

APPRAISAL OF



LOCATED AT:

411 Beach Ave
Half Moon Bay, CA 94019-1403

FOR:

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

BORROWER:

WH1 LLC

AS OF:

October 22, 2024

BY:

GINA MARIE DIAS

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

File Number: 10.21 2 Appraisal

In accordance with your request, I have appraised the real property at:

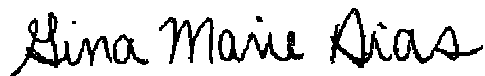
411 Beach Ave
Half Moon Bay, CA 94019-1403

The purpose of this appraisal is to develop an opinion of the market value of the subject property, as improved. The property rights appraised are the fee simple interest in the site and improvements.

In my opinion, the market value of the property as of October 22, 2024 is:

\$1,609,000
One Million Six Hundred Nine Thousand Dollars

The attached report contains the description, analysis and supportive data for the conclusions, final opinion of value, descriptive photographs, limiting conditions and appropriate certifications.



GINA MARIE DIAS

Exterior-Only Inspection Residential Appraisal Report

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

Property Address 411 Beach Ave City Half Moon Bay State CA Zip Code 94019-1403
Borrower WH1 LLC Owner of Public Record WH1 LLC County SAN MATEO
Legal Description LOTS 18A 18B BLOCK 6 EL MAR BEACH
Assessor's Parcel # 048-212-010 Tax Year 2024 R.E. Taxes \$ 2,932
Neighborhood Name CASA DEL MAR Map Reference 767/E6 Census Tract 6135.01
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? [X] Yes [] No
Report data source(s) used, offering price(s), and date(s). DOM 123;SUBJECT WAS LISTED ON THE REIL MLS (MLS#SF424036296) FROM 05/28/2024 UNTIL 09/30/2024 WITH A LIST PRICE OF \$1,465,000 WHICH WAS SUBSEQUENTLY < continued in addendum >

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.

Note: Race and the racial composition of the neighborhood are not appraisal factors.
Table with 4 columns: 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 80 %
Built-Up [X] Over 75% [] 25-75% [] Under 25% Demand/Supply [X] Shortage [] In Balance [] Over Supply \$(000) (yrs) 2-4 Unit 5 %
Growth [] Rapid [X] Stable [] Slow Marketing Time [X] Under 3 mths [] 3-6 mths [] Over 6 mths 1,314 Low 0 Multi-Family 5 %
Neighborhood Boundaries NORTH-VENICE AVE, SOUTH-KELLY AVE; WEST-PACIFIC OCEAN, 2,377 High 77 Commercial 5 %
EAST-HIGHWAY 1 1,712 Pred. 52 Other VAC 5 %
Neighborhood Description See Attached Addendum
Market Conditions (including support for the above conclusions) See Attached Addendum

Dimensions SEE PLAT MAP Area 7620 sf Shape RECTANGULAR View N;Res;
Specific Zoning Classification R-1-B-2 Zoning Description Single Family Residential (7,500 sq. lot)
Zoning Compliance [X] Legal [] Legal Nonconforming (Grandfathered Use) [] No Zoning [] Illegal (describe)
Is the highest and best use of the subject property as improved (or as proposed per plans and specifications) the present use? [X] Yes [] No If No, describe.
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 # 06081C0252F 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. See Attached Addendum

Source(s) Used for Physical Characteristics of Property [] Appraisal Files [X] MLS [X] Assessment and Tax Records [] Prior Inspection [] Property Owner
[] Other (describe) Data Source(s) for Gross Living Area PARCELQUEST/PUBLIC RECORDS
GENERAL DESCRIPTION GENERAL DESCRIPTION Heating / Cooling Amenities Car Storage
Units [X] One [] One with Accessory Unit [] Concrete Slab [X] Crawl Space [X] FWA [] HWBB [X] Fireplace(s) # 1 [] None
of Stories 1 [] Full Basement [] Finished [] Radiant [] WoodStove(s) # 0 [X] Driveway # of Cars 2
Type [] Det. [X] Att. [] S-Det./End Unit [] Partial Basement [] Finished [] Other [X] Patio/Deck CNCRT Driveway Surface CNCRT
[X] Existing [] Proposed [] Under Const. Exterior Walls STUCCO Fuel GAS [X] Porch CNCRT [X] Garage # of Cars 2
Design (Style) RANCH Roof Surface SHINGLES [] Central Air Conditioning [] Pool None [] Carport # of Cars 0
Year Built 1972 Gutters & Downspouts METAL [] Individual [X] Fence REDWD [X] Attached [] Detached
Effective Age (Yrs) 30 Window Type ALUM SLDR [X] Other NONE [] Other None [] Built-in
Appliances [X] Refrigerator [X] Range/Oven [X] Dishwasher [X] Disposal [X] Microwave [X] Washer/Dryer [] Other (describe)
Finished area above grade contains: 8 Rooms 4 Bedrooms 2.0 Bath(s) 2,060 Square Feet of Gross Living Area Above Grade
Additional features (special energy efficient items, etc.) EXTERIOR INSPECTION ONLY

Describe the condition of the property and data source(s) (including apparent needed repairs, deterioration, renovations, remodeling, etc.). C4;THE SUBJECT IS AVERAGE QUALITY AND APPEARS WELL MAINTAINED PER EXTERIOR INSPECTION. APPRAISER HAS VIEWED RECENT MLS LISTINGS WHICH SHOW SUBJECT HAD MINIMAL UPDATING AND ADEQUATE LEVELS OF MAINTENANCE. SOME MLS PHOTOS HAVE BEEN PROVIDED FOR THIS REPORT. REPORT IS COMPLETED UNDER THE EXTRAORDINARY ASSUMPTION PROPERTY IS IN SIMILAR CONDITION ALONG WITH CURRENT OBSERVED EXTERIOR OBSERVATION INDICATING SIMILAR CONDITION. IF NOT, ASSIGNMENT RESULTS COULD BE AFFECTED. OTHER THAN TYPICAL WEAR AND TEAR, NO < continued in addendum >
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. See Attached Addendum
Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? [X] Yes [] No If No, describe.

Exterior-Only Inspection Residential Appraisal Report

There are 1 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 1,950,000 to \$ 1,950,000
 There are 12 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 1,270,000 to \$ 2,120,000

SALES COMPARISON APPROACH

FEATURE	SUBJECT	COMPARABLE SALE NO. 1		COMPARABLE SALE NO. 2		COMPARABLE SALE NO. 3	
411 Beach Ave		405 Beach Ave		432 Beach Ave		2016 Avignon Pl	
Address	Half Moon Bay, CA 94019-1403	Half Moon Bay, CA 94019-1403		Half Moon Bay, CA 94019-1404		Half Moon Bay, CA 94019-1431	
Proximity to Subject		0.03 miles SW		0.13 miles NE		0.50 miles NW	
Sale Price	\$	\$ 1,640,000		\$ 1,570,000		\$ 1,560,000	
Sale Price/Gross Liv. Area	\$ 0.00 sq. ft.	\$ 796.12 sq. ft.		\$ 945.78 sq. ft.		\$ 757.28 sq. ft.	
Data Source(s)		REIL #SF424028861;DOM 62		REIL #ML81962160;DOM 11		REIL #ML81973095;DOM 35	
Verification Source(s)		DOC#37130/PARCELQUEST		DOC#26085/PARCELQUEST		CLSDPERAGENT/PARCELQUEST	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment
Sale or Financing Concessions		ArmLth Cash;0		ArmLth Conv;0		ArmLth Conv;0	
Date of Sale/Time		s07/24;c07/24		s05/24;c04/24		s09/24;c08/24	
Location	N;Res;	N;Res;		N;Res;		A;FWY NSE;	50,000
Leasehold/Fee Simple	FEE SIMPLE	FEE SIMPLE		FEE SIMPLE		FEE SIMPLE	
Site	7620 sf	7620 sf		7620 sf		8250 sf	0
View	N;Res;	N;Res;		N;Res;		N;Res;	
Design (Style)	AT1;RANCH	DT1;RANCH	0	DT1;RANCH	0	AT1;RANCH	
Quality of Construction	Q4	Q4		Q4		Q4	
Actual Age	52	52		47	0	53	0
Condition	C4	C4	-32,800	C4		C4	
Above Grade					0		
Room Count	Total Bdrms Baths 8 4 2.0	Total Bdrms Baths 8 4 2.0		Total Bdrms Baths 7 3 2.0		Total Bdrms Baths 8 4 2.0	
Gross Living Area	181 2,060 sq. ft.	2,060 sq. ft.		1,660 sq. ft.	72,500	2,060 sq. ft.	
Basement & Finished Rooms Below Grade	0sf	0sf		0sf		0sf	
Functional Utility	AVERAGE	AVERAGE		AVERAGE		AVERAGE	
Heating/Cooling	FAU/NONE	FAU/NONE		FAU/NONE		FAU/NONE	
Energy Efficient Items	NONE	NONE		NONE		NONE	
Garage/Carport	2ga2dw	2ga2dw		2ga2dw		2ga2dw	
Porch/Patio/Deck	PATIO/PORCH	PATIO/PORCH		PATIO/PORCH		PATIO/PORCH	
LIST PRICE	N/A	1675000	0	1429000	0	1599000	0
POOL	NONE	NONE		NONE		NONE	
BONUS AREA	SUNROOM	NONE	0	NONE	0	NONE	0
Net Adjustment (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ 32,800	<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 72,500	<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 50,000
Adjusted Sale Price of Comparables		Net Adj. -2.0%		Net Adj. 4.6%		Net Adj. 3.2%	
		Gross Adj. 2.0%	\$ 1,607,200	Gross Adj. 4.6%	\$ 1,642,500	Gross Adj. 3.2%	\$ 1,610,000

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, PARCELQUEST, PUBLIC RECORDS**

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, PARCELQUEST, PUBLIC RECORDS**

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

ITEM	SUBJECT	COMPARABLE SALE NO. 1	COMPARABLE SALE NO. 2	COMPARABLE SALE NO. 3
Date of Prior Sale/Transfer	10/11/2024			
Price of Prior Sale/Transfer	\$1,333,000			
Data Source(s)	PARCELQUEST	PARCELQUEST	PARCELQUEST	PARCELQUEST
Effective Date of Data Source(s)	10/01/2024	10/01/2024	10/01/2024	10/01/2024

Analysis of prior sale or transfer history of the subject property and comparable sales **See Attached Addendum**

Summary of Sales Comparison Approach. **See Attached Addendum**

Indicated Value by Sales Comparison Approach \$ **1,609,000**

Indicated Value by: Sales Comparison Approach \$ **1,609,000** Cost Approach (if developed) \$ **1,612,800** Income Approach (if developed) \$

MOST WEIGHT GIVEN TO THE SALES COMPARISON APPROACH WITH NO WEIGHT GIVEN TO THE COST APPROACH DUE TO LACK OF RECENT VACANT LAND SALES.

SINCE MOST HOMES ARE PURCHASED FOR OWNER OCCUPANCY, THE INCOME APPROACH IS NOT CONSIDERED RELIABLE AND IS NOT UTILIZED IN THIS REPORT.

RECONCILIATION

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 \$ **1,609,000** as of **10/22/2024**, which is the date of inspection and the effective date of this appraisal.

Exterior-Only Inspection Residential Appraisal Report

ADDITIONAL COMMENTS

COST APPROACH TO VALUE (not required by Fannie Mae)

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

Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value) DUE TO LACK OF RECENT COMPARABLE SALES OF SIMILAR LOTS, THE LAND VALUE HAS BEEN ESTIMATED BY EXTRACTION. LAND-TO-VALUE RATIO IS TYPICAL FOR AREA.

