

# Exterior-Only Inspection Residential Appraisal Report

File No. 33007540

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 <b>4002 Merrill Street</b>	City <b>Torrance</b>	State <b>CA</b> Zip Code <b>90503</b>
Borrower <b>Redwood Holdings LLC</b>	Owner of Public Record <b>Redwood Holdings LLC</b>	County <b>Los Angeles</b>
Legal Description <b>Tract 21676 Lot 116</b>		
Assessor's Parcel # <b>7366-007-008</b>	Tax Year <b>2021</b>	R.E. Taxes \$ <b>1,698</b>
Neighborhood Name <b>Southwood</b>	Map Reference <b>763 C-6</b>	Census Tract <b>6507.01</b>
Occupant <input type="checkbox"/> Owner <input type="checkbox"/> Tenant <input checked="" type="checkbox"/> Vacant	Special Assessments \$ <b>0</b>	<input type="checkbox"/> PUD HOA \$ <b>0</b> <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 type="checkbox"/> Purchase Transaction <input type="checkbox"/> Refinance Transaction <input checked="" type="checkbox"/> Other (describe) <b>Servicing</b>		
Lender/Client <b>Wedgewood Inc.</b> Address <b>2015 Manhattan Beach Suite 100, Redondo Beach, CA 90278</b>		
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). <b>DOM 4;CRMLS Standard Listing MLS# SB22071759 date listed 06/14/2022 list price \$1,150,000. The subject sold to the current owner on 06/29/2022 contract price \$1,230,000.</b>		

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

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

Neighborhood Characteristics	One-Unit Housing Trends	One-Unit Housing	Present Land Use %
Location <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural	Property Values <input checked="" type="checkbox"/> Increasing <input type="checkbox"/> Stable <input type="checkbox"/> Declining	PRICE _____ AGE _____	One-Unit <b>50 %</b>
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 <b>20 %</b>
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	<b>915</b> Low <b>25</b> High	Multi-Family <b>10 %</b>
Neighborhood Boundaries <b>North: Torrance Blvd., East: Hawthorne Blvd, South: Lomita Blvd., West: Redondo Beach City limits</b>		<b>3,375</b> Pred. <b>110</b> Other	Commercial <b>20 %</b>
Neighborhood Description <b>The subject is located in a residential neighborhood with houses that vary in age, appeal, design, gross living area, updating/remodeling, and construction quality. Schools, shopping, public transportation, and major employers are nearby. The 405 Freeway is also nearby. Overall appeal to market is good.</b>		<b>1,475</b> Pred. <b>65</b> Other	%
Market Conditions (including support for the above conclusions) <b>See Attached Addendum</b>			

Dimensions <b>See Plat Map</b>	Area <b>6201 sf</b>	Shape <b>Rectangular</b>	View <b>N;Res;</b>
Specific Zoning Classification <b>TORR-LO</b>	Zoning Description <b>Single Family Residence</b>		
Zoning Compliance <input checked="" type="checkbox"/> Legal <input type="checkbox"/> Legal Nonconforming (Grandfathered Use) <input type="checkbox"/> No Zoning <input type="checkbox"/> Illegal (describe)	Is the highest and best use of the 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 <b>Public</b> <input checked="" type="checkbox"/> <b>Other (describe)</b> _____	<b>Public</b> <input checked="" type="checkbox"/> <b>Other (describe)</b> _____	<b>Off-site Improvements—Type</b> <b>Public</b> <input checked="" type="checkbox"/> <b>Private</b> <input type="checkbox"/>	
Electricity <input checked="" type="checkbox"/> <input type="checkbox"/>	Water <input checked="" type="checkbox"/> <input type="checkbox"/>	Street <b>Asphalt</b> <input checked="" type="checkbox"/> <input type="checkbox"/>	
Gas <input checked="" type="checkbox"/> <input type="checkbox"/>	Sanitary Sewer <input checked="" type="checkbox"/> <input type="checkbox"/>	Alley <b>None</b> <input type="checkbox"/> <input type="checkbox"/>	
FEMA Special Flood Hazard Area <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	FEMA Flood Zone <b>X</b>	FEMA Map # <b>060165/06037C1928F</b>	FEMA Map Date <b>09/26/2008</b>
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. _____			

Source(s) Used for Physical Characteristics of Property <input type="checkbox"/> Appraisal Files <input checked="" type="checkbox"/> MLS <input checked="" type="checkbox"/> Assessment and Tax Records <input type="checkbox"/> Prior Inspection <input type="checkbox"/> Property Owner				
<input type="checkbox"/> Other (describe) <b>False</b>				
Data Source(s) for Gross Living Area <b>Public Records</b>				
GENERAL DESCRIPTION	GENERAL DESCRIPTION	Heating / Cooling	Amenities	Car Storage
Units <input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input type="checkbox"/> Concrete Slab <input checked="" type="checkbox"/> Crawl Space	<input checked="" type="checkbox"/> FWA <input type="checkbox"/> HWBB	<input checked="" type="checkbox"/> Fireplace(s) # <b>1</b>	<input type="checkbox"/> None
# of Stories <b>1</b>	<input type="checkbox"/> Full Basement <input type="checkbox"/> Finished	<input type="checkbox"/> Radiant	<input type="checkbox"/> WoodStove(s) # <b>0</b>	<input checked="" type="checkbox"/> Driveway # of Cars <b>2</b>
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	<input type="checkbox"/> Partial Basement <input type="checkbox"/> Finished	<input type="checkbox"/> Other	<input checked="" type="checkbox"/> Patio/Deck <b>Conc</b>	Driveway Surface <b>Concrete</b>
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Exterior Walls <b>Stucco/Average</b>	Fuel <b>Gas</b>	<input checked="" type="checkbox"/> Porch <b>Covered</b>	<input checked="" type="checkbox"/> Garage # of Cars <b>2</b>
Design (Style) <b>Traditional</b>	Roof Surface <b>AspShg/Avg</b>	<input type="checkbox"/> Central Air Conditioning	<input type="checkbox"/> Pool <b>None</b>	<input type="checkbox"/> Carport # of Cars <b>0</b>
Year Built <b>1956</b>	Gutters & Downspouts <b>Met/Avg</b>	<input type="checkbox"/> Individual	<input checked="" type="checkbox"/> Fence <b>Blk/Wd</b>	<input checked="" type="checkbox"/> Attached <input type="checkbox"/> Detached
Effective Age (Yrs) <b>40</b>	Window Type <b>Alum/Avg</b>	<input checked="" type="checkbox"/> Other <b>None</b>	<input type="checkbox"/> Other <b>None</b>	<input type="checkbox"/> Built-in
Appliances <input type="checkbox"/> Refrigerator <input checked="" type="checkbox"/> Range/Oven <input checked="" type="checkbox"/> Dishwasher <input checked="" type="checkbox"/> Disposal <input type="checkbox"/> Microwave <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> Other (describe)				
Finished area <b>above</b> grade contains: <b>7</b> Rooms <b>3</b> Bedrooms <b>2.0</b> Bath(s) <b>1,595</b> Square Feet of Gross Living Area Above Grade				
Additional features (special energy efficient items, etc.) <b>Patio, fireplace in living room</b>				

