

APPRAISAL OF REAL PROPERTY



LOCATED AT

744 Lockhaven Dr
Pacifica, CA 94044
Lot 102 Pacific Highlands Rsm 38/13 14

FOR

Wedgewood Inc
2015 Manhattan Beach Blvd, Suite 100
Redondo Beach, CA 90278

OPINION OF VALUE

1,334,000

AS OF

11/09/2023

BY

Jason B. Oldendorp
Velox Valuations LLC
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Exterior-Only Inspection Residential Appraisal Report

55780 File # 34789571

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 744 Lockhaven Dr City Pacifica State CA Zip Code 94044
Borrower Redwood Holdings LLC Owner of Public Record Lutes Steven V Kathryn Ann County San Mateo
Legal Description Lot 102 Pacific Highlands Rsm 38/13 14
Assessor's Parcel # 009-313-130 Tax Year 2023 R.E. Taxes \$ 6,084
Neighborhood Name Westview Map Reference 41884 Census Tract 6027.00
Occupant [X] Owner [] Tenant [] Vacant Special Assessments \$ 0 [] PUD HOA \$ 0 [] per year [] per month
Property Rights Appraised [X] Fee Simple [] Leasehold [] Other (describe)
Assignment Type [] Purchase Transaction [] Refinance Transaction [X] 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? [] Yes [X] No
Report data source(s) used, offering price(s), and date(s). Bayeast MLS / CRS Data

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? [] Yes [] 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? [] Yes [] 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 [] Urban [X] Suburban [] Rural Property Values [] Increasing [X] Stable [] Declining PRICE AGE One-Unit 60 %
Built-Up [] Over 75% [X] 25-75% [] Under 25% Demand/Supply [] Shortage [X] In Balance [] Over Supply \$ (000) (yrs) 2-4 Unit %
Growth [] Rapid [X] Stable [] Slow Marketing Time [X] Under 3 mths [] 3-6 mths [] Over 6 mths 695 Low 14 Multi-Family 5 %
Neighborhood Boundaries North: Highway 1, South: Sharp Park Rd, East: Skyline Blvd, West: Highway 1 3,100 High 94 Commercial 10 %
1,275 Pred. 59 Other 25 %
Neighborhood Description See attached addenda.
*Other Present Land Use attributed to open space, parks, trails, etc., no affect on marketability noted.
*Present Land Use rounded to the nearest 5%.
Market Conditions (including support for the above conclusions) Refer to 1004MC report for market conditions commentary
See attached addenda

SITE

Dimensions 63x111x48x112 Area 6105 sf Shape Almost Rectangle View B;Wtr;
Specific Zoning Classification R-1 Zoning Description Single Family Residential
Zoning Compliance [X] Legal [] Legal Nonconforming (Grandfathered Use) [] No Zoning [] Illegal (describe)
Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? [X] Yes [] No If No, describe See attached addenda
Utilities Public Other (describe) Public Other (describe) Off-site Improvements - Type Public Private
Electricity [X] [] Water [X] [] Street Asphalt [X] []
Gas [X] [] Sanitary Sewer [X] [] Alley None [] []
FEMA Special Flood Hazard Area [] Yes [X] No FEMA Flood Zone X FEMA Map # 06081C0038F FEMA Map Date 08/02/2017
Are the utilities and off-site improvements typical for the market area? [X] Yes [] No If No, describe
Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? [] Yes [X] No If Yes, describe
Externally, the subject site is ~0.5 miles from a public school, commercial space, and a major freeway, adequately buffered by distance and/or residential buildings. This influence is typical in the market area, and no affect on marketability noted. See attached addenda.

IMPROVEMENTS

Source(s) Used for Physical Characteristics of Property [] Appraisal Files [] MLS [X] Assessment and Tax Records [] Prior Inspection [] Property Owner
[X] Other (describe) Exterior Inspection Data Source for Gross Living Area Public Records
General Description General Description Heating/Cooling Amenities Car Storage
Units [X] One [] One with Accessory Unit [X] Concrete Slab [] Crawl Space [] FWA [] HWBB [] Fireplace(s) # 0 [] None
of Stories 2 [] Full Basement [] Finished [] Radiant [] Woodstove(s) # 0 [X] Driveway # of Cars 1
Type [X] Det. [] Att. [] S-Det./End Unit [] Partial Basement [] Finished [X] Other Unknown [] Patio/Deck None Driveway Surface Conc
[X] Existing [] Proposed [] Under Const. Exterior Walls WoodSiding Fuel Unknown [] Porch None [X] Garage # of Cars 1
Design (Style) CapeCod Roof Surface CompShingle [] Central Air Conditioning [] Pool None [] Carport # of Cars 0
Year Built 1954 Gutters & Downspouts Galvanized [] Individual [X] Fence Wood [X] Attached [] Detached
Effective Age (Yrs) 40 Window Type DPVinyl [X] Other Unknown [] Other None [] Built-in
Appliances [] Refrigerator [] Range/Oven [] Dishwasher [] Disposal [] Microwave [] Washer/Dryer [] Other (describe)
Finished area above grade contains: 6 Rooms 3 Bedrooms 2.0 Bath(s) 1,778 Square Feet of Gross Living Area Above Grade
Additional features (special energy efficient items, etc.) Unknown appliances and additional features due to exterior only inspection and no prior MLS.
Describe the condition of the property and data source(s) (including apparent needed repairs, deterioration, renovations, remodeling, etc.). C4;The subject shows some physical depreciation due to normal wear and tear. The subject is adequately maintained and functional that qualifies for a C4 condition based on a cursory exterior only inspection. Dated windows and dated wood siding, lack of fresh paint noted from exterior. The subject appears to have a rear addition to the second floor. Cape Cod style homes in the area measure approx 1100/sf to 1300/sf, the subjects addition is shown on public records with a total GLA of 1778/sf. See attached addendum for expanded commentary on condition of property.
Are there any apparent physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? [] Yes [X] No
If Yes, describe.
No such physical deficiencies or adverse conditions are noted from a cursory exterior only inspection of the subject property. However, the appraiser is not a property inspector and the inspection is not intended to be a property inspection report. The appraisal is not to be relied on as a substitute for a home inspection.
Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? [X] Yes [] No If No, describe.
The subject conforms to the neighborhood.

