

LAND APPRAISAL REPORT

Summary Appraisal Report

File No. 303091L

IDENTIFICATION	Borrower LITTLE	Census Tract 0432.72	Map Reference 956-B6	
	Property Address AP# 932-290-011 Parcel 3 Via Nuve			
	City MURRIETA	County RIVERSIDE	State CA	Zip Code 92562
	Legal Description 21.03 ACRES NET IN PARCEL 3 PM 118/065 PM 17053			
	Sale Price \$ N/A		Date of Sale N/A	Loan Term N/A yrs.
Actual Real Estate Taxes \$ 4,459.00 (yr)		Loan charges to be paid by seller \$ NONE DIS		
Lender/Client Federal Home Loans Corp.		Address 5540 Ruffin Rd, San Diego, CA 92123		
Occupant VACANT		Appraiser DARRIN OUILLETTE		
Instructions to Appraiser ASCERTAIN FAIR MARKET VALUE.				

NEIGHBORHOOD	Location	<input type="checkbox"/> Urban	<input checked="" type="checkbox"/> Suburban	<input type="checkbox"/> Rural	<table style="width: 100%; border-collapse: collapse;"> <tr> <td>Employment Stability</td> <td><input type="checkbox"/> Good</td> <td><input checked="" type="checkbox"/> Avg.</td> <td><input type="checkbox"/> Fair</td> <td><input type="checkbox"/> Poor</td> </tr> <tr> <td>Convenience to Employment</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Convenience to Shopping</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Convenience to Schools</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Adequacy of Public Transportation</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Recreational Facilities</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Adequacy of Utilities</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Property Compatibility</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Protection from Detrimental Conditions</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Police and Fire Protection</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>General Appearance of Properties</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Appeal to Market</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> </table>	Employment Stability	<input type="checkbox"/> Good	<input checked="" type="checkbox"/> Avg.	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor	Convenience to Employment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Convenience to Shopping	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Convenience to Schools	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Adequacy of Public Transportation	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Recreational Facilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Adequacy of Utilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Property Compatibility	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Protection from Detrimental Conditions	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Police and Fire Protection	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	General Appearance of Properties	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Appeal to Market	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Built Up	<input checked="" type="checkbox"/> Over 75%	<input type="checkbox"/> 25% to 75%	<input type="checkbox"/> Under 25%																																																														
Growth Rate	<input type="checkbox"/> Fully Dev.	<input type="checkbox"/> Rapid	<input checked="" type="checkbox"/> Steady																																																														
Property Values	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining																																																														
Demand/Supply	<input type="checkbox"/> Shortage	<input checked="" type="checkbox"/> In Balance	<input type="checkbox"/> Oversupply																																																														
Marketing Time	<input type="checkbox"/> Under 3 Mos.	<input checked="" type="checkbox"/> 4-6 Mos.	<input type="checkbox"/> Over 6 Mos.																																																														
Present Land Use	<input checked="" type="checkbox"/> 85% 1 Family	<input type="checkbox"/> 2-4 Family	<input type="checkbox"/> Apts.																																																														
Change in Present Land Use	<input type="checkbox"/> Not Likely	<input type="checkbox"/> Likely (*)	<input checked="" type="checkbox"/> Taking Place (*)																																																														
Predominant Occupancy	<input checked="" type="checkbox"/> Owner	<input type="checkbox"/> Tenant	<input type="checkbox"/> 2 % Vacant																																																														
Single Family Price Range	\$ 400,000 to \$ 2.5 MIL		Predominant Value \$ 600,000																																																														
Single Family Age	0 yrs. to	25 yrs.	Predominant Age 10 yrs.																																																														

Comments including those factors, favorable or unfavorable, affecting marketability (e.g. public parks, schools, view, noise): **The neighborhood consists of vacant lots and custom sfr's (average-good quality). All supporting facilities are located within 10 miles and the (15) freeway is located 6 miles northeast. The neighborhood is bounded by the Cleveland National Forest to the north and west, De Luz to the south and Murrieta city limits east.**

SITE	Dimensions MULTIPLE - PLEASE SEE PLAT MAP = 21.03 Sq. Ft. or Acres	<input type="checkbox"/> Corner Lot
	Zoning classification RA20-RESIDENTIAL	Present Improvements <input checked="" type="checkbox"/> do <input type="checkbox"/> do not conform to zoning regulations
	Highest and best use <input type="checkbox"/> Present use <input checked="" type="checkbox"/> Other (specify) SFR	Topo FLAT AND HILLY TERRAIN
	Elec. <input checked="" type="checkbox"/> AT STREET	Street Access <input checked="" type="checkbox"/> Public <input type="checkbox"/> Private
	Gas <input type="checkbox"/> PRPNE AVAIL.	Surface DIRT
	Water <input type="checkbox"/> PRIVATE WELL	Maintenance <input checked="" type="checkbox"/> Public <input type="checkbox"/> Private
	San. Sewer <input type="checkbox"/>	<input type="checkbox"/> Storm Sewer <input type="checkbox"/> Curb/Gutter
	<input checked="" type="checkbox"/> Underground Elect. & Tel.	<input type="checkbox"/> Sidewalk <input type="checkbox"/> Street Lights
	Is the property located in a HUD Identified Special Flood Hazard Area? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	
	Comments (favorable or unfavorable including any apparent adverse easements, encroachments, or other adverse conditions): Site is a interior lot that sides and backs other residential lots and has a territorial view. Site is oak studded, has a seasonal creek and has about 8+ flat acres. No adverse easements or encroachments noted upon site inspection or review of plat map.	

The undersigned has recited three recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description includes a dollar adjustment reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to or more favorable than the subject property, a minus (-) adjustment is made thus reducing the indicated value of subject; if a significant item in the comparable is inferior to or less favorable than the subject property, a plus (+) adjustment is made thus increasing the indicated value of the subject.

