

# Exterior-Only Inspection Residential Appraisal Report

32933673  
File # 06142022-1

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

SUBJECT

|  |   |                        |  |                                     |             |                                   |                                    |
|--|---|------------------------|--|-------------------------------------|-------------|-----------------------------------|------------------------------------|
| Property Address   | 2860 Encinitas Ct   | City                   | San Jose   | State                               | CA          | Zip Code                          | 95132                              |
| Borrower   | Redwood Holdings LLC  | Owner of Public Record | Redwood Holdings LLC   | County                              | Santa Clara |                                   |                                    |
| Legal Description  | TRACT 4385 BOOK 232 PAGE 38 PAGE 39 LOT 45  |                        |  |                                     |             |                                   |                                    |
| Assessor's Parcel #  | 092-13-051  | Tax Year               | 2021   | R.E. Taxes \$                       | 3,251       |                                   |                                    |
| Neighborhood Name  | Capewood  | Map Reference          | 48-B5  | Census Tract                        | 5044.10     |                                   |                                    |
| Occupant   | <input type="checkbox"/> Owner <input type="checkbox"/> Tenant <input checked="" type="checkbox"/> Vacant   | Special Assessments \$ | 1,396  | <input type="checkbox"/> PUD HOA \$ | 0           | <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) Servicing |                        |  |                                     |             |                                   |                                    |
| Lender/Client  | Wedgewood Inc   | Address                | 2015 Manhattan Beach Blvd Suite 100, Redondo Beach, CA 90278 |                                     |             |                                   |                                    |
| 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). DOM 24; Subject property was listed on MLS listing web site, reil.com (MLS#ML81889747) for \$1,599,999 on 05/10/2022; reduced to \$1,525,000 on 05/20/2022; reduced to \$1,499,999 on 05/27/2022; went into contract on 06/04/2022; & COE on 06/09/2022 for \$1,280,000. |   |                        |  |                                     |             |                                   |                                    |

CONTRACT

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

|  |                  |  |  |                |
|--|------------------|--|--|----------------|
| Contract Price \$  | Date of Contract | Is the property seller the owner of public record? | <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.  |                  |  |  |                |

NEIGHBORHOOD

**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     | 70 %               |  |
| 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     | 10 %               |  |
| 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 | 1,050    | Low 43           | Multi-Family | 5 %                |  |
| Neighborhood Boundaries      | Landess Ave to the North; McKee Rd to the South; freeway-680 to the West; Piedmont Rd to the East.              |                         |   | 2,100    | High 103         | Commercial   | 10 %               |  |
|                              |   |                         |   | 1,500    | Pred. 52         | Other        | 5 %                |  |

Neighborhood Description Property is located in the area with residences in average to good condition. The neighborhood is closed to schools, public libraries, parks, shopping centers, and public transportation. Access to freeway/highway is convenient.

Market Conditions (including support for the above conclusions) Mose sales are financed by conventional loans. Finance concession is not typical in this market area. See 1004MC for real estate trend within the past 12 months.

SITE

|  |   |                    |             |       |                    |      |        |
|--|---|--------------------|-------------|-------|--------------------|------|--------|
| Dimensions   | Slightly Irregular  | Area               | 8944 sf     | Shape | Slightly Irregular | View | N;Res; |
| Specific Zoning Classification   | R-1-8   | Zoning Description | Residential |       |                    |      |        |
| 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 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"/> | Street Alspat                | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Gas         | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Sanitary Sewer | <input checked="" type="checkbox"/> | Alley None                   | <input type="checkbox"/>            | <input type="checkbox"/> |

FEMA Special Flood Hazard Area  Yes  No FEMA Flood Zone AH FEMA Map # 06085C0067J FEMA Map Date 02/19/2014

Are the utilities and off-site improvements typical for the market area?  Yes  No If No, describe

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

Subject property is located in close proximity to freeway-680 and may get noise impact during busy times. Comparable sale #3 has the similar adverse site condition. There seems no negative impact on the marketability of the property.

IMPROVEMENTS

Source(s) Used for Physical Characteristics of Property  Appraisal Files  MLS  Assessment and Tax Records  Prior Inspection  Property Owner  Other (describe)

Data Source for Gross Living Area parcelQuest

| 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) # 1 | <input type="checkbox"/> None  |
| # of Stories 1   | <input type="checkbox"/> Full Basement <input type="checkbox"/> Finished               | <input type="checkbox"/> Radiant                                      | <input type="checkbox"/> Woodstove(s) # 0            | <input checked="" type="checkbox"/> Driveway # of Cars 2                       |
| 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 open  | Driveway Surface concrete  |
| <input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const. | Exterior Walls Wood/Stucco/Avg   | Fuel Gas  | <input checked="" type="checkbox"/> Porch open       | <input checked="" type="checkbox"/> Garage # of Cars 2                         |
| Design (Style) Ranch   | Roof Surface Shingles/Avg  | <input type="checkbox"/> Central Air Conditioning                     | <input type="checkbox"/> Pool None                   | <input type="checkbox"/> Carport # of Cars 0                                   |
| Year Built 1970  | Gutters & Downspouts Aluminum/Avg  | <input type="checkbox"/> Individual                                   | <input checked="" type="checkbox"/> Fence wood       | <input checked="" type="checkbox"/> Attached <input type="checkbox"/> Detached |
| Effective Age (Yrs) 45   | Window Type 2 pane/Avg   | <input checked="" type="checkbox"/> Other none                        | <input type="checkbox"/> Other none                  | <input type="checkbox"/> Built-in  |

Appliances  Refrigerator  Range/Oven  Dishwasher  Disposal  Microwave  Washer/Dryer  Other (describe)

Finished area above grade contains: 8 Rooms 4 Bedrooms 2.0 Bath(s) 1,480 Square Feet of Gross Living Area Above Grade

Additional features (special energy efficient items, etc.) None

Describe the condition of the property and data source(s) (including apparent needed repairs, deterioration, renovations, remodeling, etc.). C4; Subject propert has been adequately maintain with normal phisical tear and wear. Per MLS listing, some updates needed.

Are there any apparent 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.

