Uniform Residential Appraisal Report

6399918768
File No. 465652

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 23628 Stratton Ct | City Hayward | State CA | Zip Code 94541
Borrower Melissa DeLong | Owner of Public Record DeLong, Justin & Melissa | County Alameda
Legal Description See addendum
Assessor's Parcel # 416-0190-061 | Tax Year 2012 | R.E. Taxes $ 3,670
Neighborhood Name Hayward | Map Reference 692/C7 | Census Tract 4353.00
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 [X] Refinance Transaction [ ] Other (describe)
Lender/Client Stearns Lending | Address 51 E Campbell Ave, Suite 130, Campbell, CA 95008
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). Per the local MLS, the subject has not been offered for sale in the 12 months prior to the effective date of this appraisal

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	[X] Increasing	[ ] Stable	[ ] Declining	PRICE	AGE	One-Unit	96 %
Built-Up	[X] Over 75%	[ ] 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	340 Low	20	Multi-Family	2 %
Neighborhood Boundaries	Subject neighborhood is bounded by Hwy. 580 to the North Henry Lane to the East D-Street to the South Center Street to the West.							610 High	80	Commercial	2 %
								460 Pred.	60	Other	%

Neighborhood Description No adverse factors were noted which would affect the marketability of properties in the subject's neighborhood. Subject is proximate to employment centers. All public services and amenities are located nearby.

Market Conditions (including support for the above conclusions) Subject market area conditions have been increasing due to limited sales activity and limited inventory available Properties listed at market often sell within 75 days of marketing period. There is prevalence or impact regarding discounts, buydowns or concessions. This prevalence or impact is typically case by case basis.

SITE

Dimensions See plat map | Area 7840 sf | Shape Rectangular | View N;Res;
Specific Zoning Classification 1001 | Zoning Description Single Family Residential
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 Paved Asphalt	[X]	[ ]
Gas	[X]	[ ]	Sanitary Sewer	[X]	[ ]	Alley None	[ ]	[ ]

FEMA Special Flood Hazard Area [ ] Yes [X] No | FEMA Flood Zone X | FEMA Map # 06001C0291G | FEMA Map Date 08/03/2009
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.

IMPROVEMENTS

GENERAL DESCRIPTION	FOUNDATION	EXTERIOR DESCRIPTION materials/condition	INTERIOR materials/condition
Units [X] One [ ] One with Accessory Unit	[X] Concrete Slab [ ] Crawl Space	Foundation Walls Stucco/Brick/Avg	Floors Cpt/Wd/Tile/Avg
# of Stories 2	[ ] Full Basement [ ] Partial Basement	Exterior Walls Stucco/Brick/Avg	Walls Drywall/Avg
Type [X] Det. [ ] Att. [ ] S-Det./End Unit	Basement Area 0 sq. ft.	Roof Surface Comp Shingle/Avg	Trim/Finish Wood-Paint/Avg
[X] Existing [ ] Proposed [ ] Under Const.	Basement Finish 0 %	Gutters & Downspouts Metal/Avg	Bath Floor Tile/Avg
Design (Style) Traditional	[ ] Outside Entry/Exit [ ] Sump Pump	Window Type Dual Pane/Avg	Bath Wainscot Fiber/Avg
Year Built 1956	Evidence of [ ] Infestation	Storm Sash/Insulated No	Car Storage [ ] None
Effective Age (Yrs) 15	[ ] Dampness [ ] Settlement	Screens Screens/Avg	[X] Driveway # of Cars 2
Attic [ ] None	Heating [X] FWA [ ] HWBB [ ] Radiant	Amenities [ ] WoodStove(s) # 0	Driveway Surface Concrete
[ ] Drop Stair [ ] Stairs	[ ] Other Fuel Gas	[X] Fireplace(s) # 1 [X] Fence Wood	[X] Garage # of Cars 2
[ ] Floor [X] Scuttle	Cooling [ ] Central Air Conditioning	[X] Patio/Deck Patio [ ] Porch None	[ ] Carport # of Cars 0
[ ] Finished [ ] Heated	[ ] Individual [X] Other None	[ ] Pool None [ ] Other None	[ ] Att. [ ] Det. [X] Built-in

Appliances [ ] Refrigerator [X] Range/Oven [X] Dishwasher [X] Disposal [X] Microwave [ ] Washer/Dryer [ ] Other (describe)
Finished area above grade contains: 8 Rooms | 4 Bedrooms | 2.0 Bath(s) | 1,620 Square Feet of Gross Living Area Above Grade
Additional features (special energy efficient items, etc.). See attached addenda.
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). C3;Kitchen-updated-one to five years ago;Bathrooms-updated-one to five years ago;Subject has had an average level of maintenance. Kitchen and baths are in average condition. No significant deferred maintenance was noted or disclosed. Subject's overall improvements are in average condition.
Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? [ ] Yes [X] No If Yes, describe.
Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? [X] Yes [ ] No If No, describe.

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There are 3 comparable properties currently offered for sale in the subject neighborhood ranging in price from $ 335,000 to $ 570,000 .
There are 12 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from $ 340,000 to $ 575,000 .

SALES COMPARISON APPROACH

FEATURE	SUBJECT	COMPARABLE SALE NO. 1		COMPARABLE SALE NO. 2		COMPARABLE SALE NO. 3	
Address	23628 Stratton Ct Hayward, CA 94541	23767 Maud Ave Hayward, CA 94541		2933 Hardeman St Hayward, CA 94541		2932 Kelly St Hayward, CA 94541	
Proximity to Subject		0.18 miles SE		0.33 miles N		0.23 miles NE	
Sale Price	$		$ 440,000		$ 470,000		$ 437,000
Sale Price/Gross Liv. Area	$ sq. ft.	$ 267.15 sq. ft.		$ 266.44 sq. ft.		$ 268.43 sq. ft.	
Data Source(s)		Paragon#40611812;DOM 28		Paragon#40614537;DOM 10		Paragon#40601552;DOM 7	
Verification Source(s)		NDC Data/Doc #216053		NDC Data/Doc #214670		NDC Data/Doc #79130	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment
Sale or Financing Concessions		ArmLth Conv;0		ArmLth Conv;0		ArmLth Conv;0	
Date of Sale/Time		s06/13;c05/13	+9,000	s06/13;c05/13	+9,000	s02/13;c02/13	+15,000
Location	N;Res;	N;Res;		N;Res;		N;Res;	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Site	7840 sf	8300 sf	0	6820 sf	+3,000	10000 sf	-6,000
View	N;Res;	N;Res;		N;Res;		N;Res;	
Design (Style)	Traditional	Traditional		Traditional		Traditional	
Quality of Construction	Q3	Q3		Q3		Q3	
Actual Age	57	61	0	58	0	71	0
Condition	C3	C3		C3		C3	
Above Grade Room Count (Total / Bdrms. / Baths)	8 / 4 / 2.0	8 / 3 / 2.0	+10,000	8 / 3 / 2.1	+5,000	8 / 4 / 2.0	
Gross Living Area	1,620 sq. ft.	1,647 sq. ft.	0	1,764 sq. ft.	-7,000	1,628 sq. ft.	0
Basement & Finished Rooms Below Grade	0sf	0sf		0sf		0sf	
Functional Utility	Average	Average		Average		Average	
Heating/Cooling	Central/None	Central/None		Central/None		Central/None	
Energy Efficient Items	Standard	Standard		Standard		Standard	
Garage/Carport	2 Car Garage	2 Car Garage		2 Car Garage		No Garage	+20,000
Porch/Patio/Deck	Patio	Patio		Patio		Patio	
Fireplace	1 Fireplaces	1 Fireplaces		1 Fireplaces		1 Fireplaces	
Net Adjustment (Total)		[X] + [ ] - $	19,000	[X] + [ ] - $	10,000	[X] + [ ] - $	29,000
Adjusted Sale Price of Comparables		Net Adj. 4.3% Gross Adj. 4.3% $	459,000	Net Adj. 2.1% Gross Adj. 5.1% $	480,000	Net Adj. 6.6% Gross Adj. 9.4% $	466,000

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

My research [ ] did [X] 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) NDC Data and local MLS service
My research [X] 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) NDC Data and local MLS service
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				
Price of Prior Sale/Transfer				
Data Source(s)	NDC Data	NDC Data	NDC Data	NDC Data
Effective Date of Data Source(s)	09/14/2013	09/14/2013	09/14/2013	09/14/2013

Analysis of prior sale or transfer history of the subject property and comparable sales Subject has no sales/transfer history in the 36 months prior to the effective date of this appraisal. Comp at #4 was sold/transferred on 08/03/2012 for $226,000; Comps have no sales/transfers in the 12 months prior to the referenced date of sale.

Summary of Sales Comparison Approach. See attached addenda.

