

APPRAISAL OF REAL PROPERTY



LOCATED AT

SASSAFRAS PROJECT
San Diego, CA 92103
BLK 137*LOT 7

FOR

Federal Home Loans
3914 Murphy Canyon Rd., Ste A250, San Diego CA 92123

OPINION OF VALUE

1,600,000

AS OF

11/22/2019

BY

Dominick Capelouto, CGREA #AG012306
Southcoast Commercial Appraisal

(949) 232-6121

CertifiedGeneralAppraiser@gmail.com

Borrower	Taylor, Mel	File No.	191209R
Property Address	SASSAFRAS PROJECT		
City	San Diego	County	San Diego
		State	CA
		Zip Code	92103
Lender	Federal Home Loans		

TABLE OF CONTENTS

Cover Page	1
Letter of Transmittal	2
URAR	3
Supplemental Addendum w/sig block	9
Site Plan	12
Building Sketch 1st Floor	13
Building Sketch 2nd Floor	14
Plat Map	15
Aerial Map	16
Location Map	17
Subject Photos	18
Subject Photos	19
Comparable Photos 1-3	20
License	21
Resume	22
UAD Definitions Addendum	23

Southcoast Commercial Appraisal
Dominick Capelouto, CGREA #AG012306

(949) 232-6121

12/09/2019

Federal Home Loans
3914 Murphy Canyon Rd., Ste A250, San Diego CA 92123

Re: Property: SASSAFRAS PROJECT
San Diego, CA 92103
Borrower: Taylor, Mel
File No.: 191209R

Opinion of Value: \$ 1,600,000
Effective Date: 11/22/2019

In accordance with your request, we have appraised the above referenced property. The report of that appraisal is attached.

The purpose of the appraisal is to develop an opinion of market value for the property described in this appraisal report, as complete of a new construction single family dwelling of good quality, in unencumbered fee simple title of ownership.

This report is based on a physical analysis of the site and improvements, a locational analysis of the neighborhood and city, and an economic analysis of the market for properties such as the subject. The appraisal was developed and the report was prepared in accordance with the Uniform Standards of Professional Appraisal Practice.

The opinion of value reported above is as of the stated effective date and is contingent upon the certification and limiting conditions attached.

It has been a pleasure to assist you. Please do not hesitate to contact me if I can be of additional service to you.

Sincerely,



Dominick Capelouto, CGREA #AG012306
License or Certification #: AG012306
State: CA Expires: 03/06/2020
CertifiedGeneralAppraiser@gmail.com

Uniform Residential Appraisal Report

File # 191209R

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

SUBJECT

Property Address **SASSAFRAS PROJECT** City **San Diego** State **CA** Zip Code **92103**
 Borrower **Taylor, Mel** Owner of Public Record **Taylor, Mel** County **San Diego**
 Legal Description **BLK 137*LOT 7**
 Assessor's Parcel # **451-473-10** Tax Year **2019** R.E. Taxes \$ **3,250**
 Neighborhood Name **Middletown** Map Reference **N/A** Census Tract **0003.00**
 Occupant Owner Tenant Vacant Special Assessments \$ **0** PUD HOA \$ **0** per year per month
 Property Rights Appraised Fee Simple Leasehold Other (describe)
 Assignment Type Purchase Transaction Refinance Transaction Other (describe) **ASSET VALUATION; MARKET VALUE AS-COMplete**
 Lender/Client **Federal Home Loans** Address **3914 Murphy Canyon Rd., Ste A250, San Diego CA 92123**
 Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? Yes No
 Report data source(s) used, offering price(s), and date(s). **None.**

CONTRACT

I did did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed.
 Contract Price \$ _____ Date of Contract _____ Is the property seller the owner of public record? Yes No Data Source(s) _____
 Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? Yes No
 If Yes, report the total dollar amount and describe the items to be paid.

Note: Race and the racial composition of the neighborhood are not appraisal factors.

NEIGHBORHOOD

Neighborhood Characteristics		One-Unit Housing Trends		One-Unit Housing		Present Land Use %	
Location <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural	Property Values <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	PRICE	AGE	One-Unit	80 %		
Built-Up <input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	Demand/Supply <input checked="" type="checkbox"/> Shortage <input type="checkbox"/> In Balance <input type="checkbox"/> Over Supply	\$ (000)	(yrs)	2-4 Unit	5 %		
Growth <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	Marketing Time <input type="checkbox"/> Under 3 mths <input checked="" type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths	700	Low 1	Multi-Family	5 %		
Neighborhood Boundaries South of 8 freeway, east of the 5 freeway, north of El Prado and east of the 163.		2,500	High 50	Commercial	5 %		
		1,000	Pred. 25	Other	5 %		

Neighborhood Description **The subject is located in an older and established market area that is nearly built-out. This market area is comprised of a wide mix of mostly individually built SFR's ranging in size, quality, age and overall appeal. The market area is known as Middletown and located just south of Mission Hills. Both areas are sought after by the market at large. The market is well suited for the subject's new construction.**
 Market Conditions (including support for the above conclusions) **See Market Conditions addenda.**

SITE

Dimensions **50x100** Area **5000 sf** Shape **Slightly irregular** View **N;Res;**
 Specific Zoning Classification **R1** Zoning Description **Single Family Residential - Det.**
 Zoning Compliance Legal Legal Nonconforming (Grandfathered Use) No Zoning Illegal (describe)
 Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? Yes No If No, describe _____

Utilities	Public	Other (describe)	Public	Other (describe)	Off-site Improvements - Type	Public	Private
Electricity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Water	<input checked="" type="checkbox"/>	Street Paved Asphalt	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Gas	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Sanitary Sewer	<input checked="" type="checkbox"/>	Alley None	<input type="checkbox"/>	<input type="checkbox"/>

 FEMA Special Flood Hazard Area Yes No FEMA Flood Zone **X** FEMA Map # **060137/06037C/1320F** FEMA Map Date **09/26/2008**
 Are the utilities and off-site improvements typical for the market area? Yes No If No, describe _____
 Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? Yes No If Yes, describe _____

IMPROVEMENTS

General Description	Foundation	Exterior Description	materials/condition	Interior	materials/condition
Units <input type="checkbox"/> One <input checked="" type="checkbox"/> One with Accessory Unit	<input checked="" type="checkbox"/> Concrete Slab <input type="checkbox"/> Crawl Space	Foundation Walls	Concrete/Good	Floors	Tile/HW/Cpt/Good
# of Stories 2	<input type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls	Stucco/Con/Good	Walls	Drywall/Good
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Area 0 sq.ft.	Roof Surface	Tile/Good	Trim/Finish	Molding/Good
<input type="checkbox"/> Existing <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Basement Finish 0 %	Gutters & Downspouts	Prefab/Good	Bath Floor	Tile/Good
Design (Style) Conventional	<input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type	Vinyl/Good	Bath Wainscot	Tile/Good
Year Built 2019	Evidence of <input type="checkbox"/> Infestation None	Storm Sash/Insulated	None	Car Storage	<input type="checkbox"/> None
Effective Age (Yrs) 1	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens	Alum/Good	<input checked="" type="checkbox"/> Driveway	# of Cars 3
Attic <input type="checkbox"/> None	Heating <input checked="" type="checkbox"/> FWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant	Amenities	<input type="checkbox"/> Woodstove(s) # 0	Driveway Surface	Concrete
<input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs	<input type="checkbox"/> Other <input type="checkbox"/> Fuel Gas	<input checked="" type="checkbox"/> Fireplace(s) # 3	<input checked="" type="checkbox"/> Fence Wrt. iron	<input checked="" type="checkbox"/> Garage	# of Cars 0
<input type="checkbox"/> Floor <input checked="" type="checkbox"/> Scuttle	Cooling <input checked="" type="checkbox"/> Central Air Conditioning	<input checked="" type="checkbox"/> Patio/Deck Con.	<input checked="" type="checkbox"/> Porch Con.	<input checked="" type="checkbox"/> Carport	# of Cars 3
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input type="checkbox"/> Other	<input checked="" type="checkbox"/> Pool & Spa	<input type="checkbox"/> Other None	<input checked="" type="checkbox"/> Att.	<input type="checkbox"/> Det. <input type="checkbox"/> Built-in

Appliances Refrigerator Range/Oven Dishwasher Disposal Microwave Washer/Dryer Other (describe) _____
 Finished area above grade contains: **8 Rooms 4 Bedrooms 4.5 Bath(s) 3,169 Square Feet of Gross Living Area Above Grade**
 Additional features (special energy efficient items, etc.). **See attached addenda. The main house is 2662 sq.ft., the guest unit is 507 Sq.ft. and both are included above in the 3169 sq.ft.**
 Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). **C1;Kitchen-remodeled-less than one year ago;Bathrooms-remodeled-less than one year ago;Subject is slated to be of good to very good quality of construction. Proposed SFR.**

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? Yes No If Yes, describe _____

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? Yes No If No, describe _____

Uniform Residential Appraisal Report

File # 191209R

There are **7** comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ **1,000,000** to \$ **1,800,000** .
 There are **12** comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ **1,200,000** to \$ **2,200,000** .

