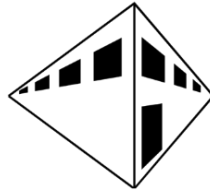


Jacob I. Hower, MAI, R/W-AC  
Jeremy Hansen  
Mark Myers



J. Hower & Associates

1306 N. Irwin Street  
Hanford, Ca 93230  
Phone: (559) 582-9112  
Fax: (559) 582-9114

May 29, 2024

Randy Dodd, CEO  
Tulare Local Healthcare District  
P.O. Box 1136  
Tulare, CA 93275

Re: Rent Survey  
Tulare Hospital Foundation  
906 N. Cherry Street  
Tulare, CA 93274

Dear Mr. Dodd:

In response to your request, I have completed an analysis of the property noted above and the results have been reported in this letter. Tulare Local Healthcare District is the Client of this appraisal and there are no other intended users. The purpose of the analysis is to provide a fair market rent opinion, on an "as is" basis, with an effective date of May 23, 2024. The scope of this analysis is summarized as follows:

1. The building and surrounding market area was inspected on May 23, 2024.
2. I analyzed several leases and summarized them in this survey. The lease terms have been confirmed by review of the contract, brokers, tenants, or landlords. The rent comparables were verified and inspected from the exterior.
3. I analyzed and reconciled the rental data into a fair market rent opinion for the subject on an "as is" physical basis. No additional tenant improvement work was considered.

The subject is in the city of Tulare on the east side of Cherry Street, between Merritt Avenue and Pleasant Avenue. The site is improved with a 928 square foot professional office that was originally constructed as a pharmacy. The Assessor's Parcel Number is 170-322-034. The building shares reciprocal parking, ingress and egress with an adjacent office. The subject is demised into an entry/reception area, one office and a restroom. The building is rated average in terms of quality and condition in comparison to buildings of similar use and vintage.

I have been asked to provide fair market rent for common lease types in the region including triple net, gross and full service. The following chart summarizes the expenditures associated

with each lease type, and my opinion of fair market rent for the subject property. Due to the small size of the building, the monthly rental rate is displayed in the chart, rather than a rental rate per square foot, which is more relevant for larger buildings.

Expense Basis	Triple Net		Gross		Full Service	
	Tenant	Landlord	Tenant	Landlord	Tenant	Landlord
Water Sewer, Trash	X		X			X
Electrical and Gas	X		X			X
Janitorial Services	X		X			X
Real Estate Taxes	X			X		X
Hazard Insurance	X			X		X
Landscaping/CAM	X			X		X
Pest Control	X			X		X
Management		X		X		X
Fair Market Rent (Low)	\$0.95		\$1.25		\$1.60	
Fair Market Rent (High)	\$1.40		\$1.80		\$2.25	

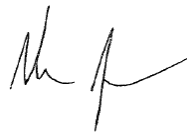
Lease terms of three-years, five-years and ten-years are most common. Annual rent increases typically range between 1.0% and 3.0%. Tenant improvements for existing space will usually range between \$10 and \$25 per square foot of gross building area. For mid or long-term renewals, tenant improvements typically range between \$0 and \$15 per square foot for updating or modernizing the suite.

Thank you for the opportunity to be of service. For any further questions feel free to email me or call my office.

Sincerely,



Jacob I. Hower, MAI, R/W-AC  
 CA License 3002762  
 License Expiration Date: 11/14/2024  
 jake@jhower.com



Mark E. Myers  
 CA License 3008763  
 License Expiration Date: 06/07/2025  
 mark@jhower.com

# CERTIFICATION

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions 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 performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- 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*.
- I have made a personal inspection of the property that is the subject of this report (November-2018).
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and 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.
- As of the date of this report, I Jacob Hower have completed the Standards and Ethics Education Requirements for Designated Members of the Appraisal Institute.
- No one provided significant personal property appraisal assistance to the person signing this certification.



Jacob I. Hower, MAI, R/W-AC  
CA License 3002762  
License Expiration Date: 11/14/2024  
jake@jhower.com