Indicated Value by Sales Comparison Approach $ 460,000

RECONCILIATION

Indicated Value by: Sales Comparison Approach $ 460,000 Cost Approach (if developed) $ 462,767 Income Approach (if developed) $
See attached addenda.

This appraisal is made [X] "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: See attached addenda.

Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is $ 460,000 as of 09/14/2013 , which is the date of inspection and the effective date of this appraisal.

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ADDITIONAL COMMENTS

Electronic Signature

This appraisal report has been encrypted with a password-protected digital signature. This signature can only be affixed to or removed from the appraisal report by the signatory himself by means of a confidential password. No other individual has any knowledge of the password or is authorized to affix or delete the digital signature from the appraisal report or addenda pages. Any digitized information, such as photographs, maps, sketches, etc. are unaltered from their original likeness.

Not a Home Inspection

This appraisal is not a home inspection, the appraiser only performed a visual inspection of readily accessible areas. This report cannot be relied upon to disclose condition and/or defects in the property. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the subject property that would make the property more or less valuable, and makes no guarantees or warranties, expressed or implied, regarding the condition of the property.

Extent of the Appraisal Process

This appraisal is based on the information gathered by the appraiser from the public records, other identified sources, inspection of the property and the neighborhood, and selection of comparable sales within the subject's market area. The original source of confirmation is shown in the data source section of the market grid along with source of confirmation, if available. The sources and data are considered reliable - when conflicting information is provided, the source deemed most reliable has been used.

Note

Continued support for neighborhood home sale prices is dependent upon the uncertain local/regional economy as well as mortgage interest rates. This appraisal is based on the currently available neighborhood comparable sales information. If the local/regional economy was to fall into recession or mortgage interest rates were to rise, neighborhood home sale prices could be negatively impacted .

COST APPROACH

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) Land/site value cannot be determined based on recent land sales since there have been no recent comparable lot sales or listings proximate to the subject. Land/site value has been estimate using the abstraction approach. This is a reconciled estimate based on the best comparable sales and the final estimate of value for the subject.

ESTIMATED ☐ REPRODUCTION OR ☒ REPLACEMENT COST NEW

Source of cost data Marshall & Swift

Quality rating from cost service Average Effective date of cost data Current

Comments on Cost Approach (gross living area calculations, depreciation, etc.)

Cost estimates are based upon the Appraisers local knowledge of building costs. The land to value ratio is deemed typical for the area. Physical depreciation is calculated by the age/life technique. The cost approach has been completed to support the final estimate of value, it was not considered in deriving the final estimate of value and is not intended for any other use.

OPINION OF SITE VALUE				= $ 275,000
Dwelling	1,620 Sq. Ft. @ $	125		= $ 202,500
0	Sq. Ft. @ $	0.00		= $
Garage/Carport	441 Sq. Ft. @ $	25		= $ 11,025
Total Estimate of Cost-New				= $ 213,525
Less Depreciation	Physical 45,758	Functional	External	= $ (45,758)
Depreciated Cost of Improvements				= $ 167,767
"As-is" Value of Site Improvements				= $ 20,000
INDICATED VALUE BY COST APPROACH				= $ 462,767

Estimated Remaining Economic Life (HUD and VA only) 55 Years

INCOME

INCOME APPROACH TO VALUE (not required by Fannie Mae)

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

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

PUD INFORMATION

PROJECT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowners' Association (HOA)? ☐ Yes ☐ No Unit type(s) ☐ Detached ☐ Attached

Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.

Legal name of project

Total number of phases Total number of units Total number of units sold

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

Was the project created by the conversion of an existing building(s) into a PUD? ☐ Yes ☐ No If Yes, date of conversion.

Does the project contain any multi-dwelling units? ☐ Yes ☐ No Data source(s)

Are the units, common elements, and recreation facilities complete? ☐ Yes ☐ No If No, describe the status of completion.

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

Describe common elements and recreational facilities.

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 complete visual inspection of the interior and exterior areas of the subject property, (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.

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 provided a sketch in this appraisal report to show the approximate dimensions of the improvements. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.

3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.

4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.

5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.

6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

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

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.

2. I performed a complete visual inspection of the interior and exterior areas of the subject property. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.

3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.

4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.

5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.

6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.

7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.

8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.

9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.

10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.

11. I have knowledge and experience in appraising this type of property in this market area.

12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.

13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.

14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.

15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.

16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.

17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.

18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).

19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.

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

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

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

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

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

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

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

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.

4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.

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

APPRAISER

Signature _____
Name Manmohan Gupta
Company Name True Appraisal Services
Company Address 44255 View Point Circle
Fremont, CA 94539
Telephone Number 510 2994137
Email Address mgupta906@hotmail.com
Date of Signature and Report 09/23/2013
Effective Date of Appraisal 09/14/2013
State Certification # AR #039320
or State License # _____
or Other (describe) _____ State # _____
State CA
Expiration Date of Certification or License 01/12/2014

ADDRESS OF PROPERTY APPRAISED
23628 Stratton Ct
Hayward, CA 94541

APPRAISED VALUE OF SUBJECT PROPERTY $ 460,000

LENDER/CLIENT
Name The Property Sciences Group, Inc.
Company Name Stearns Lending
Company Address 51 E Campbell Ave, Suite 130
Campbell, CA 95008
Email Address orders@propsci.com

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature _____
Name _____
Company Name _____
Company Address _____
_____
Telephone Number _____
Email Address _____
Date of Signature _____
State Certification # _____
or State License # _____
State _____
Expiration Date of Certification or License _____

SUBJECT PROPERTY
☐ Did not inspect subject property
☐ Did inspect exterior of subject property from street
Date of Inspection _____
☐ Did inspect interior and exterior of subject property
Date of Inspection _____

COMPARABLE SALES
☐ Did not inspect exterior of comparable sales from street
☐ Did inspect exterior of comparable sales from street
Date of Inspection _____

Uniform Residential Appraisal Report

6399918768
File No. 465652

FEATURE	SUBJECT	COMPARABLE SALE NO. 4		COMPARABLE SALE NO. 5		COMPARABLE SALE NO. 6	
Address	23628 Stratton Ct Hayward, CA 94541	3282 Naomi Dr Hayward, CA 94541		22644 Woodroe Ave Hayward, CA 94541		2981 Hardeman St Hayward, CA 94541	
Proximity to Subject		0.51 miles NE		0.40 miles N		0.28 miles NE	
Sale Price	$		$ 477,500		$ 378,000		$ 425,000
Sale Price/Gross Liv. Area	$ sq. ft.	$ 303.17 sq. ft.		$ 272.53 sq. ft.		$ 362.01 sq. ft.	
Data Source(s)		Paragon#40604295;DOM 26		Paragon#40612223;DOM 24		Paragon#40623393;DOM 28	
Verification Source(s)		NDC Data/Doc #136431		ORIG. PRICE:$378,000		ORIG. PRICE:$425,000	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment
Sale or Financing Concessions		ArmLth Conv;0		Listing Conv;0		Listing Conv;0	
Date of Sale/Time		s04/13;c03/13	+14,000	c05/13		c08/13	
Location	N;Res;	N;Res;		N;Res;		N;Res;	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Site	7840 sf	5910 sf	+6,000	4650 sf	+10,000	6148 sf	+5,000
View	N;Res;	N;Res;		N;Res;		N;Res;	
Design (Style)	Traditional	Traditional		Traditional		Traditional	
Quality of Construction	Q3	Q3		Q3		Q3	
Actual Age	57	59	0	50	0	58	0
Condition	C3	C2	-31,000	C3		C3	
Above Grade Room Count (Total / Bdrms. / Baths)	8 / 4 / 2.0	8 / 3 / 2.0	0	8 / 3 / 2.0	0	8 / 3 / 2.0	0
Gross Living Area	1,620 sq. ft.	1,575 sq. ft.	+10,000	1,387 sq. ft.	+10,000	1,174 sq. ft.	+10,000
Basement & Finished Rooms Below Grade	0sf	0sf	0	0sf	+12,000	0sf	+22,000
Functional Utility	Average	Average		Average		Average	
Heating/Cooling	Central/None	Central/None		Central/None		Central/None	
Energy Efficient Items	Standard	Standard		Standard		Standard	
Garage/Carport	2 Car Garage	1 Car Garage	+10,000	1 Car Garage	+10,000	2 Car Garage	
Porch/Patio/Deck	Patio	Patio		Patio		Patio	
Fireplace	1 Fireplaces	1 Fireplaces		1 Fireplaces		1 Fireplaces	
Net Adjustment (Total)		[X] + [ ] -	$ 9,000	[X] + [ ] -	$ 42,000	[X] + [ ] -	$ 37,000
Adjusted Sale Price of Comparables		Net Adj. 1.9% Gross Adj. 14.9%	$ 486,500	Net Adj. 11.1% Gross Adj. 11.1%	$ 420,000	Net Adj. 8.7% Gross Adj. 8.7%	$ 462,000

