



Aeronautical Airport Rent Study Update

Los Angeles County Department of
Public Works – Aviation Division

General William J. Fox Airfield

February 18, 2025



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Paul Maselbas, PE
Assistant Deputy Director – Aviation Division
Los Angeles County Aviation Division
900 South Fremont Avenue
Alhambra, California 91803

RE: Aeronautical Airport Rent Study Update – General William J. Fox Airfield

Dear Paul:

In accordance with your request and authorization, this writing transmits Aviation Management Consulting Group's (AMCG's) appraisal report in summary format for certain improvements located at General William J. Fox Airfield (Airport).

The purpose of this assignment was to determine the fair market value (FMV) of rent for the Subject Properties which are owned by Los Angeles County (County). The effective date for this report is the date property information was provided by the County (December 6, 2022). The conclusions of AMCG's analysis and a summary of pertinent data are outlined in the Executive Summary.

The analyses, conclusions, and values stated in the report are subject to the assumptions, hypothetical conditions, and limiting conditions described in this report. The extent of AMCG's investigation and analyses are described in the Scope of the Work section of this report. The analyses and report have been prepared for the sole use of the County. The accompanying summary report describes AMCG's conclusions and analyses. To understand the analyses and conclusions, the report must be read in its entirety; no part of the report is valid without the support of the other sections of the report.

The appraisal, the analyses, and the report are intended to comply with the provisions of the Uniform Standards of Professional Appraisal Practice (USPAP) in force as of the appraisal date, applicable to the development and reporting of this FMV rental analysis. The report itself is intended to be consistent with the requirements of USPAP Standards Rule 2-2. Additionally, the execution of the assignment is intended to comply with the supplemental standards enacted by the Federal Aviation Administration, specifically instructions pertinent to FMV analyses as described in the Compliance Guide Letter 2018-3 and any additional instructions included in the engagement documents. Supporting documentation is retained in our files.

Helping your aviation management excellence,

A handwritten signature in blue ink, appearing to read "M. Fish".

Matthew F. Fish, MAI
Appraiser
AMCG

A handwritten signature in blue ink, appearing to read "D.C. Benner".

David C. Benner, C.M.
Managing Consultant
AMCG

Temporary License No. 3011911-003



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I. EXECUTIVE SUMMARY

Airport:	General William J. Fox Airfield 4725 William J. Barens Lancaster, California 93536
Scope of Work:	This summary report conveys Aviation Management Consulting Group's opinion of market rent for certain improvements (Subject Properties) located at General William J. Fox Airfield which are currently rented, or which may be available for rent, from the County of Los Angeles for aeronautical use.
Subject Properties:	The components of the Subject Properties include Executive Hangar, T-Hangars (Small and Large), Portable T-Hangars (Small and Large), and Tiedowns (Monthly).
Date of Report:	February 18, 2025
Aeronautical Methodology:	An opinion of aeronautical market rent for certain Subject Properties was developed based on an analysis of information and data for similar properties at national, regional, comparable, and competitive airports (which is summarized in Section VI. Aeronautical Study Findings).
Rental Rate Conclusions:	Table 1 identifies the recommended rental rate for the Subject Properties for aeronautical uses.
Definitions and Acronyms:	Defined words and acronyms are identified in the Appendix. Defined words and acronyms are capitalized whenever used. Words or acronyms that are not defined or identified should be construed as being consistent with the generally accepted meaning.

Table 1 – Rental Rate Conclusions

Rental Rate Conclusions				
Component	Identification	Number of Units	Size (SF)	Aeronautical Market Rent Opinion
Executive Hangar	E201	1	3,750	\$2,060.00
	E202	1	3,750	\$2,060.00
	E203	1	3,750	\$2,060.00
	E204	1	3,750	\$2,060.00
	J901	1	3,355	\$1,690.00
	J902	1	3,355	\$1,690.00
	J903	1	3,355	\$1,690.00
	J904	1	2,695	\$1,290.00
	J905	1	2,695	\$1,290.00
	A	1	1,548	\$685.00
Small T-Hangar	F500	14	950	\$425.00
	G600	14	950	\$425.00
	H700	14	950	\$425.00
	K300	10	950	\$425.00
	L400	10	950	\$425.00
Large T-Hangar	I800	7	1,600	\$675.00
Small Portable T-Hangar	B, C, D, E	4	765	\$300.00
Large Portable T-Hangar	R20	1	1,344	\$470.00
Small Nested/Push-In Tiedowns	East Tiedown Area	N/A	N/A	\$100.00
Medium Nested/Push-In Tiedowns				\$135.00
Small Non-Nested/Drive-In Tiedowns	East Tiedown Area	N/A	N/A	\$120.00
Medium Non-Nested/Drive-In Tiedowns				\$160.00
Small Nested/Push-In Tiedowns	West Tiedown Area	N/A	N/A	\$100.00
Medium Nested/Push-In Tiedowns				\$135.00
Small Non-Nested/Drive-In Tiedowns	West Tiedown Area	N/A	N/A	\$120.00
Medium Non-Nested/Drive-In Tiedowns				\$160.00

All rental rates are “per unit per month” (pu/mo)

II. INTRODUCTION

A. Scope of Work

This summary appraisal report conveys Aviation Management Consulting Group's (AMCG's) opinion of fair market value of certain improvements (Subject Properties) located at William J Fox Airfield (Airport) which are currently rented, or which may be available for rent, from the County of Los Angeles (County).

The County is required, by the Federal Aviation Administration (FAA) *Airport Sponsor Assurances*, to "maintain a fee and rental structure for the facilities and services at the airport[s] which will make the airport[s] as self-sustaining as possible under the circumstances existing." Further, FAA Regulation Identifier Number (RIN) 2120-AF90, *Policy Regarding Airport Rates and Charges*, states that "rates, fees, rentals, landing fees, and other service charges ('fees') imposed on aeronautical users for the aeronautical use of the airport ('aeronautical fees') must be fair and reasonable."

As such, the market rent opinions outlined in this *Aeronautical Airport Rent Study Update* are fair, reasonable, and can be consistently applied for the Subject Properties for aeronautical use.

The FAA indicates that "reasonable methodologies may include, but are not limited to, historic cost valuation, direct negotiation with aeronautical users, or objective determinations of fair market value" which are further described below:

- Historic Cost Valuation – a historic cost valuation, as outlined in the *Policy Regarding Airport Rates and Charges*, "must allocate capital and operating costs among cost centers" in accordance with a reasonable, consistent, and transparent methodology as follows: (1) "costs of airfield facilities and services directly used by the aeronautical users may be fully included in the rate base" and (2) "costs of airport facilities and services used for both aeronautical and non-aeronautical uses (shared costs) may be included in the rate base if the facility or service in question supports the airfield activity reflected in that rate base". The rate base is defined as the "total of all costs of providing airfield facilities and services to aeronautical users (which may include a share of public-use roadway costs allocated to the airfield in accordance with this policy [*Policy Regarding Airport Rates and Charges*]) that may be recovered from aeronautical users through fees charged for providing airfield aeronautical services and facilities." While the historic cost valuation is an acceptable methodology from the FAA's perspective (and typically applied to air carrier service providers), this approach may result in a rental rate unreflective of similar aeronautical use improvements available at comparable and competitive airports. As such, this approach was not deemed most appropriate.

- Direct Negotiation – The *Policy Regarding Airport Rates and Charges* is non-descriptive in terms of the methodology for initiating and completing a negotiation process. A negotiation, by definition, is to confer with another party to arrive at a settlement of a matter. A negotiation process can result in a market transaction if (1) it is an open market, (2) the buyer (tenant) and seller (County) are acting prudently and knowledgeable, and (3) the price is not affected by undue stimulus. However, as stated in the *Airport Sponsor Assurances*, each tenant (commercial or non-commercial) “shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable” to other tenants for “the same or similar uses of such airport and utilizing the same or similar facilities.” For this reason, a direct negotiation methodology was not deemed most appropriate to determine a rental rate structure that is equitable for all similarly situated tenants of aeronautical use improvements.
- Objective Determinations of Fair Market Value – Fair market value (FMV), as defined by Appendix Z of FAA Order 5190.6B *Airport Compliance Manual*, is “the highest price estimated in terms of money that a property will bring if exposed for sale in the open market allowing a reasonable time to find a purchaser or tenant who buys or rents with knowledge of all the uses to which it is adapted and for which it is capable of being used. It is also frequently referred to as the price at which a willing seller would sell and a willing buyer buy, neither being under abnormal pressure. FMV will fluctuate based on the economic conditions of the area.” The purpose of this *Aeronautical Airport Rent Study Update* is to determine FMV of rent. As such, pertinent lease data and rental rates being charged for similar properties at national, regional, comparable, and competitive airports were analyzed. The development of the Sales Comparison Approach, Cost Approach, and other sections of the Income Approach to FMV were not pertinent. A formal highest and best use analysis was not required, as a rental analysis for existing land and improvements is the primary consideration.