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| There are 33 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 998,888 to \$ 1,695,000 |   | There are 145 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 1,050,000 to \$ 2,100,000 |                                       |  |                    |
|--|---|--|---------------------------------------|--|--------------------|
| FEATURE  | SUBJECT                                 | COMPARABLE SALE # 1  | COMPARABLE SALE # 2                   | COMPARABLE SALE # 3  |                    |
| Address  | 2860 Encinitas Ct<br>San Jose, CA 95132 | 2971 Via Del Sol<br>San Jose, CA 95132   | 1456 Shaffer Dr<br>San Jose, CA 95132 | 2420 Old Gate Ct<br>San Jose, CA 95132                           |                    |
| Proximity to Subject   |   | 0.15 miles NE  | 1.31 miles E                          | 1.34 miles SE  |                    |
| Sale Price   | \$                                      | \$ 1,400,000   | \$ 1,337,000                          | \$ 1,175,000   |                    |
| Sale Price/Gross Liv. Area   | \$ sq.ft.                               | \$ 997.15 sq.ft.   | \$ 828.38 sq.ft.                      | \$ 952.19 sq.ft.   |                    |
| Data Source(s)   |   | MLS #ML81888209;DOM 5  | MLS #ML81893350;DOM 6                 | MLS #BE40958732;DOM 7  |                    |
| Verification Source(s)   |   | Doc #25309997/Realist  | Doc #25315230/Realist                 | Doc #25092521/Realist  |                    |
| VALUE ADJUSTMENTS  | DESCRIPTION                             | DESCRIPTION  | +(-) \$ Adjustment                    | DESCRIPTION  | +(-) \$ Adjustment |
| Sales or Financing Concessions   |   | ArmLth Conv;0  |                                       | ArmLth Cash;0  |                    |
| Date of Sale/Time  |   | s05/22;c04/22  | +17,500                               | s06/22;c05/22  |                    |
| Location   | A;fwy-680;                              | N;Res;   | -45,000                               | N;Res;   | -45,000            |
| Leasehold/Fee Simple   | Fee Simple                              | Fee Simple   |                                       | Fee Simple   |                    |
| Site   | 8944 sf                                 | 6811 sf  | +10,665                               | 6500 sf  | +12,220            |
| View   | N;Res;                                  | N;Res;   |                                       | N;Res;   |                    |
| Design (Style)   | DT1;Ranch                               | DT1;Ranch  |                                       | DT1;Ranch  |                    |
| Quality of Construction  | Q4                                      | Q4   |                                       | Q4   |                    |
| Actual Age   | 52                                      | 53   | 0                                     | 58   | 0                  |
| Condition  | C4                                      | C3   | -75,000                               | C4   |                    |
| Above Grade  | Total Bdrms. Baths                      | Total Bdrms. Baths   |                                       | Total Bdrms. Baths   |                    |
| Room Count   | 8 4 2.0                                 | 7 3 2.0  | 0                                     | 7 4 2.0  | 0                  |
| Gross Living Area  | 1,480 sq.ft.                            | 1,404 sq.ft.   | 0                                     | 1,614 sq.ft.   | -33,500            |
| Basement & Finished Rooms Below Grade  | 0sf                                     | 0sf  |                                       | 0sf  |                    |
| Functional Utility   | Average                                 | Average  |                                       | Average  |                    |
| Heating/Cooling  | FWA/NoAC                                | FWA/CAC  | 0                                     | FWA/NoAC   | 0                  |
| Energy Efficient Items   | None                                    | None   |                                       | None   |                    |
| Garage/Carport   | 2ga2dw                                  | 2ga2dw   |                                       | 2ga2dw   |                    |
| Porch/Patio/Deck   | Porch/Patio                             | Porch/Deck   | 0                                     | Porch/Patio  |                    |
| Fireplaces   | 1 Fireplace                             | 1 Fireplace  |                                       | 1 Fireplace  |                    |
| Net Adjustment (Total)   |   | <input type="checkbox"/> + <input checked="" type="checkbox"/> -   | \$ -91,835                            | <input type="checkbox"/> + <input checked="" type="checkbox"/> - | \$ -66,280         |
| Adjusted Sale Price of Comparables   |   | Net Adj. 6.6 %<br>Gross Adj. 10.6 %  | \$ 1,308,165                          | Net Adj. 5.0 %<br>Gross Adj. 6.8 %                               | \$ 1,270,720       |
|  |   | <input checked="" type="checkbox"/> + <input type="checkbox"/> -   | \$ 98,220                             | <input checked="" type="checkbox"/> + <input type="checkbox"/> - | \$ 1,273,220       |

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) MLS Listing/parcelQuest

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) MLS Listing/parcelQuest

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      | 06/09/2022              |                         |                         |                         |
| Price of Prior Sale/Transfer     | \$1,280,000             |                         |                         |                         |
| Data Source(s)                   | MLS Listing/parcelQuest | MLS Listing/parcelQuest | MLS Listing/parcelQuest | MLS Listing/parcelQuest |
| Effective Date of Data Source(s) | 06/14/2022              | 06/14/2022              | 06/14/2022              | 06/14/2022              |

Analysis of prior sale or transfer history of the subject property and comparable sales Subject property was listed on MLS listing web site, reil.com (MLS#ML81889747) for \$1,599,999 on 05/10/2022; reduced to \$1,525,000 on 05/20/2022; reduced to \$1,499,999 on 05/27/2022; went into contract on 06/04/2022; & COE on 06/09/2022 for \$1,280,000. The sale is an arm length transaction.

Summary of Sales Comparison Approach The comparable sales are located within the market area, and considered the best available based on most recent sale dates, location, and homes of similar gross living area, design, and quality. More weight is given to comparable sale #2, which is the most recent COE within the market area with similar quality, design, condition, and number of bderoom/bathroom count. The appraised value is bracketed by the adjusted and unadjusted range of the sold comparables.

Indicated Value by Sales Comparison Approach \$ 1,280,000

Indicated Value by: Sales Comparison Approach \$ 1,280,000 Cost Approach (if developed) \$ 1,285,524 Income Approach (if developed) \$

The Sales Comparison analysis is given the greatest consideration in the final opinion of the value as it best reflects buyers and sellers actions. The cost approach is supportive. The income approach is not developed. The sales range from \$1,270,000 to \$1,325,000. The most propable value is \$1,280,000.

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:

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 \$ 1,280,000 , as of 06/14/2022 , which is the date of inspection and the effective date of this appraisal.

RECONCILIATION

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ADDITIONAL COMMENTS

**Intended User Certification** - Intended users of appraisal report is the Lender/Client. The Intended Use is to obtain the market value of the property that is the subject of this appraisal for personal knowledge of the client, 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.

**Scope of Work** - The scope of work for this appraisal was defined by the 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. I, the appraiser (1) performed a complete visual inspection of the exterior areas of the subject property from the street, (2) inspected the neighborhood, (3) inspected each of the comparable sales from at least the street, (4) researched, verified, and analyzed data from reliable public and/or private sources, and (5) reported my analysis, opinions, and conclusions in this appraisal report.

**Extraordinary Assumptions** - The comparables used contain confidential information related to pricing, motivations, negotiations, concessions, fees, etc, that are not typically made known to those not a part of the agreement or closing. Even when provided an interview that confirms parts of a transaction, the values herein are based on the assumption that the data reported to the sources used is correct and reflects the specific marketable features. When more than one source is stated and there are differences in the levels/amounts of the features relevant for refinement, the source deemed most reliable and reflective of the comparable as of the date of that respective sale will be used for comparison.

**Comment on digital signature and photographs:** for the purpose of electronic data interchange (EDI), this report contains digital signatures and photograph. After the report is digitally signed, it is locked and cannot be altered by anyone except the signing appraiser. The digital photograph have not been altered in anyway that would misrepresent property details or mislead the intended use of this report.

**Software Certification** - Any and all references in this (TOTAL) software regarding clients, intended users, intended use, definition of value, assignment conditions, relevant characteristics, scope or work performed, and/or any other conditions / assumptions relative to this assignment are superseded by data expressly entered by the appraiser, respectively.

**Definition/Source of Value** - The purpose of this report is to properly relay the appraisal analysis, opinions, and conclusions in a manner that is objective, impartial, and independent. The value being developed is the most common representation of this arena participant - market value. By definition, market value is the most probable price a property or properties should bring in an open competitive market under conditions requisite to a fair impartial sale where the buyer and seller are both acting knowledgeably and in their own best interest and assuming the price is not affected by unique stimulus or external forces. 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. The buyer and seller are typically motivated, 2. Both parties are knowledgeable and acting in their own best interests, 3. a reasonable time is allowed for the property to be exposed to an open and competitive sale arena, 4. Payment is made 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 sale concessions granted by anyone associated with the sale. This definition is from regulations published by federal regulatory agencies pursuant to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) of 1989 between July and August 1990, by the Federal Reserve System (FRS), by the National Credit Union Administration, (NCUA), by the Federal Deposit Insurance Corporation (FDIC), by the Office of Comptroller of the Currency (OCC), and by the Office of Thrift Supervision (OTS), being further referenced in regulations jointly published in 1994.

### 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) The indicated value of the site has been developed by extraction. Land to total value ratio is typical for the market area.

