ernest Campbell; thence with the line of Campbell the following two calls and distances, to-wit: N. 40 deg. 31 min. 21 sec. E. 200.00 to an iron pin set; N. 26 deg. 6 min. 15 sec. W. 200 feet to the point of BEGINNING, containing 5.196 acres, more or less, as shown by survey dated September 3, 1998, entitled "Phil A. and Suzanne C. Street" prepared by William Michael Glass, TRLS #927, 120 1/2 Boone Street, Jonesborough, TN 37659.

AND BEING a part of the same property conveyed to Mark Boyd Dishman, II and wife, Elizabeth A. Dishman from Phil A. Street and wife, Suzanne C. Street by Warranty Deed dated February 29, 2008, of record in Roll 592, Image 212, Register's Office for Washington County, Tennessee, to which deed reference is here made.

Map 47P, Group E, Parcel 3.00

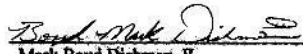
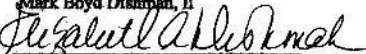
Description taken from previous deed.

TO HAVE AND TO HOLD said property, together with all the rights, privileges and appurtenances thereto appertaining unto the Party of the Second Part, its successors and assigns, forever, in fee simple.

THE PARTIES OF THE FIRST PART covenant with the Party of the Second Part, its successors and assigns, that they are legally seized and possessed of said property; that they have a perfect right to convey the same; that the same is free and unencumbered, and the title to said property they will forever warrant and defend against the lawful claims and demands of all persons whomsoever.

THIS CONVEYANCE is subject to all restrictive covenants and easements, if any, of record.

IN TESTIMONY WHEREOF, the Parties of the First Part have hereunto set their hands and seals, this the day and year first above written.


Mark Boyd Dishman, II

Elizabeth A. Dishman

TIMBER RIDGE APARTMENTS, 1500 BELL RIDGE ROAD, JOHNSON CITY, TN

STATE OF TENNESSEE
COUNTY OF WASHINGTON

Personally appeared before me, a Notary Public of the aforesaid State and County, Mark Boyd Dishman, II and wife, Elizabeth A. Dishman, the within named bargainors, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who acknowledged that such persons executed the within instrument for the purposes therein contained.

WITNESS my hand, at office, this the 20th day of August, 2018.

My commission expires:

3/3/2021STATE OF TENNESSEE
COUNTY OF WASHINGTON

I, or we hereby swear or affirm that the actual consideration for this transfer, or value of the property or interest in which property transferred, whichever is greater is \$1,450,000.00 which amount is equal to or greater than the amount which it would command at a fair and voluntary sale.

Robin R.
Affiant

Subscribed and sworn to before me the 20th day of August, 2018.

Sandra S. Cary
NOTARY PUBLIC

My Commission Expires:

3/3/2021NAME AND ADDRESS OF THE
PROPERTY OWNER

EA SIPTN Holdings LLC
720 E. Henderson Ave
Tampa FL 33602

NAME AND ADDRESS OF THE PERSON OR
ENTITY RESPONSIBLE FOR THE PAYMENT
OF THE REAL PROPERTY TAXES

EA SIP TN Holdings, LLC
2112 W Kennedy Blvd
Tampa FL 33606

Roll 965 Image 370

Zoning

6.2 - R-2 LOW DENSITY RESIDENTIAL DISTRICT

6.2.1 PERMITTED USES:

Within the R-2 Low Density Residential District the following uses are permitted:

6.2.1.1 All uses permitted in the R-1 Low Density Residential District provided all other R-2 requirements are observed.

6.2.1.2 Publicly owned recreational facilities and grounds.

6.2.1.3 Cemeteries; and

6.2.1.4 Local or counsel headquarters of national, nonprofit organizations providing for the education, attainment of high morals, good citizenship, and character of young men and women from the ages of nine to 16 years inclusive provided:

- A. The buildings are placed no less than 50 feet from the side property lines.
- B. The lot area contains no less than 50,000 square feet: and
- C. No external evidence of such use of the property other than a sign attached to the principal building, not more than two square feet in area.

6.2.2 USES PERMITTED BY APPROVAL AS SPECIAL EXCEPTION:

The following uses are permitted when approved by the Board of Zoning Appeals as Special Exceptions as provided by Section 15.4:

6.2.2.1 All special exceptions permitted in the R-1 Low Density Residential District.

6.2.2.2 Swimming clubs, tennis clubs, and similar recreational facilities, provided:

- A. They are owned and operated by private clubs organized as nonprofit associations, whether incorporated or not, conducting noncommercial recreational activities for the exclusive use of club members and their guests.
- B. Community recreational facilities must be located on an arterial or collector street as designated on the city's Zoning Map and have a minimum lot size of ten acres. A neighborhood recreational facility may be located on a minor street and must have a minimum lot size of one-half acre. Membership to the neighborhood facility will be limited to families residing in the subdivision or a designated neighborhood and shall not exceed 200 memberships.
- C. All buildings, machinery, and equipment shall meet the minimum setback requirements of the district in which the facility is located.
- D. The sale of merchandise, excluding refreshments to be consumed on the premises by members and their guests, shall be prohibited.
- E. One identification sign, with an area not to exceed 12 square feet, shall be permitted.
- F. Noise and glare shall be minimized. Outdoor loudspeakers, juke boxes, public address systems, electric amplifiers, and similar electronic devices shall not be permitted; and
- G. Neighborhood recreational facilities shall have no parking requirements.