COST APPROACH

Table with columns for cost components: ESTIMATED, REPRODUCTION OR REPLACEMENT COST NEW, OPINION OF SITE VALUE, Dwelling, Garage/Carport, Total Estimate of Cost-New, Depreciation, etc.

INCOME APPROACH TO VALUE (not required by Fannie Mae)

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

INCOME

PROJECT INFORMATION FOR PUDs (if applicable)

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

PUD INFORMATION

Exterior-Only Inspection Residential Appraisal Report

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

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

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a visual inspection of the exterior areas of the subject property from at least the street. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.
9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.
20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.
21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).

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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 Gina Marie Dias
Name GINA MARIE DIAS
Company Name SMARTVALUATION
Company Address 3984 WASHINGTON BLVD #133
FREMONT, CA 94538
Telephone Number (510) 377-3905
Email Address appraisalreviews@sbcglobal.net
Date of Signature and Report 10/23/2024
Effective Date of Appraisal 10/22/2024
State Certification # AR028099
or State License #
or Other (describe) State #
State CA
Expiration Date of Certification or License 05/15/2025

ADDRESS OF PROPERTY APPRAISED
411 Beach Ave
Half Moon Bay, CA 94019-1403

APPRAISED VALUE OF SUBJECT PROPERTY \$ 1,609,000

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 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

FEATURE	SUBJECT	COMPARABLE SALE NO. 4			COMPARABLE SALE NO. 5			COMPARABLE SALE NO. 6		
411 Beach Ave		10 Judith Ct								
Address	Half Moon Bay, CA 94019-1403	Half Moon Bay, CA 94019-1416								
Proximity to Subject		0.07 miles NE								
Sale Price	\$	\$ 1,950,000			\$			\$		
Sale Price/Gross Liv. Area	\$ 0.00 sq. ft.	\$ 744.27 sq. ft.			\$ 0.00 sq. ft.			\$ 0.00 sq. ft.		
Data Source(s)		REIL #ML81981741;DOM 11								
Verification Source(s)		PENDING/PARCELQUEST								
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+	(-) \$ Adjustment	DESCRIPTION	+	(-) \$ Adjustment	DESCRIPTION	+	(-) \$ Adjustment
Sale or Financing Concessions		Listing ;0								
Date of Sale/Time		c10/24								
Location	N;Res;	N;Res;								
Leasehold/Fee Simple	FEE SIMPLE	FEE SIMPLE								
Site	7620 sf	11200 sf		-72,000						
View	N;Res;	B;DistOcn;		-50,000						
Design (Style)	AT1;RANCH	DT2;HIRANCH		0						
Quality of Construction	Q4	Q4								
Actual Age	52	54		0						
Condition	C4	C3		-92,500						
Above Grade	Total Bdrms Baths	Total Bdrms Baths			Total Bdrms Baths			Total Bdrms Baths		
Room Count	8 4 2.0	8 4 3.0		-25,000						
Gross Living Area	181 2,060 sq. ft.	2,620 sq. ft.		-101,500		sq. ft.				sq. ft.
Basement & Finished Rooms Below Grade	0sf	0sf								
Functional Utility	AVERAGE	AVERAGE								
Heating/Cooling	FAU/NONE	FAU/CENTRAL		0						
Energy Efficient Items	NONE	Leased Solar		0						
Garage/Carport	2ga2dw	2gbi2dw		0						
Porch/Patio/Deck	PATIO/PORCH	PATIO/PORCH								
LIST PRICE	N/A	1995000		0						
POOL	NONE	NONE								
BONUS AREA	SUNROOM	NONE		0						
Net Adjustment (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> -		\$ 341,000	<input type="checkbox"/> + <input type="checkbox"/> -		\$	<input type="checkbox"/> + <input type="checkbox"/> -		\$
Adjusted Sale Price of Comparables		Net Adj. -17.5%		\$ 1,609,000	Net Adj. %		\$	Net Adj. %		\$
		Gross Adj. 17.5%			Gross Adj. %		\$	Gross Adj. %		\$
ITEM	SUBJECT	COMPARABLE SALE NO. 4			COMPARABLE SALE NO. 5			COMPARABLE SALE NO. 6		
Date of Prior Sale/Transfer	10/11/2024									
Price of Prior Sale/Transfer	\$1,333,000									
Data Source(s)	PARCELQUEST	PARCELQUEST								
Effective Date of Data Source(s)	10/01/2024	10/01/2024								
Summary of Sales Comparison Approach ALL COMPARABLES ARE ARMS LENGTH TRANSACTIONS PER MLS AND NDC AND ALL COMPARABLES ARE IN THE SAME MARKET AREA AS THE SUBJECT PROPERTY. THE FINAL OPINION OF VALUE HAS BEEN BRACKETED BY BOTH THE ADJUSTED AND UNADJUSTED RANGE OF VALUES AND FALLS WELL WITHIN THE RANGE OF ADJUSTED AND UNADJUSTED VALUES IN THE REPORT. THE OPINION OF VALUE AND REASONABLE "EXPOSURE TIME" IS 0-90 DAYS. 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.										

Uniform Appraisal Dataset Definitions

Condition Ratings and Definitions

C1 The improvements have been very recently constructed and have not previously been occupied. The entire structure and all components are new and the dwelling features no physical depreciation.*

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

C2 The improvements feature no deferred maintenance, little or no physical depreciation, and require no repairs. Virtually all building components are new or have been recently repaired, refinished, or rehabilitated. All outdated components and finishes have been updated and/or replaced with components that meet current standards. Dwellings in this category either are almost new or have been recently completely renovated and are similar in condition to new construction.

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

C3 The improvements are well maintained and feature limited physical depreciation due to normal wear and tear. Some components, but not every major building component, may be updated or recently rehabilitated. The structure has been well maintained.

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

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

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

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

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

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

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

Quality Ratings and Definitions

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

Q2 Dwellings with this quality rating are often custom designed for construction on an individual property owner's site. However, dwellings in this quality grade are also found in high-quality tract developments featuring residences constructed from individual plans or from highly modified or upgraded plans. The design features detailed, high-quality exterior ornamentation, high-quality interior refinements, and detail. The workmanship, materials, and finishes throughout the dwelling are generally of high or very high quality.

Q3 Dwellings with this quality rating are residences of higher quality built from individual or readily available designer plans in above-standard residential tract developments or on an individual property owner's site. The design includes significant exterior ornamentation and interiors that are well finished. The workmanship exceeds acceptable standards and many materials and finishes throughout the dwelling have been upgraded from "stock" standards.

Q4 Dwellings with this quality rating meet or exceed the requirements of applicable building codes. Standard or modified standard building plans are utilized and the design includes adequate fenestration and some exterior ornamentation and interior refinements. Materials, workmanship, finish, and equipment are of stock or builder grade and may feature some upgrades.

Q5 Dwellings with this quality rating feature economy of construction and basic functionality as main considerations. Such dwellings feature a plain design using readily available or basic floor plans featuring minimal fenestration and basic finishes with minimal exterior ornamentation and limited interior detail. These dwellings meet minimum building codes and are constructed with inexpensive, stock materials with limited refinements and upgrades.

Q6 Dwellings with this quality rating are of basic quality and lower cost; some may not be suitable for year-round occupancy. Such dwellings are often built with simple plans or without plans, often utilizing the lowest quality building materials. Such dwellings are often built or expanded by persons who are professionally unskilled or possess only minimal construction skills. Electrical, plumbing, and other mechanical systems and equipment may be minimal or non-existent. Older dwellings may feature one or more substandard or non-conforming additions to the original structure.

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

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

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

Updated

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

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

Remodeled

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

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

Explanation of Bathroom Count

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

ADDENDUM

Borrower: WH1 LLC

File No.: 10.21.2 Appraisal

Property Address: 411 Beach Ave

Case No.: 36131710

City: Half Moon Bay

State: CA

Zip: 94019-1403

Lender: Wedgewood Inc

Twelve Month Listing History of Subject Property

Continued from Twelve Month Listing History of Subject Property: REDUCED TO \$1,399,000 AND SOLD IN AN ALL CASH TRANSACTION ON 10/11/2024 WITH A CONTRACT PRICE OF \$1,333,000. NO OTHER MLS LISTINGS NOTED FOR THE SUBJECT PROPERTY DURING THE PREVIOUS 12 MONTHS.

Neighborhood Description

THE SUBJECT IS LOCATED IN THE CASA DEL MAR AREA IN HALF MOON BAY, IN A RESIDENTIAL NEIGHBORHOOD WHICH IS COMPOSED OF MAINTAINED HOMES OF VARIOUS DESIGN AND DEMAND. ACCESS TO SCHOOLS, SHOPPING, PUBLIC TRANSIT, AND COMMUNITY SERVICES IS WITHIN 2 MILES. ACCESS TO HIGHWAY 1, WHICH PROVIDES A TYPICAL COMMUTE TO EMPLOYMENT CENTERS, IS WITHIN 1 MILE. COMMUTE TO EMPLOYMENT CENTERS INCLUDING SAN JOSE, SAN FRANCISCO AND SAN MATEO, IS 10 TO 75 MINUTES. **5% VACANCY FOR LAND USE IS TYPICAL FOR THE MARKET AREA AND HAS NO EFFECT ON MARKETABILITY NOR MARKET VALUE.**

OPINION OF VALUE BELOW PREDOMINANT VALUE ATTRIBUTED TO CURRENT CONDITION, THOUGH SUBJECT IS NOT CONSIDER AN UNDERIMPROVEMENT FOR THE MARKET AREA.

Neighborhood Market Conditions

CURRENT MARKET CONDITIONS INDICATES THAT VALUES IN THE SUBJECT'S IMMEDIATE MARKET AREA HAVE STABILIZED IN THE PAST 6 MONTHS AFTER SHOWING EVIDENCE OF PRICE FLUCTUATIONS IN THE PREVIOUS 12 MONTHS PER MLS AND MARKET EXTRACTED MATCHED PAIRED SALES AS THE RESILIENT SILICON VALLEY JOB MARKET AND LOW INVENTORY HAS STABILIZED EFFECTIVE DEMAND. TYPICAL MARKETING TIME IN THE SUBJECT MARKET AREA IS APPROXIMATELY 0-3 MONTHS GIVEN REALISTIC INITIAL PRICING.

IN RECENT TIMES, THE REAL ESTATE MARKET HAS BEEN DRIVEN BY STRONG EFFECTIVE DEMAND, LIMITED SUPPLY, AND STRONG LIQUIDITY. ASSET VALUES CAN FALL SIGNIFICANTLY IN SHORT PERIODS OF TIME IF ANY OF THOSE FACTORS, OFTEN IN CONJUNCTION WITH MANY OTHERS, CHANGE SIGNIFICANTLY. FURTHERMORE, WE ENCOURAGE THE READER TO EXERCISE DUE DILIGENCE IN REVIEWING CONCLUSIONS AND REMIND THEM TO CONSIDER THAT THIS REPORT EXPRESSES AN OPINION OF VALUE AS OF THE SPECIFIC DATE OF VALUE.

THE VALUE OPINION IN THIS REPORT IS QUALIFIED BY CERTAIN ASSUMPTIONS, LIMITING CONDITIONS, CERTIFICATIONS AND DEFINITIONS.