MARKET DATA ANALYSIS	ITEM	SUBJECT PROPERTY	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
	Address	AP# 932-290-011 Parcel 3 Via Nuve MURRIETA	AP# 932-290-019 17560 Ainsley Ct., Murrieta	AP# 932-310-007 Hombro Ln., Murrieta	AP# 932-020-019 17402 Via Abril, Murrieta
Proximity to Subject		0.17 miles W	2.17 miles NE	1.01 miles SW	
Sales Price	\$ N/A	\$ 135,000	\$ 165,000	\$ 158,000	
Price	\$ 8,559	\$ 26,627	\$ 8,671	\$ 16,545	
Data Source	FARES/INSPECTION	FARES/INSPECTION/MLS	FARES/INSPECTION/MLS	FARES/INSPECTION/MLS	
Date of Sale and Time Adjustment	N/A	07/30/12 COE	07/30/12 COE	06/26/12 COE	
Location	AVERAGE	AVERAGE	AVERAGE	AVERAGE	
Site/View	21.03AC/60% UT	5.07AC/100% UT	19.03AC/65% UT	9.55AC/100% UT	
VIEW	TERRITORIAL	TERRITORIAL	TERRITORIAL	TERRITORIAL	
BUILDABILITY	GOOD	GOOD	GOOD	GOOD	
ACCESS	DIRT ROAD	DIRT ROAD	PAVED ROAD	DIRT ROAD	
OTHER	Oaks, creek, well	Oaks, well & perc.	Oaks, creek, well	Oaks	
Sales or Financing Concessions	NONE DISCLOSED	CASH	CASH	CASH	
	N/A	12-354784	12-356863	12-295429	
Net Adj. (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 53,000	<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ -3,000	<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 26,500	
Indicated Value of Subject		Net 39.3 % \$ 188,000	Net 1.8 % \$ 162,000	Net 16.8 % \$ 184,500	

Comments on Market Data: **All comps are very recent lot sales located within 2 miles and from the subject neighborhood. Comp 1 is the most proximate & has oak trees, well and a current perc. test/report. Comps 2 & 3 are recent sales of larger lots in the area. Site adjustments made at the rate of \$7,000 per flat usable acre over five acres, which is typical of the neighborhood.**

Comments and Conditions of Appraisal: **The appraised value is based upon the assumption that a satisfactory percolation test/report is obtainable and there are no negative soils, geological or easement issues with the subject site. The large disparity in the acreage of comp 1 caused the preferred 10% line item, 15% net and 25% gross adjustment ratios to be exceeded.**

RECONCILIATION	Final Reconciliation: Due to the tight range of adjusted values and the quality of data, all comps were weighted equally. The subject property is currently listed for \$399,000, has been on the market since 04/04/12 and has not sold in the past 36 months per metroscan.
	I ESTIMATE THE MARKET VALUE, AS DEFINED, OF SUBJECT PROPERTY AS OF 9/12/2012 20 12 to be \$ 180,000

Darrin Ouillette

DARRIN OUILLETTE Did Did Not Physically Inspect Property

Appraiser(s) _____ Review Appraiser (if applicable)

APPRAISER CERTIFICATIONS

File No. 303091L

Borrower/Client	LITTLE			
Property Address	AP# 932-290-011 Parcel 3 Via Nuve			
City	MURRIETA	County	RIVERSIDE	State CA Zip Code 92562
Lender	Federal Home Loans Corp.			

