Property Address 1265 De Cuhrn Court

Borrower
Eligio Castro & Rodriguez Castro Garcia
Owner of Public Record

City
Salinas
State
CA
Zip Code
93906

Legal Description
See Prelim

Assessor's Parcel # 153-282-035-000

Tax Year
2012
R.E. Taxes $ 3,389

Neighborhood Name
Canterbury Estates
Map Reference
72-B8
Census Tract
0106.03

Occupant
Owner
Tenant
Vacant
Special Assessments $ 0
PUD HOA $ 0

Property Rights Appraised
Yes Simple
Leasehold
Other (describe)

Lender/Custodian
Federal Home Loan Corporation
Address
5540 Ruffin Road, 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? X Yes No

Report data source(s) used, offerings price(s), and date(s). DOM 223:Subject property was listed for sale by owner;Original Price $383,900;Date of Original 2013;MLSListings

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? X Yes No If Yes, report the total dollar amount and describe the items to be paid. 0.00

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

Is the property seller the owner of public record? X Yes No Data Source(s) RealQuest

Is the subject property currently offered for sale? X Yes No If Yes, report 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. X Did not analyze the contract for sale.

Contract Price $ 390,000 Date of Contract 09/10/2013 Is the property seller the owner of public record? X Yes No Data Source(s) RealQuest

Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? X Yes No If Yes, describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). C3:Kitchen-not updated;Bathtooms-not updated;No functional or physical deficiencies were noted.

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? X Yes No If Yes, report the total dollar amount and describe the items to be paid. 0.00

Is there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? X Yes No

Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? X Yes No

Is the property seller the owner of public record? X Yes No Data Source(s) RealQuest

Is the subject property currently offered for sale? X Yes No If Yes, report 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. X Did not analyze the contract for sale.

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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? X Yes No If Yes, report the total dollar amount and describe the items to be paid. 0.00

Is there any adverse site conditions or external factors (easements, encroachment
SALES COMPARISON ANALYSIS

SALE OF COMPARABLES

<table>
<thead>
<tr>
<th>FEATURE</th>
<th>SUBJECT</th>
<th>COMPARABLE SALE # 1</th>
<th>COMPARABLE SALE # 2</th>
<th>COMPARABLE SALE # 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address</td>
<td>1265 De Cuhna Court</td>
<td>Salinas, CA 93906</td>
<td>1025 Snug Harbor</td>
<td>Salinas, CA 93906</td>
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<tr>
<td>Proximity to Subject</td>
<td>0.36 miles W</td>
<td>0.72 miles W</td>
<td>0.96 miles NW</td>
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<tr>
<td>Sale Price</td>
<td>$390,000</td>
<td>$390,000</td>
<td>$390,000</td>
<td></td>
</tr>
<tr>
<td>Sale Price/Gross Lx. Area</td>
<td>$146.45 sq. ft</td>
<td>$158.13 sq. ft</td>
<td>$178.00 sq. ft</td>
<td>$155.29 sq. ft</td>
</tr>
</tbody>
</table>

Data Source(s) | MLS/Listing: DOM 2 | MLS/Listing: DOM 12 | MLS/Listing: Inspt: DOM 80 |

Verification Source(s) | MLS#811355454/Doc#37040 | MLS#81122176/Doc#47552 | MLS#81131137/Doc#54572 |