FEATURE	SUBJECT	COMPARABLE SALE # 1			COMPARABLE SALE # 2			COMPARABLE SALE # 3		
Address	SASSAFRAS PROJECT San Diego, CA 92103	3437 Jackdaw St San Diego, CA 92103			408 W Thorn St San Diego, CA 92103			435 W Thorn St San Diego, CA 92103		
Proximity to Subject		0.20 miles N			0.45 miles E			0.45 miles E		
Sale Price	\$	\$ 1,320,000			\$ 1,500,000			\$ 2,200,000		
Sale Price/Gross Liv. Area	\$ sq.ft.	\$ 514.82 sq.ft.			\$ 606.06 sq.ft.			\$ 509.26 sq.ft.		
Data Source(s)		MLS# 00-190049063;DOM 32			MLS# 00-190019640;DOM 19			MLS# 00-190032793;DOM 19		
Verification Source(s)		Realist Doc #: 501231			Realist Doc #: 233244			Realist Doc #: 313180		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	
Sales or Financing Concessions		ArmLth Conv;0		ArmLth Conv;0		ArmLth Conv;0		ArmLth Conv;0		
Date of Sale/Time		s11/19;c10/19			s11/19;c10/19			s11/19;c10/19		
Location	N;Res;	N;Res;			N;Res;			N;Res;		
Leasehold/Fee Simple	Fee Simple	Fee Simple			Fee Simple			Fee Simple		
Site	5000 sf	7680 sf -10,000			7680 sf -10,000			7338 sf -10,000		
View	N;Res;	N;Res;			N;Res;			N;Res;		
Design (Style)	Conventional	Conventional			Conventional			Trad. -200,000		
Quality of Construction	Q1	Q2 +130,000			Q1			Q1		
Actual Age	1	1			1			1		
Condition	C1	C2 +130,000			C1			C1		
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths -5,000			Total Bdrms. Baths -10,000			Total Bdrms. Baths -20,000		
Room Count	8 4 4.5	8 4 4.0 +5,000			7 3 3.0 +15,000			12 7 4.0 +5,000		
Gross Living Area	3,169 sq.ft.	2,564 sq.ft. +61,000			2,475 sq.ft. +69,000			4,320 sq.ft. -115,000		
Basement & Finished Rooms Below Grade	0sf	0sf			0sf			0sf		
Functional Utility	Good	Good			Good			Good		
Heating/Cooling	FAU/CA	FAU/CA			FAU/CA			FAU/CA		
Energy Efficient Items	Standard	Standard			Standard			Standard		
Garage/Carport	3 Carport	2 Carport +5,000			2 Garage 0			2 Garage 0		
Porch/Patio/Deck	Patio/yard	Patio/yard			Patio/yard			Patio/yard		
Pool/spa	Pool/Spa	None/None +30,000			None/None +30,000			None/None +30,000		
Kitchen/Baths	New	New			New			New		
Guest House	New	Included in Sq.Ft. 0			Included in Sq.Ft. 0			Included in Sq.Ft. 0		
Net Adjustment (Total)		⊗ + □ - \$ 346,000			⊗ + □ - \$ 94,000			□ + ⊗ - \$ -310,000		
Adjusted Sale Price of Comparables		Net Adj. 26.2 % Gross Adj. 28.5 % \$ 1,666,000			Net Adj. 6.3 % Gross Adj. 8.9 % \$ 1,594,000			Net Adj. 14.1 % Gross Adj. 17.3 % \$ 1,890,000		

SALES COMPARISON APPROACH

I did did not research the sale or transfer history of the subject property and comparable sales. If not, explain

My research did did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

Data Source(s) Realist/MLS

My research did did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.

Data Source(s) Realist/MLS

Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).

ITEM	SUBJECT	COMPARABLE SALE #1	COMPARABLE SALE #2	COMPARABLE SALE #3
Date of Prior Sale/Transfer	04/10/2019			
Price of Prior Sale/Transfer	\$325,000			
Data Source(s)	Realist	Realist	Realist	Realist
Effective Date of Data Source(s)	12/09/2019	12/09/2019	12/09/2019	12/09/2019

Analysis of prior sale or transfer history of the subject property and comparable sales Subject is a vacant site and last sold for above reported. No other listings or transfers were noted in the last year.

Summary of Sales Comparison Approach See attached addenda.

Indicated Value by Sales Comparison Approach \$ 1,600,000

Indicated Value by: Sales Comparison Approach \$ 1,600,000 Cost Approach (if developed) \$ 1,739,650 Income Approach (if developed) \$

See attached addenda.

RECONCILIATION

This appraisal is made "as is", subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair: See addenda for Hypothetical Condition(s) definition.

Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 1,600,000 , as of 11/22/2019 , which is the date of inspection and the effective date of this appraisal.

Uniform Residential Appraisal Report

File # 191209R

See attached addenda for use, purpose and scope.

ADDITIONAL COMMENTS

COST APPROACH TO VALUE (not required by Fannie Mae)

Provide adequate information for the lender/client to replicate the below cost figures and calculations.

Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value) N/A.

COST APPROACH

ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input checked="" type="checkbox"/> REPLACEMENT COST NEW Source of cost data Marshall & Swift Quality rating from cost service Very Gd Effective date of cost data 2019 Comments on Cost Approach (gross living area calculations, depreciation, etc.) Land value estimate was chosen off of the subject's last sold price plus market appreciation. Subject last sold for \$325,000 04/2019. Cost figures are inclusive of hard and soft costs including entrepreneurial profit.	OPINION OF SITE VALUE = \$ 325,000 DWELLING 3,169 Sq.Ft. @ \$ 275.00 = \$ 871,475 0 Sq.Ft. @ \$ = \$ Patio Guest Unit = \$ 160,000 Garage/Carport 513 Sq.Ft. @ \$ 75.00 = \$ 38,475 Total Estimate of Cost-New = \$ 1,069,950 <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;"></td> <td style="width: 15%;">Less</td> <td style="width: 40%;">Physical</td> <td style="width: 15%;">Functional</td> <td style="width: 10%;">External</td> <td style="width: 10%;"></td> </tr> <tr> <td></td> <td>Depreciation</td> <td>15,300</td> <td></td> <td></td> <td>= \$(15,300)</td> </tr> <tr> <td></td> <td>Depreciated Cost of Improvements</td> <td></td> <td></td> <td></td> <td>= \$ 1,054,650</td> </tr> <tr> <td></td> <td>"As-is" Value of Site Improvements</td> <td></td> <td></td> <td></td> <td>= \$ 110,000</td> </tr> <tr> <td></td> <td>Entrepreneurial Profit 25%</td> <td></td> <td></td> <td></td> <td>= \$ 250,000</td> </tr> <tr> <td></td> <td>INDICATED VALUE BY COST APPROACH</td> <td></td> <td></td> <td></td> <td>= \$ 1,739,650</td> </tr> </table>		Less	Physical	Functional	External			Depreciation	15,300			= \$(15,300)		Depreciated Cost of Improvements				= \$ 1,054,650		"As-is" Value of Site Improvements				= \$ 110,000		Entrepreneurial Profit 25%				= \$ 250,000		INDICATED VALUE BY COST APPROACH				= \$ 1,739,650
	Less	Physical	Functional	External																																	
	Depreciation	15,300			= \$(15,300)																																
	Depreciated Cost of Improvements				= \$ 1,054,650																																
	"As-is" Value of Site Improvements				= \$ 110,000																																
	Entrepreneurial Profit 25%				= \$ 250,000																																
	INDICATED VALUE BY COST APPROACH				= \$ 1,739,650																																

INCOME

INCOME APPROACH TO VALUE (not required by Fannie Mae)	
Estimated Monthly Market Rent \$ X Gross Rent Multiplier	= \$ Indicated Value by Income Approach
Summary of Income Approach (including support for market rent and GRM)	N/A.

