



INVOICE

INVOICE NUMBER	
11-26466	
DATE	
April 29, 2011	
REFERENCE	
Internal Order #:	11-26466
Lender Case #:	
Client File #:	
Main File # on form:	11-26466
Other File # on form:	
Federal Tax ID:	33-0829540
Employer ID:	

TO:

MDC Financial Services Group  
2455 4th Avenue  
San Diego, CA 92101

Telephone Number:                      Fax Number:  
Alternate Number:                      E-Mail:

DESCRIPTION

Lender: MDC Financial Services Group                      Client: MDC Financial Services Group  
Purchaser/Borrower: Harper/Deaton  
Property Address: 536 Sea Lane  
City: La Jolla  
County: San Diego                      State: CA                      Zip: 92037  
Legal Description: US 1 PER DOC 01-424677 & UND INT IN W H OF LOT 6 BLK 2 MAP 0897

FEES

AMOUNT

Condominium Appraisal	350.00
Please be sure to note our invoice number on your payment.	
SUBTOTAL	350.00

PAYMENTS

AMOUNT

Check #:	Date: 4/28/11	Description: Customer Payment By Credit Card	350.00
Check #:	Date:	Description:	
Check #:	Date:	Description:	
SUBTOTAL			350.00
Payment (if due) must be received within 30 days. Past due amounts are subject to an 18%/annum finance charge			
TOTAL DUE			\$ 0.00

Please Return This Portion With Your Payment

FROM:

MDC Financial Services Group  
2455 4th Avenue  
San Diego, CA 92101

Telephone Number:                      Fax Number:  
Alternate Number:                      E-Mail:

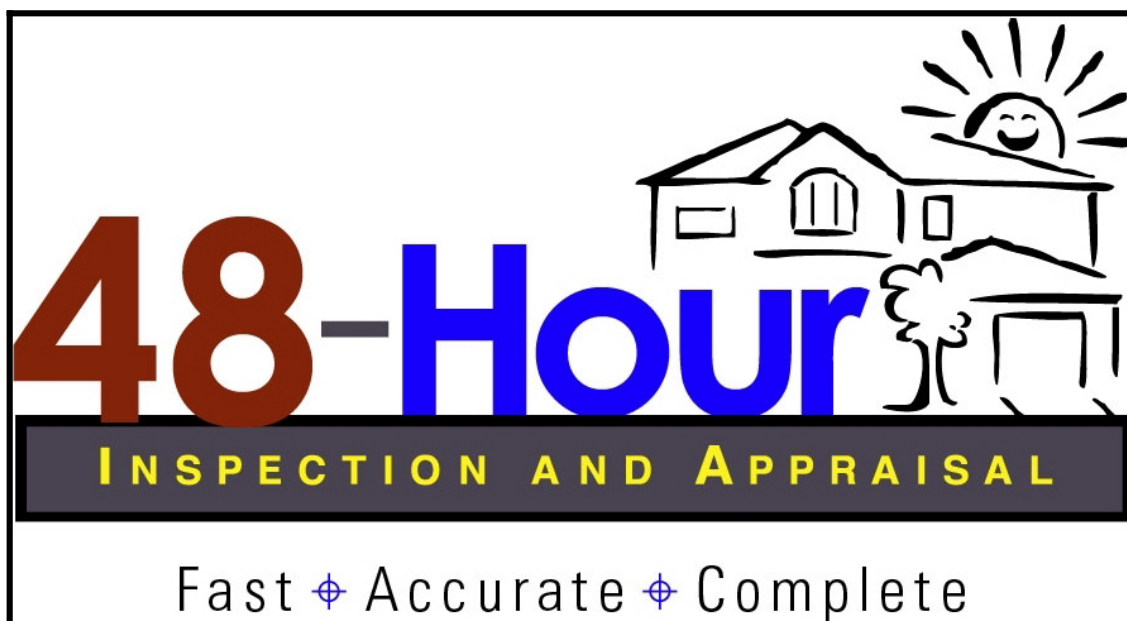
TO:

48 Hour Inspection and Appraisal  
5785 La Jolla Boulevard  
Suite A  
La Jolla, CA 92037

AMOUNT DUE: \$ 0.00

AMOUNT ENCLOSED: \$

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## **APPRAISAL OF REAL PROPERTY**

### **LOCATED AT:**

536 Sea Lane  
US 1 PER DOC 01-424677 & UND INT IN W H OF LOT 6 BLK 2 MAP 0897  
La Jolla, CA 92037

### **FOR:**

MDC Financial Services Group  
2455 4th Avenue  
San Diego, CA 92101

### **AS OF:**

April 28, 2011

### **BY:**

#### **48 Hour Inspection and Appraisal**

5785 La Jolla Boulevard, Suite A  
La Jolla, California 92037  
Phone (909) 373-1380  
Fax (909) 373-1381

Summary Appraisal Report

Individual Condominium Unit Appraisal Report

File # 11-26466

SUBJECT

CONTRACT

NEIGHBORHOOD

PROJECT SITE

PROJECT INFORMATION

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

Property Address	536 Sea Lane	Unit #	N/A	City	La Jolla	State	CA	Zip Code	92037
Borrower	Harper/Deaton	Owner of Public Record	Stiglitz	County	San Diego				
Legal Description	US 1 PER DOC 01-424677 & UND INT IN W H OF LOT 6 BLK 2 MAP 0897								
Assessor's Parcel #	351-025-14-01	Tax Year	2010	R.E. Taxes \$	14,678.72				
Project Name	Sea Lane Colonial Cottages	Phase #	1	Map Reference	1247-E1	Census Tract	0081.01		
Occupant	<input checked="" type="checkbox"/> Owner	<input type="checkbox"/> Tenant	<input type="checkbox"/> Vacant	Special Assessments \$	None	HOA \$	None	<input type="checkbox"/> per year	<input type="checkbox"/> per month
Property Rights Appraised	<input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Other (describe)								
Assignment Type	<input checked="" type="checkbox"/> Purchase Transaction <input type="checkbox"/> Refinance Transaction <input type="checkbox"/> Other (describe)								
Lender/Client	MDC Financial Services Group	Address	2455 4th Avenue, San Diego, CA 92101						
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?									
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No									
Report data source(s) used, offering price(s), and date(s).									
The Subject property was listed 2/15/11 for \$1,789,000 and is currently under contract for \$1,629,000									

I ☒ did ☐ did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed.

The terms of the sale contract are indicated below:

Contract Price \$	1,629,000	Date of Contract	4/14/11	Is the property seller the owner of public record?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Data Source(s)	Public Records
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?							
<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO							
If Yes, report the total dollar amount and describe the items to be paid.							
None							

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

Neighborhood Characteristics				Condominium Unit Housing Trends				Condominium Housing			Present Land Use %	
Location	<input type="checkbox"/> Urban	<input checked="" type="checkbox"/> Suburban	<input type="checkbox"/> Rural	Property Values	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining	PRICE	AGE	One-Unit	75 %	
Built-Up	<input checked="" type="checkbox"/> Over 75%	<input type="checkbox"/> 25-75%	<input type="checkbox"/> Under 25%	Demand/Supply	<input checked="" type="checkbox"/> Shortage	<input type="checkbox"/> In Balance	<input type="checkbox"/> Over Supply	\$ (000)	(yrs)	2-4 Unit	5 %	
Growth	<input type="checkbox"/> Rapid	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Slow	Marketing Time	<input checked="" type="checkbox"/> Under 3 mths	<input type="checkbox"/> 3-6 mths	<input type="checkbox"/> Over 6 mths	250	Low	New	Multi-Family	10 %
Neighborhood Boundaries	The Subject's neighborhood is bounded by Mesa Way to the South, Pearl Street to the North, the							1,608	High	60	Commercial	5 %
Pacific Ocean to the West and Girard Avenue/La Jolla Country Club to the East.								638	Pred.	20	Other	5-Vacant %
Neighborhood Description	The Subject is located in the coastal community of La Jolla in the city of San Diego within a neighborhood of mostly good to excellent quality single family homes, condominiums and planned unit developments reflecting adequate levels of maintenance. All major services, including schools, shopping and employment centers, as well as access to major highways, are located within a one mile radius. The area exhibits above average appeal to market.											
Market Conditions (including support for the above conclusions)	At present, conventional and government financing is available at rates which borrowers consider reasonable. Local markets constitute an increasing demand/stable supply relationship with typical market transactions being completed within sixty to one hundred and eighty days if properly priced											

Topography	Level	Size	Typical for Area	Density	Typical	View	Peek Hills/Ocean
Specific Zoning Classification	RM-1-1						
Zoning Description	Multi-Family Residential						
Zoning Compliance	<input checked="" type="checkbox"/> Legal <input type="checkbox"/> Legal Nonconforming – Do the zoning regulations permit rebuilding to current density?						
<input type="checkbox"/> Yes <input type="checkbox"/> No							
<input type="checkbox"/> No Zoning <input type="checkbox"/> Illegal (describe)							
Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use?							
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe							

Utilities	Public	Other (describe)	Public	Other (describe)	Off-site Improvements - Type	Public	Private
Electricity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Water	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Street	Asphalt
Gas	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Sanitary Sewer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Alley	None/Typical
FEMA Special Flood Hazard Area	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	FEMA Flood Zone	X	FEMA Map #	06073C-1584F	FEMA Map Date	6/19/1997
Are the utilities and off-site improvements typical for the market area?							
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe							
Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)?							
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe							

Data source(s) for project information

Site inspection, Agent and Public Record.