VALUE ADJUSTMENTS

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<thead>
<tr>
<th>DESCRIPTION</th>
<th>X/+(-) $ Adjustment</th>
<th>X/+(-) $ Adjustment</th>
<th>X/+(-) $ Adjustment</th>
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</thead>
<tbody>
<tr>
<td>Sale of Financing</td>
<td>ArmLth</td>
<td>ArmLth</td>
<td>ArmLth</td>
</tr>
<tr>
<td>Concessions</td>
<td>Conv:0</td>
<td>Conv:0</td>
<td>Conv:0</td>
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<tr>
<td>Date of Sale/Time</td>
<td>06/13;05/13</td>
<td>07/13;06/13</td>
<td>08/13;06/13</td>
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<tr>
<td>Location</td>
<td>N;Res;</td>
<td>N;Res;</td>
<td>N;Res;</td>
</tr>
<tr>
<td>Leasehold/Fee Simple</td>
<td>Fee</td>
<td>Fee</td>
<td>Fee</td>
</tr>
<tr>
<td>Site</td>
<td>6813 sf</td>
<td>5898 sf</td>
<td>0 sf</td>
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<tr>
<td>View</td>
<td>N;Res;</td>
<td>N;Res;</td>
<td>N;Res;</td>
</tr>
<tr>
<td>Design (Style)</td>
<td>Contemporary</td>
<td>Contemporary</td>
<td>Contemporary</td>
</tr>
<tr>
<td>Quality of Construction</td>
<td>Q4</td>
<td>Q4</td>
<td>Q4</td>
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<tr>
<td>Actual Age</td>
<td>19</td>
<td>15</td>
<td>0</td>
</tr>
<tr>
<td>Condition</td>
<td>C3</td>
<td>C3</td>
<td>-20,000</td>
</tr>
<tr>
<td>Above Grade</td>
<td>Total Bdrms Baths</td>
<td>Total Bdrms Baths</td>
<td>Total Bdrms Baths</td>
</tr>
<tr>
<td>Room Count</td>
<td>8</td>
<td>5</td>
<td>3.0</td>
</tr>
<tr>
<td>Gross Living Area</td>
<td>2,663 sq ft</td>
<td>2,499 sq ft</td>
<td>+9,900 sq ft</td>
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<tr>
<td>Basement &amp; Finished</td>
<td>0sf</td>
<td>0sf</td>
<td>0sf</td>
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<tr>
<td>Rooms Below Grade</td>
<td>Average Heating/Cooling</td>
<td>Average Heating/Cooling</td>
<td>Average Heating/Cooling</td>
</tr>
<tr>
<td>Functional Utility</td>
<td>Average Heating/Cooling</td>
<td>Average Heating/Cooling</td>
<td>Average Heating/Cooling</td>
</tr>
<tr>
<td>Heating/Cooling</td>
<td>FWA/None</td>
<td>FWA/None</td>
<td>FWA/None</td>
</tr>
<tr>
<td>Energy Efficient Items</td>
<td>Full Insulation</td>
<td>Full Insulation</td>
<td>Full Insulation</td>
</tr>
<tr>
<td>Garage/Carport</td>
<td>2-Garage</td>
<td>2-Garage</td>
<td>2-Garage</td>
</tr>
<tr>
<td>Porch/Patio/Deck</td>
<td>Patio</td>
<td>Patio</td>
<td>Patio</td>
</tr>
<tr>
<td>Fireplaces</td>
<td>FP</td>
<td>FP</td>
<td>FP</td>
</tr>
<tr>
<td>Net Adjustment</td>
<td>$ -7,600</td>
<td>$ 10,820</td>
<td>$ -12,960</td>
</tr>
<tr>
<td>Adjusted Sale Price of Companies</td>
<td>$ 387,400</td>
<td>$ 400,820</td>
<td>$ 392,960</td>
</tr>
</tbody>
</table>

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

My research 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): MLS/RealQuest

My research 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): MLS/RealQuest

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):

<table>
<thead>
<tr>
<th>ITEM</th>
<th>SUBJECT</th>
<th>COMPARABLE SALE # 1</th>
<th>COMPARABLE SALE # 2</th>
<th>COMPARABLE SALE # 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date of Prior Sale/Transfer</td>
<td>03/05/2013</td>
<td>12/26/2012</td>
<td>05/01/2012</td>
<td></td>
</tr>
<tr>
<td>Price of Prior Sale/Transfer</td>
<td>$399,000</td>
<td>$285,000</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Data Source(s)</td>
<td>MLS/RealQuest</td>
<td>MLS/RealQuest</td>
<td>MLS/RealQuest</td>
<td></td>
</tr>
</tbody>
</table>

Analysis of prior sale or transfer history of the subject property and comparable sales. A three year property history analysis of the subject property indicated it last sold or transferred title on 03/05/2013 with no subsequent listings per MLS and RealQuest. No value was given to any personal property.

Summary of Sales Comparison Approach:

Area of traditionally scarce sales due to relatively small neighborhood with little turnover. Recent sales of similar homes in the area are scarce due to limited activity. The sales search was expanded to include slightly older sales of similar homes in the area. Comps 1 & 2 are smaller homes with superior updating in superior condition. Comp 3 is a more recent sale of a smaller home in similar condition that this office inspected. Comps 4, 5 & 6 are all homes in the area on the market. The sales used are the best available at this time, provide good market value indicators for the subject property and are supportive. The final estimation of value was derived using weighted averages from sales 1, 2 & 3.