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There are 10 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 888,000 to \$ 1,400,000		There are 48 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 765,000 to \$ 1,725,000	
FEATURE	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2
Address	744 Lockhaven Dr Pacifica, CA 94044	110 Eastridge Cir Pacifica, CA 94044	254 Sunshine Dr Pacifica, CA 94044-1127
Proximity to Subject		1.75 miles NW	1.48 miles NW
Sale Price	\$	\$ 1,350,000	\$ 1,245,000
Sale Price/Gross Liv. Area	\$ sq.ft.	\$ 918.37 sq.ft.	\$ 798.08 sq.ft.
Data Source(s)		BayEast #ML81940155;DOM 15	BayEast #ML81940337;DOM 36
Verification Source(s)		Doc#49503/CRS Data	Doc#NotYetPosted
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment
Sales or Financing Concessions		ArmLth Conv;0	
Date of Sale/Time		s10/23;c09/23	
Location	N;Res;	N;Res;	
Leasehold/Fee Simple	Fee Simple	Fee Simple	
Site	6105 sf	5200 sf	0
View	B;Wtr;	N;Res;	+81,000
Design (Style)	DT2;CapeCod	DT2;Trad	0
Quality of Construction	Q4	Q4	
Actual Age	69	57	0
Condition	C4	C3	-67,500
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths	Total Bdrms. Baths
Room Count	6 3 2.0	7 4 3.0	0 7 4 2.0
Gross Living Area	1,778 sq.ft.	1,470 sq.ft.	+46,200 1,560 sq.ft.
Basement & Finished Rooms Below Grade	Osfc	Osfc	Osfc
Functional Utility	Average	Average	Average
Heating/Cooling	Fwa/None	Fwa/None	Fwa/None
Energy Efficient Items	None	None	None
Garage/Carport	1ga1dw	2ga2dw	-15,000
Porch/Patio/Deck	Patio	Patio	Patio
SP/LP ratio for listings	N/A	N/A	N/A
Net Adjustment (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 14,700	<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 92,400
Adjusted Sale Price of Comparables		Net Adj. 1.1 % Gross Adj. 17.8 % \$ 1,364,700	Net Adj. 7.4 % Gross Adj. 9.8 % \$ 1,337,400

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) BayEastMLS / CRS Data

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) BayEastMLS / CRS Data

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
Date of Prior Sale/Transfer			
Price of Prior Sale/Transfer			
Data Source(s)	Realist	Realist	Realist
Effective Date of Data Source(s)	11/09/2023	11/09/2023	11/09/2023
Analysis of prior sale or transfer history of the subject property and comparable sales None Noted			

Summary of Sales Comparison Approach Comp selected are competitive and market substitutes of the subject. Most weight given to: Comps 1/2/3/4/5/6/7 proximity, date of sale, site size, age. Comps 2/3/4 GLA size. Comps 2/3 Condition. Comps 3/4/5/7 bedroom counts. Comps 2/4/5/7 bathroom counts. Comp 3 beneficial views. The weighted average figures of the closed sales provided indicate value at \$1,334,000(r). Based on current market trends along with comps 1/2/3/4 net and gross adjustments, the subject's estimate of value is reconciled to \$1,334,000. The median adjusted sales price of the active listings used bracket the final estimate of value, providing additional support for the final estimate of value.

Indicated Value by Sales Comparison Approach \$ 1,334,000

Indicated Value by: Sales Comparison Approach \$ 1,334,000 Cost Approach (if developed) \$ 1,330,372 Income Approach (if developed) \$

The sales comparison approach is developed as it best reflects reactions of typical buyers & sellers in the market place. The cost approach is developed & supports the market conclusions, but less weight is given difficulty estimating depreciation. The income approach is not applicable due to lack of rental sales and sales used were not rented at the of sale thus no GRM was obtainable.

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 \$ 1,334,000 , as of 11/09/2023 , which is the date of inspection and the effective date of this appraisal.

RECONCILIATION

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USPAP 3 YEAR DISCLOSURE

I have not performed 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.

EXPOSURE TIME

Opinion of reasonable exposure time: 30 days

FIRREA CERTIFICATION STATEMENT

The appraiser certifies and agrees that this appraisal was prepared in accordance with the requirements of title XI of the financial institutions, reform, recovery, and enforcement act (FIRREA) of 1989, and as amended (12 u.s.c. 3331 et seq.), and any applicable implementing regulations in effect at the time the appraiser signs the appraisal certification.

STATE LICENSE REQUIREMENTS

The appraiser adheres to California state licensing requirements.

ADDITIONAL COMMENTS

Appraiser did not receive any significant assistance in completing appraisal report.

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 subject's high land to improvement ratio (60%) is typical for the market area. The land value is developed through the extraction method. No land sales provided as the subject's market area is near fully developed. GLA taken from public records, garage size taken from the typical 1 car garage size in the market area. See attached addenda

COST APPROACH

ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input checked="" type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE = \$ 800,400
Source of cost data dwellingcost.com/local builders	DWELLING 1,778 Sq.Ft. @ \$ 415.00 = \$ 737,870
Quality rating from cost service Ave Effective date of cost data 11/13/2023	0 Sq.Ft. @ \$ = \$
Comments on Cost Approach (gross living area calculations, depreciation, etc.)	Driveway++ = \$ 25,000
See sketch addendum for living area dimensions and calculations. No functional or economic obsolescence noted. Physical depreciation was derived from the age/life method. The subject remaining economic life is based on a structure life of 100 years. Entrepreneurial incentive is included in the cost per square foot.	Garage/Carport 250 Sq.Ft. @ \$ 115.00 = \$ 28,750
	Total Estimate of Cost-New = \$ 791,620
	Less Physical Functional External
	Depreciation 316,648 = \$(316,648)
	Depreciated Cost of Improvements = \$ 474,972
	"As-is" Value of Site Improvements = \$ 55,000
Estimated Remaining Economic Life (HUD and VA only) 60 Years	INDICATED VALUE BY COST APPROACH = \$ 1,330,372

INCOME APPROACH TO VALUE (not required by Fannie Mae)

INCOME

Estimated Monthly Market Rent \$ 0 X Gross Rent Multiplier 0 = \$ 0 Indicated Value by Income Approach
 Summary of Income Approach (including support for market rent and GRM) The income approach is not warranted and is not required by FNMA. None of the closed sales are rented at time of purchase thus no GRM obtained.

PROJECT INFORMATION FOR PUDs (if applicable)

PUD INFORMATION

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.

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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.

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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.

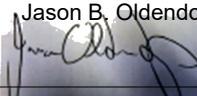
23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one 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 Jason B. Oldendorp
Signature 
Name Jason B. Oldendorp
Company Name Velox Valuations LLC
Company Address 704 South State Rd 135 Ste D # 393
Greenwood, IN 46143
Telephone Number (317) 482-7700
Email Address jason.oldendorp@veloxval.com
Date of Signature and Report 11/14/2023
Effective Date of Appraisal 11/09/2023
State Certification # 3006720
or State License # _____
or Other (describe) _____ State # _____
State CA
Expiration Date of Certification or License 03/10/2024

ADDRESS OF PROPERTY APPRAISED
744 Lockhaven Dr
Pacifica, CA 94044
APPRAISED VALUE OF SUBJECT PROPERTY \$ 1,334,000

LENDER/CLIENT
Name Clear Capital
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