Project Description

☒ Detached ☐ Row or Townhouse ☐ Garden ☐ Mid-Rise ☐ High-Rise ☐ Other (describe)

General Description	General Description	Subject Phase	If Project Completed	If Project Incomplete					
# of Stories	3	Exterior Walls	Wd Siding	# of Units	2	# of Phases	1	# of Planned Phases	
# of Elevators	None	Roof Surface	Con. Tile	# of Units Completed	2	# of Units	2	# of Planned Units	
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed	Total # Parking	4	# of Units For Sale	1	# of Units for Sale	0	# of Units for Sale		
<input type="checkbox"/> Under Construction	Ratio (spaces/units)	2 to 1	# of Units Sold	2	# of Units Sold	2	# of Units Sold		
Year Built	2002	Type	Garage	# of Units Rented	0	# of Units Rented	0	# of Units Rented	
Effective Age	5 Years	Guest Parking	Street	# of Owner Occupied Units	2	# of Owner Occupied Units	2	# of Owner Occupied Units	

Project Primary Occupancy

☒ Principle Residence ☐ Second Home or Recreational ☐ Tenant

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

☐ Yes ☒ No

Management Group -

☐ Homeowners' Association ☐ Developer ☐ Management Agent - Provide name of management company.

There is no HOA or management group; each homeowner is responsible for the upkeep/maintenance of their specific unit.

Does any single entity (the same individual, investor group, corporation, etc.) own more than 10% of the total units in the project?

☒ Yes ☐ No If Yes, Describe

There are only nine units; each owner owns 50% of the project.

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

☐ Yes ☒ No If Yes, describe the original use and date of conversion.

Are the units, common elements, and recreation facilities complete (including any planned rehabilitation for a condominium conversion)?

☒ Yes ☐ No If No, describe

Is there any commercial space in the project?

☐ Yes ☒ No If Yes, describe and indicate the overall percentage of the commercial space.

Individual Condominium Unit Appraisal Report

File # 11-26466

PROJECT INFORMATION

Describe the condition of the project and quality of construction. The Project appears to be in overall good condition with above average appeal to market.

Describe the common elements and recreational facilities. The common elements in the project include the following: the common areas.

Are any common elements leased to or by the Homeowners' Association? Yes No If Yes, describe the rental terms and options.

Is the project subject to a ground rent? Yes No If Yes, \$ per year (describe terms and conditions)

Are the parking facilities adequate for the project size and type? Yes No If No, describe and comment on the effect on value and marketability.

PROJECT ANALYSIS

I did did not analyze the condominium project budget for the current year. Explain the results of the analysis of the budget (adequacy of fees, reserves, etc.), or why the analysis was not performed. There is no condominium project budget; each individual owner is responsible for the upkeep/maintenance of their specific unit.

Are there any other fees (other than regular HOA charges) for the use of the project facilities? Yes No If Yes, report the charges and describe.

Compared to other competitive projects of similar quality and design, the subject unit charge appears High Average Low If High or Low, describe There is no HOA or management group; each homeowner is responsible for the upkeep/maintenance of their specific unit.

Are there any special or unusual characteristics of the project (based on the condominium documents, HOA meetings, or other information) known to the appraiser? Yes No If Yes, describe and explain the effect on value and marketability.

Unit Charge \$ None per month X 12 = \$ N/A per year Annual assessment charge per year per square feet of gross living area = \$ N/A Utilities included in the unit monthly assessment None Heat Air Conditioning Electricity Gas Water Sewer Cable Other (describe)

General Description	Interior	materials/condition	Amenities	Appliances	Car Storage
Floor # 1	Floors	Carpet/Laminate/Good	Fireplace(s) # 2	Refrigerator	None
# of Levels 3	Walls	Drywall/Good	WoodStove(s) #	Range/Oven	Garage Covered Open
Heating Type FAU Fuel Gas	Trim/Finish	Wood/Good	Deck/Patio Patio	Disp Microwave	# of Cars 2
Central AC Individual AC	Bath Wainscot	Ceramic Tile/Good	Porch/Balcony Balcony	Dishwasher	Assigned Owned
Other (describe) None	Doors	Wood/Good	Other	Washer/Dryer	Parking Space #

Finished area above grade contains: 7 Rooms 4 Bedrooms 3.5 Bath(s) 2,760 Square Feet of Gross Living Area Above Grade

Are the heating and cooling for the individual units separately metered? Yes No If No, describe and comment on compatibility to other projects in the market area.

UNIT DESCRIPTION

Additional features (special energy efficient items, etc.) The Subject property features a level-three loft with large attached balcony. There is a pantry and granite counter surfaces in the kitchen. The master suite has vaulted ceilings, a spa tub, fireplace and a walk-in closet. The living room has vaulted ceilings with celestial windows and a fireplace. Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). The Subject property appears to be in overall good condition with no major physical, functional or external inadequacies noted at the time of inspection. The Subject has been assessed physical depreciation due to wear and tear typical for a structure of its effective age. The Subject Property's remaining economic life is estimated to be 55-60 years.

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

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

PRIOR SALE HISTORY

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

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

Data source(s) Public Record

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

Data source(s) Public Record

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

ITEM	SUBJECT	COMPARABLE SALE #1	COMPARABLE SALE #2	COMPARABLE SALE #3
Date of Prior Sale/Transfer	8/13/01	No previous sales history reported	No previous sales history reported	8/10/05
Price of Prior Sale/Transfer	\$1,165,000	by Realist/1st American Real Estate	by Realist/1st American Real Estate	\$1,750,000
Data Source(s)	Document #573721	Solutions	Solutions	Document #685562
Effective Date of Data Source(s)	Effective Date of Appraisal	Effective Date of Appraisal	Effective Date of Appraisal	Effective Date of Appraisal

Analysis of prior sale or transfer history of the subject property and comparable sales. The Subject property has not sold within the previous 36 months.

Individual Condominium Unit Appraisal Report

File # 11-26466

There are 26 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 230,000 to \$ 1,789,000 .																								
There are 23 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 262,000 to \$ 1,400,000 .																								
FEATURE				SUBJECT			COMPARABLE SALE # 1			COMPARABLE SALE # 2			COMPARABLE SALE # 3											
Address and 536 Sea Lane				358 Belvedere Street			464 Prospect Street #611			376 Bonair Street														
Unit # La Jolla, CA 92037				La Jolla			La Jolla			La Jolla														
Project Name and Sea Lane Colonial Cottages				N/A (SFR)			464 Prospect			N/A (SFR)														
Phase 1				N/A			1			N/A														
Proximity to Subject				0.27 miles			0.41 miles			0.42 miles														
Sale Price				\$ 1,629,000			\$ 1,915,000			\$ 1,607,500			\$ 1,552,500											
Sale Price/Gross Liv. Area				\$ 590.22sq. ft.			\$ 536.72 sq. ft.			\$ 783.00 sq. ft.			\$ 641.00 sq. ft.											
Data Source(s)				MLS/Public Records			MLS/Public Records			MLS/Public Records														
Verification Source(s)				Document #487427/DOM=Unknown			Document #613626/DOM=106 days			Document #191689/DOM=123 days														
VALUE ADJUSTMENTS				DESCRIPTION			DESCRIPTION			+ (-) \$ Adjustment			DESCRIPTION			+ (-) \$ Adjustment								
Sales or Financing				New conventional			New conventional			New conventional														
Concessions				TD \$690,000			TD \$1,256,000			TD \$697,500														
Date of Sale/Time				9/15/10 COE			0 11/10/10 COE			0 4/13/11 COE			0											
Location				Good			Good			Good			Good											
Leasehold/Fee Simple				Fee Simple			Fee Simple			Fee Simple			Fee Simple											
HOA Mo. Assessment				None			None			1,700.00			-50,000			None								
Common Elements and Rec. Facilities				Common Area			Common Area			Club, Pool, Spa			Common Area											
Floor Location				Common Areas			Common Areas			Common Areas			Common Areas											
View				First			First			First			First											
Design (Style)				Peek Hills/Ocean			Peek Hills/Ocean			None			+50,000			None			+50,000					
Quality of Construction				Conv./Detached			Conv./Detached			Conv./Attached			+50,000			Conv./Detached								
Actual Age				Good			Good			Good			Good			Good								
Condition				9 Years			24 Years/See Cond.			8 Years/Sim.Eff.			0 7 Years/Sim.Eff.			0								
Condition				Good			Good/Similar			Good			Good			Good								
Above Grade				Total Bdrms. Baths			Total Bdrms. Baths			Total Bdrms. Baths			Total Bdrms. Baths			Total Bdrms. Baths								
Room Count				7 4 3.5			7 4 4.5			-10,000			5 2 2			+15,000			6 3 2.5			+10,000		
Gross Living Area				2,760 sq. ft.			3,568 sq. ft.			-80,800			2,053 sq. ft.			+70,700			2,422 sq. ft.			+33,800		
Basement & Finished				N/A			N/A			N/A			N/A			N/A								
Rooms Below Grade				N/A			N/A			N/A			N/A			N/A								
Functional Utility				Good			Good			Good			Good			Good								
Heating/Cooling				FAU/None			FAU/None			FAU/Central			-5,000			FAU/Central			-5,000					
Energy Efficient Items				None			None			None			None			None								
Garage/Carport				2 Car Garage			2 Car Garage			2 Car Underground			+10,000			2 Car Garage								
Porch/Patio/Deck				Patio/Balcony			Patio/Balcony			Patio			+5,000			Patio/Balcony								
Fireplace(s)				2 Fireplaces			1 Fireplace			+5,000			None			+10,000			2 Fireplaces					
Net Adjustment (Total)				<input type="checkbox"/> + <input checked="" type="checkbox"/> -			\$ 85,800			<input checked="" type="checkbox"/> + <input type="checkbox"/> -			\$ 175,700			<input checked="" type="checkbox"/> + <input type="checkbox"/> -			\$ 98,800					
Adjusted Sale Price				Net Adj. 4.5 %			Net Adj. 10.9 %			Net Adj. 6.4 %														
of Comparables				Gross Adj. 5.0 %			\$ 1,829,200			Gross Adj. 17.8 %			\$ 1,783,200			Gross Adj. 7.0 %			\$ 1,651,300					
Summary of Sales Comparison Approach The Subject property and all comparable sales are located in the same general area of San Diego County. The Subject property is highly compatible with the surrounding homes in the neighborhood. After research of the Subject's market area, these were considered to be the best comparable sales available. Equal weigh was given to all comparables in the determination of the Subject's market value. See addendum for Sales Comparison comments.																								
Indicated Value by Sales Comparison Approach \$ 1,629,000																								