Site Comments

THERE WERE NO ADVERSE SITE FACTORS NOTED. THE SUBJECT HAS TYPICAL INTERIOR LOT FOR NEIGHBORHOOD. SEE PRELIMINARY TITLE REPORT FOR EASEMENTS OF RECORD. FLOODMAP INFORMATION WAS OBTAINED FROM NATIONAL DATA COLLECTIVE AND ASSUMED BY THE APPRAISER TO BE ACCURATE AND IS, THEREFORE, UTILIZED IN THIS REPORT.

BY INDICATING THAT THE HIGHEST AND BEST FOR THE SUBJECT IS RESIDENTIAL, THERE WERE STEPS TAKEN TO DETERMINE THIS, AS THOSE STEPS NEVER CHANGE AND ARE CONSISTENT. AT THE REQUEST OF THE CLIENT, WE HAVE SUMMARIZED THOSE STEPS AS FOLLOWS:

- 1) LEGALLY PERMISSABLE
- 2) PHYSICALLY POSSIBLE
- 3) FINANCIALLY FEASIBLE
- 4) MAXIMUM PROFITABILITY

THE SUBJECTS CURRENT ZONING IS CONSISTENT WITH ITS CURRENT USE AND SURROUNDING LAND USES. THEREFORE, AS STATED ON PAGE 1 OF THIS REPORT, THE HIGHEST AND BEST USE AS BOTH VACANT AND IMPROVED IS RESIDENTIAL.

Condition of the Property

Continued from Condition of the Property: FUNCTIONAL NOR PHYSICAL INADEQUACIES NOTED FROM OUR EXTERIOR OBSERVATION.

Physical Deficiencies or Adverse Conditions

THERE WERE NO PHYSICAL DEFICIENCIES NOR ADVERSE CONDITIONS OBSERVED BY THE APPRAISER DURING THE INSPECTION. THE APPRAISER IS NOT AN EXPERT IN PHYSICAL DEFICIENCIES OR ADVERSE CONDITIONS. IF ADDITIONAL DETAILED RESEARCH IS REQUIRED THE APPRAISER RECOMMENDS THE ASSISTANCE OF AN EXPERT IN THIS FIELD. THE APPRAISER MAKES NO WARRANTIES OR GUARANTEES EITHER EXPRESSED OR IMPLIED REGARDING THE STRUCTURAL INTEGRITY OF THE SUBJECT PROPERTY.

Prior Sales Comments

SUBJECT SOLD ON 10/11/2024 WITH A CONTRACT PRICE OF \$1,333,000. DIFFERENCE BETWEEN SALE PRICE AND CURRENT OPINION OF VALUE IS ATTRIBUTED TO A CONVERGENCE OF CIRCUMSTANCES AND SELLER MOTIVATIONS. BASED ON CONVERSATIONS WITH LISTING AGENT, THE SUBJECT PROPERTY WAS AN ESTATE/TRUST SALE WITH OUT OF AREA BENEFICIARIES. SUBJECT WAS PLACED ON MARKET DURING SPRING/SUMMER SEASON, WHICH TYPICALLY CONTAINS HIGHER EFFECTIVE DEMAND. HOWEVER, INITIAL LIST PRICING WAS SET BY SELLERS TO BE BELOW MARKET, TO ENCOURAGE MULTIPLE OFFERS, AS SELLERS EXPECTED DEMAND TO REFLECT PRICING OF COMPARABLE #1, LOCATED ON THE STREET ADJACENT TO THE SUBJECT AND IN SIMILAR CONDITION. INITIAL OFFERS CLOSE TO THAT RANGE WERE REJECTED BY SELLERS, WHO HAD EXPECTATIONS OF HIGHER OFFERS. AS THOSE ANTICIPATED OFFERS DID NOT MATERIALIZE, SELLERS EVENTUALLY JUST WANTED TO DISPOSE OF THE PROPERTY AS QUICKLY AS POSSIBLE, AS NOW THE SPRING/SUMMER HOMEBUYING SEASON HAD ENDED, AND EFFECTIVE DEMAND HAD DIMINISHED SLIGHTLY, EVEN THOUGH INVENTORY REMAINED LOW. CURRENT BUYER (BORROWER) WAS IN A POSITION TO MAKE AN "ALL CASH" OFFER, WHICH THE SELLERS ACCEPTED AS IT MEANT TRANSACTION COULD CLOSE QUICKLY AS

ADDENDUM

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OPPOSED TO A HIGHER PRICE CONTINGENT ON BUYER FINANCING. SO THERE IS NO APPARENT INCREASE IN VALUE SINCE CLOSE, JUST A DEMONSTRATION THAT RECENT PURCHASE WAS A BELOW MARKET TRANSACTION BASED ON VERY MOTIVATED TRUST/ESTATE SELLERS, WHICH WAS OF GREAT BENEFIT TO THE BUYER. NO OTHER SALES OR TRANSFERS NOTED FOR THE SUBJECT PROPERTY IN THE PAST 36 MONTHS. NO OTHER SALES OR TRANSFERS NOTED FOR THE COMPARABLES IN THE PAST 12 MONTHS.

Comments on Sales Comparison

THE SALES COMPARISON APPROACH IS BASED ON THE PRINCIPLE OF SUBSTITUTION WHICH IS DEFINED BY THE APPRAISAL INSTITUTE AS FOLLOWS: "THE PRINCIPLE OF SUBSTITUTION AS APPLIED IN THE SALES COMPARISON APPROACH HOLDS THAT THE VALUE OF THE PROPERTY THAT IS REPLACEABLE IN THE MARKET TENDS TO BE SET BY THE COST OF ACQUIRING AN EQUALLY DEMANDED SUBSTITUTE PROPERTY." THIS PRINCIPLE IS APPLIED USING ACCEPTED UNITS OF COMPARISON. BRACKETING IS USED TO ENSURE THAT A RANGE OF VALUE FOR THE SUBJECT PROPERTY IS REASONABLY ESTIMATED.

A METHODOICAL SIX MONTH SEARCH OF THE IMMEDIATE SUBJECT AREA WAS PERFORMED FOR RECENT COMPARABLE SALES THAT HAVE OCCURRED IN THE SUBJECT'S MARKETPLACE. THIS DATA IS THEN ANALYZED TO DETERMINE WHICH OF THE PROPERTIES ARE DEEMED TO BE THE MOST SIMILAR TO THE SUBJECT IN TERMS OF LOCATION, AGE, GROSS LIVING AREA, AND ROOM CONFIGURATION. THE SEARCH PRODUCED A SUFFICIENT AMOUNT OF DATA TO PROVIDE FOR A REASONABLE ANALYSIS AND DETERMINATION OF A VALUE INDICATION THAT CAN BE APPLIED TO THE SUBJECT PROPERTY. ALL COMPARABLES ARE LOCATED IN THE SUBJECT'S MARKET AREA, AND THEIR LOCATIONS HAVE NO EFFECT ON VALUE NOR MARKETABILITY. COMPARABLES EAST OF HIGHWAY 1 ARE LOCATED IN SIMILAR NEIGHBORHOODS IN THE HALF MOON BAY MARKET AREA WITH SIMILAR DEMAND AND MARKETABILITY. THE APPRAISER IS AWARE OF BOTH HIGHER AND LOWER SALES IN THE SUBJECT MARKET AREA, BUT THE COMPARABLES UTILIZED IN THIS REPORT ARE CONSIDERED BY THE APPRAISER TO BE THE BEST AVAILABLE. SEARCH AREA EXPANDED OVER 1 MILE FOR LISTINGS

ALL OF THE COMPARABLES ARE LOCATED IN THE SUBJECT MARKET AREA AND SHARE RELATIVELY SIMILAR FEATURES AS ROOM CONFIGURATION AND SIZE.

MARKET WARRANTED ADJUSTMENTS FOR DIFFERENCES IN FEATURES, X AND Y, WERE DETERMINED THROUGH SIMPLE REGRESSION AND SENSITIVITY ANALYSIS, AS DEFINED BELOW. USING A DATASET OF 66 SALES FROM THE MARKET AREA OVER THE PREVIOUS 12 MONTHS, REGRESSION (X) AND SENSITIVITY ANALYSIS (Y) RESULTED IN ADJUSTMENTS AS FOLLOWS:

**GLA: (X) = \$188 (Y) = \$174
LOT: (X) = \$24 (Y) = \$15
BATHS(X) = \$28,225 (Y) = \$21,098**

MOST WEIGHT GIVEN TO THE REGRESSION METHOD, AS ITS BASIS ON HISTORICAL DATA APPEARS MORE CONSISTENT TO OVERALL MARKET REACTION THEN SENSITIVITY ANALYSIS.

THEREFORE, ADJUSTMENTS ARE MADE AS FOLLOWS:

LOT SIZE ADJUSTMENTS WERE MADE AT \$20 PSF FOR DIFFERENCES GREATER THAN 1000 SQ FT.

SQUARE FOOTAGE ADJUSTMENTS WERE CALCULATED AT \$181 PSF FOR DIFFERENCES OVER 100 SF. ROOM COUNT AND GLA INFORMATION IS OBTAINED FROM VARIOUS SOURCES INCLUDING MLS, PUBLIC RECORDS, AND DATAQUICK. IF THERE ARE ANY VARIATIONS BETWEEN WHAT IS REPORTED ON MLS AND WHAT IS OBTAINED FROM THE APPRAISER'S PUBLIC RECORD DATA SOURCE, THE GLA AND ROOM COUNT INFORMATION UTILIZED IN THE REPORT IS TAKEN FROM THE SOURCE DEEMED MOST RELIABLE BY THE APPRAISER.

FULL BATHS ADJUSTED AT \$25,000

SUNROOMS NOT ADJUSTED AS THERE IS NO MARKET EVIDENCE TO SUGGEST THE MARKET WOULD REACT TO THIS AMENITY.

NO ADJUSTMENTS WERE WARRANTED FOR CENTRAL COOLING AS THERE IS NO CURRENT EVIDENCE TO INDICATE THAT THE MARKET WOULD REACT TO THIS AMENITY.

OTHER AMENITIES/FEATURES ADJUSTMENTS WERE APPLIED AS APPROPRIATE AND ARE SELF-EVIDENT. THE ADJUSTMENTS ARE BASED ON PAIRED SALES ANALYSIS USING SYNAPSE/SPARK SOFTWARE WITH DATA FROM THE MARKET AREA OVER THE PRIOR 12 MONTHS (SUPPORTED BY PAIRING SALES #2 AND #3) FOR THE FOLLOWING ADJUSTMENTS:

DISTANT OCEAN VIEWS ADJUSTED AT \$50,000.

SALE #3 IS PROXIMATE TO HIGHWAY 1, AND SUFFERS SOME EXTERNAL OBSOLESCENCE ATTRIBUTED TO FREEWAY NOISE, WARRANTING A \$50,000 LOCATION ADJUSTMENT. ACCESS TO THIS PROPERTY WAS RESTRICTED, AND WE HAVE PROVIDED THE MLS PHOTO AS WELL.

SALE #1, THOUGH IN THE SAME OVERALL CONDITION AS THE SUBJECT, WARRANTS A 2% CONDITION ADJUSTMENT TO REFLECT MORE RECENT AND SLIGHTLY SUPERIOR BATH UPDATING.