COST APPROACH

|  |   |       |           |
|--|---|-------|-----------|
| ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input checked="" type="checkbox"/> REPLACEMENT COST NEW  | OPINION OF SITE VALUE .....                 | =\$   | 1,025,000 |
| Source of cost data <u>Local Contractor</u>  | DWELLING 1,480 Sq.Ft. @ \$ 400.00 .....     | =\$   | 592,000   |
| Quality rating from cost service <u>Average</u> Effective date of cost data <u>06/14/2022</u>  | 0 Sq.Ft. @ \$ .....                         | =\$   |           |
| Comments on Cost Approach (gross living area calculations, depreciation, etc.)   | Other .....                                 | =\$   | 30,000    |
| The replacement cost factors are based on the local contractors.   | Garage/Carport 437 Sq.Ft. @ \$ 150.00 ..... | =\$   | 65,550    |
| Effective age of the property is lower than the actual age due to the house has been well maintained. Estimated remaining economic life is based on the total life of 70 years | Total Estimate of Cost-New .....            | =\$   | 687,550   |
|  | Less Physical Functional External           |       |           |
|  | Depreciation 442,026                        | = \$( | 442,026)  |
|  | Depreciated Cost of Improvements .....      | =\$   | 245,524   |
|  | "As-is" Value of Site Improvements .....    | =\$   | 15,000    |
| Estimated Remaining Economic Life (HUD and VA only) <u>25 Years</u>  | INDICATED VALUE BY COST APPROACH .....      | =\$   | 1,285,524 |

INCOME

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

Estimated Monthly Market Rent \$ X Gross Rent Multiplier = \$ Indicated Value by Income Approach  
Summary of Income Approach (including support for market rent and GRM)

PUD INFORMATION

### 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 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.

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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.

# Exterior-Only Inspection Residential Appraisal Report

32933673  
File # 06142022-1

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.

# Exterior-Only Inspection Residential Appraisal Report

32933673  
File # 06142022-1

20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.

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

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

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

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

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

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

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

APPRAISER

Signature



Name Lien Huong Pham

Company Name Clario Appraisal Network

Company Address 300 East 2nd Street Suite 1405  
Reno, NV 89501

Telephone Number 530-550-2500

Email Address support@clarioappraisal.com

Date of Signature and Report 06/17/2022

Effective Date of Appraisal 06/14/2022

State Certification # AR 032282

or State License # \_\_\_\_\_

or Other (describe) \_\_\_\_\_ State # \_\_\_\_\_

State CA

Expiration Date of Certification or License 10/30/2023

ADDRESS OF PROPERTY APPRAISED

2860 Encinitas Ct  
San Jose, CA 95132

APPRAISED VALUE OF SUBJECT PROPERTY \$ 1,280,000

LENDER/CLIENT

Name Clear Capital Inc. -AMC#1256

Company Name Wedgewood Inc

Company Address 2015 Manhattan Beach Blvd 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 of 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 \_\_\_\_\_

# Exterior-Only Inspection Residential Appraisal Report

32933673  
File # 06142022-1

| FEATURE   | SUBJECT                                 | COMPARABLE SALE # 4  |                         |                         | COMPARABLE SALE # 5  |                    |  | COMPARABLE SALE # 6  |                    |  |
|---|---|--|-------------------------|-------------------------|--|--------------------|--|--|--------------------|--|
| Address   | 2860 Encinitas Ct<br>San Jose, CA 95132 | 1417 Sierra Creek Way<br>San Jose, CA 95132                      |                         |                         | 3079 Knights Bridge Rd<br>San Jose, CA 95132                     |                    |  | 2840 Encinitas Ct<br>San Jose, CA 95132                          |                    |  |
| Proximity to Subject  |   | 1.40 miles E   |                         |                         | 0.81 miles E   |                    |  | 0.05 miles SW  |                    |  |
| Sale Price  | \$                                      | \$ 1,400,000   |                         |                         | \$ 1,295,000   |                    |  | \$ 1,399,000   |                    |  |
| Sale Price/Gross Liv. Area  | \$ sq.ft.                               | \$ 690.00 sq.ft.   |                         |                         | \$ 917.14 sq.ft.   |                    |  | \$ 945.27 sq.ft.   |                    |  |
| Data Source(s)  |   | MLS #ML81851784;DOM 0  |                         |                         | MLS #ML81874026;DOM 1  |                    |  | MLS #ML81895138;DOM 4  |                    |  |
| Verification Source(s)  |   | Doc #25002694/Realist  |                         |                         | Doc #25221906/Realist  |                    |  | Realist  |                    |  |
| VALUE ADJUSTMENTS   | DESCRIPTION                             | DESCRIPTION  | +(-) \$ Adjustment      |                         | DESCRIPTION  | +(-) \$ Adjustment |  | DESCRIPTION  | +(-) \$ Adjustment |  |
| Sales or Financing Concessions  |   | ArmLth Cash;0  |                         |                         | ArmLth Cash;0  |                    |  | Listing  |                    |  |
| Date of Sale/Time   |   | s06/21;c06/21  | +192,500                |                         | s01/22;c01/22  | +81,000            |  | Active   |                    |  |
| Location  | A;fwy-680;                              | N;Res;   | -45,000                 |                         | N;Res;   | -45,000            |  | A;fwy-680;   |                    |  |
| Leasehold/Fee Simple  | Fee Simple                              | Fee Simple   |                         |                         | Fee Simple   |                    |  | Fee Simple   |                    |  |
| Site  | 8944 sf                                 | 10925 sf   | -9,905                  |                         | 6090 sf  | +14,270            |  | 6432 sf  | +12,560            |  |
| View  | N;Res;                                  | N;Res;   |                         |                         | N;Res;   |                    |  | N;Res;   |                    |  |
| Design (Style)  | DT1;Ranch                               | DT1;Ranch  |                         |                         | DT1;Ranch  |                    |  | DT1;Ranch  |                    |  |
| Quality of Construction   | Q4                                      | Q4   |                         |                         | Q4   |                    |  | Q4   |                    |  |
| Actual Age  | 52                                      | 59   | 0                       |                         | 47   | 0                  |  | 52   |                    |  |
| Condition   | C4                                      | C3   | -75,000                 |                         | C3   | -75,000            |  | C2   | -125,000           |  |
| Above Grade   | Total Bdrms. Baths                      | Total Bdrms. Baths   |                         |                         | Total Bdrms. Baths   |                    |  | Total Bdrms. Baths   |                    |  |
| Room Count  | 8 4 2.0                                 | 7 4 2.0  | 0                       |                         | 7 3 2.0  | 0                  |  | 7 3 2.0  | 0                  |  |
| Gross Living Area   | 1,480 sq.ft.                            | 2,029 sq.ft.   | -137,250                |                         | 1,412 sq.ft.   | 0                  |  | 1,480 sq.ft.   |                    |  |
| Basement & Finished Rooms Below Grade   | 0sf                                     | 0sf  |                         |                         | 0sf  |                    |  | 0sf  |                    |  |
| Functional Utility  | Average                                 | Average  |                         |                         | Average  |                    |  | Average  |                    |  |
| Heating/Cooling   | FWA/NoAC                                | FWA/CAC  | 0                       |                         | FWA/CAC  | 0                  |  | FWA/CAC  | 0                  |  |
| Energy Efficient Items  | None                                    | None   |                         |                         | None   |                    |  | None   |                    |  |
| Garage/Carport  | 2ga2dw                                  | 2ga2dw   |                         |                         | 2ga2dw   |                    |  | 2ga2dw   |                    |  |
| Porch/Patio/Deck  | Porch/Patio                             | Porch/Patio  |                         |                         | Porch/Deck   | 0                  |  | Porch/Patio  |                    |  |
| Fireplaces  | 1 Fireplace                             | 1 Fireplace  |                         |                         | 1 Fireplace  |                    |  | 1 Fireplace  |                    |  |
| Net Adjustment (Total)  |   | <input type="checkbox"/> + <input checked="" type="checkbox"/> - | \$ -74,655              |                         | <input type="checkbox"/> + <input checked="" type="checkbox"/> - | \$ -24,730         |  | <input type="checkbox"/> + <input checked="" type="checkbox"/> - | \$ -112,440        |  |
| Adjusted Sale Price of Comparables  |   | Net Adj. 5.3%  | \$ 1,325,345            |                         | Net Adj. 1.9%  | \$ 1,270,270       |  | Net Adj. 8.0%  | \$ 1,286,560       |  |
| Gross Adj. 32.8%  |   |  |                         |                         |  |                    |  |  |                    |  |
| Gross Adj. 16.6%  |   |  |                         |                         |  |                    |  |  |                    |  |
| Gross Adj. 9.8%   |   |  |                         |                         |  |                    |  |  |                    |  |
| 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   | 06/09/2022                              |  |                         |                         |  |                    |  |  |                    |  |
| Price of Prior Sale/Transfer  | \$1,280,000                             |  |                         |                         |  |                    |  |  |                    |  |
| Data Source(s)  | MLS Listing/parcelQuest                 | MLS Listing/parcelQuest  | MLS Listing/parcelQuest | MLS Listing/parcelQuest |  |                    |  |  |                    |  |
| Effective Date of Data Source(s)  | 06/14/2022                              | 06/14/2022   | 06/14/2022              | 06/14/2022              |  |                    |  |  |                    |  |
| Analysis of prior sale or transfer history of the subject property and comparable sales   |   |  |                         |                         |  |                    |  |  |                    |  |
| Analysis/Comments   |   |  |                         |                         |  |                    |  |  |                    |  |