Consistent with the *Airport Sponsor Assurances*, each tenant should be subject to the same rental rates as are uniformly applicable to other tenants utilizing the same or similar improvements for aeronautical purposes. It is recognized that the size, access, amenities, and condition of the improvements may vary and as a result, the opinion of market rent may vary as well. However, the County will not charge unjustly discriminatory rental rates.

B. Project Approach

To achieve the scope of work, AMCG completed the following work plan:

1. Developed a profile of the Airport;
2. Reviewed property information provided by the County;
3. Identified comparable and competitive airports utilizing the profile of the Airport;
4. Obtained rental rates (and related information) for aeronautical uses from the comparable and competitive airports identified;

5. Analyzed the data obtained;
6. Analyzed national and regional aeronautical data; and
7. Developed an opinion of market rents for the Subject Properties based on the analysis of the data obtained.

In drawing opinions of market rent for the Subject Properties, consideration was given to those factors that typically affect market rents for on-airport, aeronautical properties (e.g., property use, attributes, restrictions, limitations, etc.). Beyond this, AMCG's opinion of aeronautical market rent for the Subject Properties has been formed based on a comparative analysis of current rents for aeronautical use properties at national, regional, comparable, and competitive airports.

It is noteworthy that the rental rates currently being charged for the Subject Properties by the County (as well as rental rates currently being charged by commercial operators at the Airport for similar properties) were not included in the national, regional, comparable, or competitive rent data but were utilized as a point of reference to derive the opinion of aeronautical market rent conveyed in this summary report.

Market rents for off-airport, non-aeronautical properties were not utilized as it pertains to aeronautical rental rates as this approach is highly problematic due to the different types of use. The adjustment between off-airport, non-aeronautical properties and on-airport, aeronautical properties would have to reflect the fact that these uses do not exhibit the same bundle of rights. It is very difficult, if not impossible, to determine the adjustment applied to unencumbered off-airport, non-aeronautical rental rates to reflect the constraints imposed by the FAA, the airport sponsor, and/or others pertaining to the development and/or use of on-airport, aeronautical use properties.

C. Intended Use and Intended User

The purpose of this appraisal report is to set forth the investigations and analyses leading to the opinion of FMV rent for the Subject Properties located at William J. Fox Airfield (Airport) in Lancaster, California.

The intended user of this report is Los Angeles County (County) for internal decision-making related to establishing the market rent for the Subject Properties.

D. Market Rent Defined

Market rent is defined as "the most probable rent that a property should bring in a competitive and open market under all conditions requisite to a fair lease transaction, the lessee and lessor each acting prudently and knowledgeably, and assuming the rent is not affected by undue stimulus. Implicit in this definition is the execution of a lease as of a specified date under conditions whereby:

- Lessee and lessor are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their best interests;
- Payment is made in terms of cash or in terms of financial arrangements comparable thereto; and

The rent reflects specified terms and conditions typically found in that market, such as permitted uses, use restrictions, expense obligations, duration, concessions, rental adjustments and revaluations, renewal and purchase options, frequency of payments (annual, monthly, etc.), and tenant improvements (TIs)."¹

E. Key Underlying Assumptions

It is noteworthy that the aeronautical use market rent opinions conveyed in this summary report are based on the lessee having full and continued access (from the Subject Properties) to the Airport's airside and landside infrastructure. Additionally, it is important to note that the analysis was based on an evaluation of triple net lease rates² (as applicable to the Executive Hangars) as well as modified gross lease rates³ (as applicable to the T-Hangars, Portable T-Hangars, and Tiedowns).

Market rents are driven by the amount a willing buyer (lessee) pays to a willing seller (lessor). To derive the market rent opinions for the Subject Properties, AMCG has identified and analyzed (on a comparative basis) the rents being charged and paid for similar properties at a cross-section of airports that are considered comparable to the Airport.

AMCG recognizes that there are differences between the Airport and the comparable airports. Some of the comparable airports exhibit superior characteristics and some exhibit inferior characteristics. To identify airports that were considered most comparable to the Airport and draw conclusions that reflect the conditions at the Airport, the comparable airports were compared with the Airport using a number of aeronautical activity and infrastructure indicators as well as economic variables.

The following report summarizes AMCG's findings and opinions.

¹ Dictionary of Real Estate Appraisal, Appraisal Institute, Seventh Edition, 2022, Page 116-117.

² Triple net lease rates, by definition, occur when the lessee is responsible for all maintenance, utilities, insurance, and taxes associated with the Subject Property. Consistent with industry standards for general aviation improvements, the evaluation of "triple net lease rates" includes the airport sponsor paying for costs associated with major maintenance items (e.g., repair and/or replacement of Hangar doors, roofing, super structure, HVAC, etc.).

³ Modified gross lease rates, by definition, occur when the lessor pays for a portion of maintenance, utilities, insurance, and/or taxes associated with the Subject Property.

III. COMMUNITY OVERVIEW

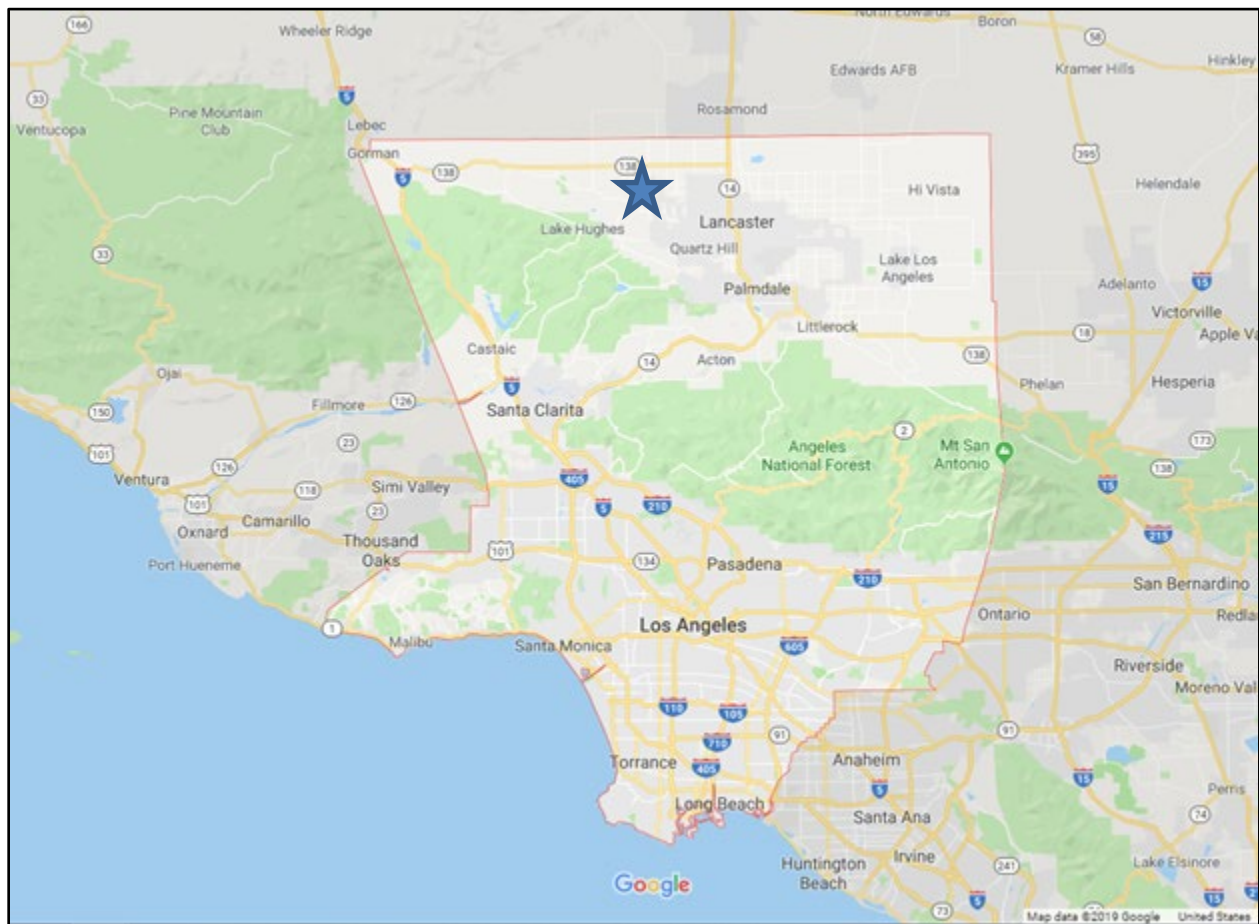
A. Airport Sponsor

The Airport is owned and operated by the County. The County of Los Angeles Department of Public Works, through its Aviation Division, oversees the operation, maintenance, and development of a system of five general aviation airports owned by the County. A ten-member Los Angeles County Aviation Commission (Commission) serves to advise the County Board of Supervisors regarding the operation and development of the County's airport system. The Commission is comprised of two members from each of the five supervisorial districts.

