

# 2-4 UNIT RESIDENTIAL APPRAISAL REPORT

File No.: 70601

<b>SUBJECT</b>	Property Address: 313 Nautilus St # 19		City: La Jolla		State: CA		Zip Code: 92037																																																																																
	County: San Diego		Legal Description: Map 887 - Portion of Block D - Lots 10 and 11																																																																																				
	Assessor's Parcel #: 351-262-13-00		Tax Year: 2016		R.E. Taxes: \$ 16,917.14		Special Assessments: \$ 0																																																																																
<b>ASSIGNMENT</b>	Current Owner of Record: Hastings Trust 01-19-06		Borrower (if applicable): Hastings Trust 01-19-06																																																																																				
	Occupant: <input type="checkbox"/> Owner <input checked="" type="checkbox"/> Tenant <input type="checkbox"/> Vacant		Project Type: <input type="checkbox"/> PUD <input type="checkbox"/> Other (describe)		HOA: \$ 0		<input type="checkbox"/> per yr. <input type="checkbox"/> per mo.																																																																																
	Market Area Name: La Jolla/Beach Barber Tract		Map Reference: 41740		Census Tract: 0163.02																																																																																		
	The purpose of this appraisal is to develop an opinion of: <input checked="" type="checkbox"/> Market Value (as defined), or <input type="checkbox"/> other type of value (describe)																																																																																						
	This report reflects the following value (if not Current, see comments): <input checked="" type="checkbox"/> Current (the Inspection Date is the Effective Date) <input type="checkbox"/> Retrospective <input type="checkbox"/> Prospective																																																																																						
<b>MARKET AREA DESCRIPTION</b>	Approaches developed for this appraisal: <input checked="" type="checkbox"/> Sales Comparison Approach <input type="checkbox"/> Cost Approach <input checked="" type="checkbox"/> Income Approach (See Reconciliation Comments and Scope of Work)																																																																																						
	Property Rights Appraised: <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Leased Fee <input type="checkbox"/> Other (describe)																																																																																						
	Intended Use: The purpose of this appraisal is to establish the market value as of June 13, 2017. Date and time of inspection was June 13, 2017 at 11 am.																																																																																						
	Intended User(s) (by name or type): Melanie Hastings																																																																																						
	Client: Melanie Hastings		Address: 252 Bonair Street La Jolla, CA 92037																																																																																				
	Appraiser: Mark A. Melikian		Address: P. O. Box 3051 Del Mar, CA 92014																																																																																				
	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td>Location: <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural</td> <td rowspan="2"><b>Predominant Occupancy</b></td> <td colspan="3"><b>2 - 4 Unit Housing</b></td> <td colspan="2"><b>Present Land Use</b></td> <td colspan="2"><b>Change in Land Use</b></td> </tr> <tr> <td>Built up: <input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%</td> <td>PRICE \$(000)</td> <td>AGE (yrs)</td> <td>One-Unit</td> <td>60 %</td> <td colspan="3"><input type="checkbox"/> Not Likely</td> </tr> <tr> <td>Growth rate: <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow</td> <td><input checked="" type="checkbox"/> Owner</td> <td>1,150</td> <td>Low</td> <td>10</td> <td>2-4 Unit</td> <td>15 %</td> <td colspan="2"><input type="checkbox"/> Likely * <input checked="" type="checkbox"/> In Process *</td> </tr> <tr> <td>Property values: <input checked="" type="checkbox"/> Increasing <input type="checkbox"/> Stable <input type="checkbox"/> Declining</td> <td><input checked="" type="checkbox"/> Tenant</td> <td>2,450</td> <td>High</td> <td>95</td> <td>Multi-Unit</td> <td>15 %</td> <td colspan="2">* To: New SFR and</td> </tr> <tr> <td>Demand/supply: <input checked="" type="checkbox"/> Shortage <input type="checkbox"/> In Balance <input type="checkbox"/> Over Supply</td> <td><input checked="" type="checkbox"/> Vacant (0-5%)</td> <td>1,803</td> <td>Pred</td> <td>65</td> <td>Comm'l</td> <td>10 %</td> <td colspan="2">Multi-Family</td> </tr> <tr> <td>Marketing time: <input checked="" type="checkbox"/> Under 3 Mos. <input type="checkbox"/> 3-6 Mos. <input type="checkbox"/> Over 6 Mos.