55780
File # 34789571

FEATURE	SUBJECT	COMPARABLE SALE # 7			COMPARABLE SALE # 8			COMPARABLE SALE # 9		
Address	744 Lockhaven Dr Pacifica, CA 94044	640 Heather Ct Pacifica, CA 94044			647 Southmoor Dr Pacifica, CA 94044-2138			428 Glasgow Dr Pacifica, CA 94044		
Proximity to Subject		0.12 miles NW			0.18 miles NW			0.57 miles NW		
Sale Price	\$	\$ 1,200,000			\$ 1,150,000			\$ 1,198,000		
Sale Price/Gross Liv. Area	\$ sq.ft.	\$ 983.61 sq.ft.			\$ 684.52 sq.ft.			\$ 981.97 sq.ft.		
Data Source(s)		BayEast #41025885;DOM 15			BayEast #41038719;DOM 59			BayEast #ML81941317;DOM 18		
Verification Source(s)		Doc#28364/CRS Data			Listing/CRS Data			Listing / CRS		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment		DESCRIPTION	+(-) \$ Adjustment		DESCRIPTION	+(-) \$ Adjustment	
Sales or Financing Concessions		ArmLth Conv;0			Listing Na;0			Listing Na;0		
Date of Sale/Time		s06/23;c05/23			Active			c11/23		
Location	N;Res;	B;CulDeSac;	-24,000		N;Res;			N;Res;		
Leasehold/Fee Simple	Fee Simple	Fee Simple			Fee Simple			Fee Simple		
Site	6105 sf	5000 sf	0		5000 sf	0		5000 sf	0	
View	B;Wtr;	N;Res;	+72,000		N;Res;	+69,000		N;Res;	+71,880	
Design (Style)	DT2;CapeCod	DT2;CapeCod			DT2;CapeCod			DT2;CapeCod		
Quality of Construction	Q4	Q4			Q4			Q4		
Actual Age	69	69			69			68	0	
Condition	C4	C3	-60,000		C4			C3	-59,900	
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths			Total Bdrms. Baths			Total Bdrms. Baths		
Room Count	6 3 2.0	6 3 2.0			7 4 2.0	0		6 3 2.0		
Gross Living Area	1,778 sq.ft.	1,220 sq.ft.	+83,700		1,680 sq.ft.	+14,700		1,220 sq.ft.	+83,700	
Basement & Finished Rooms Below Grade	0sf	0sf			0sf			0sf		
Functional Utility	Average	Average			Average			Average		
Heating/Cooling	Fwa/None	Fwa/None			Fwa/None			Fwa/None		
Energy Efficient Items	None	None			None			None		
Garage/Carport	1ga1dw	1ga1dw			1ga1dw			1ga1dw		
Porch/Patio/Deck	Patio	Patio			Patio			Patio		
SP/LP ratio for listings	N/A	N/A			104%SP/LP	+46,000		104%SP/LP	+47,920	
Net Adjustment (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 71,700		<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 129,700		<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 143,600	
Adjusted Sale Price of Comparables		Net Adj. 6.0%	\$ 1,271,700		Net Adj. 11.3%	\$ 1,279,700		Net Adj. 12.0%	\$ 1,341,600	
		Gross Adj. 20.0%			Gross Adj. 11.3%			Gross Adj. 22.0%		
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 # 7		COMPARABLE SALE # 8		COMPARABLE SALE # 9			
Date of Prior Sale/Transfer										
Price of Prior Sale/Transfer										
Data Source(s)	Realist		Realist		Realist		Realist			
Effective Date of Data Source(s)	11/09/2023		11/09/2023		11/09/2023		11/09/2023			
Analysis of prior sale or transfer history of the subject property and comparable sales None Noted										
Analysis/Comments See attached addendum										

SALES COMPARISON APPROACH

SALE HISTORY

ANALYSIS / COMMENTS

Supplemental Addendum

File No. 34789571

Borrower	Redwood Holdings LLC				
Property Address	744 Lockhaven Dr				
City	Pacifica	County	San Mateo	State	CA Zip Code 94044
Lender/Client	Wedgewood Inc				

PURPOSE/FUNCTION/INTENDED USE OF APPRAISAL

This appraisal report has been completed to estimate the current market value of the subject property as of the date of the appraisal for the sole use of the lender/client name on page one of the report and/or their assigns.

The intended user of this appraisal report is the lender/client Wedgewood Inc. The intended use is to evaluate the property that is the subject of this appraisal for a mortgage finance transaction, subject to the 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. This report is not intended for any other use.

The appraiser has not identified any purchaser, borrower or seller as an intended user of this appraisal, and no such party should use or rely on this appraisal for any purpose. Such parties are advised to obtain an appraisal from an appraiser of their own choosing if they require an appraisal for their own use. Any reference to or use of this appraisal report by a purchaser, borrower or seller for their own purposes, including without limitation for the purposes of a property purchase decision or an appraisal contingency in a purchase agreement, is at such party's own risk and is not intended or authorized by the appraiser.

SCOPE OF APPRAISAL

The following steps were followed in arriving at the final estimate of value included in the appraisal report of the subject property: (1) After receiving the assignment, a preliminary search of the resources available in my office (CRS data and MLS) was made to determine market and other significant factors pertinent to the subject property. (2) A physical exterior only inspection of the property was performed. Although due diligence was exercised while at the subject property, the appraiser is not an expert in such matters as pest control, structural engineering, hazardous waste, etc., and no warranty is given as to these elements. As needed, inspections by various professionals within these fields might be recommended with the final estimate of value subject to their findings. (3) A second review of the data was then performed with the most relevant factors extracted and considered. Sales were examined and verified through the data sources shown on the report. Market factors were weighed and their influence on the subject property was determined. (4) The appraisal report was then completed in accordance with standards dictated by the appraisal foundation and lender guidelines. The report included data information need to lead a reader to a similar value conclusion. (5) The appraisal report was then delivered to the client listed on the front of the appraisal report which constituted the completion of the assignment.

NEIGHBORHOOD DESCRIPTION

Established mixed use area in Pacifica California. Although primarily residential single family dwellings, some condominiums/town homes, apartment complexes and commercial properties including office buildings & local retail complete the subject's market area. Dwelling homes are mostly Q3-Q4 construction maintained in C3-C4 condition depending on age and updates (if any). Shopping, service and entertainment facilities, schools, parks, employment centers and freeway access are available and accessible. A BART station (rapid transit) is available within ~ 4-5 mile and provides commute options throughout the greater bay area. No adverse marketability concerns were noted during the appraisers cursory visual inspection of the surrounding neighborhood and market area.

MARKET CONDITIONS

The subject's opinion of market value is as of the effective date of this report. The month of June 2022 started to show a potential slow down or leveling trend due to increasing interest rates. July 2022 confirmed a slow down or leveling trend in the market. August 2022 and September 2022 continued to see a slowing and leveling trend, with increasing inventory, fewer buyers, and higher interest rates. October 2022 thru January 2023 noticed common seasonal slowing trends, and combined with the prior slow down, resulted in a continued slower real estate market, with lower levels of listings and offer-acceptance activity. February 2023 thru April 2023 started to see a rebound from the seasonal slow down, with the number of listings going into contract, and over bidding percentages continuing to climb. Along with days on market dropping as the 2023 spring selling season gained traction. June and July 2023 has seen a slight slow down due to seasonal trends, with summer months historically slower in the Bay Area. August 2023 has seen more interest rate increases, combined with summer season, has slowed the market considerably. Active inventory remains low in the Bay Area, which is a factor in higher list prices, and over list offer prices. The market has been in a slower, higher interest rate trend for 12 months, and the market appears stable over a 12 month history.