Indicated Value by Sales Comparison Approach $390,000

Indicated Value by Sales Comparison Approach $390,000 Cost Approach (if developed) $389,826 Income Approach (if developed) $ N/A

The Market Approach is given the greatest weight in arriving at the final estimate of value and is well supported by the Cost Approach. The Income Approach is not applicable for single family properties in the area. **Signatures contained within this appraisal report are digitally secure.**

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. This report conforms with USPAP as a Summary Appraisal Report and is intended for use by the above lender/client. All sales confirmed closed.

Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limitations 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 $390,000, as of 09/13/2013, which is the date of inspection and the effective date of this appraisal.
Additional Comments: The intended user of this appraisal report is the lender/client. The intended use is to evaluate the property that is the subject of this appraisal for a mortgage finance transaction, subject to the state's scope of work, purpose of the appraisal, requirements of this appraisal report form, and definition of market value. No additional intended users are identified by the appraiser.

Additional Comments: Exposure time: estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.

Additional Comments: The new ratings of the uniform appraisal dataset (UAD) do not provide accurate explanations in some areas of the differences of the property characteristics. One example of this is the C3 condition, which indicates limited depreciation, recently updated. Given the many levels of updating, from utilizing inexpensive materials in the renovation to including only upscale material when renovating, the adjustments for a comparable property that would fall within the same condition category can vary greatly. For this reason, some of the adjustments for comparables included in this report with a similar condition rating may differ, based on the information provided by the listing agent/office regarding the extent of the updating of the comparable home.

Disclosures for the 1004MC form

1. The reader should be aware that the 1004MC form requests the median (or average) values for comparable properties which may not match the information requested on the appraisal report, which is the predominant value for all properties within the defined neighborhood.

2. The information obtained to complete the 1004MC form was taken from the local multiple listing service and may contain errors and does not contain concession information. Due to the number of properties needed to create statistics, the raw data was not verified.

3. Listing information may not be reliable due to range pricing and below market pricing used to attract multiple offers and higher price.

Additional Comments: The market sales included short sale listings and pending sales. These properties are often offered for well below market value, in an attempt to generate a multiple offer situation for the seller. Many of these homes are in some stage of the foreclosure, from either a notice of default (the first stage of the process) to an auction date for the home in the form of a notice of trustee's sale. Because of these situations, minimal or no weight is given to active listing or pending sale properties in this appraisal evaluation.

## Cost Approach to Value (Not Required by Fannie Mae)

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

Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value) The site value of the subject property was derived from estimated sales from similar vacant parcels in the subject's market area.

### Estimated Remaining Economic Life (HUD and VA only)

<table>
<thead>
<tr>
<th>Years</th>
<th>Indicated Value By Cost Approach</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>55</td>
<td>1,000</td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>263,826</td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>29,314</td>
<td>$</td>
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<td></td>
<td>21,840</td>
<td>$</td>
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<td></td>
<td>293,140</td>
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<td></td>
<td>29,314</td>
<td>$</td>
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<tr>
<td></td>
<td>5,000</td>
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<td></td>
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<td></td>
<td>266,300</td>
<td>$</td>
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<tr>
<td></td>
<td>27,000</td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>27,000</td>
<td>$</td>
</tr>
</tbody>
</table>

## Income Approach to Value (Not Required by Fannie Mae)

Estimated Monthly Market Rent $ X Gross Multiplier = $ Indicated Value by Income Approach

Summary of Income Approach (including support for market rent and GMR)

### Project Information for PUDs (If Applicable)

Is the developer/builder in control of the Homeowner's Association (HOA)?

- Yes
- No

Unit Type(s)

- Detached
- 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
---|---|---
| | | |

Data source(s)

Was the project created by the conversion of existing building(s) into a PUD?

- Yes
- No

If Yes, date of conversion

Does the project contain any multi-dwelling units?

- Yes
- No

Data source

Are the units, common elements, and recreation facilities complete?

- Yes
- No

If No, describe the status of completion

Are the common elements leased to or by the Homeowner's Association?

- Yes
- No

If Yes, describe the rental terms and options.

Describe common elements and recreational facilities.
**Net Adjustment (Total)**: $0

**Adjusted Sale Price of Comparables**:
- Gross Adj: 6% $400,000
- Gross Adj: 13% $406,860
- Gross Adj: 6% $365,000

Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales.