</td> <td><input type="checkbox"/> Vacant (&gt;5%)</td> <td colspan="7"></td> </tr> </table>								Location: <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural	<b>Predominant Occupancy</b>	<b>2 - 4 Unit Housing</b>			<b>Present Land Use</b>		<b>Change in Land Use</b>		Built up: <input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	PRICE \$(000)	AGE (yrs)	One-Unit	60 %	<input type="checkbox"/> Not Likely			Growth rate: <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	<input checked="" type="checkbox"/> Owner	1,150	Low	10	2-4 Unit	15 %	<input type="checkbox"/> Likely * <input checked="" type="checkbox"/> In Process *		Property values: <input checked="" type="checkbox"/> Increasing <input type="checkbox"/> Stable <input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Tenant	2,450	High	95	Multi-Unit	15 %	* To: New SFR and		Demand/supply: <input checked="" type="checkbox"/> Shortage <input type="checkbox"/> In Balance <input type="checkbox"/> Over Supply	<input checked="" type="checkbox"/> Vacant (0-5%)	1,803	Pred	65	Comm'l	10 %	Multi-Family		Marketing time: <input checked="" type="checkbox"/> Under 3 Mos. <input type="checkbox"/> 3-6 Mos. <input type="checkbox"/> Over 6 Mos.	<input type="checkbox"/> Vacant (>5%)																																	
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Market Area Boundaries, Description, and Market Conditions (including support for the above characteristics and trends): The subject is located in the Beach Barber Tract area of La Jolla, a community of the city of San Diego. The area is comprised primarily of average to excellent quality SFRs, condos and multi-family dwellings with some commercial properties. All public services are located nearby. The current market is increasing (see page 4 for details and market support). Typical marketing times for properties in the subject's market range from zero to three months. Financing is primarily conventional with some VA, FHA and cash transactions. Seller paid concessions have occurred in the market and are considered typical up to three percent of the purchase price.																																																																																							
<b>SITE DESCRIPTION</b>	Dimensions: See Plat Map		Site Area: 6,526 Sq.Ft.																																																																																				
	Zoning Classification: RM 1-1		Description: Resid, multi-family 1 unit per 3000 sf																																																																																				
	Zoning Compliance: <input type="checkbox"/> Legal <input checked="" type="checkbox"/> Legal nonconforming (grandfathered) <input type="checkbox"/> Illegal <input type="checkbox"/> No zoning																																																																																						
	Are CC&Rs applicable? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Unknown		Have the documents been reviewed? <input type="checkbox"/> Yes <input type="checkbox"/> No		Ground Rent (if applicable) \$ _____ / _____																																																																																		
	Comments:																																																																																						
	Highest & Best Use as improved: <input checked="" type="checkbox"/> Present use, or <input type="checkbox"/> Other use (explain) _____																																																																																						
	Actual Use as of Effective Date: Four Units		Use as appraised in this report: Four Units																																																																																				
	Summary of Highest & Best Use: Per city of San Diego planning department, the subject was previously conforming (current zoning allows two units on the subject's site) and has since been downzoned. The permitted structures on the subject's site can be rebuilt to their current configuration if destroyed.																																																																																						
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Other site elements: <input checked="" type="checkbox"/> Inside Lot <input type="checkbox"/> Corner Lot <input type="checkbox"/> Cul de Sac <input type="checkbox"/> Underground Utilities <input type="checkbox"/> Other (describe)																																																																																							
FEMA Spec'l Flood Hazard Area: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		FEMA Flood Zone: X		FEMA Map #: 060295-06073C1584G		FEMA Map Date: 05/16/2012																																																																																	
Site Comments: The subject is located on a typical residential street for the area. There is no significant view.																																																																																							

