



October 12, 2017

Mr. Don Clurman
c/o Mr Don Salas
Federal Home Loan Corporation
3914 Murphy Canyon Road, Suite A250
San Diego, CA 92123
(858) 560-6555

RE: **Restricted Appraisal Report for Property of:**

Tract No. 30698 – 151 Lots – Rosetta Hills
Lake Elsinore, California 92532

Assessor's Parcel Numbers:

347-560-001 to 044; 347-561-001 to 018;
347-562-001 to 017; 347-570-001 to 022;
347-571-001 to 029; 347-580-001 to 007;
347-581-001 to 008; 347-582-001 to 020.

PCV/MURCOR File # 3074868

Dear Mr. Salas

In response to your request, we have personally appraised the **Fee Simple Interest** in the above referenced property for the purpose of reporting our opinion of the “**As-Is**” market value.

Property Introduction

The subject property consists of an unimproved residential subdivision and per the prior appraisal, by PCV Murcor, on April 9, 2015, it is a total land area of 2,169,811 square feet, or 49.812 acres. Per public records the tract map was recorded on October 19, 2006 and consisted of 158 lots. Mr. Clurman (owner) was interviewed, for the prior appraisal, and stated that in order to bring the recorded map into compliance with current code requirements, seven lots have been designated for on-site water run-off and water retention basins resulting in 151 buildable lots. During interview for the appraisal on April 9, 2015, the owner confirmed that no grading has been completed on the subject site since the map was recorded on October 19, 2006. Per a conversation with Mr. Clurman, on 10/11/2017, the subject property is still in compliance with the code requirements for the City of Lake Elsinore and no work or changes have been completed since the prior appraisal.

At the request of the client, the subject property will be appraised as one 49.812 acres/2,169,811 square foot site, reflecting the benefit of entitlements, recorded tract map



and updating of the tract map to comply with current code requirements. The value is based on a correlated price per square foot and a price per acre value for the vacant site.

The subject site is located in a primarily residential area, with newer residential homes adjacent to the east, south and west. Mostly vacant land is adjacent to the north of the subject site. Some of the surrounding homes appear to have hillside views with limited potential views of Lake Elsinore. The subject site consists of a rolling topography and utilities are available to the subject site.

Based on our examination, subject to the limiting conditions set forth, the opinion has been formed that as of October 9, 2017, the subject property has an estimated market value in cash or cash equivalent terms of:

MARKET VALUE

AS OF OCTOBER 9, 2017

\$5,800,000

FIVE-MILLION EIGHT-HUNDRED THOUSAND DOLLARS

ASSUMES A MARKETING AND EXPOSURE PERIOD OF 3 TO 18 MONTHS



“Standards Rules 2-2 of the *Uniform Standards of Professional Appraisal Practice* (USPAP 2016-2017) offer two written appraisal report options. Under Standards Rules 2-2, an appraiser may communicate the results of the appraisal in one of two options: **Appraisal Report** (Standards Rules 2-2(a), or **Restricted Appraisal Report** (Standards Rules 2-2(b). Standards Rules 2-2 require that the report prominently state which option is used. In an Appraisal Report, specified parts of the research and development must be summarized.”

The following is a **Restricted Appraisal Report** as defined by Uniform Standards of Professional Appraisal Practice (USPAP 2016-2017).

The report has been prepared in conformance with FIRREA and USPAP 2016-2017. If we can be of further assistance or clarification is required, please contact us.

Respectfully submitted,

PCV/MURCOR

Shawn Noblin, SRA
California Certified General
Real Estate Appraiser
Certification No.: AG004355
Expires: April 28, 2019

Frank Obregon
Director of Commercial Valuation
California Certified General
Real Estate Appraiser
Certification No.: AG010759
Expires: October 18, 2017



Client

Federal Home Loan Corporation

Property Ownership

Per public records (NDC) all 165 sites, in the tract, are owned by

Donald S. Clurman

Intended Use of the Report

This is a **Restricted Appraisal Report** as defined by Uniform Standards of Professional Appraisal Practice (USPAP 2016-2017).