6.2.2.3 Golf courses provided:

- A. Minimum size for a par three golf course shall be 20 acres; for an executive golf course, 50 acres; and for a regulation golf course, 120 acres.

- B. Location shall be on a collector or arterial street with direct access provided by such street unless waived by the Board of Zoning Appeals as a result of conditions unique to the site.
- C. A generalized site plan drawn to a scale of not less than one inch equals 100 feet shall be submitted depicting the following: the identification of existing and/or planned uses surrounding the site; the location and size of all holes (including tees and greens); proposed driveways; off-street parking areas; accessory uses including clubhouse, pro-shop, snack bar, maintenance and storage buildings or similar uses; putting greens; driving ranges; walkways; landscaping; screening; fencing; and buffering;
- D. Orientation of driving tees shall direct golf balls away from any abutting streets and residences, or suitable screens or netting shall be required.
- E. Driving ranges and night lighting shall not be permitted on par three golf courses and allowed only at the discretion of the BZA on executive and regulation golf courses: and
- F. Any additional requirements to ensure the protection of the surrounding neighborhood.

6.2.3 AREA REGULATIONS:

All buildings and uses, unless otherwise specified in this Code, shall comply with the following setback, coverage, and area requirements:

6.2.3.1 Minimum lot size:

- A. Minimum lot size shall be 15,000 square feet.
- B. Minimum lot width shall be 90 feet at the front building line.

6.2.3.2 Yard area:

- A. Front yard: Minimum front yard setback shall be 25 feet on an arterial or collector street and 20 feet on all other streets. Front-facing garages shall have a minimum setback of 25 feet on all streets.
- B. Side yard: Minimum side yard setback shall be ten feet.
- C. Rear yard: Minimum rear yard setback shall be 30 feet.

6.2.4 MAXIMUM LOT COVERAGE:

The principal building shall cover not more than 30 percent of the total lot area.

6.2.5 HEIGHT REGULATIONS:

Principal buildings shall not exceed the height of 35 feet.

6.2.6 SIDEWALK REQUIREMENT:

Sidewalks shall be required for all uses required in R-1, Subsection 6.1.6, and for headquarters of non-profit organizations (youth), recreational clubs, and public owned recreation facilities and grounds along their public street frontages in accordance with Article IX, Sidewalk Regulations, and The Standards of Design for Streets and Drainage.

(Ord. No. 4738-20, § 1(Exh. A), 7-2-2020)

Engagement Letter

SAMCO Appraisal Management Co., LLC
 243 Fort Jefferson Ave.
 Greenville, OH 45331
888-832-1129

APPRAISAL REQUEST FORM
COMPANY: Cooperative Business Service (CBS) (OH)

State Registration Number: 8799007

File Information

File ID: 220504004 Due Date: 5/25/2022
 Loan Number:

Appraiser Information

Loan Type: Acquisition Appraiser: Broome, Ben A.
 Form: Commercial Tier II
 Service Fee: \$2500.00 Interest Valued: Fee Simple
 Real Estate Valued: Land and Improvements Effective Date of Valuation: Value As Is
 Order Type:

Client Information

Client: Cooperative Business Service Borrower: Chen, Geoffrey
 Address: 8150 Corporate Park Drive Co-Borrower:
 Cincinnati, OH 45242 Borrower Email: gfchen1@gmail.com

Subject Property

Address: 1500 Bell Ridge Road Intended Use: Sale / Purchase
 Johnson City, TN 37601
 County: Washington Map: [Map Link](#)
 Sales Price: \$2,260,000
 Property Type: Multi Family
 Property Description: 41 unit multifamily property

Property Contact Information

Contact Person: Geoffrey Chen Work Phone:
 Cell Phone: 858-386-8324 Home Phone:

Note: This appraisal order is not transferrable to another appraiser. If the appraiser named on this appraisal request is unable to complete this assignment please contact SAMCO-AMC at 888-832-1129. All

appraisers are approved on an individual basis, if this assignment is completed by another appraiser
SAMCO-AMC will not be liable for any related service fee.



Commercial Order Instructions

Dear Appraiser,

This letter is to confirm your employment for professional appraisal services on the property referenced above. The appraisal assignment must be prepared in accordance with the appraisal policies and guidelines of SAMCO Appraisal Management Co. and the appropriate regulatory agencies.

You are authorized to proceed with the appraisal. An appraisal, invoking the appropriate scope of work, shall be performed as further set forth in appraisal instructions, enclosed. The appraisal shall also be in accordance with the definition of Market Value for Federally related transactions and shall be of the real property described in the appraisal order form.

Please contact the individual stated on the order form for access to the property, legal description of property, ownership details and income information as required for completion of appraisal.

Please note the following specific instructions:

Review all lender messages and instructions that will be included in the bid instructions or order notes.

Please include the Lender and SAMCO Appraisal Management as an authorized user.

Standards

The assignment must be processed and the report prepared in accordance with the guidelines of Lender as stated in the attached instructions and rulings of the federal regulatory agencies. Federally related transactions must:

- Be written and contain sufficient information and analysis to support the regulated institutions decision to engage in the transaction.
- Analyze and report appropriate deductions and discounts for proposed construction or renovation, partially leased buildings, non-market lease terms, and tract developments with unsold units.
- Be based upon the definition of market value in the regulation.
- Be performed by a state licensed or certified appraiser in accordance with the regulatory requirements.
- Unless specifically requested by the Lender, do not include valuations for Equipment or Business Enterprise.
- SAMCO's requirements include the appraisers professional responsibility to ensure that appraisals are completed fairly and without bias relating to personal opinions, including personal characteristics. Personal characteristics are characteristics of an individual or group of individuals such as (but not limited to) race, color, religion, national origin, gender, sexual orientation, gender identity or expression, marital status, familial status, age, receipt of public assistance income,

disability, or any protected characteristic under applicable law.

