SEISMIC AND PML ASSESSMENT

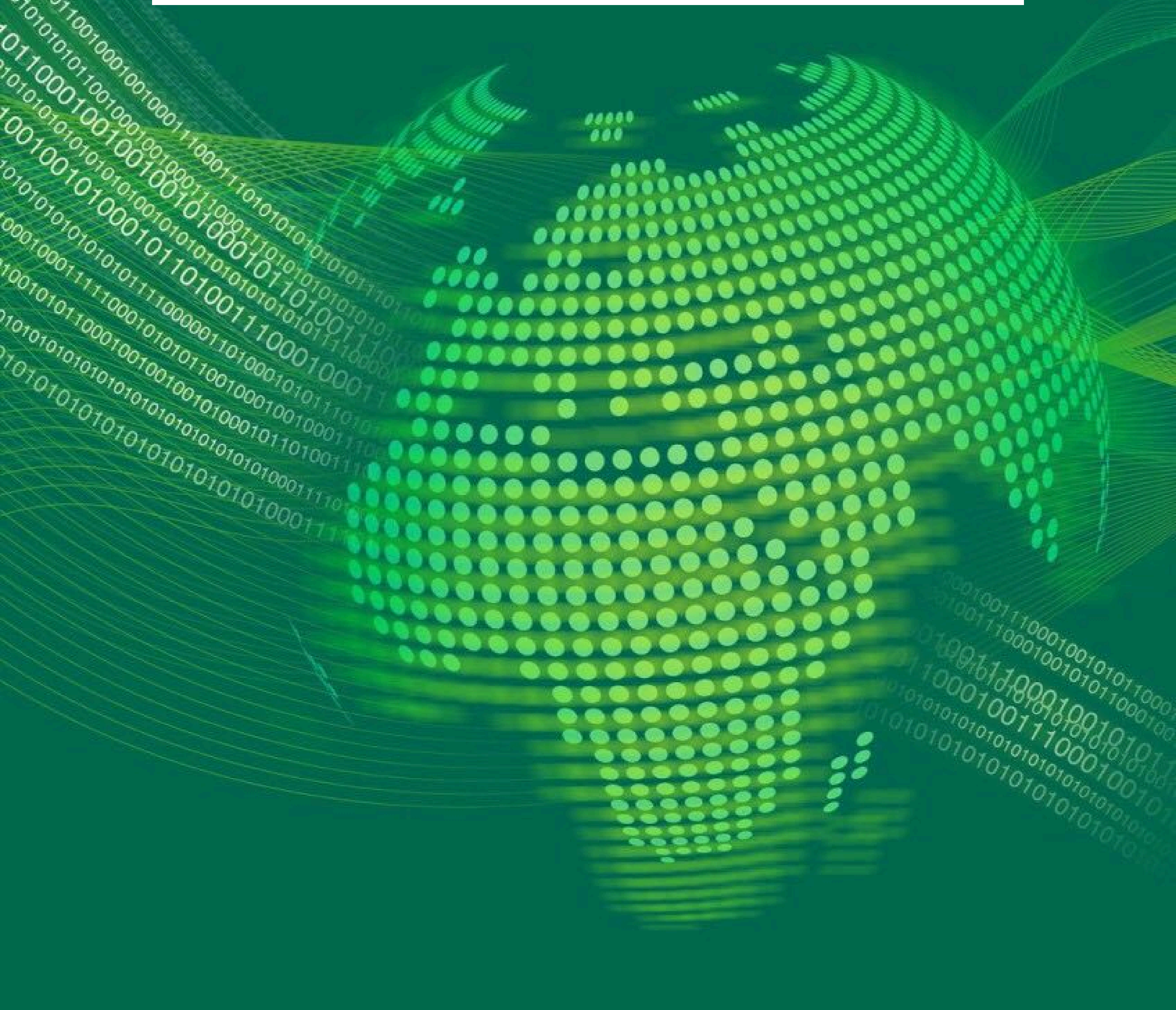
325-355 S Schnoor Avenue
325, 335, 345, and 355 South Schnoor Avenue
Madera, California 93637

CBRE Project No.: CB24US031726-3

Prepared For:
Ladder Capital

April 23, 2024

www.cbre.com/Assessment



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April 23, 2024

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RE: Seismic and PML Assessment
325-355 S Schnoor Avenue
325, 335, 345, and 355 South Schnoor Avenue
Madera, California 93637
CBRE Project No.: CB24US031726-3

Dear Mr. Magidson,

Attached is our Seismic and PML Assessment outlining the results of our Probable Maximum Loss (PML) study prepared in reference to the above site. On April 16, 2024, we visited the site to conduct a "walk-through" survey to confirm and/or document existing structural systems. The scope of this assignment, methodology, protocol, and limiting conditions are outlined within this report.

We appreciate the opportunity to assist you. If you have any questions, please contact me at (305) 710 8666.

Sincerely,

CBRE, Inc. – ASSESSMENT AND CONSULTING SERVICES

Scott Adan Ph.D., SE (S5500)	William D. Gonzalez, P.E., PMP
Director of Seismic Assessment Services	VP, Building Assessments

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Property Summary

325-355 S Schnoor Avenue (the "Subject") is an approximately 2-years old (completed in 2023 per Municipal Records), 144,300 square feet, 74-units, single-story industrial complex sited on a 18.38-acre parcel located in Madera, California. The Subject consists of four rectangular buildings. It was designed under the 2019 California Building Code (CBC). The buildings are light metal framed with steel moment and braced frame lateral-resisting systems. The Subject building parameters are summarized as follows:

Designation	Year Built	No. of Buildings	Size (Units)	Lateral-Resisting System
325-355 S Schnoor Avenue	2023 per Municipal Records	4	74	Steel Moment Frames, Steel Braced Frames

Seismic Assessment Considerations

This seismic risk assessment was performed in conformance with the scope and limitations of ASTM Guide E2026-16a. The findings are based on field observations, review of available construction documentation, and use of the ground-shaking data from the US Geological Service (USGS) National Seismic Hazard Mapping Project, in conjunction with published maps of ground conditions, faulting and liquefaction. The scenario loss estimates are determined in accordance with ASTM Guide E2557-16a, using the Thiel and Zsutty damage prediction methodology. For a 475-year return period (10% probability of exceedance in 50 years), the USGS peak ground acceleration (PGA) on rock is estimated at 0.14g. Given the soil type, this corresponds to a site-specific PGA of 0.20g and to a Modified Mercalli Intensity (MMI) of VIII.

