

Date: August 24, 2025

To: John Shelfer and the PAC board of the Marin Valley Mobile Country Club (MVMCC)

Jay,

The following is in response to the appraisals of the MVMCC which have been acquired to support a sale to the property. Although this is an informal consultation, I think it is appropriate to again include some formal language and disclosures to avoid any miscommunication or misinterpretation about what I've done and to give you the best understanding of information I think worthy of the PAC's consideration.

Background, Scope, Contingencies and Limitations

This document is a memorandum of consultation. The intended user of this memorandum is the Park Acquisition Corporation (PAC). The intended use is to provide the PAC with information, considerations, and opinions pertaining to two appraisals, one by Semple Appraisals that was contracted by the City of Novato, and the other by John P. Neet, MAI, contracted by the PAC board.

My capacity is that of an advocate for your team and the residents, although my purpose is to provide you with objective observations and opinions. I am not a resident of the park and do not have a financial interest in the park or an ownership interest in any homes within the MVMCC. I am not acquainted with either of the appraisers and have not previously reviewed any of their work, nor am I aware that they have previously been involved in any of my past work.

I have not requested or accepted any compensation for this consultation. The opinions expressed are provisional and this memorandum is not intended to be a formal appraisal review, nor is it intended to comport with specific provisions of the Uniform Standards of Professional Appraisal Practice (USPAP). The depth of discussion contained in this memorandum is specific to the intended use. This memorandum and the work I have performed complies with the Rules of Conduct of the Royal Institution of Chartered Surveyors (RICS) which govern professional practice and ethical standards of professional practice. My professional resume is attached, which will serve to establish my qualifications and experience.

Notwithstanding my previous consultation in 2023 and the documents reviewed at that time, on this occasion the scope of my work was to read the two appraisals at issue and conduct some supplementary research to obtain more detail on the matters addressed in the appraisals. I have not examined every document that might be pertinent to a full and comprehensive review of the appraisals, nor have I explored every possible issue of contention in the appraisals. Thus, this is a limited scope assignment with the purpose of pointing out some of the more relevant aspects of the appraisal of which you and your team should be aware.

General Comments

Both appraisals are conventional in their approach to the assignment and in the product they provided. They appear to generally conform to the Uniform Standards of Professional Appraisal Practice (USPAP). The Neet appraisal is clearly more detailed and it is evident that he has more MHP experience. However, each report has its strengths and weaknesses, and I found that each has flaws that have a material impact on the value conclusion.

The Semple appraisal includes an extraordinary assumption not made in the Neet appraisal. It states:

There is now a restriction on 130 spaces in the park, which must be rented at below market rates. A property owner representative reports that this restriction will not transfer with the property. Space rentals will only be subject to city and/or state mobilehome rent control ordinances, no other rental restrictions.

At this time, all of the units at the MVMCC are rented at below market rates and the City of Novato rent control ordinance prohibits rent increases above 4% per year, nor can the rent be reset to market upon transfer to a new tenant. Thus, the extraordinary assumption is a moot point.

The Sales Comparison Approach

The Semple appraisal included a sales comparison approach, but unlike the Neet appraisal, it failed to discuss its relevance, applicability, or the voracity, either in the description of the approach or in the value reconciliation section. John Neet accurately stated that, “physical comparisons are not typically given much weight by the investor market. ... It is not generally considered a reliable indicator for MHC properties.” The Semple sales comparison value at \$28,350,000 can scarcely be considered a valid indicator of market value and might even be considered as potentially misleading.

But to their credit, the Semple appraisal did identify eight sales and two listing in Northern California and five in Southern California. The Neet appraisal identified six sales, all of which were in Southern California. Neet neglected to explain the scope of his search for sales or why only one sale in Northern California was presented. The sales presented in the Semple appraisal were not acknowledged or even mentioned anywhere in his analysis, nor was it disclosed whether he searched for sales closer to the subject. It could be that since Neet’s office is located in Southern California (Murrieta, CA), he only used sales he already had in his files and didn’t bother to search for sales closer to Novato. While an appraiser is not required to present all sales transactions in the market area, credible assignment results are tied to collecting, verifying, and analyzing necessary information, which includes relevant sales data. An appraiser's report must disclose the scope of work performed so that intended users can understand the extent of the research and analysis.