B. Geographic Location

The Airport is in the northernmost part of the County within the City of Lancaster (City). The Airport is located in the Antelope Valley, 4 miles northwest of the City of Lancaster's Central Business District and approximately 77 miles north of downtown Los Angeles as indicated in Figure 1.

Figure 1 – Geographic Location



C. Demographics

The population of the City of Lancaster has increased a total of 31.9% which results in a compounded annual increase of 2.8% from 118,718 in 2000 to 156,633 in 2010 (U.S. Census Bureau). Since 2010, the population has increased to 170,150 in 2021 (U.S. Census Bureau estimate) which reflects a total increase of 8.6% and a compounded annual increase of 0.8%.

The population of the County has increased a total of 3.1% which results in a compounded annual increase of 0.3% from 9,519,338 in 2000 to 9,818,605 in 2010 (U.S. Census Bureau). Since 2010, the population has decreased to 9,721,138 in 2022 (U.S. Census Bureau) which reflects a total decrease of 1.0% and a compounded annual decrease of 0.1%.

D. Business and Industry

The largest employment sectors of the City are (1) health care and social assistance, (2) educational services, and (3) manufacturing. These employment sectors account for approximately 39.01 % of the employment in the City. The largest employment sectors of the County are (1) health care and social assistance, (2) manufacturing, and (3) retail trade. These employment sectors account for approximately 31.2% of the employment in the County.

E. Economic Factors

As identified by the U.S. Census Bureau, the civilian labor force for population age 16 and greater between 2017-2021 was 53.3% which is slightly lower than the U.S. labor force of 63.1% for civilian population age 16 and greater over the same period. As identified by the U.S. Bureau of Labor Statistics, the unemployment rate in the Los Angeles – Long Beach – Anaheim Metropolitan Statistical Area (MSA), which is where the Airport is located (as conveyed in Figure 2), was approximately 5.0% (as of March 2023) which is higher in comparison to the U.S. national unemployment rate of approximately 3.5% (as of March 2023).

Figure 2 – State of California Metropolitan Statistical Areas



IV. SUBJECT AIRPORT OVERVIEW

A. Airport Description

The Airport, which consists of approximately 1,217 acres of land, has one runway, as follows:

- Runway 06/24: 7,201 feet long and 150 feet wide, asphalt in good condition.

The Airport has an Air Traffic Control Tower (which operates from 7:00 a.m. to 9:00 p.m.) and is served by multiple non-precision approaches (RNAV – GPS, VOR). The Airport is designated a General Aviation Airport in the FAA *National Plan of Integrated Airports System (NPIAS)* and a Local Airport in the FAA *General Aviation Airports: A National Asset* study.

B. Aircraft Operations

Figure 3 depicts the general aviation (GA) aircraft operations (by category – local, itinerant, and total) at the Airport from 2018 to 2022, as reported by the FAA Air Traffic Activity Data System (ATADS).

Figure 3 – GA Aircraft Operations



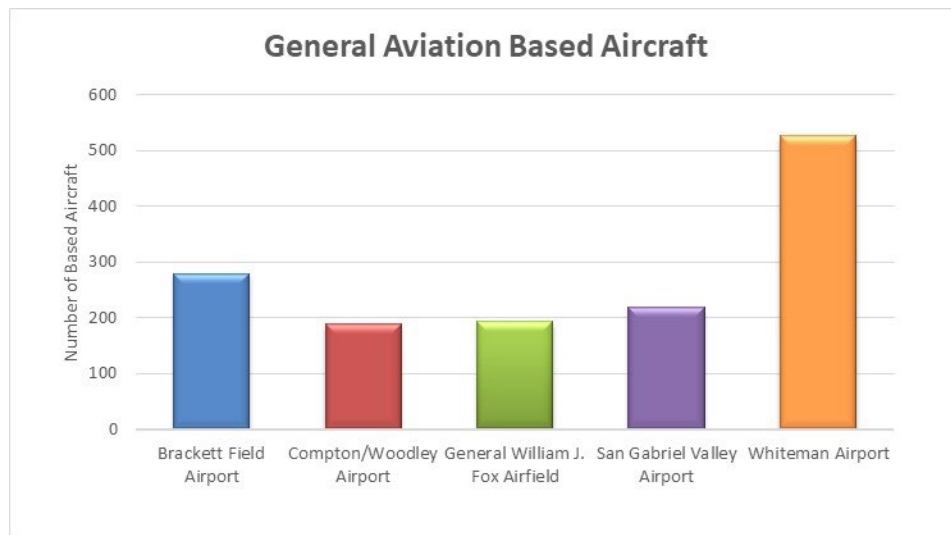
As shown in Table 2, total general aviation aircraft operations at the Airport have decreased from 48,908 in 2018 to 47,807 in 2022. This represents a total decrease of 2.25% and a compounded annual decrease of 0.57%.

Table 2 – GA Aircraft Operations

General Aviation Aircraft Operations				
Year	Local	Itinerant	Total	% Change
2018	23,431	25,477	48,908	N/A
2019	25,305	25,276	50,581	3.4%
2020	21,105	22,701	43,806	-13.4%
2021	25,586	22,646	48,232	10.1%
2022	24,694	23,113	47,807	-0.9%

C. Based Aircraft

Figure 4 illustrates the number of based aircraft at County-owned airports as of August 2022, as reported by Airport management.

Figure 4 – GA Based Aircraft at County Owned Airports


As shown in Table 3, 193 aircraft are currently based at the Airport.

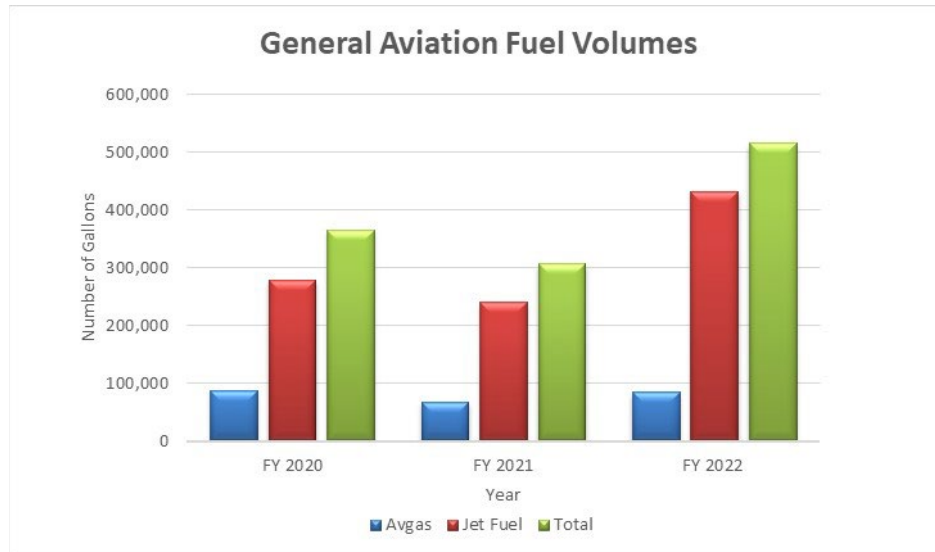
Table 3 – GA Based Aircraft

General Aviation Based Aircraft	
Airport	Total
Brackett Field Airport	279
Compton/Woodley Airport	188
General William J. Fox Airfield	193
San Gabriel Valley Airport	218
Whiteman Airport	527

D. Fuel Volumes

Figure 5 depicts total GA fuel volumes (by type – jet fuel and avgas) at the Airport from Fiscal Year⁴ (FY) 2020 to FY 2022, as reported by Airport management.