1. IN ACCORDANCE WITH THE COMPETENCY PROVISION OF THE UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE (HEREIN AFTER REFERRED TO AS USPAP), I CERTIFY THAT MY KNOWLEDGE AND EXPERIENCE IS SUFFICIENT TO ALLOW ME TO COMPETENTLY COMPLETE THIS APPRAISAL UNLESS OTHERWISE STATED IN THIS REPORT.
2. THE APPRAISAL ASSIGNMENT WAS NOT BASED UPON A REQUESTED MINIMUM VALUATION, A SPECIFIC VALUATION OR THE APPROVAL OF A LOAN.
3. MY ANALYSIS, OPINIONS AND CONCLUSIONS WERE DEVELOPED AND THIS REPORT HAS BEEN PREPARED IN CONFORMITY WITH USPAP. THE DEPARTURE PROVISION OF USPAP WAS NOT INVOKED IN THE PREPARATION OF THIS REPORT.
4. THIS APPRAISAL WAS PREPARED BY AN INDEPENDENT FEE APPRAISER. THE APPRAISER WAS ENGAGED DIRECTLY BY THE REGULATED INSTITUTION OR ITS AGENT. THE APPRAISER HAS NO DIRECT OR INDIRECT INTEREST (FINANCIAL OR OTHERWISE) IN THE SUBJECT PROPERTY OR TRANSACTION.
5. ANY AND ALL PERSONAL PROPERTY, FIXTURES OR INTANGIBLE ITEMS ARE NOT VALUED WITHIN THE SCOPE OF THIS REPORT. THEIR INCLUSION IN THE PURCHASE PRICE/CONTRACT HAS NO EFFECT ON THE FINAL VALUATION.
6. IF INFORMATION REQUIRED OR DEEMED PERTINENT TO THE COMPLETION OF THIS APPRAISAL WAS NOT AVAILABLE THIS FACT WAS DISCLOSED AND EXPLAINED IN THE BODY OF THE REPORT OR THE ADDENDA.
7. THE UNDERSIGNED HAVE MADE A PERSONAL INSPECTION OF THE SUBJECT PROPERTY UNLESS OTHERWISE NOTED IN THE REPORT.
8. NO ONE PROVIDED SIGNIFICANT PROFESSIONAL ASSISTANCE TO THE UNDERSIGNED APPRAISER(S) UNLESS OTHERWISE NOTED IN THE REPORT.
9. THIS APPRAISAL CONTAINS SUFFICIENT SUPPORTING DOCUMENTATION WITH ALL PERTINENT INFORMATION REPORTED SO THAT THE APPRAISER'S LOGIC, REASONING, JUDGEMENT AND ANALYSIS IN ARRIVING AT A CONCLUSION INDICATE TO THE READER THE REASONABLENESS OF THE MARKET VALUE REPORTED.
10. I REPRESENT THAT I HAVE AT NO TIME BEEN CONVICTED OF ANY CRIMINAL OFFENSE. I FURTHER AUTHORIZE THE LENDER/CLIENT INDICATED ON THE FRONT PAGE OF THE REPORT TO VERIFY THIS INFORMATION BY PERFORMING ANY APPROPRIATE BACKGROUND CHECK.
11. IF THE EFFECTIVE DATE OF THE APPRAISAL AND THE DATE THE REPORT WAS PREPARED/SIGNED COINCIDE IT IS DUE TO THE FACT THAT THE REPORT WAS WRITTEN UP THE SAME DAY THAT THE SUBJECT PROPERTY WAS INSPECTED.
12. THE FEE CHARGED FOR THIS APPRAISAL DOES NOT INCLUDE ADDITIONAL CONSULTATION TO THE CLIENT. IF CONSULTATION IS REQUESTED THE FEE CHARGED FOR SUCH SERVICES SHALL BE \$100.00 PER HOUR. QUESTIONS REGARDING THE FACTS, ANALYSIS OR OPINIONS CONTAINED WITHIN THIS REPORT ARE NOT CONSIDERED CONSULTATION AND WILL BE ANSWERED FREE OF CHARGE PROVIDED THEY ARE PRESENTED TO THE UNDERSIGNED WITHIN 15 DAYS OF RECEIPT OF THIS REPORT. QUESTIONS REGARDING APPRAISAL TERMINOLOGY OR TECHNIQUE ARE CONSIDERED CONSULTATION. THE CLIENT IS ADVISED TO CONSULT THE AMERICAN INSTITUTE OF REAL ESTATE APPRAISERS PUBLICATIONS "THE DICTIONARY OF REAL ESTATE APPRAISAL" AND "THE APPRAISAL OF REAL ESTATE."
13. THIS APPRAISAL WAS PREPARED IN ACCORDANCE WITH USPAP AND THE GUIDELINES OF THE LENDER/CLIENT NOTED ON THE FRONT PAGE OF THIS REPORT. BY DEFINITION, AN APPRAISAL IS AN ARBITRARY, UNBIASED OPINION OF VALUE. SINCE OWNER'S OF PROPERTIES ARE TYPICALLY NOT UNBIASED OBSERVERS, OCCASIONAL DIFFERENCES OF OPINION OCCUR. VALUATION DISPUTES SHOULD BE HANDLED IN WRITING THROUGH THE LENDER/CLIENT LISTED ON THE FRONT PAGE OF THIS REPORT. THE ONLY VALID BASIS FOR AN APPEAL OF THE FOREGOING VALUE CONCLUSIONS ARE:
 - A.) TO PROVIDE WRITTEN EVIDENCE OF A SPECIFIC VIOLATION OF USPAP.
 - B.) TO PROVIDE VERIFIABLE RECORDED SALES DATA THAT IS MORE RECENT AND MORE SIMILAR (TO THE SUBJECT) THAN THAT USED IN THE REPORT. SALES DATA TAKING PLACE AFTER THE EFFECTIVE DATE OF THIS REPORT CANNOT BE CONSIDERED.
14. BY ACCEPTANCE OF THIS REPORT YOU ACKNOWLEDGE THAT A VALUE OPINION IS THE PRODUCT OF A PROFESSIONALLY TRAINED MIND BUT NEVERTHELESS IS AN OPINION ONLY AND NOT A PROVABLE FACT. AS A PROFESSIONAL OPINION, VALUATION CAN AND DOES DIFFER BETWEEN APPRAISERS BASED ON THE SAME SET OF FACTS.
15. ENVIRONMENTAL DISCLAIMER: THERE WERE NO ENVIRONMENTAL HAZARDS NOTED AT THE TIME OF INSPECTION OF THE SUBJECT PROPERTY. THE VALUE ESTIMATED IN THIS REPORT IS BASED ON THE ASSUMPTION THAT THE SUBJECT PROPERTY IS NOT NEGATIVELY AFFECTED BY THE EXISTENCE OF HAZARDOUS SUBSTANCES OR DETRIMENTAL CONDITIONS. THE APPRAISER IS NOT AN EXPERT IN THE IDENTIFICATION OF HAZARDOUS SUBSTANCES OR DETRIMENTAL ENVIRONMENTAL CONDITIONS. THE APPRAISER'S ROUTINE INSPECTION OF AND INQUIRIES ABOUT THE SUBJECT PROPERTY DID NOT DEVELOP ANY INFORMATION THAT INDICATED ANY APPARENT HAZARDOUS SUBSTANCES OR DETRIMENTAL ENVIRONMENTAL CONDITIONS THAT WOULD NEGATIVELY AFFECT THE SUBJECT PROPERTY. IT IS POSSIBLE THAT TESTS AND INSPECTIONS PERFORMED BY A PROFESSIONAL IN THIS FIELD WOULD DETECT THE EXISTENCE OF HAZARDOUS SUBSTANCES OR DETRIMENTAL ENVIRONMENTAL CONDITIONS WHICH MAY AFFECT THE VALUE SUMMARIZED IN THIS APPRAISAL. ACCEPTANCE OF THIS REPORT INDICATES YOUR APPROVAL OF THE FOREGOING FACTS.
16. THE APPRAISER IS NOT AN EXPERT IN THE FIELD OF SOILS ENGINEERING AND DID NOT REVIEW ANY SOILS REPORTS REGARDING THE SUBJECT PROPERTY. THE UNDERSIGNED MAKES NO WARRANTY OR CLAIMS AS TO THE CONDITION OF THE SOIL OR SETTLEMENT PROBLEMS. UNLESS OTHERWISE NOTED, THE SUBJECT PROPERTY WAS APPRAISED "AS IS" AND ASSUMES NO ADVERSE SOILS CONDITIONS.
17. UNLESS OTHERWISE STATED IN THIS REPORT, THE APPRAISER HAS RESEARCHED AND TAKEN INTO ACCOUNT THE PROXIMITY OF THE SUBJECT TO "SPECIAL STUDIES ZONES" (EARTHQUAKE FAULTS) AND HAS INDICATED, BASED ON THE INFORMATION AVAILABLE FROM INFORMED SOURCES AND TO THE BEST OF THE APPRAISER'S KNOWLEDGE, THE POSSIBLE NEGATIVE IMPACT OF THIS PROXIMITY ON THE SUBJECT'S VALUE AND MARKETABILITY.
18. UNLESS OTHERWISE STATED IN THIS REPORT, THE APPRAISER HAS RESEARCHED AND TAKEN INTO ACCOUNT THE PROXIMITY OF THE SUBJECT TO A FEMA SPECIAL FLOOD HAZARD AREA AND THE POSSIBLE NEGATIVE IMPACT OF THIS PROXIMITY ON THE SUBJECT'S VALUE AND MARKETABILITY.

APPRAISER CERTIFICATIONS

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Lender	Federal Home Loans Corp.			