PUD INFORMATION

PROJECT INFORMATION FOR PUDs (if applicable)		
Is the developer/builder in control of the Homeowners' Association (HOA)? <input type="checkbox"/> Yes <input type="checkbox"/> No Unit type(s) <input type="checkbox"/> Detached <input type="checkbox"/> Attached		
Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.		
Legal Name of Project		
Total number of phases	Total number of units	Total number of units sold
Total number of units rented	Total number of units for sale	Data source(s)
Was the project created by the conversion of existing building(s) into a PUD? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, date of conversion.		
Does the project contain any multi-dwelling units? <input type="checkbox"/> Yes <input type="checkbox"/> No Data Source		
Are the units, common elements, and recreation facilities complete? <input type="checkbox"/> Yes <input type="checkbox"/> No If No, describe the status of completion.		
Are the common elements leased to or by the Homeowners' Association? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, describe the rental terms and options.		
Describe common elements and recreational facilities.		

Uniform Residential Appraisal Report

File # 191209R

This report form is designed to report an appraisal of a one-unit property or a one-unit property with an accessory unit; including a unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a condominium or cooperative project.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the interior and exterior areas of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

INTENDED USE: The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this appraisal report is the lender/client.

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 or she considers his or her 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.

*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 judgment.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting 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, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. 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.
5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing the appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. 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. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
6. 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 the completion, repairs, or alterations of the subject property will be performed in a professional manner.

Uniform Residential Appraisal Report

File # 191209R

APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a complete visual inspection of the interior and exterior areas of the subject property. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.
9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.
20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.

Uniform Residential Appraisal Report

File # 191209R

21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).

22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.

23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.

24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

SUPERVISORY APPRAISER'S CERTIFICATION: The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.
4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER

Signature  _____
 Name Dominick Capelouto, CGREA #AG012306
 Company Name Southcoast Commercial Appraisal
 Company Address 14047 Mango Drive
Del Mar, CA 92014
 Telephone Number (949) 232-6121
 Email Address CertifiedGeneralAppraiser@gmail.com
 Date of Signature and Report 12/19/2019
 Effective Date of Appraisal 11/22/2019
 State Certification # AG012306
 or State License # _____
 or Other (describe) _____ State # _____
 State CA
 Expiration Date of Certification or License 03/06/2020

ADDRESS OF PROPERTY APPRAISED

SASSAFRAS PROJECT
San Diego, CA 92103

APPRAISED VALUE OF SUBJECT PROPERTY \$ 1,600,000

LENDER/CLIENT

Name _____
 Company Name Federal Home Loans
 Company Address 3914 Murphy Canyon Rd., Ste A250, San
Diego CA 92123
 Email Address _____

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature _____
 Name _____
 Company Name _____
 Company Address _____
 Telephone Number _____
 Email Address _____
 Date of Signature _____
 State Certification # _____
 or State License # _____
 State _____
 Expiration Date of Certification or License _____

SUBJECT PROPERTY

- Did not inspect subject property
 Did inspect exterior of subject property from street
 Date of Inspection _____
 Did inspect interior and exterior of subject property
 Date of Inspection _____

COMPARABLE SALES

- Did not inspect exterior of comparable sales from street
 Did inspect exterior of comparable sales from street
 Date of Inspection _____

Supplemental Addendum

File No. 191209R

Borrower	Taylor, Mel				
Property Address	SASSAFRAS PROJECT				
City	San Diego	County	San Diego	State	CA
				Zip Code	92103
Lender	Federal Home Loans				

URAR : Neighborhood - Market Conditions

Market conditions are noted to be very good with low inventory and strong absorption in the neighborhood.

Market Value defined:

The following is the definition of market value as set forth in Section 34.43(f) of the OCC Rules and Regulations effective August 24, 1990. "Market Value" means 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 and knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specific 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 acting in what they consider their own best interests;
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.

The final value estimate is stated in terms equivalent to cash.

Purpose of the Appraisal:

The purpose of the appraisal is to provide the appraiser's best estimate of the market value of the subject real property "as complete" as of the effective date of value.

Intended Use and User:

The intended use of the appraisal has been defined by the Client as "asset valuation" in conjunction with a mortgage loan transaction and underwriting; no other use is intended or permitted.

Scope of the Appraisal:

In preparing this appraisal, the appraiser:

- Inspected the exterior of the property;
- Analyzed the subjects building plans in accordance with its anticipated new construction;
- Confirmed zoning and conformity to such;
- Discussed building and other improvement information with the owner;
- Gathered and confirmed information on comparable sales;

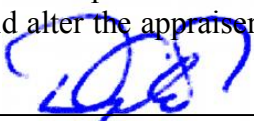
Applied the sales comparison to arrive at a final estimate of market value. In the investigation and the analysis of the market, it was determined that buyers, sellers and brokers rely on the sales comparison listing and negotiating sales for this classification of property. The cost approach was utilized and deemed reliable in this case as construction cost estimates were provided and the estimated land value was available in the market. The sales comparison approach uses market area comparable sales similar to the subject in salient and dominant features (e.g. lot size, age, condition, bed/bath count, gross living area and amenities). The income approach applies an overall rate of capitalization (OAR) to projected net income. The OAR is derived from the market by relating net income to sale price of comparable improved sales. The subject property type is not typically purchased for its income producing ability, therefore the income approach to value was not utilized in this case. In developing the opinion of value, the appraiser performed a complete appraisal process as defined by USPAP. Although due diligence was exercised during the inspection of the improvements, the appraiser is NOT an expert in such matters as structural engineering, hazardous waste, or construction and no warranty is given or implied as to these or other elements outside of the analysis of market data. Inspections by various professionals within these fields may be recommended in order to complete the final estimate of market value. No environmental assessment was made nor was an environmental report available for review.

A title report was not reviewed. No soil report, building inspection report, environmental assessments or any other engineering reports were available for review.

This Appraisal Report is a brief recapitulation of the appraiser's data, analyses and conclusions. Supporting documentation is retained in the appraiser's file.

Extraordinary assumptions and hypothetical conditions:

The value opinion reported below is qualified by certain assumptions, limiting conditions, certifications, and definitions, which are set forth in the report. *The Dictionary of Real Estate Appraisal* defines an extraordinary assumption as "An assumption directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions..." A hypothetical condition is defined in the

Signature 
Name Dominick Capelouto, CGREA #AG012306
Date Signed 12/19/2019
State Certification # AG012306 State CA
Or State License # _____ State _____

Signature _____
Name _____
Date Signed _____
State Certification # _____ State _____
Or State License # _____ State _____

Supplemental Addendum

File No. 191209R

Borrower	Taylor, Mel				
Property Address	SASSAFRAS PROJECT				
City	San Diego	County	San Diego	State	CA
				Zip Code	92103
Lender	Federal Home Loans				

same dictionary as “That what is contrary to what exists but is supposed for the purpose of analysis...”The following extraordinary assumptions and hypothetical conditions were invoked in the course of developing the value opinion contained herein:

A hypothetical condition exists within the context of this appraisal assignment whereby the subject is going to be a newly constructed detached SFR according to the plans provided the appraiser. The appraisal assumes the subject exists for valuations purposes.

Exposure and Marketing periods:

Given the definition of market value, the final value estimate is as of the effective date of value of this report which presupposes that the property has already been exposed to the market for a reasonable period of time. This past exposure period prior to a hypothetical sale as of the date of value reflects market conditions and trends during the exposure period. The exposure period estimated in this report is based on the following data sources.

1. Statistical information on exposure periods of current sales used in the report and sales of other similar properties.
2. Interviews with brokers and other market participants.
3. Days on the market for listings.

A distinction is made between exposure period and marketing period. While exposure period is the time frame which occurs prior to the date of value (hypothetical sale date), marketing period reflects the estimated time required to market the property from the date of value given a reasonable listing price. This marketing period can be similar to or different from the exposure period. The marketing period is based in part on past trends but also considers current market conditions and the appraiser’s projections regarding future market conditions and trends. If market conditions change during the future marketing period, the ultimate sale price or value at time of sale can vary from the estimate as of the date of value.