Describe the condition of the property and data source(s) (including apparent needed repairs, deterioration, renovations, remodeling, etc.). <b>C4;After a search through CRMLS additional information was located. The recent purchase by the current owner, and interior photos of the subject property.</b>
Are there any apparent physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe. _____
Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe. _____

# Exterior-Only Inspection Residential Appraisal Report

File No. 33007540

There are **8** comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ **1,089,000** to \$ **1,800,000**  
 There are **66** comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ **915,000** to \$ **3,375,000**

FEATURE	SUBJECT	COMPARABLE SALE NO. 1		COMPARABLE SALE NO. 2		COMPARABLE SALE NO. 3	
4002 Merrill Street Address Torrance, CA 90503		21918 Ocean Avenue Torrance, CA 90505		5207 W Carson Street Torrance, CA 90505		21314 Talisman Street Torrance, CA 90505	
Proximity to Subject		0.24 miles SW		0.39 miles SE		0.52 miles SW	
Sale Price	\$	\$ 1,150,000		\$ 1,325,000		\$ 1,250,000	
Sale Price/Gross Liv. Area	\$ 0.00 sq. ft.	\$ 702.50 sq. ft.		\$ 1,140.28 sq. ft.		\$ 1,082.25 sq. ft.	
Data Source(s)		CRMLS #SB21264464;DOM 17		CRMLS #SB22065058;DOM 6		CRMLS #SB22092647;DOM 4	
Verification Source(s)		NDC Doc#1919548 12/28/2021		NDC Doc#489704 05/05/2022		NDC Doc#619797 06/10/2022	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment
Sale or Financing Concessions		ArmLth Conv;0		ArmLth Conv;13450	-13,450	ArmLth Cash;0	
Date of Sale/Time		s01/22;c01/22	+23,000	s05/22;c04/22	+6,625	s06/22;c05/22	
Location	N;Res;	A;Bcks Comm;	+40,000	N;Res;		N;Res;	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Site	6201 sf	5296 sf	0	7301 sf	-55,000	5224 sf	0
View	N;Res;	N;Res;		N;Res;		N;Res;	
Design (Style)	DT1;Traditional	DT1;Traditional		DT1;Traditional		DT1;Traditional	
Quality of Construction	Q4	Q4		Q4		Q4	
Actual Age	66	66		67	0	66	
Condition	C4	C4		C4		C4	
Above Grade	Total Bdrms Baths	Total Bdrms Baths		Total Bdrms Baths		Total Bdrms Baths	
Room Count	7 3 2.0	7 3 2.0		7 3 2.0		7 3 2.0	
Gross Living Area	70 1,595 sq. ft.	1,637 sq. ft.	0	1,162 sq. ft.	30,300	1,155 sq. ft.	30,800
Basement & Finished Rooms Below Grade	0sf	0sf		0sf		0sf	
Functional Utility	Conforms	Conforms		Conforms		Conforms	
Heating/Cooling	FWA None	Wall None	+5,000	FWA C/Air	-5,000	FWA None	
Energy Efficient Items	None	None		None		None	
Garage/Carport	2ga2dw	2gd2dw	0	2ga2dw		2ga2dw	
Porch/Patio/Deck	Patio/CvPorch	Patio/CvPorch		Patio/CvPorch		Patio/CvPorch	
Fireplace	1 F/P	1 F/P		1 F/P		1 F/P	
Fence	Fence	Fence		Fence		Fence	
Pool Spa	None	None		None		None	
Net Adjustment (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 68,000	<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ 36,525	<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 30,800
Adjusted Sale Price of Comparables		Net Adj. 5.9% Gross Adj. 5.9%	\$ 1,218,000	Net Adj. -2.8% Gross Adj. 8.3%	\$ 1,288,475	Net Adj. 2.5% Gross Adj. 2.5%	\$ 1,280,800

SALES COMPARISON APPROACH

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

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

Data source(s) **CRMLS/NDC**  
 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) **CRMLS/NDC**

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 NO. 1		COMPARABLE SALE NO. 2		COMPARABLE SALE NO. 3	
Date of Prior Sale/Transfer	06/28/2022						
Price of Prior Sale/Transfer	\$1,230,000						
Data Source(s)	CRMLS #SB22071759	CRMLS/NDC		CRMLS/NDC		CRMLS/NDC	
Effective Date of Data Source(s)	06/30/2022	06/30/2022		06/30/2022		06/30/2022	

Analysis of prior sale or transfer history of the subject property and comparable sales **The prior transaction is the most recent transaction by the current owner. In addition comparable 1 sold after the property was remodeled on 04/14/2022 for \$1,508,000.**

Summary of Sales Comparison Approach. **See Addendum for Comments.**

Indicated Value by Sales Comparison Approach \$ **1,230,000**

Indicated Value by: Sales Comparison Approach \$ **1,230,000** Cost Approach (if developed) \$ **1,225,090** Income Approach (if developed) \$ \_\_\_\_\_

Primary weight given to Sales Comparison Approach indication. Minimal weight given to Cost Approach as it was utilized primarily for abstraction and determination of land-to-value ratio. Income approach not analyzed since income information was not provided for the subject.