Neet attempted a conventional sales comparison approach based on physical features, as does Semple, but concluded “this analysis is not considered to provide a reliable indication of value for MHC properties. Market participants simply do not analyze MHC properties based on physical properties or on a price per unit basis.” This is an accurate observation and reasonable conclusion, for the reasons he states in the report. He also tries other variations on the approach that compared income characteristics of each sale with the MVMCC and bracketing a value. This results in a range of values from \$18,900,000 to \$23,630,000, then concluding to \$22,000,000 (or \$21,000,000 after adjusting for deferred maintenance.)

The Income Approach

The best and most reliable valuation methodology in this instance is the income approach. This approach begins with a projection of revenue that the property will produce in the first year of new ownership. Both appraisals surveyed rental rates at competitive properties and both came to the same conclusion, that the average contract rental rate at the MVMCC is substantially below the market rate.

It is also of critical importance to recognize that Novato’s rent control ordinance will limit future rent increases to CPI or 4%, whichever is lower. Further, rents cannot be increased to market when there is a transfer of ownership (referred to as “vacancy control”). The Semple appraisal made the observation that if rents at MVMCC were increased every year by 3%, it would take 25 years for the rent to achieve

today's market rent. And, of course, by that time market rents will have grown even more. The Neet appraisal also recognizes this, stating that, "The current relationship between contract and market rents indicates that there is substantial, but unachievable, upside in the current rent profile." In all practicality, a buyer of the MVMCC will not realize any upside, as long as the Novato rent control ordinance is in place. In fact, if market rates continue to grow as they have in the past (greater than 4%), the gap between contract rent and market rent gets even larger. Unfortunately, neither appraisal examined the historic long-term trend in annual growth rate for MHP rents. The Case-Shiller index for the Bay Area shows that housing prices have increased by more than 4% in twelve of the past 20 years.

In turn, both appraisers projected future rental revenue for the proforma-year analysis by increasing prior rents by 4%. However, the two appraisals came to slightly different conclusions of gross rental revenue—Semple applied a 4.4% increase to fiscal year 2024 (July 2023-June 2024) rental revenue. Neet, on the other hand, applied a 4% increase to 2025 revenues. The result was that the Neet projection is 3% higher than Semple's.

However, Neet applied a 1% vacancy & collection allowance, whereas Semple assumed a zero percent allowance. Both appraisers justified their estimate—Semple saying that the property has been fully occupied for years and Neet noting that in the medium- to long-term, aging homes will be replaced, creating temporary vacancies. Both points are valid, but neither appraiser refers to what is typically practiced in the marketplace. But the net result is only a 2% difference in effective gross income (EGI) between the two estimates.

There is also a slight difference between the two appraisers in their estimates of other supplemental income. More significant, though, was the estimate of utility recovery income. Neet's projection of utility costs is 25% higher than Semple's, but he also estimated a higher recovery ratio (84% vs 82%). Semple's estimate of utility costs is the same at the 2024 expense amount. Neet projected utilities at 5.5% above the 2025 total utility cost. The net difference is that Neet's estimate of unrecovered utility costs is about \$23,000 more than Semple's. The amount is less than 1% of the Neet's total expense estimate.

All together, Neet came to a notably higher estimate of effective gross income than Semple, about 9.5% higher (a difference of \$348,907.) But as noted below, he also projected higher expenses.

A detailed comparison of expense estimates between the two appraisals is difficult because each used categorized expenses different, so it's difficult to make apples-to-apples comparisons in some instances. Utility expenses and recoveries were discussed above. If management, payroll, security, and administration are all bundled together, the estimates between the two appraisals are fairly close. But there are substantial differences in two other categories—insurance and repairs & maintenance. With respect to insurance, Semple offers no discussion of their insurance cost estimate, but it is evident that they used the historic 2024 insurance cost at the MVMCC. Neet comments that insurance costs at the MVMCC are likely to be higher than for most MHPs because of the surrounding fire hazards and scope of buildings, but he contends that the current costs are inordinately high and selects an amount substantially less than Semple—70% less (\$94,500 vs. \$314,335). This difference can have a substantial impact on value (capitalized at 5%, it would amount to \$4.4 million.) Further research on this issue would be warranted, such as interviews with insurers or even actual quotes from insurance agents.