Additional information can be found and referenced in the Appraisal Institutes Guide Note: 18 : Personal Characteristics and Valuation Practice

<https://www.appraisalinstitute.org/assets/1/7/guide-note-18.pdf>

Competency

Acceptance of this assignment shall indicate that the appraiser is in compliance with the Competency Provision of USPAP and is suitably State Certified/Licensed by the state in which the subject property is located. If temporary licensing is obtained for purposes of completing this assignment, evidence that such licensing has been received must be included in the report addenda.

Confidentiality

It is understood and agreed by you that the Lender is your confidential client and no information regarding your appraisal may be furnished to anyone other than the undersigned. Any questions related to the required form and substance of the appraisal shall be directed to SAMCO and no one else.

Each copy of the appraisal report must include in the Addenda a copy of this letter and attached instructions, with proper signatures, in order to be accepted. Should you encounter reporting requirements different than indicated here, please call the undersigned for authorization to proceed.

When completed, please submit an email format of the completed appraisal to samco@samco-amc.com together with an invoice for your fee. (Invoice to be provided separately from the appraisal) Please address the report to the lender, and also upload the completed report to the SAMCO appraisal platform.

The appraiser named in this engagement letter must be a signatory to the appraisal report and must inspect the property to be appraised. Please be aware that errors in the appraisal or failure to follow these instructions will result in the appraisal being returned to you for correction. Payment for your services will be contingent upon timely correction of any deficiencies found during Lenders review. Lender will review the appraisal and notify you of any such deficiencies within 30 days of the receipt of the appraisal.



Lender Requirements

- This client requires the appraiser to be located within 40 miles of the subject property. Please advise if you cannot meet this distance requirement for geographical competency BEFORE accepting the assignment, or accept with a condition and state your distance from the property.



Minimum Commercial Appraisal Guidelines

These guidelines are to be used by all appraisers engaged by SAMCO Appraisal Management Company in preparing commercial and residential appraisals. First and foremost all appraisals prepared for SAMCO must comply with the current Edition of the Uniform Standards of Professional Appraisal Practice (USPAP). **A statement of this compliance must be included in the Letter of Transmittal.**

In addition, all appraisal reports must include a table of contents, and abide by any additional requirements stated within the Engagement Letter, or as required by supplemental guidelines (as provided) related to specific property types. Refrain from reporting any additional values that were not requested.

SAMCO's client/bank reserves the right to reproduce in full and/or provide copies of appraisal reports to interested third parties including but not limited to existing or potential participating institutions, and the Borrower(s).

Additional Guidelines:

- **File Number:** The SAMCO generated file number must be included on the report cover page, letter of transmittal, and invoice.
- **SAMCO Appraisal Management Company, LLC is required to be listed as an additional Intended User/ Client.**
- **Certification:** The appraisal certification must be signed by an appraiser approved by SAMCO AMC, which is usually the appraiser signing the engagement letter. That appraiser must hold a general certified license issued by the state in which the property is located. Furthermore, unless a specific exception is made in advance, and so stated in the engagement letter, if a state licensed trainee is a co-signer of the certification, the general certified appraiser must inspect the subject property at a minimum from the street.
- **Reporting Options:** All appraisal reports must be prepared in one of the three report options as defined in USPAP Standards Rule 2-2, that is Appraisal Report or Restricted Appraisal Report. Which of the three options that is required for a particular appraisal will be discussed in advance of, or within the Engagement Letter. No matter the report option, all reports must include at a minimum, the eleven reporting requirements within Standards Rule 2-2. With the exception of a Restricted report, all reports must contain a sufficient depth of relevant analysis and supporting documentation so a reader can understand the appraisers reasoning and rationale for a particular conclusion.
- **Ownership:** A statement of ownership section must be included and state the name of the owner of record. A minimum reporting of a three year sales history is required. If the subject is listed for sale or lease, a discussion is required regarding the relevant details. If the subject is a pending sale, a discussion is also required which provides information relative to the pending contract. Whether listed for sale, lease or a pending sale, the source of information (broker, listing service, owner) must be cited.
- **Property Descriptions:** All appraisal reports must describe the physical characteristics of the site adequately and sufficiently. The improvements must be described and those relevant characteristics and features for the property type.