**ITEM**
- **SUBJECT**
- **COMPARABLE SALE # 4**
- **COMPARABLE SALE # 5**
- **COMPARABLE SALE # 6**
- **Date of Prior Sale/Transfer**
  - **03/05/2013**
  - **06/21/2013**
- **Price of Prior Sale/Transfer**
  - $369,900
  - $279,000
- **Data Source(s)**
  - MLS/RealQuest
  - MLS/RealQuest
  - MLS/RealQuest
- **Effective Date of Data Source(s)**
  - 09/13/2013
  - 09/13/2013
  - 09/13/2013

Analysis of prior sale or transfer history of the subject property and comparable sales

**Summary of Sales Comparison Approach**

---

**Borrower**
Eligio Castro & Rodrigo Castro Garcia

**Property Address**
1265 De Cuhna Court

**City**
Salinas

**County**
Monterey

**State**
CA

**Zip Code**
93906

**Lender/Client**
Federal Home Loans Corporation

**Address**
5540 Ruffin Road, San Diego, CA 92123

**File No.**
1265decunha
USPAP COMPLIANCE ADDENDUM

Borrower/Client: Eligio Castro & Rodrigo Castro Garcia
Address: 1265 De Cuhna Court
City: Salinas
County: Monterey
State: CA
Zip Code: 93906

Lender/Client: Federal Home Loans Corporation

APPRAISAL AND REPORT IDENTIFICATION

This Appraisal Report is one of the following types:

- [X] Self Contained (A written report prepared under Standards Rule 2-2(a), pursuant to the Scope of Work, as disclosed elsewhere in this report.)
- [ ] Summary (A written report prepared under Standards Rule 2-2(b), pursuant to the Scope of Work, as disclosed elsewhere in this report.)
- [ ] Restricted Use (A written report prepared under Standards Rule 2-2(c), pursuant to the Scope of Work, as disclosed elsewhere in this report, restricted to the stated intended use by the specified client or intended user.)

COMMENTS ON THE STANDARDS RULE 2-3

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The report analyses, opinions, and conclusions are limited only by the reported assumptions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no (or the specified) present or prospective interest in the property that is the subject of this report and no (or specified) personal interest with respect to the parties involved.
- I have performed NO services, as an appraiser or in another capacity, regarding the property that is the subject of the report within the three-year period immediately preceding acceptance of this assignment.
- I HAVE performed services, as an appraiser or in another capacity, regarding the property that is the subject of the report within the three-year period immediately preceding acceptance of this assignment. Those services are described in the comments below.
- I have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- I [X] have or [ ] have not made a personal inspection of the property that is the subject of this report.
- No one provided significant real property appraisal assistance to the person signing this certification. (If there are exceptions, the name of each individual providing significant real property appraisal assistance is stated elsewhere in this report.)

COMMENTS ON APPRAISAL AND REPORT IDENTIFICATION

Note any USPAP related issues requiring disclosure and any State mandated requirements:

MARKETING TIME AND EXPOSURE TIME FOR THE SUBJECT PROPERTY

- A reasonable marketing time for the subject property is [X] 30-90 day(s) utilizing market conditions pertinent to the appraisal assignment.
- A reasonable exposure time for the subject property is [X] 30-90 day(s).

APRAISER

Signature: ____________________________
Name: Jeff Tomasini
Date of Signature: 09/16/2013
State Certification # AR029090
State: CA
Expiration Date of Certification or License: 06/13/2014
Effective Date of Appraisal: 09/13/2013

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature: ____________________________
Name: ____________________________
Date of Signature: ____________________________
State Certification # ____________________________
State: ____________________________
Expiration Date of Certification or License: ____________________________
Supervisory Appraiser Inspection of Subject Property: [ ] Did Not [ ] Exterior Only from street [ ] Interior and Exterior
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 this 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.
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 have 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. If 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.
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