# 2-4 UNIT RESIDENTIAL APPRAISAL REPORT

File No.: 70601

DESCRIPTION OF THE IMPROVEMENTS	<b>General Description</b>		<b>Exterior Description</b>		<b>Foundation</b>		<b>Basement</b>		<input checked="" type="checkbox"/> None		<b>Heating</b>				
	# of Units <u>4</u> <input type="checkbox"/> Accessory Unit		Foundation <u>Slab</u>		Slab <input checked="" type="checkbox"/> Yes		Area Sq. Ft. _____				Type <u>FAU</u>				
	# Stories <u>1</u> # Bldgs. <u>2</u>		Exterior Walls <u>Stucco/Wood</u>		Crawl Space <input checked="" type="checkbox"/> No		% Finished _____				Fuel <u>Gas</u>				
	Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/>		Roof Surface <u>Comp Shingle</u>		Basement <input checked="" type="checkbox"/> None		Ceiling _____				Cooling _____				
	Design (Style) <u>Contemporary</u>		Gutters & Dwnspts. <u>Yes</u>		Sump Pump <input type="checkbox"/>		Walls _____				Central _____				
	<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Und.Cons.		Window Type <u>Wood</u>		Dampness <input type="checkbox"/>		Floor _____				Other <u>None</u>				
	Actual Age (Yrs.) <u>66</u>		Storm/Screens <u>Yes</u>		Settlement _____		Outside Entry _____								
	Effective Age (Yrs.) <u>40</u>				Infestation _____										
	<b>Interior Description</b>		<b>Appliances #</b>		<b>Attic</b> <input type="checkbox"/> None		<b>Amenities</b>				<b>Car Storage</b> <input type="checkbox"/> None				
	Floors <u>Laminate</u>		Refrigerator <u>4</u>		Stairs <input type="checkbox"/>		Fireplace(s) # <u>2</u>		Woodstove(s) # _____		Garage # of cars ( <u>4</u> Tot.)				
Walls <u>Drywall</u>		Range/Oven <u>4</u>		Drop Stair <input type="checkbox"/>		Patio <u>Areas</u>				Attach. _____					
Trim/Finish <u>Average</u>		Disposal <u>4</u>		Scuttle <input checked="" type="checkbox"/>		Deck _____				Detach. <u>4</u>					
Bath Floor <u>Laminate</u>		Dishwasher <u>4</u>		Doorway <input type="checkbox"/>		Porch _____				Blt.-In _____					
Bath Wainscot <u>Tile</u>		Fan/Hood <u>4</u>		Floor <input type="checkbox"/>		Fence <u>Wood</u>				Carport _____					
Doors <u>Hollow Core</u>		Microwave <u>4</u>		Heated <input type="checkbox"/>		Pool _____				Driveway _____					
		Washer/Dryer _____		Finished <input type="checkbox"/>						Surface <u>Concrete</u>					
Unit # 1 contains: <u>3</u> Rooms; <u>1</u> Bedrooms; <u>1</u> Bath(s); <u>588.25</u> Sq.Ft. GLA Above Grade										The Total Gross Building Area for the Subject Property is: <u>2,353</u> Sq.Ft.					
Unit # 2 contains: <u>3</u> Rooms; <u>1</u> Bedrooms; <u>1</u> Bath(s); <u>588.25</u> Sq.Ft. GLA Above Grade															
Unit # 3 contains: <u>3</u> Rooms; <u>1</u> Bedrooms; <u>1</u> Bath(s); <u>588.25</u> Sq.Ft. GLA Above Grade															
Unit # 4 contains: <u>3</u> Rooms; <u>1</u> Bedrooms; <u>1</u> Bath(s); <u>588.25</u> Sq.Ft. GLA Above Grade															
Additional features: <u>All units have custom window coverings, raised ceilings, newer laminate flooring, newer bathroom tile, newer kitchen appliances, newer paint (per owner the units were updated approximately four years ago).</u>															
Describe the condition of the property (including physical, functional and external obsolescence): <u>The subject property is currently in good condition.</u>															