I. PURPOSE OF THE APPRAISAL

THE PURPOSE OF THIS APPRAISAL REPORT IS TO ESTIMATE THE MARKET VALUE OF THE SUBJECT PROPERTY, AS DEFINED HEREIN, AS OF THE EFFECTIVE DATE OF THIS REPORT. THIS VALUE ESTIMATE IS TO BE USED SOLELY BY THE CLIENT AS A BASIS FOR A MORTGAGE LENDING DECISION. IT WAS NOT PREPARED AS A NEGOTIATING OR MARKETING TOOL, NOR FOR ANY OTHER PURPOSE. PLEASE BE ADVISED THAT IT IS NOT APPROPRIATE TO USE THIS APPRAISAL FOR ANY OTHER PURPOSE OTHER THAN WHICH IT WAS INTENDED, AS DOING SO MAY INVALIDATE ITS CONCLUSIONS.

II. SCOPE OF THE APPRAISAL

THE FOLLOWING STEPS WERE TAKEN IN ARRIVING AT THE VALUE ESTIMATED IN THIS REPORT:

1. AFTER RECEIVING THE ASSIGNMENT, A PRELIMINARY SEARCH WAS MADE TO DETERMINE MARKET TRENDS AND OTHER SIGNIFICANT FACTORS PERTINENT TO THE SUBJECT PROPERTY.
2. A PHYSICAL INSPECTION OF THE PROPERTY WAS PERFORMED. ALTHOUGH DUE DILIGENCE WAS EXERCISED WHILE VISITING THE SUBJECT PROPERTY, THE APPRAISER IS NOT AN EXPERT IN SUCH MATTERS AS PEST CONTROL, STRUCTURAL ENGINEERING, HAZARDOUS WASTE, SOIL SLIPPAGE, SEPTIC/CESSPOOL SYSTEM INTEGRITY, ELECTRICAL, PLUMBING, ROOF, FOUNDATION SYSTEMS, ETC., AND NO WARRANTY IS GIVEN WITH REGARD TO THESE ELEMENTS. AS NEEDED, INSPECTIONS BY VARIOUS LICENSED PROFESSIONALS WITHIN THESE FIELDS MIGHT BE RECOMMENDED WITH THE FINAL VALUE ESTIMATE SUBJECT TO THEIR FINDINGS.
3. A DETAILED REVIEW OF MARKET SALES DATA EXTRACTED FROM VARIOUS SOURCES INCLUDING MULTIPLE LISTING SERVICE, METROSCAN, DATAQUICK, TRW-REDI, REAL ESTATE BROKERS, AGENTS, OTHER APPRAISERS AND THE APPRAISER'S FILES WAS UNDERTAKEN BY THE APPRAISER. RELEVANT MARKET FACTORS WERE WEIGHED AND THEIR INFLUENCE ON THE SUBJECT CONSIDERED IN THE SALES COMPARISON ANALYSIS. REPRODUCTION COST DATA AND MARKET RENTAL DATA WERE REVIEWED AS NEEDED.
4. THIS APPRAISAL REPORT WAS COMPLETED IN ACCORDANCE WITH USPAP AND CLIENT/LENDER GUIDELINES.

III. INTENT

THE INTENT OF THIS REPORT IS TO COMPLY WITH USPAP.

IV. COMPETENCY OF THE APPRAISER

THE APPRAISER POSSESSES THE APPROPRIATE KNOWLEDGE AND EXPERIENCE TO COMPLETE THIS ASSIGNMENT COMPETENTLY. THE APPRAISER IS CURRENTLY A CERTIFIED GENERAL APPRAISER LICENSED BY THE STATE OF CALIFORNIA.

V. SALES AND LISTING HISTORY

THE SALES AND LISTING HISTORY FOR THE PAST YEAR OF THE SUBJECT PROPERTY HAS BEEN DISCUSSED WITHIN THIS REPORT.

VI. RENTS AND VACANCIES

ANY INCOME ANALYSIS CONTAINED IN THIS REPORT IS BASED UPON CURRENT, SUPPORTED MARKET RENTAL AND VACANCY DATA.

VII. TREND ANALYSIS

CURRENT MARKET DEMAND/SUPPLY CONDITIONS AND REASONABLY EXPECTED MARKETING TIME IN THE SUBJECT'S MARKET ARE DISCUSSED IN THE REPORT.

VIII. DEDUCTIONS AND DISCOUNTS

THE PURPOSE OF THIS REPORT IS TO ESTIMATE A CASH EQUIVALENT MARKET VALUE FOR THE SUBJECT PROPERTY. CONCESSIONARY PRACTICES CURRENTLY OBSERVED (IF THEY EXIST) IN THE SUBJECT'S SUBMARKET ARE DISCUSSED IN THE BODY OF THE REPORT.

IX. PROHIBITED INFLUENCES

THE APPRAISAL ASSIGNMENT WAS NOT BASED UPON A REQUESTED MINIMUM VALUATION, SPECIFIC VALUATION, OR APPROVAL OF A MORTGAGE LOAN. EMPLOYMENT OF THE APPRAISER WAS NOT CONDITIONED UPON THE APPRAISAL PRODUCING A SPECIFIC VALUE OF VALUE WITHIN A GIVEN RANGE. NEITHER EMPLOYMENT OR COMPENSATION ARE

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BASED UPON APPROVAL OF ANY RELATED LOAN APPLICATION.

X. SELF CONTAINED

THIS APPRAISAL REPORT IS INTENDED TO BE A COMPLETE SUMMARY DOCUMENT INCLUDING ALL INFORMATION NECESSARY TO ENABLE THE READER TO UNDERSTAND THE APPRAISER'S OPINION. ANY THIRD PARTY STUDIES THAT ARE REFERRED TO, SUCH AS PEST CONTROL, SYSTEMS INSPECTION, OR HAZARDOUS WASTED DETECTION, HAVE BEEN VERIFIED BY THE APPRAISER TO THE EXTENT THE ASSUMPTIONS AND CONCLUSIONS ARE USED.

XI. PERSONAL PROPERTY

ANY PERSONAL PROPERTY INVOLVED IN THE TRANSACTION HAS BEEN EXCLUDED FROM THE VALUATION OF THE REAL PROPERTY. A TRANSACTION WHICH INCLUDES PERSONAL PROPERTY SHOULD HAVE A SEPARATE ASSESSMENT OF THE PERSONAL PROPERTY, FIXTURES, OR INTANGIBLE ITEMS PERFORMED BY A QUALIFIED PROFESSIONAL.