ALL COMPARABLES HAVE SIMILAR MARKETABILITY AS THE SUBJECT PROPERTY. NO FINANCING ADJUSTMENTS WERE WARRANTED AS NO SALES REPORTED ANY FINANCING OR SALES CONCESSIONS OR CREDITS. COMPARABLES #1 THROUGH #3 ARE VERIFIED CLOSED. COMPARABLE #4 IS AN ACTIVE LISTING IN THE SUBJECT'S MARKET AREA. DUE TO THE UNRELIABILITY OF INITIAL LIST PRICING STRATEGIES OF AGENTS, LIST

ADDENDUM

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PRICES ARE CONSIDERED UNRELIABLE AND ARE, THEREFORE, EXCLUDED FROM THE WEIGHTING PROCESS IN THE RECONCILIATION OF VALUE. BECAUSE MOST HOMES ARE PRICED BELOW MARKET VALUE AND SELL ABOVE LIST PRICE, LISTINGS DO NOT NECESSARILY SUPPORT OR SET THE UPPER END OF MARKET RANGE.

RANGE OF VALUE IS TYPICAL FOR THIS MARKET AREA AND CANNOT BE TIGHTENED ANY FURTHER. THE SUBJECT VALUE FALLS WITHIN THIS RANGE AND IS THE MOST PROBABLE VALUE FOR THE SUBJECT PROPERTY IN THIS MARKET. MOST WEIGHT GIVEN TO COMPARABLE #5, THE MOST OVERALL SIMILAR TO THE SUBJECT. MOST WEIGHT GIVEN TO THE ADJUSTED VALUES OF SALES #1 AND #3, THE MOST OVERALL SIMILAR TO THE SUBJECT.

The Indicated Value by Sales Comparison Approach, \$1,609,000, is calculated using the following weights:

39.8% - 405 Beach Ave; Sale Price \$1,640,000; Adjusted Value \$1,607,200; Gross Adj: 2.0%

24.5% - 432 Beach Ave; Sale Price \$1,570,000; Adjusted Value \$1,642,500; Gross Adj: 4.6%

35.7% - 2016 Avignon Pl; Sale Price \$1,560,000; Adjusted Value \$1,610,000; Gross Adj: 3.2%

SALE #4 EXCEEDS STANDARD NET AND/OR GROSS ADJUSTMENT GUIDELINES DUE TO NECESSARY MARKET EXTRACTED ADJUSTMENTS.

SINGLE FAMILY HOUSING--PRICE AND AGE:

THE APPRAISER INDICATES THE PRICE RANGE AND PREDOMINANT PRICE OF PROPERTIES IN THE SUBJECT NEIGHBORHOOD. THE PRICE RANGE MUST REFLECT HIGH AND LOW PREVAILING PRICES OF SINGLE FAMILY HOMES, HOWEVER, ISOLATED HIGH AND LOW EXTREMES SHOULD BE EXCLUDED FROM THE RANGE. THE PREDOMINANT PRICE IS THAT WHICH IS THE MOST COMMON OR MOST FREQUENTLY FOUND IN THE NEIGHBORHOOD (I.E, THE MODE, NOT THE MEAN NOR THE MEDIAN).

PHOTOS:

SUBJECT AND COMPARABLE PHOTOGRAPHS INCLUDED IN THIS REPORT ARE TAKEN WITH A DIGITAL CAMERA OR CAMERA PHONE AND DOWNLOADED INTO THE COMPUTER. ALL COMPARABLES HAVE BEEN INSPECTED ON THE EXTERIOR BY THE APPRAISER AND PHOTOS ARE THE BEST AVAILABLE TAKEN FROM THE STREET AND FACING THE FRONT OF THE DWELLING. FILE PHOTOS MAY BE UTILIZED IF PERSONS WERE PRESENT OR PHOTOS WERE UNCLEAR. SINCE MLS PHOTOS BEST REPRESENT THE CONDITION OF THE COMPARABLE AS OF THE SALE DATE, THEY ARE UTILIZED FOR THIS REPORT WITH THE EXPRESS CONSENT OF THE CLIENT. THIS ADDENDUM SUPERCEDES ANY PRIOR WRITTEN AGREEMENT OR SCOPE OF WORK. ORIGINAL PHOTOS OF THE COMPARABLES ARE RETAINED IN THE WORKFILE.

CONSTRUCTION AND CONDITION ADJUSTMENTS:

QUALITY OF CONSTRUCTION ADJUSTMENTS WERE NOT MADE TO REFLECT DIFFERENCES OF QUALITY AND WORKMANSHIP AS COMPARED TO THAT OF THE SUBJECT. CONDITION ADJUSTMENTS ARE MADE TO REFLECT THE LEVEL OF MAINTENANCE AS SHOWN BY THE VISUAL INSPECTION BY THE APPRAISER AND AS REPORTED BY AGENTS OR PRINCIPALS. THERE WERE NO CONDITION ADJUSTMENTS.

EFFECTIVE AGE:

THE ECONOMIC LIFE OF IMPROVEMENTS OF REAL ESTATE IS THE PERIOD OVER WHICH THEY CONTRIBUTE TO THE VALUE OF THE PROPERTY. THE ECONOMIC LIFE OF A RESIDENCE IS THE LENGTH OF TIME THAT IT PROVIDES THE SERVICES AND AMENITIES FOR THE RESIDENTIAL OCCUPANCY AT COSTS OF COMPETITIVE WITH THOSE OF OTHER RESIDENCES. THIS ESTIMATE IS BASED ON THE PHYSICAL CONDITION OF THE PROPERTY AND ON THE ATTITUDES AND RESPONSES OF PURCHASERS IN THE MARKET. THE EFFECTIVE AGE OF A STRUCTURE IS THE DIFFERENCE BETWEEN NORMAL ECONOMIC LIFE AND ITS REMAINING ECONOMIC LIFE. THE EFFECTIVE AGE IS DEPENDENT UPON THE DEGREE OF USE OR ABUSE AND THE QUALITY OF MAINTENANCE. IT MAY BE DETERMINED BY OBSERVATION OF THE PHYSICAL CONDITION AND UTILITY OF THE STRUCTURE. AGE ADJUSTMENTS WERE NOT MADE FOR EFFECTIVE AGE OF THE COMPARABLES AS COMPARED TO THAT OF THE SUBJECT AS THEY WERE MINIMAL AND COMMONLY OVERLOOKED IN THE MARKET.

UNITS OF COMPARISON:

USE OF STANDARD UNITS MAKES IT POSSIBLE TO DIRECTLY COMPARE SITES WHICH VARY IN SHAPE AND SIZE. VARIATIONS IN SIZE MAY BE ACCOUNTED FOR BY REDUCING THE VALUATION ANALYSIS TO A UNIT BASIS. THE KEY CONSIDERATIONS ARE THE STANDARD OF ACCEPTANCE IN THE MARKET WHICH THE SUBJECT SITE IS LOCATED. THE DIRECT COMPARISON OF PROPERTY IS MORE APPROPRIATE AND DEFENSIBLE IF THE APPRAISER HAS CORRECTLY CHOSEN UNITS OF COMPARISON WHICH REPRESENT THE SALIENT FEATURES OF THE PROPERTIES.

HAZARDS:

THE READER IS CAUTIONED THAT THE PRESENCE OF UREA FORMALDEHYDE INSULATION CAN SOMETIMES BE FOUND IN OLDER HOMES. TO THE BEST OF THE UNDERSIGNED'S KNOWLEDGE, THE PRESENCE OF RADON, ASBESTOS, AND/OR LEAD BASED PAINTS HAVE NOT BEEN DETECTED ON THIS PROPERTY OR, IF RADON, ASBESTOS, AND/OR LEAD BASED PAINTS HAVE BEEN DETECTED, IT HAS BEEN DETERMINED THAT THE LEVEL OF RADON, ASBESTOS, AND/OR LEAD BASED PAINTS PRESENT IS CONSIDERED ACCEPTABLE ACCORDING TO THE ENVIRONMENTAL PROTECTION AGENCY. THE UNDERSIGNED DOES NOT, HOWEVER, MAKE ANY GUARANTEES OR WARRANTIES THAT THE PROPERTY HAS BEEN TESTED FOR THE PRESENCE OF RADON, ASBESTOS, AND/OR LEAD BASED PAINTS, OR, IF TESTED, THAT THE TESTS WERE CONDUCTED PURSUANT TO EPA APPROVED PROCEDURES.

PURPOSE:

THE PURPOSE OF THIS APPRAISAL IS TO ESTIMATE THE MARKET VALUE OF THE FEE SIMPLE INTEREST OF THE SUBJECT PROPERTY AS DEFINED IN THE ATTACHED FNMA FORM 2055_05 UAD, AS OF THE DATE SET FORTH IN THE RECONCILIATION SECTION OF THE REPORT. THE TITLE IS ASSUMED TO BE GOOD AND MARKETABLE.

SCOPE:

ADDENDUM

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Zip: 94019-1403

Lender: Wedgewood Inc

IN THE PREPARATION OF THIS APPRAISAL, THE APPRAISER HAS MADE A PHYSICAL INSPECTION OF THE SUBJECT SITE AND IMPROVEMENTS INCLUDING MEASURING THE IMPROVEMENTS AND TAKING SUFFICIENT PHOTOGRAPHS TO ADEQUATELY CHARACTERIZE THE PROPERTY APPRAISED. CONSIDERATION WAS GIVEN TO INTERVIEWS WITH PEOPLE CONSIDERED INFORMED REGARDING THE REGION, AREA, SUBJECT PROPERTY NEIGHBORHOOD, THE SUBJECT PROPERTY AND THE COMPARABLE SITES. THIS INFORMATION WAS ANALYZED TO DOCUMENT THE VARIOUS ENVIRONMENTAL, SOCIAL, GOVERNMENTAL, AND THE ECONOMIC FACTORS THAT INFLUENCE THE MARKET VALUE OF THE SUBJECT PROPERTY. THE SCOPE OF THE APPRAISAL ALSO GAVE CONSIDERATION TO MAPS AND PLATS OF THE SUBJECT PROPERTY AND THE COMPARABLES. WHEN CONFLICTING INFORMATION WAS PROVIDED, THE SOURCE DEEMED THE MOST RELIABLE WAS USE. DATA BELIEVED TO BE UNRELIABLE WAS NOT INCLUDED IN THE REPORT NOR USED AS A BASIS FOR THE VALUATION CONCLUSION.

INTENDED USER:

THIS APPRAISAL REPORT IS CONFIDENTIALLY MADE FOR AND ADDRESSED TO THE SPECIFIC PARTY ORDERING THE APPRAISAL REPORT. IT IS THE PROPERTY OF THE PARTY ORDERING THE REPORT REGARDLESS OF WHO PAYS THE FEE FOR THE SERVICE RENDERED. NO OTHER USES MAY APPLY WITHOUT THE SPECIFIC RELEASE FROM THE ORDERING PARTY AND/OR APPRAISER. COPIES MAY BE RELEASED TO THE BORROWER, HOMEOWNER, ATTORNEY OF RECORD AND/OR ANY OTHER PARTY PARTICIPATING IN THE TRANSACTION AS DEEMED BY THE LENDER AND PROVIDED BY THE LAW.