Repairs & maintenance is another category of contention. The Neet estimate of \$472,500 is 18% of rental revenue and is supported by historic trends (which averaged \$474,757 over the past four years), in addition to the extraordinary demands of maintaining the park, such as the extensive fire mitigation needs, the scope of community improvements, and the extent of street coverage. Semple argues that

some of the historic costs were due to utility maintenance, the needs of which will be reduced by recent and forthcoming upgrades by utility providers. However, the cited costs for utility maintenance during 2023 and 2024 amounted to only 10%-12% of the reported total repair & maintenance budget. Semple does not support the basis for their cost estimate (6% of rental revenues) with any comparable data, exchange reports, or other evidence. Here again, the difference between the Neet and Semple estimates has a substantial impact of value (capitalized at 5%, it would be \$6.4 million.)

All told, the Neet estimate for all expenses is \$463,392 (or about 19%) higher than the Semple estimate, with the critical disparities being the estimates of insurance and repairs & maintenance. But because Neet also has a higher estimate of EGI, the actual difference in Net Operating Income (NOI) is less extreme. Semple's NOI is \$1,230,990, versus \$1,116,505 for Neet, or a difference of \$114,485 (about 10%).

But the critical element in both appraisals is the selection of a capitalization rate (aka, "cap rate"). Ironically, both appraisers selected a 5.0% cap rate, but just because two people agree doesn't mean they're correct. In this instance, both appear to be erroneous. As previously discussed, Neet selected a cap rate primarily from sales in Southern California, even though there are numerous sales in the subject vicinity that Neet did not consider. By this I'm not suggesting that the SoCal sales are irrelevant, that considering market activity outside the subject's immediate market to the exclusion of data within the subject market is without reason other than to save the appraiser the trouble of a more specific scope of work. In contrast, Semple identified nine cap rates from sales within about a hundred miles of Novato, whereas Neet relied on six sales, five of which are more than 400 miles south of Novato.

More importantly, though, neither appraiser appeared to give adequate weight to the impact of Novato's stringent rent control restrictions that will limit the growth of revenues at the MVMCC.

Below is a review of Neet's description of each sale's rent control situation:

Sale 1. "Rents were subject to moderate rent controls..."

This MHP is located in Jurupa Valley, which does not have a local rent control ordinance, but is subject to California's statewide 2023 Mobilehome Residency Law, which limits annual rent increases to 3% plus CPI, or 5%, whichever is lower. This limitation does not apply when there is a change in residency, so landlords may increase rents to market. This allows the project to set higher annual rent adjustments and to catch up with market rates with a change of tenancy. Thus, there is considerably greater upside potential with this investment. The cap rate was 4.4%, only 60 basis points lower than Neet's cap rate selection of 5.0%

Sale 2. "Subject to a strong rent control ordinance, potentially increasing risk due to the cost of maintaining the amenities, including a 9 hole golf course."

This property is located in Palm Desert, which has a MHP rent control ordinance affecting four projects, including Suncrest Country Club. The ordinance limits rent increases to 75% of CPI, with a cap of 6%. The ordinance also includes vacancy control, prohibiting adjustments to market with a change in unit ownership. However, there is also a provision where landlords may apply for additional rent increases to help recover capital improvement costs and for hardship, unlike in Novato. While this property can only raise rents by 75% of CPI, as opposed to 100% at the MVMCC, it also has a higher maximum, 6% versus 4% at the subject. During years when market rates might exceed 5.3%, the sale property will be able to increase rents more than at the MVMCC. Another potentially mitigating factor with this sale is that the property reportedly

included a public golf course and restaurant, which would provide other revenue sources to the owner which would not be subject to rent control. Unfortunately, Neet does not provide further financial descriptions on this aspect of the investment or its impact on the cap rate. The cap rate was 6.01%.

Sale 3. “Rent increases were subject to Los Angeles County rent controls.”

This property is located in an unincorporated area of Los Angeles County, and thus is subject to the County’s rent control ordinance. The ordinance limits annual rent increases to 75% of CPI or 3%, whichever is greater. Landlords can also increase rents up to 10% for new tenants. The cap rate was 5.65%.

Sale 4. “The property had some upside from 10% vacancy and 28 acres of excess land, but market conditions limited value impact of upside.”