Assessment Conclusion

CBRE has performed a probable maximum loss (PML) evaluation for earthquake due diligence assessment in conformance with the scope and limitations of ASTM Guide E2026-16a for a Level 1 investigation. Any exceptions to, or deletions from, this Guide are described in Section 1.2 of this report. As determined in Section 4 of this report, the Subject meets the site stability requirements. In addition, as determined in Section 5 of this report, the Subject meets the building stability requirements.The assessment has determined the PML values, in terms of the Scenario Expected Loss (SEL) and Scenario Upper Loss (SUL) for a 475-year return period, as follows:

Project Designation	SEL 475 (50% Confidence)	SUL 475 (90% Confidence)
325 S Schnoor Avenue	2%	4%
335 S Schnoor Avenue	2%	4%
345 S Schnoor Avenue	2%	4%

Project Designation	SEL 475 (50% Confidence)	SUL 475 (90% Confidence)
355 S Schnoor Avenue	2%	4%
Aggregate Total	**2%**	**4%**

1.0 INTRODUCTION

1.1 Important Information About Your Seismic Risk Assessment

Seismic risk assessment reports are intended to meet the specific needs of their clients. A seismic report prepared for a particular client may not fulfill the needs of a different client such as a lender, an insurance company, or the owner. Because each seismic report is unique, no one should rely on your seismic report without first conferring with the engineer who prepared it. No one, not even the intended client, should apply the report for any purpose or project except the one for which it was originally prepared.

This seismic risk assessment is based on the following ASTM Standards:

- ASTM E2026-16a, *Standard Guide for Seismic Risk Assessment of Buildings*
- ASTM E2557-16a, *Standard Practice for Probable Maximum Loss (PML) Evaluations for Earthquake Due-Diligence Assessments*

In accordance with the ASTM standards, this was a Level 1 investigation. Level 1 is generally considered an engineering cursory review, including a review of available construction documents and a site visit by a qualified field assessor. It is considered to have a moderate uncertainty level.

Serious problems have occurred because those relying on a seismic report did not read the entire report. Do not rely on an executive summary. Do not read selected elements only. In many cases, clients look for an acceptable “PML” value without reading the definition of the loss, or understanding that there may be building or site stability issues which may result in high risk to life-safety.

A seismic report is based on the conditions of the property and knowledge of seismic hazards at the time the report was prepared. Do not rely on a seismic report whose adequacy may have been affected by: the passage of time wherein damage such as settlement or the deterioration of the structural systems may have occurred; natural disasters such as earthquakes, wind or floods; or man-made changes such as the modification to the building or lateral force resisting systems. Always contact the engineer before relying on the report.

Professional Engineers review drawings, conduct site observations, perform analyses of buildings, then apply their professional judgment to render an opinion regarding the potential seismic loss and building stability. Hiring a qualified professional with a complete scope of services will result in seismic risk assessment reports that are comprehensive, reliable, and have lower uncertainty.

It was not the intent of this investigation to be technically exhaustive, nor to identify all existing seismic vulnerabilities. There may be seismic vulnerabilities that are not easily accessible for discovery or readily visible. The scenario loss estimates are determined in accordance with the ASTM standards. These standards establish the standard-of-care for assessing potential earthquake damage and evaluating financial risk.

1.2 Exceptions, Deletions and Limitations

In accordance with ASTM Guide E2026, this report includes the following exceptions to, or deletions from the Guide:

Site stability hazards (e.g. fault rupture, landslide, liquefaction, tsunami, etc.) are not accounted for in the loss estimates (E2026 Sections 13.2.4.1 and 10.5.7). The estimates also do not account for demand surge (E2026 Section 13.2.4.3). Demand surge is defined as the increase in the cost of repair or replacement of damaged property that may occur following a catastrophe such as an earthquake. In addition, due to the proprietary nature of this report, the total time each person committed to the evaluation is not provided (E2026 Section 13.2.5).

This report, assessment, and potential loss calculations are based on scientific data, mathematical and empirical models, and prior engineering experience. As with any model of physical systems, there is no assurance that any earthquake damage sustained by the Subject will be less than the calculated loss estimate values. In addition, it is understood that CBRE is not liable for the accuracy and/or adequacy of the structural design performed by others (E2026 Section 13.2.7).

1.3 Purpose and Scope

Ladder Capital (the "Client") contracted with CBRE, Inc., a Delaware corporation, (“CBRE”) to conduct an investigation for the purposes of rendering an assessment of the Subject’s seismic risk in accordance with the scope and terms of our agreement with the “Client”, and to determine a Probable Maximum Loss (PML) value.

In order to observe and review the Subject’s general structural conditions, a CBRE representative visited the site. The results of our observations, together with the information gleaned from our research, were extrapolated to form both the general opinions of the Subject's seismic vulnerabilities and the estimate of probable losses associated with earthquake damage. This evaluation represents the opinions of CBRE based on available information. It is not intended to preempt the responsibility of the original design consultants.

The scope of this investigation included the following:

1.3.1. Review available existing construction documents and/or engineering reports.

1.3.2. Conduct a single site visit consisting of a “walk-through” survey to confirm and assess the existing structural systems.