The intended use of this appraisal is for loan underwriting and/or credit decisions by Federal Home Loan Corporation.

Intended User

Federal Home Loan Corporation.

Report Type

“Standards Rules 2-2 of the *Uniform Standards of Professional Appraisal Practice* (USPAP 2016-2017) offer two written appraisal report options. Under Standards Rules 2-2, an appraiser may communicate the results of the appraisal in one of two options: **Appraisal Report** (Standards Rules 2-2(a), or **Restricted Appraisal Report** (Standards Rules 2-2(b). Standards Rules 2-2 require that the report prominently state which option is used. In an Appraisal Report, specified parts of the research and development must be summarized.”

This appraisal assignment is a **Restricted Appraisal Report** (under Standards Rule 2-2(b), as defined in the Uniform Standards of Professional Appraisal Practice, USPAP 2016-2017) of an appraisal performed under Standards Rule 1 of the USPAP 2016-2017. This appraisal was completed in accordance with the tenets of the Appraisal Institute Code of Ethics and complies with the USPAP, adopted by the Appraisal Foundation; the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA); Office of the Comptroller of the Currency's (OCC) *Final Rule* pertaining to real estate appraisals (12 CFR part 34 subpart C) as well as all OCC appraisal regulations, standards and guidelines; State of California's Real Estate Appraiser Regulations and Real Estate Appraiser's Licensing and Certification Law and City National Bank appraisal requirements.



Purpose of the Appraisal

The purpose of the appraisal report is to estimate **Market Value** as defined.

Property Identity

Tract No. 30698 – 151 Lots – Rosetta Hills

The subject property is located approximately 2,400 feet southeast of the corner of the Central Avenue and Rosetta Canyon Drive, Lake Elsinore, 92532, Riverside County, California.

Riverside County Thomas Guide Grid: 837-F7/G7

Legal Description

A preliminary title report **was not** provided for the appraiser's review. The legal descriptions are noted in the prior appraisal.

Property Rights Appraised

The property rights herein appraised consists of the **Fee Simple Interest**.

Property Sales History

Per public records (Realist) none of the 165 sites, in Tract No. 30698, have not transferred title 36 months prior to the effective date of the appraisal.

Current Listing and Contract

The property is not currently listed on the CRMLS and Costar nor has it been listed during the past 12 months. Per the owner, the property has not been listed by other mean. The owner stated that he has been approached, by large development companies, and offered \$150,000 per acre for the subject property which would be \$7,471,530. The owner said he would not sell until the time that he feels the market will peak.

Type of Value

Market Value

Definition of "MARKET VALUE" (FIRREA)

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 specified date and the passing of title from seller to buyer under conditions whereby:

- (a) Buyer and seller are typically motivated;
- (b) Both parties are well informed or well advised, and each acting in what he or she considers his or her own best interests;
- (c) A reasonable time is allowed for exposure in the open market;
- (d) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- (e) 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 of Market Value Definition

The Appraisal of Real Estate 14th ed., s.v. “Market Value”, Page 79, (Chicago: Appraisal Institute, 2013).

Effective Date of Value and Date of Report

The date of value (effective date of appraisal) of the subject property described in the report is **October 9, 2017**. The report was completed on **October 12, 2017**.

Scope of Work

This appraisal was completed to develop an opinion as to the market value of the subject property as of October 9, 2017. This appraisal is a **Restricted Appraisal Report**. The property rights appraised are the Fee Simple Estate, which is defined as an ownership interest unencumbered by any other interest or estate.

In developing an opinion as to the market value of the subject property, several investigative inquiries were made. First, an on-site inspection of the subject property was completed. This inspection was on the east side of the site at the Burnet Street cul-de-sac, on the south side of the site at the Elsinore Hills Drive cul-de-sac, on the west side of the site at the Chambord Drive cul-de-sac and on the west side of the site at the Starina Street cul-de-sac.