This property is located in Hemet, which does not have an ordinance with specific limits on MHP rental increases but does have a rent increase appeal process. If more than 50% of tenants in a MHP protest, rent increases will be reviewed by a public commission which has the authority to approve, reject or modify proposed rent increases. The board includes a MH resident, and MHP owner, and three other Hemet residents at large. While this situation does not limit rent increases outright, it does suggest some risk and curbs the prospect of rent increases without some accountability and that cannot be rationalized. Also pertinent to this sale is the possibility of other assets included in the sale. According to project advertising, it has a public golf course and the appraiser makes reference to 28 acres of excess land. No discussion is offered to clarify what was included in the sale, nor any discussion of the effect these additional assets had on the 4.97% cap rate.

Sale 5. “Rents are approximately \$500-\$600 under market, but the ability to gain the upside is limited due to rent controls, which do allow increases to market on turnover, giving somewhat greater ability to gain upside than under most ordinances.”

This MHP is located in Mountain View, which adopted a Mobile Home Rent Stabilization Ordinance (MHRSO) in 2021. The maximum rental rate increase in any given year is set by the Rental Housing Committee, subject to a 3% cap. In 2025, the committee allowed an increase of 60% of CPI. For a new tenant, the maximum increase is limited to 100% of CPI, except there are some limited instances where the landlord can raise the rent to market. Upon committee approval, park owners can also pass-through capital improvement to tenants if they do not exceed 5% of the base rent. The ordinance does specify that project owners are entitled to earn a fair rate of return on their investment. The cap rate was 4.6%. In this instance, the rent control is arguably just as, if not more, strict than at the subject.

Sale 6. “...in a city with very strong rent controls. Rents are substantially below market, and are below rental rates in similar parks subject to the same ordinance.”

This MHP is located in Yucaipa, which has a Mobilehome Park Rent Stabilization Program that limits rent increases to 80% of CPI. This provision holds for changes of ownership or occupancy. The appraiser says that this sale was “given limited consideration as an indicator of investment return” because it was purchased by a non-profit and therefore may have been motivated by factors other than investment return. The cap rate was 4.55%. The definition of market value includes the provision that “buyer and seller are typically motivated,” so the appraiser is correct

in recognizing that other factors and motivations may have influenced the price and thus given less weight to this transaction.

Again, the MVMCC is subject to Novato's rent control, which limits increases to 100% of CPI, but with a cap of 4% annually and also has a vacancy control provision, so rents cannot be adjusted to market upon a change of tenancy or ownership. Neet acknowledges the impact of this ordinance on page 57, "In comparison to other ordinances in California, this particular ordinance is considered stringent due to the 4% cap on annual increases and the restriction on negotiation of rent with incoming tenants purchasing homes from departing tenants." He also reflects on the impact of this on a few other occasions:

- "Sales prices of mobile home parks are negatively impacted to the degree that rents are restricted." (page 38)
- "Brokers are reporting buyer resistance to low overall rates unless there is significant upside present." (page 35)
- Properties with limited upside, both in the short and long term, are not favored in this market. (page 35)

He also recognizes this and other factors that would influence the MVMCC cap rate requirement:

- "Negative features affecting the perception of the property as an investment include the physical condition of the property requiring near term investment of capital expenditures to cure existing deferred maintenance, the higher costs of operating the property over time relative to other MHC properties, and strong local rent control ordinance which will minimize the ability of the park owner to recover these costs." (page 69)

The lowest cap rate among his comparable data is Sale 1 at 4.4%. He notes that the rent restrictions here are "moderate", including no vacancy controls, so transferred units can at some point be adjusted to market rates. This is a substantial advantage compared to MVMCC where rents will never get close to recapturing market rates.

Two other sales produced low cap rates, both at 4.6%. Sale 5 is said to have the landlord advantage of no vacancy control, although my research suggested otherwise. Sale No. 6 was said to have "very strong" rent controls, but may have been subject to non-market acquisition motivations.

Sale 4, with a cap rate of 5.0%, was noted as being subject to rent restrictions that are less risky for the property owner. Tenants would have to go through an appeal process to reduce rent increases.