An exposure period of three to six months is indicated by the market and forms the basis for the estimate of market value.

Prior Services Statement:

The person signing this appraisal has not appraised or provided other real estate services involving the subject property during the past 3-years.

Adjustments:

The adjustments utilized in this report were not derived via paired sales analysis; however, are considered reasonable and appropriate in trending respective indicated values of the comparables in the proper direction.

Final Reconciliation:

The three basic approaches to value are:

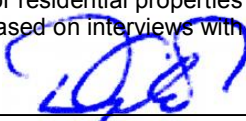
- Cost Approach
- Income Capitalization Approach
- Sales Comparison Approach

The Cost Approach provides an indicator of value by adding the value of the land to the estimated replacement cost of the improvements less depreciation from all sources. The basis for this approach is the principle of substitution which states that a knowledgeable buyer will not pay more for a property than the cost to replace it with a suitable substitute of like utility. All costs must be considered including developer profit or entrepreneurship. The reliability of this approach is dependent upon an accurate estimate of land value based on an analysis of land sales and an accurate estimate of replacement cost and depreciation based on cost manuals and actual cost estimates and proposals of similar improvements.

The Sales Comparison Approach provides an indicator of value by a direct comparison of sold properties with the subject property. Various comparison methods are used. The adequacy of this approach generally depends upon the comparability of the sold properties with the subject and an accurate measurement of dissimilar characteristics.

The Income Capitalization Approach provides an indicator of value by the capitalization of projected net income. The basis for this approach is that the value of a property is related to its ability to produce income at a percentage of the value which reflects risk and future property appreciation or depreciation. Reliability is dependent on accurate projections of economic rent, expenses and a capitalization rate.

The Cost Approach was utilized due to having readily available cost estimates and land value in this case; the cost approach was given secondary and supporting weight to the sales comparison approach. The Sales Comparison Approach is widely used by the market for residential properties and is the approach relied on in this appraisal. It best reflects the actions of participants in this market based on interviews with buyers, sellers and brokers. The income approach to value is generally not utilized for

Signature 
 Name Dominick Capelouto, CGREA #AG012306
 Date Signed 12/19/2019
 State Certification # AG012306 State CA
 Or State License # _____ State _____

Signature _____
 Name _____
 Date Signed _____
 State Certification # _____ State _____
 Or State License # _____ State _____

Supplemental Addendum

File No. 191209R

Borrower	Taylor, Mel			
Property Address	SASSAFRAS PROJECT			
City	San Diego	County	San Diego	State CA Zip Code 92103
Lender	Federal Home Loans			

the subject property type and was omitted in this case.

• **URAR : Improvements - Additional Features**

High-end finishes

High-end appliances

Three fireplaces

Independent heating & cooling in each room


The yard will be landscaped with mature Olive & Cypress trees and artificial turf.

The backyard will have a covered patio with an outdoor fireplace.

There will be a solar system with battery backup and one electric car charging station.

• **URAR : Sales Comparison Analysis - Summary of Sales Comparison Approach**

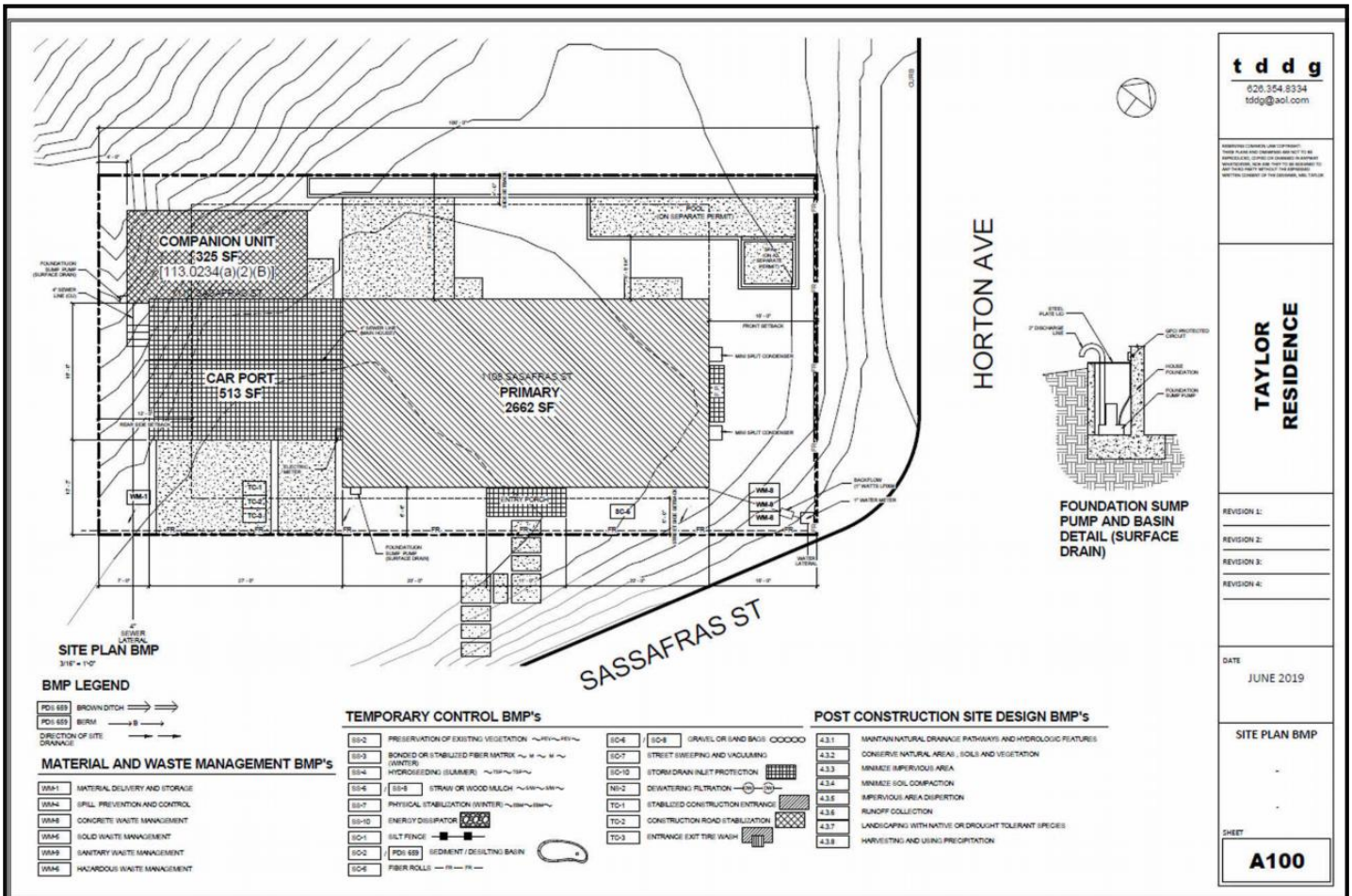
See additional comparables page. Comments on Sales: Sale 1 - Stunning home designed by famous midcentury architect Homer Delawie, fully updated and modernized, while still maintaining the original vision. ***Fully upgraded and turn key, ready to enjoy! ***Attention to detail and pride of ownership shows throughout this beautifully remodeled gem! ***Secluded on private cul-de-sac, providing privacy and serenity, but still centrally located. Neighborhoods: Mission Hills Equipment: Dryer, Range/Oven, Satellite Dish, Shed(s), Vacuum/Central. Sale 2 - Mission Hills neighborhoods with a large flat corner lot with quick access to downtown, walk to Balboa Park, in a quiet neighborhood and yet so close to the urban lifestyle. This beautiful home was rebuilt from the ground up in 2000 with modern construction and attention to detail preserving the fine elements of an older home with solid oak floors, arched doorways and an elevated lot. This is San Diego architecture at its finest. Neighborhoods: Bankers Hill Equipment: Dryer, Garage Door Opener, Sale 3 - Kitchen features granite counters and Viking appliances. Other features include main level bedroom and hardwood floors throughout most of the home Guest house features 1 bedroom, 1 bath and kitchenette.