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: **n/a**

Based on a visual inspection of the exterior areas of the subject property from at least the street, 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 \$ **1,230,000** as of **06/30/2022**, which is the date of inspection and the effective date of this appraisal.

RECONCILIATION

# Exterior-Only Inspection Residential Appraisal Report

File No. 33007540

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 stated Scope of Work, purpose of the appraisal, reporting requirements of this appraisal report form, and Definition of Market Value. No additional intended users are identified by the appraiser. Inspection from the front of the subject only. additional information or photos were obtained from MLS to determine the condition of the subjects interior.

ADDITIONAL COMMENTS

### COST APPROACH TO VALUE (not required by Fannie Mae)

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

Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value) **Due to a lack of recent sales of individual lots in the subject neighborhood, there is inadequate sales data to determine the subject's site value. For this reason, the site value is estimated by the Extraction Method. The land to improvement ratio is over 30%, which is typical of most neighborhoods of Southern California due to high site prices.**

ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input checked="" type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE ..... = \$ 1,075,000		
Source of cost data <b>BuildingCost.net</b>	Dwelling	1,595 Sq. Ft. @ \$ 179.00	= \$ 285,505
Quality rating from cost service <b>Average</b> Effective date of cost data <b>2021</b>		Sq. Ft. @ \$	= \$
Comments on Cost Approach (gross living area calculations, depreciation, etc.)	<b>CvPatio</b> 15,500		
<b>Replacement cost per square foot is based on the National Building Cost Manual published by the Craftsman Book Co.</b>	Garage/Carport	360 Sq. Ft. @ \$ 85.00	= \$ 30,600
<b>Physical Depreciation is derived from the Marshall &amp; Swift Depreciation Chart.</b>	Total Estimate of Cost-New ..... = \$ 331,605		
	Less	70 Physical	Functional External
	Depreciation	\$189,015	= \$ ( 189,015)
	Depreciated Cost of Improvements ..... = \$ 142,590		
	"As-is" Value of Site Improvements ..... = \$ 7,500		
Estimated Remaining Economic Life (HUD and VA only) <b>30 Years</b>	INDICATED VALUE BY COST APPROACH ..... = \$ 1,225,090		

COST APPROACH

### INCOME APPROACH TO VALUE (not required by Fannie Mae)

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

Summary of Income Approach (including support for market rent and GRM) \_\_\_\_\_

INCOME

### PROJECT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowners' 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 \_\_\_\_\_

Total number of units rented \_\_\_\_\_ Total number of units for sale \_\_\_\_\_ Data source(s) \_\_\_\_\_

Was the project created by the conversion of an 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(s) \_\_\_\_\_

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 Homeowners' Association?  Yes  No If Yes, describe the rental terms and options. \_\_\_\_\_

Describe common elements and recreational facilities. \_\_\_\_\_

PUD INFORMATION

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 visual inspection of the exterior areas of the subject property from at least the street, (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.

The appraiser must be able to obtain adequate information about the physical characteristics (including, but not limited to, condition, room count, gross living area, etc.) of the subject property from the exterior-only inspection and reliable public and/or private sources to perform this appraisal. The appraiser should use the same type of data sources that he or she uses for comparable sales such as, but not limited to, multiple listing services, tax and assessment records, prior inspections, appraisal files, information provided by the property owner, etc.

**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 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.
3. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
4. 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.
5. 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 performed a visual inspection of the exterior areas of the subject property from at least the street. 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.
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).

Exterior-Only Inspection Residential Appraisal Report

File No. 33007540

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 [Handwritten Signature]
Name William C Fisher
Company Name Clario Appraisal Network
Company Address 300 E 2nd Street Ste 1405
Reno, NV 89501
Telephone Number 530-550-2500
Email Address bill.fisher@clarioappraisal.com
Date of Signature and Report 06/30/2022
Effective Date of Appraisal 06/30/2022
State Certification # AR005705
or State License #
or Other (describe) State #
State CA
Expiration Date of Certification or License 12/23/2022

ADDRESS OF PROPERTY APPRAISED
4002 Merrill Street
Torrance, CA 90503

APPRAISED VALUE OF SUBJECT PROPERTY \$ 1,230,000

LENDER/CLIENT
Name Clear Capital
Company Name Wedgewood Inc.
Company Address 2015 Manhattan Beach Suite 100
Redondo Beach, CA 90278
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 exterior subject property
[ ] Did inspect exterior of subject property from street
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

**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 materials and/or components can be considered new dwellings provided that the dwelling is placed on a 100% new foundation and the recycled materials and the recycled components have been rehabilitated/re-manufactured into like-new condition. Recently constructed improvements that have not been previously occupied are not considered "new" if they have any significant physical depreciation (i.e., 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 a complete renovation.*

**C4** The improvements feature some minor deferred maintenance and physical deterioration due to normal wear and tear. The dwelling has been adequately maintained and requires only minimal repairs to building components/mechanical systems and cosmetic repairs. All major building components have been adequately maintained and are functionally adequate.

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

**C5** The improvements feature obvious deferred maintenance and are in need of some significant repairs. Some building components need repairs, rehabilitation, or updating. The functional utility and overall livability is somewhat diminished due to condition, but the dwelling remains useable and functional as a residence.

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

**C6** The improvements have substantial damage or deferred maintenance with deficiencies or defects that are severe enough to affect the safety, soundness, or structural integrity of the improvements. The improvements are in need of substantial repairs and rehabilitation, including many or most major components.

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

**Quality Ratings and Definitions**

**Q1** Dwellings with this quality rating are usually unique structures that are individually designed by an architect for a specified user. Such residences typically are constructed from detailed architectural plans and specifications and feature an exceptionally high level of workmanship and exceptionally high-grade materials throughout the interior and exterior of the structure. The design features exceptionally high-quality exterior refinements and ornamentation, and exceptionally high-quality interior refinements. The workmanship, materials, and finishes throughout the dwelling are of exceptionally high quality.