1.3.3. Investigate the property for building and site stability.

1.3.4. Identify structural system characteristics and potential seismic vulnerabilities.

1.3.5. Render an opinion of probable maximum loss (PML) as a percentage of the current building replacement cost, resulting from the Design Based Earthquake (DBE). The Scenario Expected Loss (SEL – 50% Confidence Interval) and Scenario Upper Loss (SUL – 90%

Confidence Interval) estimates are expressed in terms of a 475-year return period earthquake, corresponding to a hazard level of 10% probability of exceedance in a 50-year period. Estimates are determined based on findings from the aforementioned scope of work and use of an appropriate loss prediction methodology. They do not include losses associated with material contents.

1.3.6. Prepare a written report summarizing the results of the investigation and potential loss calculations.

1.4 Design Documents Reviewed

At the time of this report, it was confirmed that limited construction documentation associated with the Subject was available. The following document(s) were made available and examined during the investigation:

Architectural and Structural Drawings

- DBKO Design Build, Newport Beach, California, "Lease Flex. / Warehouse Buildings," architectural and structural drawings dated March 3, 2022. The drawings are indicated “Approved, City of Madera Building Department.”

The structural drawings indicate the governing building code as the 2019 California Building Code (CBC). The general notes indicate the seismic resisting system as “OMRF / OCBF, R=3.5 / 3.25.” The soil profile site class is indicated as “D.” With respect to the foundation, the notes reference a geotechnical report prepared by Salem Engineering Group, Inc., dated April 28, 2021 (Report No. 1-221-0369). A copy of the geotechnical report was not provided for our review.

1.5 Report Reliance

This report has been prepared to assist in the determination of whether to make a loan or loans evidenced by a note or notes (the "Notes") secured by the property referred to in the report or by a pledge of the equity interests in the borrower. With no prior approval, this report may be relied upon by (i) Ladder Capital Finance LLC, its employees, agents, servicers, legal counsel, successors and/or assigns and affiliates, (ii) the trustee of a trust created in connection with a securitization which includes any of the Notes or an interest therein, (iii) any purchaser or assignee of the Notes or an interest therein in determining whether to acquire the Notes or an interest therein, (iv) any rating agency involved in rating securities which represent a beneficial ownership interest in a trust fund that consists of mortgage loans or mezzanine loans including any of the Notes or an interest therein, (v) any investors purchasing securities issued by a trust or otherwise purchasing a loan with an ownership interest, either directly or indirectly, in the Notes, and (vi) any bank, financial institution or other company or firm providing any financing for which the Notes, or any interest therein, are the collateral for such financing, and their respective successors and/or assigns. This report may be used in connection with the offering materials for sale of the Notes, or an interest in the Notes, and in presentations to any rating agency, investors or lenders and CBRE, Inc. agrees to cooperate in answering questions by any of the above parties in connection with a securitization, sale or other transaction involving the Notes, or any portion thereof, and/or such securities.

THIS REPORT IS THE PROPERTY OF CBRE AND THE “CLIENT” AND WAS PREPARED FOR A SPECIFIC USE, PURPOSE, AND RELIANCE AS DEFINED WITHIN THE AGREEMENT BETWEEN CBRE AND THE “CLIENT” AND THIS REPORT. THIS REPORT MAY NOT BE USED OR RELIED UPON BY ANY OTHER PARTY WITHOUT THE EXPRESSED WRITTEN PERMISSION OF CBRE. THERE SHALL BE NO THIRD PARTY BENEFICIARIES, INTENDED OR IMPLIED, UNLESS SPECIFICALLY IDENTIFIED HEREIN.

2.0 BUILDING DESCRIPTIONS

2.1 General Description

325-355 S Schnoor Avenue (the “Subject”) is an approximately 2-years old (completed in 2023 per Municipal Records), 144,300 square feet, 74-units, single-story industrial complex sited on a 18.38-acre parcel located in Madera, California. The Subject consists of four rectangular buildings (Photos 1 through 5). More specifically, the Subject is located on the east side of S Schnoor Avenue near the intersection of W Almond Avenue. Parking is provided in open stall spaces. The exterior façade consists primarily of painted metal siding.

The Subject was designed under the 2019 California Building Code (CBC). As access to relevant structural drawings was available, the primary sources of information relative to the existing structural systems included a review of the structural drawings and observations made during our site visit. The following sections describe the associated gravity and lateral systems:

2.2 Gravity Systems

The gravity system consists primarily of pre-engineered steel frame construction. The roofs' horizontal diaphragm is constructed of corrugated metal decking (Photo 6). Framed, light-gauge steel purlins support the decking (Photo 7). Built-up wide-flange structural steel frames support the purlins. The size of the steel frames varies depending on the span and loading. The steel frame columns are continuous to the foundation.

The foundation is constructed of reinforced concrete strip and spread footings supporting the bearing walls and columns, respectively. The ground floor is a concrete slab-on-grade.

2.3 Lateral Systems

The lateral load-resisting elements include tension-only cable-braced horizontal diaphragms. In the longitudinal direction, steel moment-resisting frames laterally support the diaphragms (Photo 8). In the transverse direction, concentric tension-only rod bracing laterally supports the diaphragms. The moment-resisting frames consist of steel built-up wide-flange beams and columns. The beam-to-column joints are typically fully bolted. At the base, the moment frame columns are rigidly connected to the concrete foundations.

3.0 FIELD OBSERVATIONS

To observe, confirm and assess the existing structural conditions, a visit to the Subject was made on April 16, 2024. Scott M. Adan, representing CBRE, conducted the visit. In general, many of the structural conditions were concealed and not observable. However, at select locations, some conditions were exposed. The following sections summarize both structural and nonstructural elements that could be observed:

3.1 Structural Component Observations

Overall, the Subject was observed to be of good construction quality. There were no indications of deterioration in the structural systems. There were no apparent permanent offsets or settlement that would indicate structural distress.