Figure 5 – GA Fuel Volumes



As depicted in Table 4, total GA fuel volumes increased from 365,354 gallons in FY 2020 to 515,964 gallons in FY 2022, which represents a total increase of 41.2% or a compounded annual increase of 18.8%. Additionally, approximately 79.4% of the general aviation fuel volume is jet fuel.

Table 4 – GA Fuel Volumes

General Aviation Fuel Volumes				
Year	Avgas	Jet Fuel	Total	% Change
FY 2020	86,225	279,129	365,354	N/A
FY 2021	66,950	239,815	306,765	-16.0%
FY 2022	84,133	431,831	515,964	68.2%

E. Commercial Operators

The County provides fueling (jet and avgas), line services, and aircraft parking (hangar and tiedown). Multiple aeronautical commercial operators provide, on a combined basis, avionics repair, aircraft parking (Hangar), aircraft maintenance, rental, and flight training.

⁴ The County fiscal year begins July 1st and ends June 30th.

V. SUBJECT PROPERTIES OVERVIEW

A. Subject Properties

The Subject Properties consists of certain improvements located at the Airport that are rented, or which may be available for rent, from the County for aeronautical use. In the event a vacancy exists, the County may lease certain Subject Properties for non-aeronautical use. The Subject Properties are identified in Table 5. Maps and a photographic survey of the Subject Properties are provided in the Appendix.

Table 5 – Subject Properties Overview

Subject Properties Overview			
Component	Identification	Number of Units	Size (SF)
Executive Hangar	E201	1	3,750
	E202	1	3,750
	E203	1	3,750
	E204	1	3,750
	J901	1	3,355
	J902	1	3,355
	J903	1	3,355
	J904	1	2,695
	J905	1	2,695
	A	1	1,548
Small T-Hangar	F500	14	950
	G600	14	950
	H700	14	950
	K300	10	950
	L400	10	950
Large T-Hangar	I800	7	1,600
Small Portable T-Hangar	B,C,D,E	4	765
Large Portable T-Hangar	R20	1	1,344
Small Nested/Push-In Tiedowns	East Tiedown Area	N/A	N/A
Medium Nested/Push-In Tiedowns			
Small Non-Nested/Drive-In Tiedowns	East Tiedown Area	N/A	N/A
Medium Non-Nested/Drive-In Tiedowns			
Small Nested/Push-In Tiedowns	West Tiedown Area	N/A	N/A
Medium Nested/Push-In Tiedowns			
Small Non-Nested/Drive-In Tiedowns	West Tiedown Area	N/A	N/A
Medium Non-Nested/Drive-In Tiedowns			

1. Executive Hangar

There is approximately 32,003 square feet of Executive Hangar included in the Subject Properties. The Executive Hangars each have a steel frame interior with concrete flooring and fluorescent lighting with a metal exterior.

- 901 – 905 have a metal and concrete block exterior.

The property details of the Executive Hangars are outlined in Table 6.

Table 6 – Executive Hangar Summary

Executive Hangar Summary								
Identification	Number of Units	Size Per Unit (SF)	Door			Access	Amenities	Condition
			Type	Width (FT)	Height (FT)			
E201	1	3,750	2 Panel Sliding Metal	60	23	Average	Good	Good
E202	1	3,750						
E203	1	3,750						
E204	1	3,750						
J901	1	3,355		17	Fair	Average		
J902	1	3,355						
J903	1	3,355						
J904	1	2,695						
J905	1	2,695						
A	1	1,548	8 Panel Folding Metal	30	10			Average
Total		32,003						

2. Small T-Hangars

There is approximately 58,900 square feet of Small T-Hangar included in the Subject Properties. The Small T-Hangars are fully subdivided and have a steel frame interior with concrete flooring and fluorescent lighting with a metal exterior.

The property details of the Medium T-Hangars are outlined in Table 7.

Table 7 – Small T-Hangar Summary

Small T-Hangar Summary								
Identification	Number of Units	Size Per Unit (SF)	Door			Access	Amenities	Condition
			Type	Width (FT)	Height (FT)			
F500	14	950	2 Panel Sliding Metal	38	12	Average	Average	Average
G600	14	950						
H700	14	950						
K300	10	950						
L400	10	950						
Total		58.900						

3. Large T-Hangars

There is approximately 11,200 square feet of Large T-Hangar included in the Subject Properties. The Large T-Hangars are fully subdivided and have a steel frame interior with concrete flooring and fluorescent lighting with a metal exterior.

The property details of the Large T-Hangars are outlined in Table 8.

Table 8 – Large T-Hangar Summary

Large T-Hangar Summary								
Identification	Number of Units	Size Per Unit (SF)	Door			Access	Amenities	Condition
			Type	Width (FT)	Height (FT)			
I800	7	1,600	3 Panel Sliding Metal	50	17	Average	Average	Average
Total		11,200						

4. Small Portable T-Hangars

There is approximately 3,060 square feet of Small Portable T-Hangar included in the Subject Properties. The Small Portable T-Hangars each have a steel frame interior with concrete flooring and a metal exterior.

The property details of the Small Portable T-Hangars are outlined in Table 9.

Table 9 – Small Portable T-Hangar Summary

Small Portable T-Hangar Summary								
Identification	Number of Units	Size Per Unit (SF)	Door			Access	Amenities	Condition
			Type	Width (FT)	Height (FT)			
B,C,D,E	4	765	Standard Port-a-Port Door	36	12	Fair	Average	Average
Total		3,060						

5. Large Portable T-Hangars

There is approximately 1,344 square feet of Large Portable T-Hangar included in the Subject Properties. The Large Portable T-Hangars included each have a steel frame interior with concrete flooring and a metal exterior.

The property details of the Large T-Hangar are outlined in Table 10.

Table 10 – Large Portable T-Hangar Summary

Large Portable T-Hangar Summary								
Identification	Number of Units	Size Per Unit (SF)	Door			Access	Amenities	Condition
			Type	Width (FT)	Height (FT)			
R20	1	1,344	Standard Port-a-Port Door	48	15	Fair	Average	Average
Total		1,344						

6. Tiedown

The majority of tiedown spaces can accommodate both single-engine aircraft (typically requiring width of up to 40 feet) and certain multi-engine aircraft (typically requiring a width of 40 feet to 45 feet). For the purposes of this *Aeronautical Airport Rent Study Update*, tiedowns are analyzed based on the type of aircraft accommodated (Small Tiedown and Medium Tiedown). All Tiedowns are considered to have good access and be in fair condition.

VI. AERONAUTICAL STUDY FINDINGS

Information and data from similar properties at the Airport as well as similar properties (leased from airport sponsors) at national, regional, comparable, and competitive airports was analyzed. The results of the analysis are summarized in this section. Definitions of the Minimum, Maximum, Mean, Standard Deviation, Median, and Range (utilized in the following tables) are provided in the Appendix.

A. National Data

As a supplement to the comparable and competitive airport data, rents obtained over the last 10 years from more than 700 airports (including all categories of NPIAS airports – General Aviation to Large Hub Primary Commercial Service) located throughout the United States were analyzed.

Table 11 provides a summary and statistical analysis of the findings for national airports.

Table 11 – National Airport Data Summary

National Airports Data Summary						
Component	Minimum	Maximum	Mean	Standard Deviation	Median	Range
Executive Hangar	\$0.11	\$10.85	\$4.15	\$2.25	\$3.91	\$10.74
Small T-Hangar	\$45.00	\$711.00	\$254.40	\$123.34	\$11.00	\$666.00
Large T-Hangar	\$115.34	\$1,141.50	\$483.19	\$200.64	\$451.50	\$1,026.16
Small Tiedown	\$15.00	\$160.00	\$63.80	\$35.57	\$60.00	\$145.00
Medium Tiedown	\$18.00	\$310.00	\$117.45	\$60.09	\$104.84	\$292.00

Rental rates for Executive Hangar are “per square foot per year” (psf/yr)

All other rental rates are “per unit per month” (pu/mo)

B. Regional Data (FAA Western-Pacific Region)

As a supplement to the comparable and competitive airport data, rents obtained over the last 10 years from more than 125 airports (including all categories of NPIAS airports – General Aviation to Large Hub Primary Commercial Service) in the FAA Western-Pacific Region (consisting of Arizona, California, Hawaii, and Nevada)⁵ were analyzed.