**Q2** Dwellings with this quality rating are often custom designed for construction on an individual property owner's site. However, dwellings in this quality grade are also found in high-quality tract developments featuring 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 or non-conforming additions to the original structure.

**Definitions of Not Updated, Updated, and Remodeled**

**Not Updated**

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

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

**Updated**

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

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

**Remodeled**

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

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

**Explanation of Bathroom Count**

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





**ADDENDUM**

Borrower: Redwood Holdings LLC

File No.: 33007540

Property Address: 4002 Merrill Street

Case No.:

City: Torrance

State: CA

Zip: 90503

Lender: Wedgewood Inc.

**Neighborhood Market Conditions**

Prices in the subject neighborhood appear to have increased over the past year. The number of listings is currently experiencing a shortage of supply. Financing at reasonable rates is available to qualified buyers. Seller concessions occur occasionally, normally for closing costs. These concessions are typically under 3% of the sale price and are most common in entry-level homes. Marketing time for competitively-priced properties is less than 90 days. Foreclosures and short sales are becoming rare.

**DATE OF SALE ADJUSTMENTS:** Time adjustments were necessary to comparables contract dates within 3 months and the market has been increasing at a rate of 10% - 13% annually which was verified by Zillow.

**GROSS LIVING AREA ADJUSTMENTS:** Comparables which differ more than 100 square feet in gross living area were adjusted at \$70 per square foot. This amount is determined by matched-pair analysis.

**CONDITION ADJUSTMENTS:** The condition of each of the comparables is determined by a combination of curbside inspection and MLS comments and photos. The amount of the adjustments is based on matched-pair analysis.

**CONDITION RATINGS:** Some comparables have a similar condition rating, but still have an adjustment. While the new UAD rating system streamlines the condition rating, there is still room for interpretation. When a home has some remodeling, there is variance in how much is remodeled and the level of remodeling. Therefore, even though some comparables have a similar rating, an adjustment is still warranted. All reasons for condition adjustments are explained in the individual comments regarding each comparable in the Comments on Sales Comparison.

**Sales Comparison Comments:** All 3 comparables are from the subjects development

Comparable 1 is a larger size property, and similar in condition, a wall heater, and a fireplace, also the property backs to commercial use property. A time adjustment is noted. In addition comparable 1 sold after the property was remodeled on 04/14/2022 for \$1,508,000.

Comparable 2 is the a smaller size property that is similar in condition, with a FWA and C/Air, a fireplace, also the lot is larger than the subjects. A time adjustment is noted.

Comparable 3 is a smaller size, similar in condition, a FWA unit, a fireplace. No time adjustment is noted.

The preparer assumes the condition of the interior of the improvements being valued is the same as the exterior condition of the property unless otherwise noted in the report, this is an extraordinary assumption and that the use of an extraordinary assumption may affect assignment results if proven to be incorrect. The subjects highest and best use is as a single family residence since the surrounding area, and local zoning restricts the use to condominiums, single family residences, and planned developments.

Greater weight to comparables 1 & 3 since the comparable 3 is the most recent transaction of a property similar in condition. Comparables 1 & 3 are both the most similar.

The appraiser is a salaried employee and received no appraisal fee for the assignment.

State Registration for Clear Capital #1256

On March 13, 2020, the United States Government declared a National Emergency Concerning the Novel Coronavirus Disease (COVID-19) Outbreak. The effective date of this appraisal is after this declaration and is being performed using historical comparable sales and considering active listing and pending sales in the appraiser conclusion. Due to the rapidly changing economic conditions with this outbreak, the future impact to property values (and valuation) is not currently known. The impact of this outbreak also can vary from market to market and the appraiser has documented any known specific market conditions within the appraisal to better inform the client and intended users of the conditions seen at the time of the preparation of the appraisal.

# Market Conditions Addendum to the Appraisal Report

File No. 33007540

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 **4002 Merrill Street** City **Torrance** State **CA** Zip Code **90503**

Borrower **Redwood Holdings LLC**

**Instructions:** 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.

Inventory Analysis	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)	38	13	15	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)	6.33	4.33	5.00	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Comparable Active Listings	19	5	8	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Housing Supply (Total Listings/Ab. Rate)	3.00	1.15	1.60	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale & List Price, DOM, Sale/List %	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Median Comparable Sale Price	1,217,000	1,375,000	1,475,000	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Sales Days on Market	27	21	22	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Comparable List Price	1,199,000	1,399,000	1,460,000	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Listings Days on Market	41	29	37	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale Price as % of List Price	100.00%	100.00%	100.00%	<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 checked="" 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.).  
**Currently no sales concessions are necessary to facilitate resale transactions. Previously sales concessions ranged from 1%-2% of the sales price.**

Are foreclosure sales (REO sales) a factor in the market?  Yes  No If yes, explain (including the trends in listings and sales of foreclosed properties).  
**The number of active listings is in short supply and standard and bank-owned homes sell quickly. Short-sale listings currently take 30-90 days for approval.**

Cite data sources for above information. CRMLS/NDC

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.  
**Prices have stabilized over the past year. In the analysis above, all properties that have been on the market were examined, including ones that were subsequently withdrawn or expired due to the fact that they were originally active listings. Foreclosures and short sales are becoming rare.**


**If the subject is a unit in a condominium or cooperative project, complete the following:** Project Name: \_\_\_\_\_

Subject Project Data	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)				<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)				<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Active Comparable Listings				<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Unit Supply (Total Listings/Ab. Rate)				<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing

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.