Next, research and collection of data was conducted, in order to develop and express an opinion of value, as defined herein. The data collected during the investigative process was analyzed and evaluated using the **Sales Comparison Approach**. As the subject property is land it is located in a market where residential vacant land is rarely leased, the **Income Approach** has little applicability and was omitted in this appraisal. Also, since the subject property is being valued with no improvements, the **Cost Approach** does not apply to the subject and was omitted in this appraisal.

The **Sales Comparison Approach** is based upon the assumption that the value of a property is directly related to the prices of similar competitive properties. This approach involves a



direct comparison of similar properties that have sold in the same or similar markets as the subject property. The reliability of this approach is dependent upon on the availability of recent and similar sales that can be verified. From the sales data, comparisons are made and adjustments extracted. These adjustments represent the contribution or reduction in value of the subject property due to differences in property rights, financing terms, conditions of sale, market conditions, and physical characteristics. When paired sales analysis is not feasible, the appraisers will typically rely upon their experience in the marketplace and the opinions of brokers who are active in the local real estate market.

In this regard, the appraisers searched for sales of similar vacant parcels of land zoned for residential use. This search was conducted through Costar Inc., CRMLS, public records (1st American Real Estate Solutions/NDC), and the Internet. The appraisers also searched for active listings. The **price per acre and price per square foot** are utilized as the primary units of comparison; therefore, this was employed in the valuation of the subject property. The sales were adjusted for differences with the subject property. After adjustments, the sales were reconciled and a value was developed for the subject property by the Sales Comparison Approach. The Sales Comparison Approach is typically the only approach utilized on vacant land.

Adjustments applied against all comparables were based upon the appraisers' knowledge of the area, supplemented by the opinions of brokers who are active in the subject's marketplace. Included in this appraisal is a highest and best use analysis, which employs the four traditional tests in developing an opinion as to a property's highest and best use.

The Valuation Process/Method and Techniques Used

The appraisal process is the orderly program in which data used to estimate the value of the subject property are acquired, classified, analyzed, and presented. The first step is defining the appraisal problem by identifying the real estate, the effective date of the value estimate, the property rights being appraised, and the type of value sought. The appraiser then collects and analyzes the factors that affect the market value of the subject property. These include area and neighborhood analysis, site and improvement analysis, highest and best use analysis, and the application of the three approaches to estimating the property's value. Appraisers generally use **(3) three approaches** to value: 1) the **Cost Approach**, 2) the **Direct Sales Comparison Approach**, and 3) the **Income Capitalization Approach**.

The Cost Approach The site is not improved; therefore, the Cost Approach does not apply to the subject and it is omitted in this appraisal.

The Direct Sales Comparison Approach, *also known as the Market Approach*, is used to estimate the value of the land as if vacant and/or the whole property improved. The appraiser gathers data on sales of comparable properties and analyzes the nature and condition of each sale, making logical adjustments for dissimilar characteristics. Typically, a common denominator is found. For land value, this is usually either a price per square foot and/or acre. The direct sales comparison approach gives a good indication of value when sales of similar properties are available.



The Income Capitalization Approach, also known as the *Income Approach*, because the subject property is land located in a market where residential vacant land is rarely leased, the Income Approach has little applicability and was omitted in this appraisal.

Work File, all **Direct Sales Comparison** data and analysis are within the appraiser's work file.

Use of the Property and Use Reflected in Appraisal

The subject property is a vacant site and it is appraised as a vacant site.

Highest and Best Use as Vacant

The highest and best use, at the present, is to develop the site for residential use.

Assumptions and Limiting Conditions

Title to Real Estate. No investigation of legal title has been made and we render no opinion as to the ownership of the property or condition of the title. We assume that:

- a.) The title to the property is marketable;
- b.) Unless otherwise indicated in this report, the property is free and clear of all liens, encumbrances, easements and restrictions;
- c.) The property does not exist in violation of any applicable codes, ordinances, statutes, or other governmental regulations;
- d.) The property is under responsible ownership and competent management and is available for its highest and best use.