Table 12 provides a summary and statistical analysis of the findings for regional airports.

Table 12 – Regional Airport Data Summary

Regional Airports Data Summary						
Component	Minimum	Maximum	Mean	Standard Deviation	Median	Range
Executive Hangar	\$2.10	\$9.83	\$5.13	\$1.93	\$4.80	\$7.73
Small T-Hangar	\$67.00	\$739.00	\$291.48	\$144.20	\$241.00	\$672.00
Large T-Hangar	\$251.00	\$1,276.50	\$638.32	\$264.71	\$571.46	\$1,025.50
Small Tiedown	\$18.00	\$160.00	\$69.13	\$39.20	\$60.00	\$142.00
Medium Tiedown	\$18.00	\$200.00	\$93.90	\$35.42	\$90.00	\$182.00

Rental rates for Executive Hangar are “per square foot per year” (psf/yr)

⁵ While American Samoa, Commonwealth of the Northern Mariana Islands, and Guam are included in the FAA Western-Pacific Region, rents from airports in these territories were not included or analyzed.

All other rental rates are “per unit per month” (pu/mo)

C. Comparable Airport Data

Comparable airports will supplement the information collected from competitive airports while conveying the rent structure and rental rates at airports with similar aeronautical activity and infrastructure indicators.

The selection of comparable airports was based on aircraft activity levels, total based aircraft, the presence of a control tower, runway length, total airport acreage, FAA NPIAS classification, and FAA *General Aviation Airport Asset Study* classification. Parameters were then established in each of these areas to facilitate the selection process.

While a total of 11 airports were considered comparable to the Airport, rental rates and related information from 6 airports⁶ were obtained and analyzed, as shown in Table 13.

Table 13 – Comparable Airports

Comparable Airports		
Airport	Identifier	Location
Bartow Executive Airport	BOW	Bartow, Florida
Eastern West Virginia Regional Airport	MRB	Martinsburg, West Virginia
Fort Worth Spinks Airport	FWS	Fort Worth, Texas
Olympia Regional Airport	OLM	Olympia, Washington
Tacoma Narrows Regional Airport	TIW	Tacoma, Washington
University of Oklahoma Westheimer Airport	OUN	Norman, Oklahoma

Table 14 provides a summary and statistical analysis of the findings for the comparable airports.

Table 14 – Comparable Airport Data Summary

Comparable Airport Data Summary						
Component	Minimum	Maximum	Mean	Standard Deviation	Median	Range
Executive Hangar	\$2.50	\$10.77	\$4.38	\$2.23	\$3.81	\$8.27
Small T-Hangar	\$200.00	\$450.00	\$323.28	\$96.11	\$327.00	\$250.00
Large T-Hangar	\$475.00	\$1,088.00	\$647.00	\$294.71	\$512.50	\$613.00
Small Tiedown	\$61.76	\$84.01	\$70.15	\$12.09	\$64.68	\$22.25
Medium Tiedown	\$104.84	\$104.84	\$104.84	N/A	N/A	N/A

Rental rates for Executive Hangar are “per square foot per year” (psf/yr)

All other rental rates are “per unit per month” (pu/mo)

⁶ Relevant and useable information was not available from Hudson Valley Regional Airport (POU), McNary Field Airport (SLE), Norwood Memorial Airport (OWD), Shreveport Downtown Airport (DTN), and Terre Haute Regional Airport (HUF).

D. Competitive Airport Data

Competitive airports will serve as the primary research basis while conveying the rent structure and rental rates within the local area. Upon identifying all airports within a defined proximity of the Airport, the identified airports were compared to the Airport based on (1) FAA NPIAS classification (General Aviation and Reliever airports only) and (2) FAA *General Aviation Airport Asset Study* classification (Local, Regional, and National only) as well as (3) availability of aviation fuels (avgas at a minimum as outlined in the FAA Airport/Facility Directory).

For the purposes of this study, airports within 65 nautical miles of the Airport were identified as being potentially competitive airports. It is significant to note that while four airports owned by the County (Bracket Field, Compton/Woodley Airport, San Gabriel Valley Airport, and Whiteman Airport) are located within the competitive area, the relevant and useable data obtained from these Airport were not included in the findings to ensure the County's existing rental rates did not have an undue influence on the results of this study.

While a total of 17 airports were considered competitive to the Airport, rental rates and related information from 6⁷ airports were obtained and analyzed, as shown in Table 15:

Table 15 – Competitive Airports

Competitive Airports		
Airport	Identifier	Location
Cable Airport	CCB	Upland, California
Camarillo Airport	CMA	Camarillo, California
Chino Airport	CNO	Chino, California
Fullerton Municipal Airport	FUL	Fullerton, California
Oxnard Airport	OXR	Oxnard, California
Riverside Municipal Airport	RAL	Riverside, California
Zamperini Field Airport	TOA	Torrance, California

Table 16 provides a summary and statistical analysis of the findings for the competitive airports.

Table 16 – Competitive Airport Data Summary

Competitive Airports Data Summary						
Component	Minimum	Maximum	Mean	Standard Deviation	Median	Range
Executive Hangar	\$3.86	\$6.99	\$5.26	\$0.87	\$5.06	\$3.13
Small T-Hangar	\$315.00	\$625.00	\$416.33	\$115.36	\$382.00	\$310.00
Large T-Hangar	\$509.00	\$810.00	\$646.29	\$128.05	\$618.00	\$301.00
Small Tiedown	\$60.00	\$153.00	\$108.75	\$38.06	\$111.00	\$93.00
Medium Tiedown	\$90.00	\$153.00	\$121.17	\$24.23	\$121.50	\$63.00

Rental rates for Executive Hangar are "per square foot per year" (psf/yr)

All other rental rates are "per unit per month" (pu/mo)

⁷ Relevant and useable information was not available from Apple Valley Airport (APV), Bakersfield Municipal Airport (L45), California City Municipal Airport (L71), Corona Municipal Airport (AJO), Jack Northrop Field/Hawthorne Municipal Airport (HHR), Mojave Air and Space Port (MHV), Santa Monica Municipal Airport (SMO), Southern California Logistics Airport (VCV), Tehachapi Municipal Airport (TSP), and Van Nuys Airport (VNY).

VII. RENTAL RATE SUMMARY
A. Rental Rate Conclusions (By Component)

Table 17 identifies AMCG’s opinion of market rent for the Subject Properties. The conclusions (effective December 6, 2022) are based on the analysis of the Subject Properties. The aeronautical rental rates are based on the rents being charged for similar properties at national, regional, comparable, and competitive airports. The market rental rate conclusions are conveyed on a “per unit per month” (pu/mo) basis.

Table 17 – Rental Rate Conclusions

Rental Rate Conclusions				
Component	Identification	Number of Units	Size (SF)	Aeronautical Market Rent Opinion
Executive Hangar	E201	1	3,750	\$2,060.00
	E202	1	3,750	\$2,060.00
	E203	1	3,750	\$2,060.00
	E204	1	3,750	\$2,060.00
	J901	1	3,355	\$1,690.00
	J902	1	3,355	\$1,690.00
	J903	1	3,355	\$1,690.00
	J904	1	2,695	\$1,290.00
	J905	1	2,695	\$1,290.00
	A	1	1,548	\$685.00
Small T-Hangar	F500	14	950	\$425.00
	G600	14	950	\$425.00
	H700	14	950	\$425.00
	K300	10	950	\$425.00
	L400	10	950	\$425.00
Large T-Hangar	I800	7	1,600	\$675.00
Small Portable T-Hangar	B,C,D,E	4	765	\$300.00
Large Portable T-Hangar	R20	1	1,344	\$470.00
Small Nested/Push-In Tiedowns	East Tiedown Area	N/A	N/A	\$100.00
Medium Nested/Push-In Tiedowns				\$135.00
Small Non-Nested/Drive-In Tiedowns	East Tiedown Area	N/A	N/A	\$120.00
Medium Non-Nested/Drive-In Tiedowns				\$160.00
Small Nested/Push-In Tiedowns	West Tiedown Area	N/A	N/A	\$100.00
Medium Nested/Push-In Tiedowns				\$135.00
Small Non-Nested/Drive-In Tiedowns	West Tiedown Area	N/A	N/A	\$120.00
Medium Non-Nested/Drive-In Tiedowns				\$160.00

All rental rates are “per unit per month” (pu/mo)

It is significant to note that the Airport is associated with the second largest MSA in the United States. When available, more weight has been given to the competitive airports as the amenities and attributes and/or location of these airports and similar properties align with the Airport and the Subject Properties. As such, the rental rates at these airports are more reflective of relevant and useable data to establish rental rate conclusions for the Airport.