**APPRAISER**

Signature   
 Name William C Fisher  
 Company Name Clario Appraisal Network  
 Company Address 300 E 2nd Street Ste 1405  
Reno, NV 89501  
 State License/Certification # AR005705 State CA  
 Email Address bill.fisher@clarioappraisal.com

**SUPERVISORY APPRAISER (ONLY IF REQUIRED)**

Signature \_\_\_\_\_  
 Name \_\_\_\_\_  
 Company Name \_\_\_\_\_  
 Company Address \_\_\_\_\_  
 State License/Certification # \_\_\_\_\_ State \_\_\_\_\_  
 Email Address \_\_\_\_\_

MARKET RESEARCH & ANALYSIS

CONDO/CO-OP PROJECTS

APPRAISER

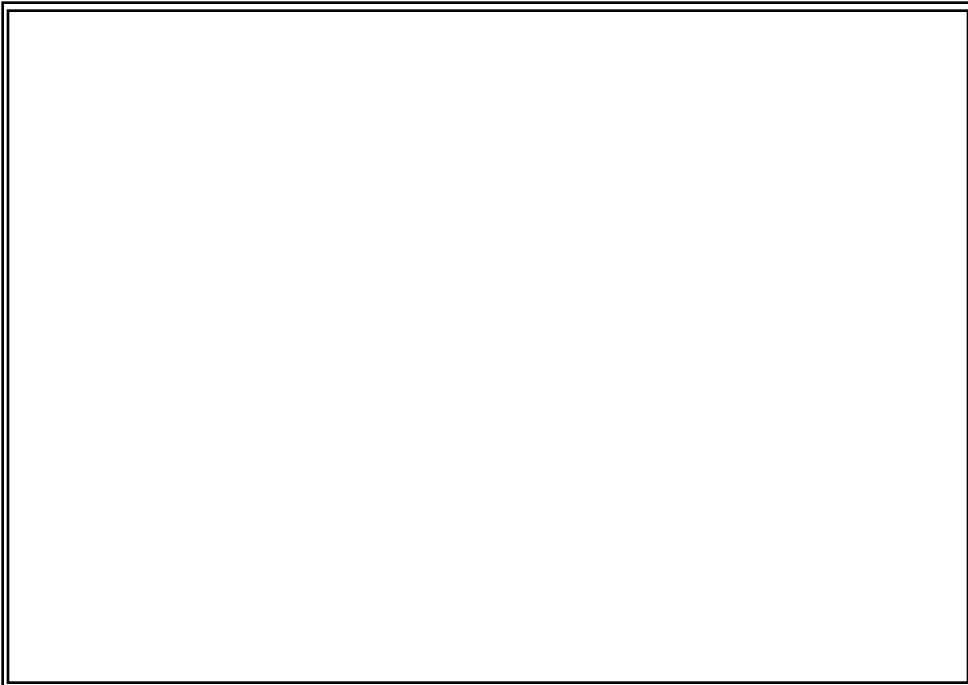
**SUBJECT PROPERTY PHOTO ADDENDUM**

Borrower: Redwood Holdings LLC	File No.: 33007540	
Property Address: 4002 Merrill Street	Case No.:	
City: Torrance	State: CA	Zip: 90503
Lender: Wedgewood Inc.		



**FRONT VIEW OF  
SUBJECT PROPERTY**

Appraised Date: June 30, 2022  
Appraised Value: \$ 1,230,000



**REAR VIEW OF  
SUBJECT PROPERTY**



**STREET SCENE**

Borrower: Redwood Holdings LLC  
Property Address: 4002 Merrill Street  
City: Torrance  
Lender: Wedgewood Inc.

File No.: 33007540  
Case No.:  
State: CA  
Zip: 90503



Living Room/Dining Room  
From MLS



Kitchen  
From MLS



Kitchen  
From MLS

Borrower: Redwood Holdings LLC  
Property Address: 4002 Merrill Street  
City: Torrance  
Lender: Wedgewood Inc.

File No.: 33007540  
Case No.:  
State: CA  
Zip: 90503



Kitchen  
From MLS



Nook  
From MLS



Family Room  
From MLS

Borrower: Redwood Holdings LLC  
Property Address: 4002 Merrill Street  
City: Torrance  
Lender: Wedgewood Inc.

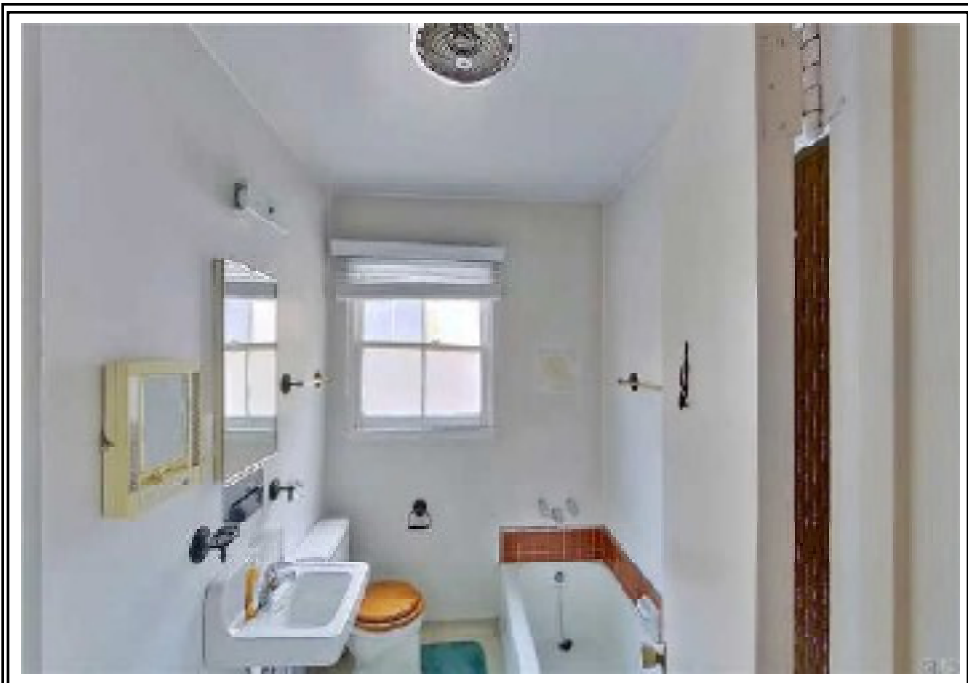
File No.: 33007540  
Case No.:  
State: CA  
Zip: 90503



Enclosed Room Not Permitted  
From MLS



Enclosed Room Not Permitted  
From MLS



Bathroom 1  
From MLS

Borrower: Redwood Holdings LLC  
Property Address: 4002 Merrill Street  
City: Torrance  
Lender: Wedgewood Inc.