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

RECONCILIATION	Indicated Value by: Sales Comparison Approach \$ 1,629,000														Income Approach (if developed) \$ N/A													
	Consideration was given to both the Sales Comparison and Cost Approaches. Since the Sales Comparison Approach best reflects the realities of the marketplace, it was given more weigh by the Appraiser in the determination of the Subject's market value.																											
	No employee, director, officer, or agent of the lender, or any other third party acting as a joint venture partner, independent contractor, appraisal management company, or partner or behalf of the lender has influenced or attempted to influence the development, reporting, result or review of this assignment through coercion, extortion, collusion, compensation instruction, inducement, intimidation, bribery or in any other manner. I have not been contacted by anyone other than the intended user (lender/client as identified on the first page of th report), borrower or designated contact to make an appointment to enter the property. I agree to immediately report any unauthorized contacts either personally by phone or electronically to MDC Financial Services Group.																											
	This appraisal is made <input checked="" type="checkbox"/> "as is", <input type="checkbox"/> subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or <input type="checkbox"/> subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair: This summary appraisal report is intended for use by the lender/client and/or assigns in a mortgage finance transaction only. This report is not intended for any other use																											
	Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 1,629,000 , as of April 28, 2011 , which is the date of inspection and the effective date of this appraisal.																											

# Individual Condominium Unit Appraisal Report

File # 11-26466

This report form is designed to report an appraisal of a unit in a condominium project or a condominium 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 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 unit, (2) inspect and analyze the condominium project, (3) inspect the neighborhood, (4) inspect each of the comparable sales from at least the street, (5) research, verify, and analyze data from reliable public and/or private sources, and (6) 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.

**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.

Individual Condominium Unit Appraisal Report

File # 11-26466

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

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

Individual Condominium Unit Appraisal Report

File # 11-26466

21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).
22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.
23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.
24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.
25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

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

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

APPRAISER

Signature



Name

John H. Gilliland

Company Name

48 Hour Inspection and Appraisal

Company Address

5785 La Jolla Boulevard, Suite A, La Jolla CA 92037

Telephone Number

(858) 454-4163

Email Address

sales@48-hour.com

Date of Signature and Report

April 29, 2011

Effective Date of Appraisal

April 28, 2011

State Certification #

AR026509

or State License #

or Other

State #

State

CA

Expiration Date of Certification or License

1/28/13

ADDRESS OF PROPERTY APPRAISED

536 Sea Lane

La Jolla, CA 92037

APPRAISED VALUE OF SUBJECT PROPERTY \$

1,629,000

LENDER/CLIENT

Name

Company Name

MDC Financial Services Group

Company Address

2455 4th Avenue, San Diego, CA 92101

Email Address

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature

Name

Company Name

Company Address

Telephone Number

Email Address

Date of Signature

State Certification #

or State License #

State

Expiration Date of Certification or License

SUBJECT PROPERTY

☐ Did not inspect subject property

☐ Did inspect exterior of subject property from street

Date of Inspection

☐ Did inspect interior and exterior of subject property

Date of Inspection

COMPARABLE SALES

☐ Did not inspect exterior of comparable sales from street

☐ Did inspect exterior of comparable sales from street

Date of Inspection



Individual Condominium Unit Appraisal Report

File # 11-26466

SALES COMPARISON APPROACH	FEATURE	SUBJECT			COMPARABLE SALE # 4			COMPARABLE SALE # 5			COMPARABLE SALE # 6					
	Address and Unit # 536 Sea Lane La Jolla, CA 92037				365 Westbourne Street La Jolla			359 Westbourne Street La Jolla			460 Belvedere Street La Jolla					
	Project Name and Phase Sea Lane Colonial Cottages 1				363 & 365 Westbourne Street 1			367 & 369 Westbourne Street 1			Belvedere & Fern Glen 1					
	Proximity to Subject				0.35 miles			0.35 miles			0.22 miles					
	Sale Price		\$ 1,629,000				\$ 1,400,000				\$ 1,595,000		\$ 1,395,000			
	Sale Price/Gross Liv. Area		\$ 590.22 sq. ft.		\$ 555.34 sq. ft.				\$ 633.19 sq. ft.				\$ 634.96 sq. ft.			
	Data Source(s)				MLS/Public Records			MLS/Public Records			MLS/Public Records					
	Verification Source(s)				Document #16413/DOM=22 days			Scott Appleby-Agent/DOM=30 days			Barbara Slavin-Agent/DOM=116 days					
	VALUE ADJUSTMENTS		DESCRIPTION		DESCRIPTION		+ (-) \$ Adjustment		DESCRIPTION		+ (-) \$ Adjustment		DESCRIPTION		+ (-) \$ Adjustment	
	Sales or Financing Concessions				New conventional TD \$910,000				Active Listing Listed 3/29/11		-80,000		Active Listing Listed 1/2/11		-70,000	
	Date of Sale/Time				1/10/11 COE		0		N/A				N/A			
	Location		Good		Good				Good				Good			
	Leasehold/Fee Simple		Fee Simple		Fee Simple				Fee Simple				Fee Simple			
	HOA Mo. Assessment		None		None				None				None			
	Common Elements and Rec. Facilities		Common Area Common Areas		Common Area Common Areas				Common Area Common Areas				Common Area Common Areas			
	Floor Location		First		First				First				First			
	View		Peek Hills/Ocean		Peek Hills/Ocean				Deck Hills/Ocean		+20,000		Deck Hills/Ocean		+20,000	
	Design (Style)		Conv./Detached		Conv./Detached				Conv./Detached				Conv./Detached			
	Quality of Construction		Good		Good				Good				Good			
	Actual Age		9 Years		11 Years/Sim.Eff.		0		6 Years/Sim.Eff.		0		11 Years/Sim.Eff.		0	
	Condition		Good		Good				Good				Good			
	Above Grade		Total	Bdrms.	Baths	Total	Bdrms.	Baths	+10,000		Total	Bdrms.	Baths	+10,000		
	Room Count		7	4	3.5	6	3	2.5	+10,000		6	3	2.5	+10,000		
	Gross Living Area		2,760 sq. ft.		2,521 sq. ft.		+23,900		2,519 sq. ft.		+24,100		2,197 sq. ft.		+56,300	
	Basement & Finished Rooms Below Grade		N/A N/A		N/A N/A				N/A N/A				N/A N/A			
Functional Utility		Good		Good				Good				Good				
Heating/Cooling		FAU/None		FAU/None				FAU/Central		-5,000		FAU/Central		-5,000		
Energy Efficient Items		None		None				None				None				
Garage/Carport		2 Car Garage		2 Car Garage				2 Car Garage				3 Car Gar. Tandem		-5,000		
Porch/Patio/Deck		Patio/Balcony		Patio/Balcony				Patio/Balcony				Patio/Balcony				
Fireplace(s)		2 Fireplaces		2 Fireplaces				2 Fireplaces				2 Fireplaces				
Net Adjustment (Total)				<input checked="" type="checkbox"/> + <input type="checkbox"/> -		\$ 43,900		<input type="checkbox"/> + <input checked="" type="checkbox"/> -		\$ 30,900		<input checked="" type="checkbox"/> + <input type="checkbox"/> -		\$ 16,300		
Adjusted Sale Price of Comparables				Net 3.1 % Gross 3.1 %		\$ 1,443,900		Net 1.9 % Gross 8.7 %		\$ 1,564,100		Net 1.2 % Gross 12.6 %		\$ 1,411,300		
Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).																
ITEM		SUBJECT			COMPARABLE SALE # 4			COMPARABLE SALE # 5			COMPARABLE SALE # 6					
Date of Prior Sale/Transfer		8/13/01			No previous sales history reported			8/31/05			2/5/08					
Price of Prior Sale/Transfer		\$1,165,000			by Realist/1st American Real Estate			\$1,775,000			\$1,600,000					
Data Source(s)		Document #573721			Solutions			Document #754292			Document #56212					
Effective Date of Data Source(s)		Effective Date of Appraisal			Effective Date of Appraisal			Effective Date of Appraisal			Effective Date of Appraisal					
Analysis of prior sale or transfer history of the subject property and comparable sales The Subject property has not sold within the previous 36 months.																
ANALYSIS/COMMENTS	Analysis/Comments See addendum for Sales Comparison comments.															