Maps and Drawings. The maps and drawings in the work file are for aiding the appraiser in the analysis of the subject property. Dimensions and descriptions are based on public records and information furnished by others and are not meant to be used as references in matters of survey.

Information and Data. The information obtained for use in this appraisal is believed to be true and correct to the best of our ability, however; no responsibility is assumed for errors and omissions, or information not disclosed which might otherwise affect the valuation estimate.

Subsurface Rights. No opinion is expressed as to the value of subsurface oil, gas or mineral rights, nor is the property subject to surface entry for the exploration or removal of such materials except as expressly stated.

Soil Studies. No detailed soil studies covering the subject property were available to the appraiser. Therefore, premises as to soil qualities employed in this report are not conclusive but have been considered consistent with information available to the appraiser.



Natural Phenomena. Since earthquakes are common in this area, no responsibility is assumed due to their possible effect on individual properties unless detailed geologic reports are made available.

Termite Inspection. Although no termite inspection report was available, the appraisers are not aware of significant evidence of termite damage or infestation unless otherwise noted.

Unexpected Conditions. We assume that there are no hidden or unexpected conditions of the property, etc. that would have an impact on our opinion of value. Should any unexpected conditions or new information be made available to us at a future date we reserve the right to revise our opinion of value.

Legal or Specialized Expertise. No opinion is expressed for matters that require legal expertise, specialized investigation, or knowledge beyond that customarily employed by real estate appraisers.

Sale or Purchase. All opinions of market value are considered opinion based on the facts and data appearing in the work file. We assume no responsibility or liability for changes in market conditions or in the ability of the owner to locate a purchaser at the appraised value.

Advertising. Neither all, nor any part, of the contents of this appraisal report shall be conveyed to the public through advertising, public relations, news, sales or other media without the written consent and approval of the appraisers.

Court Testimony. Testimony or attendance in court by reason of this appraisal shall not be required unless arrangements for such services have previously been made.

Date of Value. The date of value to which the conclusions and opinions are expressed in this report are set forth in the letter of transmittal. The dollar amount of any value opinion herein rendered is based upon the purchasing power of the U.S. dollar as of that date. The appraisers assume no responsibility for economic or physical factors occurring subsequent to the date of value that may affect the opinions stated herein.

Title Report. A title report **was not** made available for review by the appraisers. The appraisers assume no responsibility as to the conditions of title as of the date of the appraisal.

Inspection. An on-site inspection of the subject property was completed. This inspection was on the east side of the site at the Burnet Street cul-de-sac, on the south side of the site at the Elsinore Hills Drive cul-de-sac, on the west side of the site at the Chambord Drive cul-de-sac and on the north side of the site at the Starina Street cul-de-sac. Not all areas of the site were observed. If there are adverse conditions in areas, of the site, not observed, this will have an effect on the value opinion.



Personal Property. Personal property was not included in the final value estimate unless otherwise noted in the report.

Environmental Hazards.

The following disclaimer is intended to provide notice to the reader of the appraiser's lack of knowledge and expertise in the area of environmental hazards, and the resulting assumptions and limiting conditions. The presence of potentially hazardous materials, including without limitation, asbestos, urea-formaldehyde foam insulation, polychlorinated biphenyls, petroleum leakage, agricultural chemicals, or other substances, could have a material effect on the value of the subject property.

Unless otherwise stated, the existence of such hazardous substances, contamination, or other environmental conditions, were not called to the appraiser's attention, nor did the appraiser become aware of such, during the inspection of the subject property. However, the appraisal of the subject property cannot be relied on as to whether environmental hazards exist or do not exist on or near the property. The appraiser is not an expert in the field of hazardous materials, and the appraiser's inspection of the subject property does not constitute an expert inspection with regard to such substances and conditions. The appraiser assumes no responsibility for any such conditions, or for any expertise or engineering knowledge required to discover them.

The value estimates are predicated on the assumption that there are no such materials or conditions, in, on, or near the property that would materially affect its value. The appraiser is not qualified to form any opinion in regards to such substances and conditions, and has made no such opinion. The value estimates are subject to any costs or conditions that may occur due to their existence.