File No.: 33007540  
Case No.:  
State: CA  
Zip: 90503



Bedroom  
From MLS



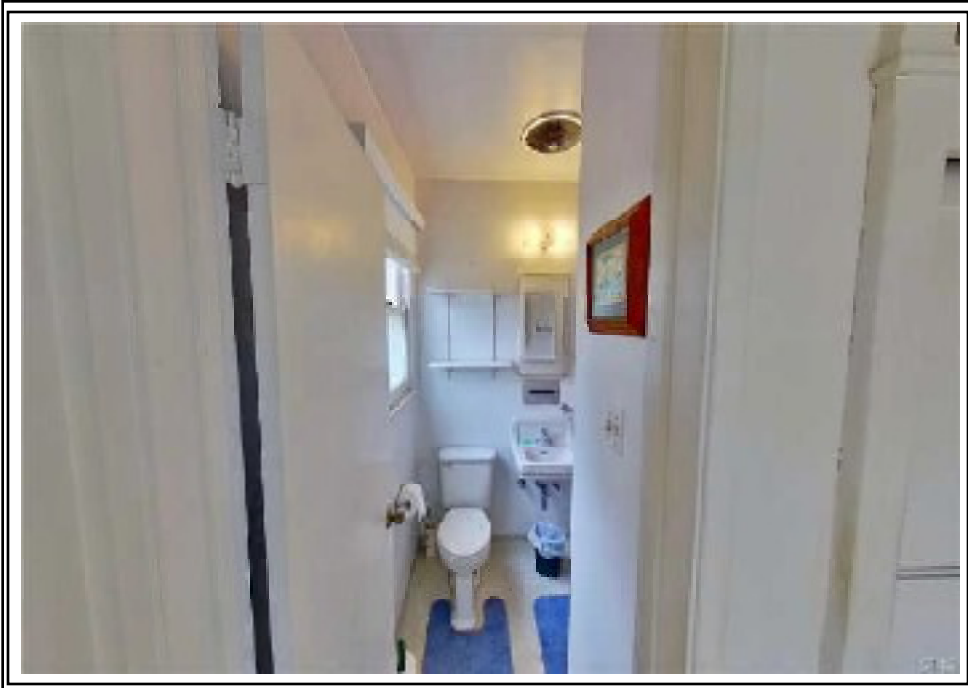
Bedroom  
From MLS



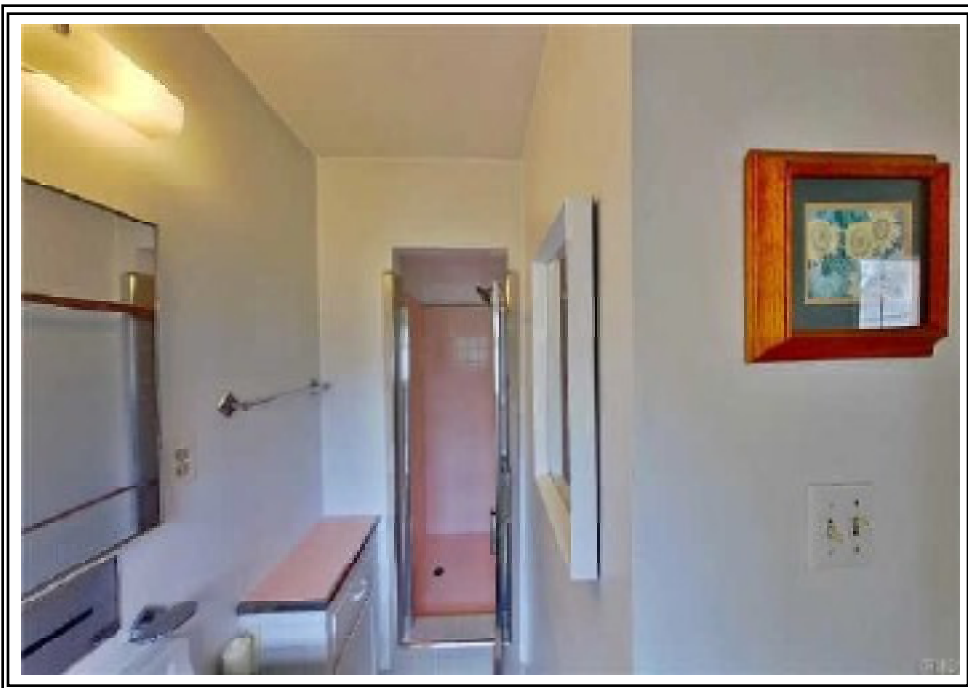
Bedroom  
From MLS

Borrower: Redwood Holdings LLC  
Property Address: 4002 Merrill Street  
City: Torrance  
Lender: Wedgewood Inc.

File No.: 33007540  
Case No.:  
State: CA  
Zip: 90503



Bathroom 2  
From MLS



Bathroom 2  
From MLS



3D Floor Plan  
From MLS



COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: Redwood Holdings LLC	File No.: 33007540
Property Address: 4002 Merrill Street	Case No.:
City: Torrance	State: CA Zip: 90503
Lender: Wedgewood Inc.	



COMPARABLE SALE #1

21918 Ocean Avenue  
Torrance, CA 90505  
Sale Date: s01/22;c01/22  
Sale Price: \$ 1,150,000



COMPARABLE SALE #2

5207 W Carson Street  
Torrance, CA 90505  
Sale Date: s05/22;c04/22  
Sale Price: \$ 1,325,000



COMPARABLE SALE #3

21314 Talisman Street  
Torrance, CA 90505  
Sale Date: s06/22;c05/22  
Sale Price: \$ 1,250,000

PLAT MAP

Borrower: Redwood Holdings LLC

File No.: 33007540

Property Address: 4002 Merrill Street

Case No.:

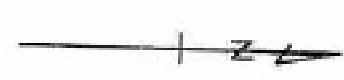
City: Torrance

State: CA

Zip: 90503

Lender: Wedgewood Inc.