3.2 Non-Structural Component Observations

Non-structural components include those that are not part of the vertical or lateral-load resisting structural systems nor are defined as building contents. These components can include exterior envelope, signage, canopies and awning systems, mechanical equipment, ductwork, plumbing systems, ceilings, partition walls, and lighting.

In general, many of the non-structural conditions were concealed and not observable. At locations where these components were not concealed, there was no observed evidence of deterioration, damage, or corrosion in the components themselves and/or in the supporting anchorage. Given the relatively recent design and construction, it is likely these components and their associated anchorages will not substantially contribute to building damageability.

4.0 SITE STABILITY ASSESSMENT

Although no site-specific geotechnical information was made available for the Subject's location, the California Geological Survey (CGS) and US Geological Survey (USGS) provide regional soil and hazard data for the area. Based on this data, the regional soils are generally classified as quaternary alluvial deposits. Alluvium is primarily loose, unconsolidated soil, which has been eroded, reshaped by water, and redeposited, in a non-marine setting. Most if not all, alluvium is very young (Quaternary in age) and is often referred to as "cover" because these deposits tend to obscure the underlying bedrock. For the purposes of this report and evaluation, the site soil classification most associated with these deposits is type "D" (stiff soil) in accordance with Table 20.3-1 of ASCE 7, *Minimum Design Loads for Buildings and Other Structures*.

Earthquake effects or seismicity most likely to cause building damage include earthquake shaking, ground fault rupture, liquefaction, landslides and tsunami inundation. The following sections discuss these hazards in relation to the Subject's location:

4.1 Earthquake Hazard Including Ground Fault Rupture

Central California is traversed by several active faults, that are capable of producing moderate to large magnitude earthquakes. In assessing an area's potential for seismic activity, the Maximum Credible Earthquake (MCE) refers to the largest earthquake that can be expected to occur along a given fault or fault zone. Appendix 1 shows the location of the major faults near the property. The following table lists all the faults within a 65-mile radius, their associated MCE magnitude, and the distance to the Subject's location:

Fault Name	Fault Type	MCE Magnitude	Distance (Miles)
Great Valley	Thrust	6.6	37.0
Ortigalita	Strike Slip	7.1	46.9
San Andreas	Strike Slip	7.9	62.8
Quien Sabe	Strike Slip	6.6	64.2

With respect to the MCE, the maximum size of an earthquake along a given fault is based on the length of the fault, its width (i.e. depth into the earth's crust), and to some extent, the type of fault (i.e. thrust, normal or strike slip). The importance of one fault over another in affecting the seismic performance of a building at any given location depends on several factors. These include the likelihood of a major earthquake occurring at that fault, recurrence interval, the size of the earthquake (magnitude), distance to the site from the fault rupture source, character of faulting, direction of rupture, geometry and character of the soils at the site, and topography.

Given the fault MCE, distance, and soil data, the USGS provides Peak Ground Accelerations (PGA) through the National Seismic Hazard Mapping Project (NSHMP). For a 475-year return period, the peak ground acceleration (PGA) on rock, as reported by the USGS Unified Hazard

Tool (UHT) version 4.2.0 is 0.14g. Given the soil type, this corresponds to a site-specific PGA of 0.20g, to a Modified Mercalli Intensity (MMI) of VIII, and to a UBC Zone 3 seismic hazard (Appendix 2).

Based on the proximity of the nearest major fault (37.0 miles), the Subject is not located in an area subject to the jurisdiction of the Alquist-Priolo Special Studies Zone Act. This act prohibits the location of most structures for human occupancy across the traces of active faults. Correspondingly, the site-specific potential for ground surface rupture is low.

4.2 Liquefaction Susceptibility

Liquefaction is the sudden loss of bearing strength that can occur when saturated cohesionless soils (silts and sands) are strongly and repetitively vibrated. Damage from liquefaction results primarily from horizontal and vertical displacement of the ground. These displacements occur because sand/water mixtures in a liquefied condition have virtually no strength and provide little or no resistance to compaction, lateral spreading, or down slope movement. This movement of the land surface can damage buildings, and buried utilities, particularly at fixed connections. Based on regional hazard data, including water table depths, the site liquefaction potential is classified as not susceptible.

4.3 Earthquake-Induced Landslide Susceptibility

A landslide is the downhill movement of masses of earth under the force of gravity. Earthquakes can trigger landslides in areas that are already landslide prone. Landslides are most common on slopes of more than 15 degrees and can generally be anticipated along the edges of mesas and on slopes adjacent to drainage courses.

The topography of the general area can be characterized as having a gentle pitch that poses no apparent adverse conditions. Based on this and on regional hazard data, the Subject's location is not susceptible to landslides.

4.4 Tsunami Inundation

A tsunami is a series of water waves generated by a rapid disturbance that vertically displaces the water such as by an underwater fault rupture. In this case, the site is not located in the vicinity of a body of water capable of producing a tsunami. Therefore, it is not susceptible to tsunami inundation.

4.5 Site Stability Conclusions

In accordance with Section 9.1 of ASTM Guide E2026, the Subject appears to be located on a site that will not be subjected to instability due to earthquake hazards (i.e. fault rupture, soil liquefaction, landslide, or tsunami inundation). Therefore, it meets the ASTM site stability requirements.