EXPOSURE TIME/MARKETING TIME:

INDICATED IN THE NEIGHBORHOOD SECTION OF THE REPORT, THIS ESTIMATE IS BASED ON THE OBSERVATIONS OF THE MARKET TIMES FOR LISTINGS AND SALES WITHIN THE IMMEDIATE AREA AND THE RATIO OF LISTINGS TO CLOSED SALES. CONSIDERED WERE TRENDS IN ECONOMIC, SOCIAL, ENVIRONMENTAL, AND GOVERNMENTAL INFLUENCES AFFECTING THE REGION, LOCAL ECONOMY, AND SUBJECT'S NEIGHBORHOOD. CONSIDERATION WAS GIVEN THE SUBJECT PROPERTY AMENITIES WHICH CAN HAVE A AN IMPACT ON MARKET TIME. THE MARKET TIME ASSUMES THE SUBJECT WILL BE AGGRESSIVELY MARKETED THROUGH NORMAL CHANNELS CONSISTENT WITH THE DEFINITION OF MARKET VALUE.

CONDITION ADDENDUM:

NO WARRANTY OF THE SUBJECT IS GIVEN OR IMPLIED. NO LIABILITY IS ASSUMED FOR THE STRUCTURAL OR MECHANICAL ELEMENTS OF THE PROPERTY. THIS APPRAISAL HAS NOT BEEN PREPARED FOR THE PURPOSE OF CERTIFYING THE PROPERTY'S STRUCTURAL INTEGRITY OF THE ELECTRICAL, MECHANICAL, AND/OR PLUMBING SYSTEMS. THE APPRAISAL HAS NOT BEEN PREPARED FOR THE PURPOSE OF CERTIFYING THAT THE PROPERTY DOES NOT HAVE AN INFESTATION OF TERMITES OR OTHER INSECTS, THAT THE PROPERTY DOES NOT CONTAIN HAZARDOUS MATERIALS, OR THAT THE PROPERTY DOES NOT SUFFER FROM OTHER CONDITIONS WHICH MAY ADVERSELY AFFECT ITS VALUE. FINALLY, THE APPRAISAL IS NOT INTENDED TO CERTIFY THE SOUNDNESS OF GEOLOGICAL AND SOIL CONDITIONS OF THE PROPERTY.

SCOPE OF PRACTICE:

THE STATE LICENSE CLASSIFICATION ENTITLES THE APPRAISER TO PERFORM ANY FEDERALLY RELATED REAL ESTATE TRANSACTION ACTIVITY WHICH IS PURSUANT TO THE FEDERAL REAL ESTATE APPRAISAL STANDARDS (SEC. 225.63). ALL APPRAISALS ARE PREPARED IN CONFORMITY WITH STANDARD RULE 1 & 2, SEC. 225.64 OF USPAP. A RECORD OF EACH FINISHED REPORT WILL BE KEPT ON FILE FOR FIVE YEARS. EACH LENDER MAY HAVE AN "APPROVED APPRAISER PANEL AND, MOREOVER, FURTHER CRITERIA FOR THE APPRAISER AND THIS APPRAISAL REPORT TO COMPLY WITH. IT IS THE RESPONSIBILITY OF THE PARTY ORDERING THE APPRAISAL TO NOTIFY THE APPRAISER TO ANY CRITERIA THAT SURPASSES THE USPAP CODE. LENDER PACKAGES WITH COMPLETE QUALIFICATIONS AND SAMPLES ARE AVAILABLE FOR SUBMISSION FOR APPRAISAL PANEL APPROVAL.

OTHER INSPECTION REPORTS:

THERE ARE CERTAIN REPORTS THAT CAN DISCOVER DEFICIENCIES THAT THE APPRAISER IS NOT AWARE OF. THE LENDER, BORROWER, OR OTHER INTERESTED PERSONS SHOULD CONSIDER HIRING ENGINEERS, TERMITE INSPECTORS, HAZARDOUS WASTE CONSULTANTS, GEOLOGISTS, OR OTHER PROFESSIONALS TO RENDER OPINIONS AS TO ANY SUCH MATTERS. THESE REPORTS CAN INCLUDE, BUT ARE NOT LIMITED TO: A TERMITE REPORT, A ROOF CERTIFICATION, A TITLE REPORT, A HISTORY OF BUILDING PERMITS, EVIDENCE THAT AN EXPERT HAS INSPECTED THE SUBJECT PROPERTY TO CERTIFY THAT IT IS FREE OF HAZARDOUS WASTE.

Final Reconciliation

MOST WEIGHT GIVEN TO THE SALES COMPARISON APPROACH WITH NO WEIGHT GIVEN TO THE COST APPROACH DUE TO LACK OF RECENT VACANT LAND SALES. . SINCE MOST HOMES ARE PURCHASED FOR OWNER OCCUPANCY, THE INCOME APPROACH IS NOT CONSIDERED RELIABLE AND IS NOT UTILIZED IN THIS REPORT.

Cost Approach Comments

REPLACEMENT COST IS BASED LOOSELY ON DWELLINGCOST.COM, DISCUSSIONS WITH LOCAL BUILDERS, AND WITH THE APPRAISER'S KNOWLEDGE OF THE MARKET AREA. DEPRECIATION DETERMINED BY THE AGE/LIFE METHOD. LAND VALUE ESTIMATED BY EXTRACTION. LAND-TO-VALUE RATIO IS TYPICAL FOR AREA. NO EXTERNAL OBSOLESCENCE IS NOTED. NO FUNCTIONAL OBSOLESCENCE IS NOTED. ESTIMATED REMAINING ECONOMIC LIFE IS 70 YEARS.

AT THE REQUEST OF THE CLIENT, DEVELOPMENT OF THE COST APPROACH HAS BEEN ATTEMPTED BY THE APPRAISER AS AN ANALYSIS TO SUPPORT THEIR OPINION OF THE PROPERTY'S MARKET VALUE. BECAUSE THEIR IS INSUFFICIENT MARKET EVIDENCE TO CREDIBLY SUPPORT THE SITE VALUE OR DERIVATION OF DEPRECIATION, THE COST APPROACH IS NOT GIVEN ANY CONSIDERATION IN THE APPRAISERS FINAL ANALYSIS. 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 PURPOSES OF

ADDENDUM

Borrower: WH1 LLC

File No.: 10.21 2 Appraisal

Property Address: 411 Beach Ave

Case No.: 36131710

City: Half Moon Bay

State: CA

Zip: 94019-1403

Lender: Wedgewood Inc

DETERMINING THE AMOUNT OR TYPE OF INSURANCE COVERAGE TO BE PLACED UPON 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. THE APPRAISER RECOMMENDS THAT AN INSURANCE PROFESSIONAL BE CONSULTED. 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.

Market Conditions Addendum to the Appraisal Report

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 411 Beach Ave City Half Moon Bay State CA Zip Code 94019-1403

Borrower WH1 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 table with columns: Prior 7-12 Months, Prior 4-6 Months, Current - 3 Months, Overall Trend (Increasing, Stable, Declining). Rows include Total # of Comparable Sales, Absorption Rate, Total # of Comparable Active Listings, Months of Housing Supply, Median Sale & List Price, etc.

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.). THE DATA USED IN THE GRID ABOVE DOES NOT INDICATE THERE WERE ANY CONCESSIONS ASSOCIATED WITH THE REPORTED TRANSACTIONS. HOWEVER, THIS IS NOT A MANDATORY REPORTING FIELD FOR AGENTS AND THERE MAY BE SOME DISTRESSED SALES THAT WERE NOT REPORTED. IT IS BEYOND THE SCOPE OF THIS ASSIGNMENT TO CONFIRM EACH SALE USED IN THE MARKET CONDITIONS REPORT.

Are foreclosure sales (REO sales) a factor in the market? [X] No. If yes, explain (including the trends in listings and sales of foreclosed properties). THE DATA USED IN THE GRID ABOVE DOES NOT INDICATE THERE WERE ANY REO/SHORT SALES OR OTHER DISTRESSED PROPERTIES ASSOCIATED WITH THE REPORTED TRANSACTIONS. HOWEVER, THIS IS NOT A MANDATORY REPORTING FIELD FOR AGENTS AND THERE MAY BE SOME DISTRESSED SALES THAT WERE NOT REPORTED. IT IS BEYOND THE SCOPE OF THIS ASSIGNMENT TO CONFIRM EACH SALE USED IN THE MARKET CONDITIONS REPORT.

Cite data sources for above information. THE REILMLS LISTINGS MLS WAS THE DATA SOURCE USED TO THE COMPLETE THE MARKET CONDITIONS ADDENDUM. EFFECTIVE DATE: 10/21/2024

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. SEE ADDENDUM

Table for subject project data with columns: Subject Project Data, Prior 7-12 Months, Prior 4-6 Months, Current - 3 Months, Overall Trend. Rows include Total # of Comparable Sales, Absorption Rate, Total # of Active Comparable Listings, Months of Unit Supply.

Are foreclosure sales (REO sales) a factor in the project? [] Yes [] No If yes, indicate the number of REO listings and explain the trends in listings and sales of foreclosed properties.

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

APPRAISER

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature GINA MARIE DIAS
Name GINA MARIE DIAS
Company Name SMARTVALUATION
Company Address 3984 WASHINGTON BLVD #133
FREMONT, CA 94538
State License/Certification # AR028099 State CA
Email Address appraisalreviews@sbcglobal.net

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

MARKET RESEARCH & ANALYSIS

CONDO/CO-OP PROJECTS

APPRAISER

ADDENDUM

Borrower: WH1 LLC

File No.: 10.21 2 Appraisal

Property Address: 411 Beach Ave

Case No.: 36131710

City: Half Moon Bay

State: CA

Zip: 94019-1403

Lender: Wedgewood Inc

Market Analysis Comments

A SEARCH OF THE PAST YEAR OF SINGLE FAMILY TOWNHOMES IN THE CITY OF MILPITAS WITHIN 1 MILE OF THE SUBJECT PROPERTY WITH A SQUARE FOOTAGE RANGE OF 1500 TO 2200 YIELDED A TOTAL OF 12 PROPERTIES. THE MC ADDENDUM IS NOT CONSIDERED A RELIABLE MECHANISM FOR INTERPRETING THE MARKET OR DRAWING CONCLUSIONS. THE APPRAISER HAS GIVEN NO WEIGHT TO THE MC ADDENDUM. THE MC ADDENDUM IS BASED ON VERY SPECIFIC CRITERIA WHICH IS LISTED ABOVE. THE OF PAGE 3 USES THE SAME COMPETITIVE FIGURES AS FOUND IN THE MC ADDENDUM. NEIGHBORHOOD TRENDS ON PAGE 1 CONSISTS OF SALES IN THE NEIGHBORHOOD. SEE MARKET ANALYSIS ADDENDUM FOR FURTHER SUPPORT. PLEASE NOTE THAT THE NUMBER OF LISTINGS FROM THE CURRENT THROUGH THE LAST 3 MONTHS ON THE 1004MC FROM MAY NOT COINCIDE WITH THE NUMBER OF LISTINGS ON THE TOP OF PAGE 3 OF THE REPORT AS PAGE 3 ONLY REFERS TO THE NUMBER OF PROPERTIES CURRENTLY LISTED AND THE 1004 MC FROM REFERS TO THE NUMBER OF PROPERTIES LISTED IN THE LAST 3 MONTHS.

Appraiser Independence Certification

36131710
File No.: 10.21 2_Appraisal

Borrower: WH1 LLC
Property Address: 411 BEACH AVENUE
City: HALF MOON BAY County: SAN MATEO State: CA Zip Code: 94019
Lender/Client: Wedgewood Inc

I do hereby certify, I have followed the appraiser independence safeguards in compliance with Appraisal Independence and any applicable state laws I may be required to comply with. This includes but is not limited to the following:

- I am currently licensed and/or certified by the state in which the property to be appraised is located. My license is the appropriate license for the appraisal assignment(s) and is reflected on the appraisal report.
- I certify that there have been no sanctions against me for any reason that would impair my ability to perform appraisals pursuant to the required guidelines.