Borrower/Client	Harper/Deaton		
Property Address	536 Sea Lane		
City	La Jolla	County	San Diego
		State	CA
		Zip Code	92037
Lender	MDC Financial Services Group		

· Cost Approach Comments

No functional or external obsolescence was observed. Price per square foot in the Cost Approach was calculated using the Marshall and Swift Residential Cost Manual. Physical Depreciation was calculated using the age-life method with the following formula: Effective Age x Estimated Cost New ÷ Estimated Useful Life. The land to value ratio is typical for this area of San Diego County. The Appraiser(s) is not an expert in determining construction costs for real property, and although the data is considered accurate, it cannot be warrantied by the appraiser. Fannie Mae does not require the documentation of the cost approach included in the appraisal report. If a cost approach was included, the estimates contained therein should be utilized by the lender/client and/or their assigns only within the context of this appraisal and for no other purpose (including but not limited to determining insurance coverage levels for the Subject property). If the lender/client and/or their assigns requires a cost estimate for such other purposes, a qualified professional contractor should be utilized. The Appraiser(s) reserves the right to amend this report or the final estimate of the Subject's market value if more accurate cost approach information is made available to the Appraiser(s).

· Sales Comparison Comments

Due to the limited inventory of recent, relevant detached condominium sales and listings within the Subject market area, it was necessary to utilize detached SFR's and attached condominium units as well as older detached condominium unit data for comparison purposes. After research of the Subject's market area, these were considered to be the best comparable sales available. Some of the comparable market data utilized for this report may have closed escrow more than 6 months prior to this report's effective date. No other more recent, relevant data was found within closer proximity to the Subject property.

- Comparable #1 was adjusted for its bath count, square footage and fireplace differences.
- Comparable #2 was adjusted for its HOA assessment, view, design, bedroom/bath count, square footage, cooling, parking, patio and fireplace differences.
- Comparable #3 was adjusted for its view, bedroom/bath count, square footage and cooling differences.
- Comparable #4 was adjusted for its bedroom/bath count and square footage differences.
- Comparable #5 was adjusted for its active status, view, bedroom count, square footage and cooling differences.
- Comparable #6 was adjusted for its active status, view, bedroom/bath count, square footage, cooling and parking differences.

Gross living area was adjusted at \$100.00 per square foot. All other adjustments reflect current market demand. The final estimated value for the Subject property exceeds the predominant value for properties in this market, due primarily to the detached design and larger than typical size of the Subject improvements. No negative effect to marketability is noted.


Within the last twelve months and within a one mile radius of the Subject property, there have been five closed sales of detached condominium units, per a review of local MLS, with a median gross living area of 2,609 square feet and a median price of \$2,609,000. The final estimated value for the Subject property is reflective of this prevailing price trend.

· Income Approach Comments

The use of the Income Approach in the valuation of residential real estate is based upon the assumption that value is directly related to the income derived from a particular piece of property. Due to the fact that there is a lack of sufficient income data, the Appraiser has determined that the Income Approach is not applicable in this case.

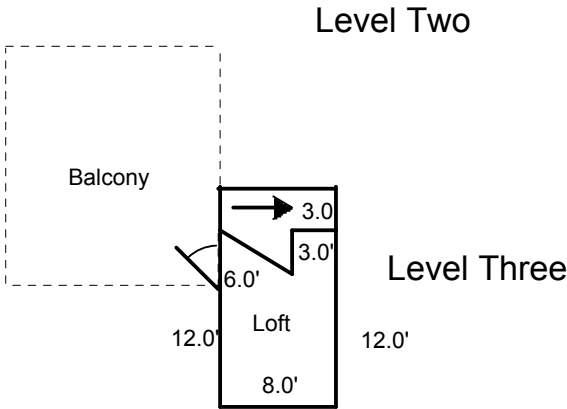
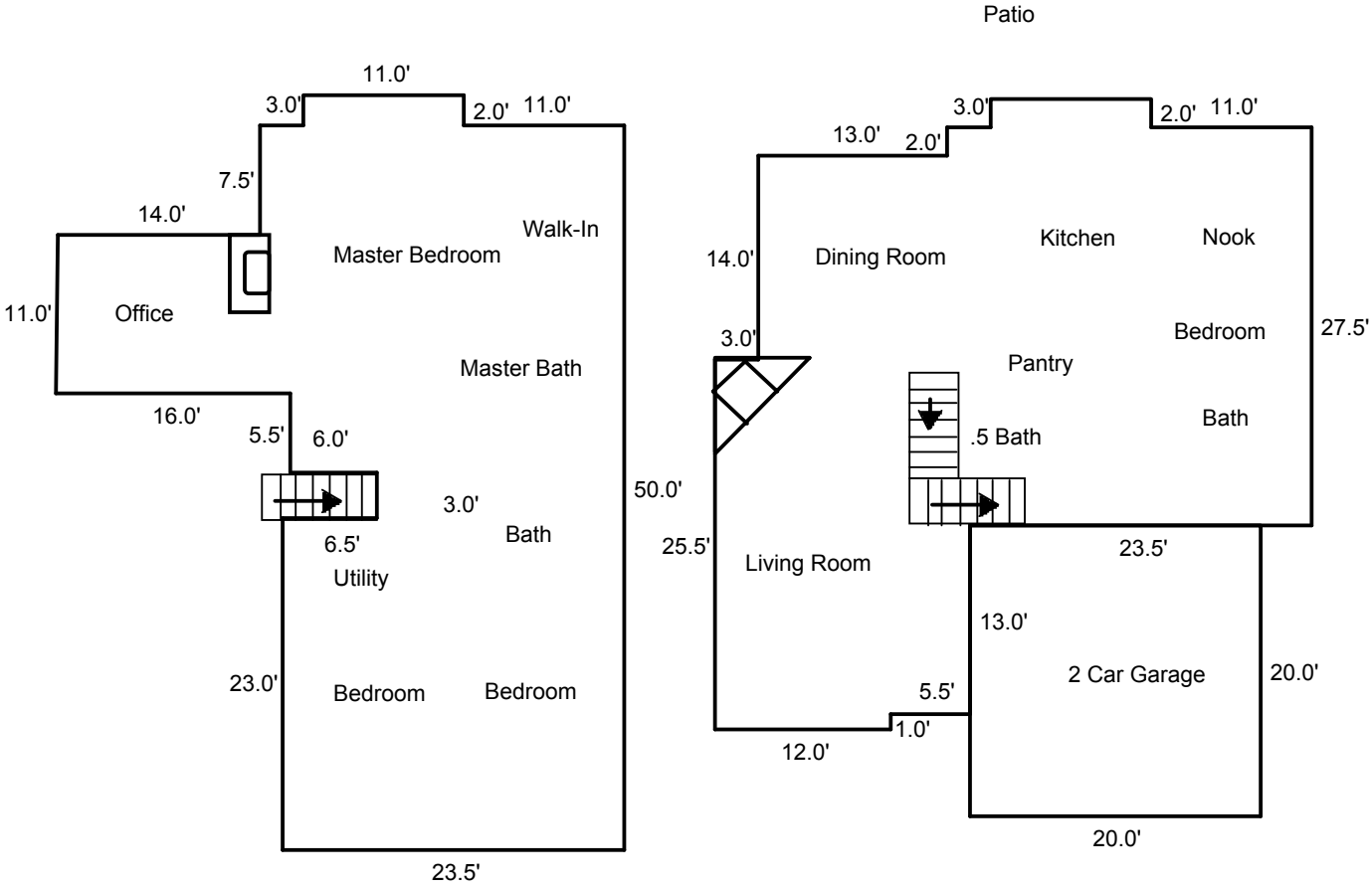
## Market Conditions Addendum to the Appraisal Report