<table>
<thead>
<tr>
<th>Name</th>
<th>Jeff Tomasini</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company Name</td>
<td>Tomasini Appraisal Service</td>
</tr>
<tr>
<td>Company Address</td>
<td>824 Holly Oak Court, Hollister, CA 95023</td>
</tr>
<tr>
<td>Telephone Number</td>
<td>831-902-0203</td>
</tr>
<tr>
<td>Email Address</td>
<td><a href="mailto:tomasini@charter.net">tomasini@charter.net</a></td>
</tr>
<tr>
<td>Date of Inspection</td>
<td>09/18/2013</td>
</tr>
<tr>
<td>Effective Date of Appraisal</td>
<td>06/13/2013</td>
</tr>
<tr>
<td>State Certification #</td>
<td>AR029090</td>
</tr>
<tr>
<td>State License #</td>
<td></td>
</tr>
<tr>
<td>State</td>
<td>CA</td>
</tr>
<tr>
<td>Expiration Date of Certification or License</td>
<td>06/13/2014</td>
</tr>
</tbody>
</table>

ADDRESS OF PROPERTY APPRAISED

| Address | 1265 De Cuerna Court, Salinas, CA 93906 |

APPRaised Value of Subject Property $ 390,000

Lender/client

<table>
<thead>
<tr>
<th>Name</th>
<th>Federal Home Loans Corporation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company Name</td>
<td>Federal Home Loans Corporation</td>
</tr>
<tr>
<td>Company Address</td>
<td>5540 Ruffin Road, San Diego, CA 92123</td>
</tr>
<tr>
<td>Email Address</td>
<td></td>
</tr>
</tbody>
</table>

SUBJECT PROPERTY

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

COMPARABLE SALES

- Did not inspect comparable sales from street
- Did inspect exterior of comparable sales from street
- Did inspect interior and exterior of comparable sales from street
## Borrower Information
- **Eligio Castro & Rodrigo Castro Garcia**

## Property Address
- **1265 De Cuhna Court**
- **Salinas**, **Monterey**, **CA 93906**

## Lender/Client Information
- **Federal Home Loans Corporation**
- **5540 Ruffin Road, San Diego, CA 92123**

## SKETCH ADDENDUM

### SKETCH CALCULATIONS

#### Perimeter

<table>
<thead>
<tr>
<th>Area</th>
<th>Perimeter</th>
</tr>
</thead>
<tbody>
<tr>
<td>A1</td>
<td>18.5 x 4.0 = 74.0</td>
</tr>
<tr>
<td>A2</td>
<td>21.0 x 5.5 = 115.5</td>
</tr>
<tr>
<td>A3</td>
<td>40.5 x 42.5 = 1721.3</td>
</tr>
<tr>
<td>A4</td>
<td>13.3 x 20.0 = 266.0</td>
</tr>
<tr>
<td>A5</td>
<td>8.0 x 2.0 = 16.0</td>
</tr>
<tr>
<td>Attached Garage</td>
<td>-546.0</td>
</tr>
<tr>
<td><strong>First Floor</strong></td>
<td><strong>1407.4</strong></td>
</tr>
</tbody>
</table>

#### Area

<table>
<thead>
<tr>
<th>Area</th>
<th>Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>A7</td>
<td>20.5 x 14.0 = 287.0</td>
</tr>
<tr>
<td>A8</td>
<td>11.5 x 20.0 = 230.0</td>
</tr>
<tr>
<td>A9</td>
<td>40.0 x 21.0 = 840.0</td>
</tr>
<tr>
<td>A10</td>
<td>16.0 x 5.0 = 80.0</td>
</tr>
<tr>
<td>A11</td>
<td>0.5 x 3.0 x 3.0 = 4.5</td>
</tr>
<tr>
<td>A12</td>
<td>0.5 x 3.0 x 3.0 = 4.5</td>
</tr>
<tr>
<td>A13</td>
<td>5.5 x 3.0 = 16.5</td>
</tr>
<tr>
<td><strong>Second Floor</strong></td>
<td><strong>1255.5</strong></td>
</tr>
</tbody>
</table>

### Total Living Area
- **2662.9**

### Total Garage Area
- **546.0**
The purpose of this addendum is to provide the lender/client with a clear and accurate understanding of the market trends and conditions prevalent in the subject neighborhood. This is a required addendum for all appraisal reports with an effective date on or after April 1, 2009.