I assert that no employee, director, officer, or agent of the Lender/Client, or any other third party acting as joint venture partner, independent contractor, appraisal company, appraisal management company, or partner on behalf of the Lender/Client, influenced or attempted to influence the development, reporting, result, or review of the appraisal through coercion, extortion, collusion, compensation, inducement, intimidation, bribery, or in any other manner.

I further assert that the Lender/Client has never participated in any of the following prohibited behavior in our business relationship:

1. Withholding or threatening to withhold timely payment or partial payment for the appraisal report;
2. Withholding or threatening to withhold future business, or demoting or terminating, or threatening to demote or terminate my services;
3. Expressly or implicitly promising future business, promotions, or increased compensation for my services;
4. Conditioning the ordering of the appraisal report or the payment of the appraisal fee or salary or bonus on my opinion, conclusion or valuation reached, or on a preliminary value estimate requested;
5. Requesting an estimated, predetermined, or desired valuation in the appraisal report, prior to the completion of the appraisal report, or requesting estimated values or comparable sales at any time prior to the completion of the appraisal report;
6. Providing an anticipated, estimated, encouraged or desired value for the subject property, or a proposed or target amount to be loaned to the Borrower, except that a copy of the sales contract may have been provided if the assignment was for a purchase transaction;
7. Providing stock or other financial or non-financial benefits to me or any entity or person related to me, my appraisal or appraisal management company, if applicable;
8. Any other act or practice that impairs or attempts to impair my independence, objectivity or impartiality, or violates law or regulation, including but not limited to, the Truth in Lending Act (TILA) and Regulation Z, or the Uniform Standards of Professional Appraisal Practice (USPAP).

Additional Comments:

APPRAISER:

Signature: *Gina Marie Dias*
Name: GINA MARIE DIAS
Date Signed: 10/23/2024
State Certification #: AR028099
or State License #: _____
or Other (describe): _____ State #: _____
State: CA
Expiration Date of Certification or License: 05/15/2025

SUPERVISORY APPRAISER (only if required):

Signature: _____
Name: _____
Date Signed: _____
State Certification #: _____
or State License #: _____
State: _____
Expiration Date of Certification or License: _____

USPAP ADDENDUM

36131710
File No. 10.21 2_Appraisal

Borrower: WH1 LLC
Property Address: 411 Beach Ave
City: Half Moon Bay County: SAN MATEO State: CA Zip Code: 94019-1403
Lender/Client: Wedgewood Inc

APPRAISAL AND REPORT IDENTIFICATION

This appraisal report is one of the following types:
[X] Appraisal Report This report was prepared in accordance with the requirements of the Appraisal Report option of USPAP Standards Rule 2-2(a).
[] Restricted Appraisal Report This report was prepared in accordance with the requirements of the Restricted Appraisal Report option of USPAP Standards Rule 2-2(b). The intended user of this report is limited to the identified client. This is a Restricted Appraisal Report and the rationale for how the appraiser arrived at the opinions and conclusions set forth in the report may not be understood properly without the additional information in the appraiser's workfile.

ADDITIONAL CERTIFICATIONS

I certify that, to the best of my knowledge and belief:
• The statements of fact contained in this report are true and correct.
• The report analyses, opinions, and conclusions are limited only by the reported assumptions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
• I have no (or the specified) present or prospective interest in the property that is the subject of this report and no (or specified) personal interest with respect to the parties involved.
• I have no bias with respect to the property 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.
• This appraisal report was prepared in accordance with the requirements of Title XI of FIRREA and any implementing regulations.

PRIOR SERVICES

[X] 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.
[] I HAVE performed services, as an appraiser or in another capacity, regarding the property that is subject of this report within the three-year period immediately preceding acceptance of this assignment. Those services are described in the comments below.

PROPERTY INSPECTION

[] I have NOT made a personal inspection of the property that is the subject of this report.
[X] I HAVE made a personal inspection of the property that is the subject of this report.

APPRAISAL ASSISTANCE

Unless otherwise noted, no one provided significant real property appraisal assistance to the person signing this certification. If anyone did provide significant assistance, they are hereby identified along with a summary of the extent of the assistance provided in the report.
NONE

ADDITIONAL COMMENTS

Additional USPAP related issues requiring disclosure and/or any state mandated requirements:
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 BY SECTION 1(B) OF THE APPRAISER INDEPENDENCE REQUIREMENTS, EFFECTIVE 10/21/2024

MARKETING TIME AND EXPOSURE TIME FOR THE SUBJECT PROPERTY

[X] A reasonable marketing time for the subject property is 0-90 day(s) utilizing market conditions pertinent to the appraisal assignment.
[X] A reasonable exposure time for the subject property is 0-90 day(s).

APPRAISER:

Signature: Gina Marie Dias
Name: GINA MARIE DIAS
Date Signed: 10/23/2024
State Certification #: AR028099
or State License #:
or Other (describe): State #:
State: CA
Expiration Date of Certification or License: 05/15/2025
Effective Date of Appraisal: 10/22/2024

SUPERVISORY APPRAISER (only if required):

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

SUBJECT PROPERTY PHOTO ADDENDUM

Borrower: WH1 LLC	File No.: 10.21.2_Appraisal
Property Address: 411 Beach Ave	Case No.: 36131710
City: Half Moon Bay	State: CA
Lender: Wedgewood Inc	Zip: 94019-1403



FRONT VIEW OF
SUBJECT PROPERTY

Appraised Date: October 22, 2024
Appraised Value: \$ 1,609,000



STREET SCENE



STREET SCENE

MLS PHOTOS FOR SUBJECT

Borrower: WH1 LLC	File No.: 10.21.2_Appraisal
Property Address: 411 Beach Ave	Case No.: 36131710
City: Half Moon Bay	State: CA
Lender: Wedgewood Inc	Zip: 94019-1403



REAR VIEW WITH SUNROOM



LIVING ROOM



DINING ROOM



KITCHEN



FAMILY ROOM



BEDROOM



BEDROOM



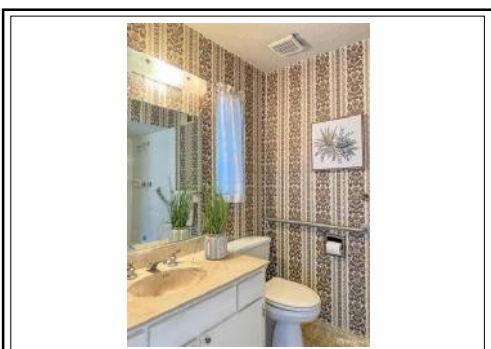
BEDROOM



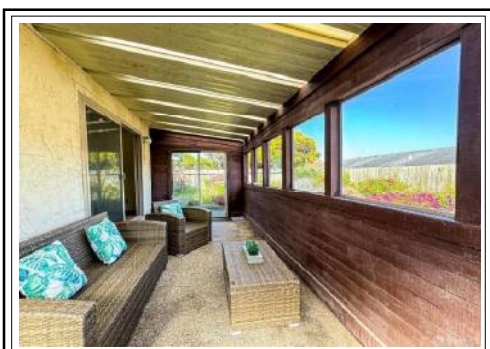
BEDROOM



FULL BATH



FULL BATH



SUNROOM INTERIOR

COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: WH1 LLC	File No.: 10.21.2_Appraisal	
Property Address: 411 Beach Ave	Case No.: 36131710	
City: Half Moon Bay	State: CA	Zip: 94019-1403
Lender: Wedgewood Inc		