File No. 11-26466

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.						
Property Address <b>536 Sea Lane</b>		City <b>La Jolla</b>		State <b>CA</b>		ZIP Code <b>92037</b>
Borrower <b>Harper/Deaton</b>						
<b>Instructions:</b> The appraiser must use the information required on this form as the basis for his/her conclusions, and must provide support for those conclusions, regarding housing trends and overall market conditions as reported in the Neighborhood section of the appraisal report form. The appraiser must fill in all the information to the extent it is available and reliable and must provide analysis as indicated below. If any required data is unavailable or is considered unreliable, the appraiser must provide an explanation. It is recognized that not all data sources will be able to provide data for the shaded areas below; if it is available, however, the appraiser must include the data in the analysis. If data sources provide the required information as an average instead of the median, the appraiser should report the available figure and identify it as an average. Sales and listings must be properties that compete with the subject property, determined by applying the criteria that would be used by a prospective buyer of the subject property. The appraiser must explain any anomalies in the data, such as seasonal markets, new construction, foreclosures, etc.						
<b>Inventory Analysis</b>		Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend	
Total # of Comparable Sales (Settled)	<b>10</b>	<b>6</b>	<b>7</b>	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)	<b>1.67</b>	<b>2.00</b>	<b>2.33</b>	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Comparable Active Listings	<b>33</b>	<b>13</b>	<b>15</b>	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Housing Supply (Total Listings/Ab.Rate)	<b>19.8</b>	<b>6.5</b>	<b>6.4</b>	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
<b>Median Sale &amp; List Price, DOM, Sale/List %</b>		Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend	
Median Comparable Sale Price	<b>825,000</b>	<b>856,262</b>	<b>610,000</b>	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Sales Days on Market	<b>93</b>	<b>127</b>	<b>62</b>	<input checked="" type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Comparable List Price	<b>874,938</b>	<b>872,000</b>	<b>614,000</b>	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Listings Days on Market	<b>132</b>	<b>87</b>	<b>43</b>	<input checked="" type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale Price as % of List Price	<b>93</b>	<b>94</b>	<b>95</b>	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Seller-(developer, builder, etc.)paid financial assistance prevalent? <input type="checkbox"/> Yes <input type="checkbox"/> No				<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Explain in detail the seller concessions trends for the past 12 months (e.g., seller contributions increased from 3% to 5%, increasing use of buydowns, closing costs, condo fees, options, etc.). <b>Seller-paid concessions over the last several months typically reflect 2 to 5% of the sales price toward closing costs, repairs, termite inspections, etc.</b>						
Are foreclosure sales (REO sales) a factor in the market? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No    If yes, explain (including the trends in listings and sales of foreclosed properties).						
<b>In San Diego County, REO sales represent a significant percentage of the total residential sales activity during the past twelve months, with such sales representing approximately 50-55% of total activity.</b>						
Cite data sources for above information. <b>Sources include local MLS systems, DataQuick Information Systems and local brokers.</b>						
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.						
<b>At present, conventional and government financing is available at rates which borrowers consider reasonable. Local markets constitute an increasing demand/stable supply relationship with typical market transactions being completed within sixty to one hundred and eighty days if properly priced. The above noted market data reflects recent sales and listings from within the Subject market area as defined on page one of this report and involving all condominium units. Due to the limited inventory of recent detached condominium sales and listings within this market, it cannot be determined to any reasonable degree of accuracy if the prevailing price trend for the Subject market is truly declining. For the purpose of this appraisal, the price trend is rated as stable.</b>						
<b>If the subject is a unit in a condominium or cooperative project , complete the following:</b>				<b>Project Name:    Sea Lane Colonial Cottages</b>		
Subject Project Data		Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend	
Total # of Comparable Sales (Settled)	<b>0</b>	<b>0</b>	<b>0</b>	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)	<b>0</b>	<b>0</b>	<b>0</b>	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Active Comparable Listings	<b>0</b>	<b>0</b>	<b>1</b>	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Unit Supply (Total Listings/Ab.Rate)	<b>0</b>	<b>0</b>	<b>0</b>	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Are foreclosure sales (REO sales) a factor in the project? <input type="checkbox"/> Yes <input type="checkbox"/> No    If yes, indicate the number of REO listings and explain the trends in listings and sales of foreclosed properties. <b>There is an insufficient inventory of recent market activity within the Subject project to make an observation regarding any significant trends impacting the Subject unit/project.</b>						
Summarize the above trends and address the impact on the subject unit and project. <b>There is an insufficient inventory of recent market activity within the Subject project to make an observation regarding any significant trends impacting the Subject unit/project.</b>						
Signature 				Signature		
Appraiser N <b>John H. Gilliland</b>				Supervisory Appraiser Name		
Company N <b>48 Hour Inspection and Appraisal</b>				Company Name		
Company Address <b>5785 La Jolla Boulevard, Suite A, La Jolla CA 92037</b>				Company Address		
State License/Certification # <b>AR026509</b> State <b>CA</b>				State License/Certification #       State		
Email Address <b>sales@48-hour.com</b>				Email Address		

Building Sketch (Page - 1)

Borrower/Client	Harper/Deaton				
Property Address	536 Sea Lane				
City	La Jolla	County	San Diego	State	CA
				Zip Code	92037
Lender	MDC Financial Services Group				



SKETCH CALCULATIONS		
<b>Living Area</b>		
First Floor		1315.0
Second Floor		1356.5
Third Floor		88.5
<b>Total Living Area</b>		<b>2760.0</b>
<b>Garage Area</b>		
Attached Garage		400.0
<b>Total Garage Area</b>		<b>400.0</b>

SUBJECT PHOTOGRAPH PAGE

Borrower/Client	Harper/Deaton		
Property Address	536 Sea Lane		
City	La Jolla	County	San Diego
		State	CA
		Zip Code	92037
Lender	MDC Financial Services Group		

Subject Front

536 Sea Lane	
Sales Price	1,629,000
Gross Living Area	2,760
Total Rooms	7
Total Bedrooms	4
Total Bathrooms	3.5
Location	Good
View	Peek Hills/Ocean
Site	
Quality	Good
Age	9 Years



Subject Rear



Subject Street





PHOTOGRAPHIC ADDENDUM

Borrower/Client	Harper/Deaton				
Property Address	536 Sea Lane				
City	La Jolla	County	San Diego	State	CA
				Zip Code	92037
Lender	MDC Financial Services Group				



Kitchen



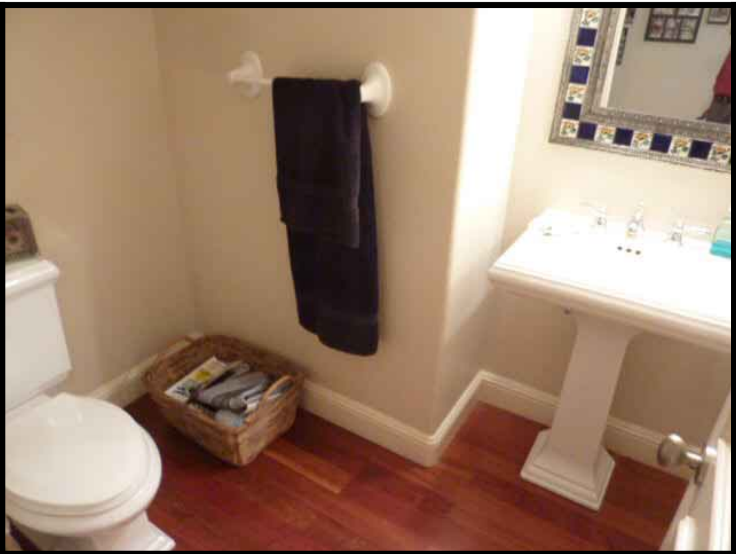
Living Room



Bedroom



Bathroom



Bathroom



Bathroom

Photograph Addendum

Borrower/Client	Harper/Deaton					
Property Address	536 Sea Lane					
City	La Jolla	County	San Diego	State	CA	Zip Code 92037
Lender	MDC Financial Services Group					