Signature 
 Name Dominick Capelouto, CGREA #AG012306
 Date Signed 12/19/2019
 State Certification # AG012306 State CA
 Or State License # _____ State _____

Signature _____
 Name _____
 Date Signed _____
 State Certification # _____ State _____
 Or State License # _____ State _____

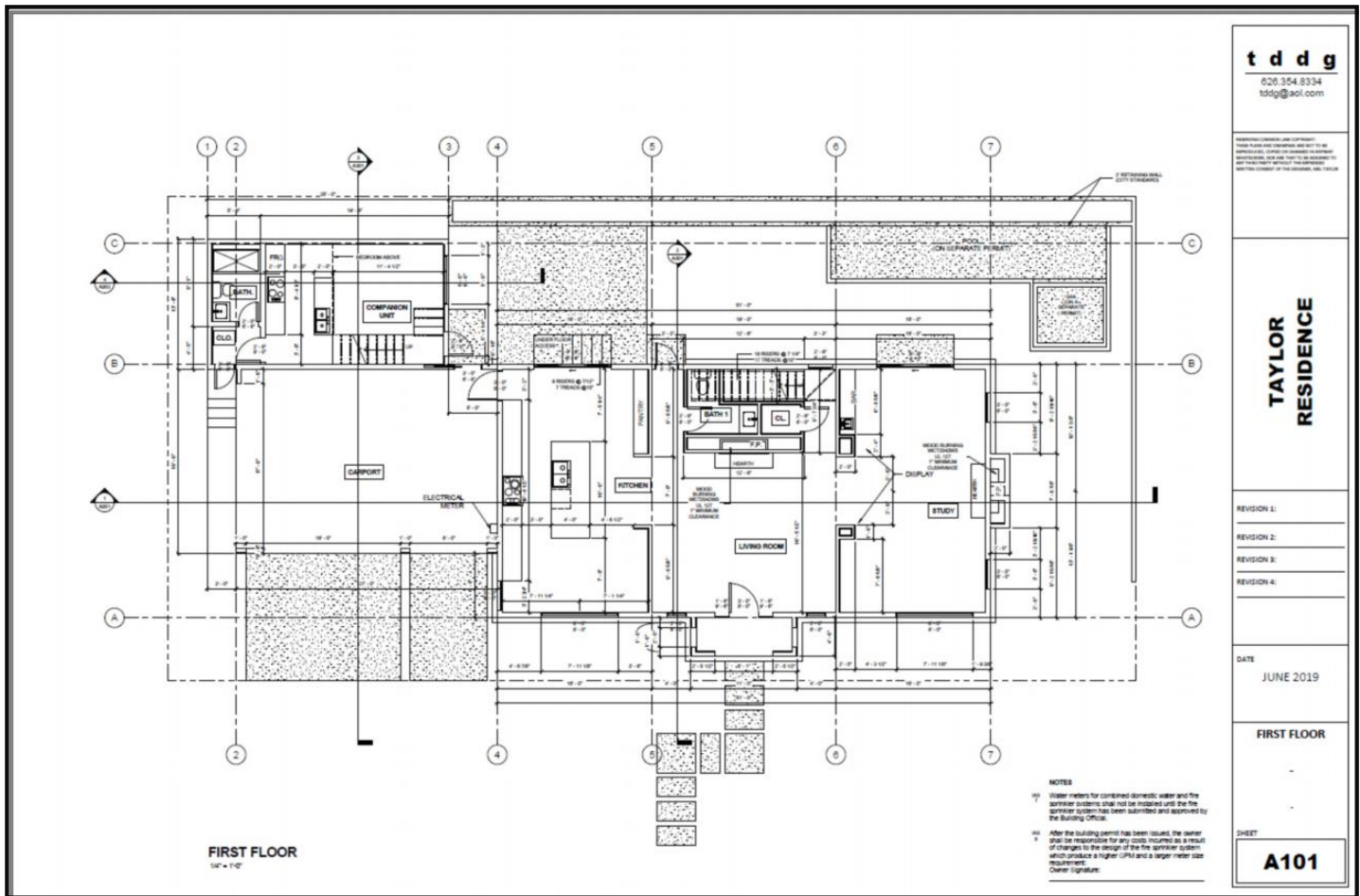
Site Plan

Borrower	Taylor, Mel			
Property Address	SASSAFRAS PROJECT			
City	San Diego	County	San Diego	State CA Zip Code 92103
Lender	Federal Home Loans			



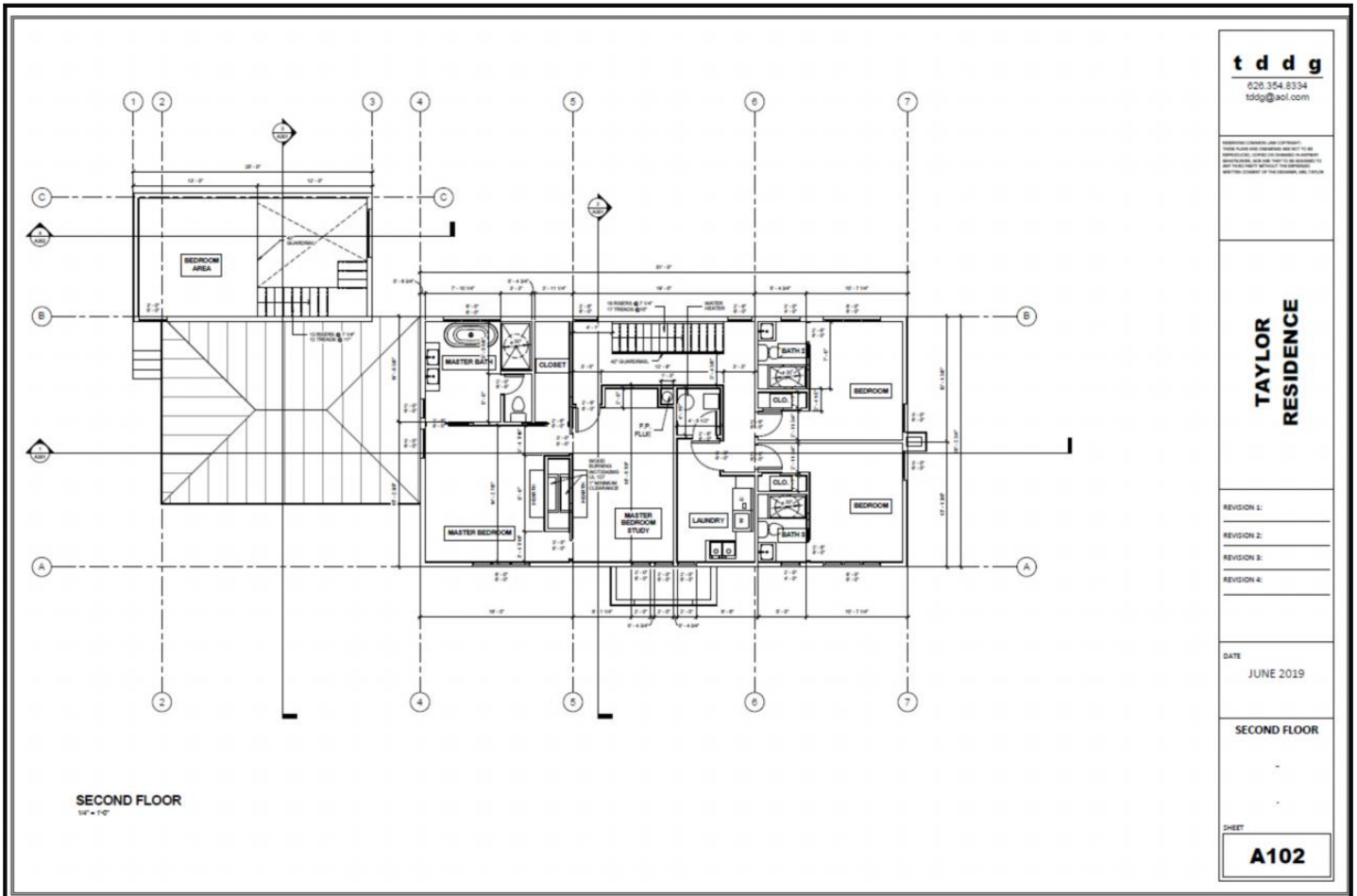
Building Sketch 1st Floor

Borrower	Taylor, Mel			
Property Address	SASSAFRAS PROJECT			
City	San Diego	County	San Diego	State CA Zip Code 92103
Lender	Federal Home Loans			