No significant physical, functional or external obsolescence was noted.															
NOTE: Sketching program would not allow proper identification of all first floor living areas (two units were labeled as concrete patios and one unit was labeled as a second story unit). The subject is comprised of two duplex style, single story buildings.															
The following properties are representative current, similar, and proximate rental properties comparable to the subject property. This analysis is intended to support the opinion of the market rent for the subject property.															
<b>COMPARABLE RENTAL ANALYSIS</b>															
FEATURE		SUBJECT		COMPARABLE RENTAL # 1				COMPARABLE RENTAL # 2				COMPARABLE RENTAL # 3			
Address <u>313 Nautilus St # 19</u> <u>La Jolla, CA 92037</u>				<u>642 Bonair Way</u> <u>La Jolla, CA 92037</u>				<u>7517 Herschel Avenue #3</u> <u>La Jolla, CA 92037</u>				<u>309 Rosemont</u> <u>La Jolla, CA 92037</u>			
Proximity to Subject				<u>0.29 miles E</u>				<u>0.85 miles NE</u>				<u>0.27 miles S</u>			
Current Monthly Rent		\$ <u>8,290</u>		\$ <u>7,285</u>				\$ <u>1,988</u>				\$ <u>1,700</u>			
Less: Utilities		-\$ <u>231.76</u>		-\$ <u>357</u>				-\$ _____				-\$ _____			
Furnishings		-\$ _____		-\$ _____				-\$ _____				-\$ _____			
Plus: Rent Concess.		+\$ _____		+\$ _____				+\$ _____				+\$ _____			
Adj. Monthly Rent		\$ <u>8,058.24</u>		\$ <u>6,928</u>				\$ <u>1,988</u>				\$ <u>1,700</u>			
Adj. Mo. Rent / GLA		\$ <u>3.42 /sq.ft.</u>		\$ <u>2.69 /sq.ft.</u>				\$ <u>3.06 /sq.ft.</u>				\$ <u>4.25 /sq.ft.</u>			
Data Source(s)		<u>Inspection/Owner/Mgr</u>		<u>MLS/Agent</u>				<u>MLS/Agent</u>				<u>MLS/Agent</u>			
RENT ADJUSTMENTS		DESCRIPTION		DESCRIPTION				DESCRIPTION				DESCRIPTION			
Rent Control		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Lease Date		<u>Varies</u>		<u>Month to Month</u>				<u>Month to Month</u>				<u>Month to Month</u>			
Location		<u>Average</u>		<u>Average</u>				<u>Average</u>				<u>Average</u>			
Design (Style)		<u>Contemporary</u>		<u>Contemporary</u>				<u>Contemporary</u>				<u>Contemporary</u>			
Age		<u>63 yrs</u>		<u>69 yrs</u>				<u>45 yrs</u>				<u>73 yrs</u>			
Condition		<u>Good</u>		<u>Below Average</u>				<u>+100</u>				<u>Good</u>			
Total GBA		<u>2,353 sq.ft.</u>		<u>2,578 sq.ft.</u>				<u>650 sq.ft.</u>				<u>400 sq.ft.</u>			
Total # of Units		<u>4</u>		<u>3</u>				<u>1</u>				<u>1</u>			
Total GLA		<u>2,353 sq.ft.</u>		<u>2,578 sq.ft.</u>				<u>650 sq.ft.</u>				<u>400 sq.ft.</u>			
Unit Breakdown		Tot. Bed. Baths GLA		Tot. Bed. Baths GLA				Tot. Bed. Baths GLA				Tot. Bed. Baths GLA			
Unit # 1		<u>3 1 1 588.25</u>		<u>5 3 1.5 1,248</u>				<u>-750</u>				<u>3 1 1 650</u>			
Unit # 2		<u>3 1 1 588.25</u>		<u>4 2 1 1,030</u>				<u>-500</u>							
Unit # 3		<u>3 1 1 588.25</u>		<u>3 1 1 300</u>				<u>+250</u>							
Unit # 4		<u>3 1 1 588.25</u>													
Onsite Parking		<u>Garage</u>		<u>Open</u>				<u>+250</u>				<u>Garage</u>			
Net Rental Adjustment (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ <u>-650</u>		<input type="checkbox"/> + <input type="checkbox"/> - \$ _____				<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ <u>500</u>							
Indicated Monthly Market Rent		\$ <u>6,278</u>		\$ _____				\$ <u>1,988</u>				\$ <u>2,200</u>			