Bathroom



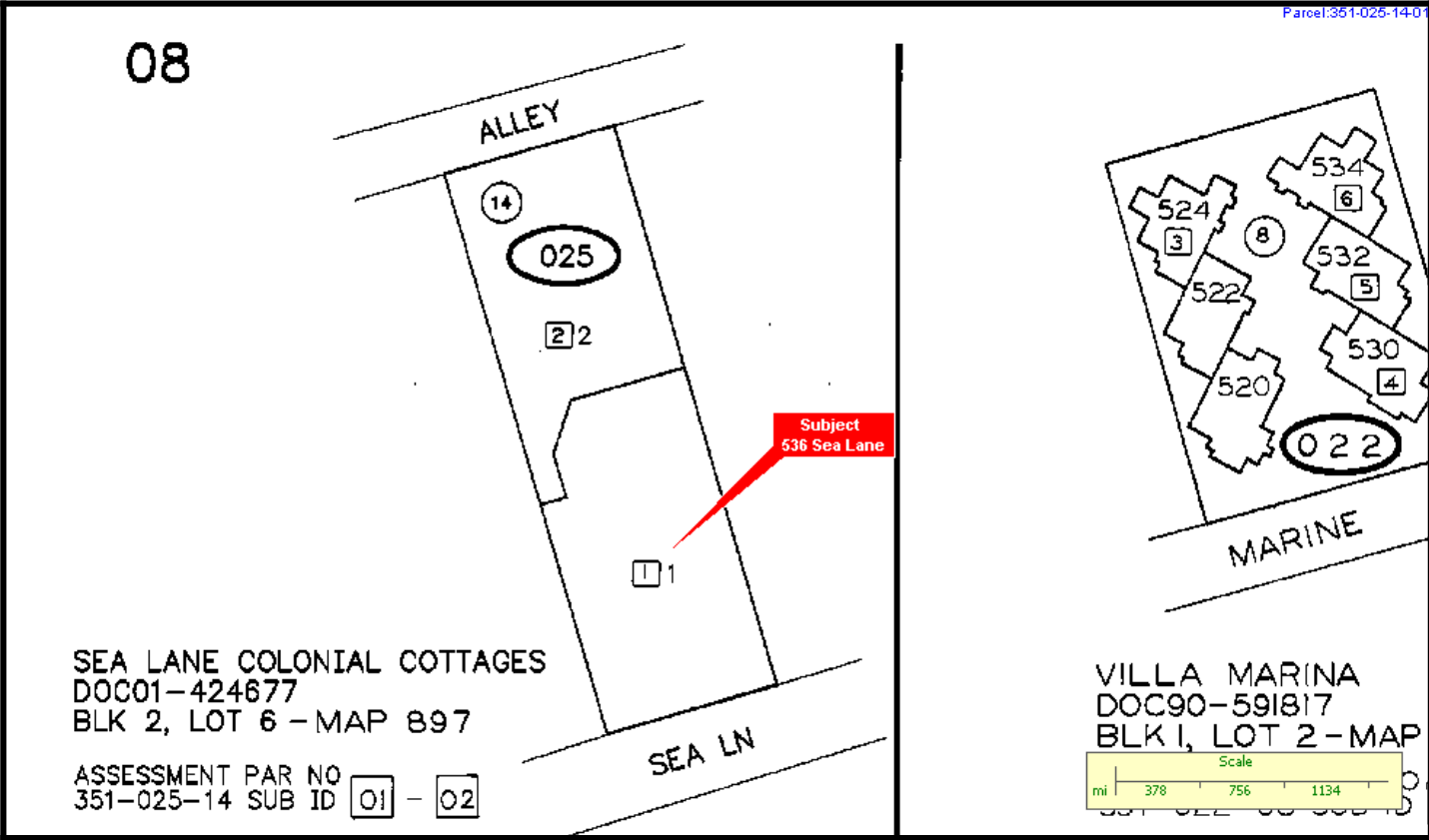
Dining Room



Level Three Westerly View

PLAT MAP

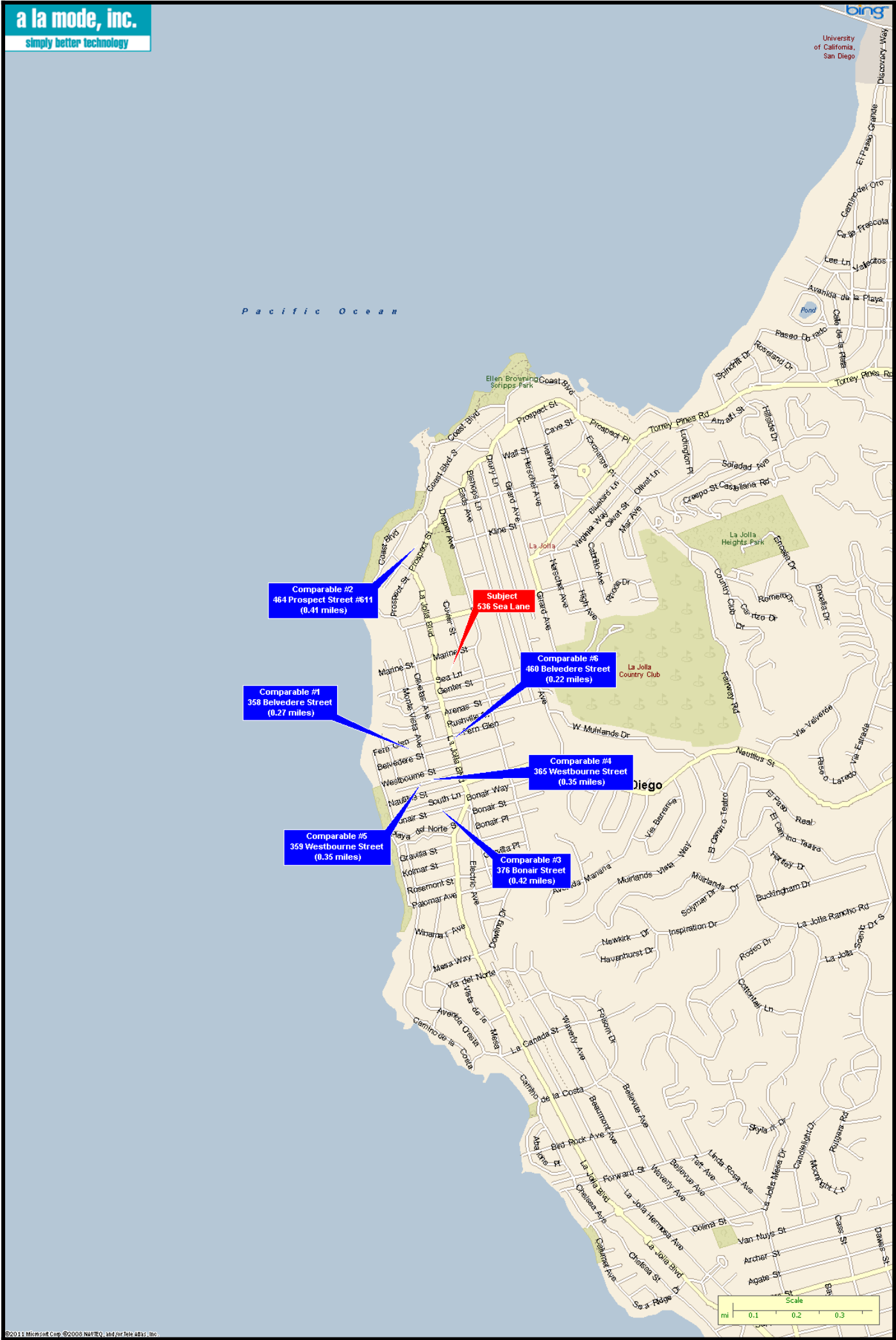
Borrower/Client Harper/Deaton			
Property Address 536 Sea Lane			
City La Jolla	County San Diego	State CA	Zip Code 92037
Lender MDC Financial Services Group			





Location Map

Borrower/Client	Harper/Deaton		
Property Address	536 Sea Lane		
City	La Jolla	County	San Diego
		State	CA
		Zip Code	92037
Lender	MDC Financial Services Group		



COMPARABLE PHOTO PAGE

Borrower/Client Harper/Deaton			
Property Address 536 Sea Lane			
City La Jolla	County San Diego	State CA	Zip Code 92037
Lender MDC Financial Services Group			

Comparable 1

358 Belvedere Street	
Prox. to Subject	0.27 miles
Sale Price	1,915,000
Gross Living Area	3,568
Total Rooms	7
Total Bedrooms	4
Total Bathrooms	4.5
Location	Good
View	Peek Hills/Ocean
Site	
Quality	Good
Age	24 Years/See Cond.



Comparable 2

464 Prospect Street #611	
Prox. to Subject	0.41 miles
Sale Price	1,607,500
Gross Living Area	2,053
Total Rooms	5
Total Bedrooms	2
Total Bathrooms	2
Location	Good
View	None
Site	
Quality	Good
Age	8 Years/Sim.Eff.



Comparable 3

376 Bonair Street	
Prox. to Subject	0.42 miles
Sale Price	1,552,500
Gross Living Area	2,422
Total Rooms	6
Total Bedrooms	3
Total Bathrooms	2.5
Location	Good
View	None
Site	
Quality	Good
Age	7 Years/Sim.Eff.





COMPARABLE PHOTO PAGE

Borrower/Client Harper/Deaton			
Property Address 536 Sea Lane			
City La Jolla	County San Diego	State CA	Zip Code 92037
Lender MDC Financial Services Group			

Comparable 4

365 Westbourne Street	
Prox. to Subject	0.35 miles
Sale Price	1,400,000
Gross Living Area	2,521
Total Rooms	6
Total Bedrooms	3
Total Bathrooms	2.5
Location	Good
View	Peek Hills/Ocean
Site	/Prim Res
Quality	Good
Age	11 Years/Sim.Eff.

Comparable 5

359 Westbourne Street	
Prox. to Subject	0.35 miles
Sale Price	1,595,000
Gross Living Area	2,519
Total Rooms	6
Total Bedrooms	3
Total Bathrooms	3.5
Location	Good
View	Deck Hills/Ocean
Site	/Prim Res
Quality	Good
Age	6 Years/Sim.Eff.

Comparable 6

460 Belvedere Street	
Prox. to Subject	0.22 miles
Sale Price	1,395,000
Gross Living Area	2,197
Total Rooms	6
Total Bedrooms	3
Total Bathrooms	2.5
Location	Good
View	Deck Hills/Ocean
Site	/Prim Res
Quality	Good
Age	11 Years/Sim.Eff.

Borrower/Client	Harper/Deaton		
Property Address	536 Sea Lane		
City	La Jolla	County	San Diego
		State	CA
		Zip Code	92037
Lender	MDC Financial Services Group		

I. PURPOSE OF THE APPRAISAL/INTENDED USE/INTENDED USER

The purpose of this appraisal report is to estimate the market value of the Subject property defined herein as of the date of valuation stated herein. The Intended User of this appraisal report is the Lender/Client identified in this appraisal. The Intended Use is to evaluate the property that is the subject of this appraisal for a mortgage finance transaction, subject to the stated Scope of Work, purpose of the appraisal, reporting requirements of this appraisal report form, and Definition of Market Value. No other Intended Use or additional Intended Users are identified or authorized by, or acceptable to, the appraiser

II. THE SCOPE OF THE APPRAISAL

The following steps were taken in arriving at the final estimate of value indicated in the attached appraisal report of the Subject property:

1) After receiving the assignment, a preliminary search was made to determine market trends and other significant factors pertinent to the Subject property

2) A physical inspection of the property was performed. Any deficiencies that are readily apparent to the appraiser in the course of a normal appraisal inspection have been addressed in this report. Although due diligence was exercised while inspecting the Subject property, the Appraiser(s) is not an expert in such matters as insect infestation and or damage, pest control, structural engineering, hazardous materials or waste, mold, radon gas, electromagnetic emissions, soil slippage, septic/cesspool system integrity, electrical, plumbing, roof/foundation systems, building and/or planning compliance, etc. Unless otherwise noted, the appraiser has not tested the heating/cooling systems, appliances, structural systems or mechanical/electrical/plumbing systems and no warranty is given with regard to the condition of these elements. For the purpose of this appraisal and unless otherwise stated, the appraiser assumes that all systems, equipment and appliances are operable and that all structural components are in a condition sufficient for their designed purposes. Inspection(s) by a licensed professional(s) to determine the integrity or utility of the above noted items is recommended and the appraiser reserves the right to amend this appraisal report and/or the final value estimate based upon their findings;

3) A detailed review of market sales data was extracted from various sources, including the Multiple Listing Service, First American Real Estate Solutions DataQuick, the Marshall and Swift Residential Cost Handbook, other appraisers, brokers, principals and the Appraiser's own files. Relevant market factors were weighed and their influence on the subject considered in the direct Sales Comparison analysis. Reproduction cost data and market rental data were reviewed as needed;

4) The appraisal report was then completed in accordance with standards dictated by the Appraisal Foundation and lender's guidelines. The report included such data and information needed to lead a reader to a similar market value conclusion;

5) The appraisal report was delivered to the client which constituted the completion of the assignment

III. INTENT

The intent of this report is to comply with the Uniform Standards of Professional Appraisal Practice as adopted by the Appraisal Standards Board of the Appraisal Institute.