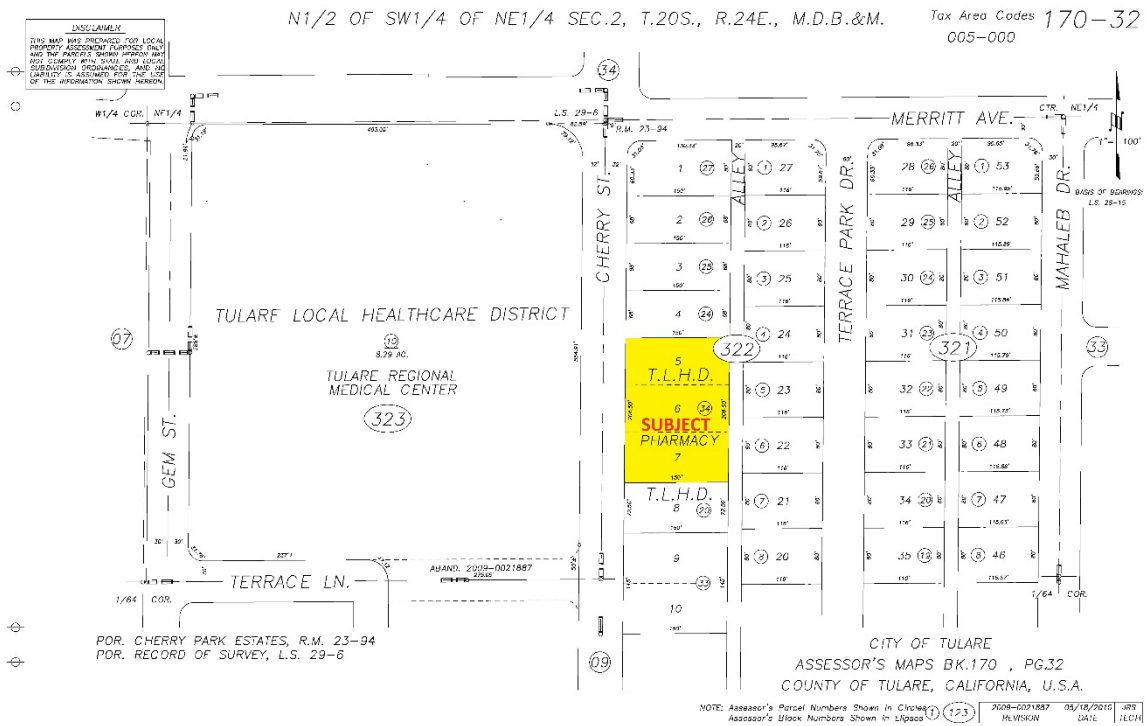
# CERTIFICATION

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions 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 performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- 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*.
- I have made a personal inspection of the property that is the subject of this report (November-2018).
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and 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.
- No one provided significant personal property appraisal assistance to the person signing this certification.



Mark E. Myers  
CA License 3008763  
License Expiration Date: 06/07/2025  
mark@jhower.com



Rent Comparables									
Address	Location	Tenant	Suite Size (S.F.)	Lease Start Date	Term	Increases	Expenses	Rent/S.F./Mo.	
880 E. Merritt Avenue	Tulare	Abraham Berra, D.O., OB/GYN	1,300	June-2023	3 Years	None	NNN	\$1.54	
141 N. K Street	Tulare	Nexus	3,800	April-2022	3 Years	\$100/Mo. Annually	Gross	\$0.92	
1050 Cherry Street	Tulare	VA	6,977	July-2021	3 Years	3.00%	NNN	\$2.10	
441 N. N Street	Tulare	Bankston Property Management	1,763	March-2020	5 Years	2% per annum	Gross	\$0.96	
1062 S. K Street	Tulare	Family Healthcare	16,046	July-2019	7 Years	2%/Year	Triple Net	\$1.16	
179 N. K Street	Tulare	Multiple	5,049	Various	Various	2.25%	Gross	\$0.85	
197 N. K Street	Tulare	Delores Huerta Foundation	1,350	July-2019	5 Years	Flat	Gross	\$1.00	
880 E Merritt, Ste. 101	Tulare	Green Valley	1,300	April-2019	3 Years	2.0%/Year	Mod. Gross	\$1.44	
304 E. Tulare Avenue	Tulare	CSET	1,764	September-2019	5 Years	3% per annum	Gross	\$1.16	
1425 E. Prosperity Ave.	Tulare	Dr. Liu	1,600	December-2018	2 Years	2.0%/Year	Mod. Gross	\$1.50	
873 E. Merritt Avenue	Tulare	Alpha Pharmacy	1,428	April-2017	5 Years	3.0%/Year @ Yr. 3	Mod. Gross	\$1.35	
217 W. 7th Street	Hanford	KCAO	5,071	September-2023	8 Years	2%/Year	Mod. Gross	\$1.00	
567 W. Putnam Avenue	Porterville	Sequoia Family Medical Center	1,200	April-2023	3 Years	\$1,000/Yr	Mod. Gross	\$2.00	
173 W Cherry Street	Porterville	Office	600	July-2021	1 Year	Flat	Gross	\$1.25	
354 Porter Road	Porterville	Office	1,250	July-2020	5 Years	2.0%/annum	Gross	\$1.02	
643 N. Main Street	Porterville	New Beginings	1,305	March-2020	Monthly	Flat	Gross	\$0.96	
177 W. Henderson	Porterville	Kings View	2,045	October-2018	5 Years	3.0%/ annum	NNN	\$1.00	
350 N. 2nd Street	Porterville	Dr. Hutchins, DDS	1,378	Monthly	Monthly	Flat	Mod. Gross	\$1.08	
2336 W. Sunnyside Avenue Suite C	Visalia	Kaylah Gonzales	1,500	April-2023	3 Years	Fixed	Mod. Gross	\$1.60	
23376 W. Sunnyside Avenue Suite A	Visalia	Hearing Aid Center	1,200	April-2023	3 Years	\$100 per annum	Mod. Gross	\$1.30	
1100 W. Center Avenue	Visalia	Thomas Simonian	1,425	June-2022	2 Years	None	Gross	\$1.34	
204 N. Floral Suite E	Visalia	Brightway Insurance	575	July-2022	2 Years	Not Disclosed	Mod. Gross	\$1.40	
2439 W. Whitendale Avenue	Visalia	Kunkleman Insurance Agency	2,007	December-2021	3 Years	Not Disclosed	Gross	\$1.05	
3710 W. Mineral King Avenue	Visalia	Visalia Rehabilitative Medicing, Inc.	2,314	September-2021	5 Years	3% per annum	NNN	\$1.54	
300 E. Mineral King Ave., Suite 202	Visalia	Healing Hand Acupuncture	756	March-2020	3 Years	Not Disclosed	Gross	\$1.40	