The only way to be certain as to the conditions of the property with respect to "environmental hazards," is to have an expert in the field inspect the property. It is our recommendation that the client or reader of this report take whatever steps are necessary to determine that environmental hazards do not exist in and around the subject property.

Extraordinary Assumptions

- 1) An on-site inspection of the subject property was completed. This inspection was on the east side of the site at the Burnet Street cul-de-sac, on the south side of the site at the Elsinore Hills Drive cul-de-sac, on the west side of the site at the Chambord Drive cul-de-sac and on the west side of the site at the Starina Street cul-de-sac. Not all areas of the site were observed. If there are adverse conditions, in areas, of the site, that were not observed, including; (1) Hazardous environmental conditions that would have any negative impact on the value and/or marketability of the subject property. (2) Soil conditions that will not support the proposed single-family construction, this will have an effect on the value opinion.
- 2) A title report was not provided to the appraiser for the analysis on 10/09/2017. The prior appraisal on 04/09/2015 states the following: "Per public record, Tract Map 30698 for the subject site was recorded October 19, 2006 and consisted of 158 lots. Mr. Clurman (the owner) was interviewed and stated in order to bring the recorded map into compliance with current code requirements for the City of Lake Elsinore; seven

lots have been designated for on-site water run-off and water retention basins resulting in 151 buildable lots.” Per a conversion with Mr. Clurman, on 10/11/2017, the subject property is still in compliances with the code requirements for the City of Lake Elsinore and no work or changes have been completed since the prior appraisal. The property is appraised with the assumption the above statement from the prior appraisal and Mr. Clurman statements on 10/11/2017 are accurate. If the prior statements from the prior appraisal and/or Mr. Clurman statements on 10/11/2017 are not accurate, this may have an effect on the value opinion.

- 3) A title report was not provided to the appraiser for the analysis on 10/09/2017. The prior appraisal on 04/09/2015 states that the site is “49.812 acres/2,169,811 SF”. These site area estimations are used in the analysis. If it is determined at a later time that the site is not 49.812 acres/2,169,811 SF, this may have an effect on the value opinion.
- 4) The subject property is appraised with following assumptions: (1) the tract map is in place (2) that all current code requirements for the City of Lake Elsinore have been satisfied (3) and the subject site is ready for development. If it is determined at a later time that any or all of the above statements are not accurate this will have an effect on the value opinion.
- 5) A title Report was not provided for review. This appraisal is made assuming that there is clear title to the subject property and there are no easements or encroachments of record that would affect the value or marketability of the subject property. If it is determined at a later time that there easements and/or encroachment that effect the value or marketability of the subject property, this will have an effect on the value opinion.
- 6) The site area of Comparable Listing No. 4 is taken from the prior appraisal and used in the analysis. If it is determined at a later time that this site area is not accurate, this may have an effect on the value opinion.
- 7) The gross site of Comparable Sale No. 2 is estimated from the dimensions on the plat map. If it is determined at a later time that the gross site area of Comparable Sale No. 2 is different, this may have an effect on the value opinion.

Hypothetical Conditions:

None

American with Disabilities Act.

The “Americans with Disabilities Act of 1990” (ADA) is intended to provide full access and participation for disabled Americans and contains areas of coverage including employment, public services, public accommodations, and telecommunications. Subchapter III of the ADA addresses architectural and procedural barriers to disabled individuals in connection with public accommodations. The effective date of the Act is January, 1992 for businesses employing 25 (twenty-five) or more employees and having gross annual receipts exceeding \$1,000,000 (one million dollars). The appraisers have not been provided a survey with regard to the subject property to indicate whether or not the subject is in conformance with this Act. Should such a survey for forthcoming, the appraisers reserve the right to adjust and modify the value conclusion herein.



Certification

We certify that, to the best of our knowledge and belief...