SALES COMPARISON APPROACH

SALE HISTORY

ANALYSIS / COMMENTS

# Market Conditions Addendum to the Appraisal Report

32933673  
File No. 06142022-1

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 **2860 Encinitas Ct** City **San Jose** State **CA** ZIP Code **95132**

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)                                 | 81  | 27               | 37                 | <input type="checkbox"/> Increasing            | <input type="checkbox"/> Stable            | <input checked="" type="checkbox"/> Declining |
| Absorption Rate (Total Sales/Months)                                  | 13.50   | 9.00             | 12.33              | <input type="checkbox"/> Increasing            | <input type="checkbox"/> Stable            | <input checked="" type="checkbox"/> Declining |
| Total # of Comparable Active Listings                                 | 95  | 37               | 45                 | <input checked="" type="checkbox"/> Declining  | <input type="checkbox"/> Stable            | <input type="checkbox"/> Increasing           |
| Months of Housing Supply (Total Listings/Ab.Rate)                     | 7.0   | 4.1              | 3.6                | <input checked="" type="checkbox"/> Declining  | <input 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  | \$1,425,000   | \$1,550,000      | \$1,640,000        | <input checked="" type="checkbox"/> Increasing | <input type="checkbox"/> Stable            | <input type="checkbox"/> Declining            |
| Median Comparable Sales Days on Market                                | 10  | 7                | 8                  | <input checked="" type="checkbox"/> Declining  | <input type="checkbox"/> Stable            | <input type="checkbox"/> Increasing           |
| Median Comparable List Price  | \$1,299,000   | \$1,350,000      | \$1,415,000        | <input checked="" type="checkbox"/> Increasing | <input type="checkbox"/> Stable            | <input type="checkbox"/> Declining            |
| Median Comparable Listings Days on Market                             | 13  | 12               | 15                 | <input type="checkbox"/> Declining             | <input checked="" type="checkbox"/> Stable | <input type="checkbox"/> Increasing           |
| Median Sale Price as % of List Price                                  | 110%  | 115%             | 116%               | <input checked="" type="checkbox"/> Increasing | <input 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.). **An analysis was performed on sales over the past 12 months; and no seller concessions found.**

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).

**An analysis was performed on sales over the past 12 months; and no REO sales reported.**

Cite data sources for above information. **Information reported in the MLSListings system (using an effective date of 06/14/2022) was utilized to arrive at the results noted on this addendum. Any percent change results noted in these comments are based on simple linear regression.**

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.

**An analysis was performed on sales over the past 12 months. These sales had a median DOM of 7. The lower mortgage rate is one of the key factor driving the housing demand and keeping the sale price strong. The majority of listing houses have multiple offers; and can go into contract in less than 30 days if marketing properly. Median sale price is increased at 15% within the past 12 months.**

**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.

Signature 

Signature

Appraiser Name **LienHuong Pham**  
Company Name **Clario Appraisal Network**  
Company Address **300 East 2nd Street Suite 1405, Reno, NV 89501**  
State License/Certification # **AR 032282** State **CA**  
Email Address **support@clarioappraisal.com**

Supervisory Appraiser Name  
Company Name  
Company Address  
State License/Certification # State  
Email Address

MARKET RESEARCH & ANALYSIS

CONDO/CO-OP PROJECTS

APPRAISER



## Supplemental Addendum

File No. 06142022-1

|                  |                      |        |             |       |    |          |       |
|------------------|----------------------|--------|-------------|-------|----|----------|-------|
| Borrower         | Redwood Holdings LLC |        |             |       |    |          |       |
| Property Address | 2860 Encinitas Ct    |        |             |       |    |          |       |
| City             | San Jose             | County | Santa Clara | State | CA | Zip Code | 95132 |
| Lender/Client    | Wedgewood Inc        |        |             |       |    |          |       |

Comment on the highest and best use of subject property: Based on current market conditions, the existing structure as a single family residence is in its physically possible, legally permissible, financially feasible and maximally productive use. The highest and best use, as if vacant, would be to construct a single family residence. The physical possibilities of the subject property is determined upon it's design and intent. The local zoning indicates legal permissibility of the subject property. The feasibility associated with the construction and modification of the property in a use that provides maximum productive value return.

Comment on the subject property neighborhood: close to schools, parks, employment centers, shopping centers, public transportation, and major freeways/highway.

Comment on the flood zone AH: Areas subject to inundation by the 1-percent-annual-chance flood event determines by detailed methods. Mandatory flood insurance purchase requirements and floodplain management standards apply (information from the website FEMA.gov)

Comment on comparable sales and listings: the appraiser comparables search is within the immediate market area and sold within the past 6 months in order to find and utilize the best available comparable properties including comps from the subject's immediate neighborhood. The comps were chosen due to their similarity to the subject as well as their location, design, and quality. Where differences exist, adjustments have been applied accordingly. The comps are all located in the same market area as the subject with similar access to facilities, other homes, and commercial influence. All have similar accessibility and location as compared to facilities and the surrounding area. The subject characteristics are bracketed by the comps.

- Comparable sale #1 has superior location; inferior lot size; superior condition of recent remodeled. It is listed for \$1,299,999; and COE for \$1,400,000.
- Comparable sale #2 has superior location; inferior lot size; superior gross living area. It is listed for \$1,388,888; and COE for \$1,337,000 on 06/06/2022.
- Comparable sale #3 has inferior lot size; superior condition of recent remodeled; inferior gross living area. It is listed for \$1,075,000; and COE for \$1,175,000. This comparable sale is COE more than 6 months old; resulting in time adjustment line exceeded 10% and gross adjustment exceeded 25%. This is one of the best available comparable to bracket the location of close proximity to freeway-680.
- Comparable sale #4 has superior location, lot size, donction, and gross living area. It is listed for \$; and COE for \$1,400,000. This comparable sale is COE more than 6 months old with the gross living area difference greater than 20% resulting on the gross adjustment more than 25%. This is one of the best available comparable to bracket the lot size.
- Comparable sale #5 has superior location; inferior lot size superior condition with recent upgrades. It is listed for \$1,295,950; and COE for \$1,295,000.
- Comparable #6 is an active listing at \$1,399,000 with inferior lot size; superior condition of new remodeled.

Comment on the adjustments: \$5 per sqft for a lot size difference greater than 1,000sqft. \$250 per sqft for a gross living area difference greater than 100sqft. Adjustment on location, condition, and gross living area are based on the match pair sale analysis. Time adjustment is based on 1004MC showing a 15% increased in median sale price within the past 12 months.

-Age: adjustments were not applied as age differences were nominal. Any differences attributed to age are accounted for in the condition adjustments.