SALES COMPARISON APPROACH

ITEM	SUBJECT	COMPARABLE SALE NO. 4	COMPARABLE SALE NO. 5	COMPARABLE SALE NO. 6
Date of Prior Sale/Transfer		08/03/2012		
Price of Prior Sale/Transfer		226,000		
Data Source(s)	NDC Data	NDC Data	NDC Data	NDC Data
Effective Date of Data Source(s)	09/14/2013	09/14/2013	09/14/2013	09/14/2013

Summary of Sales Comparison Approach

Uniform Residential Appraisal Report

6399918768
File No. 465652

SALES COMPARISON APPROACH

FEATURE	SUBJECT	COMPARABLE SALE NO. 7		COMPARABLE SALE NO. 8		COMPARABLE SALE NO. 9	
Address	23628 Stratton Ct Hayward, CA 94541	22749 Bayview Ave Hayward, CA 94541		2551 D St Hayward, CA 94541		3351 Shawn Way Hayward, CA 94541	
Proximity to Subject		0.39 miles NW		0.11 miles SW		0.56 miles NE	
Sale Price	$		$ 598,500		$ 490,000		$ 518,000
Sale Price/Gross Liv. Area	$ sq. ft.	$ 362.73 sq. ft.		$ 268.94 sq. ft.		$ 333.76 sq. ft.	
Data Source(s)		Paragon#40628870;DOM 24		Paragon#40612090;DOM 46		Paragon#40617720;DOM 8	
Verification Source(s)		ORIG. PRICE:$598,500		NDC Data/Doc #238741		NDC Data/Doc #26740	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment
Sale or Financing Concessions		Listing Conv;0		ArmLth Conv;0		ArmLth Conv;0	
Date of Sale/Time		Active		s07/13;c06/13	+7,000	s08/13;c06/13	+8,000
Location	N;Res;	N;Res;		N;Res;		N;Res;	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Site	7840 sf	13455 sf	-17,000	14250 sf	-19,000	5487 sf	+7,000
View	N;Res;	N;Res;		N;Res;		N;Res;	
Design (Style)	Traditional	Traditional		Traditional		Traditional	
Quality of Construction	Q3	Q3		Q3		Q3	
Actual Age	57	58	0	67	0	24	0
Condition	C3	C2	-33,000	C3		C2	-31,000
Above Grade Room Count (Total / Bdrms. / Baths)	8 / 4 / 2.0	8 / 3 / 2.0	0	8 / 3 / 2.0	+10,000	8 / 3 / 2.0	+10,000
Gross Living Area	1,620 sq. ft.	1,650 sq. ft.	0	1,822 sq. ft.	-10,000	1,552 sq. ft.	0
Basement & Finished Rooms Below Grade	0sf	0sf		0sf		0sf	
Functional Utility	Average	Average		Average		Average	
Heating/Cooling	Central/None	Central/None		Central/None		Central/None	
Energy Efficient Items	Standard	Standard		Standard		Standard	
Garage/Carport	2 Car Garage	1 Car Garage	+10,000	2 Car Garage		2 Car Garage	
Porch/Patio/Deck	Patio	Patio		Patio		Patio	
Fireplace	1 Fireplaces	1 Fireplaces		1 Fireplaces		1 Fireplaces	
Net Adjustment (Total)		☐ + ☒ -	$ -30,000	☐ + ☒ -	$ -12,000	☐ + ☒ -	$ -6,000
Adjusted Sale Price of Comparables		Net Adj. 5.0% Gross Adj. 11.7%	$ 568,500	Net Adj. 2.4% Gross Adj. 9.4%	$ 478,000	Net Adj. 1.2% Gross Adj. 10.8%	$ 512,000

ITEM	SUBJECT	COMPARABLE SALE NO. 7	COMPARABLE SALE NO. 8	COMPARABLE SALE NO. 9
Date of Prior Sale/Transfer				
Price of Prior Sale/Transfer				
Data Source(s)	NDC Data	NDC Data	NDC Data	NDC Data
Effective Date of Data Source(s)	09/14/2013	09/14/2013	09/14/2013	09/14/2013

Summary of Sales Comparison Approach

Uniform Residential Appraisal Report

6399918768
File No. 465652

FEATURE	SUBJECT	COMPARABLE SALE NO. 10		COMPARABLE SALE NO. 11		COMPARABLE SALE NO. 12	
Address	23628 Stratton Ct Hayward, CA 94541	22533 Northview Dr Hayward, CA 94541					
Proximity to Subject		0.54 miles N					
Sale Price	$		$ 485,000		$		$
Sale Price/Gross Liv. Area	$ sq. ft.	$ 265.03 sq. ft.		$ sq. ft.		$ sq. ft.	
Data Source(s)		Paragon#40618608;DOM 10					
Verification Source(s)		NDC Data/Doc #					
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment
Sale or Financing Concessions		ArmLth Conv;0					
Date of Sale/Time		s07/13;c06/13	+7,000				
Location	N;Res;	N;Res;					
Leasehold/Fee Simple	Fee Simple	Fee Simple					
Site	7840 sf	6534 sf	+4,000				
View	N;Res;	N;Res;					
Design (Style)	Traditional	Traditional					
Quality of Construction	Q3	Q3					
Actual Age	57	50	0				
Condition	C3	C3					
Above Grade Room Count (Total / Bdrms. / Baths)	8 / 4 / 2.0	8 / 5 / 3.0	-20,000	/ /		/ /	
Gross Living Area	1,620 sq. ft.	1,830 sq. ft.	-11,000	sq. ft.		sq. ft.	
Basement & Finished Rooms Below Grade	0sf	0sf					
Functional Utility	Average	Average					
Heating/Cooling	Central/None	Central/None					
Energy Efficient Items	Standard	Standard					
Garage/Carport	2 Car Garage	2 Car Garage					
Porch/Patio/Deck	Patio	Patio					
Fireplace	1 Fireplaces	1 Fireplaces					
Net Adjustment (Total)		☐ + ☒ -	$ -20,000	☐ + ☐ -	$	☐ + ☐ -	$
Adjusted Sale Price of Comparables		Net Adj. 4.1% Gross Adj. 8.7%	$ 465,000	Net Adj. % Gross Adj. %	$	Net Adj. % Gross Adj. %	$

SALES COMPARISON APPROACH

ITEM	SUBJECT	COMPARABLE SALE NO. 10	COMPARABLE SALE NO. 11	COMPARABLE SALE NO. 12
Date of Prior Sale/Transfer				
Price of Prior Sale/Transfer				
Data Source(s)	NDC Data	NDC Data		
Effective Date of Data Source(s)	09/14/2013	09/14/2013		

Summary of Sales Comparison Approach

Uniform Appraisal Dataset Definitions

6399918768
File No. 465652

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.

Uniform Appraisal Dataset Definitions

6399918768
File No. 465652

Abbreviations Used in Data Standardization Text

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

Other Appraiser-Defined Abbreviations

Abbrev.	Full Name	Appropriate Fields	Abbrev.	Full Name	Appropriate Fields

ADDENDUM

Borrower: Melissa DeLong		File No.: 465652
Property Address: 23628 Stratton Ct		Case No.: 6399918768
City: Hayward	State: CA	Zip: 94541
Lender: Stearns Lending		

" URAR : Improvements - Additional Features
Dual pane windows installed throughout. .
Additional Features: Kitchen and master bedroom suite; living room.

" URAR : Sales Comparison Analysis - Summary of Sales Comparison Approach
All comps are in the subjects neighborhood/competitive market area and are the best available recent comparable sales. No age adjustment is made as all comps/listing are equal in condition for age difference. Due to the limited number of available closed comps in last 1 months, same school district with similar style, design architecture. Appraiser has to pick comps slightly older than 1 months, increase the search area to .75 miles, however these are the next best comps available.

Comp #1 has one less Bedroom/Bathroom count, has been time adjusted.

Comp #2 is smaller in lot size, bigger in GLA, has half less Bedroom/Bathroom count, has been time adjusted.

Comp #3 is bigger in lot size, has inferior parking has been time adjusted;

Comp #4 is smaller in lot size, has one less Bedroom/Bathroom count, has superior updates, has inferior parking, has been time adjusted. Per public records ("NDC") this comp is 1176 SF; Per MLS details this comp. is listed as 1,575 SF and they are working with the city to update public records.

Comp #5 is an 'Pending' listing; C#5 is smaller in lot size, GLA, has one less Bedroom/Bathroom count, has inferior parking. C#5 has been adjusted (~0%) difference between list price and actual sold price of close comps.