Sale 3, with a cap rate of 5.7%, is impacted by rent restrictions that are a bit more stringent than at the MVMCC, with increases limited to 3%, but does have the advantage of allowing a 10% rent bump for new tenants.

Sale 2 had the highest cap rate of 6.0%, yet it had restrictions more stringent than at the MVMCC. And it may have had access to other unrestricted revenues sources (i.e., the golf course and restaurant.)

Given these factors, Neet's selection of a cap rate in the middle of the range seems unduly aggressive. Alternatively, a slightly higher rate of 5.5% seems more consistent with the data would have product a value of \$19,600,000. But even a rate at the upper end of the range at 6.0% would be well supported by a careful analysis of the sales, with warranted emphasis on income-generating capacity in the light of rent restrictions, which would produce a value of \$18,200,000. These numbers are 8% to 15% lower than Neet's value conclusion.

The Semple appraisal considered four sales in Southern California, with cap rates ranging from 5.0% to 5.75% (averaging 5.3%), and seven Northern California sales with rates from 4.3% to 6.87% (averaging 5.46%), and two listings indicating 3.7% and 5.69%. While Semple looked at the cap rates for 13 data items, there was no discussion of specific attributes of the data and direct correlation with the cap rates. At one point in sale comparison approach, Semple did select five of the data items as most comparable and identified the rent restrictions of each, as follows:

Sale 3. This senior project in Sacramento is shown to be subject to a maximum increase of 6% plus CPI, considerably more generous than the MVMCC, but similarly had vacancy controls. The cap rate was at the bottom of the range, 4.75%.

Sale 4. The project is a short distance from the subject, only about 15 miles to the north. Rents are allowed to increase by CPI up to a maximum of 6% per annum. It has no vacancy restriction. This is notably superior to the restrictions at the MVMCC. The cap rate was 6.2%.

Sale 6. This property is in Salinas. Rent increases are restricted to 75% of CPI, up to a maximum of 2.75%, which is considerably more stringent than at the MVMCC, but unlike the MVMCC, it has no vacancy control. The cap rate is reported at 6.9%, the top of the range.

Sale 7. This San Jose project has rents that are allowed to increase by 75% of CPI, with a relatively high maximum increase of 7%. However, it does have vacancy control, like the subject. The cap rate is reported to be 5.8%.

Sale 9. This represents a listing, but was in escrow at the reported price, which translates to a cap rate of 5.7%. It is in Colfax and is reported to have no local rent or vacancy controls, but is probably subject to the modest California's statewide 2023 Mobilehome Residency Law, which limits annual rent increases to 3% plus CPI, or 5%, whichever is lower.

These five sales have rates ranging from 4.75% to 6.87%, averaging 5.86%. Only one sale has a rate below 5.7%. Of the 13 total sales in the report, only four have cap rates less than 5.0% (and one of those is a listing price), while six have rates greater than 5.5%. Considering analysis of the five items above that describe rent controls, along with the other sales, the cap rate selection of 5.0% for the MVMCC is not supported, especially considering that the subject's rental income growth potential is quite restricted and that deferred maintenance and significant capital improvements are on the horizon. Further, in the recent past there has been limited stability experienced with the subject's operating expenses, resulting in rather sketchy predictability of operating expenses, as attested to by the forecasts of two independent appraisers whose estimates are \$463,000 apart. This draws attention to the inherent financial risks of the MVMCC as a real estate investment.

Semple's selection of a cap rate at the low end of their own range seems imprudent and not well supported or adequately justified. The sales data readily supports a rate of at least 5.5%, or even 6.0%. Applying each, a value range of \$20,800,000 to \$22,400,000 is indicated. These numbers bracket the value conclusion in Neet's report and are about 14% above Neet's value range after adjustment with more appropriate cap rates of 5.5% to 6.0%.