IV. COMPETENCY OF THE APPRAISER(S)

The Appraiser(s) possesses the appropriate knowledge and experience necessary to complete the assignment competently

V. SALES HISTORY

The sales history of the Subject property for the past three years prior to the date of the appraisal is discussed in the body of the appraisal report

VI. RENTS AND VACANCIES

Any income analysis contained in this report is based upon current, supported market rental/sales and vacancy data as of the date of appraisal

VII. TREND ANALYSIS

Current market supply/demand conditions and reasonably expected marketing times in the Subject's submarket are contained in the appraisal report

VIII. DEDUCTIONS AND DISCOUNTS

The purpose of this appraisal is to estimate a "cash equivalent" market value for the Subject property. Concessionary practices currently observed (if they exist) in the Subject's submarket are discussed in the body of the appraisal report

IX. PROHIBITED INFLUENCES

The appraisal assignment was not based upon a requested minimum valuation, specific valuation or approval of a mortgage loan. Employment of the Appraiser(s) was not conditioned upon the appraisal producing a specific value or value within a given range. Neither employment nor compensation are based upon approval of any related loan application.

X. SUMMARY REPORT

This appraisal report is intended to be a summary appraisal report summarizing all information necessary to enable the reader to understand the Appraiser(s)'s opinion. Any third party studies that are referred to, such as pest control, systems inspection or hazardous waste detection, have been verified by the Appraiser(s) to the extent the assumptions and conditions were used.

XI. PERSONAL PROPERTY

Any personal property involved in the transaction has been excluded from the valuation of the real property. Should a transaction which includes personal property of sufficient value to affect market value be evident, a separate assessment of the personal property, fixtures, or other intangible items will be included with the report as a separate valuation.

XII. DIGITAL SIGNATURES

This report may contain digitally-reproduced signatures, which are approved by FNMA, GNMA, FHA and HUD. The appraisal software program allows an appraiser to attach a password-protected digitally-reproduced signature. After the report is digitally signed, it is locked and cannot be altered by anyone but the signing appraiser(s). The appraiser(s) and 48 Hour Inspection and Appraisal accept full responsibility for this appraisal report

Borrower/Client	Harper/Deaton				
Property Address	536 Sea Lane				
City	La Jolla	County	San Diego	State	CA
				Zip Code	92037
Lender	MDC Financial Services Group				

XIII. DIGITAL PHOTOGRAPHS

This report may contain digitally-reproduced photographs, which are approved by FNMA, GNMA, FHA and HUD. These photographs have not been altered or enhanced in any way that would misrepresent the property or mislead the intended user of this report.

XIV. APPROACHES TO VALUE

The Appraiser(s) has made a reasonable effort to employ the three approaches to value; 1) Sales Comparison Approach, 2) Cost Approach, and 3) Income Approach. Because single family residences are less commonly purchased for investment purposes, the Income Approach is used only when:

1) requested by the client for a non-owner occupied single family residence; and/or

2) when sufficient market evidence exists that rental properties or investor purchases are typical to the neighborhood and the analysis of the same add support to the appraisal report.

If the Income Approach is not used, it is considered insufficient to indicate market value.

XV. ENVIRONMENTAL DISCLAIMER

In this appraisal assignment, the Appraiser(s) has no knowledge of any hazardous conditions (whether it exists on the Subject property or any site within the immediate vicinity of the Subject's site) affecting the Subject's value, including, but not limited to the presence of hazardous waste or materials electromagnetic emissions, asbestos-containing material, urea-formaldehyde foam insulation, radon air pollution, etc. The Appraiser(s), however, is not qualified to detect hazardous conditions. For the purpose of this appraisal, the appraiser assumes that there are no such conditions or materials at or near the Subject property that would significantly affect the value estimate or overall marketability of the Subject property. The client is urged to retain an expert(s) in these fields and the appraiser reserves the right to amend this appraisal report and/or the final value estimate based upon the findings of such an inspection(s). The Appraiser(s) has assumed that there are no hidden or unapparent conditions of the property, subsoil or structure that would make the property more or less valuable. The Appraiser(s) will not be responsible for any such conditions that do exist or for any engineering that might be required for detection of any such existing factors.

XVI. APPRAISER(S) CERTIFICATION

**APPRAISAL STANDARDS** The Appraiser(s) understands and acknowledges that (i) this appraisal may be used in a federally related transaction subject to Title XI of the Financial Institution Reform, Recovery, and Enforcement Act of 1989 ("FIRREA"), 12 U.S.C Section 33310 et seq.; (ii) the lending institution may be a national banking association regulated by the Office of the Comptroller of the Currency ("OCC"); (iii) the OCC has promulgated regulations implementing FIRREA (the OCC regulations); and (iv) this appraisal must comply with OCC regulations. The Appraiser(s) acknowledges that he/she is fully competent to perform and complete this appraisal.

**APPRAISER(S) COMPETENCY** The Appraiser(s) hereby acknowledges that he/she is fully qualified and competent by his/her training, knowledge and experience to perform this appraisal. If, after acceptance of the appraisal assignment, the Appraiser(s) discovers that he/she is not fully competent to perform the appraisal, the Appraiser(s) must comply with the competency provision of USPAP.

**APPRAISER(S) INDEPENDENCE** The Appraiser(s) understands that the OCC regulations require that all appraisals are to be completed without influence from someone who desires a specific value or a specific outcome. The Appraiser(s) represents and certifies that (i) the appraisal assignment is not based on a specific minimum valuation, a specific valuation or the approval of a loan; (ii) employment of the Appraiser(s) was not conditioned upon the appraiser producing a specific value within a given range; (iii) future employment is not dependent upon an appraisal producing a specific value; (iv) employment compensation and future employment are not based upon whether a loan application is approved; (v) neither the Appraiser(s) nor any person with an ownership interest in the company employing the Appraiser(s) is related to or has any ownership or other financial interest in either the builder/developer seller, buyer, mortgage broker or real estate broker/salesperson (or any person related to any of the above) involved in the transaction for which the appraisal has been requested, or with the most recent sale or refinancing of any property used as a comparable property in this appraisal; and (vi) the Appraiser(s) is not aware of any fact which would disqualify him/her from being deemed to be an independent appraiser for the purpose of Section 34.45 of the OCC Regulations

XVII. INSPECTION

**CONDITION OF PREMISES** The Appraiser(s) is not a home inspector and is not an expert in identifying construction problems or defects, site issues or non-permitted items. This appraisal report is not a home inspection; the appraiser only performed a visual observation of accessible areas and the appraisal report cannot be relied upon to disclose conditions and/or defects in the property. It is highly recommended that the client, buyer and/or homeowner arrange for a home inspection to be performed by a qualified professional in order to satisfy themselves as to the condition of the property. The Appraiser(s) reserves the right to amend this report or the final estimate of the Subject's market value based upon the findings of any such home inspection

**SUBJECT PROPERTY SQUARE FOOTAGE** The sketch addendum included in this appraisal report is provided for illustrative purposes only, and the gross living area indicated in this appraisal report is an approximation of the Subject property's actual size. The gross living area (or any portion thereof) indicated in this appraisal report is not intended for any other use, including but not limited to the listing for sale of the Subject property

**COMPARABLE PROPERTIES** The Appraiser(s) has not physically inspected the comparable properties utilized in this appraisal report. Certain assumptions have been made based on information extracted from various sources, including the Multiple Listing Service, First American Real Estate Solutions, DataQuick the Marshall and Swift Residential Cost Handbook, other appraisers, brokers, principals and the Appraiser's own files. This information is deemed reliable but is not guaranteed. The Appraiser(s) reserves the right to amend this report or the final estimate of the Subject's market value if more accurate information is made available to the Appraiser(s).

MULTI-PURPOSE SUPPLEMENTAL ADDENDUM  
FOR FEDERALLY RELATED TRANSACTIONS

48 Hour Inspection and Appraisal (858) 454-4163

File No.: 11-26466

Borrower/Client <b>Harper/Deaton</b>			
Property Address <b>536 Sea Lane</b>			
City <b>La Jolla</b>	County <b>San Diego</b>	State <b>CA</b>	Zip Code <b>92037</b>
Lender <b>MDC Financial Services Group</b>			

This Multi-Purpose Supplemental Addendum for Federally Related Transactions was designed to provide the appraiser with a convenient way to comply with the current appraisal standards and requirements of the Federal Deposit Insurance Corporation (FDIC), the Office of the Comptroller of Currency (OCC), The Office of Thrift Supervision (OTS), the Resolution Trust Corporation (RTC), and the Federal Reserve.