- **Personal Property:** Any personal property, furniture, fixtures, equipment (FFor items that are not part of the real property must be identified, reported and sometimes valued.
- **Discounts and Deductions:** All discounts and/or deductions to account for proposed construction, renovation, lease-up or absorption activity, non-market lease terms and tract developments (subdivisions) with unsold units must be accounted for.
- **Depreciation:** For improved properties, a description and allocation of the different types of depreciation is required. The specific method of depreciation needs to be stated, as well as whether physical or economic life is being used. The expected remaining life must be concluded. For improved properties, a description and allocation of the different types of depreciation is required. The specific method of depreciation needs to be stated, as well as whether physical or economic life is being used. The expected remaining life must be concluded.
- **Zoning:** The report should state, to the best of the appraisers ability, whether the property is a legal conforming, or nonconforming use, based upon the zoning classification.
- **Tax and Assessment:** A tax section must be included.
- **Highest and Best Use:** This section must be complete and be thorough and include the definition and cite the source.
- **An "as is" value** is required on all commercial assignments.
- **Unless specifically requested by the Lender, no not include valuations for Equipment or Business Enterprise.**
- **Valuation Sections:**
 - **Cost approach:** If using a cost service, the service and sections must be specifically identified. If actual costs, or budgets are available, they must be compared to the cost service for reasonableness.
 - **Sales Comparison Approach:** An adjustment grid is required.
 - **Income Approach:** The subject property's current and historical (three years) income and expenses must be used in this analysis. In addition, if applicable, the most recent rent roll must be made available for analysis.
 - **Reconciliation:** This section must weigh the applicability of the various values to solving of the appraisal problem. Only in rare cases should the various approaches reach the same value conclusion. Nevertheless, any significant differences between the value approaches, or between a final value and a pending purchase should be properly and sufficiently explained and ultimately reconciled.
- **Required Exhibits:** Whether they may be included in the applicable sections of the report, or included in the addenda, all report formats must include the following exhibits;
 1. Interior and exterior photographs of the property being appraised. Please label all photographs.
 2. A site plan or survey indicating property borders (aerial image from a GIS system)
 3. Photos of the comparables (sales and rental)
 4. Aerial images from reliable sources may be substituted for use with land sales.
 5. Maps identifying the location of the subject in relation to sale and rent comparables
 6. Flood hazard map (including panel number) identifying the location of the subject
 7. A signed copy of the engagement letter must be included in the addenda (This is located under files section, titled Agreement)
 8. Any appraiser signing the Certificate of Value, must also include proof of licensure within the addenda. For those appraisers that no longer receive the wallet card or wall certificate, an Official Proof of Licensure as per the appropriate agency is sufficient.

SAMCO Appraisal Management Company, LLC adheres to the accompanying policies and procedures to guarantee complete compliance with the Dodd-Frank Reform Act (H.R. 4173).

- SAMCO will make no effort to influence the appraisal process or outcome through instruction, compensation, or any other method. On a yearly basis, SAMCO will provide training to all SAMCOs Appraiser Management Department employees to ensure compliance with federal policies and

procedures.

- SAMCO will compensate the appraiser for all valuation services where the appraiser has provided a credible appraisal service. SAMCO cannot compensate appraisers who fail to provide the requested service or in the event the appraisal or valuation service is not credible. The Quality Control manager will be informed when SAMCO's Appraisal Review Department deems an appraisal as not credible. Once SAMCO has established the revisions required to render a credible report, if the appraiser is resistant or not able to provide a credible report, the assignment will be retracted and the appraiser will not receive compensation.
 - SAMCO will not supply an approximated, preset, or desired estimation of value to the appraiser, except in purchase transactions, where a copy of the sales contract will be provided. The Quality Control manager will record and file any breach of this stipulation in SAMCO's Violations folder.
 - SAMCO will not request comparables or ask that the appraiser provide a verbal or preliminary value prior to completion of the appraisal report. The Quality Control manager will record and file any breach of this stipulation in SAMCO's Violations folder.
 - SAMCO will not forward a Valuation Appeal to the appraiser unless the client produces information demonstrating that the appraisal may not be credible or the client or property owner produces ample proof such as alternate comparable sales or listings. The Quality Control manager will record and file any breach of this stipulation in SAMCO's Violations folder.
 - SAMCO will manage an Undue Influence e-mail to be supervised by the Appraiser Manager. Record will be maintained of all calls to SAMCO regarding appraiser independence, including the callers name, telephone number, and reason for the call. The Chief Appraiser Manager or alternate SAMCO employee will examine, resolve, and document the record of the management of the issue. Appraiser shall communicate the behavior, in writing, to undueinfluence@samco-amc.com.
-

☒ BY CHECKING THE BOX, USER ACKNOWLEDGES THAT THEY HAVE READ AND UNDERSTAND THE FOREGOING PROVISIONS AND THOSE SUCH PROVISIONS ARE REASONABLE AND ENFORCEABLE. VENDOR ACCEPTS THE AGREEMENT & TERMS.