# 2-4 UNIT RESIDENTIAL APPRAISAL REPORT

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**COMPARABLE RENTALS (cont.)**

Analysis of rental data: Based on the rental comp data, the current market rent for the subject's one bedroom units with no fireplaces is \$2050. The market rent for the subject's one bedroom units with a fireplace is \$2100.

**SUBJECT RENT SCHEDULE**

**Rent Schedule:** The appraiser must reconcile the applicable indicated monthly market rents to provide an opinion of the market rent for each unit in the subject property.

Unit #	Leases		Actual Rents			Opinion of Market Rent		
	Lease Dates		Per Unit		Total Rents	Per Unit		Total Rents
	Begin Date	End Date	Unfurnished	Furnished		Unfurnished	Furnished	
1	06/05/17	05/31/18	\$ 2,195	\$	\$ 2,195	\$ 2,100	\$	\$ 2,100
2	06/02/16	05/31/18	\$ 2,000	\$	\$ 2,000	\$ 2,050	\$	\$ 2,050
3	07/20/16	08/31/17	\$ 2,095	\$	\$ 2,095	\$ 2,100	\$	\$ 2,100
4	03/12/16	08/31/17	\$ 2,000	\$	\$ 2,000	\$ 2,050	\$	\$ 2,050
Comments on lease data			Total Actual Monthly Rent		\$ 8,290	Total Gross Monthly Rent		\$ 8,300
			Other Monthly Income (itemize)		\$	Other Monthly Income (itemize)		\$
			Total Actual Monthly Income		\$ 8,290	Total Estimated Monthly Income		\$ 8,300

Utilities included in estimated rents  Electric  Water  Sewer  Gas  Oil  Trash collection  Multimedia  Telephone  Other

Comments on actual or estimated rents and other monthly income (including personal property) Current rents are generally consistent with current market rents. Typical rents do not include water/sewer as landlord paid utilities.

**INCOME APPROACH TO VALUE**  The Income Approach was not developed for this appraisal.

**Gross Rent Multiplier Analysis:**

Address	Date	Sale Price	Gross Rent	GRM	Comments
642-44 Bonair Way	10/17/16	1,701,375	7,285	233.54	Actual Rents
447-49 Nautilus Street	01/11/17	1,803,600	6,690	269.6	Actual Rents
7228-30 Eads Avenue	01/24/17	1,800,000	7,500	240.00	Market Rents per agent

Opinion of Monthly Market Rent \$ 8,300 X Gross Rent Multiplier 269 = \$ 2,232,700 **Indicated Value by Income Approach**

Summary of Income Approach (including support for market rent and GRM): The subject's GRM of 269 is based on rental comp 2 being on the same block.

**CAP RATE ANALYSIS:** Comp 4 is an active listing of a 5 unit property being offered for sale with a **2.7%** cap rate (agent feels list price is slightly high).

Sold comp 1 is a 3 unit property that sold at a **3.6%** cap rate (using an expense rate of 30%).

Sold comp 2 is a 2 unit property that sold at a **3.1%** cap rate (using an expense rate of 30%).

The subject's annual income (market) of \$99,600 at a 30% expense rate is \$69,720. Using a cap rate of **3%** projects a value of **\$2,324,000**.

**NOTE:** The subject's actual expense ratio during the period from June 2016 to May 2017 was shown to be 12%. This did not include water/sewer and pest control, both paid by the owner separately. A market expense rate of 30% is used for purposes of this analysis.

**TRANSFER HISTORY**

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): Public Record

1st Prior Subject Sale/Transfer	Analysis of sale/transfer history and/or any current agreement of sale/listing:	<u>N/A</u>
Date:		
Price:		
Source(s):		
2nd Prior Subject Sale/Transfer		
Date:		
Price:		
Source(s):		

# 2-4 UNIT RESIDENTIAL APPRAISAL REPORT

File No.: 70601

**SALES COMPARISON APPROACH TO VALUE (if developed)**  The Sales Comparison Approach was not developed for this appraisal.

The following properties are representative current, similar, and proximate closed sale properties comparable to the subject property. This analysis is intended to support the opinion of value by the sales comparison approach for the subject property.