Comp #6 is an 'Pending' listing; C#6 is smaller in lot size, GLA, has one less Bedroom/Bathroom count. C#6 has been adjusted (~0%) difference between list price and actual sold price of close comps.

Comp #7 is an 'Active' listing; C#7 is bigger in lot size, GLA, has superior updates, has inferior parking; C#7 has been adjusted (~0%) difference between list price and actual sold price of close comps.

Comp #8 is bigger in lot size, GLA, has one less Bedroom/Bathroom count, has been time adjusted.

Comp #9 is smaller in lot size, has one less Bedroom/Bathroom count, has superior updates, has been time adjusted.

Comp #10 is smaller in lot size, bigger in GLA, has two more Bedroom/Bathroom count, has been time adjusted;

Adjustments: $50/SF for GLA adjustment for a difference of 100 SF; $10-$30 per sq. ft for location, difference in physical condition (which included level of maintenance and periodic upgrades). $10K for additional Bedroom, Bathroom, Parking; $3K/SF for lot size adjustment for a difference of 1000 SF; Time adjustment is made .5% per month from Contract date. Per local CMA actual sale price from list price is 100% Adjustment of 0% from listing price are made for active/pending comps

All closed comps were considered in deriving the opinion of value.

" URAR : Reconciliation - Reconciliation and Final Value Conclusion
All weight is placed on the market approach to value as it best reflects the attitudes of informed buyers and sellers.

The income approach to value is not completed due to lack of rental data and the lack of reliable GRM data in the market area.

The cost approach to value has been completed but is deemed unreliable and is given no weight in the final estimate of value; it is only used to support the final estimate of value and is for no other use. New construction is not a viable option in this neighborhood/market area for individual buyers; purchasing land and building a home is not a substitute to existing dwellings in this highly built-up area. There have been no recent comparable lot sales or listings proximate to the subject.

The subject property is (+/-) the predominate value for the neighborhood. Final estimate of subject value is consistent with predominant value of neighborhood.
" URAR : Conditions of Appraisal
This is a complete/summary appraisal report. This appraisal report is intended for use in a mortgage finance transaction only. This report is not intended for any other use.

The delivery of this report to the borrower or other third party does not mean that the borrower or third party is the Intended User as defined in this report. No personal property is included in the valuation.
The Intended User of this appraisal report is the Lender/Client. The Intended Use is to evaluate the property that is the subject of this appraisal for a mortgage finance transaction, subject to the stated Scope of Work, purpose of the appraisal, reporting requirements of this appraisal report form, and Definition of Market Value. No additional Intended Users are identified by the appraiser.

Home Valuation Code of Conduct :
The appraiser has prepared this appraisal in full compliance with the Home Valuation Code of Conduct and has not performed, participated in, or been associated with any activity in violation of the code

Market Conditions & Market Trends:
There are 6 'Sold' houses in the last 6 month. Sold price is the range of $340,000 - $610,000. Median price of 'Sold' house is $460,000. Median DOM of 'Sold' houses is less than 180 days.

There are 7 'Active' houses in the last 6 month. Active price are in the range of $335,000 - $605,000. Median price of 'Active' house is $450,000. Median DOM of 'Active' houses less than 180 days.

Utilities:
To the best of appraiser knowledge all Checked utilities (electric, plumbing switches) were functioning properly. Appraiser is not a electrician OR plumber to comment on its internal connection.

Updates, Upgrades & Finishes adjustment :
Updates, Upgrades & finishes adjustment is based on reviewing the MLS details pictures as well as visually inspecting the comps/listing. Updates adjustment is based on Kitchen (Granite/marble counter tops, cabnetes, appliances), bathroom updates, Crown molding, plantation shutters, Living/Family room updates (quality of hardwood floors) etc. etc.

Miscellaneous :
Exposure time for the subject property is 15 days.

Appraiser has NOT performed any services for this property in the last 3 years from the effective date of this appraisal.

ADDENDUM

Borrower: Melissa DeLong		File No.: 465652
Property Address: 23628 Stratton Ct		Case No.: 6399918768
City: Hayward	State: CA	Zip: 94541
Lender: Stearns Lending		

CO detector were installed at the time of inspection.

Zoning 1001 - Zoning 1001 is strictly for single family residence, Condo, Townhouse

Property seems to be fully habitable.

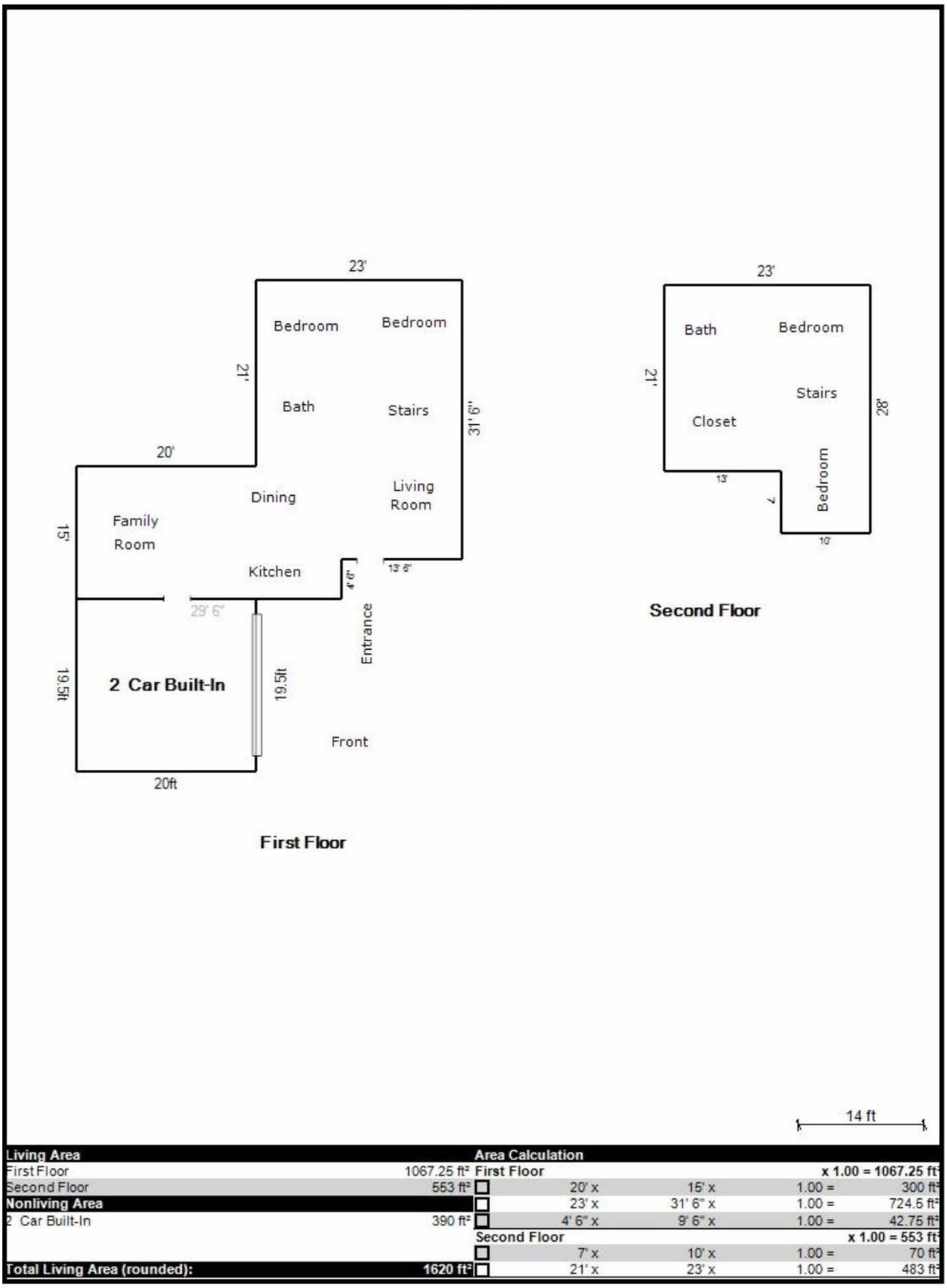
It is observed that there is few data points in 1004 MC for the increase of value of sales price in subject neighborhood. Appraiser is basing the adjustment based on secondary sources such as Dqnews.com which shows 23% increase over the past 12 months

Legal Description of Subject :
Tract 1663 Lot 10

Lender's Request: (9/23/2013)
Appraiser has provided 3 additional comps (C#8, C#9, C#10) closed in the last two months. Appraiser has updated location map and summary of Sales comparison approach with C#8, C#9, C#10.