Interest rates have increased starting in June 2022, since historical lows during the pandemic. Interested rates have now increased, and fluctuated over 2 full percentage points since the start of 2021, reaching the highest level since 2009. Interest rates have seen more recent increases in August 2023, combined with the summer seasonal slow down, has put the market back into a slow period. Dwellings selling above asking price is a common occurrence. No more seller concessions are being offered than usual. However, in some cases section 1 repairs (if not excessive) are being completed up front. The impact to the marketing of vacant properties has been negligible. Although specific types of dwellings, price ranges, or neighborhoods are in higher demand than others, the Bay Area markets continue to show strong and stable trends overall despite market fluctuations due to seasonal trends and interest rate changes.

Generally speaking, closed sales are a lagging indicator of what occurred in the economy and market weeks and months earlier. Monthly data can change rapidly, fluctuating according to a number of different factors, including market seasonality. Long term data is more meaningful than short term fluctuations.

HIGHEST AND BEST USE

Highest and best use is defined as the reasonable, probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The subject property does meet zoning ordinances, building codes, historic district contracts, environmental regulations, and/or other public and private restrictions. The utilities, amenities, and environment provided by the neighborhood support the subject's use in question. There is sufficient demand for the subject property either by buying or renting the property. The income or value benefits that accrue from the subject's use sufficiently exceed the expenses involved. Additionally, the subject's use does reflect the greatest return on the developer's capital expenditure. With respect to the highest and best use of the subject property, all four criteria (physically possible, legally permissible, financially feasible, and maximally productive) have been applied and various alternative uses, if any, have been eliminated. The remaining use that fulfills all four criteria is the highest and best use, therefore, the subject property's present use of a property as improved, as an existing single family residence, is the highest and best use.

Supplemental Addendum

File No. 34789571

Borrower	Redwood Holdings LLC						
Property Address	744 Lockhaven Dr						
City	Pacifica	County	San Mateo	State	CA	Zip Code	94044
Lender/Client	Wedgewood Inc						

SITE COMMENTS

The subject site is typical for most properties in the area. No apparent encroachments or zoning violations were noted. See preliminary title report for any easements information on record. The subject has a neutral residential view and is surrounded by similar homes. The subject site landscape is reflected in the subject's overall condition rating.

Above ground utilities are common for the subject's market area with no affect on marketability noted.

No current active FEMA declared disasters in the subjects market area. No damage to the subject dwelling noted.

The subject backs open space, with unimpeded hills and ocean views.

ENVIRONMENTAL DISCLAIMER

At the time of my cursory inspection of the subject property no apparent environmental hazards were observed; however, an appraiser is not an expert in the field of environmental hazards or toxic waste, and consequently should not be relied upon as to whether or not environmental hazards actually exist on the property. This appraisal does not constitute an expert environmental inspection of the property. In order to fully and adequately determine the condition of the property with respect to environmental hazards, an expert in the field or environmental hazards should make an inspection of the property.

FEMA FLOOD HAZARD REPORTING DISCLOSURE

Reporting for FEMA special flood hazard area was obtained through an internet data source provided by Real Quest Software. By direction of the lender/client, the appraiser reports what can be determined through the internet data source, but has not examined or included available flood maps developed by FEMA. The lender/client obtains flood zone certification from a third party vendor.

CONDITION OF THE PROPERTY

The subject dwelling is 69 years actual age with limited recent updates, as observed from an exterior only inspection. No health or safety concerns noted from a cursory exterior inspection.

The subject dwelling is occupied at time of inspection with vehicles in the driveway, and persons on the premises.

Rear addition to the second floor has increased the subjects GLA to 1778/sf per public records. The neighborhood consists of similar Cap Cod style dwellings which consistently measure between 1100/sf to 1300/sf based on MLS, public records and appraisal files. The addition is mainly in the rear of the dwelling, and was not fully observed from the street exterior only inspection. As the GLA is included with public records, it is assumed permits were passed, and allowed under current zoning.

SALES COMPARISON ANALYSIS - SUMMARY OF SALE COMPARISON APPROACH

Research of detached single family dwelling from within the defined market area specifically targeting dwellings ranging from 1200 to 1900 square foot.

Although comps 1/2/3 are located outside 1 mile radius from the subject, comps are sorted by settled date, and comps 4/5/6/7/8/9 are located within a 1 mile radius, this is due to limited recent comps with similar bracketing features. All comps used are in the same or similar market area with same or similar market trends. No affect on marketability noted.

Comps 1/2/3/4/5/6/7 are closed sales, with comps 1/2/3/4 closing within 90 days of the effective date of the appraisal. Comps 5/6/7 closed within 6 months of the same time period.

Comps 8/9 are active listings used to further demonstrate current market trends. Currently the median SP/LP ratio is at 104%. The closed sales have followed a similar trend with all selling at/near their asking price. Therefore, it is reasonable to anticipate comps 8/9 will sell at/near their asking price. A 4% SP/LP adjustment is added to the listings to highlight market trends.

All comps are arms length transactions.

Based on current market trends reflected in the 1004mc report property values are currently stable thus no time adjustment warranted.

Beneficial location on cul de sac street (comp 7) adjusted at 2%. Market research, paired sales analysis, and grouped data analysis support the adjustment. Paired sales analysis between comps 7/8 support the adjustment.

No marketable difference for varying site sizes noted, thus no site adjustment warranted.

No marketable difference for varying ages noted thus no age adjustment warranted.

Beneficial unimpeded views of hills and ocean adjusted at 6%. The photos provided of the ocean / hills view are not from the subjects rear yard, however are from the same side of the street located 6 dwellings down on Lockhaven Dr. The photos provide an accurate representation of the subjects view from the rear yard. Market research, paired sales analysis, and grouped data analysis support the adjustment. Paired sales analysis between comps 3/5 support the adjustment.

The subject and comps are all condition rating C3-C4 by definition. Varying degrees of updates are noted within the C3 rating. Superior or inferior updates include (or may not include) an overall impression of; kitchen counters and appliances, bathroom fixtures and tile work, flooring, additional interior amenities, landscaping and hardscaping, window and door upgrades or additional exterior features. Comps 2/3/8 MLS photos and descriptions show same or similar C4 condition, and are not adjusted. Comps 1/4/5/6/7/9 MLS photos and descriptions show superior C3 condition overall. Comps 1/4/6/7/9 are adjusted at 5% for superior C3 condition. Comp 5 is adjusted at 10% for superior condition with recent full interior and exterior remodel. Market research, paired sales analysis, and grouped data analysis support the adjustment. Paired sales analysis between comps 1/3 & 2/5 support the adjustment.

Total room/bedroom adjustments are inclusive of their square footage adjustment as GLA size is more imperative in market reactions. Baths adjusted at \$30,000/full bath, GLA size adjusted at \$150/sf. Market research, paired sales analysis, and grouped data analysis support the adjustments.

Parking adjusted at \$15,000/garage space. Additional amenity adjustment based on their contributory value in the market.