-Heating/Cooling: there is no market reaction found for different types of heating/cooling; therefore, no adjustment made.

Comment on the special Tax assessment: The City supports the formation of Special Districts to finance the construction and/or maintenance of public infrastructure improvements. These improvements serve specific areas within the City and are formed when the improvements will contribute to the City's economic, social, or aesthetic enhancement. Special assessments are paid yearly with property tax:

- FLOOD CTL DEBT-EAST- for flood control support.
- GARBAGE SVC-CURRENT - support garbage and recycling service.
- LIBRARY PARCEL TAX -for library collection support.
- MEASURE AA - It is approved in 2016 for a period of 20 years; and for wetlands restore and important work to preserve a healthy San Francisco Bay.
- MOSQUITO ASMT #2 - for mosquitoes control.
- SAFE, CLEAN WATER - for safe, clean water delivery support.
- SCCO VECTOR CONTROL - for vector control in support of disease carrying pests.
- SCVOSA ASMT #1 - to hire rangers and to open land to the public for Santa Clara Valley.
- SCVOSA MEASURE T - to support for (1) protect open space, redwood forests, wildlife habitat, scenic hillsides and agricultural land; (2) protect land around creeks, rivers and streams to prevent pollution and improve local water quality; (3) open, improve and maintain parks, open space and trails; and (4) provide urban open space, parks and environmental education.
- SEWER SANI/STORM - support storm and sanitary sewer.

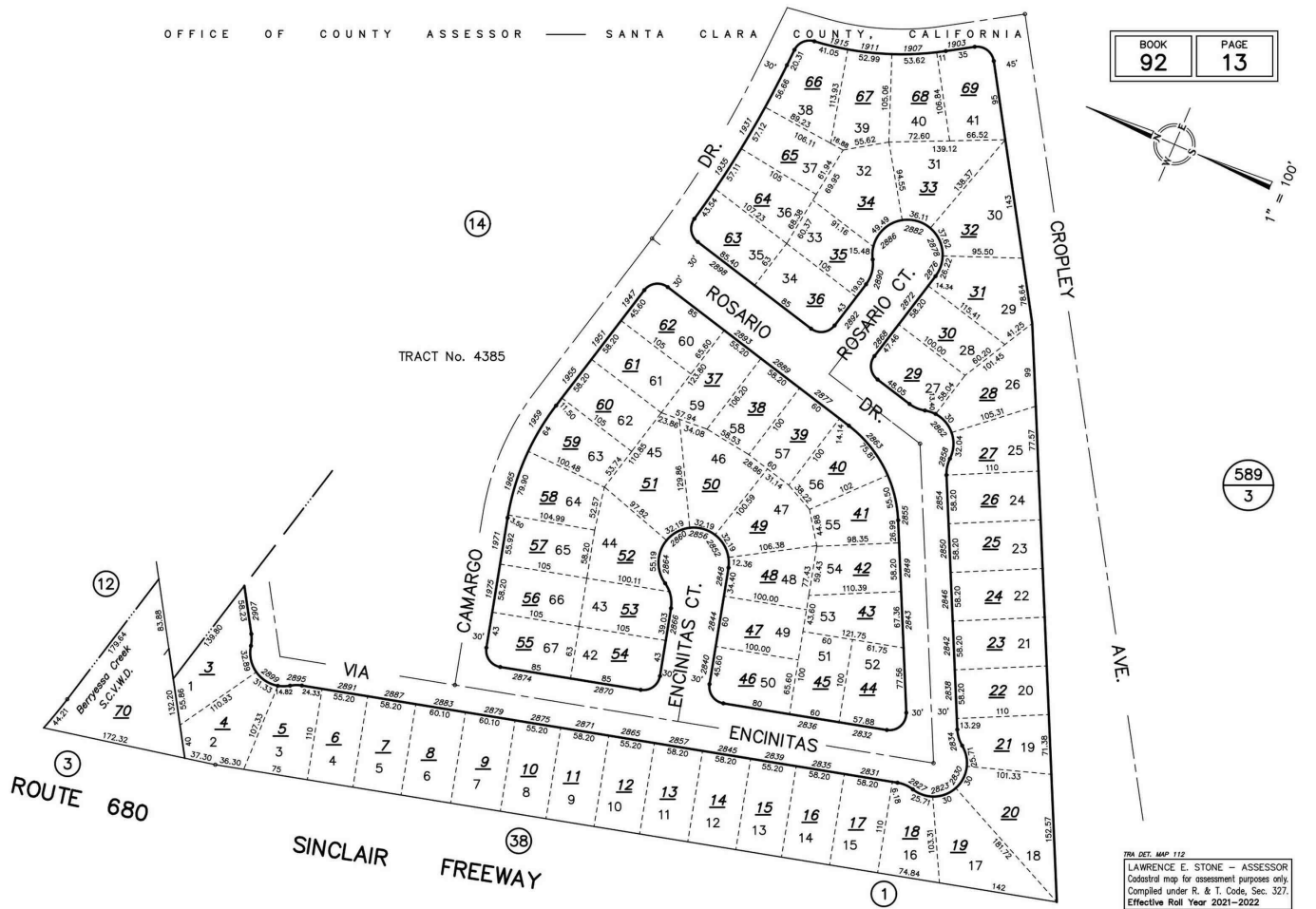
## Supplemental Addendum

File No. 06142022-1

|                  |                      |        |             |       |    |          |       |
|------------------|----------------------|--------|-------------|-------|----|----------|-------|
| Borrower         | Redwood Holdings LLC |        |             |       |    |          |       |
| Property Address | 2860 Encinitas Ct    |        |             |       |    |          |       |
| City             | San Jose             | County | Santa Clara | State | CA | Zip Code | 95132 |
| Lender/Client    | Wedgewood Inc        |        |             |       |    |          |       |

Comment on the property value is lower than the predominant value: The predominant is simply the price most closely associated with the statistical mode of the dataset of properties sold in the subject's local market over the twelve months preceding the effective date of the report. An opinion of value is developed from analyzing specific properties comparable to the subject and adjusting them for differences. The value is then appropriately bracketed, when possible, by other closed sales included as comparables in the sales comparison grid. This provides comps that can be compared to the subject on a mathematical basis from which a credible opinion of value can be developed. In contrast to the development of an opinion of value, the determination of a predominant price does not go through any analysis and adjustment. It is just an estimate of the most frequent price of properties that sold in the subject's market over the past 12 months, even though they may have many differences (inferior or superior features) as compared to the subject. Therefore, it should be expected that the opinion of value for the subject property will likely be above or below the predominant value for the neighborhood.