Building Sketch 2nd Floor

Borrower	Taylor, Mel				
Property Address	SASSAFRAS PROJECT				
City	San Diego	County	San Diego	State	CA Zip Code 92103
Lender	Federal Home Loans				



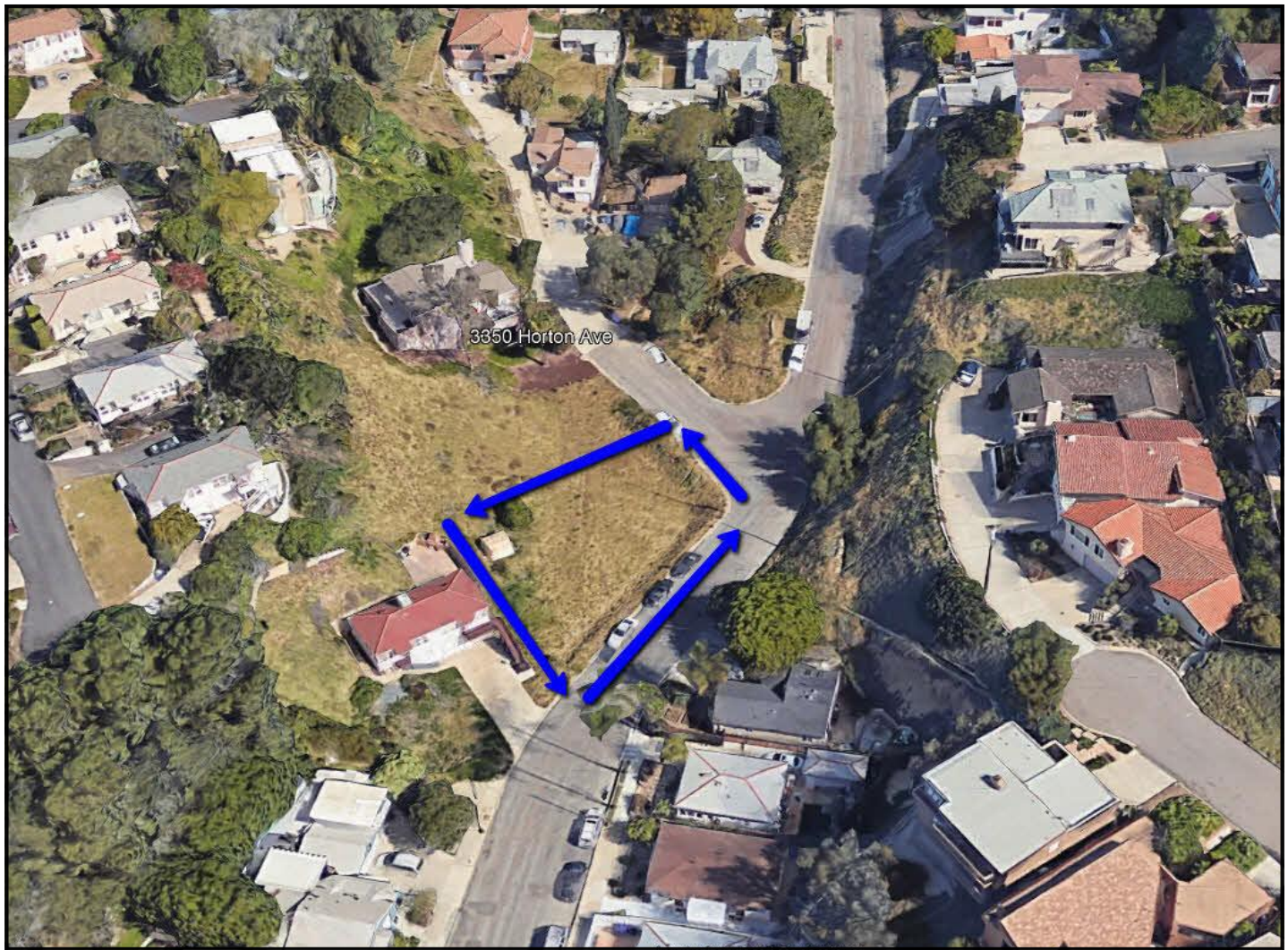
Plat Map

Borrower	Taylor, Mel			
Property Address	SASSAFRAS PROJECT			
City	San Diego	County	San Diego	State CA Zip Code 92103
Lender	Federal Home Loans			



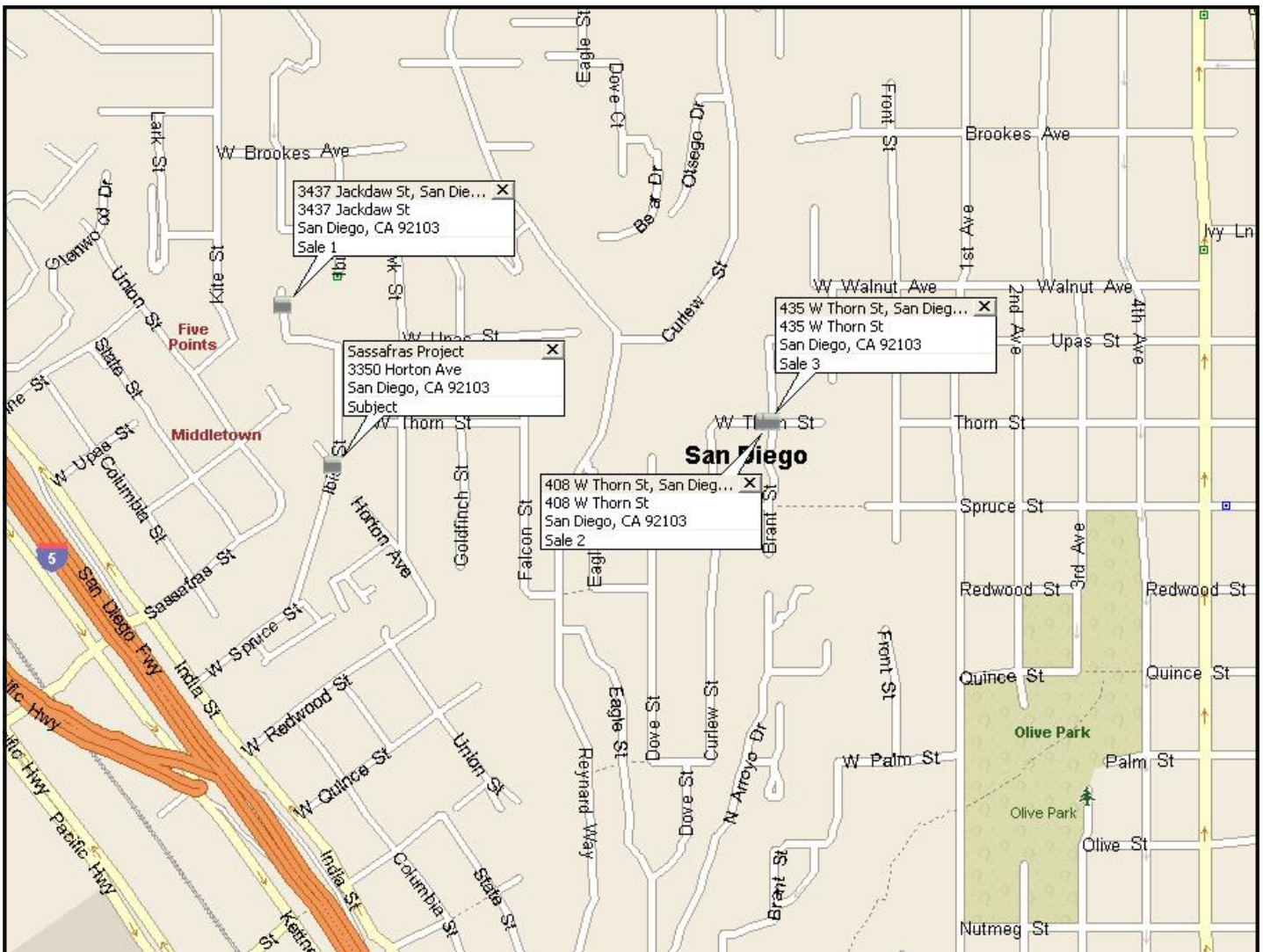
Aerial Image

Borrower	Taylor, Mel						
Property Address	SASSAFRAS PROJECT						
City	San Diego	County	San Diego	State	CA	Zip Code	92103
Lender	Federal Home Loans						