XII. THREE APPROACHES TO VALUE

BECAUSE SINGLE THE APPRAISER HAS MADE A REASONABLE EFFORT TO EMPLOY THE THREE APPROACHES TO VALUE. RENT MULTIPLIER FAMILY RESIDENCES ARE LESS COMMONLY PURCHASED FOR INVESTMENT PURPOSES, THE GROSS APPROACH WILL ONLY BE USED WHEN:

1. REQUESTED BY THE CLIENT FOR A NON-OWNER OCCUPIED SINGLE FAMILY RESIDENCE.
2. WHEN SUFFICIENT MARKET EVIDENCE EXISTS THAT RENTAL PROPERTIES OF INVESTOR PURCHASES ARE TYPICAL TO THE NEIGHBORHOOD AND THE ANALYSIS OF SAME ADDS SUPPORT TO THE APPRAISAL REPORT.

INDICATIVE OF MARKET IF THE GRM APPROACH IS NOT USED, IT IS BECAUSE IT IS CONSIDERED INSUFFICIENTLY VALUE, GIVEN MATERIAL LACK OF RELEVANT MARKET DATA.

XIII. POLITICAL-SOCIAL-ECONOMIC FACTORS

SETTING. THE AREA THE NEIGHBORHOOD AND SUBJECT PROPERTY ARE LOCATED IN A STABLE POLITICAL AND SOCIAL SERVICES AND HAS FAVORABLE ECONOMIC FACTORS IN TERMS OF EMPLOYMENT OPPORTUNITIES, AVAILABILITY OF MARKET ACTIVITY.

XIV. FLOOD ZONE COMMENTS

DESIGNATION IN THE FLOOD DATA REPORTED IN THIS APPRAISAL WAS OBTAINED FROM FEMA FLOOD MAPS. THE (NO) SUFFER DAMAGE FROM (FEMA FLOOD HAZARD) SECTION OF THE REPORT DOES NOT MEAN THAT THE PROPERTY CANNOT FLOODING.

XV. ESCROW INSTRUCTION REVIEWED

PROPOSED WHEN AVAILABLE AND APPLICABLE, ESCROW INSTRUCTIONS SUMMARIZING THE DETAILS OF THE TRANSACTION ARE REVIEWED AND THUS ATTACHED AND HEREBY MADE A PART OF THE REPORT. UNLESS OTHERWISE STATED WITHIN THE REPORT THE CONTRACT CONTAINS NO TERMS OR CONDITIONS THAT SHOULD EITHER ADVERSELY AFFECT THE VALUE OF THE PROPERTY OR CAUSE THE SALES PRICE TO BE ARTIFICIALLY INFLATED.

XVI. PROPERTY RIGHTS APPRAISED

ANY OTHER FEE SIMPLE ESTATE, WHICH IS DEFINED AS FOLLOWS: ABSOLUTE OWNERSHIP UNENCUMBERED BY POLICE POWER AND INTEREST OR ESTATE; SUBJECT ONLY TO THE LIMITATIONS OF EMINENT DOMAIN, ESCHEAT, PRINTING: OCTOBER TAXATION. REFERENCE: THE DICTIONARY OF REAL ESTATE AN AIREA PUBLICATION THIRD 1987.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale. (Source: FDIC Interagency Appraisal and Evaluation Guidelines, October 27, 1994.)

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgement.

STATEMENT OF LIMITING CONDITIONS AND CERTIFICATION

CONTINGENT AND LIMITING CONDITIONS: The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is valued on the basis of it being under responsible ownership.
2. Any sketch provided in the appraisal report may show approximate dimensions of the improvements and is included only to assist the reader of the report in visualizing the property. The appraiser has made no survey of the property.
3. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
4. Any distribution of valuation between land and improvements in the report applies only under the existing program of utilization. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
5. The appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous waste, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. This appraisal report must not be considered an environmental assessment of the subject property.
6. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
7. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice, and any applicable federal, state or local laws.
8. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that completion of the improvements will be performed in a workmanlike manner.
9. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the borrower; the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organizations; any state or federally approved financial institution; or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the property description section of the report only to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.
10. The appraiser is not an employee of the company or individual(s) ordering this report and compensation is not contingent upon the reporting of a predetermined value or direction of value or upon an action or event resulting from the analysis, opinions, conclusions, or the use of this report. This assignment is not based on a required minimum, specific valuation, or the approval of a loan.

CERTIFICATION: The appraiser certifies and agrees that:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial and unbiased professional analyses, opinions, and conclusions.
3. Unless otherwise indicated, I have no present or prospective interest in the property that is the subject of this report and no personal interest interest with respect to the parties involved.
4. Unless otherwise indicated, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
9. Unless otherwise indicated, I have made a personal inspection of the interior and exterior areas of the property that is the subject of this report, and the exteriors of all properties listed as comparables.
10. Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification (if there are exceptions, the name of each individual providing significant real property appraisal assistance is stated elsewhere in this report).

ADDRESS OF PROPERTY ANALYZED: AP# 932-290-011 Parcel 3 Via Nuve, MURRIETA, CA 92562

APPRAISER:

Signature: 
Name: DARRIN OUILLETTE
Title: CERTIFIED GENERAL APPRAISER
State Certification #: AG002617
or State License #: _____
State: CA Expiration Date of Certification or License: 10/26/2012
Date Signed: September 13, 2012

SUPERVISORY or CO-APPRAISER (if applicable):

Signature: _____
Name: _____
Title: _____
State Certification #: _____
or State License #: _____
State: _____ Expiration Date of Certification or License: _____
Date Signed: _____
 Did Did Not Inspect Property

Subject Photo Page

Borrower/Client	LITTLE						
Property Address	AP# 932-290-011 Parcel 3 Via Nuve						
City	MURRIETA	County	RIVERSIDE	State	CA	Zip Code	92562
Lender	Federal Home Loans Corp.						



Subject Front

AP# 932-290-011 Parcel 3 Via Nuve
 Sales Price **N/A**
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location **AVERAGE**
 View **21.03AC/60% UT**
 Site
 Quality
 Age



Subject Rear



Subject Street

Photograph Addendum

Borrower/Client	LITTLE				
Property Address	AP# 932-290-011 Parcel 3 Via Nuve				
City	MURRIETA	County	RIVERSIDE	State	CA Zip Code 92562
Lender	Federal Home Loans Corp.				