Conclusions

In the end, Semple's reconciled value conclusion of \$25,600,000 is 20% higher than the Neet value of \$21,300,000. The two appraisals are divergent in many ways beyond just their market value conclusion. The primary reasons for this are summarized as follows:

- Neet reconciles to a final value conclusion of \$21,300,000, giving no significant weight to his sales comparison indication at \$20,000,000. He soundly advises, “The Sales Comparison Approach is considered to represent a reliable method of valuation when the physical descriptions and the characteristics of the income streams of the comparable sales and the subject property are similar. It is not generally considered a reliable indicator for MHC properties.” In the Semple appraisal, the reconciliation section gives substantial weight to the sales comparison approach indication of \$28,350,000. The income approach came in at \$24,619,800. The final value estimate is reconciled at \$26,000,000 (less \$400,000 for deferred maintenance) for a final conclusion of \$25,600,000. Semple’s reliance on the sales comparison approach is flawed.
- Neet uses more recent operating statements in his estimation of income, but the difference between Neet and Semple in terms of EGI are relatively minor.
- The difference in utility expense estimates is large (about \$335,000), but because most of utility expenses are recoverable, the net difference is somewhat negligible (about \$23,000). Still, it is rather disconcerting that the two appraisers are so far apart in their estimates of utilities.
- The difference between expense estimates, net of taxes and utilities, is noticeable (\$119,400). Neet is about 15% higher than Semple. But there is an even greater disparity in individual line items. The disparity is driven primarily by insurance and repairs & maintenance. Semple’s insurance estimate is 233% higher than Neet’s. The uniqueness of the MVMCC makes simple comparisons with other mobile home parks less appropriate. The cost of insurance should be verifiable by quotes from insurers. Repairs & maintenance cost are less definitive and some variance among appraisers would not be unexpected, but a spread of \$319,663 (over 200%) is absurd. Surely this can be narrowed down by a more refined analysis. While appraisers typically seek to follow market practices, they generally are not experts in engineering matters but will usually respond positively to objective expert reports that are reasonably well documented. Adjustments to these estimates could have a substantial impact on the value conclusions of either or both appraisals.
- As detailed above, the selection of a cap rate is a critical element of the valuations, and in this instance both appraisers appear to have erred to the aggressive side. The influence of rent restrictions on value can be better appreciated by measuring their impact on cap rates. An estimate of this can be obtained by comparing two discounted cash flows, one with no rent restrictions and the other with restrictions, and then measuring the imputed cap rate for each. My own analysis suggests that, assuming an average annual increase in rents of 5% versus the 4% rent restriction, the impact on the cap rate would amount to 90 basis points, while a 6% growth assumption would amount to 160 basis points. While it is impossible in an analysis of this sort to account for every nuance (such as vacancy control), one can gain a better sense of magnitude. In this case, it is apparent that values and cap rates are quite sensitive to rent restrictions. The rather highly restrictive ordinance of Novato should push cap rates up substantially to compensate for lost rental revenue growth opportunities, irrespective of how favorable its location in Marin is. Other risk elements with the subject should push cap rates higher. Yet both appraisals tagged the cap rate at the lower-middle of the range.

If the appraisers had selected a cap rate between 5.5% or 6.0%, say 5.75%, the Semple values would have come in at about \$21,600,000, while Neet would have been about \$18,900,000.

Additional Considerations

While I hope the contents of this letter will be helpful to the PAC in better understanding the strengths and weaknesses of the appraisals, I understand that the City of Novato may not be amenable to selling the property at less than the value estimated by its own appraiser. In situations when a supportable appraisal is the sticking point, I have seen numerous instances where parties have agreed to contract a third appraiser or review appraiser, one to be selected by mutual agreement or by agreement between the two original appraisers. The findings of the contracted appraiser/reviewer would not necessarily be binding but may serve the purpose of furthering negotiations.

The PAC might also consider resolving some of the points of contention noted in this letter by contracting subject matter experts to better resolve disputes over accuracy, such as the insurance costs and repairs & maintenance expenses that might be reasonably anticipated. Appraisers are sometimes asked to produce an "appraisal update" based on new information that can be made available. The effect of this could be substantial. For example, if the Semple appraiser responded favorably to an engineering report that confirmed repair & maintenance costs at the amount estimated by Neet, while keeping all other elements of the appraisal the same, the income approach value indication would be adjusted to about \$19,000,000.

If the city and PAC come to loggerheads over the sale, another option might be to enter into a long-term ground lease agreement. A ground lease would allow the City to maintain ownership without the burden of management obligations but still providing a revenue stream, while locking in occupancy for the residences for the rest of their lives without the finality and contention of a sale, and by relieving the residents from having to obtain financing. This is a very common practice in Hawaii, where most of the land is occupied under 60- to 99-year ground leases.