Supplemental Addendum

File No. 34789571

Borrower	Redwood Holdings LLC						
Property Address	744 Lockhaven Dr						
City	Pacifica	County	San Mateo	State	CA	Zip Code	94044
Lender/Client	Wedgewood Inc						

Comp selected are competitive and market substitutes of the subject. Most weight given to:

Comps 1/2/3/4/5/6/7 proximity, date of sale, site size, age.

Comps 2/3/4 GLA size.

Comps 2/3 Condition.

Comps 3/4/5/7 bedroom counts

Comps 2/4/5/7 bathroom counts.

Comp 3 beneficial views.

The weighted average figures of the closed sales provided indicate value at \$1,334,000(r). Based on current market trends along with comps 1/2/3/4/5/6/7 net and gross adjustments, the subject's estimate of value is reconciled to \$1,334,000.

The median adjusted sales price of the active listings used bracket the final estimate of value, providing additional support for the final estimate of value.

Comparable sale found, however discounted from consideration due to date of sale, and inferior GLA size, is 524 Manor Drive Pacifica, MLS#ML81927092, sold on 6/26/2023 for \$1,280,000. This sale is located on the same west facing hills and ocean view of the street, and is in the same or similar C4 condition overall. This sale supports the view adjustments, and provides additional support for the final estimate of value.

Comparable active listing found, however discounted from consideration due to days on market (130 days), and possible over market list price (\$1,400,000), is 620 Manor Dr Pacifica, MLS#ML81934152. This active listing is in close proximity to the subject, located on the same west facing hills and ocean view of the street, and is in the same or similar C4 condition overall. The active listing price of \$1,400,000 is considered possibly over market value, however, provides support for higher possible sale prices with superior views in the market area, similar to the subjects, and provides additional support for the final estimate of value.

When supported adjustments are based on paired sales analysis. Extraction and/or regression methods from online market analytics are applied when applicable. Adjustments reflect reactions of typical purchasers in the market. All adjustments are considered to be reasonable and supported in the market.

FINAL RECONCILIATION

The sales comparison approach is developed as it best reflects reactions of typical buyers & sellers in the market place. The cost approach is developed & supports the market conclusions, but less weight is given difficulty estimating depreciation. The income approach is not applicable due to lack of rental sales and sales used were not rented at the of sale thus no GRM was obtainable.

COST APPROACH COMMENTS

The cost approach has only been developed by the appraiser as an analysis to support their opinion of the property's market value. Use of this data, in whole or part, for other purposes is not intended by the appraiser. Nothing set forth in the appraisal should be relied upon for the purpose of determining the amount or type of insurance coverage to be placed on the subject property. The appraiser assumes no liability for and does not guarantee that any insurable value estimate inferred from this report will result in the subject property being fully insured for any loss that may be sustained. Further, the cost approach may not be a reliable indication of replacement or reproduction cost for any data other than the effective date of this appraisal due to changing costs of labor and materials and due to changing building codes and governmental regulations and requirements.

APPRAISAL DATE

The effective date shown on the subject appraisal is the date of inspection and the date of signature is day the report is complete.

PERSONAL PROPERTY

No personal property, fixtures or intangible items were included in the final estimate of value for the subject.

COMPETENCY

Certified Residential Appraiser , Jason B. Oldendorp 3006720, is competent in servicing San Mateo, Santa Clara and Alameda counties. Appraiser has multiple years of experience completing real property appraisals for a large variety of clients with a large variety of appraisal products. With continued and ongoing support from a network of competent peers, with local knowledge and experience upwards of 40 years. This assignment requires geographic competency as required by USPAP and the Certified Appraiser has spent sufficient time in these market areas and understands the nuances of the local market and the supply and demand factors relating to the specific property type and location involved.

APPRAISER INDEPENDENCE

The appraiser certifies that the lender or the AMC did not improperly influence, or attempt to improperly influence, the outcome of this appraisal by doing any of the things prohibited in section 1(b) of the appraiser independence requirements, effective 10/15/2010.

No employee, director, officer or agent of the lender, or any other third party acting as a joint venture partner, independent contractor, appraisal management company, or partner in behalf of the lender has influenced or attempted to influence the development, reporting, result or review of this assignment through coercion, extortion, collusion, compensation, instruction, inducement, intimidation, bribery or in any other manner. I have not been contacted by anyone other than the intended user (lender/ client as identified on the first page of the report), borrower or designated contact to make an appointment to enter the property. I agree to immediately report any unauthorized contacts either personally by phone or electronically to partner management.

Reconciliation Addendum

File No. 34789571

Borrower	Redwood Holdings LLC						
Property Address	744 Lockhaven Dr						
City	Pacifica	County	San Mateo	State	CA	Zip Code	94044
Lender/Client	Wedgewood Inc						

• Comparable Summary

Comparables Summary & Estimated Indicated Value

	Sale Price	Net Adj %	Grs Adj %	Ind Value	Weight
Comp #1:	1,350,000	1.1	17.8	1,364,700	13.87
Comp #2:	1,245,000	7.4	9.8	1,337,400	15.12
Comp #3:	1,450,000	5.2	5.2	1,375,300	15.85
Comp #4:	1,305,000	0.1	12.1	1,303,050	14.76
Comp #5:	1,340,000	2	22	1,367,100	13.2
Comp #6:	1,230,000	6.6	19	1,311,000	13.68
Comp #7:	1,200,000	6	20	1,271,700	13.52
Comp #8:	1,150,000	11.3	11.3	1,279,700	
Comp #9:	1,198,000	12	22	1,341,600	

ESTIMATED INDICATED VALUE OF THE SUBJECT: 1,334,000

• Indicated Weight Value

Estimated indicated value is determined by using the Gross Adjustment of sale price for each comparable as a measure of the relative quality of the comp. The Indicated Value is derived by multiplying the weight of each comp by the Adjusted Sale Price of that comp, repeating for each property, then adding them all together. This weighted average is used as the indicated value of the subject.

As with any method, this technique is not perfect. However, it does do a very good job of giving more weight to the most similar comps while at the same time minimizing values near the extremes of the indicated value range.

Comp selected are competitive and market substitutes of the subject. Most weight given to:

Comps 1/2/3/4/5/6/7 proximity, date of sale, site size, age.

Comps 2/3/4 GLA size.

Comps 2/3 Condition.

Comps 3/4/5/7 bedroom counts

Comps 2/4/5/7 bathroom counts.

Comp 3 beneficial views.

The weighted average figures of the closed sales provided indicate value at \$1,334,000(r). Based on current market trends along with comps 1/2/3/4/5/6/7 net and gross adjustments, the subject's estimate of value is reconciled to \$1,334,000.