VIEW



VIEW



acreage



ACREAGE



ACREAGE



ACREAGE



Seasonal creek



Well



ACREAGE



ACREAGE

Comparable Photo Page

Borrower/Client	LITTLE				
Property Address	AP# 932-290-011 Parcel 3 Via Nuve				
City	MURRIETA	County	RIVERSIDE	State	CA Zip Code 92562
Lender	Federal Home Loans Corp.				



Comparable 1

AP# 932-290-019
 Prox. to Subject **0.17 miles W**
 Sale Price **135,000**
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location **AVERAGE**
 View **5.07AC/100% UT**
 Site
 Quality
 Age



Comparable 2

AP# 932-310-007
 Prox. to Subject **2.17 miles NE**
 Sale Price **165,000**
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location **AVERAGE**
 View **19.03AC/65% UT**
 Site
 Quality
 Age

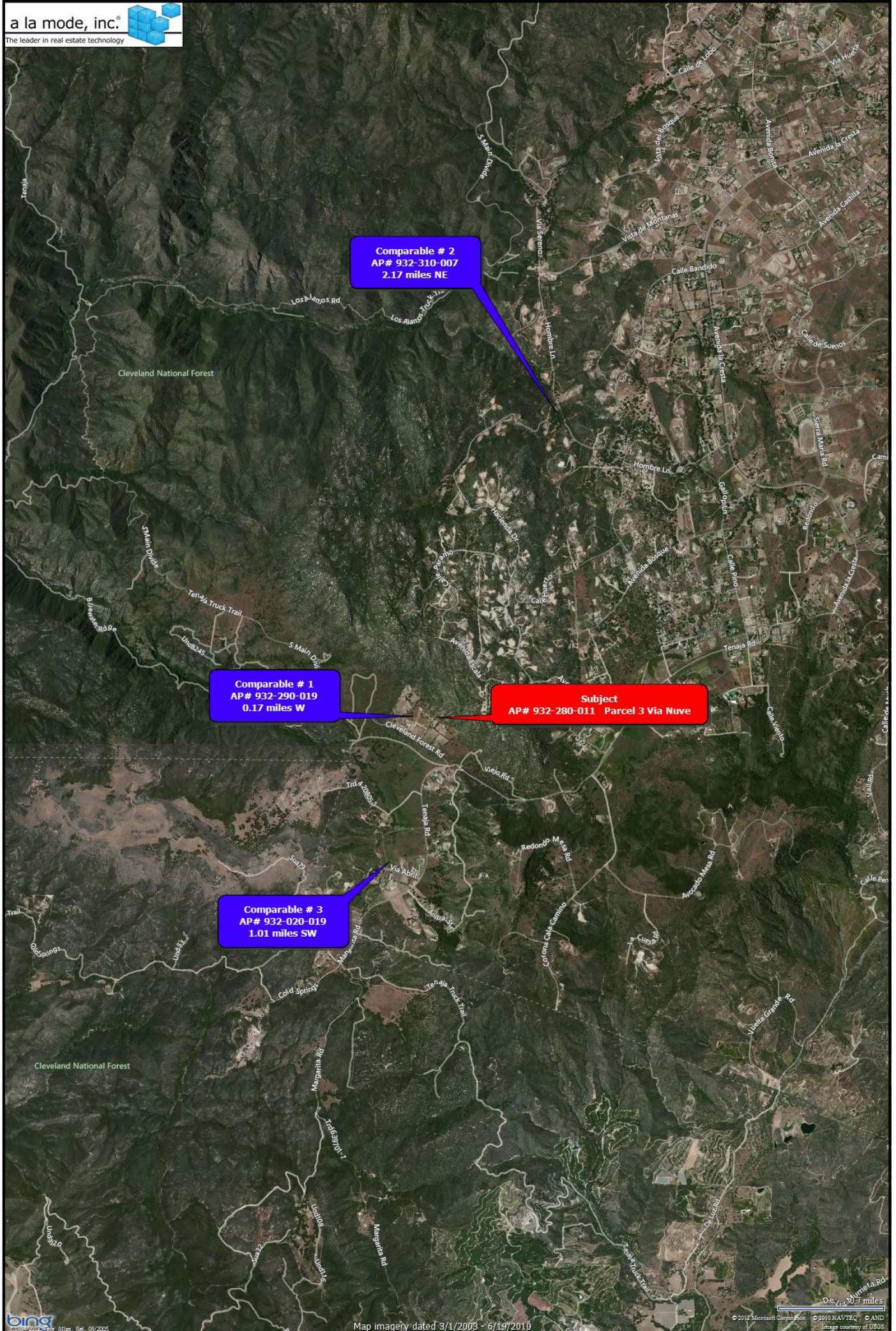


Comparable 3

AP# 932-020-019
 Prox. to Subject **1.01 miles SW**
 Sale Price **158,000**
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location **AVERAGE**
 View **9.55AC/100% UT**
 Site
 Quality
 Age

Location Map

Borrower/Client	LITTLE				
Property Address	AP# 932-290-011 Parcel 3 Via Nuve				
City	MURRIETA	County	RIVERSIDE	State	CA
Lender	Federal Home Loans Corp.				
				Zip Code	92562



Profile and Plat map

Realist

Page 1 of 1

Property Detail Report

Subject Property

Riverside County

Owner Info:

Owner Name : Little Fred Steffan	Tax Billing Zip+4 : 2728
Owner Name 2 : Little Kristie	Recording Date : 08/29/2000
Mail Owner Name : Fred Steffan & Kristie Little	Annual Tax : \$4,459
Tax Billing Address : 2041 Vista Grande Dr	County Use Code : Vac Agriculture
Tax Billing City & State : Vista CA	State Use : A19000
Tax Billing Zip : 92084	Universal Land Use : Agricultural Land

Location Info:

Zoning : R-A-20	Census Tract : 432.72
School District : Murrieta Vly	

Tax Info:

Tax ID : 932-290-011	Land Assessment : \$158,775
Alt APN : 932-290-011	Total Assessment : \$158,775
Tax Year : 2011	Tax Area : 82026
Annual Tax : \$4,459	Legal Description : 21.03 Acres Net In Par 3 Pm 118/065 Pm 17053
Assessment Year : 2011	Lot Number : 3

Characteristics:

Lot Acres : 21.03	Lot Sq Ft : 916066.8
Water : Type Unknown	Sewer : None

Last Market Sale:

Recording Date : 08/29/2000	Deed Type : Grant Deed
Settle Date : 06/16/2000	Owner Name : Little Fred Steffan
Sale Price : \$135,000	Owner Name 2 : Little Kristie
Document No : 337923	Seller : Coshow Gary R & Tina

Sales History:

[More History](#)

Recording Date : 08/29/2000	11/09/1988	11/09/1988	11/09/1988
Sale Price : \$135,000			
Nominal :	Y	Y	
Buyer Name : Little Fred S & Kristie	Coshow Gary & Tina	Coshow Gary & Tina	Coshow Gary & Tina
Seller Name : Coshow Gary R & Tina Gilman George C	Starnes Les O		Brizendine John Calvin
Document No : 337923	328652	328651	328650
Document Type : Grant Deed	Grant Deed	Grant Deed	Grant Deed

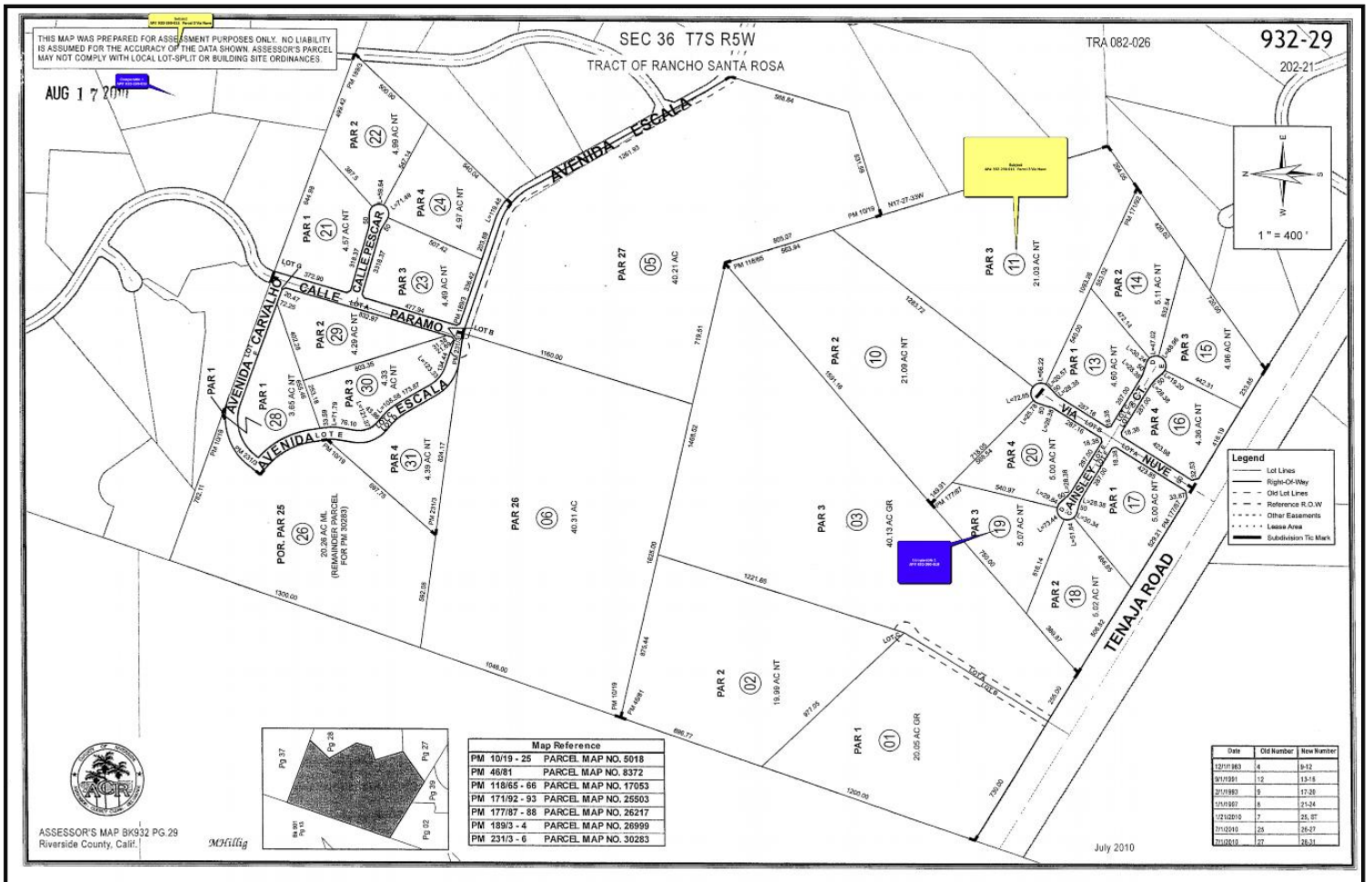
Mortgage History:

Mortgage Date : **08/29/2000**
Mortgage Amt : **\$101,250**
Mortgage Lender : **Lender Seller**
Mortgage Type : **Private Party Lender**