# Plat Map

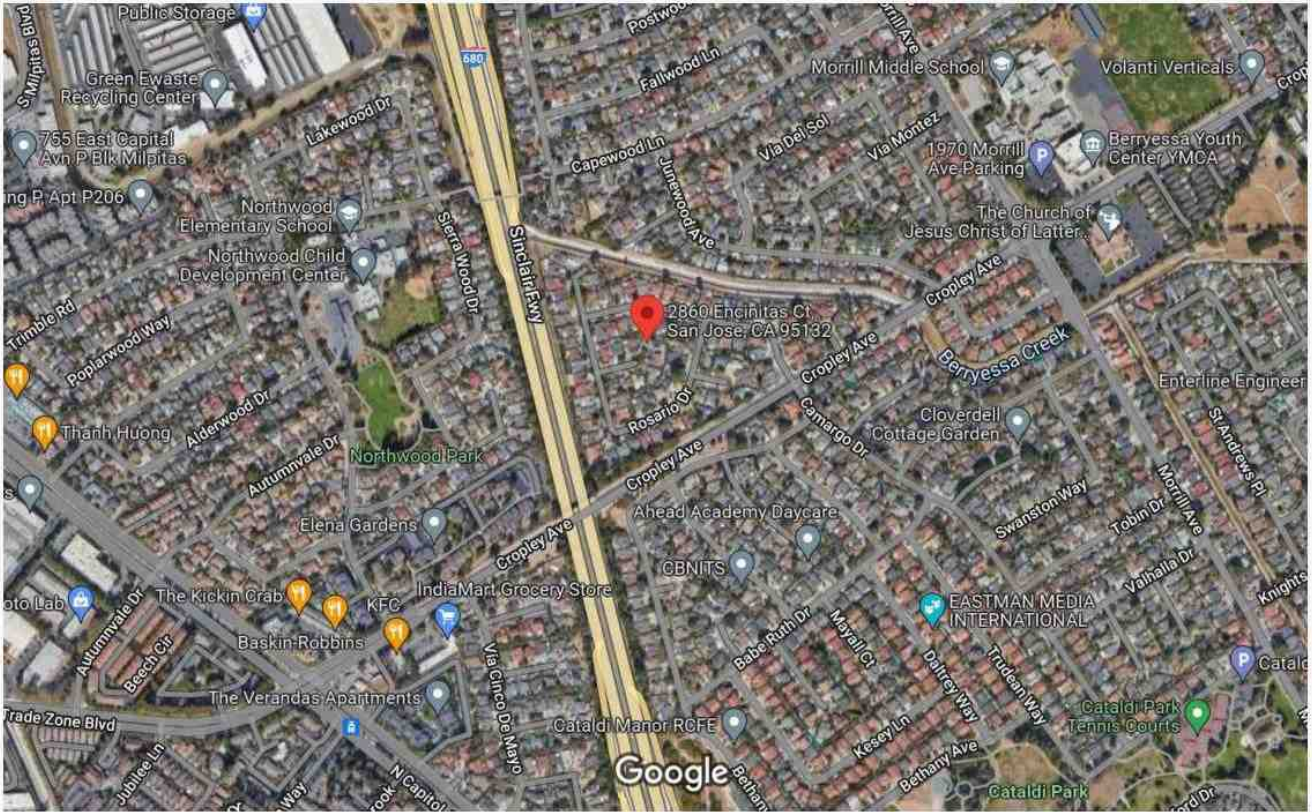


# Aerial Map

6/17/22, 2:43 AM

2860 Encinitas Ct - Google Maps

Google Maps 2860 Encinitas Ct



Imagery ©2022 CNES / Airbus, Maxar Technologies, U.S. Geological Survey, USDA/FPAC/GEO, Map data ©2022 500 ft

# Flood Map



## PARCELQUEST FLOOD REPORT

| SUBJECT PROPERTY ADDRESS | FLOOD ANALYSIS PROVIDED BY |
|--------------------------|----------------------------|
|--------------------------|----------------------------|

|   |  |
|---|--|
| 2860 ENCINITAS CT<br>SAN JOSE, CA 95132 |  |
|---|--|

| COMMUNITY INFORMATION | FLOOD ANALYSIS INFORMATION |
|-----------------------|----------------------------|
|-----------------------|----------------------------|

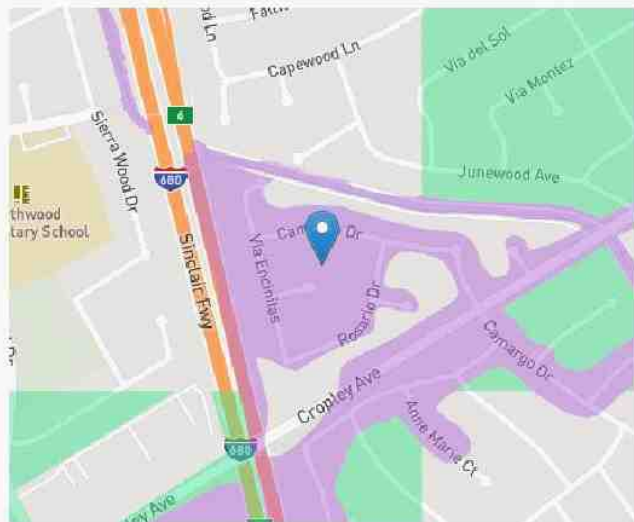
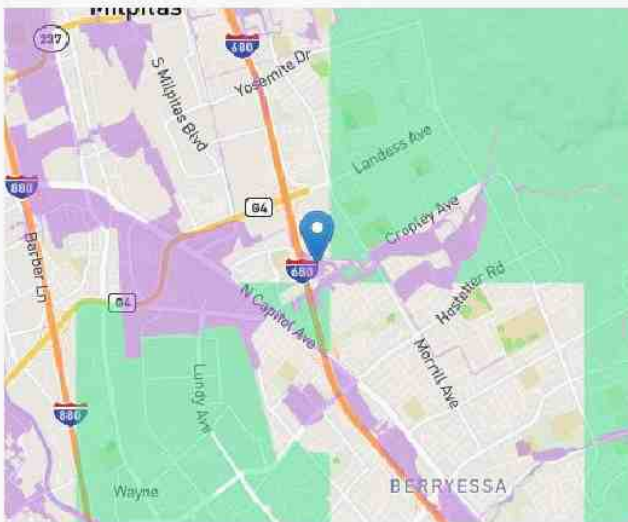
|  |  |
|--|--|
| Community Name: <b>CITY OF SAN JOSE</b>              | Flood Analysis Date: <b>06/17/2022</b> |
| County: <b>SANTA CLARA</b>                           | Flood Zone: <b>AH</b>                  |
| Community Number: <b>060349</b>                      | Census Block: <b>060855044101</b>      |
| Panel Number / Date: <b>06085C0067J / 2014-02-19</b> |  |

| FLOOD HAZARD INFORMATION |
|--------------------------|
|--------------------------|

Is the subject property located within a Special Flood Hazard Area?\*: **YES**  
Community participation in the National Flood Insurance Program: **TRUE**

| LEGEND |
|--------|
|--------|

- Flood Zones**
- Zone A
  - Zone B
  - Zone D
  - Zone V
- Zones C and X are transparent



# Tax

6/17/22, 2:44 AM

## Secured Taxes Details

Parcel Number  
092-13-051  
Suffix  
00  
Property Address  
2860 ENCINITAS CT SAN JOSE CA 95132  
Tax Rate Area  
017-010

| Description  | Values       | Tax Rate | Tax Amount |
|--|--------------|----------|------------|
| <b>Land</b>  | \$26,218.00  |          |            |
| <b>Improvements</b>  | \$126,373.00 |          |            |
| <b>Personal Property</b>   | \$0.00       |          |            |
| <b>Less Home Owner's Exemption</b>                                 | \$7,000.00   |          |            |
| <b>Other Exemption</b>   | \$0.00       |          |            |
| <b>Total Land and Improvements (Details Below)</b>                 | \$152,591.00 | .0051%   | \$7.78     |
| <b>Total Land, Improvements, Personal Property (Details Below)</b> | \$145,591.00 | 1.26876% | \$1,847.14 |
| <b>Special Assessments (Details Below)</b>                         |              |          | \$1,396.48 |
| <b>Rounding Adjustment</b>   |              |          | \$0.00     |
| <b>Total Taxes</b>   |              |          | \$3,251.40 |

## Special Assessments Details

| Code     | Assessment Name     | Contact Number    | Amount    |
|----------|---------------------|-------------------|-----------|
| 0883     | FLOOD CTL DEBT-EAST | 408-630-2810      | \$20.84   |
| 0804     | GARBAGE SVC-CURRENT | 408-535-3500      | \$613.80  |
| 0802     | LIBRARY PARCEL TAX  | 800-441-8280      | \$36.88   |
| 0980     | MEASURE AA          | 888-508-8157      | \$12.00   |
| 0848     | MOSQUITO ASMT #2    | 800-273-5167 x105 | \$8.74    |
| 1023     | SAFE, CLEAN WATER   | 408-630-2810      | \$69.02   |
| 0847     | SCCO VECTOR CONTROL | 800-273-5167 x105 | \$5.08    |
| 0990     | SCVOSA ASMT # 1     | 800-273-5167 x105 | \$12.00   |
| 1020     | SCVOSA MEASURE T    | 800-273-5167 x105 | \$24.00   |
| 0800     | SEWER SANI/STORM    | 408-535-3500      | \$594.12  |
| Subtotal |                     |                   | \$1396.48 |