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FINAL RECONCILIATION

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Borrower	Redwood Holdings LLC	File No. 34789571
Property Address	744 Lockhaven Dr	
City	County San Mateo	State CA Zip Code 94044
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: 30 Days

Comments on Appraisal and Report Identification

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

DIGITAL SIGNATURES: THE SIGNATURE(S) AFFIXED TO THIS REPORT, AND CERTIFICATION, WERE APPLIED BY THE ORIGINAL APPRAISER(S) OR SUPERVISORY APPRAISER AND REPRESENT THEIR ACKNOWLEDGEMENTS OF THE FACTS, OPINIONS AND CONCLUSIONS FOUND IN THE REPORT. EACH APPRAISER(S) APPLIED HIS OR HER SIGNATURE ELECTRONICALLY USING A PASSWORD ENCRYPTED METHOD. HENCE, THESE SIGNATURES HAVE MORE SAFEGUARDS AND CARRY THE SAME VALIDITY AS THE INDIVIDUAL'S HAND APPLIED SIGNATURE. IF THE REPORT HAS A HAND-APPLIED SIGNATURE, THIS COMMENT DOES NOT APPLY.

APPRAISER:

Signature: 
 Name: Jason B. Oldendorp
 State Certification #: 3006720
 or State License #: _____
 State: CA Expiration Date of Certification or License: 03/10/2024
 Date of Signature and Report: 11/14/2023
 Effective Date of Appraisal: 11/09/2023
 Inspection of Subject: None Interior and Exterior Exterior-Only
 Date of Inspection (if applicable): 11/09/2023

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): _____

Market Conditions Addendum to the Appraisal Report

55780
File No. 34789571

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 **744 Lockhaven Dr** City **Pacifica** State **CA** ZIP Code **94044**

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)	23	13	12	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)	3.83	4.33	4.00	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Comparable Active Listings	12	8	10	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Housing Supply (Total Listings/Ab.Rate)	3.1	1.8	2.5	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale & List Price, DOM, Sale/List %	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Median Comparable Sale Price	1,250,000	1,305,000	1,338,000	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Sales Days on Market	15	12	12	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Comparable List Price	1,198,000	1,987,000	1,162,500	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Listings Days on Market	15	12	14	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale Price as % of List Price	100	102	104	<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 48 competing sales over the past 12 months. For those sales, a total of 4.2% were reported to have seller concessions.**

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 48 competing sales over the past 12 months. For those sales, a total of 0.0% were reported to be REO.

Cite data sources for above information. **Information reported in the MAXEBRD system (using an effective date of 11/09/2023) was utilized to arrive at the results noted on this addendum. Any percent change results noted in these comments are based on simple 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.

Pertaining to the inventory above detached residential dwellings in the subject's defined market area specifically targeting dwellings ranging from 1200 to 2200 square feet are sought out. Sales are stable, and supply and demand are in balance. Selling prices have fluctuated over the past 12 months, however overall remain stable. List prices have also fluctuated over 12 months, however overall remain stable. Typical days on market is well within 90 days with most properties selling in less than 30 days when priced appropriately. It is not uncommon for a property to sell above their asking price as noted by the median SP/LP ratios for the past year. Currently the median SP/LP ratio is 104%(r). Overall the subjects market is in a stable trend as noted on page 1 of the appraisal. There is no conclusive evidence that all other properties in the subjects market area regardless of property characteristics mirror this trend.

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 
 Appraiser Name **Jason B. Oldendorp**
 Company Name **Velox Valuations LLC**
 Company Address **704 South State Rd 135 Ste D # 393, Greenwood, IL**
 State License/Certification # **3006720** State **CA**
 Email Address **jason.oldendorp@veloxval.com**

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

Aerial Map

Borrower	Redwood Holdings LLC						
Property Address	744 Lockhaven Dr						
City	Pacifica	County	San Mateo	State	CA	Zip Code	94044
Lender/Client	Wedgewood Inc						

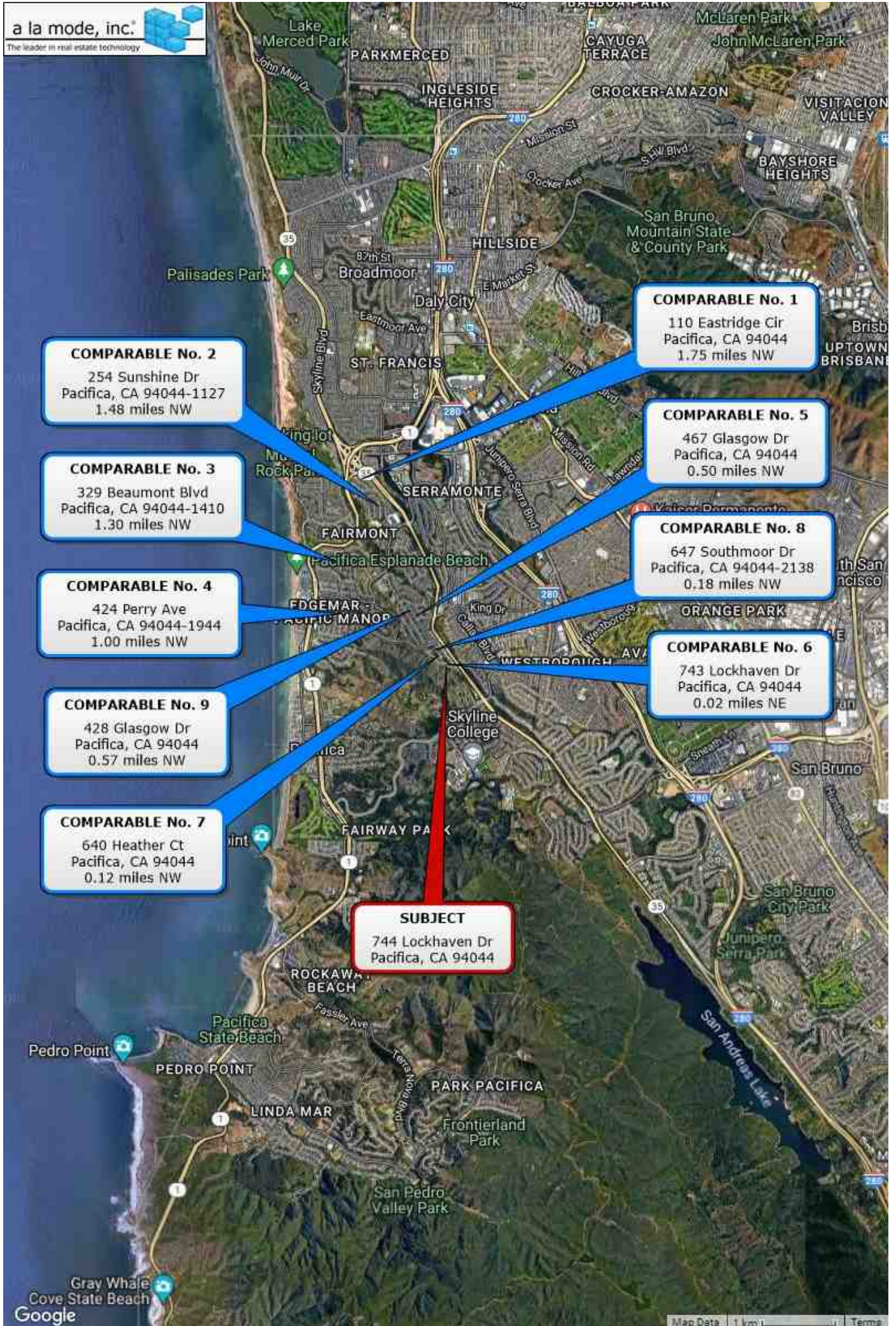


Plat Map



Location Map

Borrower	Redwood Holdings LLC		
Property Address	744 Lockhaven Dr		
City	Pacifica	County	San Mateo
		State	CA
Lender/Client	Wedgewood Inc	Zip Code	94044