## Inventory Analysis

<table>
<thead>
<tr>
<th>Prior 7-12 Months</th>
<th>Prior 4-6 Months</th>
<th>Current - 3 Months</th>
<th>Overall Trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total # of Comparable Sales (Settled)</td>
<td>19</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Absorption Rate (Total Sales/Months)</td>
<td>3</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Total # of Comparable Active Listings</td>
<td>X</td>
<td>X</td>
<td>3</td>
</tr>
<tr>
<td>Months of Housing Supply (Total Listings/Ab. Rate)</td>
<td>X</td>
<td>X</td>
<td>1.50</td>
</tr>
<tr>
<td>Median Sales &amp; List Price, DOM, Sale/List %</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prior 7-12 Months</td>
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<td>Current - 3 Months</td>
<td>Overall Trend</td>
</tr>
<tr>
<td>Medium Comparable Sales Price</td>
<td>311,000</td>
<td>373,000</td>
<td>362,000</td>
</tr>
<tr>
<td>Medium Comparable Sales Days on Market</td>
<td>13</td>
<td>14</td>
<td>7</td>
</tr>
<tr>
<td>Medium Comparable List Price</td>
<td>X</td>
<td>X</td>
<td>375,000</td>
</tr>
<tr>
<td>Medium Comparable Listings Days on Market</td>
<td>X</td>
<td>X</td>
<td>12</td>
</tr>
<tr>
<td>Medium Sale Price as % of List Price</td>
<td>100.00</td>
<td>100.00</td>
<td>100.00</td>
</tr>
</tbody>
</table>

## Previous Trends

- **Subject's market area has been affected by the economic downturn. Values have been declining for the past 18 months and additional downward pressure on sale prices, as well as, increasing typical marketing times if not competitively priced.**
- **REO/foreclosure activity is considered prevalent at this time. The presence of these types of transactions do appear to be putting an average of foreclosed properties.**

## Current Trends

- **Are foreclosure sales (REO sales) a factor in the project?**
  - Yes
  - No

## Cite data sources for above information.

## MLS/Appraisal Files

Summarize the above information as support for your conclusions in the Neighborhood section of the appraisal report form. If you used any additional information, such as an analysis of pending sales, and/or expired and withdrawn listings, to formulate your conclusions, provide both an explanation and support for your conclusions.

The subject's market area has been affected by the economic downturn. Values have been declining for the past 18 months and have started to stabilize. The absorption rate has declined slightly, but overall it is considered to be relatively stable. The majority of buyers consists of first time buyers and investors.

### Inventory Analysis

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<th>Overall Trend</th>
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<td>Total # of Comparable Active Listings</td>
<td>X</td>
<td>X</td>
<td>3</td>
</tr>
<tr>
<td>Months of Housing Supply (Total Listings/Ab. Rate)</td>
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<td>Median Sales &amp; List Price, DOM, Sale/List %</td>
<td></td>
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<td>X</td>
<td>12</td>
</tr>
<tr>
<td>Medium Sale Price as % of List Price</td>
<td>100.00</td>
<td>100.00</td>
<td>100.00</td>
</tr>
</tbody>
</table>

## Are foreclosure sales (REO sales) a factor in the project?**

- Yes
- No

## Explain in detail seller concessions trends for the past 12 months (e.g. seller contributions increased from 3% to 5%, increasing use of buydowns, closing costs combo fees, options, etc.)

## Are foreclosure sales (REO sales) a factor in the market?**

- Yes
- No

If yes, indicate the number of REO listings and explain the trends in listings and sales of foreclosed properties.

## Cite data sources for above information.

## MLS/Appraisal Files

Summarize the above information as support for your conclusions in the Neighborhood section of the appraisal report form. If you used any additional information, such as an analysis of pending sales, and/or expired and withdrawn listings, to formulate your conclusions, provide both an explanation and support for your conclusions.

The subject's market area has been affected by the economic downturn. Values have been declining for the past 18 months and have started to stabilize. The absorption rate has declined slightly, but overall it is considered to be relatively stable. The majority of buyers consists of first time buyers and investors.

### Overall Trend

- **Overall Trend**
  - Increasing
  - Stable
  - Declining

## If the subject is a unit in a condominium or cooperative project, complete the following:

### Project Name:

- **Project Name:**
- **Overall Trend**
  - Increasing
  - Stable
  - Declining

### Are foreclosure sales (REO sales) a factor in the project?

- Yes
- No

If yes, indicate the number of REO listings and explain the trends in listings and sales of foreclosed properties.