SALES COMPARISON APPROACH

FEATURE	SUBJECT	COMPARABLE SALE # 1			COMPARABLE SALE # 2			COMPARABLE SALE # 3		
Address	313 Nautilus St # 19 La Jolla, CA 92037	642 Bonair Way # 44 La Jolla, CA 92037			447 Nautilus St # 49 La Jolla, CA 92037			7228 Eads Ave # 30 La Jolla, CA 92037		
Proximity to Subject		0.29 miles E			0.14 miles E			0.48 miles NE		
Sale Price	\$		\$	1,701,375		\$	1,803,600		\$	1,800,000
Sale Price/GBA	\$ /sq.ft.	\$	659.96 /sq.ft.		\$	842.80 /sq.ft.		\$	552.83 /sq.ft.	
Gross Monthly Rent	\$ 8,300	\$	7,285		\$	6,690		\$	7,500 (Mkt)	
Gross Rent Multiplier			233.54			269.60			240.00	
Price per Unit	\$	\$	567,125		\$	901,800		\$	900,000	
Price per Room	\$	\$	141,781		\$	200,400		\$	257,143	
Price per Bedroom	\$	\$	283,563		\$	360,720		\$	600,000	
Data Source(s)	Inspection	MLS/County			MLS/County			MLS/County/Agent		
Verification Source(s)	Public Records	Doc# 558928			Doc# 17092			Doc #37039		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+/- \$ Adjust	DESCRIPTION	+/- \$ Adjust	DESCRIPTION	+/- \$ Adjust			
Rent Control	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
Sales or Financing Concessions		Conv Loan		All Cash		Conv Loan				
Date of Sale/Time		None		\$6000 Credit	0	None				
Rights Appraised	Fee Simple	Fee Simple		Fee Simple		Fee Simple				
Location	Average	Average		Sides Car Wash	+100,000	Average				
Site	6526/Mst Level	6188/Mst Level	0	6406/Mst Level	0	6416/Mst Level	0			
View	None Significant	None Significant		None Significant		Some Bluewater	-500,000			
Design (Style)	Contemporary	Contemporary		Contemporary		Contemporary				
Quality of Construction	Average	Average		Average		Average				
Age	66 yrs	68 yrs		77 yrs	0	66 yrs				
Condition	Good	Average	+10,000	Good		Good				
Total GBA	2,353 sq.ft.	2,578 sq.ft.		2,140 sq.ft.		3,256 sq.ft.				
Total # of Units	4	3	+600,000	2	+1,200,000	2	+1,200,000			
Total GLA	2,353 sq.ft.	2,578 sq.ft.		2,140 sq.ft.		3,256 sq.ft.				
Unit Breakdown	Total Bdrms Baths	Total Bdrms Baths		Total Bdrms Baths		Total Bdrms Baths				
Unit # 1	3 1 1	5 3 1	-50,000	5 3 1	-50,000	4 2 2	-50,000			
Unit # 2	3 1 1	4 2 1	-25,000	4 2 2	-50,000	3 1 1				
Unit # 3	3 1 1	3 1 1								
Unit # 4	3 1 1									
Basement & Finished Rooms Below Grade	None	None		None		None				
Functional Utility	Adequate	Adequate		Adequate		Adequate				
Heating/Cooling	FAU/None	Wall/None	+5,000	Wall/None	+5,000	Wall/None	+5,000			
Energy Efficient Items	Insulated	Insulated		Insulated		Insulated				
Parking	4 Garage	2 Garage	+50,000	5 Garage	-25,000	1 Garage	+75,000			
Porch/Patio/Deck	Patios	Patios		Patios		Patios				
Net Adjustment (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 590,000	<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 1,180,000	<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 730,000			
Adjusted Sale Price of Comparables			\$ 2,291,375		\$ 2,983,600		\$ 2,530,000			
Adjusted Price of Comparables per GBA		\$	888.82	\$	1,394.21	\$	777.03			
Adjusted Price of Comparables per Unit		\$	763,792	\$	1,491,800	\$	1,265,000			
Adjusted Price of Comparables per Room		\$	190,948	\$	331,511	\$	361,429			
Adjusted Price of Comparables per Bedroom		\$	381,896	\$	596,720	\$	843,333			

Subject Value Indicators - the appraiser has determined the following value indicators for the subject property:

Ind. Val. per GBA	\$	N/A	X	N/A	SF GBA = \$	N/A	Ind. Val. per Unit	\$	N/A	X	N/A	Units = \$	N/A
Ind. Val. per Room	\$	N/A	X	N/A	Rooms = \$	N/A	Ind. Val. per Bedroom	\$	N/A	X	N/A	Bedrooms = \$	N/A

The Sales Comparison Approach is continued on the following page. For support of the adjustments to the comparables and the derived Subject Value Indicators, please refer to the Summary of Sales Comparison Approach comments.