Property Profile - Page 1

11/9/23, 9:53 AM

CRS Data - Property Report for Parcel/Tax ID 009-313-130

Thursday, November 09, 2023



LOCATION	
Property Address	744 Lockhaven Dr Pacifica, CA 94044-2110
Subdivision	Pacific Highlands
Carrier Route	C002
County	San Mateo County, CA
GENERAL PARCEL INFORMATION	
APN/Tax ID	009-313-130
A/E: APN	
Account Number	
Tax Area	16-009
2020 Census Trct/Blk	6027/4
Assessor Roll Year	2023

PROPERTY SUMMARY	
Property Type	Residential
Land Use	Single Family Residential
Improvement Type	Single Family Residential
Square Feet	1778
# of Buildings	1
CURRENT OWNER	
Name	Lutes Steven V Kathryn Ann
Mailing Address	744 Lockhaven Dr Pacifica, CA 94044-2110
Owner Occupied	Yes
SCHOOL INFORMATION	
These are the closest schools to the property	
Sunset Ridge Elementary School	0.9 mi Distance
Ocean Shore Elementary School	1.2 mi Distance
Oceana High School	1.0 mi Distance

SALES HISTORY THROUGH 10/17/2023

Date	Date Recorded	Amount	Buyer/Owners	Seller	Instrument	No. Parcels	Book/Page Or Document#
8/23/1989		\$201,000	Lutes Steven V & Kathryn Ann				

TAX ASSESSMENT						
Tax Assessment	2023	Change (%)	2022	Change (%)	2021	
Assessed Land	\$177,701.00	\$3,484.00 (2.0%)	\$174,217.00	\$3,416.00 (2.0%)	\$170,801.00	
Assessed Improvements	\$245,902.00	\$4,821.00 (2.0%)	\$241,081.00	\$4,727.00 (2.0%)	\$236,354.00	
Total Assessment	\$423,603.00	\$8,305.00 (2.0%)	\$415,298.00	\$8,143.00 (2.0%)	\$407,155.00	
Exempt Reason	Homeowners Exemption					
% Improved	58%					

TAXES			
Tax Year	City Taxes	County Taxes	Total Taxes
2023			\$6,084.74
2022			\$5,738.40
2021			\$5,668.86
2020			\$5,723.50
2019			\$5,581.40
2018			\$5,317.74
2017			\$5,139.25
2016			\$5,001.30
2015			\$4,801.08
2014			\$4,714.44
2013			\$4,734.96

MORTGAGE HISTORY				
Date Recorded	Loan Amount	Borrower	Lender	Book/Page or Document#
07/24/2003	\$267,000	Lutes Kathryn Ann	Ameriquest Mortgage	2003205916
05/03/2001	\$250,000	Lutes Kathryn Ann	Residential Credit	2001061840
12/17/1999	\$40,000	Lutes Kathryn Ann	Nationscredit	1999204498
03/24/1999	\$176,475	Lutes Kathryn Ann	California Mortgage	99050947

FORECLOSURE HISTORY						
Filing Date	Auction Date	Defendant(s)	Plaintiff	Foreclosure Type	Case Number	Book/Page or Document#
10/03/2023	11/08/2023	Lutes Steven V And Lutes Kathryn Ann	Not Available	Auction		2023-048144
06/23/2023		Lutes Steven V And Lutes Kathryn Ann	Not Available	Preforeclosure		2023-030105

PROPERTY CHARACTERISTICS: BUILDING			
Building # 1			
Type	Condition	Units	
Single Family Residential			
Year Built	Effective Year	Stories	2
1954			
BRs	Baths	Rooms	7
3			
Total Sq. Ft.	Building Square Feet (Other)		
1,778			
Building Square Feet (Living Space)			

Property Profile - Page 2

11/9/23, 9:53 AM

CRS Data - Property Report for Parcel/Tax ID 009-313-130

1st Floor 850	Basement 220	
2nd Floor 370		
Family Room/Den		
- CONSTRUCTION		
Quality	Roof Framing	
Shape	Roof Cover Deck	
Partitions	Cabinet Millwork	
Common Wall	Floor Finish	
Foundation	Interior Finish	
Floor System	Air Conditioning	Central
Exterior Wall	Heat Type	Central
Structural Framing	Bathroom Tile	
Fireplace	Plumbing Fixtures	
- OTHER		
Occupancy	Building Data Source	

PROPERTY CHARACTERISTICS: EXTRA FEATURES

Feature	Size or Description	Year Built	Condition
Underground/Basement	1 CAR		

PROPERTY CHARACTERISTICS: LOT

Land Use	Single Family Residential	Lot Dimensions	Lot Square Feet
Block/Lot	/102		6,105
Latitude/Longitude	37.643039°/-122.470174°	Acreage	0.14

PROPERTY CHARACTERISTICS: UTILITIES/AREA

Gas Source	Road Type
Electric Source	Topography
Water Source	District Trend
Sewer Source	Special School District 1
Zoning Code	Special School District 2
Owner Type	

LEGAL DESCRIPTION

Subdivision	Pacific Highlands	Plat Book/Page
Block/Lot	/102	Tax Area 16-009
Description	Lot 102 Pacific Highlands Rsm 38/13 14	

FEMA FLOOD ZONES

Zone Code	Flood Risk	BFE	Description	FIRM Panel ID	FIRM Panel Eff. Date
X	Minimal		Area of minimal flood hazard, usually depicted on FIRMS as above the 500-year flood level.	06081C0038F	08/02/2017

LISTING ARCHIVE
No Listings found for this parcel.

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Information Deemed Reliable But Not Guaranteed.

Subject Photo Page

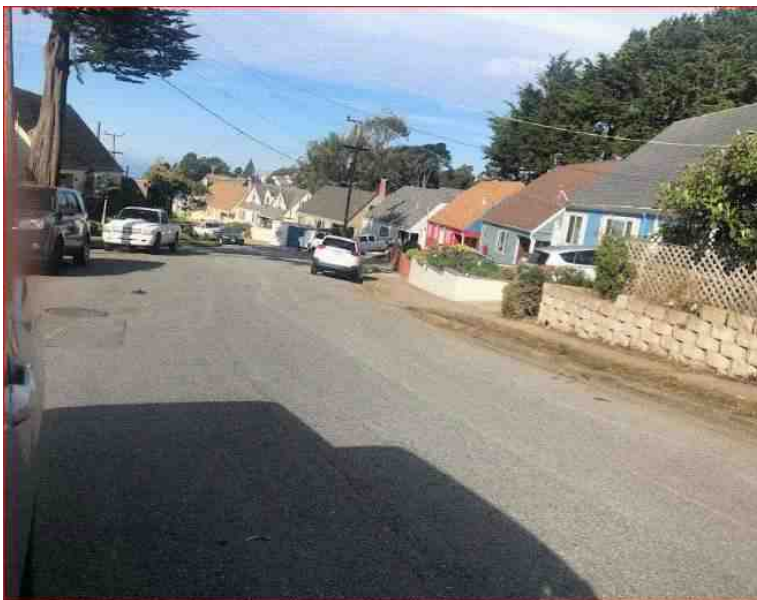
Borrower	Redwood Holdings LLC						
Property Address	744 Lockhaven Dr						
City	Pacifica	County	San Mateo	State	CA	Zip Code	94044
Lender/Client	Wedgewood Inc						