1. That the statements of fact contained herein are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest with respect to the parties involved.
4. We have performed services, as appraisers or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the acceptance of this assignment. The property was appraised by PCV Murcor on April 9, 2015.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. Our 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. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP).
9. Shawn Noblin, SRA conducted a personal inspection of the subject property and all of the comparables on October 9, 2017. Frank Obregon did not conduct a personal inspection of the subject property.
10. Molly Ruszkowski, of PCV Murcor, completed the appraisal on April 9, 2017. Some of the demographics, property information, site information, and zoning information are taken from that report.
11. As of the date of this report, Shawn Noblin and Frank Obregon, have completed the requirements of the continuing education program of the California Office of Real Estate Appraisers.



12. We have the knowledge and experience to complete this appraisal assignment and have completed this type of appraisal in the past.
13. As of the date of this report, I Shawn Noblin has completed the continuing education program for the Designated Members of the Appraisal Institute.
14. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
15. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.



Burnet Street cul-de-sac



View of Subject Site to the West at the Burnet Street cul-de-sac, on East side



View of Subject Site to the Southwest at the Burnet Street cul-de-sac, on East side



View of Subject Site to the Northwest at the Burnet Street cul-de-sac, on East side



Water terminus at the Burnet Street cul-de-sac



Elsinore Hills Road cul-de-sac



View of Subject Site to North at the Elsinore Hills Road cul-de-sac, on South side



View of Subject Site to Northwest at the Elsinore Hills Road cul-de-sac, on South side



View of Subject Site to Northeast at the Elsinore Hills Road cul-de-sac, on South side



View of Subject Site to West at the Elsinore Hills Road cul-de-sac, on South side



View of Subject Site to East at the Elsinore Hills Road cul-de-sac, on South side



Water terminus at the Elsinore Hills Road cul-de-sac



Chambord Road cul-de-sac



View of Subject Site to East at the Chambord Road cul-de-sac, on West side



View of Subject Site to Northeast at the Chambord Road cul-de-sac, on West side



View of Subject Site to North at the Chambord Road cul-de-sac, on West side



Sewer terminus at the Chambord Road cul-de-sac



Starina Street cul-de-sac



View of Subject Site to East at the Starina Street cul-de-sac, on West side



View of Subject to South east at the Starina Street cul-de-sac, on West side



View of Subject Site to South at the Starina Street cul-de-sac, on West side



View of Subject site to North at the Starina Street cul-de-sac, on West side



View of Subject site to North east at the Starina Street cul-de-sac, on West side



September 13, 2017

Mr. Don Clurman
c/o Mr. Don Salas
Federal Home Loans Corporation
3914 Murphy Canyon Road, Suite A250
San Diego, CA. 92123
(858) 560-6555

Via email: donclurman@gmail.com

don@fhlcorp.com

Re: Current Valuation for:

151 Lots Rosetta Hills Lake Elsinore, CA. 92532

Dear Mr. Clurman:

This letter will serve to confirm our understanding that you have retained our firm in connection with certain appraisal services to be rendered in the above subject matter. Any reports, data, worksheets or other documents prepared by us in connection with this engagement will be submitted solely to you and/or your representative, and will not be furnished to any other person or parties. You and my firm have determined the scope of the work to be performed.

Our appraisal will be presented as a Restricted Appraisal Report in compliance with the Uniform Standards of Professional Appraisal practice (USPAP). The fee for our services will be \$1,900 with a delivery date within two (2) weeks of the date of inspection of the subject property.

In addition, our fees for any depositions or court appearances are \$350.00/Hour, \$1,400.00/Half Day and \$2,800.00/Full Day, with a half day minimum. These fees would be due on the day of any appearances.



There are a number of factors that may affect the valuation; therefore, certain assumptions and limiting conditions are imposed upon this assignment. By acceptance of this contract, you agree to the applicability of those assumptions and limiting conditions, and agree to accept the report subject to the same. A copy of the limiting conditions is attached hereto, and made a part hereof.

All that is needed to activate this agreement is our receipt of a copy of this proposal letter with your signature and the date affixed in the space thereon, indicating your acceptance of the scope of the assignment.

Payment in amount of \$1,900.00 will be required and can be submitted via credit card.