Additionally, airports associated with the largest MSAs in the United States (a population greater than 5 million persons) reflect an average aeronautical rental rate higher than the national average. Based on a comparative analysis, airports associated with the largest MSAs reflect an average aeronautical adjustment of +50% as compared with the national average. As such, this adjustment for the national aeronautical average will be utilized as an additional reference to the base rental rates.

The average national, regional (FAA Western-Pacific Region), comparable, and competitive aeronautical rental rates are representative of airport properties with the following attributes (as applicable):

- Average airside and landside access,
- Average amenities, and
- Average condition.

Each of these attributes is rated using the following descriptors: poor, fair, average, good, and excellent. The resulting data points were analyzed independently as well as analyzing the overall statistical representation to determine a base rental rate for each aeronautical component of the Subject Properties. Once an aeronautical base rental rate was derived for the Airport, specific conclusions were estimated for each component of the Subject Properties based on size, access, amenities, and condition (as applicable). For the purposes of this *Aeronautical Airport Rent Study Update*, size adjustments were developed, where appropriate, based on an analysis of AMCG's proprietary industry database (for all airports nationally). This process included an analysis of more than 4,500 aeronautical data points correlating size ranges to existing rental rates compared to the national average rental rate.

1. Executive Hangar

The results of the study indicate that the average aeronautical rental rates for Executive Hangar range from \$4.15 psf/yr at national airports to \$5.26 psf/yr at competitive airports. The average rental rate at comparable airports was \$4.38 psf/yr and \$5.13 psf/yr at regional airports. Utilizing the comparative analysis of the largest MSAs to the national average results in an adjusted national average of \$6.23 psf/yr. It is significant to note the rental rates for Executive Hangar range from \$3.86 psf/yr at competitive airports to \$6.99 psf/yr at competitive airports.

Based on analyzing all available data, a base rental rate of \$5.75 psf/yr was derived.

The average rental rate for an Executive Hangar up to 2,999 square feet in the national database exhibits no adjustment (based on size) while the average rental rate for Executive Hangar from 3,000 square feet to 4,999 square feet exhibits an adjustment of approximately +5% (based on size) compared to the national average rental rate. The average rental rate for an Executive Hangar 5,000 square feet and greater exhibits an adjustment of -10% (based on size) compared to the national average rental rate.

Utilizing the base rental rate and predicated on adjustments for size, access, amenities, and condition, the estimated rental rate conclusions are outlined in Table 18.

Table 18 – Aeronautical Executive Hangar Conclusions Summary

Executive Hangar Conclusions Summary							
Identification	Size (SF)	Base Rental Rate	Adjustments				Market Rent Opinion
			Size	Access	Amenities	Condition	
E201	3,750	\$5.75	5%	0%	5%	5%	\$6.60
E202	3,750		5%	0%	5%	5%	\$6.60
E203	3,750		5%	0%	5%	5%	\$6.60
E204	3,750		5%	0%	5%	5%	\$6.60
J901	3,355		5%	-5%	0%	5%	\$6.05
J902	3,355		5%	-5%	0%	5%	\$6.05
J903	3,355		5%	-5%	0%	5%	\$6.05
J904	2,695		0%	-5%	0%	5%	\$5.75
J905	2,695		0%	-5%	0%	5%	\$5.75
A	1,548		0%	-5%	0%	0%	\$5.45

All rental rates are "per square foot per year" (psf/yr)

2. Small T-Hangar

The results of the study indicate that the average aeronautical rental rates for Small T-Hangar range from \$254.40 pu/mo at national airports to \$416.33 pu/mo at competitive airports. The average rental rate at regional airports was \$291.48 pu/mo and \$323.28 pu/mo at comparable airports. Utilizing the comparative analysis of the largest MSAs to the national average results in an adjusted national average of \$381.60 pu/mo. It is significant to note that the rental rates for Small T-Hangar range from \$315.00 pu/mo to \$625.00 pu/mo at competitive airports.

Based on analyzing all available data, a base rental rate of \$425.00 pu/mo was derived.

Utilizing the base rental rate and predicated on adjustments for access, amenities, and condition, the estimated rental rate conclusions are outlined in Table 19.

Table 19 – Aeronautical Small T-Hangar Conclusions Summary

Small T-Hangar Conclusions Summary							
Identification	Size (SF)	Base Rental Rate	Adjustments			Calculated Result	Market Rent Opinion
			Access	Amenities	Condition		
F500	950	\$425.00	0%	0%	0%	\$425.00	\$425.00
G600	950		0%	0%	0%	\$425.00	\$425.00
H700	950		0%	0%	0%	\$425.00	\$425.00
K300	950		0%	0%	0%	\$425.00	\$425.00
L400	950		0%	0%	0%	\$425.00	\$425.00

All rental rates are “per unit per month” (pu/mo)

3. Large T-Hangar

The results of the study indicate that the average aeronautical rental rates for Large T-Hangar range from \$483.19 pu/mo at national airports to \$647.00 pu/mo at comparable airports. The average rental rate at regional airports was \$638.32 pu/mo and \$646.29 pu/mo at competitive airports. Utilizing the comparative analysis of the largest MSAs to the national average results in an adjusted national average of \$724.79 pu/mo. It is significant to note that the rental rates for Large T-Hangar range from \$509.00 pu/mo to \$810.00 pu/mo at competitive airports.

Based on analyzing all available data, a base rental rate of \$675.00 pu/mo was derived.

Utilizing the base rental rate and predicated on adjustments for access, amenities, and condition, the estimated rental rate conclusions are outlined in Table 20.

Table 20 – Aeronautical Large T-Hangar Conclusions Summary

Large T-Hangar Conclusions Summary						
Identification	Size (SF)	Base Rental Rate	Adjustments			Market Rent Opinion
			Access	Amenities	Condition	
I800	1,600	\$675.00	0%	0%	0%	\$675.00

All rental rates are “per unit per month” (pu/mo)

4. Small Portable T-Hangar

Portable T-hangars that are owned and leased by the airport sponsor are not common at airports, as such, a comparative analysis of data in the national airport database was conducted. This analysis included airports where Portable Hangars and T-Hangars are both leased. Through this analysis, it was determined that an adjustment of -25% for Portable Hangars exists at such airports.

Utilizing the Small T-Hangar base rental rate and predicated on adjustments for type, size, access, amenities, and condition, the estimated rental rate conclusions are outlined in Table 21.

Table 21 – Aeronautical Small Portable T-Hangar Conclusions Summary

Small Portable T-Hangar Conclusions Summary							
Identification	Size (SF)	Base Rental Rate	Adjustments				Market Rent Opinion
			Type	Access	Amenities	Condition	
B,C,D,E	765	\$425.00	-25%	-5%	0%	0%	\$300.00

All rental rates are “per unit per month” (pu/mo)

5. Large Portable T-Hangar

Portable T-hangars that are owned and leased by the airport sponsor are not common at airports, as such, a comparative analysis of data in the national airport database was conducted. This analysis included airports where Portable Hangars and permanent T-Hangars are both leased. Through this analysis, it was determined that an adjustment of -25% from similarly sized T-hangars for Portable T-Hangars exists at such airports.

Utilizing the Large T-Hangar base rental rate and predicated on adjustments for type, size, access, amenities, and condition, the estimated rental rate conclusions are outlined in Table 22.

Table 22 – Aeronautical Large Portable T-Hangar Conclusions Summary

Large Portable T-Hangar Conclusions Summary							
Identification	Size (SF)	Base Rental Rate	Adjustments				Market Rent Opinion
			Type	Access	Amenities	Condition	
R20	1,344	\$675.00	-25%	-5%	0%	0%	\$470.00

All rental rates are “per unit per month” (pu/mo)

6. Small Tiedown

The results of the study indicate that the average aeronautical rental rates for Small Tiedown (nested or push-in) range from \$63.30 pu/mo at national airports to \$108.75 pu/mo at competitive airports. The average rental rate at regional airports was \$69.13 pu/mo and \$70.15 pu/mo at comparable airports. Utilizing the comparative analysis of the largest MSAs to the national average results in an adjusted national average of \$95.70 pu/mo. It is significant to note that the rental rates for Small Tiedown range from \$60.00 pu/mo to \$153.00 pu/mo at competitive airports.