## Summarize the above trends and address the impact on the subject unit and project.

## Signature

Appraiser Name: **Jeff Tomasini**

Supervisor Name: **Jeff Tomasini**

Company Name: **Tomasini Appraisal Service**

Company Address: **824 Holly Oak Court, Hollister, CA 95023**

State License/Certification #: **ARG210909**

Email Address: **tomasini@charter.net**

Page 10 of 24
Tomasini Appraisal Service
LOCATION MAP ADDENDUM

Borrower: Eligio Castro & Rodrigo Castro Garcia
Property Address: 1265 De Cuhna Court

<table>
<thead>
<tr>
<th>City</th>
<th>County</th>
<th>State</th>
<th>Zip Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salinas</td>
<td>Monterey</td>
<td>CA</td>
<td>93906</td>
</tr>
</tbody>
</table>

Lender/Client: Federal Home Loans Corporation
Address: 5540 Ruffin Road, San Diego, CA 92123

Subject: 1265 De Cuhna Court
Salinas, CA 93906
APN: 150-282-009-000

Comp 1: 1025 Snug Harbor
Salinas, CA 93906
0.19 miles N
Sale: $320,000

Comp 2: 871 Lexington Drive
Salinas, CA 93905
0.72 miles W
Sale: $390,000

Comp 3: 100 Riverton Way
Salinas, CA 93906
0.96 miles NW
Sale: $350,000

Comp 4: 11 Dover Circle
Salinas, CA 93906
0.20 miles E
Sale: $425,000

Comp 5: 1155 Washington Court
Salinas, CA 93906
0.11 miles SW
Sale: $367,000

Comp 6: 1262 De Cuhna Court
Salinas, CA 93906
0.00 miles N
Sale: $360,000
Borrower: Eligio Castro & Rodrigo Castro Garcia
Property Address: 1265 De Cuhna Court
City: Salinas
County: Monterey
State: CA
Zip Code: 93906
Lender/Client: Federal Home Loans Corporation
Address: 5540 Ruffin Road, San Diego, CA 92123
Borrower: Eligio Castro & Rodrigo Castro Garcia
Property Address: 1265 De Cuhna Court

City: Salinas
County: Monterey
State: CA
Zip Code: 93906

Lender/Client: Federal Home Loans Corporation
Address: 5540 Ruffin Road, San Diego, CA 92123

FRONT OF SUBJECT PROPERTY
1265 De Cuhna Court
Salinas, CA 93906

REAR OF SUBJECT PROPERTY

STREET SCENE
Borrower: Eligio Castro & Rodrigo Castro Garcia
Property Address: 1265 De Cuhna Court
City: Salinas
County: Monterey
State: CA
Zip Code: 93906

Lender/Client: Federal Home Loans Corporation
Address: 5540 Ruffin Road, San Diego, CA 92123

Kitchen

Living Room

Family Room
Dining Area

Bathroom 1

Bathroom 2
SUBJECT PHOTO ADDENDUM

Borrower: Eligio Castro & Rodrigo Castro Garcia
Property Address: 1265 De Cuhna Court

City: Salinas  County: Monterey  State: CA  Zip Code: 93906

Lender/Client: Federal Home Loans Corporation  Address: 5540 Ruffin Road, San Diego, CA 92123

Bathroom 3

Bedroom 1

Bedroom 2
Bedroom 3

Bedroom 4

Bedroom 5
Borrower: Eligio Castro & Rodrigo Castro Garcia
Property Address: 1265 De Cuhna Court
City: Salinas
County: Monterey
State: CA
Zip Code: 93906

Lender/Client: Federal Home Loans Corporation
Address: 5540 Ruffin Road, San Diego, CA 92123

**COMPARABLE SALE # 1**
1025 Snug Harbor
Salinas, CA 93906

**COMPARABLE SALE # 2**
871 Lexington Drive
Salinas, CA 93906

**COMPARABLE SALE # 3**
800 Riverton Way
Salinas, CA 93906
Borrower: Eligio Castro & Rodrigo Castro Garcia
Property Address: 1265 De Cuhna Court

City: Salinas  County: Monterey  State: CA  Zip Code: 93906

Lender/Client: Federal Home Loans Corporation
Address: 5540 Ruffin Road, San Diego, CA 92123

COMPARABLE SALE # 4
11 Dover Circle
Salinas, CA 93906

COMPARABLE SALE # 5
1150 Wellington Court
Salinas, CA 93906

COMPARABLE SALE # 6
1282 De Cuhna Court
Salinas, CA 93906
COVER NOTE

INSURED: Jeff B Tomasini

MAILING ADDRESS: 824 Holly Oak Ct
Hollister, CA 95023

This is to certify that the undersigned has procured insurance coverage as hereafter specified from certain companies and/or underwriters.