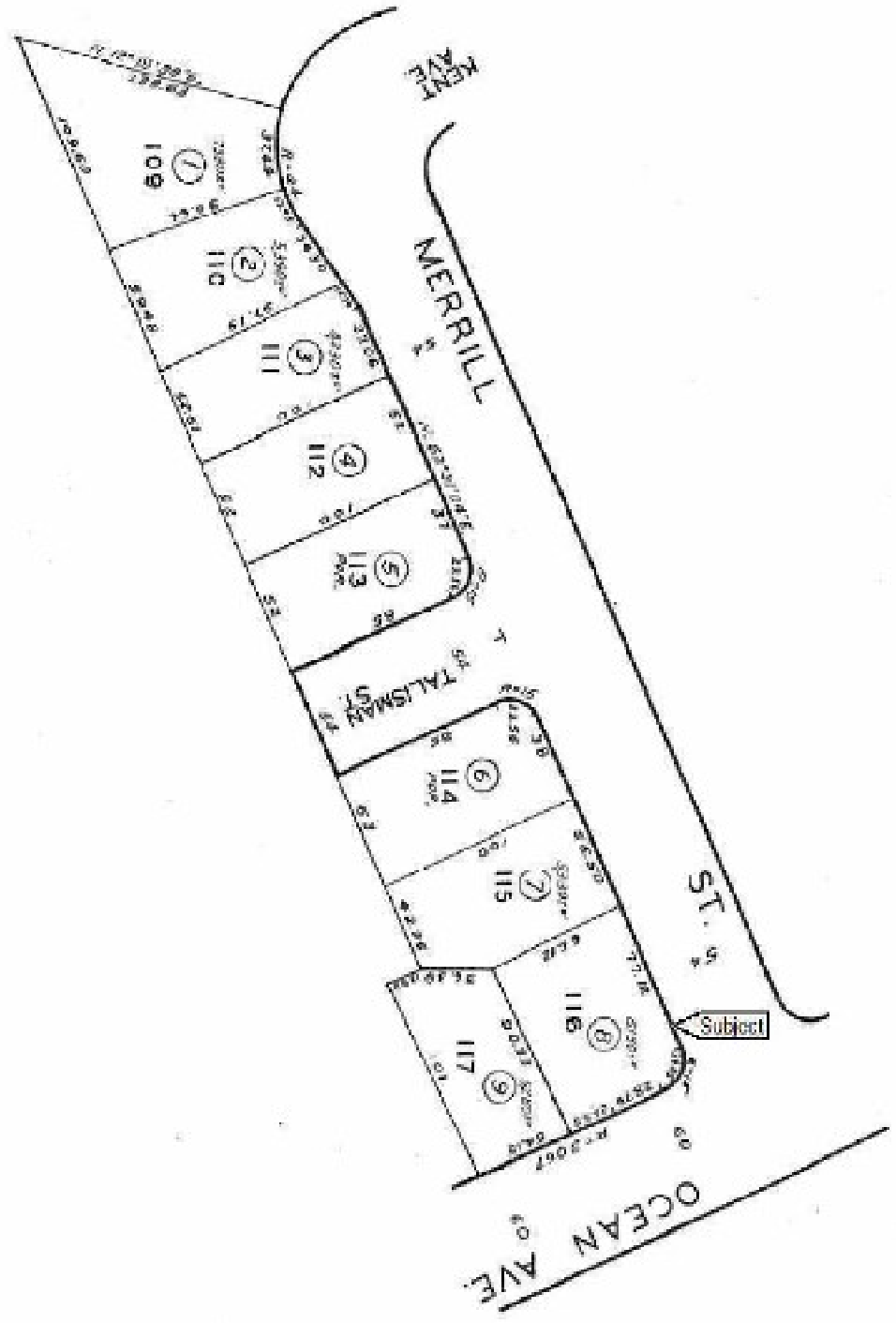
7366	7
DATE: 1-80	



CODE  
9340

FOR PREV. ASSM'T. SEE: 7366-7

TRACT NO. 21676  
M. B. 595-33-44

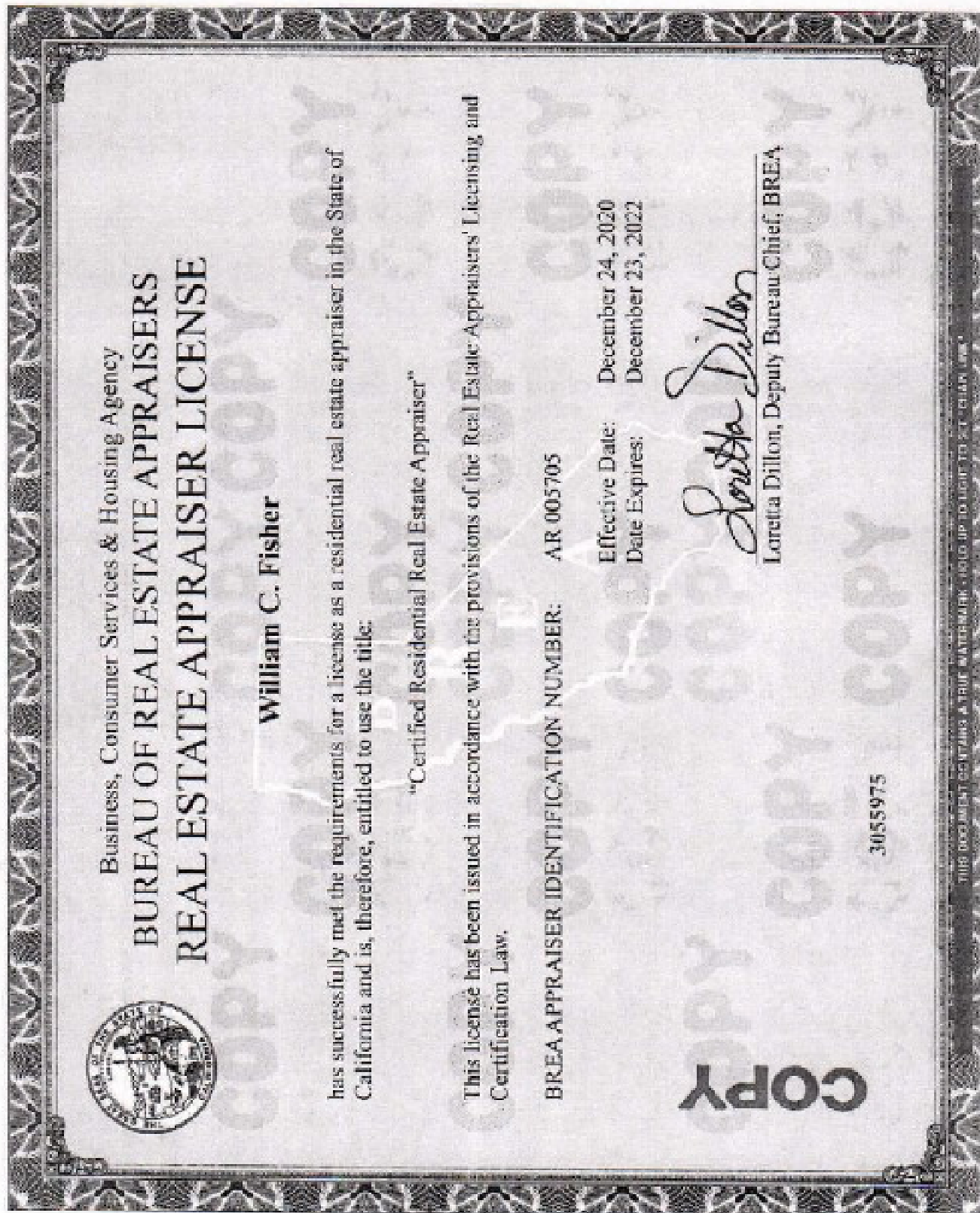


ASSESSOR'S MAP  
COUNTY OF LOS ANGELES, CALIF.

1-80

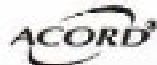
Borrower: Redwood Holdings LLC  
Property Address: 4002 Merrill Street  
City: Torrance  
Lender: Wedgewood Inc.

File No.: 33007540  
Case No.:  
State: CA  
Zip: 90503



Borrower: Redwood Holdings LLC  
 Property Address: 4002 Merrill Street  
 City: Torrance  
 Lender: Wedgewood Inc.

File No.: 33007540  
 Case No.:  
 State: CA Zip: 90503



### CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
 10/11/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Assurance - a Marsh & McLennan Agency LLC company 20 N Marlingale Road Suite 100 Schaumburg IL 60173		<b>CONTACT NAME:</b> Fiona Chen <b>PHONE:</b> 815.312.5225-5592 <b>FAX:</b> 815.312.5225-5592 <b>EMAIL:</b> fchen@assuranceagency.com <b>ADDRESS:</b>	
<b>INSURED</b> ClearCapital.com, Inc. ClearCapital Holdings, Inc. 300 F 2nd Street Suite 1405 Reno NV 89501		<b>INSURER(S) AFFORDING COVERAGE</b> INSURER A - AXA Insurance Company NAIC # 31137 INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:	

COVERAGES      CERTIFICATE NUMBER: 05747952      REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

FORM / LTD	TYPE OF INSURANCE	COV. BY INSD. / END.	POLICY NUMBER	POLICY EFF. (MM/DD/YYYY)	POLICY EXP. (MM/DD/YYYY)	LIMITS
	<b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR  COMM. AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PER-ACC <input type="checkbox"/> LOC <input type="checkbox"/> OTHER					EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Per occurrence) \$ MED EXP (Per occurrence) \$ PERSONAL & ADVERTISING \$ GENERAL AGGREGATE \$ PRODUCTS - CORPOR AGG \$ \$
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> OTHER ALEA <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY					COVERED SINGLE LIMIT (Per occurrence) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per occurrence) \$ \$
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$ \$