If I can be of further assistance, please feel free to reach out.

Respectfully,

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PROFESSIONAL QUALIFICATIONS

David Rothermich, FRICS

David Rothermich has 40 years of professional experience in the real estate valuation and consulting industry that has included providing service to federal and local governments, large and small corporations, developers, financial services, investors, and attorneys. He has been exposed to a full spectrum of real estate products and valuation problems throughout a geographically diverse area and is a published author on real estate issues, methodologies, valuation theory, and alternative solutions to unusual valuation problems. He is currently a Fellow of the Royal Institution of Chartered Surveyors. When he was a full-time valuation specialist, he was a State Certified General Appraiser in California and Hawaii, a designated member (MAI) of the Appraisal Institute, and a designated General Review Specialist (AI-GRS).

Professional Experience

Mr. Rothermich is currently a regular guest lecturer at Florida International University, teaching a seminar on professional ethics at the Hollo School of Real Estate. The Hollo School of RE at FIU is ranked No. 1 in the world for real estate research productivity by the Journal of Real Estate Literature.

From 2014 to 2021, Mr. Rothermich was employed by the US Army Corps of Engineers (USACE), serving as the South Pacific Division chief appraiser. In addition to directing the 10-state appraisal program, he was involved in the development of appraisal procedures and practices, regulatory interpretation, staff training, and strategic coordination of the valuation component of acquisitions and disposals for military, civil works, and environmental missions. He was the valuation representative for the division's real estate program and liaison to other divisions and districts in the USACE enterprise, other Department of Defense entities, affiliated federal agencies, and nonfederal sponsors.

Prior to joining USACE, for 20 years he was a principal of Keane Rothermich Group, a real estate consulting firm specializing in valuation-related research and problem-solving. His responsibilities there involve coordination, supervision, production, review of appraisal and consulting assignments, and expert witness testimony.

Prior to founding Keane Rothermich Group in 1994, Mr. Rothermich was President of Real Estate Analysts of San Francisco (REAS), providing real estate consultation with emphasis on valuation, highest and best use studies, unique or aberrant appraisal problems, and appraisal reviews pertaining to all property types, from vacant land to regional shopping malls and special purpose properties. Mr. Rothermich joined REAS in 1990.

Mr. Rothermich was Assistant Vice President with Landauer Associates, Inc. in Southern California from 1988 to 1990, where he provided valuations, reviews, market studies, and consulting services for acquisition, sale, litigation, portfolio management, and land use development planning of real estate throughout the United States. Mr. Rothermich has also worked as a staff appraiser and researcher for Real Estate Research Corporation (RERC) in Los Angeles, and The Dorchester Companies in Tulsa, Oklahoma.

Noted Publications and Awards

In 2021, Mr. Rothermich was awarded the *Civilian Service Achievement Medal* “for outstanding performance and dedicated service to the United States Army Corps of Engineers.” It is the fifth highest award in the Department of the Army Honorary Awards scheme for the Department of the Army civilian employees.

Publication: “A Reality Check on Ground Lease Reversions,” *The Appraisal Journal*, Winter 2009

Publication: “Partitioning Real Property,” *The Appraisal Journal*, July 2002

Publication: “Special Use Properties: Finding the ‘Market’ in Market Value,” *The Appraisal Journal*, Oct. 1998

Contributing author to “The Appraisal of Real Estate” (12th through 14th editions) regarding research methodologies pertaining to the valuation of special purpose properties

2002 *Armstrong/Kahn Award* for the most significant contribution to the appraisal literature (“Partitioning Real Property”) published in *The Appraisal Journal* during 2002

Education

Bachelor of Arts, Physical Anthropology, University of California, Berkeley, 1982

Continuing Education

Following his undergraduate education, Mr. Rothermich successfully completed all of the primary coursework offered by the Appraisal Institute. In addition, he has attended numerous other courses, seminars, and conferences pertaining to real estate issues and land economics, sponsored by a variety of institutions, such as the Building Owners and Managers Institute International, the Southwestern Legal Foundation, American Society of Farm Managers and Rural Appraisers, International Right of Way Association, and others.

Professional Affiliations

Fellow of the Royal Institution of Chartered Surveyors (FRICS No. 1282084)