# 2-4 UNIT RESIDENTIAL APPRAISAL REPORT

File No.: 70601

**SALES COMPARISON APPROACH (cont.)**

Summary of Sales Comparison Approach      The subject is a 66 year old four unit property with recent updates. It is comprised of four, one bedroom units. While other four unit properties exist in this market, the last sale in La Jolla occurred on July 31, 2015 and is used as comp 5. Because the subject is comprised of one bedroom units, this type of property will likely appeal to an investor-buyer and not an owner occupant. Since there was a lack of recent and similar sales data available in this market, sales from neighboring Pacific Beach and Del Mar were considered and ultimately not used. Sales from Pacific Beach were not used because of the difficulty in determining an accurate location adjustment between the two markets (La Jolla is considered a superior market). Del Mar did not have similar, four unit sales. A recent sale of two units at 549 Nautilus St was considered but not used after it was determined this property was two separate homes on two lots. The most recent sale of a three unit property in La Jolla was used (comp 1) and the two most recent and proximate two unit property sales were used (comps 2 and 3). Additionally, a current listing of a five unit property was located and is used as comp 4. The comparable sales used in this report will offer some combination of similar unit count, proximity to the subject property, and a reflection of recent market activity. It was necessary to use this approach to comparable selection to bracket the subject's significant attributes and arrive at a meaningful estimate of value. The income approach was also relied upon to assist in determining an estimate of value along with an analysis of capitalization rates, since an investor-buyer would analyze the income producing capabilities of the subject property.

An adjustment of \$600,000 per unit is used in this appraisal report. This adjustment is based on an analysis of the 16 sales of 2-4 unit properties in the 92037 zip code that occurred over the past two years. There were 12 2-unit sales, 3 3-unit sales and 1 4-unit sale. The average price per unit was \$759,880.37. Because the subject's units are one bedroom, and these sales had more two or three bedroom units than one bedroom units, a lower value per unit was used (closer to sold comp 1's price per unit). Room adjustments are made at \$25,000 per full room and \$12,500 per half-bathroom. Garage adjustments are made at \$25,000 per car.

Adjustments for water views are more subjective and difficult to quantify because of varying degrees of views. Therefore, these adjustments are based on interviews with local agents.

**2-4 UNIT SALES IN THE SUBJECT'S MARKET (same zip code):**  
**MEDIAN SALE PRICE/DOM FROM 06/13/16 TO 12/13/16: \$1,425,687 (89 DOM).**  
**MEDIAN SALE PRICE/DOM FROM 12/13/16 TO 06/13/17: \$1,803,600 (71 DOM).**  
**THE NOTED DIFFERENCE IN MEDIAN PRICE SHOWS AN INCREASE OF 26.5% (ROUNDED) OVER THE TWELVE MONTH PERIOD IMMEDIATELY PRECEDING THE EFFECTIVE DATE OF THE APPRAISAL. BECAUSE OF LIMITED SALES ACTIVITY OF 2-4 UNIT PROPERTIES IN LA JOLLA (TWO AND THREE SALES, RESPECTIVELY FOR THE GIVEN TIME PERIODS) THE INCREASE IS NOTED. HOWEVER DATA IS NOT DEEMED RELIABLE ENOUGH AS A BASIS TO FORMULATE TIME ADJUSTMENTS. THEREFORE, NO TIME ADJUSTMENTS WILL BE USED IN THIS APPRAISAL REPORT.**

**Indicated Value by Sales Comparison Approach \$**      2,350,000

**COST APPROACH TO VALUE (if developed)**       The Cost Approach was not developed for this appraisal.

Provide adequate information for replication of the following cost figures and calculations.  
 Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value):      The cost approach is not applicable in this appraisal report because of the difficulty associated with developing an accurate land value and the difficulty in establishing a meaningful amount of physical depreciation.

ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input type="checkbox"/> REPLACEMENT COST NEW		OPINION OF SITE VALUE _____ = \$	
Source of cost data:		DWELLING	Sq.Ft. @ \$ _____ = \$
Quality rating from cost service:	Effective date of cost data:		Sq.Ft. @ \$ _____ = \$
Comments on Cost Approach (gross living area calculations, depreciation, etc.):			Sq.Ft. @ \$ _____ = \$
N/A			Sq.Ft. @ \$ _____ = \$
			Sq.Ft. @ \$ _____ = \$
			_____ = \$
		Garage/Carport	Sq.Ft. @ \$ _____ = \$
		Total Estimate of Cost-New	_____ = \$
		Less      Physical      Functional      External	
		Depreciation	_____ = \$(      )
		Depreciated Cost of Improvements	_____ = \$
		"As-is" Value of Site Improvements	_____ = \$
			_____ = \$
			_____ = \$
Estimated Remaining Economic Life (if required):		Years	<b>INDICATED VALUE BY COST APPROACH</b> _____ = \$



# 2-4 UNIT RESIDENTIAL APPRAISAL REPORT

File No.: 70601


PUD	<b>PROJECT INFORMATION FOR PUDs (if applicable)</b> <input type="checkbox"/> The Subject is part of a Planned Unit Development.
	Legal Name of Project: _____ Describe common elements and recreational facilities: _____ _____ _____ _____ _____ _____ _____