	<b>EMPLOYERS COMPENSATION AND EMPLOYERS LIABILITY</b> EMPLOYERS COMPENSATION EXCLUSIVE (Mandatory in MI) If yes, describe under DESCRIPTION OF OPERATIONS below <input type="checkbox"/> YES <input type="checkbox"/> N/A					<input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. DISEASE - EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Professional Liability		MPP0044193	10/15/2021	10/15/2022	Per Occurrence \$5,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
 REF: PROOF OF INSURANCE

It is agreed that the following is an Additional Insured, when required by written contract, on the Professional Liability policy.

<b>CERTIFICATE HOLDER</b>  Clario Appraisal Network, Inc. PROOF OF INSURANCE	<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE 
---	--

USPAP ADDENDUM

File No. 33007540

Borrower: Redwood Holdings LLC  
 Property Address: 4002 Merrill Street  
 City: Torrance County: Los Angeles State: CA Zip Code: 90503  
 Lender: Wedgewood Inc.

APPRAISAL AND REPORT IDENTIFICATION

This report was prepared under the following USPAP reporting option:

- Appraisal Report** A written report prepared under Standards Rule 2-2(a).
- Restricted Appraisal Report** A written report prepared under Standards Rule 2-2(b).

Reasonable Exposure Time


My opinion of a reasonable exposure time for the subject property at the market value stated in this report is: 90 Days or Less

Additional Certifications

- I have performed **NO** services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I **HAVE** performed services, as an appraiser or in another capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment. Those services are described in the comments below.

Additional Comments

APPRAISER:

Signature:   
 Name: William C Fisher  
 Date Signed: 06/30/2022  
 State Certification #: AR005705  
 or State License #: \_\_\_\_\_  
 or Other (describe): \_\_\_\_\_ State #: \_\_\_\_\_  
 State: CA  
 Expiration Date of Certification or License: 12/23/2022  
 Effective Date of Appraisal: 06/30/2022

SUPERVISORY APPRAISER (only if required):

Signature: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Date Signed: \_\_\_\_\_  
 State Certification #: \_\_\_\_\_  
 or State License #: \_\_\_\_\_  
 State: \_\_\_\_\_  
 Expiration Date of Certification or License: \_\_\_\_\_  
 Supervisory Appraiser inspection of Subject Property:  
 Did Not  Exterior-only from street  Interior and Exterior