Based on analyzing all available data, a base rental rate of \$100.00 pu/mo was derived.

The ability to consistently taxi into a tiedown space is considered an enhanced access amenity (and adjusted accordingly). Based on AMCG’s experience, an upward adjustment of 20% for access was determined most appropriate for non-nested (or drive-in) Tiedowns.

Utilizing the base rental rate and predicated on adjustments for size, access, and condition, the estimated rental rate conclusions are outlined in Table 23.

Table 23 – Aeronautical Small Tiedown Conclusions Summary

Small Tiedown Conclusions Summary						
Identification	Type	Base Rental Rate	Adjustments			Market Rent Opinion
			Size	Access	Condition	
East Tiedown Area	Small Nested/Push-In Tiedowns	\$100.00	0%	5%	-5%	\$100.00
	Small Non-Nested/Drive-In		0%	25%	-5%	\$120.00
West Tiedown Area	Small Nested/Push-In Tiedowns		0%	5%	-5%	\$100.00
	Small Non-Nested/Drive-In		0%	25%	-5%	\$120.00

All rental rates are “per unit per month” (pu/mo)

7. Medium Tiedown

The results of the study indicate that the average aeronautical rental rates for Medium Tiedown (nested or push-in) range from \$93.90 pu/mo at regional airports to \$121.17 pu/mo at competitive airports. The average rental rate at comparable airports was \$104.84 pu/mo and \$117.45 pu/mo at national airports. Utilizing the comparative analysis of the largest MSAs to the national average results in an adjusted national average of \$176.18 pu/mo. It is significant to note that the rental rates for Medium Tiedown range from \$90.00 pu/mo to \$153.00 pu/mo at competitive airports.

Based on analyzing all available data, a base rental rate of \$135.00 pu/mo was derived.

The ability to consistently taxi into a tiedown space is considered an enhanced access amenity (and adjusted accordingly). Based on AMCG’s experience, an upward adjustment of 20% for access was determined most appropriate for non-nested (or drive-in) Tiedowns. Additionally, the Tiedowns designed specifically for helicopters have been analyzed as Medium Tiedown. Due to the additional space requirements for these helipads, an upward adjustment of 10% for size was determined as most appropriate.

Utilizing the base rental rate and predicated on adjustments for size, access, and condition, the estimated rental rate conclusions are outlined in Table 24.

Table 24 – Aeronautical Medium Tiedown Conclusions Summary

Medium Tiedown Conclusions Summary						
Identification	Type	Base Rental Rate	Adjustments			Market Rent Opinion
			Size	Access	Condition	
East Tiedown Area	Medium Nested/Push-In	\$135.00	0%	5%	-5%	\$135.00
	Medium Non-Nested/Drive-In		0%	25%	-5%	\$160.00
West Tiedown Area	Medium Nested/Push-In		0%	5%	-5%	\$135.00
	Medium Non-Nested/Drive-In		0%	25%	-5%	\$160.00

All rental rates are “per unit per month” (pu/mo)

B. Rental Rate Summary (for the Subject Properties)

Based on the preceding analysis and analysis of the rents being charged for similar properties at national, regional, comparable, and competitive airports, the conclusions of AMCG's opinion of aeronautical market rent for the Subject Properties are outlined in Table 25.

Table 25 – Rental Rate Summary

Rental Rate Summary				
Component	Identification	Number of Units	Size (SF)	Aeronautical Market Rent Opinion
Executive Hangar	E201	1	3,750	\$2,060.00
	E202	1	3,750	\$2,060.00
	E203	1	3,750	\$2,060.00
	E204	1	3,750	\$2,060.00
	J901	1	3,355	\$1,690.00
	J902	1	3,355	\$1,690.00
	J903	1	3,355	\$1,690.00
	J904	1	2,695	\$1,290.00
	J905	1	2,695	\$1,290.00
	A	1	1,548	\$685.00
Small T-Hangar	F500	14	950	\$425.00
	G600	14	950	\$425.00
	H700	14	950	\$425.00
	K300	10	950	\$425.00
	L400	10	950	\$425.00
Large T-Hangar	I800	7	1,600	\$675.00
Small Portable T-Hangar	B,C,D,E	4	765	\$300.00
Large Portable T-Hangar	R20	1	1,344	\$470.00
Small Nested/Push-In Tiedowns	East Tiedown Area	N/A	N/A	\$100.00
Medium Nested/Push-In Tiedowns				\$135.00
Small Non-Nested/Drive-In Tiedowns	East Tiedown Area	N/A	N/A	\$120.00
Medium Non-Nested/Drive-In Tiedowns				\$160.00
Small Nested/Push-In Tiedowns	West Tiedown Area	N/A	N/A	\$100.00
Medium Nested/Push-In Tiedowns				\$135.00
Small Non-Nested/Drive-In Tiedowns	West Tiedown Area	N/A	N/A	\$120.00
Medium Non-Nested/Drive-In Tiedowns				\$160.00

All rental rates are "per unit per month" (pu/mo)

VIII. APPENDIX

A. Certifications

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 represent our personal, impartial, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the Subject Properties and no personal interest with respect to the parties involved with this assignment.
- I have no bias with respect to the Subject Properties or to the parties involved with this assignment.
- This assignment was not contingent on developing or reporting predetermined results.
- AMCG's compensation for completing this assignment is not contingent on 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 report.
- 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 and Standards of Professional Appraisal Practice of the Appraisal Institute.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP).
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- David Benner has made a personal inspection of the Subject Properties in 2019.
- Matthew Fish, MAI, has not made a personal inspection of the Subject Property and has relied on the reports and observations of David Benner.
- As of the date of this report, I, Matthew Fish, MAI, have completed the continuing education program for designated members of the Appraisal Institute.
- David Benner and Katie Gainer provided significant real property appraisal assistance to the person signing this certification in the research and analysis and this report.
- AMCG has performed no services, as an appraiser or in any other capacity, regarding the Subject Properties within the three-year period immediately preceding acceptance of this assignment.

A handwritten signature in blue ink, appearing to read "Matthew F. Fish".

Matthew F. Fish, MAI

Appraiser

AMCG

Temporary License No. 3011911-003

B. Limiting Conditions

This report is subject to the following conditions and to other specific and limiting conditions as described by Aviation Management Consulting Group, Inc. (AMCG) in this report.

1. AMCG assumes no responsibility for matters legal in nature affecting the Subject Properties, nor does AMCG render any opinion as to the title of the Subject Properties, which are assumed to be good and marketable. The Subject Properties have been analyzed as though free and clear and held under responsible ownership and competent management.
2. Information, estimates, and opinions furnished to AMCG and contained in this report were obtained from sources considered to be reliable and are believed to be true and correct. However, AMCG assumes no responsibility for their accuracy.
3. Although dimensions were taken from a source considered reliable, this should not be construed as a survey. A licensed engineer or surveyor should verify the exact size and legal description.
4. Sketches presented in this report may show approximate dimensions and are included to assist the reader in visualizing the Subject Properties. AMCG assumes no responsibility for the accuracy and has not conducted a survey of the Subject Properties.
5. Unless noted in this report, the rental rate conclusions do not include contributory value of any personal property, furniture, fixtures, equipment, or on-going business value.
6. It is assumed that the utilization of the improvements is within the boundaries or property lines of the Subject Properties and that there is no encroachment or trespass unless noted in this report.
7. This report is prepared for the sole, exclusive use of the client. No third parties are authorized to rely on this report without the prior written consent of AMCG and the client.
8. It is assumed that all applicable zoning and use regulations have been complied with unless non-conformity was stated, defined, and considered in this report.
9. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or federal government or private entity or organization have been or can be obtained or renewed for any use on which the rental rate conclusions are based.
10. Full compliance with all applicable federal, state, and local environmental regulations and laws is assumed unless noncompliance is stated, defined, and considered in this report.
11. In this assignment, the existence of potentially hazardous material, gases, toxic waste, and mold, which may or may not be present on the Subject Properties, was not disclosed to AMCG; nor does AMCG have any knowledge of the existence of such materials on the Subject Properties. To AMCG's knowledge, the presence of potentially hazardous waste, materials, or gases has not been detected, or if detected, it has been determined that the amount or level is considered to be safe according to standards established by the Environmental Protection Agency (EPA). However, AMCG is not qualified to detect such substances and does not make any guarantees or warranties that the Subject Properties have been tested for the presence of potentially hazardous waste, gases, toxic waste, or mold and, if tested, that the tests were conducted pursuant to EPA-approved procedures. The existence of any potentially hazardous waste, gases, toxic waste, or mold may have an effect on the rental rate conclusions.