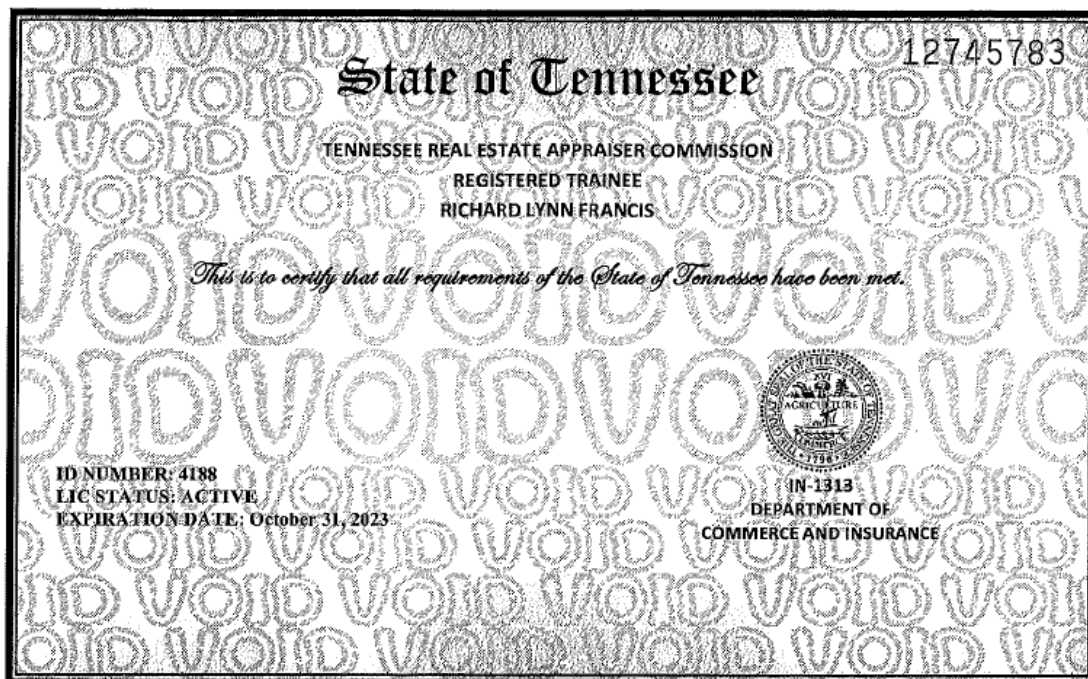
Date: 5/6/2022

Time: 5:47 AM

Name: Ben A. Broome

bbroome@PropertyServiceGroup.com

Appraisers' License



TIMBER RIDGE APARTMENTS, 1500 BELL RIDGE ROAD, JOHNSON CITY, TN

E&O Certificate

ACORD®		CERTIFICATE OF LIABILITY INSURANCE		DATE (MM/DD/YYYY) 01/04/2021		
THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.						
IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).						
PRODUCER TIS Insurance Services, Inc. 1900 Winston Road, Suite 100 P.O. Box 10328 Knoxville TN 37939-0328		CONTACT NAME: Kristen McCutcheon, CISR PHONE (A/C, No. Ext): (865) 691-4847 FAX (A/C, No.): (865) 694-4847 E-MAIL ADDRESS: kmccutcheon@tisins.com				
INSURED Property Service Group Southeast, Inc. 1129 N 8th Ave Knoxville TN 37917		INSURER(S) AFFORDING COVERAGE INSURER A: Grange Insurance Company INSURER B: Lloyd's, Underwriters at London INSURER C: INSURER D: INSURER E: INSURER F:		NAIC # 14060 112200 		
COVERAGES		CERTIFICATE NUMBER: CL211472242		REVISION NUMBER:		
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.						
INSR LTR	TYPE OF INSURANCE	ADDL INSD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input checked="" type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR Employee Benefit Plans-Claims Ma GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER:		BP2061951	01/20/2021	01/20/2022	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ Included GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COMP/OP AGG \$ 4,000,000 Employment Practices \$ 100,000
A	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input checked="" type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> Hired AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY		BP2061951	01/20/2021	01/20/2022	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 0		CUP2061981	01/20/2021	01/20/2022	EACH OCCURRENCE \$ 1,000,000 AGGREGATE \$ 1,000,000 \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NJ) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	WCP2059246	01/01/2021	01/01/2022	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000
B	Errors & Omissions		MPL104911221	01/01/2021	01/01/2022	Policy Aggregate 1,000,000 Eastern Alliance 10,000
DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)						
CERTIFICATE HOLDER				CANCELLATION		
FOR INSURANCE VERIFICATION ONLY				SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.		
				AUTHORIZED REPRESENTATIVE <i>R. Kelly Thomas Jr.</i>		

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ACORD 25 (2016/03)

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EXHIBIT 3

RESIDENTIAL BROKER PRICE OPINION

REO #: _____ This BPO is the ☐ Initial ☐ 2nd Opinion ☐ Updated ☐ Exterior Only DATE 06/13/2022

PROPERTY ADDRESS: 1500 Bell Ridge Road SALES REPRESENTATIVE: _____
Johnson City, TN 37601 CLIENT NAME: _____

FIRM NAME: Hurd Realty COMPLETED BY: _____

PHONE NO. 423.491.8335 FAX NO. _____

I. GENERAL MARKET CONDITIONS

Current market condition: ☐ Depressed ☐ Slow ☐ Stable ☒ Improving ☐ Excellent

Employment conditions: ☐ Declining ☒ Stable ☐ Increasing

Market price of this type property has: ☐ Decreased _____ % in past _____ months

☐ Increased _____ % in past _____ months

☒ Remained stable

Estimated percentages of owner vs. tenants in neighborhood: _____ % owner occupant _____ 100 % tenant

There is a ☒ Normal supply ☐ oversupply ☐ shortage of comparable listings in the neighborhood

Approximate number of comparable units for sale in neighborhood: _____

No. of competing listings in neighborhood that are REO or Corporate owned: _____

No. of boarded or blocked-up homes: _____

II. SUBJECT MARKETABILITY

Range of values in the neighborhood is \$ _____ to \$ _____

The subject is an ☐ over improvement ☐ under improvement ☒ Appropriate improvement for the neighborhood.

Normal marketing time in the area is: _____ days.