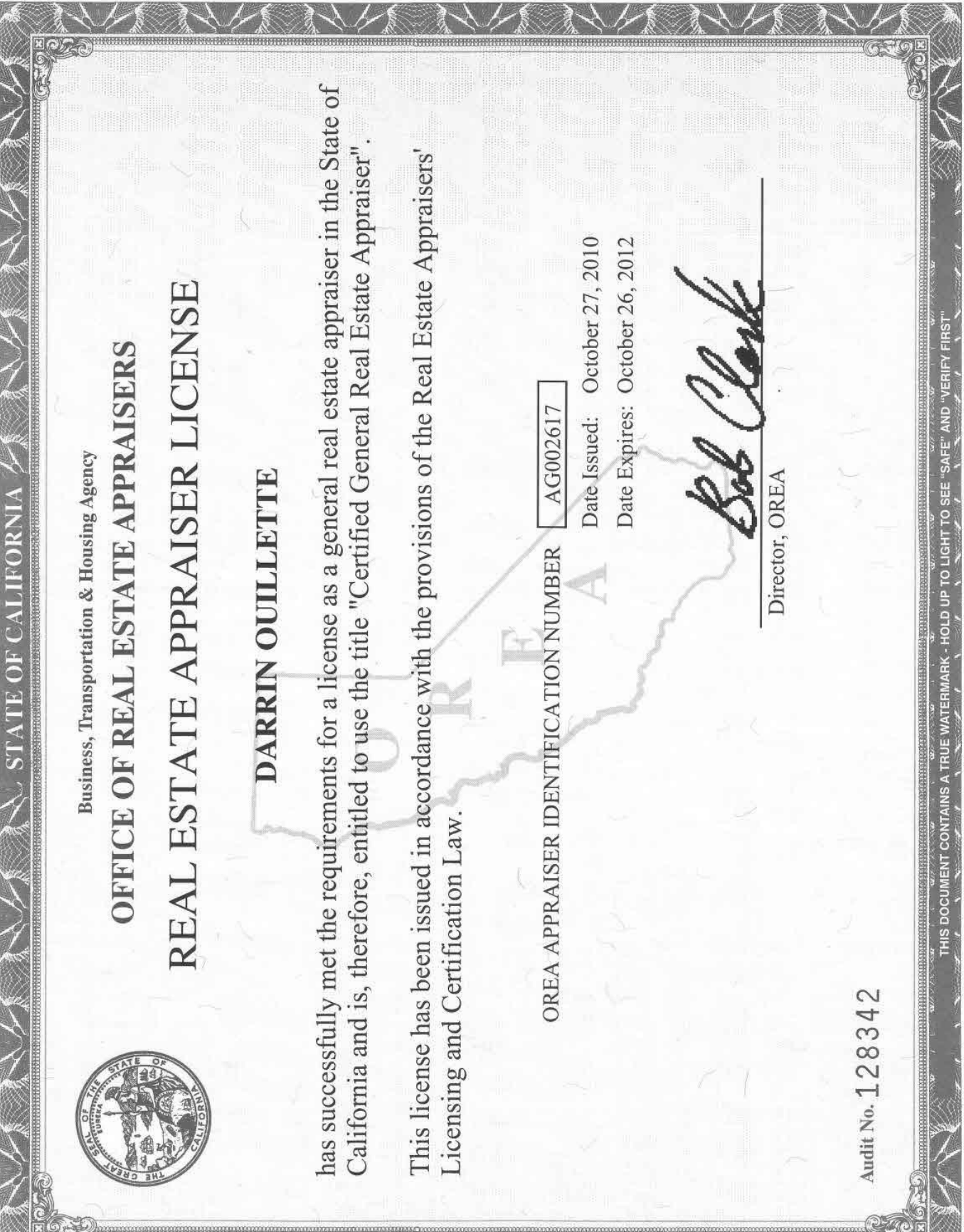
Courtesy of Darrin Ouillette
CRMLS

The data within this report is compiled by CoreLogic from public and private sources. If desired, the accuracy of the data contained herein can be independently verified by the recipient of this report with the applicable county or municipality.

Profile and Plat map



License & E & O



Business, Transportation & Housing Agency

OFFICE OF REAL ESTATE APPRAISERS

REAL ESTATE APPRAISER LICENSE

DARRIN OUILLETTE

has successfully met the requirements for a license as a general real estate appraiser in the State of California and is, therefore, entitled to use the title "Certified General Real Estate Appraiser".

This license has been issued in accordance with the provisions of the Real Estate Appraisers' Licensing and Certification Law.

OREA APPRAISER IDENTIFICATION NUMBER AG002617

Date Issued: October 27, 2010

Date Expires: October 26, 2012

Bob Clark

Director, OREA

Audit No. 128342

THIS DOCUMENT CONTAINS A TRUE WATERMARK - HOLD UP TO LIGHT TO SEE "SAFE" AND "VERIFY FIRST"

License & E & O - Page 1

From: 8003445422 To: 18669038657 Page: 2/3 Date: 12/1/2011 4:24:30 PM

NAVIGATORS SPECIALTY INSURANCE COMPANY

THIS IS A CLAIMS MADE INSURANCE POLICY.

THIS POLICY APPLIES ONLY TO THOSE CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD. ALL CLAIMS MUST BE REPORTED IN WRITING TO THE COMPANY DURING THE POLICY PERIOD OR WITHIN 60 DAYS AFTER THE END OF THE POLICY PERIOD.

PLEASE READ THIS POLICY CAREFULLY.

REAL ESTATE PROFESSIONAL ERRORS AND OMISSIONS INSURANCE POLICY
DECLARATIONSPOLICY NUMBER: PH11REL119719IC RENEWAL OF: _____

1. NAMED INSURED: **Darrin Ouillette dba Marina Hills Appraisal and Value Added Realty**
 2. ADDRESS: **38337 Placer Creek St
Murietta, CA 92562**
 3. POLICY PERIOD: FROM: **12/07/2011** TO: **12/07/2012**
12:01 A.M. Standard Time at the address of the **Named Insured** as stated in Number 2 above.
 4. LIMITS OF LIABILITY (Inclusive of claim expense):
 - A. \$ 1,000,000 Limit of Liability - Each Claim
 - B. \$ 1,000,000 Limit of Liability - Policy Aggregate
 5. DEDUCTIBLE (Inclusive of claim expenses): **\$ 2,500 Each Claim**
 6. PREMIUM: **1,326.00** Additional Premium 3% CA Tax 39.78 & 0.25% CA Stamping Fee 3.31
 7. RETROACTIVE DATE: **04/11/1994**
 8. FORMS ATTACHED: **NAV REL NSIC PF (03 11) NAV REL 300 CA (02 11)
NAV REL 003 (02 11)**
- PROGRAM ADMINISTRATOR: **Herbert H. Landy Insurance Agency Inc.
75 Second Ave Suite 410
Needham, MA 02494-2876**

NAV REL NSIC DEC (03 11)

Page 1 of 2

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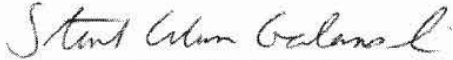
License & E & O - Page 2

From: 8003445422 To: 18669038657 Page: 3/3 Date: 12/1/2011 4:24:30 PM

By Acceptance of this policy the Insured agrees that the statements in the Declarations and the Application and any attachments hereto are the Insured's agreements and representations and that this policy embodies all agreements existing between the Insured and the Company or any of its representatives relating to this insurance.

IN WITNESS WHEREOF, we have caused this policy to be signed by our President and Secretary.


[Emily Miner]
Secretary


[Stanley A. Galanski]
President