EFFECTIVE: 12/20/2012   EXPIRATION: 12/20/2013   RETROACTIVE: 12/20/2004

COVERAGE: FREA Errors & Omissions Professional Liability Policy

Profession: Real Estate Appraiser
Claims Made Form: 90395 (3/06)
Limits: Per Occurrence: $1,000,000   Annual Aggregate: $1,000,000
$1,000 Retention each wrongful act

CONDITIONS:

Real Estate Agent/ Broker Referral Indemnity
Known wrongful act exclusion
Pending/prior litigation exclusion
Defense within policy limit

COMPANIES PARTICIPATING:
National Union Fire Insurance Company of Pittsburgh, PA

COVER NOTE # FREA 11-1241
CUSTOMER #: 0039766

Issued at: 4907 Morena Blvd., Suite 1415
San Diego, CA 92117

DATE: 11/26/2012

Insurance, when effected shall be subject to all terms and conditions of policy(ies) which will be issued, and in the event of any inconsistency herewith, the terms and provisions of the policy prevail.
STATE OF CALIFORNIA

Business, Transportation & Housing Agency
OFFICE OF REAL ESTATE APraisERS

REAL ESTATE APPRAISER LICENSE

JEFF B. TOMASINI

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

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

OREA APPRAISER IDENTIFICATION NUMBER: AR029090
Date Issued: June 14, 2012
Date Expires: June 13, 2014

Diane Westphal
Deputy Director, OREA

Audit No. 139643
Requirements - Condition and Quality Ratings Usage

Appraisers must utilize the following standardized conditions and quality ratings within the appraisal report.

Condition Ratings and Definitions

C1
The improvements have been very recently constructed and have not previously been 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 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 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 either are 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 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 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 condition 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 use. 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 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 residences 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.

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 non-conforming additions to the original structure.

Requirements - Definition 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 predominately 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 expectation. 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 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.
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<th>May Appear in These Fields</th>
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<td>Adjacent to Power Lines</td>
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<td>Woods</td>
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**ABBREVIATED ENTRY**

| Wtr          | Water View                                    | View                                           |
| Pstrl        | Pastoral View                                 | View                                           |
| Prk          | Park View                                     | View                                           |
| Giftvw       | Golf Course View                              | View                                           |
| CitySky      | City Skyline View                             | View                                           |
| Mtn          | Mountain View                                 | View                                           |
| Res          | Residential View                              | View                                           |
| CtyStr       | City Street View                              | View                                           |
| Ind          | Industrial View                               | View                                           |
| PwrLn        | Power Lines                                   | View                                           |
| LtdSght      | Limited Sight                                 | View                                           |
| See Instruction Below | Other - Appraiser to enter a description of the view* |

**ABBREVIATED ENTRY**

| Wtr          | Water View                                    | View                                           |
| Pstrl        | Pastoral View                                 | View                                           |
| Prk          | Park View                                     | View                                           |
| Giftvw       | Golf Course View                              | View                                           |
| CitySky      | City Skyline View                             | View                                           |
| Mtn          | Mountain View                                 | View                                           |
| Res          | Residential View                              | View                                           |
| CtyStr       | City Street View                              | View                                           |
| Ind          | Industrial View                               | View                                           |
| PwrLn        | Power Lines                                   | View                                           |
| LtdSght      | Limited Sight                                 | View                                           |

**OVERALL VIEW RATING**

| N            | Neutral                                       | View                                           |
| B            | Beneficial                                    | View                                           |
| A            | Adverse                                       | View                                           |

* Other: If a view factor not on this list materially affects the value of the subject property, the appraiser must enter a description of the view associated with the property. The description entered must allow a reader of the appraisal report to understand what the view associated with the property actually is. Descriptors such as 'None', 'N/A': 'Typical', 'Average', etc., are unacceptable. Descriptions should be entered carefully because the same text will be represented in both the Site section and the comparable sales grid for the subject property. The text must fit in the allowable space.
INVOICE

Date: 09/16/2013

Prepared for:

Federal Home Loans Corporation
5540 Ruffin Road
San Diego, CA 92123

Property Appraised:

Eligio Castro & Rodrigo Castro Garcia
1265 De Cuhna Court
Salinas, CA 93906

Work Performed:

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Total Amount Due: $0.00

Please make checks payable to:

Tomasini Appraisal Service
824 Holly Oak Court
Hollister, CA 95023