Are all types of financing available for the property? ☒ Yes ☐ No If no, explain _____

Has the property been on the market in the last 12 months? ☐ Yes ☒ No If yes, \$ _____ list price (include MLS printout)

To the best of your knowledge, why did it not sell? _____

Unit Type: ☐ single family detached ☐ condo ☐ co-op ☐ mobile home ☐ Multi family/ apt. complex

☐ single family attached ☐ townhouse ☐ modular

If condo or other association exists: Fee \$ _____ monthly ☐ annually ☐ Current? ☐ Yes ☐ No Fee delinquent? \$ _____

The fee includes: ☐ Insurance ☐ Landscape ☐ Pool ☐ Tennis Other _____

Association Contact: Name: _____ Phone No.: _____

III. COMPETITIVE CLOSED SALES

ITEM	SUBJECT	COMPARABLE NUMBER 1			COMPARABLE NUMBER 2			COMPARABLE NUMBER 3		
Address	1500 Bell Ridge Rd, Johnson City	3800 Marbleton Road, Johnson City			2805 W Walnut Street, Johnson City			432-466 Allen Drive , Kingsport		
Proximity to Subject		REO/Corp <input type="checkbox"/>			REO/Corp <input type="checkbox"/>			REO/Corp <input type="checkbox"/>		
Sale Price	\$ 2,000,000	\$ 2,500,000			\$ 1,350,000			\$ 1,500,000		
Price/Gross Living Area	\$ 74.40Sq. Ft.	\$ 89.5 Sq. Ft.			\$ 100.3 Sq. Ft.			\$ 59.52Sq. Ft.		
Sale Date & Days on Market		Sold before print, 0 days			Sold before print, 0 days					
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION			DESCRIPTION			DESCRIPTION		
Sales or Financing Concessions										
Location		Similar			Similar			30 minutes away		
Leasehold/Fee Simple										
Site										
View										
Design and Appeal										
Quality of Construction	Good	Good			Good					
Age	42 years	45 days			55 years					
Condition	Average	Average			Average					
Above Grade Room Count	Total Bdrms Baths 41 1 1	Total Bdrms Baths 24 2 1.5			Total Bdrms Baths 22 1 1			Total Bdrms Baths 29 2 1		
Gross Living Area	26,880 Sq. Ft.	27,904 Sq. Ft.			13,440 Sq. Ft.			25,200 Sq. Ft.		
Basement & Finished Rooms Below Grade	None	None			None			None		
Functional Utility										
Heating/Cooling	wall cooling baseboard	heating, cooling			heat pump, wall unit			central heat, wall units		
Energy Efficient Items										
Garage/Carport	None	None			None			None		
Porches, Patio, Deck										
Fireplace(s), etc.	N/A	N/A			N/A			Yes		
Fence, Pool, etc.	N/A				N/A			N/A		
Other										
Net Adj. (total)		<input type="checkbox"/> + <input type="checkbox"/> - \$			<input type="checkbox"/> + <input type="checkbox"/> - \$			<input type="checkbox"/> + <input type="checkbox"/> - \$		
Adjusted Sales Price of Comparable	\$2,000,000	\$2,500,000			\$1,350,000			\$1,500,000		

REO#

IV. MARKETING STRATEGY

☒ As-is ☐ Minimal Lender Required Repairs ☐ Repaired Most Likely Buyer: ☐ Owner occupant ☐ Investor

V. REPAIRS

Itemize ALL repairs needed to bring property from its present "as is" condition to average marketable condition for the neighborhood. Check those repairs you recommend that we perform for most successful marketing of the property.

<input type="checkbox"/>	_____	\$ _____	<input type="checkbox"/>	_____	\$ _____
<input type="checkbox"/>	_____	\$ _____	<input type="checkbox"/>	_____	\$ _____
<input type="checkbox"/>	_____	\$ _____	<input type="checkbox"/>	_____	\$ _____
<input type="checkbox"/>	_____	\$ _____	<input type="checkbox"/>	_____	\$ _____
<input type="checkbox"/>	_____	\$ _____	<input type="checkbox"/>	_____	\$ _____

GRAND TOTAL FOR ALL REPAIRS \$ _____

VI. COMPETITIVE LISTINGS

ITEM	SUBJECT	COMPARABLE NUMBER 1			COMPARABLE NUMBER 2			COMPARABLE NUMBER 3		
Address	1500 Bell Ridge Road, Johnson City	1112 King Springs Road, Johnson City								
Proximity to Subject		REO/Corp <input type="checkbox"/>			REO/Corp <input type="checkbox"/>			REO/Corp <input type="checkbox"/>		
List Price	\$ 2,000,000	\$ 1,680,000			\$			\$		
Price/Gross Living Area	\$ 74.46/Sq.Ft.	\$ 83.5/Sq.Ft.			\$ Sq.Ft.			\$ Sq.Ft.		
Data and/or Verification Sources										
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	Adjustment		DESCRIPTION	Adjustment		DESCRIPTION	Adjustment	
Sales or Financing Concessions		Contingent DOM: 22								
Days on Market										
Location										
Leasehold/Fee Simple										
Site										
View										
Design and Appeal	multi- family	multi-family								
Quality of Construction	average	average								
Age	42 Years	45 Years								
Condition	Good	Good								
Above Grade Room Count	Total Bdrms Baths 41 1 1	Total Bdrms Baths 29 1 1			Total Bdrms Baths			Total Bdrms Baths		
Gross Living Area	26,880 Sq. Ft.	20,097 Sq. Ft.			Sq. Ft.			Sq. Ft.		
Basement & Finished Rooms Below Grade	None	None								
Functional Utility										
Heating/Cooling	baseboard/ window unit	baseboard, window								
Energy Efficient Items										
Garage/Carport	N/A	N/A								
Porches, Patio, Deck Fireplace(s), etc.	N/A	N/A								
Fence, Pool, etc.	N/A	N/A								
Other										
Net Adj. (total)		<input type="checkbox"/> + <input type="checkbox"/> -	\$		<input type="checkbox"/> + <input type="checkbox"/> - -	\$		<input type="checkbox"/> + <input type="checkbox"/> -	\$	
Adjusted Sales Price of Comparable	\$2,000,000	\$1,680,000	\$		\$			\$		