5.0 BUILDING STABILITY AND EXPECTED EARTHQUAKE PERFORMANCE

There are a number of potential vulnerabilities that can affect a building's seismic performance. As indicated in ASCE 41, *Seismic Evaluation and Retrofit of Existing Buildings*, these flaws can be related to strength, configuration, ductility, continuity, redundancy and unusual applied loads (i.e. building pounding). Based on the site observations and review of available documentation, the following sections identify and evaluate how these potential flaws contribute to damageability in a manner consistent with an ASCE 41 Tier 1 seismic evaluation:

5.1 Seismic Strength

The strength or capacity of a building's lateral resisting system directly affects its ability to resist earthquakes. Historically, building codes have minimum specified strength levels for any given lateral resisting system. As codes have evolved over time, required earthquake strength levels in buildings have, in many cases, gradually increased. Nevertheless, in this case, based partially on the governing building code, it appears the Subject is designed using a reliable lateral-resisting system and would be expected to have adequate seismic strength.

5.2 Building Configuration

Configuration can affect the response of a building and may lead to unexpected dynamic effects and concentrations of demand. If not properly accounted for, configuration irregularities can result in localized failure of the lateral-resisting system. Regularity in the structural systems results in a uniform distribution of deformations and forces throughout the structure. However, when deformations are concentrated at a certain area, due to an irregularity, a higher level of damage might be expected. For example, mass and strength irregularities can focus damage in certain 'weak' areas, thereby increasing the likelihood of severe concentrated damage during a seismic event.

In this case, the buildings are generally rectangular in plan. There are no setbacks or overhangs and no exceptional ornamentation. Absent these types of plan irregularities, they would be expected to behave in a regular manner, without excessive torsion.

5.3 Material Ductility

Ductility is the ability of a structural system to deform or yield past its maximum strength and not fracture or break. Building codes rely on this ductility to achieve safe earthquake performance. It is also preferable that, during an earthquake, the structural elements themselves (beams, walls, braces, etc.) deform or yield prior to yielding in their connections. As earthquake codes have evolved, to achieve the desired structural system ductility, the arrangement and detailing of these elements and their associated connections has become increasingly stringent.

The desirable yield mechanism for steel concentrically braced frames, the Subject's predominate lateral-resisting system, is yielding of the braces and their connections. This mechanism is achieved by properly detailing and configuring the braces to withstand large deformations in cyclic tension and compression. With respect to the steel moment frames, the desirable ductile mechanism is beam flexural yielding at or near the face of the column. This mechanism is achieved by properly detailing and configuring the frame beams to withstand large deformations in cyclic tension and compression. Given that their design occurred under relatively recent building code provisions, both systems would likely be proportioned for adequate ductility.

5.4 Load Continuity

A continuous lateral load path allows the uninterrupted distribution of seismic forces between all of the building's lateral resisting elements, down to the foundation. For example, without continuity in a particular vertical element, seismic forces must be transmitted horizontally to the next adjacent vertical element. If improperly designed or overlooked, these offsets can potentially lead to a concentration of seismic demand. In this case, the buildings appear to have a continuous load path to transfer seismic forces from the horizontal diaphragms to the foundations.

5.5 Building Redundancy

Redundancy is a measure of the concentration of lateral force resisting elements within a structure. In general, the higher the concentration, the more redundant the system. A redundant system provides multiple locations for potential yielding; thereby, distributing inelastic activity throughout the structure. The buildings appear to have multiple lines of lateral resisting elements in each primary direction, resulting in a relatively redundant configuration.

5.6 Building Stability Conclusions

The Subject appears to have met the general intent of the structural building code requirements at the time of construction. In accordance with Section 8.1 of ASTM Guide E2026, it can be reasonably concluded that the structural systems will remain stable under the code prescribed earthquake loading. Therefore, it meets the ASTM building stability requirements.

As defined by Section 8.1, a building should be deemed stable if it is able to maintain the vertical load carrying-capacity of its structural system under the inelastic deformations caused by the earthquake ground motion prescribed for the building and site by the current edition of the International Building Code.

6.0 EARTHQUAKE LOSS ASSESSMENT

6.1 Loss Prediction Methodology

The Scenario Loss (SL) is the damage loss expectation to building systems associated with specified earthquake events. The Scenario Expected Loss (SEL) considers damage variability and provides an estimate of the average damage, given the stated hazards and review level. The Scenario Upper Loss (SUL) also considers damage variability but provides an estimate of the upper bound of damage, with a 10% probability of exceedance.

The probable maximum loss (PML) associated with the SL uses the damage prediction methodology developed in 1987 by Thiel and Zsutty [Charles C. Thiel, Jr. and Theodore C. Zsutty, *Earthquake Characteristics and Damage Statistics*, Earthquake Spectra, Vol. 3, No. 4, November 1987]. The Thiel and Zsutty methodology utilizes several basic parameters associated with both the site and building to analytically determine the SEL. These parameters include the peak ground acceleration (PGA), site soil coefficient, spectral modification parameter, and the building vulnerability parameter. A brief explanation of the selected values is provided within the PML calculation summary appendix. With respect to the SUL, the loss estimate is correlated and scaled to that published in ATC-13-1, *Commentary on the Use of ATC-13 Earthquake Damage Evaluation Data for Probable Maximum Loss Studies of California Buildings*.

6.2 Probable Maximum Loss (PML) Calculations

The scenario loss estimates for the Subject are determined in conformance with the scope and limitations of ASTM Guides E2026 and E2557 for a Level 1 assessment. They are based on field observations, a review of available documents and use of the previously described loss prediction methodology. Appendix 3 shows the PML calculation summary. Appendix 4 shows the ASTM summary findings form.

The PML assessment values in terms of the Scenario Expected Loss (SEL) and Scenario Upper Loss (SUL) for a 475-year return period are reported as follows:

Designation	SEL 475 (50% Confidence)	SUL 475 (90% Confidence)
325 S Schnoor Avenue	2%	4%
335 S Schnoor Avenue	2%	4%
345 S Schnoor Avenue	2%	4%
355 S Schnoor Avenue	2%	4%
Aggregate Total	**2%**	**4%**

At this level, anticipated losses would most likely include nonstructural component damage, but generally nothing requiring structural repairs.