FLOORPLAN SKETCH

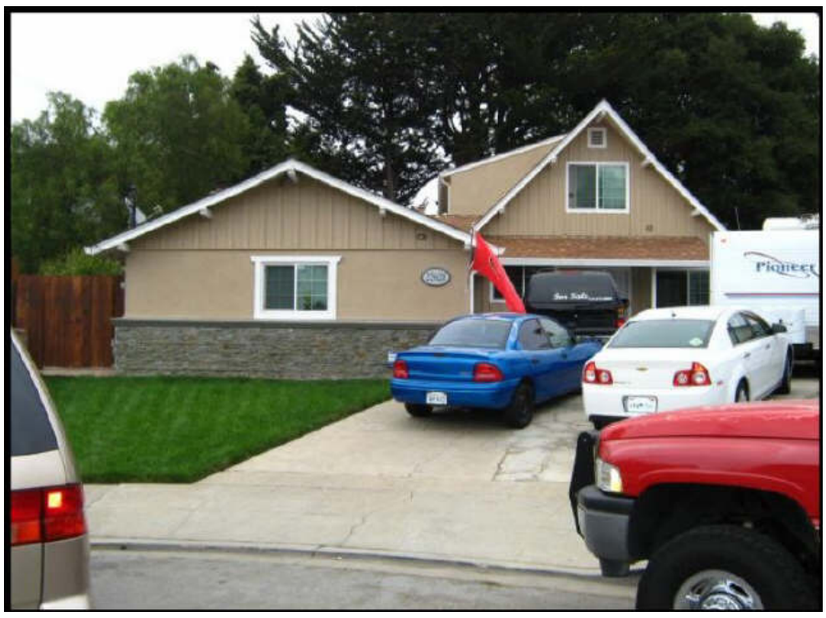
Borrower: Melissa DeLong		File No.: 465652
Property Address: 23628 Stratton Ct		Case No.: 6399918768
City: Hayward	State: CA	Zip: 94541
Lender: Stearns Lending		



Living Area		Area Calculation				
First Floor	1067.25 ft²	First Floor				x 1.00 = 1067.25 ft²
Second Floor	553 ft²	☐	20' x	15' x	1.00 =	300 ft²
Nonliving Area		☐	23' x	31' 6" x	1.00 =	724.5 ft²
2 Car Built-In	390 ft²	☐	4' 6" x	9' 6" x	1.00 =	42.75 ft²
		Second Floor				x 1.00 = 553 ft²
		☐	7' x	10' x	1.00 =	70 ft²
Total Living Area (rounded):	**1620 ft²**	☐	21' x	23' x	1.00 =	483 ft²

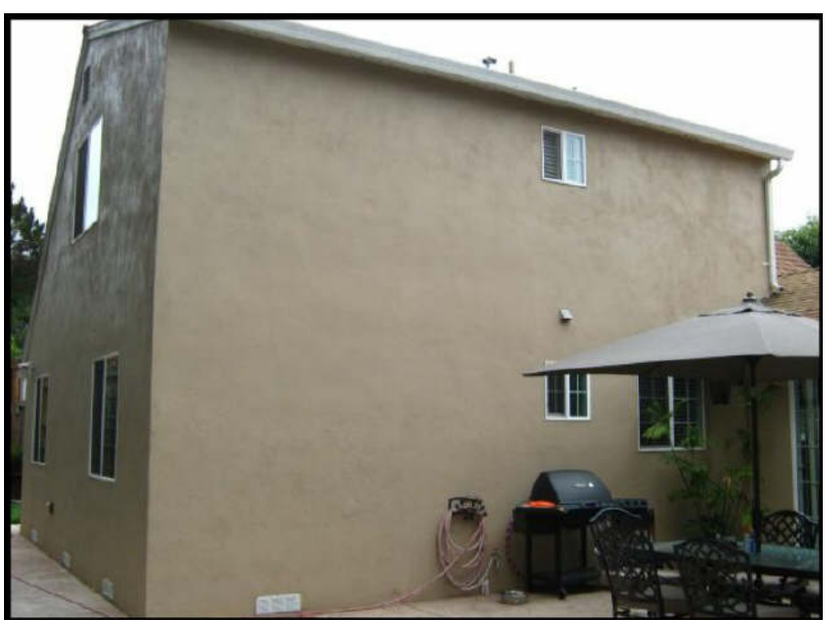
SUBJECT PROPERTY PHOTO ADDENDUM

Borrower: Melissa DeLong		File No.: 465652
Property Address: 23628 Stratton Ct		Case No.: 6399918768
City: Hayward	State: CA	Zip: 94541
Lender: Stearns Lending		



FRONT VIEW OF
SUBJECT PROPERTY

Appraised Date:
Appraised Value: $



REAR VIEW OF
SUBJECT PROPERTY



STREET SCENE

Photograph Addendum

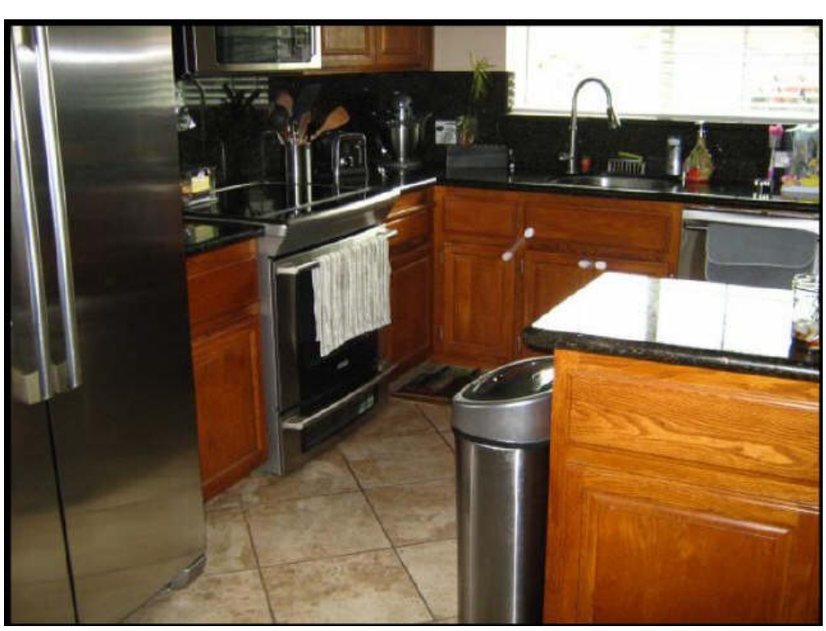
Borrower: Melissa DeLong		File No.: 465652
Property Address: 23628 Stratton Ct		Case No.: 6399918768
City: Hayward	State: CA	Zip: 94541
Lender: Stearns Lending		



Living Room



Family Room



KItchen

Photograph Addendum

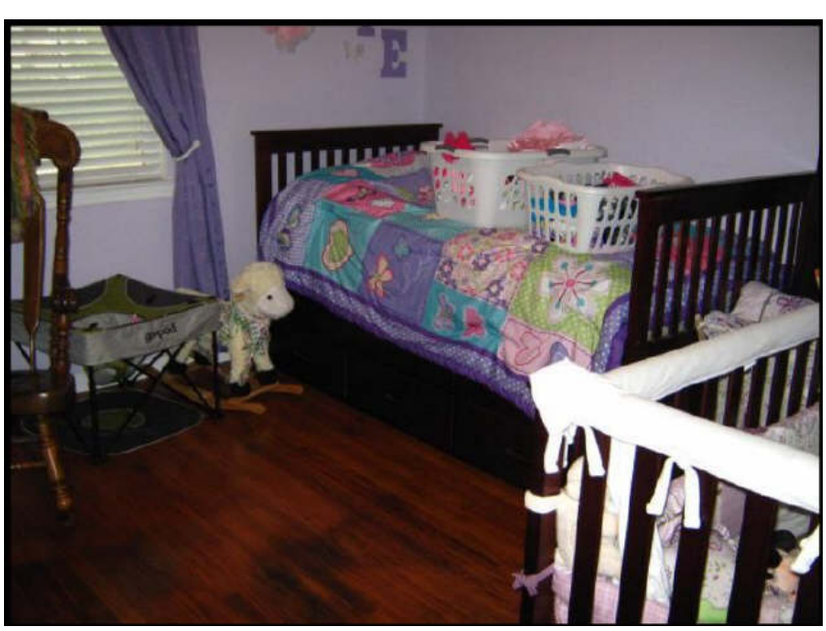
Borrower: Melissa DeLong		File No.: 465652
Property Address: 23628 Stratton Ct		Case No.: 6399918768
City: Hayward	State: CA	Zip: 94541
Lender: Stearns Lending		