VI. THE MARKET VALUE (The value must fall within the indicated value of the Competitive Closed Sales).

AS IS	Market Value	Suggested List Price
	\$ 2,000,000	\$ 2,150,000
REPAIRED	\$ _____	\$ _____

COMMENTS (Include specific positives/negatives, special concerns, encroachments, easements, water rights, environmental concerns, flood zones, etc. Attach addendum if additional space is needed.)

Signature: Verified by pdfFiller
Lindsay Turner
 06/13/2022

Date: 6/13/2022

EXHIBIT 4

RESIDENTIAL BROKER PRICE OPINION

REO #: _____ This BPO is the ☐ Initial ☐ 2nd Opinion ☐ Updated ☐ Exterior Only DATE _____

PROPERTY ADDRESS: _____ SALES REPRESENTATIVE: _____

CLIENT NAME: _____

FIRM NAME: _____ COMPLETED BY: _____

PHONE NO. _____ FAX NO. _____

I. GENERAL MARKET CONDITIONS

Current market condition: ☐ Depressed ☐ Slow ☐ Stable ☐ Improving ☐ Excellent

Employment conditions: ☐ Declining ☐ Stable ☐ Increasing

Market price of this type property has: ☐ Decreased _____ % in past _____ months

☐ Increased _____ % in past _____ months

☐ Remained stable

Estimated percentages of owner vs. tenants in neighborhood: _____ % owner occupant _____ % tenant

There is a ☐ Normal supply ☐ oversupply ☐ shortage of comparable listings in the neighborhood

Approximate number of comparable units for sale in neighborhood: _____

No. of competing listings in neighborhood that are REO or Corporate owned: _____

No. of boarded or blocked-up homes: _____

II. SUBJECT MARKETABILITY

Range of values in the neighborhood is \$ _____ to \$ _____

The subject is an ☐ over improvement ☐ under improvement ☐ Appropriate improvement for the neighborhood.

Normal marketing time in the area is: _____ days.

Are all types of financing available for the property? ☐ Yes ☐ No If no, explain _____

Has the property been on the market in the last 12 months? ☐ Yes ☐ No If yes, \$ _____ list price (include MLS printout)

To the best of your knowledge, why did it not sell? _____

Unit Type: ☐ single family detached ☐ condo ☐ co-op ☐ mobile home

☐ single family attached ☐ townhouse ☐ modular

If condo or other association exists: Fee \$ _____ monthly ☐ annually ☐ Current? ☐ Yes ☐ No Fee delinquent? \$ _____

The fee includes: ☐ Insurance ☐ Landscape ☐ Pool ☐ Tennis Other _____

Association Contact: Name: _____ Phone No.: _____

III. COMPETITIVE CLOSED SALES										
ITEM	SUBJECT	COMPARABLE NUMBER 1			COMPARABLE NUMBER 2			COMPARABLE NUMBER 3		
Address										
Proximity to Subject		REO/Corp <input type="checkbox"/>			REO/Corp <input type="checkbox"/>			REO/Corp <input type="checkbox"/>		
Sale Price		\$			\$			\$		
Price/Gross Living Area		\$	Sq. Ft.	\$	Sq. Ft.	\$	Sq. Ft.	\$	Sq. Ft.	
Sale Date & Days on Market										
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	Adjustment	DESCRIPTION	Adjustment	DESCRIPTION	Adjustment	DESCRIPTION	Adjustment	
Sales or Financing Concessions										
Location										
Leasehold/Fee Simple										
Site										
View										
Design and Appeal										
Quality of Construction										
Age										
Condition										
Above Grade Room Count	Total Bdrms Baths	Total Bdrms Baths		Total Bdrms Baths		Total Bdrms Baths		Total Bdrms Baths		
Gross Living Area	Sq. Ft.	Sq. Ft.		Sq. Ft.		Sq. Ft.		Sq. Ft.		
Basement & Finished Rooms Below Grade										
Functional Utility										
Heating/Cooling										
Energy Efficient Items										
Garage/Carport										
Porches, Patio, Deck										
Fireplace(s), etc.										
Fence, Pool, etc.										
Other										
Net Adj. (total)		<input type="checkbox"/> + <input type="checkbox"/> -	\$	<input type="checkbox"/> + <input type="checkbox"/> -	\$	<input type="checkbox"/> + <input type="checkbox"/> -	\$	<input type="checkbox"/> + <input type="checkbox"/> -	\$	
Adjusted Sales Price of Comparable			\$		\$		\$		\$	

REO#

IV. MARKETING STRATEGY

☐ As-is ☐ Minimal Lender Required Repairs ☐ Repaired Most Likely Buyer: ☐ Owner occupant ☐ Investor

V. REPAIRS

Itemize ALL repairs needed to bring property from its present "as is" condition to average marketable condition for the neighborhood. Check those repairs you recommend that we perform for most successful marketing of the property.