PHOTOGRAPHS

The single-story 325-355 Schnoor Avenue, front entrance elevation.

The typical steel light framed front and side elevation (325 S Schnoor Avenue).

The typical steel light framed front elevation (325 S Schnoor Avenue).

The typical steel light framed rear elevation.

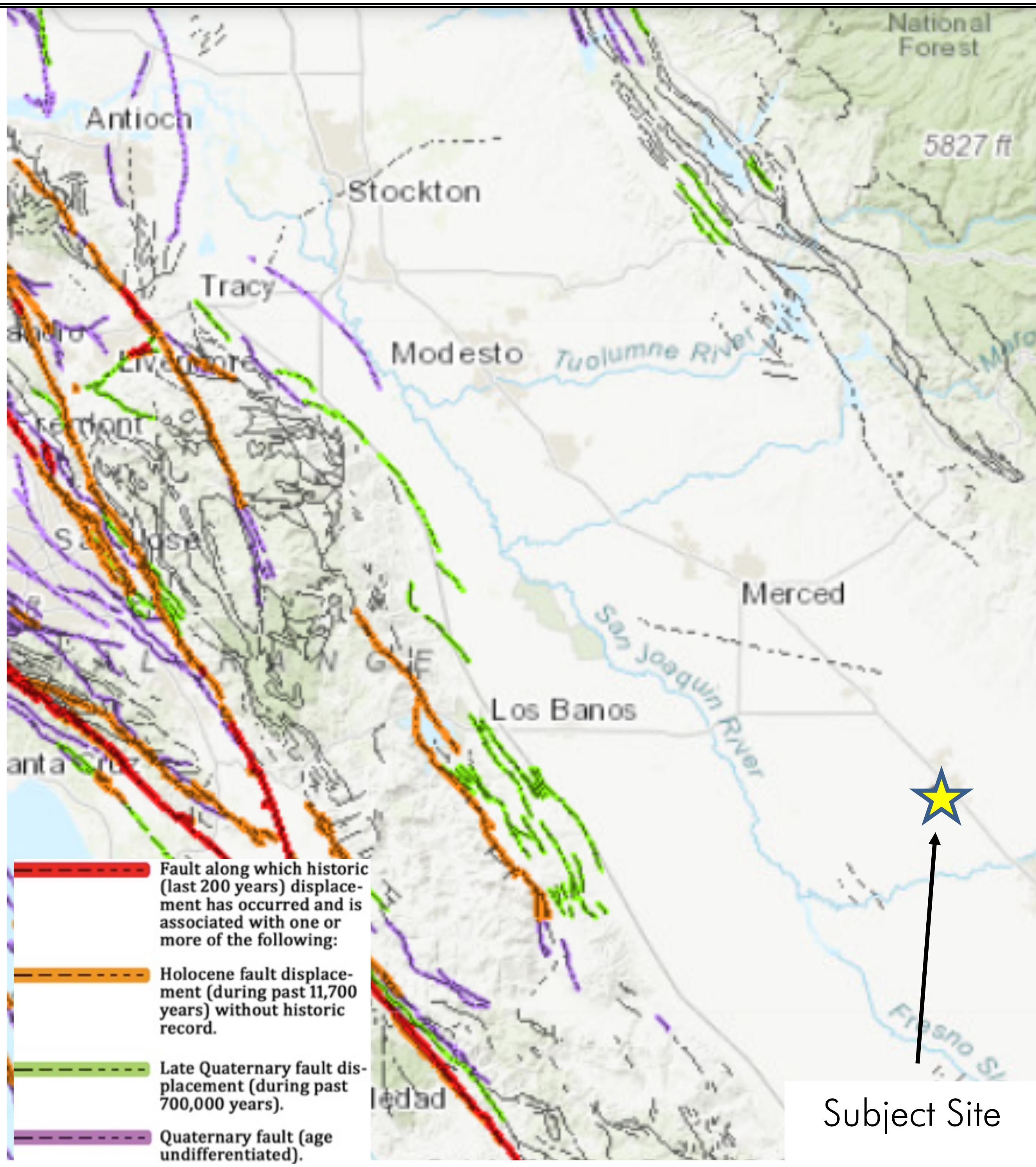
The typical steel light framed courtyard elevation.

The typical corrugated metal roofing.

The typical roof tension-only cable diaphragm bracing.

The typial longitudinal steel moment frame.