As it has been decided that access is required for this assignment, we will need to be provided the contact information for the property to be appraised.

In the event that this proposal letter is not accepted and returned within 30 days of the date hereon, this proposal may be withdrawn.

Thank you for the opportunity of providing this proposal. If you have any further questions, please do not hesitate to contact me.

Sincerely,

PCV/MURCOR

Frank Obregon

Frank Obregon
Director of Commercial Valuation
California Certified General
Real Estate Appraiser # AG010759 - Expires 10/18/2017

ACCEPTED:

Date: 9-20-2017

FJO/cs

Attachment

740 Corporate Center Drive, Suite 200, Pomona, CA 91768 • 909-5823-4001 fax: 909-622-9332
www.pcvmurcor.com

EMAIL: FOBREBOW@PCVMURCOR.COM



ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal report is subject to the following assumptions and limiting conditions:

That the dates of value to which the conclusion and opinions expressed in this report are set forth in the letter of transmittal.

Further, that the dollar amount of any value opinion hereon rendered is based upon the purchasing power of the American dollar existing on that date.

That the Appraiser assumes no responsibility for economic or physical factors that may affect the opinions hereon stated occurring at some date after the date of the letter transmitting this report.

This assignment is to estimate the market value of the properties that are the subject of this report in conformity with the definition that follows.

Market Value as defined by USPAP.

That the Appraiser reserves the right to make such adjustments to the valuation herein reported, as may be required by consideration of additional data or more reliable data that may become available.

That no opinion as to title is rendered. Title is assumed to be marketable and free and clear of all liens and encumbrances, easement and restrictions except those specifically discussed in the report.

The property is appraised assuming it to be under responsible ownership and competent management, and available for its highest and best use.

The Appraiser has made no engineering survey. Except as specifically stated, data relative to size and area was taken from sources considered reliable and no encroachments of real property improvements are considered to exist.

That maps plats and exhibits included herein are for illustration only as an aid in visualizing matters discussed within the report. They should not be considered as surveys or relied upon for any other purpose, nor should they be removed from, reproduced or used apart from this report.

That no opinion is expressed as to the value of subsurface oil, gas or mineral rights or whether the property is subject to surface entry for the exploration or removal of such materials except as is expressly stated.



That no opinion is intended to be expressed for matters that require legal expertise or specialized investigation or knowledge beyond that customarily employed by real estate appraisers.

In the event that Appraiser is subpoenaed for a deposition or judicial or administrative proceeding and is ordered to produce his appraisal report and files, Appraiser shall immediately notify Employer. Appraiser shall appear at the deposition or judicial or administrative hearing with his appraisal report and files and answer all questions unless Employer provides legal counsel who instructs Appraiser not to appear, or instructs Appraiser not to answer certain questions. It shall be the responsibility of Employer to obtain a protective order.

That the Appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable.

The Appraiser assumes no responsibility for such conditions, or for engineering which might be required to discover such factors.

Unless otherwise stated in the appraisal report, the existence of hazardous material, which may or may not be present on the property, was not observed by the Appraiser.

The Appraiser has no knowledge of the existence of such materials on or in the property. The Appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property.

The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value.

No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

That testimony or attendance in court or at any other hearing is not required by reason of rendering this appraisal unless such arrangements are made a reasonable time in advance.

The Appraiser reserves the right to consider and to evaluate such additional data as becomes available between the date of this report and said date of trial and to make such adjustments, if any, to the herein stated value opinions as may be required by analysis of such additional data.



That the Appraiser has personally inspected the subject property and finds no obvious evidence of structural deficiencies except as stated in this report; however, no responsibility for hidden defects or conformity to specific governmental requirements, such as fire, building and safety, earthquake or occupancy codes can be assumed without provision of specific professional or governmental inspections.

That no termite inspection report was available. The Appraiser personally inspected the subject property and found no significant evidence of termite damage or infestation; however, no guarantee that none exists should be construed.

Care has been taken to obtain all information from reliable sources. The authors cannot guarantee or be responsible for the accuracy of this information.

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