Dining Area



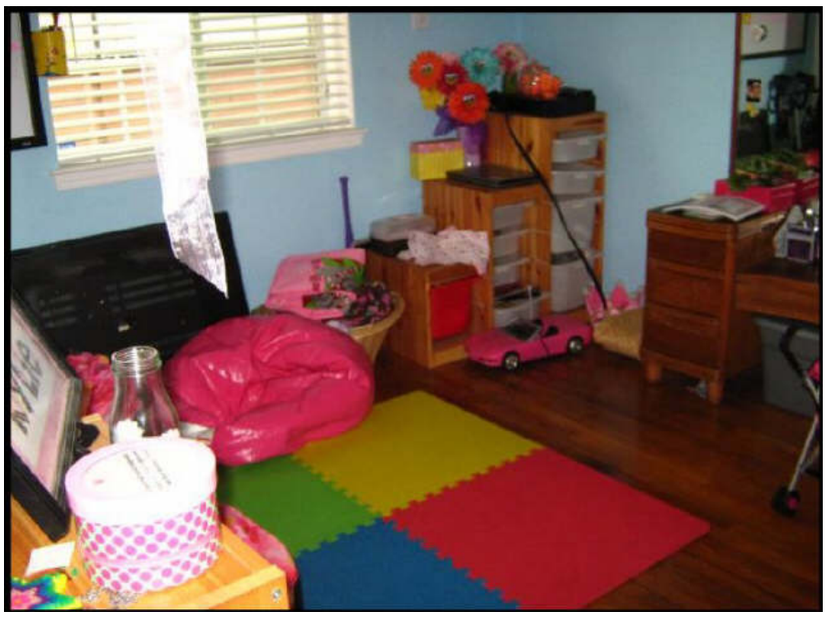
Bedroom



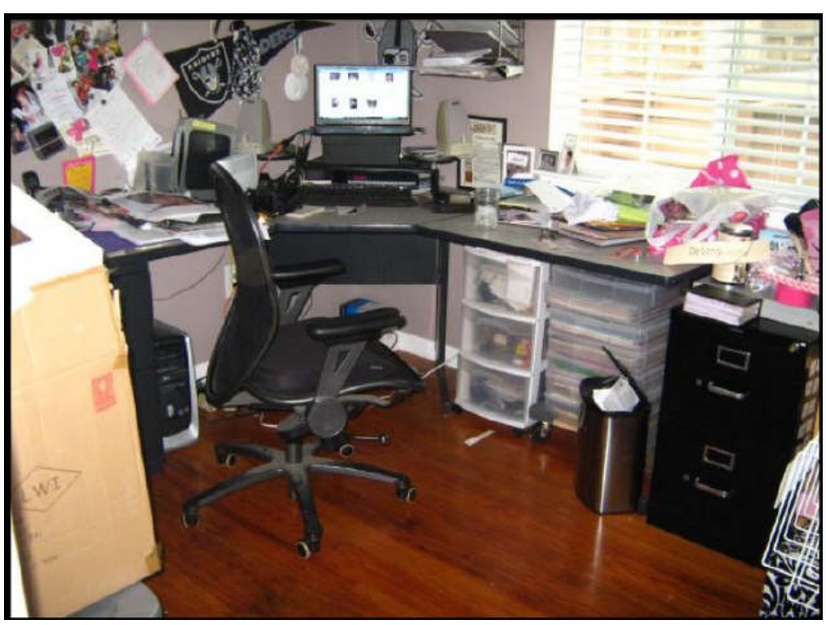
Bedroom

Photograph Addendum

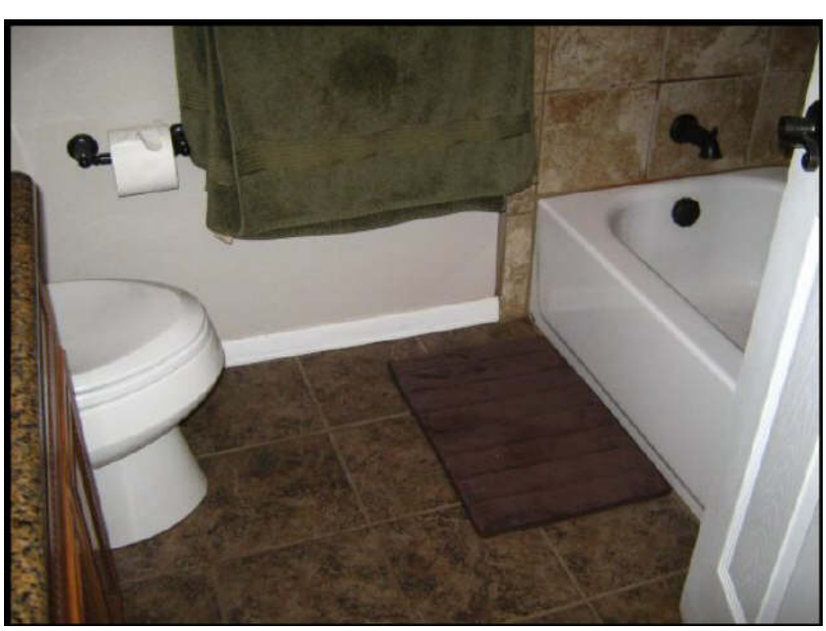
Borrower: Melissa DeLong		File No.: 465652
Property Address: 23628 Stratton Ct		Case No.: 6399918768
City: Hayward	State: CA	Zip: 94541
Lender: Stearns Lending		



Bedroom



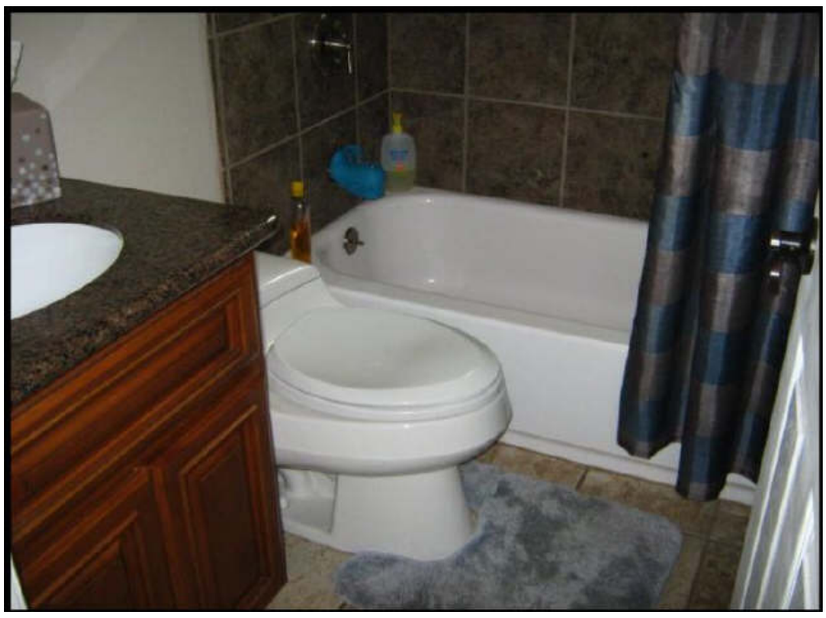
Bedroom



Bath

Photograph Addendum

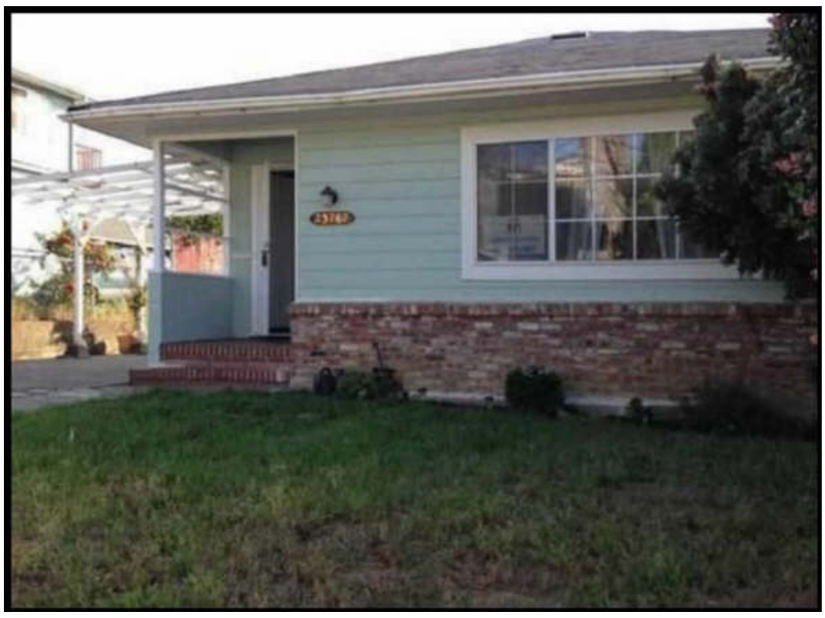
Borrower: Melissa DeLong		File No.: 465652
Property Address: 23628 Stratton Ct		Case No.: 6399918768
City: Hayward	State: CA	Zip: 94541
Lender: Stearns Lending		