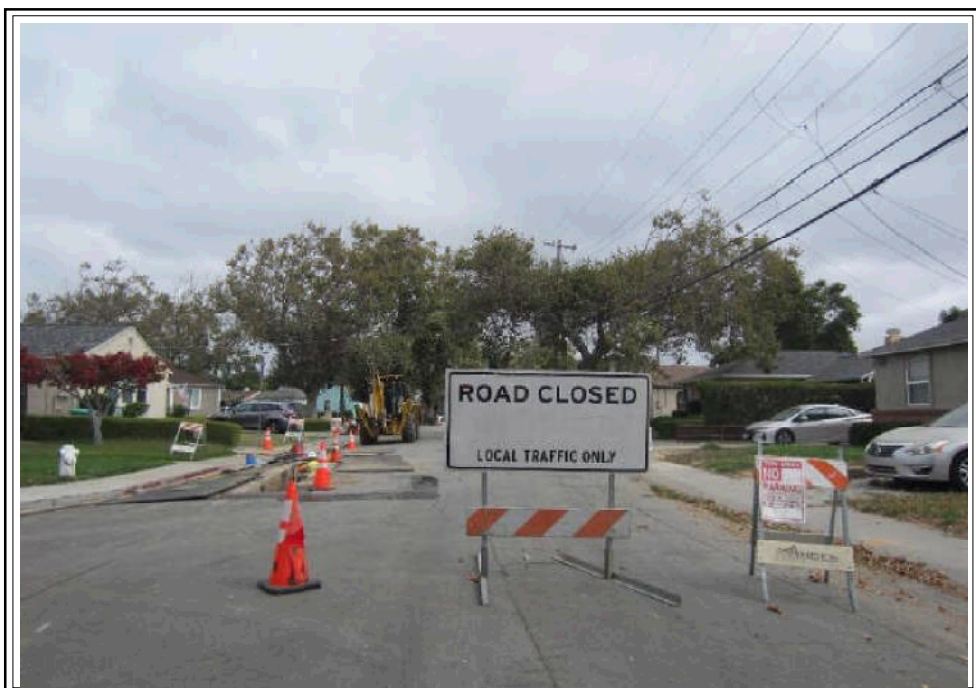
COMPARABLE SALE #1

405 Beach Ave
Half Moon Bay, CA 94019-1403
Sale Date: s07/24;c07/24
Sale Price: \$ 1,640,000



COMPARABLE SALE #2

432 Beach Ave
Half Moon Bay, CA 94019-1404
Sale Date: s05/24;c04/24
Sale Price: \$ 1,570,000

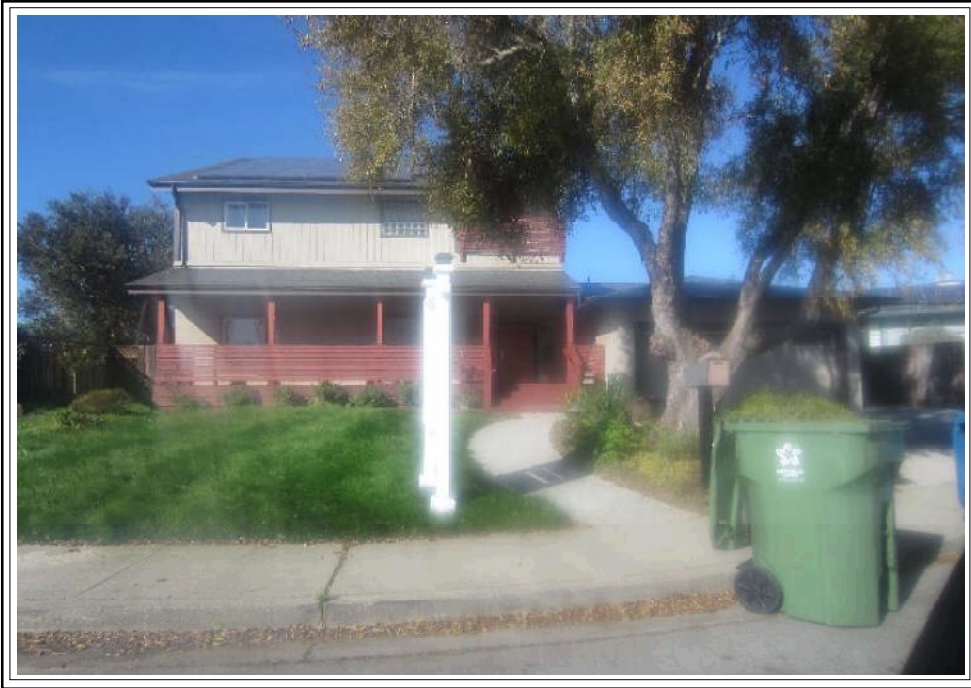


COMPARABLE SALE #3

2016 Avignon Pl
Half Moon Bay, CA 94019-1431
Sale Date: s09/24;c08/24
Sale Price: \$ 1,560,000

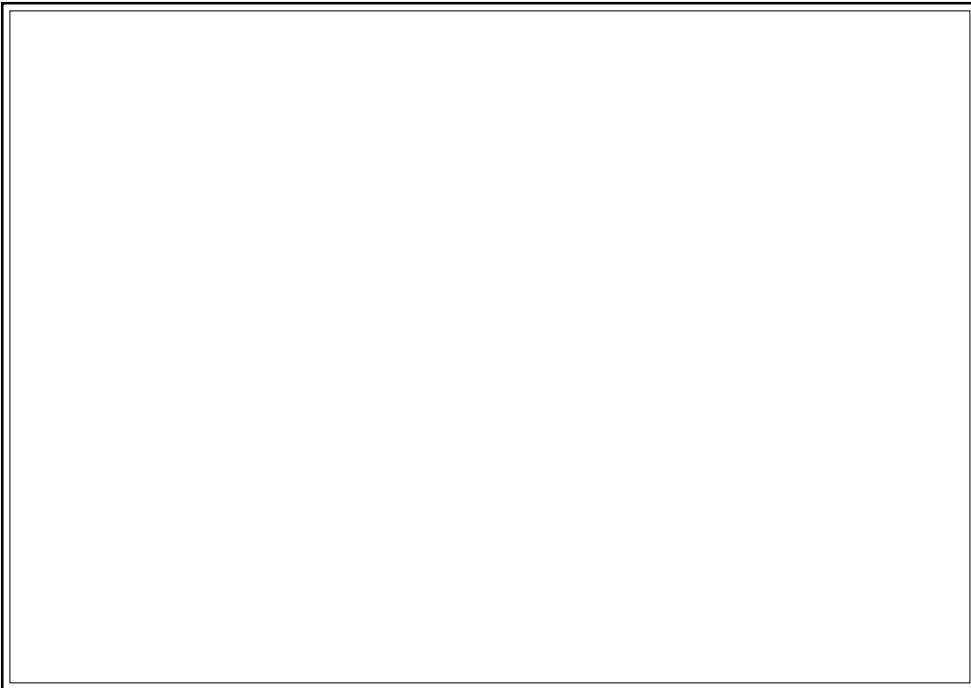
COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: WH1 LLC	File No.: 10.21.2_Appraisal	
Property Address: 411 Beach Ave	Case No.: 36131710	
City: Half Moon Bay	State: CA	Zip: 94019-1403
Lender: Wedgewood Inc		



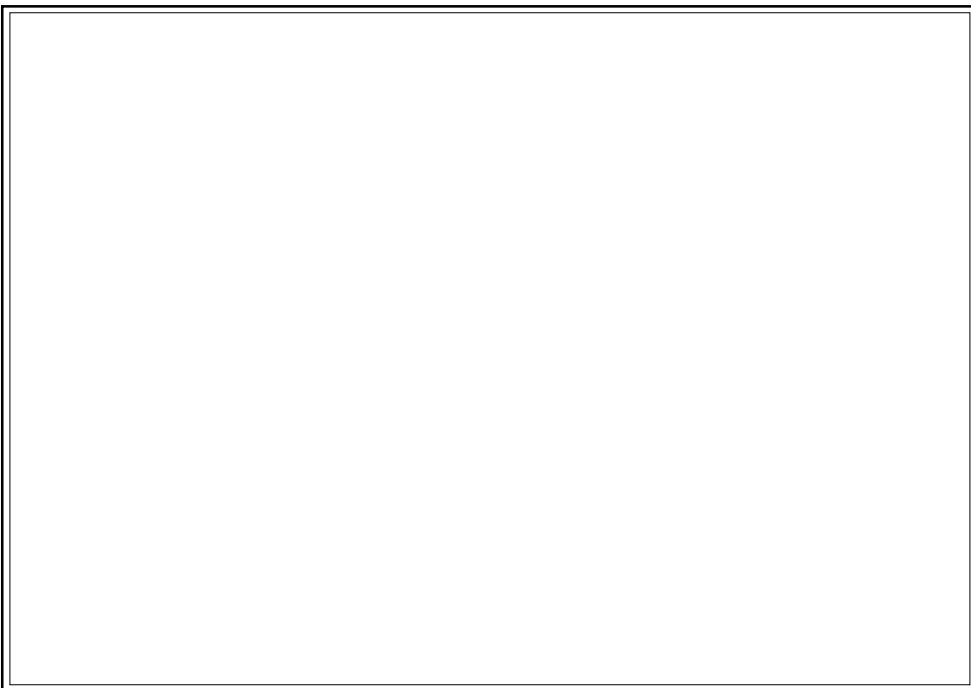
COMPARABLE SALE #4

10 Judith Ct
Half Moon Bay, CA 94019-1416
Sale Date: c10/24
Sale Price: \$ 1,950,000



COMPARABLE SALE #5

Sale Date:
Sale Price: \$



COMPARABLE SALE #6

Sale Date:
Sale Price: \$

MLS PHOTOS FOR COMPARABLES

Borrower: WH1 LLC	File No.: 10.21.2_Appraisal
Property Address: 411 Beach Ave	Case No.: 36131710
City: Half Moon Bay	State: CA
Lender: Wedgewood Inc	Zip: 94019-1403



COMPARABLE #1



COMPARABLE #2



COMPARABLE #3

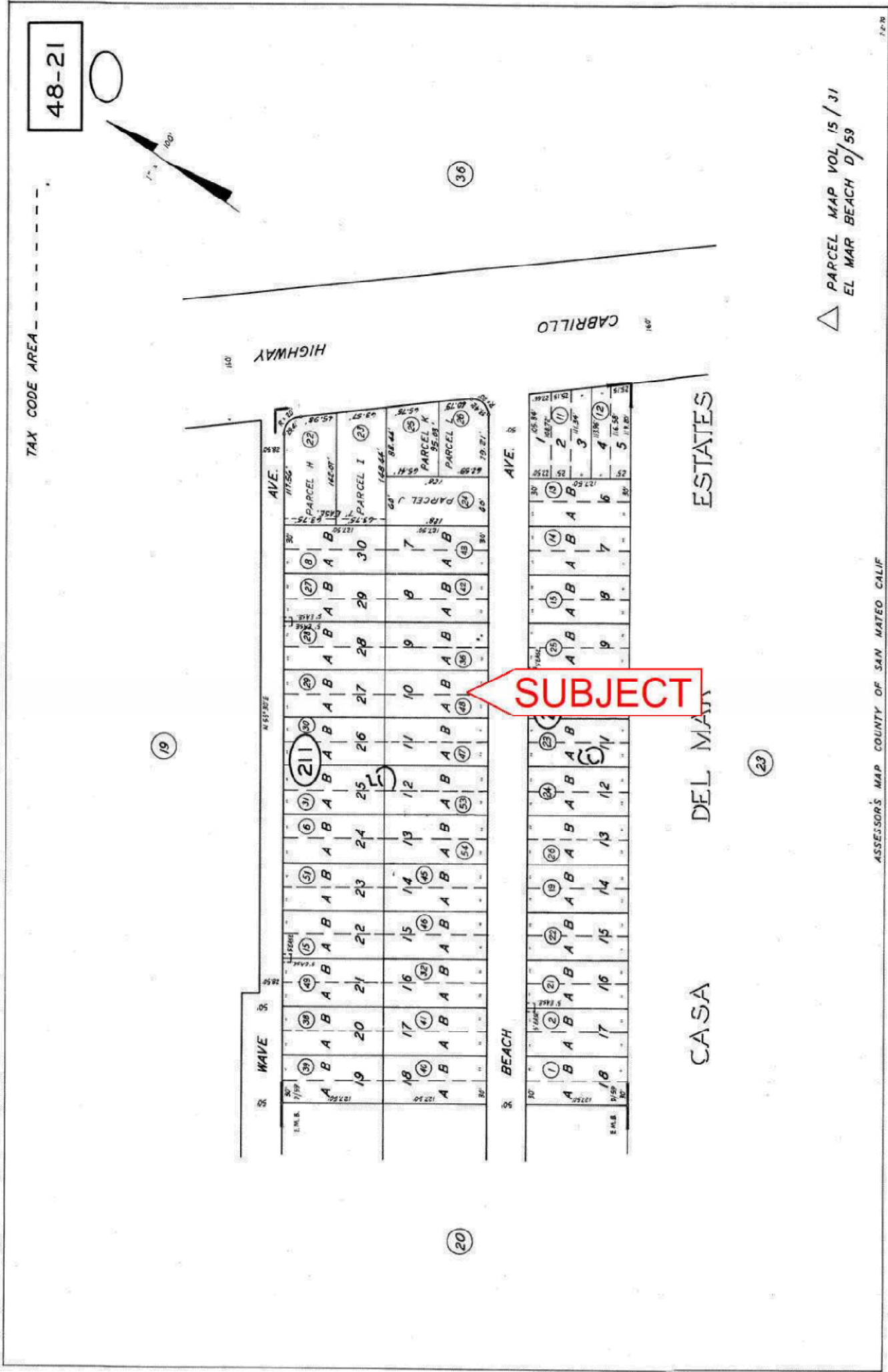


COMPARABLE #4

PLAT MAP

Borrower: WH1 LLC
 Property Address: 411 Beach Ave
 City: Half Moon Bay
 Lender: Wedgewood Inc