Subject Front

744 Lockhaven Dr
Sales Price
Gross Living Area 1,778
Total Rooms 6
Total Bedrooms 3
Total Bathrooms 2.0
Location N;Res;
View B;Wtr;
Site 6105 sf
Quality Q4
Age 69

Subject Rear



Subject Street

Photograph Addendum

Borrower	Redwood Holdings LLC						
Property Address	744 Lockhaven Dr						
City	Pacifica	County	San Mateo	State	CA	Zip Code	94044
Lender/Client	Wedgewood Inc						



Front view



Front view



Street view



Front view



Ocean / Hills views



Ocean / Hills views

Comparable Photo Page

Borrower	Redwood Holdings LLC			
Property Address	744 Lockhaven Dr			
City	Pacifica	County	San Mateo	State CA Zip Code 94044
Lender/Client	Wedgewood Inc			



Comparable 1

110 Eastridge Cir
 Prox. to Subject 1.75 miles NW
 Sale Price 1,350,000
 Gross Living Area 1,470
 Total Rooms 7
 Total Bedrooms 4
 Total Bathrooms 3.0
 Location N;Res;
 View N;Res;
 Site 5200 sf
 Quality Q4
 Age 57



Comparable 2

254 Sunshine Dr
 Prox. to Subject 1.48 miles NW
 Sale Price 1,245,000
 Gross Living Area 1,560
 Total Rooms 7
 Total Bedrooms 4
 Total Bathrooms 2.0
 Location N;Res;
 View N;Res;
 Site 4000 sf
 Quality Q4
 Age 60



Comparable 3

329 Beaumont Blvd
 Prox. to Subject 1.30 miles NW
 Sale Price 1,450,000
 Gross Living Area 1,876
 Total Rooms 6
 Total Bedrooms 3
 Total Bathrooms 3.1
 Location N;Res;
 View B;Wtr;
 Site 7245 sf
 Quality Q4
 Age 39

Comparable Photo Page

Borrower	Redwood Holdings LLC			
Property Address	744 Lockhaven Dr			
City	Pacifica	County	San Mateo	State CA Zip Code 94044
Lender/Client	Wedgewood Inc			



Comparable4

424 Perry Ave
 Prox. to Subject 1.00 miles NW
 Sale Price 1,305,000
 Gross Living Area 1,777
 Total Rooms 6
 Total Bedrooms 3
 Total Bathrooms 2.0
 Location N;Res;
 View N;Res;
 Site 6300 sf
 Quality Q4
 Age 75



Comparable5

467 Glasgow Dr
 Prox. to Subject 0.50 miles NW
 Sale Price 1,340,000
 Gross Living Area 1,240
 Total Rooms 6
 Total Bedrooms 3
 Total Bathrooms 2.0
 Location N;Res;
 View N;Res;
 Site 5000 sf
 Quality Q4
 Age 68



Comparable6

743 Lockhaven Dr
 Prox. to Subject 0.02 miles NE
 Sale Price 1,230,000
 Gross Living Area 1,220
 Total Rooms 7
 Total Bedrooms 4
 Total Bathrooms 2.1
 Location N;Res;
 View N;Res;
 Site 6042 sf
 Quality Q4
 Age 69

Comparable Photo Page

Borrower	Redwood Holdings LLC			
Property Address	744 Lockhaven Dr			
City	Pacifica	County	San Mateo	State CA Zip Code 94044
Lender/Client	Wedgewood Inc			



Comparable 7

640 Heather Ct
 Prox. to Subject 0.12 miles NW
 Sale Price 1,200,000
 Gross Living Area 1,220
 Total Rooms 6
 Total Bedrooms 3
 Total Bathrooms 2.0
 Location B;CulDeSac;
 View N;Res;
 Site 5000 sf
 Quality Q4
 Age 69



Comparable 8

647 Southmoor Dr
 Prox. to Subject 0.18 miles NW
 Sale Price 1,150,000
 Gross Living Area 1,680
 Total Rooms 7
 Total Bedrooms 4
 Total Bathrooms 2.0
 Location N;Res;
 View N;Res;
 Site 5000 sf
 Quality Q4
 Age 69



Comparable 9

428 Glasgow Dr
 Prox. to Subject 0.57 miles NW
 Sale Price 1,198,000
 Gross Living Area 1,220
 Total Rooms 6
 Total Bedrooms 3
 Total Bathrooms 2.0
 Location N;Res;
 View N;Res;
 Site 5000 sf
 Quality Q4
 Age 68

License Page



E&O Certification



PROFESSIONAL LIABILITY POLICY DECLARATIONS (CLAIMS-MADE AND REPORTED FORM)

Carrier: Admiral Insurance Company

Policy No.: EO000056476-02

Renewal/Rewrite of:

EO000056476-01

Named Insured and Mailing Address

VELOX VALUATIONS LLC
10 INNISBROOKE TRL.
GREENWOOD, IN 46142

NO FLAT CANCELLATIONS

POLICY PERIOD: From 04/01/2023 to 04/01/2024 At 12:01 A.M. Standard Time at the address of the Named Insured as stated herein

In consideration of the payment of premium, in reliance upon the statements herein or attached hereto, and subject to all of the terms of this policy, the Company agrees with the Named Insured as follows:

- Item I: Named Insured's Business: Real Estate Appraisal Services
Item II: Limits of Liability: \$1,000,000 Each Claim, \$3,000,000 Aggregate
Item III: Deductible: \$5,000 Per Claim (including claim expenses)
Item IV: Retroactive Date: 04/01/2020, 05/01/2020
Item V: Premium: \$10,418.00 Not Subject to Audit
Item VI: Forms attached at inception: See Schedule of Forms AI 00 18 03 98

This policy is not binding unless countersigned by Admiral Insurance Company or its authorized representative.

Countersigned On: 03/10/2023
At: Mount Laurel, NJ

By: [Signature]
Authorized Representative

Table with 2 columns: Amount, Description. Rows: \$10,418.00 Premium, 250.00 Policy Fee, 266.70 Surplus Lines Tax, \$10,934.70 Total

The Insurance Company in which this coverage is placed is authorized, but not licensed, to transact business in Indiana. This policy is not protected by the Indiana Insurance Guaranty Association in the event of insolvency of the Company. This policy and the premium thereon has been properly declared as a Surplus Lines Risk to the Indiana Department of Insurance and the surplus lines tax paid accordingly. Arlington/Roe & Co., Inc.

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.