**This Multi-Purpose Supplemental Addendum is for use with any appraisal.**  
**Only those statements which have been checked by the appraiser apply to the property being appraised.**

<b>PURPOSE &amp; FUNCTION OF APPRAISAL</b>										
The purpose of the appraisal is to estimate the market value of the subject property as defined herein. The function of the appraisal is to assist the above-named Lender in evaluating the subject property for lending purposes. This is a federally related transaction.										
<input checked="" type="checkbox"/> <b>EXTENT OF APPRAISAL PROCESS</b>										
<div><div><input checked="" type="checkbox"/></div><div>The appraisal is based on the information gathered by the appraiser from public records, other identified sources, inspection of the subject property and neighborhood, and selection of comparable sales within the subject market area. The original source of the comparables is shown in the Data Source section of the market grid along with the source of confirmation, if available. The original source is presented first. The sources and data are considered reliable. When conflicting information was provided, the source deemed most reliable has been used. Data believed to be unreliable was not included in the report nor used as a basis for the value conclusion.</div></div> <div><div><input checked="" type="checkbox"/></div><div>The Reproduction Cost is based on <u>the Marshall and Swift Residential Cost Handbook</u> supplemented by the appraiser's knowledge of the local market.</div></div> <div><div><input checked="" type="checkbox"/></div><div>Physical depreciation is based on the estimated effective age of the subject property. Functional and/or external depreciation, if present, is specifically addressed in the appraisal report or other addenda. In estimating the site value, the appraiser has relied on personal knowledge of the local market. This knowledge is based on prior and/or current analysis of site sales and/or abstraction of site values from sales of improved properties.</div></div> <div><div><input checked="" type="checkbox"/></div><div>The subject property is located in an area of primarily owner-occupied single family residences and the Income Approach is not considered to be meaningful. For this reason, the Income Approach was not used.</div></div> <div><div><input checked="" type="checkbox"/></div><div>The Estimated Market Rent and Gross Rent Multiplier utilized in the Income Approach are based on the appraiser's knowledge of the subject market area. The rental knowledge is based on prior and/or current rental rate surveys of residential properties. The Gross Rent Multiplier is based on prior and/or current analysis of prices and market rates for residential properties.</div></div> <div><div><input checked="" type="checkbox"/></div><div>For income producing properties, actual rents, vacancies and expenses have been reported and analyzed. They have been used to project future rents, vacancies and expenses.</div></div>										
<input checked="" type="checkbox"/> <b>SUBJECT PROPERTY OFFERING INFORMATION</b>										
According to <u>the Multiple Listing Service</u> the subject property: <div><div><input type="checkbox"/></div><div>has not been offered for sale in the past _____ months or _____ years.</div></div> <div><div><input checked="" type="checkbox"/></div><div>is currently offered for sale for \$ <u>1,789,000</u> .</div></div> <div><div><input type="checkbox"/></div><div>was offered for sale within the past _____ months or _____ years.</div></div> <div><div><input type="checkbox"/></div><div>Offering information was considered in the final reconciliation of value.</div></div> <div><div><input type="checkbox"/></div><div>Offering information was not considered in the final reconciliation of value.</div></div> <div><div><input type="checkbox"/></div><div>Offering information was not available. The reasons for unavailability and the steps taken by the appraiser are explained later in this addendum.</div></div>										
<input checked="" type="checkbox"/> <b>SALES HISTORY OF SUBJECT PROPERTY</b>										
According to <u>the County Assessor</u> the subject property: <div><div><input checked="" type="checkbox"/></div><div>Has not transferred in the past <u>36</u> months or <u>3</u> years.</div></div> <div><div><input type="checkbox"/></div><div>Has transferred in the past _____ months or _____ years.</div></div> <div><div><input type="checkbox"/></div><div>All prior sales which have occurred in the past _____ months or _____ years are listed below and reconciled to the appraised value, either in the body of the report or in the addenda.</div></div> <table><tr><td>Date</td><td>Sales Price</td><td>Document #</td><td>Seller</td><td>Buyer</td></tr><tr><td>_____</td><td>_____</td><td>_____</td><td>_____</td><td>_____</td></tr></table>	Date	Sales Price	Document #	Seller	Buyer	_____	_____	_____	_____	_____
Date	Sales Price	Document #	Seller	Buyer						
_____	_____	_____	_____	_____						
<input checked="" type="checkbox"/> <b>FEMA FLOOD HAZARD DATA</b>										
<div><div><input checked="" type="checkbox"/></div><div>Subject property is not located in a FEMA Special Flood Hazard Area.</div></div> <div><div><input type="checkbox"/></div><div>Subject is located in a FEMA Special Flood Hazard Area.</div></div> <table><tr><td>Zone</td><td>FEMA Map/Panel #</td><td>Map Date</td><td>Name of Community</td></tr><tr><td><b>X</b></td><td><b>06073C-1584F</b></td><td><b>6/19/1997</b></td><td><b>San Diego (La Jolla)</b></td></tr></table> <div><div><input type="checkbox"/></div><div>The community does not participate in the National Flood Insurance Program.</div></div> <div><div><input type="checkbox"/></div><div>The community does participate in the National Flood Insurance Program.</div></div> <div><div><input checked="" type="checkbox"/></div><div>It is covered by a regular program.</div></div> <div><div><input type="checkbox"/></div><div>It is covered by an emergency program.</div></div>	Zone	FEMA Map/Panel #	Map Date	Name of Community	<b>X</b>	<b>06073C-1584F</b>	<b>6/19/1997</b>	<b>San Diego (La Jolla)</b>		
Zone	FEMA Map/Panel #	Map Date	Name of Community							
<b>X</b>	<b>06073C-1584F</b>	<b>6/19/1997</b>	<b>San Diego (La Jolla)</b>							



☒

CURRENT SALES CONTRACT

☐

The subject property is currently not under contract.

☐

The contract and/or escrow instructions were not available for review. The unavailability of the contract is explained later in the addenda section.

☒

The contract and/or escrow instructions were reviewed. The following summarizes the contract:

Contract Date	Amendment Date	Contract Price	Seller
4/14/11	4/16/11	1,629,000	Stiglitz

☒

The contract indicated that personal property was not included in the sale.

☐

The contract indicated that personal property was included. It consisted of

Estimated contributory value is \$

☒

Personal property was not included in the final value estimate.

☐

Personal property was included in the final value estimate.

☒

The contract indicated no financing concessions or other incentives.

☐

The contract indicated the following concessions or incentives:

☐

If concessions or incentives exist, the comparables were checked for similar concessions and appropriate adjustments were made, if applicable, so that the final value conclusion is in compliance with the Market Value defined herein.

☒

MARKET OVERVIEW

Include an explanation of current market conditions and trends.

1-4

months is considered a reasonable marketing period for the subject property based on

historical data provided by the Multiple Listing Service

☒

ADDITIONAL CERTIFICATION

The Appraiser certifies and agrees that:

(1) The analyses, opinions and conclusions were developed, and this report was prepared, in conformity with the Uniform Standards of Professional Appraisal Practice ("USPAP"), and in accordance with the regulations developed by the Lender's Federal Regulatory Agency as required by FIRREA, except that the Departure Provisions of the USPAP do not apply.

(2) Their compensation is not contingent upon the reporting of predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

(3) This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

☒

ADDITIONAL (ENVIRONMENTAL) LIMITING CONDITIONS

The value estimated is based on the assumption that the property is not negatively affected by the existence of hazardous substances or detrimental environmental conditions unless otherwise stated in this report. The appraiser is not an expert in the identification of hazardous substances or detrimental conditions. The appraiser's routine inspection of and inquiries about the subject property did not develop any information that indicated any apparent significant hazardous substances or detrimental environmental conditions which would affect the property negatively unless otherwise stated in this report. It is possible that tests and inspections made by a qualified hazardous substance and environmental expert would reveal the existence of hazardous substances or detrimental environmental conditions on or around the property that would negatively affect its value.

☒


ADDITIONAL COMMENTS

Clerical assistance may have been provided in the processing of this appraisal report.

☒

APPRAISER'S SIGNATURE & LICENSE/CERTIFICATION

Appraiser's Sign:



3

April 28, 2011

Date Prepared

April 29, 2011

Appraiser's Name:

Phone #

(858) 454-4163

State

CA

License #

Certification #

AR026509

Tax ID #

33-0829540

☐

CO-SIGNING APPRAISER'S CERTIFICATION

☐

The co-signing appraiser has personally inspected the subject property, both inside and out, and has made an exterior inspection of all comparable sales listed in the report. The report was prepared by the appraiser under direct supervision of the co-signing appraiser. The co-signing appraiser accepts responsibility for the contents of the report including the value conclusions and the limiting conditions, and confirms that the certifications apply fully to the co-signing appraiser.

☐

The co-signing appraiser has not personally inspected the interior of the subject property and;

☐

has not inspected the exterior of the subject property and all comparable sales listed in the report.

☐

has inspected the exterior of the subject property and all comparable sales listed in the report.

☐

The report was prepared by the appraiser under direct supervision of the co-signing appraiser. The co-signing appraiser accepts responsibility for the contents of the report, including the value conclusions and the limiting conditions, and confirms that the certifications apply fully to the co-signing appraiser with the exception of the certification regarding physical inspections. The above describes the level of inspection performed by the co-signing appraiser.

☐

The co-signing appraiser's level of inspection, involvement in the appraisal process and certification are covered elsewhere in the addenda section of this appraisal.

☐

CO-SIGNING APPRAISER'S SIGNATURE & LICENSE/CERTIFICATION

Appraiser's Signature

Appraiser's Name (print)

State

License #

Trainee

Review

Other

SS #

Certified #