SUPPLEMENTARY DOCUMENTATION

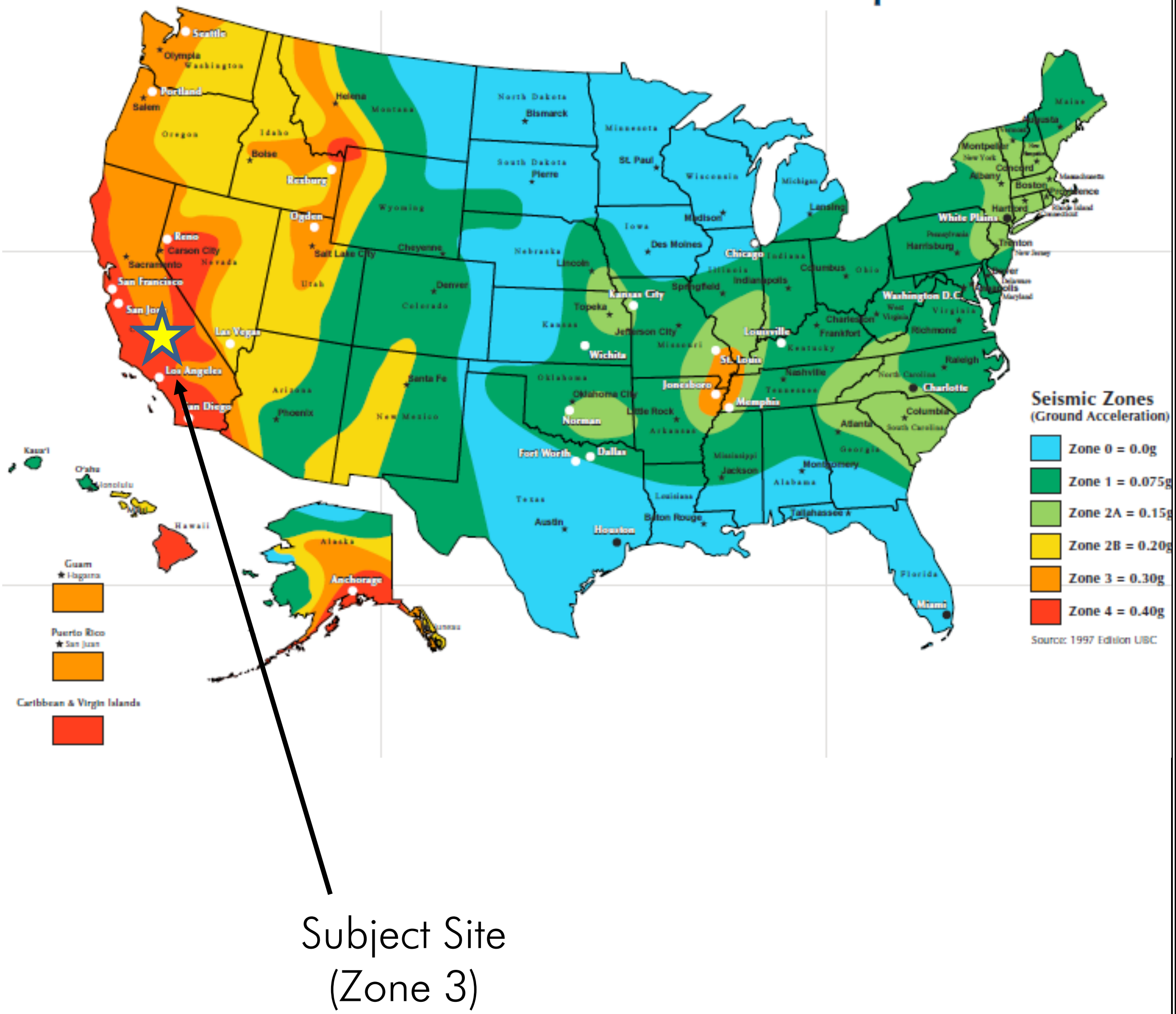


Appendix 1: Major Fault Locations

Source: California Geological Survey, Department of Conservation	Project Name: 325-355 S Schnoor Avenue Madera, California Project Number: CB24US031726-3

CBRE

United States Seismic Zones Map



Appendix 2: US Seismic Zone Map (UBC 1997)

Source: CBRE	Project Name: 325-355 S Schnoor Avenue Madera, California Project Number: CB24US031726-3

Seismic Loss Estimation Calculations

The Thiel and Zsutty methodology represents building damageability as follows:

$$p = k(b)(m)(s)(a)^{j} \qquad \text{Equation 5-1}$$

Where the equation parameters are defined as follows:

Thiel and Zsutty Parameter	Description
Proportionality Constant, k	Represents linear dependence on a specific data set.
Building Vulnerability Parameter, b	Parameter representing the damageability referenced to a standard comparative structure.
Spectral Modification Parameter, m	Spectral modification parameter representing the similarity of the building and site periods.
Site Soil Coefficient, s	Site parameter representing the relative response of the site referenced to a standard site condition.
Peak Ground Acceleration, a	Peak ground acceleration (PGA) for the earthquake and site under consideration as reported by the USGS for soil type B/C.
Constant, j	Represents the nonlinear dependence of damage on acceleration.

The Thiel and Zsutty parameters for the subject property are summarized as follows:

Thiel and Zsutty Parameter	Thiel and Zsutty Reference	Value
k	California Data Set	0.554
b	Table 8-3 (Light Metal)	0.11
m	Table 8-4 (Otherwise)	1.00
s	Table 7-1 (Alluvium, Water Table 30 to 100 Feet)	1.25
a	10% in 50 Years (475–Year Event)	0.14
j	California Data Set	0.63

The Scenario Expected Loss (SEL) and the Scenario Upper Loss (SUL) are determined as follows:

$$SEL = k(b)(m)(s)(a)^{j} = 0.554(0.11)(1.00)(1.25)(0.14)^{0.63}$$

$$= 0.02 \text{ or } 2\%$$

SUL = 1.13[BETAINV(0.9,4.14,190.9)] (Correlated with ATC 13-1 Appendix B)

$$= 0.04 \text{ or } 4\%$$

Appendix 3: PML Calculation Summary

Source: Charles C. Thiel, Jr. and Theodore C. Zsutty, *Earthquake Characteristics and Damage Statistics*, Earthquake Spectra, Vol. 3, No. 4, November 1987.