Location Map

Borrower	Taylor, Mel						
Property Address	SASSAFRAS PROJECT						
City	San Diego	County	San Diego	State	CA	Zip Code	92103
Lender	Federal Home Loans						



Subject Photo Page

Borrower	Taylor, Mel			
Property Address	SASSAFRAS PROJECT			
City	San Diego	County	San Diego	State CA Zip Code 92103
Lender	Federal Home Loans			



Subject Front

SASSAFRAS PROJECT
 Sales Price
 Gross Living Area 3,169
 Total Rooms 8
 Total Bedrooms 4
 Total Bathrooms 4.5
 Location N;Res;
 View N;Res;
 Site 5000 sf
 Quality Q1
 Age 1



Subject Rear



Subject Street and corner of site

Additional Photos

Borrower	Taylor, Mel						
Property Address	SASSAFRAS PROJECT						
City	San Diego	County	San Diego	State	CA	Zip Code	92103
Lender	Federal Home Loans						



Subject site looking southwest



Subject looking southeast



Subject looking northeast



Subject looking north



Additional street scene northeast



**Additional street scene southwest
Subject is on the right**

Comparable Photo Page

Borrower	Taylor, Mel			
Property Address	SASSAFRAS PROJECT			
City	San Diego	County	San Diego	State CA Zip Code 92103
Lender	Federal Home Loans			



Comparable 1

3437 Jackdaw St
 Prox. to Subject 0.20 miles N
 Sales Price 1,320,000
 Gross Living Area 2,564
 Total Rooms 8
 Total Bedrooms 4
 Total Bathrooms 4.0
 Location N;Res;
 View N;Res;
 Site 7680 sf
 Quality Q2
 Age 1



Comparable 2

408 W Thorn St
 Prox. to Subject 0.45 miles E
 Sales Price 1,500,000
 Gross Living Area 2,475
 Total Rooms 7
 Total Bedrooms 3
 Total Bathrooms 3.0
 Location N;Res;
 View N;Res;
 Site 7680 sf
 Quality Q1
 Age 1



Comparable 3

435 W Thorn St
 Prox. to Subject 0.45 miles E
 Sales Price 2,200,000
 Gross Living Area 4,320
 Total Rooms 12
 Total Bedrooms 7
 Total Bathrooms 4.0
 Location N;Res;
 View N;Res;
 Site 7338 sf
 Quality Q1
 Age 1

License

Borrower	Taylor, Mel			
Property Address	SASSAFRAS PROJECT			
City	San Diego	County	San Diego	State CA Zip Code 92103
Lender	Federal Home Loans			

	<p>Business, Consumer Services & Housing Agency BUREAU OF REAL ESTATE APPRAISERS REAL ESTATE APPRAISER LICENSE</p>
	<p>Dominick Capelouto</p> <p>has successfully met the requirements for a license as a residential and commercial real estate appraiser in the State of California and is, therefore, entitled to use the title:</p> <p style="text-align: center;">"Certified General Real Estate Appraiser"</p> <p>This license has been issued in accordance with the provisions of the Real Estate Appraisers' Licensing and Certification Law.</p> <p>BREA APPRAISER IDENTIFICATION NUMBER: AG 012306</p> <p style="text-align: right;">Effective Date: March 7, 2018 Date Expires: March 6, 2020</p> <p style="text-align: right;">  Jim Martin, Bureau Chief, BREA </p> <p style="text-align: center;">3039566</p> <p style="text-align: center; font-size: small;">THIS DOCUMENT CONTAINS A TRUE WATERMARK - HOLD UP TO LIGHT TO SEE "CHAIN LINK"</p>

Resume

Borrower	Taylor, Mel			
Property Address	SASSAFRAS PROJECT			
City	San Diego	County	San Diego	State CA Zip Code 92103
Lender	Federal Home Loans			

Dominick Capelouto
Southcoast Commercial Appraisal
Certified General Real Estate Appraiser #AG012306
 (949) 232-6121
CertifiedGeneralAppraiser@gmail.com

Summary: Valuation of commercial and residential appraisal assignments covering the Western United States over the past 27 years. Key clients include the FDIC, Institutional Lenders, Pension Funds, Private-Money Lenders, Asset Managers, Attorney's and Appraisal Management Companies.

Licensure: Certified General Real Estate Appraiser (#AG012306) California, 1989

Property Types: Office/Retail/Industrial/Multi-family/NNN Investment/Complex Residential/Subdivision, Land

Experience: Independent Appraiser
 Self-employed real estate appraiser contracted to develop appraisal reports for a variety of institutions including Commercial Banks, Asset Managers, Attorneys and Appraisal Management Companies in order to facilitate asset valuation. Other assignments include forensic analysis, Broker Price Opinions, Real Estate Owned properties, Bankruptcy Lien Strips, Tax and expert witness testimony.

Staff Appraiser
 Staff appraiser for Butler, Burgher Group, a national appraisal and consulting firm; completion of numerous subdivision assignments in California, Nevada, Arizona, Oregon and Washington on behalf of the FDIC in conjunction with bank take-overs. Other assignments included Land/subdivision appraisals throughout the Western US. Additional assignments included NNN Investment portfolios, Neighborhood Retail Centers, Industrial Flex, Office Buildings, Land, Mixed-Use, Hospitality, Healthcare and Multi-family.

Chief Appraiser
 On two occasions I fulfilled this supervisory role whereby I trained, coordinated and reviewed the work of 50+ appraisers.

Work History:

<i>Self-Employed, Southcoast Commercial Appraisal, Costa Mesa, CA</i>	Current
<i>Staff Appraiser, Butler Burgher Group, Costa Mesa, CA</i>	2009-2011
<i>Self-Employed, Southcoast Valuations, Newport Beach, CA</i>	2004-2009
<i>Chief Appraiser, WSH, LLC, Mission Viejo, CA</i>	1999-2004
<i>Staff Appraiser, Boardwalk Properties, Long Beach, CA</i>	1996-1999
<i>Staff Appraiser, Washington Mutual, Long Beach, CA</i>	1995-1996
<i>Chief Appraiser, Faine/Duey RE Services, Santa Ana, CA</i>	1994-1995
<i>Staff Appraiser, Foss Valuation Group, Fullerton, CA</i>	1990-1994
<i>Staff Appraiser, PCV/Murcor, Pomona, CA</i>	1989-1990

Education: California State University Fullerton – Real Estate Finance
 Appraisal Institute, Advanced Income Capitalization, #510
 Expert Witness Testimony/Litigation Appraising
 Statistics, Capitalization and Partial Interests
 Society of Real Estate Appraisers, 101
 Society of Real Estate Appraisers, 102
 Fundamentals of Mortgage Banking
 California Real Estate Principles
 California Real Estate Appraisal
 California Real Estate Finance
 Income Property Appraisal

UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

(Source: Fannie Mae UAD Appendix D: UAD Field-Specific Standardization Requirements)

Condition Ratings and Definitions

C1

The improvements have been recently constructed and have not been previously occupied. The entire structure and all components are new and the dwelling features no physical depreciation.

Note: Newly constructed improvements that feature recycled or previously used materials and/or components can be considered new dwellings provided that the dwelling is placed on a 100 percent new foundation and the recycled materials and the recycled components have been rehabilitated/remanufactured into like-new condition. Improvements that have not been previously occupied are not considered "new" if they have any significant physical depreciation (that is, newly constructed dwellings that have been vacant for an extended period of time without adequate maintenance or upkeep).

C2

The improvements feature no deferred maintenance, little or no physical depreciation, and require no repairs. Virtually all building components are new or have been recently repaired, refinished, or rehabilitated. All outdated components and finishes have been updated and/or replaced with components that meet current standards. Dwellings in this category are either almost new or have been recently completely renovated and are similar in condition to new construction.

Note: The improvements represent a relatively new property that is well maintained with no deferred maintenance and little or no physical depreciation, or an older property that has been recently completely renovated.

C3

The improvements are well maintained and feature limited physical depreciation due to normal wear and tear. Some components, but not every major building component, may be updated or recently rehabilitated. The structure has been well maintained.