Bath

COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: Melissa DeLong		File No.: 465652
Property Address: 23628 Stratton Ct		Case No.: 6399918768
City: Hayward	State: CA	Zip: 94541
Lender: Stearns Lending		



COMPARABLE SALE #1

23767 Maud Ave

Sale Date:
Sale Price: $



COMPARABLE SALE #2

2933 Hardeman St

Sale Date:
Sale Price: $



COMPARABLE SALE #3

2932 Kelly St

Sale Date:
Sale Price: $

COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: Melissa DeLong		File No.: 465652
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City: Hayward	State: CA	Zip: 94541
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COMPARABLE SALE #4

3282 Naomi Dr

Sale Date:
Sale Price: $



COMPARABLE SALE #5

22644 Woodroe Ave

Sale Date:
Sale Price: $



COMPARABLE SALE #6

2981 Hardeman St

Sale Date:
Sale Price: $

COMPARABLE PROPERTY PHOTO ADDENDUM

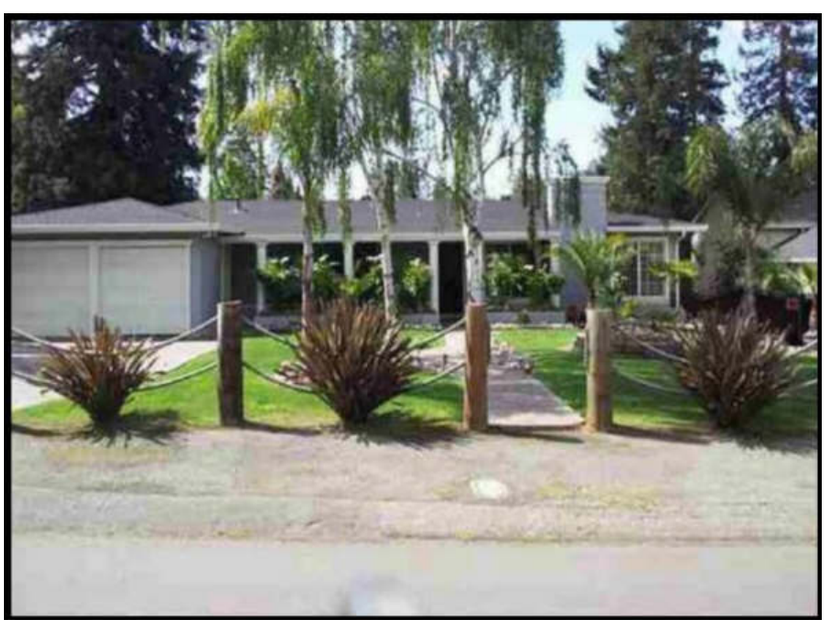
Borrower: Melissa DeLong		File No.: 465652
Property Address: 23628 Stratton Ct		Case No.: 6399918768
City: Hayward	State: CA	Zip: 94541
Lender: Stearns Lending		



COMPARABLE SALE #7

22749 Bayview Ave

Sale Date:
Sale Price: $



COMPARABLE SALE #8

2551 D St

Sale Date:
Sale Price: $



COMPARABLE SALE #9

3351 Shawn Way

Sale Date:
Sale Price: $

COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: Melissa DeLong		File No.: 465652
Property Address: 23628 Stratton Ct		Case No.: 6399918768
City: Hayward	State: CA	Zip: 94541
Lender: Stearns Lending		