Project Name: 325-355 S Schnoor Avenue
Madera, California

Project Number: CB24US031726-3

ASTM Summary Findings Form

ASTM Summary Parameter	Description
Property Name	325-355 S Schnoor Avenue
Property Address	325-355 S Schnoor Avenue
Report Title	Seismic and PML Assessment
Site Visit Performed By/Date	Scott M. Adan / April 16, 2024
Evaluation Performed By	Undersigned
Specific Design Documents Reviewed	Refer to Section 1.3
Methods To Determine Site Ground Motion and Site Stability	Refer to Section 4.0
PML Defined As	Refer to Section 6.2
Analysis Methods/Procedures Used to Determine PML	Refer to Section 6.1
Analysis Methods/Procedures Used to Determine Building Stability	Refer to Section 5.0
ASTM E2026 and E2557 Level of Review	BS1, SS1, BD1
Exceptions to ASTM Requirements	Refer to Section 1.2

CBRE has performed a probable maximum loss (PML) evaluation for earthquake due diligence assessment in conformance with the scope and limitations of ASTM Guide E2026 and Practice E2557 for a Level 1 assessment of the aforementioned property. Any exceptions to, or deletions from, ASTM requirements are described in Section 1.2 of this report. The Subject meets both the site and building stability requirements. This PML evaluation for earthquake due diligence assessment has determined the PML to be as follows:

SEL_{475} (50% Confidence)	SUL_{475} (90% Confidence)
2%	4%

The undersigned hereby acknowledges that the above referenced report is considered an engineering work product, and as such, confirms that he is qualified by licensing and experience to conduct such review. Furthermore, the report was prepared by or under the direct supervision of the undersigned as specified by state laws or codes including, but not limited to, the site visit, determination of building stability, and estimation of probable maximum loss.

Name: Scott M. Adan, Ph.D.
Company: CBRE
License No.: S5500; State: California
Registration Title: Registered Professional Engineer - Structural

REGISTERED PROFESSIONAL ENGINEER
SCOTT MCKAY ADAN
No. S5500
Exp. 03/31/25
STRUCTURAL
STATE OF CALIFORNIA

Appendix 4: ASTM Summary Findings Form

Source: ASTM E2557 Appendix X4.

Project Name: 325-355 S Schnoor Avenue
Madera, California

Project Number: CB24US031726-3

QUALIFICATIONS

ACS / LOS ANGELES, CA

Scott M. Adan, PhD, PE, SE

Director of Seismic Assessment Services, Western Region
T +1 818 934 6973
E scott.adan@cbre.com

Pro Affiliations / Accreditations

- Structural Engineer, CA
- Structural Engineer, UT
- Civil Engineer, CA
- Professional Engineer, WA
- Professional Engineer, NY
- Earthquake Engineering Research Institute, EERI
- Structural Engineers Association of California, SEAOC
- American Concreate Institute, ACI
- American Institute of Steel Construction, AISC

Education

- Bachelor degree in Civil Engineering from the University of Texas - Austin
- Masters in Civil Engineering from Brigham Young University
- Doctor of Philosophy in Civil Engineering from the University of Utah

Professional Experience

With over 30 years of experience, Dr. Adan is a nationally recognized structural and earthquake engineer. As Director of Seismic Assessment Services, he is the primary technical consultant for all the company's seismic assessment needs. His extensive experience and engineering background provide a keen ability to advise real estate owners, investors, and lending institutions on matters related to seismic and earthquake due diligence.

Dr. Adan has authored more than 20 publications on earthquake resistant design and has investigated damage from numerous earthquakes and lectured on their effects. He has performed research for the National Institute of Standards and Technology and for the Structural Engineers Association of Northern California. In the past, he has served as an adjunct professor of Civil Engineering at the University of Utah and at the University of Washington. He has also been directly responsible for the structural design, evaluation, and retrofit for hundreds of buildings throughout the country and abroad.

As past chair of the Structural Engineers Association of Northern California's Steel Subcommittee, he continues to serve on many professional organizations including the Earthquake Engineering Research Institute's Concrete Coalition Advisory Committee, the Structural Engineers Association of California's Committee for Post-Disaster Performance Observations, the American Society of Civil Engineer's Structural Engineering Institute, and the American Concrete Institute's Performance Based Seismic Design of Concrete Buildings Committee.

Dr. Adan has received numerous honors and awards including the President's Award from the Structural Engineers Association of Washington, Award of Merit in Structural Engineering from the Structural Engineers Association of Northern California and is a recipient of the Special Projects Initiative from the same organization.

William D. Gonzalez, P.E., PMP

T 305.710.8666
william.gonzalez@cbre.com

Sun Trust Center
200 S Orange Avenue
Suite 2100
Orlando, FL 32801

Experience

Mr. Gonzalez has over 23 years of experience on the construction and design fields working with several general contractors and engineering design firms. His solid experience has been gained by managing and completing numerous projects in Florida of new construction or alterations. Mr. Gonzalez is a Licensed Professional Engineer, Project Management Professional (PMP) and a Licensed General Contractor in the state of Florida.

Mr. Gonzalez has performed Property Condition Assessments (PCA's) reviews for both equity and refinance purposes (including Agency – Fannie/Freddie SBL) on numerous commercial properties including: Multi-family, Retail, Hospitality, Office, Industrial Warehouse, Parking Garages, Assisted Living Facilities, Self-Storage and gas stations in the United States, Mexico, the Caribbean and Latin America. Mr. Gonzalez is experienced in due diligence, capital expenditures and identifying immediate repairs and calculating replacement reserves for a variety of loans and is proficient in conducting historical and municipal research, file reviews, drawing conclusions and providing recommendations.

Under the Construction Risk Management responsibilities consist of making periodic site visits to observe and record the construction loan status of new projects; general compliance of as built and/or current conditions with the contract drawings and specifications, review construction schedules, job cost reports, and requisitions for pay applications (AIA G702, G703 forms) between Owner and Contractor on behalf of the lender.

Professional Licenses

- Licensed Professional Engineer; States of Florida (P.E. No. 57347) & North Carolina (P.E. No. 036099)
- Licensed Certified General Contractor (CGC); State of Florida (CGC-1506177)
- Licensed Real Estate Sales Associate; State of Florida (SL3496442)

Education

- University of Central Florida, Orlando, Florida
    - Bachelor of Science in Civil and Environmental Engineering

Certifications / Training

- CBRE PJM Foundation I
- Project Management Professional (PMP), Project Management Institute (PMI)
- 30-Hour OSHA Training Program – Construction
- McKinsey Academy – Management Accelerator Program, CBRE, July 2023
- CBRE EMPOWER Program 2023

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