<input type="checkbox"/>	_____	\$ _____	<input type="checkbox"/>	_____	\$ _____
<input type="checkbox"/>	_____	\$ _____	<input type="checkbox"/>	_____	\$ _____
<input type="checkbox"/>	_____	\$ _____	<input type="checkbox"/>	_____	\$ _____
<input type="checkbox"/>	_____	\$ _____	<input type="checkbox"/>	_____	\$ _____
<input type="checkbox"/>	_____	\$ _____	<input type="checkbox"/>	_____	\$ _____

GRAND TOTAL FOR ALL REPAIRS \$ _____

VI. COMPETITIVE LISTINGS

ITEM	SUBJECT	COMPARABLE NUMBER 1			COMPARABLE NUMBER 2			COMPARABLE NUMBER 3		
Address										
Proximity to Subject		REO/Corp <input type="checkbox"/>			REO/Corp <input type="checkbox"/>			REO/Corp <input type="checkbox"/>		
List Price	\$ _____	\$ _____			\$ _____			\$ _____		
Price/Gross Living Area	\$ Sq.Ft.	\$ Sq.Ft.			\$ Sq.Ft.			\$ Sq.Ft.		
Data and/or Verification Sources										
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	Adjustment		DESCRIPTION	Adjustment		DESCRIPTION	Adjustment	
Sales or Financing Concessions										
Days on Market										
Location										
Leasehold/Fee Simple										
Site										
View										
Design and Appeal										
Quality of Construction										
Age										
Condition										
Above Grade Room Count	Total Bdrms Baths	Total Bdrms Baths			Total Bdrms Baths			Total Bdrms Baths		
Gross Living Area	Sq. Ft.	Sq. Ft.			Sq. Ft.			Sq. Ft.		
Basement & Finished Rooms Below Grade										
Functional Utility										
Heating/Cooling										
Energy Efficient Items										
Garage/Carport										
Porches, Patio, Deck Fireplace(s), etc.										
Fence, Pool, etc.										
Other										
Net Adj. (total)		<input type="checkbox"/> + <input type="checkbox"/> -	\$ _____		<input type="checkbox"/> + <input type="checkbox"/> - -	\$ _____		<input type="checkbox"/> + <input type="checkbox"/> -	\$ _____	
Adjusted Sales Price of Comparable			\$ _____			\$ _____			\$ _____	

VI. THE MARKET VALUE (The value must fall within the indicated value of the Competitive Closed Sales).

AS IS	Market Value	Suggested List Price
	\$ _____	\$ _____
REPAIRED	\$ _____	\$ _____

COMMENTS (Include specific positives/negatives, special concerns, encroachments, easements, water rights, environmental concerns, flood zones, etc. Attach addendum if additional space is needed.)

Signature: Verified by pdfFiller
Rebecca Roche
06/06/2022

Date: _____

EXHIBIT 5

NOTICE OF SALE

1500 Bell Ridge Road
Johnson City, TN 37601

LEGAL NOTICE: Pursuant to 28 U.S.C. § 2001, Burton W. Wiand, as the Court-appointed Receiver in SECURITIES AND EXCHANGE COMMISSION V. BRIAN DAVISON, et al.,

offers that exceed the sale price by 10% must be submitted to the Receiver within 10 days of the publication of this notice. All offers or inquiries regarding the property or its sale should be made to the Receiver at 114 Turner St. Clearwater, FL 33756. Telephone: (727) 235-6769. Email: Burt@BurtonWWiandPA.com.

PUB1T: 6/24/2022

THE JOHNSON CITY PRESS
204 W. Main Street
Johnson City, TN 37604

AFFIDAVIT OF PUBLICATION

AD# 1600252

DATES: 6/24/22

State of Tennessee)
Carter County)
Washington County)

Ashley Blevins makes the oath that she is a Representative of The Johnson City Press , a daily newspaper published in Johnson City, in said County and State, and that the advertisement was published in said paper for 1 insertion (s) commencing on 6/24/22 and ending on 6/24/22.

Ashley Blevins
Ashley Blevins

Sworn to and Subscribed before me this

June 24, 2022
Month Day Year



Marsha McNalley
Marsha McNalley
Notary Public

My commission expires on 11/30/2024

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Order Start Date	Order Stop Date
06/24/2022	06/24/2022

NOTICE OF SALE

1500 Bell Ridge Road
Johnson City, TN 37601

LEGAL NOTICE: Pursuant to 28 U.S.C. § 2001, Burton W. Wiand, as the Court-appointed Receiver in SECURITIES AND EXCHANGE COMMISSION V. BRIAN DAVISON, et al., CASE NO. 8:20-CV-325-T-35AEP (M.D. Fla.), will conduct a private sale of the property located at 1500 Bell Ridge Road, Johnson City, TN 37601 to Guifu Chen for \$2,260,000. The sale is subject to approval by the U. S. District Court. Pursuant to 28 U.S.C. § 2001, bona fide offers that exceed the sale price by 10% must be submitted to the Receiver within 10 days of the publication of this notice. All offers or inquiries regarding the property or its sale should be made to the Receiver at 114 Turner St. Clearwater, FL 33756. Telephone: (727) 235-6769. Email: Burt@BurtonWWiandPA.com.

PUB1T: 6/24/2022