## Total Value Details (Land and Improvement)

| Description | Values | Tax Rate | Tax Amount |
|-------------|--------|----------|------------|
|-------------|--------|----------|------------|

## Location Map

|                  |                      |                    |          |                |
|------------------|----------------------|--------------------|----------|----------------|
| Borrower         | Redwood Holdings LLC |                    |          |                |
| Property Address | 2860 Encinitas Ct    |                    |          |                |
| City             | San Jose             | County Santa Clara | State CA | Zip Code 95132 |
| Lender/Client    | Wedgewood Inc        |                    |          |                |



## Subject Photos

|                  |                      |        |             |       |    |          |       |
|------------------|----------------------|--------|-------------|-------|----|----------|-------|
| Borrower         | Redwood Holdings LLC |        |             |       |    |          |       |
| Property Address | 2860 Encinitas Ct    |        |             |       |    |          |       |
| City             | San Jose             | County | Santa Clara | State | CA | Zip Code | 95132 |
| Lender/Client    | Wedgewood Inc        |        |             |       |    |          |       |



**front**



**porch**



**side**



**street**



**Rear photo from MLS listing**



## Comparable Photo Page

|                  |                      |        |             |          |       |
|------------------|----------------------|--------|-------------|----------|-------|
| Borrower         | Redwood Holdings LLC |        |             |          |       |
| Property Address | 2860 Encinitas Ct    |        |             |          |       |
| City             | San Jose             | County | Santa Clara | State    | CA    |
| Lender/Client    | Wedgewood Inc        |        |             |          |       |
|                  |                      |        |             | Zip Code | 95132 |



### Comparable 1

|                   |               |
|-------------------|---------------|
| 2971 Via Del Sol  |               |
| Prox. to Subject  | 0.15 miles NE |
| Sale Price        | 1,400,000     |
| Gross Living Area | 1,404         |
| Total Rooms       | 7             |
| Total Bedrooms    | 3             |
| Total Bathrooms   | 2.0           |
| Location          | N;Res;        |
| View              | N;Res;        |
| Site              | 6811 sf       |
| Quality           | Q4            |
| Age               | 53            |



### Comparable 2

|                   |              |
|-------------------|--------------|
| 1456 Shaffer Dr   |              |
| Prox. to Subject  | 1.31 miles E |
| Sale Price        | 1,337,000    |
| Gross Living Area | 1,614        |
| Total Rooms       | 7            |
| Total Bedrooms    | 4            |
| Total Bathrooms   | 2.0          |
| Location          | N;Res;       |
| View              | N;Res;       |
| Site              | 6500 sf      |
| Quality           | Q4           |
| Age               | 58           |



### Comparable 3

|                   |               |
|-------------------|---------------|
| 2420 Old Gate Ct  |               |
| Prox. to Subject  | 1.34 miles SE |
| Sale Price        | 1,175,000     |
| Gross Living Area | 1,234         |
| Total Rooms       | 6             |
| Total Bedrooms    | 4             |
| Total Bathrooms   | 2.0           |
| Location          | A;fwy-680;    |
| View              | N;Res;        |
| Site              | 6000 sf       |
| Quality           | Q4            |
| Age               | 45            |

## Comparable Photo Page

|                  |                      |        |             |          |       |
|------------------|----------------------|--------|-------------|----------|-------|
| Borrower         | Redwood Holdings LLC |        |             |          |       |
| Property Address | 2860 Encinitas Ct    |        |             |          |       |
| City             | San Jose             | County | Santa Clara | State    | CA    |
| Lender/Client    | Wedgewood Inc        |        |             |          |       |
|                  |                      |        |             | Zip Code | 95132 |



### Comparable 4

1417 Sierra Creek Way  
 Prox. to Subject 1.40 miles E  
 Sale Price 1,400,000  
 Gross Living Area 2,029  
 Total Rooms 7  
 Total Bedrooms 4  
 Total Bathrooms 2.0  
 Location N;Res;  
 View N;Res;  
 Site 10925 sf  
 Quality Q4  
 Age 59



### Comparable 5

3079 Knights Bridge Rd  
 Prox. to Subject 0.81 miles E  
 Sale Price 1,295,000  
 Gross Living Area 1,412  
 Total Rooms 7  
 Total Bedrooms 3  
 Total Bathrooms 2.0  
 Location N;Res;  
 View N;Res;  
 Site 6090 sf  
 Quality Q4  
 Age 47



### Comparable 6

2840 Encinitas Ct  
 Prox. to Subject 0.05 miles SW  
 Sale Price 1,399,000  
 Gross Living Area 1,480  
 Total Rooms 7  
 Total Bedrooms 3  
 Total Bathrooms 2.0  
 Location A;fwy-680;  
 View N;Res;  
 Site 6432 sf  
 Quality Q4  
 Age 52

Borrower Redwood Holdings LLC File No.  
Property Address  
City County State CA Zip Code  
Lender/Client Wedgewood Inc

**APPRAISAL AND REPORT IDENTIFICATION**

This Report is one of the following types:

- Appraisal Report (A written report prepared under Standards Rule 2-2(a), pursuant to the Scope of Work, as disclosed elsewhere in this report.)
- Restricted Appraisal Report (A written report prepared under Standards Rule 2-2(b), pursuant to the Scope of Work, as disclosed elsewhere in this report, restricted to the stated intended use only by the specified client and any other named intended user(s).)

**Comments on Standards Rule 2-3**

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

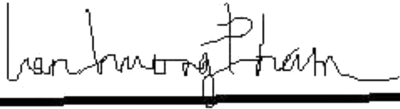
- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- Unless otherwise indicated, I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- Unless otherwise indicated, 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 no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
- Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.
- Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification (if there are exceptions, the name of each individual providing significant real property appraisal assistance is stated elsewhere in this report).

**Reasonable Exposure Time** (USPAP defines Exposure Time as the estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.)  
My Opinion of Reasonable Exposure Time for the subject property at the market value stated in this report is: 25 days

**Comments on Appraisal and Report Identification**

Note any USPAP-related issues requiring disclosure and any state mandated requirements:

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**APPRAISER:**  
Signature:   
Name: LienHuong Pham  
State Certification #: AR 032282  
or State License #: \_\_\_\_\_  
State: CA Expiration Date of Certification or License: 10/30/2023  
Date of Signature and Report: 06/17/2022  
Effective Date of Appraisal: 06/14/2022  
Inspection of Subject:  None  Interior and Exterior  Exterior-Only  
Date of Inspection (if applicable): \_\_\_\_\_

**SUPERVISORY or CO-APPRAISER (if applicable):**  
Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
State Certification #: \_\_\_\_\_  
or State License #: \_\_\_\_\_  
State: \_\_\_\_\_ Expiration Date of Certification or License: \_\_\_\_\_  
Date of Signature: \_\_\_\_\_  
Inspection of Subject:  None  Interior and Exterior  Exterior-Only  
Date of Inspection (if applicable): \_\_\_\_\_

## UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

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

### Condition Ratings and Definitions

#### C1

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

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

#### C2

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

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

#### C3

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

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

#### C4

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

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

#### C5

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

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

#### C6

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

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

### Quality Ratings and Definitions

#### Q1

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

#### Q2

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

# UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

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

## Quality Ratings and Definitions (continued)

### Q3

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

### Q4

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

### Q5

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

### Q6

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

## Definitions of Not Updated, Updated, and Remodeled

### Not Updated

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

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

### Updated

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

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

### Remodeled

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

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

## Explanation of Bathroom Count

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

### Example:

3.2 indicates three full baths and two half baths.

# UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

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

## Abbreviations Used in Data Standardization Text

| Abbreviation | Full Name                 | Fields Where This Abbreviation May Appear |
|--------------|---------------------------|---|
| A            | Adverse                   | Location & View                           |
| ac           | Acres                     | Area, Site                                |
| AdjPrk       | Adjacent to Park          | Location                                  |
| AdjPwr       | Adjacent to Power Lines   | Location                                  |
| Armlth       | Arms Length Sale          | Sale or Financing Concessions             |
| AT           | Attached Structure        | Design (Style)                            |
| B            | Beneficial                | Location & View                           |
| ba           | Bathroom(s)               | Basement & Finished Rooms Below Grade     |
| br           | Bedroom                   | Basement & Finished Rooms Below Grade     |
| BsyRd        | Busy Road                 | Location                                  |
| c            | Contracted Date           | Date of Sale/Time                         |
| Cash         | Cash                      | Sale or Financing Concessions             |
| Comm         | Commercial Influence      | Location                                  |
| Conv         | Conventional              | Sale or Financing Concessions             |
| cp           | Carport                   | Garage/Carport                            |
| CrtOrd       | Court Ordered Sale        | Sale or Financing Concessions             |
| CtySky       | City View Skyline View    | View                                      |
| CtyStr       | City Street View          | View                                      |
| cv           | Covered                   | Garage/Carport                            |
| DOM          | Days On Market            | Data Sources                              |
| DT           | Detached Structure        | Design (Style)                            |
| dw           | Driveway                  | Garage/Carport                            |
| e            | Expiration Date           | Date of Sale/Time                         |
| Estate       | Estate Sale               | Sale or Financing Concessions             |
| FHA          | Federal Housing Authority | Sale or Financing Concessions             |
| g            | Garage                    | Garage/Carport                            |
| ga           | Attached Garage           | Garage/Carport                            |
| gbi          | Built-in Garage           | Garage/Carport                            |
| gd           | Detached Garage           | Garage/Carport                            |
| GlfCse       | Golf Course               | Location                                  |
| Glfvw        | Golf Course View          | View                                      |
| GR           | Garden                    | Design (Style)                            |
| HR           | High Rise                 | Design (Style)                            |
| in           | Interior Only Stairs      | Basement & Finished Rooms Below Grade     |
| Ind          | Industrial                | Location & View                           |
| Listing      | Listing                   | Sale or Financing Concessions             |
| Lndfl        | Landfill                  | Location                                  |
| LtdSght      | Limited Sight             | View                                      |
| MR           | Mid-rise                  | Design (Style)                            |
| Mtn          | Mountain View             | View                                      |
| N            | Neutral                   | Location & View                           |
| NonArm       | Non-Arms Length Sale      | Sale or Financing Concessions             |
| o            | Other                     | Basement & Finished Rooms Below Grade     |
| O            | Other                     | Design (Style)                            |
| op           | Open                      | Garage/Carport                            |
| Prk          | Park View                 | View                                      |
| Pstrl        | Pastoral View             | View                                      |
| PwrLn        | Power Lines               | View                                      |
| PubTrn       | Public Transportation     | Location                                  |
| Relo         | Relocation Sale           | Sale or Financing Concessions             |
| REO          | REO Sale                  | Sale or Financing Concessions             |
| Res          | Residential               | Location & View                           |
| RH           | USDA - Rural Housing      | Sale or Financing Concessions             |
| rr           | Recreational (Rec) Room   | Basement & Finished Rooms Below Grade     |
| RT           | Row or Townhouse          | Design (Style)                            |
| s            | Settlement Date           | Date of Sale/Time                         |
| SD           | Semi-detached Structure   | Design (Style)                            |
| Short        | Short Sale                | Sale or Financing Concessions             |
| sf           | Square Feet               | Area, Site, Basement                      |
| sqm          | Square Meters             | Area, Site                                |
| Unk          | Unknown                   | Date of Sale/Time                         |
| VA           | Veterans Administration   | Sale or Financing Concessions             |
| w            | Withdrawn Date            | Date of Sale/Time                         |
| wo           | Walk Out Basement         | Basement & Finished Rooms Below Grade     |
| Woods        | Woods View                | View                                      |
| Wtr          | Water View                | View                                      |
| WtrFr        | Water Frontage            | Location                                  |
| wu           | Walk Up Basement          | Basement & Finished Rooms Below Grade     |
|              |                           |   |
|              |                           |   |
|              |                           |   |
|              |                           |   |
|              |                           |   |
|              |                           |   |

**Appraiser License**



Business, Consumer Services & Housing Agency  
**BUREAU OF REAL ESTATE APPRAISERS**  
**REAL ESTATE APPRAISER LICENSE**

**Lien-Huong Pham**

has successfully met the requirements for a license as a residential real estate appraiser in the State of California and is, therefore, entitled to use the title:

“Certified Residential Real Estate Appraiser”

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

BREA APPRAISER IDENTIFICATION NUMBER:


AR 032282

Effective Date:

October 31, 2021

Date Expires:

October 30, 2023

  
Loretta Dillon, Deputy Bureau Chief, BREA

3060554

THIS DOCUMENT CONTAINS A TRUE WATERMARK - HOLD UP TO LIGHT TO SEE "CHAIN LINK"



**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><br>Assurance, a Marsh & McLennan Agency LLC company<br>20 N Martingale Road<br>Suite 100<br>Schaumburg IL 60173 | <b>CONTACT NAME:</b> Fiona Chen<br><b>PHONE (A/C, No, Ext):</b> 312-625-5592<br><b>E-MAIL ADDRESS:</b> fchen@assuranceagency.com |   | <b>FAX (A/C, No):</b> (847) 440-9123 |
|   | <b>INSURER(S) AFFORDING COVERAGE</b>   |   |                                      |
| <b>INSURED</b><br>ClearCapital.com, Inc.<br>ClearCapital Holdings, Inc.<br>300 E 2nd Street<br>Suite 1405<br>Reno NV 89501      | CLEAHOL-02   | <b>INSURER A :</b> AXA Insurance Company<br><b>NAIC #</b> 31127 |                                      |
|   |  | <b>INSURER B :</b>  |                                      |
|   |  | <b>INSURER C :</b>  |                                      |
|   |  | <b>INSURER D :</b>  |                                      |
|   |  | <b>INSURER E :</b>  |                                      |

**COVERAGES**                      **CERTIFICATE NUMBER:** 667417962                      **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.

| INSR LTR | TYPE OF INSURANCE  | ADDL INSD | SUBR WVD   | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS                              |             |
|----------|--|-----------|------------|---------------|-------------------------|-------------------------|-------------------------------------|-------------|
|          | <b>COMMERCIAL GENERAL LIABILITY</b><br><input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR<br><br>GEN'L AGGREGATE LIMIT APPLIES PER:<br><input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC<br>OTHER: |           |            |               |                         |                         | EACH OCCURRENCE                     | \$          |
|          | <b>AUTOMOBILE LIABILITY</b><br><input type="checkbox"/> ANY AUTO<br><input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS<br><input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY                |           |            |               |                         |                         | COMBINED SINGLE LIMIT (Ea accident) | \$          |
|          | <b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR<br><b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE<br>DED    RETENTION \$  |           |            |               |                         |                         | EACH OCCURRENCE                     | \$          |
|          | <b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b><br>ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)<br>If yes, describe under DESCRIPTION OF OPERATIONS below  |           | Y/N<br>N/A |               |                         |                         | PER STATUTE    OTH-ER               |             |
| A        | Professional Liability   |           |            | MPP9044163    | 10/18/2021              | 10/18/2022              | Claim/Aggregate                     | \$5,000,000 |

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)**  
**RE: 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><br><br>Clario Appraisal Network, Inc.<br>PROOF OF INSURANCE | <b>CANCELLATION</b><br><br>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<br>   |