12. The American with Disabilities Act (ADA) became effective January 26, 1992. AMCG has not made a specific compliance survey and analysis of the Subject Properties to determine whether or not the Subject Properties are in conformity with the various detailed analysis of the requirements of the ADA. It is possible that a compliance survey of the Subject Properties together with a detailed analysis of the requirements of the ADA could reveal that the Subject Properties are not in compliance with one or more of the requirements of the ADA. If so, this fact could have a negative impact on the market rent conclusion. Since AMCG has no direct evidence relating to this issue, possible noncompliance with the requirements of the ADA was not considered in the rental rate conclusions.
13. AMCG assumes there are no hidden or unapparent conditions of the Subject Properties or subsoil that would render the Subject Properties more or less valuable. AMCG assumes no responsibility for such conditions or for engineering that might be required to discover such factors.
14. No requirements shall be made of AMCG to give testimony or appear in court by reason of this report, unless arrangements have been made previously. If any courtroom or administrative testimony is required in connection with this report, additional fees and expenses shall be charged for those services.
15. Possession of this report, or copy hereof, does not carry with it the right of publication nor may it be used for any purpose whatsoever by any entity but the client without the prior written consent of AMCG and the client.
16. Neither all nor any part of the contents of this report shall be disseminated to the public through advertising media or public means of communication without the prior written consent of AMCG and the client.
17. AMCG's inspection of the Subject Properties in 2019 shall in no way be constructed as an engineering inspection for structural soundness, physical condition, or for the condition of the mechanical systems.

C. Definitions and Acronyms

- Hangar – Any fully or partially enclosed storage facility for an aircraft.
- Executive Hangar - A square or rectangular-shaped Hangar designed to accommodate the proprietary aircraft operations of a single company or individual. Executive Hangars are typically larger than T-Hangars, typically smaller than Community Hangars, and may have associated shop, office, and storage areas.
- GPS - Global positioning system.
- Itinerant - Aircraft operations terminated at an airport which (1) arrive from outside the airport area or (2) depart the airport and leave the airport area.
- Local - Aircraft operations which (1) remain in the local traffic pattern, (2) execute simulated instrument approaches or low passes at an airport, or (3) operate to or from an airport and a designated practice area within a 20-mile radius of the Air Traffic Control Tower.
- ILS - Instrument Landing System.
- LOC - Localizer.
- Median - Figure wherein half of the data points in the number series are below the median value while half of the data points in the number series are above the median value.
- Minimum - Minimum value present in the data range.
- Maximum - Maximum value present in the data range.
- Mean - Arithmetic average of all data in the data range.
- Portable Hangar - A Hangar that is square, rectangular-shaped, or “T” shaped and is not permanently affixed to associated apron area and the Portable Hangar can be reasonably removed or is designed to be removed.
 - Small Portable Hangar – Typically up to 1,000 square feet with a door width up to 40 feet and a door height which can accommodate most single-engine piston-powered aircraft (e.g., Beechcraft Bonanza; Cessna 150, 172, 182, and 210; Cirrus 20 and 22; Diamond Star and Katana; Piper Arrow, Cherokee, and Saratoga; etc.).
 - Large Portable Hangar - Typically ranges from 1,300 square feet up to 2,000 square feet with a door width ranging from 45 feet up to 55 feet and a door height which can accommodate most light multi-engine piston-powered aircraft e.g., Cessna 421, King Air 90, Piper Cheyenne, Piper Malibu, etc).
- RNAV – GPS - Area navigation-global positioning system.
- Standard Deviation - Statistical method designed to mathematically measure the variability in a set of data points. The calculated figure for standard deviation is indicative of the relative distance between the mean and every data point. For a normally distributed data range, approximately 68% of the data points would fall within one standard deviation of the mean, as illustrated by a normal bell curve. Similarly, approximately 95% of the data points would fall within two standard deviations, while approximately 99.7% of the data points would fall within three standard deviations of the mean. Assuming the data points from the airports are representative of the population and the population follows a normal bell curve, the calculated standard deviation values would illustrate the relative variability in data points (i.e., how close these data points are to the mean).
- T-Hangar - A Hangar that typically has the capacity to store only one aircraft, usually not larger than a cabin class multi-engine aircraft. This type of Hangar derives its name from its shape (in the form of a “T”) which increases the efficiency of the design so as to accommodate the wing span and the tail section of an aircraft. T-Hangars may be stand-alone structures, or they may be combined and “nested” so that the tail sections of the “T” configuration interlock to form a single congruous structure.
 - Small T-Hangar - Typically up to 1,000 square feet with a door width up to 40 feet and a door height which can accommodate most single-engine piston-powered aircraft (e.g., Beechcraft Bonanza; Cessna 150, 172, 182, and 210; Cirrus 20 and 22; Diamond Star and Katana; Piper Arrow, Cherokee, and Saratoga; etc.).

- Large T-Hangar - Typically ranges from 1,300 square feet up to 2,000 square feet with a door width ranging from 45 feet up to 55 feet and a door height which can accommodate most multi-engine piston-powered aircraft and similarly sized turbine-powered aircraft (e.g., Cessna 421, King Air 90, Piper Cheyenne, Piper Malibu, etc.).
- Tiedown - An aircraft parking area typically signified by a painted "T" and equipped with three-point tiedown anchors to secure the aircraft wingtips and tail.
 - Small Tiedown - Utilization of a Tiedown by most single-engine piston-powered aircraft (e.g., Beechcraft Bonanza; Cessna 150, 172, 182, and 210; Cirrus 20 and 22; Diamond Katana and Diamond Star; Piper Arrow, Cherokee, and Saratoga; etc.) with an overall width up to 40 feet.
 - Medium Tiedown - Utilization of a Tiedown by most light multi-engine piston-powered aircraft (e.g., Cessna 310, Diamond Twin Star, Piper Seminole, Piper Seneca, etc.) with an overall width from 40 feet up to 45 feet.
- Range - Mathematical difference between the maximum and minimum values of the data range.

D. Subject Properties Identification Map

Figure 6 – Airport Overview



For reference purposes only

Figure 7 – Subject Properties



For reference purposes only

Figure 8 – Subject Properties



For reference purposes only

E. Subject Properties Photographic Survey



Executive Hangar
200



Executive Hangar
900



Executive Hangar
3



Executive Hangar
3



Small T-Hangar
500



Small T-Hangar
500



Large T-Hangar
800



Large T-Hangar
800



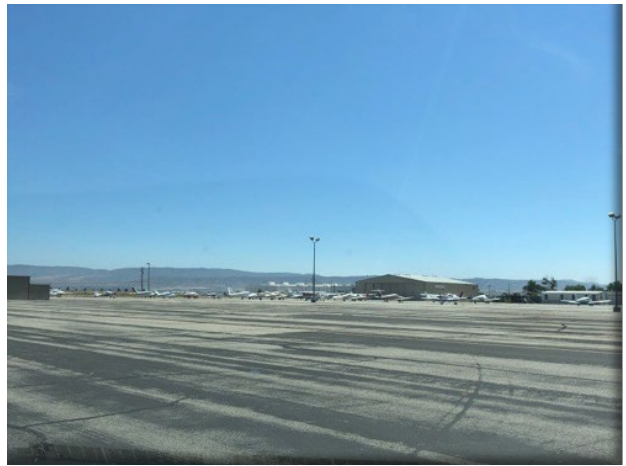
Small Portable T-Hangar
3



Large Portable T-Hangar
4



East Tiedown Area



West Tiedown Area

F. Temporary Appraisal License



Property Address Attachment

Whiteman Airport - 10000 Airpark Ave., Pacoima, CA 91331
 San Gabriel Valley Airport - 4233 Santa Anita Ave., El Monte, CA 91731
 General William J Fox Airfield - 4725 William J Barnes Ave., Lancaster, CA 93536
 Compton Woodley Airport, 9014 W Alondra Blvd., Compton, CA 92803
 Bracket Field Airport, 1615 McKinley Ave., LaVerne, CA 91750