Note: The improvement is in its first-cycle of replacing short-lived building components (appliances, floor coverings, HVAC, etc.) and is being well maintained. Its estimated effective age is less than its actual age. It also may reflect a property in which the majority of short-lived building components have been replaced but not to the level of a complete renovation.

C4

The improvements feature some minor deferred maintenance and physical deterioration due to normal wear and tear. The dwelling has been adequately maintained and requires only minimal repairs to building components/mechanical systems and cosmetic repairs. All major building components have been adequately maintained and are functionally adequate.

Note: The estimated effective age may be close to or equal to its actual age. It reflects a property in which some of the short-lived building components have been replaced, and some short-lived building components are at or near the end of their physical life expectancy; however, they still function adequately. Most minor repairs have been addressed on an ongoing basis resulting in an adequately maintained property.

C5

The improvements feature obvious deferred maintenance and are in need of some significant repairs. Some building components need repairs, rehabilitation, or updating. The functional utility and overall livability is somewhat diminished due to condition, but the dwelling remains useable and functional as a residence.

Note: Some significant repairs are needed to the improvements due to the lack of adequate maintenance. It reflects a property in which many of its short-lived building components are at the end of or have exceeded their physical life expectancy but remain functional.

C6

The improvements have substantial damage or deferred maintenance with deficiencies or defects that are severe enough to affect the safety, soundness, or structural integrity of the improvements. The improvements are in need of substantial repairs and rehabilitation, including many or most major components.

Note: Substantial repairs are needed to the improvements due to the lack of adequate maintenance or property damage. It reflects a property with conditions severe enough to affect the safety, soundness, or structural integrity of the improvements.

Quality Ratings and Definitions

Q1

Dwellings with this quality rating are usually unique structures that are individually designed by an architect for a specified user. Such residences typically are constructed from detailed architectural plans and specifications and feature an exceptionally high level of workmanship and exceptionally high-grade materials throughout the interior and exterior of the structure. The design features exceptionally high-quality exterior refinements and ornamentation, and exceptionally high-quality interior refinements. The workmanship, materials, and finishes throughout the dwelling are of exceptionally high quality.

Q2

Dwellings with this quality rating are often custom designed for construction on an individual property owner's site. However, dwellings in this quality grade are also found in high-quality tract developments featuring residence constructed from individual plans or from highly modified or upgraded plans. The design features detailed, high quality exterior ornamentation, high-quality interior refinements, and detail. The workmanship, materials, and finishes throughout the dwelling are generally of high or very high quality.

UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

(Source: Fannie Mae UAD Appendix D: UAD Field-Specific Standardization Requirements)

Quality Ratings and Definitions (continued)

Q3

Dwellings with this quality rating are residences of higher quality built from individual or readily available designer plans in above-standard residential tract developments or on an individual property owner's site. The design includes significant exterior ornamentation and interiors that are well finished. The workmanship exceeds acceptable standards and many materials and finishes throughout the dwelling have been upgraded from "stock" standards.

Q4

Dwellings with this quality rating meet or exceed the requirements of applicable building codes. Standard or modified standard building plans are utilized and the design includes adequate fenestration and some exterior ornamentation and interior refinements. Materials, workmanship, finish, and equipment are of stock or builder grade and may feature some upgrades.

Q5

Dwellings with this quality rating feature economy of construction and basic functionality as main considerations. Such dwellings feature a plain design using readily available or basic floor plans featuring minimal fenestration and basic finishes with minimal exterior ornamentation and limited interior detail. These dwellings meet minimum building codes and are constructed with inexpensive, stock materials with limited refinements and upgrades.

Q6

Dwellings with this quality rating are of basic quality and lower cost; some may not be suitable for year-round occupancy. Such dwellings are often built with simple plans or without plans, often utilizing the lowest quality building materials. Such dwellings are often built or expanded by persons who are professionally unskilled or possess only minimal construction skills. Electrical, plumbing, and other mechanical systems and equipment may be minimal or non-existent. Older dwellings may feature one or more substandard or non-conforming additions to the original structure

Definitions of Not Updated, Updated, and Remodeled

Not Updated

Little or no updating or modernization. This description includes, but is not limited to, new homes.

Residential properties of fifteen years of age or less often reflect an original condition with no updating, if no major components have been replaced or updated. Those over fifteen years of age are also considered not updated if the appliances, fixtures, and finishes are predominantly dated. An area that is 'Not Updated' may still be well maintained and fully functional, and this rating does not necessarily imply deferred maintenance or physical/functional deterioration.

Updated

The area of the home has been modified to meet current market expectations. These modifications are limited in terms of both scope and cost.

An updated area of the home should have an improved look and feel, or functional utility. Changes that constitute updates include refurbishment and/or replacing components to meet existing market expectations. Updates do not include significant alterations to the existing structure.

Remodeled

Significant finish and/or structural changes have been made that increase utility and appeal through complete replacement and/or expansion.

A remodeled area reflects fundamental changes that include multiple alterations. These alterations may include some or all of the following: replacement of a major component (cabinet(s), bathtub, or bathroom tile), relocation of plumbing/gas fixtures/appliances, significant structural alterations (relocating walls, and/or the addition of) square footage). This would include a complete gutting and rebuild.

Explanation of Bathroom Count

Three-quarter baths are counted as a full bath in all cases. Quarter baths (baths that feature only a toilet) are not included in the bathroom count. The number of full and half baths is reported by separating the two values using a period, where the full bath count is represented to the left of the period and the half bath count is represented to the right of the period.

Example:

3.2 indicates three full baths and two half baths.

UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

(Source: Fannie Mae UAD Appendix D: UAD Field-Specific Standardization Requirements)

Abbreviations Used in Data Standardization Text

Abbreviation	Full Name	Fields Where This Abbreviation May Appear
ac	Acres	Area, Site
AdjPrk	Adjacent to Park	Location
AdjPwr	Adjacent to Power Lines	Location
A	Adverse	Location & View
ArmLth	Arms Length Sale	Sale or Financing Concessions
ba	Bathroom(s)	Basement & Finished Rooms Below Grade
br	Bedroom	Basement & Finished Rooms Below Grade
B	Beneficial	Location & View
Cash	Cash	Sale or Financing Concessions
CtySky	City View Skyline View	View
CtyStr	City Street View	View
Comm	Commercial Influence	Location
c	Contracted Date	Date of Sale/Time
Conv	Conventional	Sale or Financing Concessions
CrtOrd	Court Ordered Sale	Sale or Financing Concessions
DOM	Days On Market	Data Sources
e	Expiration Date	Date of Sale/Time
Estate	Estate Sale	Sale or Financing Concessions
FHA	Federal Housing Authority	Sale or Financing Concessions
GlfCse	Golf Course	Location
Glfvw	Golf Course View	View
Ind	Industrial	Location & View
in	Interior Only Stairs	Basement & Finished Rooms Below Grade
Lndfl	Landfill	Location
LtdSght	Limited Sight	View
Listing	Listing	Sale or Financing Concessions
Mtn	Mountain View	View
N	Neutral	Location & View
NonArm	Non-Arms Length Sale	Sale or Financing Concessions
BsyRd	Busy Road	Location
o	Other	Basement & Finished Rooms Below Grade
Prk	Park View	View
Pstrl	Pastoral View	View
PwrLn	Power Lines	View
PubTrn	Public Transportation	Location
rr	Recreational (Rec) Room	Basement & Finished Rooms Below Grade
Relo	Relocation Sale	Sale or Financing Concessions
REO	REO Sale	Sale or Financing Concessions
Res	Residential	Location & View
RH	USDA - Rural Housing	Sale or Financing Concessions
s	Settlement Date	Date of Sale/Time
Short	Short Sale	Sale or Financing Concessions
sf	Square Feet	Area, Site, Basement
sqm	Square Meters	Area, Site
Unk	Unknown	Date of Sale/Time
VA	Veterans Administration	Sale or Financing Concessions
w	Withdrawn Date	Date of Sale/Time
wo	Walk Out Basement	Basement & Finished Rooms Below Grade
wu	Walk Up Basement	Basement & Finished Rooms Below Grade
WtrFr	Water Frontage	Location
Wtr	Water View	View
Woods	Woods View	View

Other Appraiser-Defined Abbreviations

Abbreviation	Full Name	Fields Where This Abbreviation May Appear