COMPARABLE SALE #10

22533 Northview Dr

Sale Date:
Sale Price: $

COMPARABLE SALE #11

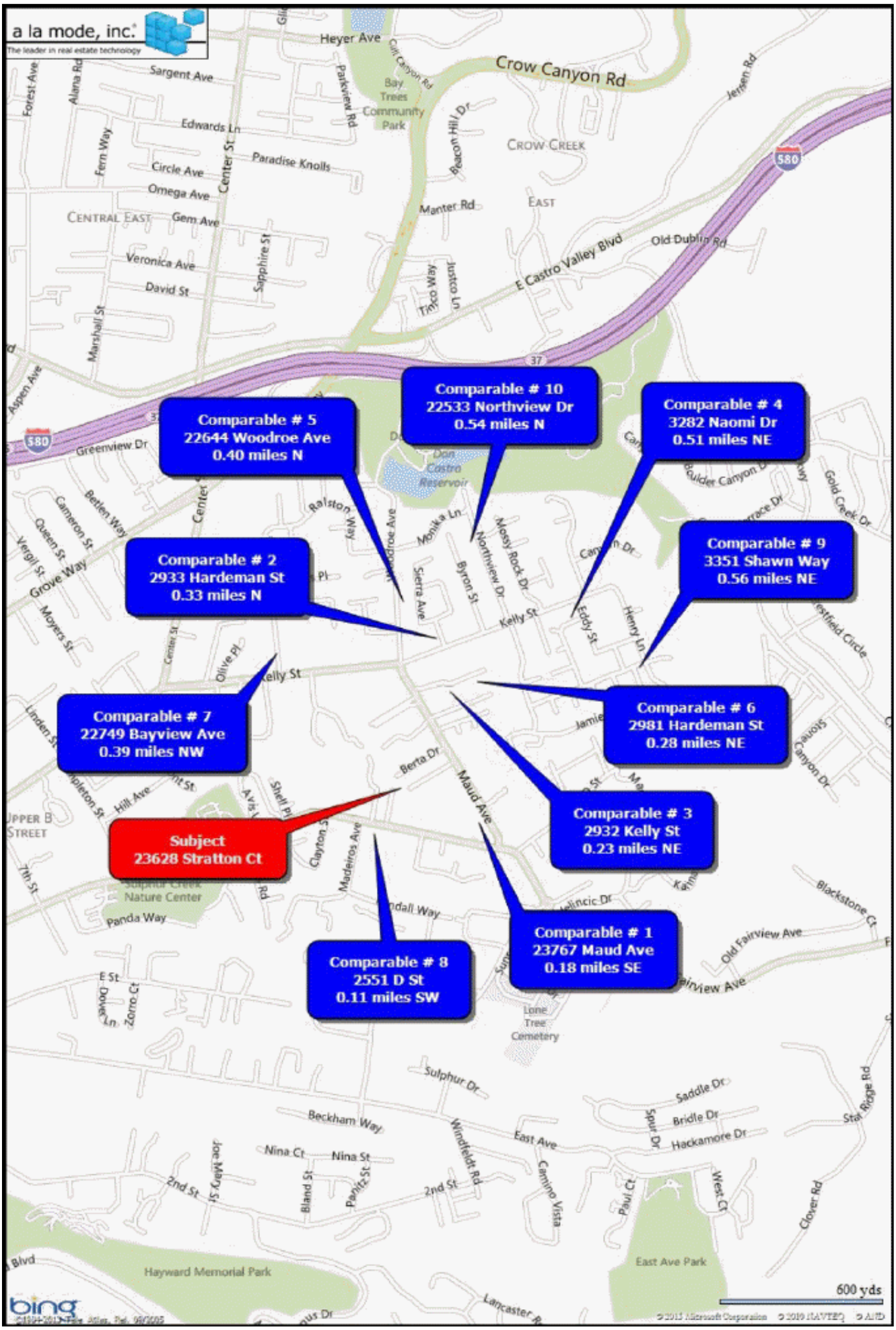
Sale Date:
Sale Price: $

COMPARABLE SALE #12

Sale Date:
Sale Price: $

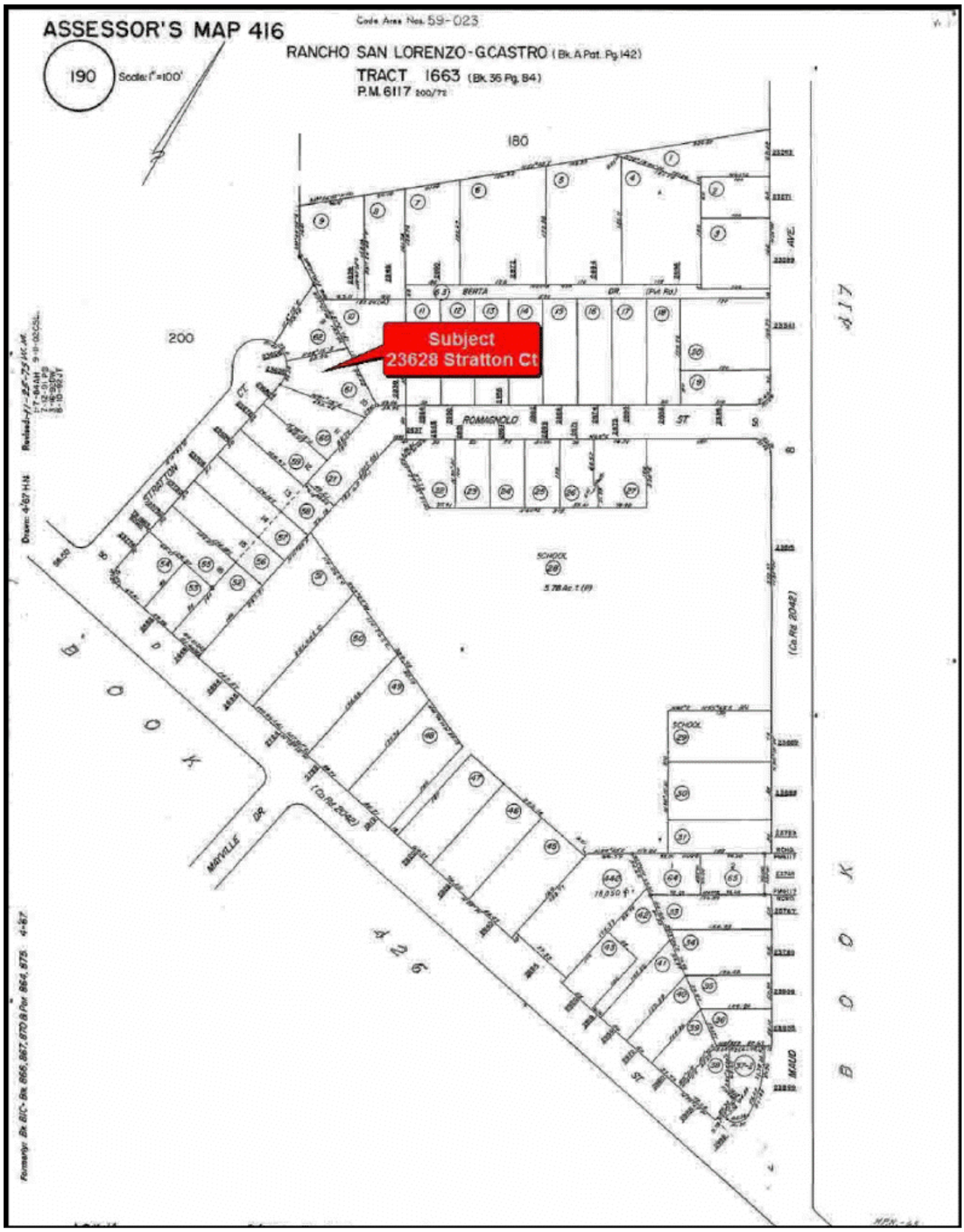
LOCATION MAP

Borrower: Melissa DeLong		File No.: 465652
Property Address: 23628 Stratton Ct		Case No.: 6399918768
City: Hayward	State: CA	Zip: 94541
Lender: Stearns Lending		



PLAT MAP

Borrower: Melissa DeLong		File No.: 465652
Property Address: 23628 Stratton Ct		Case No.: 6399918768
City: Hayward	State: CA	Zip: 94541
Lender: Stearns Lending		



Market Conditions Addendum to the Appraisal Report

6399918768
File No. 465652

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 23628 Stratton Ct City Hayward State CA Zip Code 94541

Borrower Melissa DeLong

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.

MARKET RESEARCH & ANALYSIS

Inventory Analysis	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)	6	3	3	[X] Increasing	[ ] Stable	[ ] Declining
Absorption Rate (Total Sales/Months)	1.00	1.00	1.00	[ ] Increasing	[X] Stable	[ ] Declining
Total # of Comparable Active Listings	4	3	3	[ ] Declining	[X] Stable	[ ] Increasing
Months of Housing Supply (Total Listings/Ab.Rate)	4.00	3.00	3.00	[ ] Declining	[X] Stable	[ ] 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	450,000	460,000	470,000	[X] Increasing	[ ] Stable	[ ] Declining
Median Comparable Sales Days on Market	28	21	17	[ ] Declining	[X] Stable	[ ] Increasing
Median Comparable List Price	450,000	460,000	470,000	[ ] Increasing	[X] Stable	[ ] Declining
Median Comparable Listings Days on Market	24	19	15	[ ] Declining	[X] Stable	[ ] Increasing
Median Sale Price as % of List Price	100.00%	100.00%	100.00%	[ ] Increasing	[X] Stable	[ ] Declining
Seller-(developer, builder, etc.)paid financial assistance prevalent? [ ] Yes [X] No				[ ] Declining	[X] Stable	[ ] 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.).

Subject market area conditions have been increasing due to limited sales activity and limited inventory available Properties listed at market often sell within 75 days of marketing period. There is prevalence or impact regarding discounts, buydowns or concessions. This prevalence or impact is typically case by case basis.

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

Cite data sources for above information. NDC/MLS

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.

Subject market area conditions have increased due to limited inventory available.Market analysis indicates that there are more number of houses active than sold implying there is stagnant/stabilized of home value in this area, There are 3 Active houses in the last 3 months and only 3 sold implying stabilized/stagnant of 'Active/Pending' listing. Properties listed at market often sell within 180 days of marketing period. There is prevalence or impact regarding discounts, buydowns or concessions. This prevalence or impact is typically case by case basis.

CONDO / CO-OP PROJECTS

If the subject is a unit in a condominium or cooperative project , complete the following: Project Name: N/A

Subject Project Data	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)	N/A	N/A	N/A	[ ] Increasing	[ ] Stable	[ ] Declining
Absorption Rate (Total Sales/Months)	N/A	N/A	N/A	[ ] Increasing	[ ] Stable	[ ] Declining
Total # of Active Comparable Listings	N/A	N/A	N/A	[ ] Declining	[ ] Stable	[ ] Increasing
Months of Unit Supply (Total Listings/Ab. Rate)	N/A	N/A	N/A	[ ] Declining	[ ] Stable	[ ] 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.

N/A

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

APPRAISER

APPRAISER

Signature _____
Name Manmohan Gupta
Company Name True Appraisal Services
Company Address 44255 View Point Circle
Fremont, CA 94539
State License/Certification # AR #039320 State CA
Email Address mgupta906@hotmail.com

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

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

Borrower: Melissa DeLong		File No.: 465652
Property Address: 23628 Stratton Ct		Case No.: 6399918768
City: Hayward	State: CA	Zip: 94541
Lender: Stearns Lending		

CERTIFICATE OF INSURANCE

Producer:

LIA ADMINISTRATORS & INSURANCE SERVICES
P.O. Box 1319
Santa Barbara, CA 93102-1319

Issue Date: 08/28/2013
This Certificate is issued as a matter of information only and confers no rights upon the Certificate Holder. This Certificate does not amend, extend or alter the coverage afforded by the policy below.

Insured: 160527
TRUE APPRAISALS
Manmohan D. Gupta
44255 View Point Circle
Fremont, CA 94539

Fax Number: 510-299-4137

COMPANY AFFORDING COVERAGE

Liberty Insurance Underwriters Inc.

Authorized Representative

This is to certify that the policy of insurance listed below has been issued to the Insured named above for the policy period indicated. Notwithstanding any requirement, term of condition of any contract or other document with respect to which this Certificate may be issued or may pertain, the insurance afforded by the policy described herein is subject to all the terms, exclusions and conditions of such policy. Limits shown may have been reduced by paid claims.

DISCLAIMER: This certificate of insurance does not affirmatively or negatively amend, extend, or alter the coverage afforded by the insurance policy.

TYPE OF INSURANCE	POLICY NUMBER	EFFECTIVE DATE	EXPIRATION DATE	LIMITS	
Professional Liability	LIU011130-007	02/27/2013	02/27/2014	Each Claim General Aggregate	$ 500,000 $ 500,000

Description of Operations/Locations/Special Items:
REAL ESTATE APPRAISERS PROFESSIONAL LIABILITY INSURANCE
***Policy limits increased from $300,000/$300,000 to $500,000/$500,000 limit of liability effective 07/10/2013.**

Certificate Holder:
TRUE APPRAISALS
Manmohan D. Gupta
44255 View Point Circle
Fremont, CA 94539

Cancellation:
SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

LIA0001 (11/97)

License

Borrower: Melissa DeLong | File No.: 465652
Property Address: 23628 Stratton Ct | Case No.: 6399918768
City: Hayward | State: CA | Zip: 94541
Lender: Stearns Lending

STATE OF CALIFORNIA

Business, Transportation & Housing Agency

OFFICE OF REAL ESTATE APPRAISERS

REAL ESTATE APPRAISER LICENSE

MANMOHAN D. GUPTA

has successfully met the requirements for a license as a residential real estate appraiser in the State of California and is, therefore, entitled to use the title "Certified Residential Real Estate Appraiser".

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

OREA APPRAISER IDENTIFICATION NUMBER AR039320

Date Issued: January 13, 2012

Date Expires: January 12, 2014

Bob Clark

Director, OREA

Audit No. 136479

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