File No.: 10.21.2 Appraisal
 Case No.: 36131710
 State: CA
 Zip: 94019-1403



△ PARCEL MAP VOL. 15 / 31
 EL MAR BEACH D/59

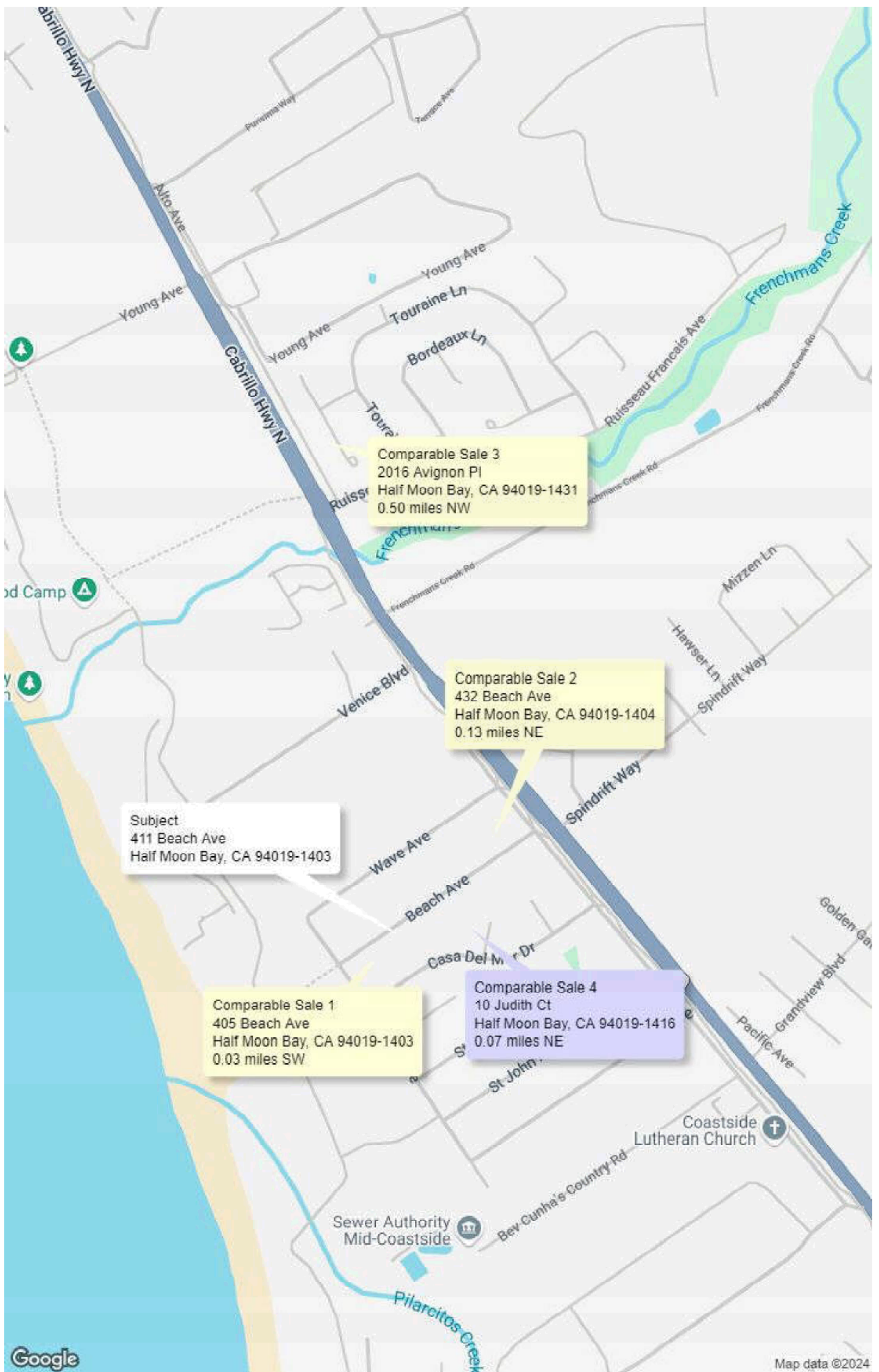
ASSESSOR'S MAP COUNTY OF SAN MATEO CALIF

7.2.08

LOCATION MAP

Borrower: WH1 LLC
Property Address: 411 Beach Ave
City: Half Moon Bay
Lender: Wedgewood Inc

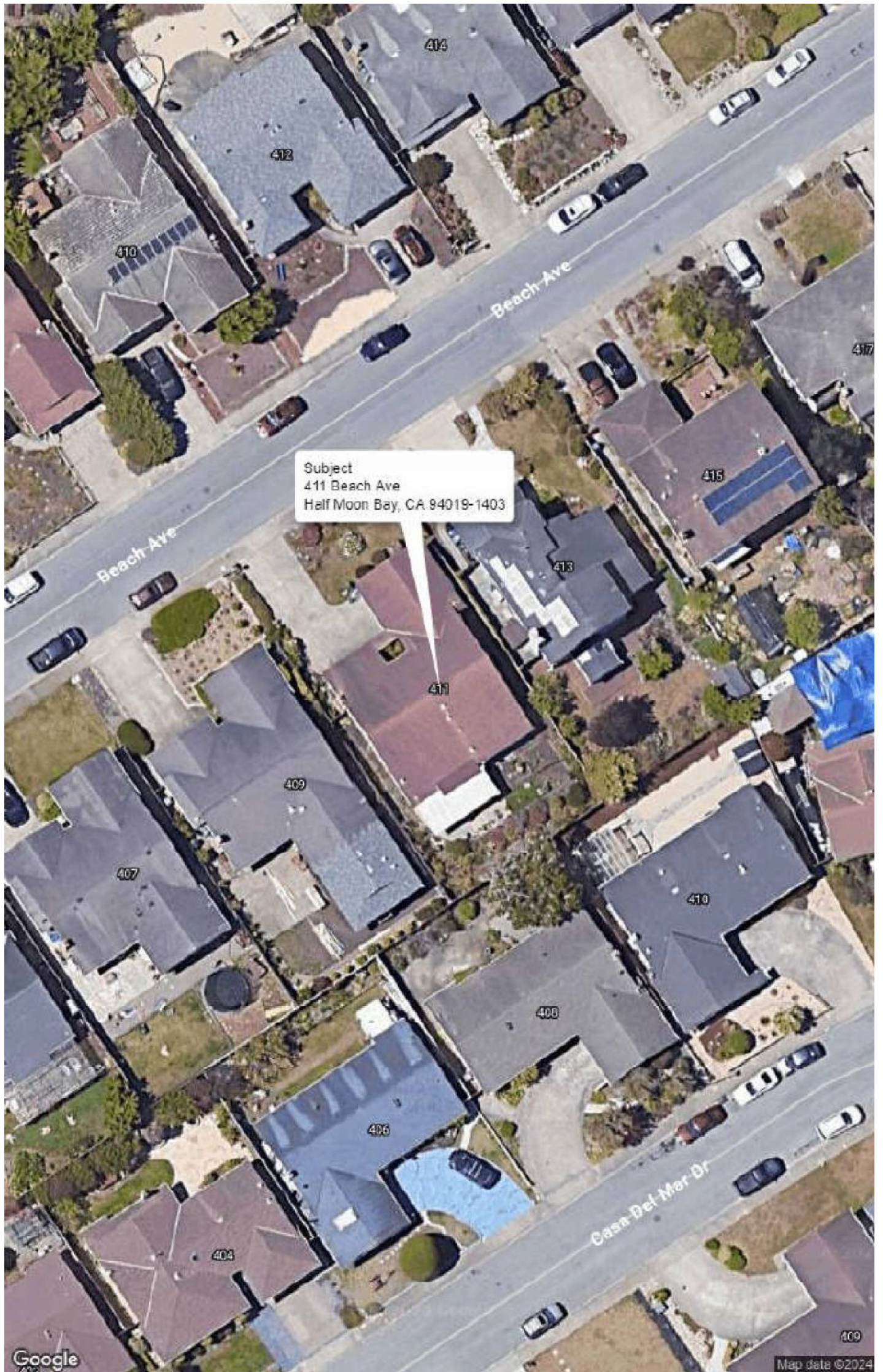
File No.: 10.21.2 Appraisal
Case No.: 36131710
State: CA
Zip: 94019-1403



AERIAL MAP

Borrower: WH1 LLC
Property Address: 411 Beach Ave
City: Half Moon Bay
Lender: Wedgewood Inc

File No.: 10.21.2 Appraisal
Case No.: 36131710
State: CA
Zip: 94019-1403



FLOOD MAP

Borrower: WH1 LLC	File No.: 10.21.2 Appraisal
Property Address: 411 Beach Ave	Case No.: 36131710
City: Half Moon Bay	State: CA
Lender: Wedgewood Inc	Zip: 94019-1403



FLOOD INFORMATION

Community: CITY OF HALF MOON BAY
 Property is **NOT** in a FEMA Special Flood Hazard Area
Map Number: 06081C0252F
Panel: 06081C0252
Zone: X
Map Date: 08-02-2017
FIPS: 06081
Source: FEMA DFIRM

LEGEND

- = FEMA Special Flood Hazard Area – High Risk
- = Moderate and Minimal Risk Areas
- Road View:**
- = Forest
- = Water

Sky Flood™

No representations or warranties to any party concerning the content, accuracy or completeness of this flood report, including any warranty of merchantability or fitness for a particular purpose is implied or provided. Visual scaling factors differ between map layers and are separate from flood zone information at marker location. No liability is accepted to any third party for any use or misuse of this flood map or its data.

Borrower: WH1 LLC
Property Address: 411 Beach Ave
City: Half Moon Bay
Lender: Wedgewood Inc

File No.: 10.21.2 Appraisal
Case No.: 36131710
State: CA
Zip: 94019-1403



Borrower: WH1 LLC
Property Address: 411 Beach Ave
City: Half Moon Bay
Lender: Wedgewood Inc

File No.: 10.21.2 Appraisal
Case No.: 36131710
State: CA
Zip: 94019-1403

HUDSON INSURANCE COMPANY
100 William Street, 5th Floor
New York, NY 10038



**REAL ESTATE PROFESSIONAL ERRORS AND OMISSIONS INSURANCE POLICY
DECLARATIONS**

NOTICE: THIS IS A "CLAIMS MADE AND REPORTED" POLICY. THIS POLICY REQUIRES THAT A CLAIM BE MADE AGAINST THE INSURED DURING THE POLICY PERIOD AND REPORTED TO THE INSURER, IN WRITING, DURING THE POLICY PERIOD OR AUTOMATIC EXTENDED REPORTING PERIOD.

THIS POLICY MAY CONTAIN PROVISIONS WHICH LIMIT THE AMOUNT OF CLAIM EXPENSES THE INSURER IS RESPONSIBLE TO PAY IN CONNECTION WITH CLAIMS. CLAIM EXPENSES SHALL BE SUBJECT TO ANY DEDUCTIBLE AMOUNT. THE PAYMENT OF CLAIM EXPENSES WILL REDUCE THE LIMITS OF LIABILITY STATED IN ITEM 4. OF THE DECLARATIONS. PLEASE READ YOUR POLICY CAREFULLY.

PLEASE READ THIS POLICY CAREFULLY.

Policy Number: PRA-1RE-2006432 **Renewal of:** PRA-1AX-1002910

- 1. Named Insured:** Gina Marie Dias
(including Predecessor Entities and DBA's)
- 2. Physical Address:** 39962 Cedar Blvd Suite 286 Newark, CA, 94560
- 3. Mailing Address:** 39962 Cedar Blvd Suite 286 Newark, CA, 94560
- 4. Policy Period:** **From:** 01/30/2024 **To:** 01/30/2025
12:01 A.M. Standard Time at the address of the Named Insured as stated in Number 2 above.
- 5. Limit of Liability:** **A. Per Claim:** \$1,000,000 **B. Aggregate:** \$2,000,000
- 6. Deductible:** \$1,000 **Each Claim**
- 7. Policy Premium:** \$1,193.00
- 8. State Taxes/Surcharges:** \$0.00
- 9. Retroactive Date:** Full Prior Acts
- 10. Notice to Company:** Notice of a Claim or Potential Claim should be sent to:
Hudson Insurance Group
100 William Street, 5th Floor
New York, NY 10038
Fax: (646)-216-3786
Email: hudsonclaims300@hudsoninsgroup.com
- 11. Program Administrator:** Riverton Insurance Agency Corp.
- 12. Agent/Broker:** ALIA (800) 882-4410

IN WITNESS WHEREOF, We have caused this policy to be executed by our President and our Corporate Secretary at New York, New York

President

Secretary