RECONCILIATION	<b>Indicated Value by: Sales Comparison Approach \$ 2,350,000      Income Approach \$ 2,232,700      Cost Approach (if developed) \$</b>
	Final Reconciliation <u>Sold comp 1</u> was determined to be the best indicator of value within the sales comparison approach because it has three units and sold within the past 12 months. Sold comp 5 is the most similar sale, yet occurred nearly two years ago. The Income Approach, including an analysis of the capitalization rate, was developed and was considered in the determination of value. It uses current market income and expense data to arrive at an estimate of value, similar to what a typical owner-investor would analyze when considering a property for purchase.
This appraisal is made <input checked="" type="checkbox"/> "as is", <input type="checkbox"/> subject to completion per plans and specifications on the basis of a Hypothetical Condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a Hypothetical Condition that the repairs or alterations have been completed, <input type="checkbox"/> subject to the following required inspection based on the Extraordinary Assumption that the condition or deficiency does not require alteration or repair: _____	
<input type="checkbox"/> This report is also subject to other Hypothetical Conditions and/or Extraordinary Assumptions as specified in the attached addenda.	

**Based on the degree of inspection of the subject property, as indicated below, defined Scope of Work, Statement of Assumptions and Limiting Conditions, and Appraiser's Certifications, my (our) Opinion of the Market Value (or other specified value type), as defined herein, of the real property that is the subject of this report is: \$ 2,350,000, as of: June 13, 2017, which is the effective date of this appraisal. If indicated above, this Opinion of Value is subject to Hypothetical Conditions and/or Extraordinary Assumptions included in this report. See attached addenda.**

ATTACHMENTS	A true and complete copy of this report contains <u>22</u> pages, including exhibits which are considered an integral part of the report. This appraisal report may not be properly understood without reference to the information contained in the complete report.			
	Attached Exhibits: <input checked="" type="checkbox"/> Sketch Addendum <input checked="" type="checkbox"/> Additional Rentals <input type="checkbox"/>	<input checked="" type="checkbox"/> Scope of Work <input checked="" type="checkbox"/> Map Addenda/2 Aerial Types <input checked="" type="checkbox"/> Income/Expense Analysis <input type="checkbox"/>	<input checked="" type="checkbox"/> Limiting Cond./Certification <input type="checkbox"/> Cost Addendum <input type="checkbox"/> Hypothetical Conditions <input type="checkbox"/>	<input type="checkbox"/> Narrative Addendum <input type="checkbox"/> Flood Addendum <input type="checkbox"/> Extraordinary Assumptions <input type="checkbox"/>

Client Contact: Melanie Hastings Client Name: Melanie Hastings  
 E-Mail: socalmelanie@msn.com Address: 252 Bonair Street La Jolla, CA 92037

SIGNATURES	APPRAISER   Appraiser Name: <u>Mark A. Melikian</u> Company: <u>Mark A. Melikian</u> Phone: <u>858-945-8996</u> Fax: _____ E-Mail: <u>appraisals@san.rr.com</u> Date of Report (Signature): <u>06/19/2017</u> License or Certification #: <u>AR005192</u> State: <u>CA</u> Designation: _____ Expiration Date of License or Certification: <u>06/29/2018</u> Inspection of Subject: <input checked="" type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None Date of Inspection: <u>June 13, 2017</u>	SUPERVISORY APPRAISER (if required) or CO-APPRAISER (if applicable)  Supervisory or Co-Appraiser Name: _____ Company: _____ Phone: _____ Fax: _____ E-Mail: _____ Date of Report (Signature): _____ License or Certification #: _____ State: _____ Designation: _____ Expiration Date of License or Certification: _____ Inspection of Subject: <input type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None Date of Inspection: _____
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# Assumptions, Limiting Conditions & Scope of Work

File No.: 70601

Property Address: 313 Nautilus St # 19	City: La Jolla	State: CA	Zip Code: 92037
Client: Melanie Hastings	Address: 252 Bonair Street La Jolla, CA 92037		
Appraiser: Mark A. Melikian	Address: P. O. Box 3051 Del Mar, CA 92014		

## STATEMENT OF ASSUMPTIONS & LIMITING CONDITIONS

- The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership. The future operation of the property assumes skilled and adequate management but are not represented to be historically based.
- The appraiser may have provided a sketch in the appraisal report to show approximate dimensions of the improvements, and any such sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size. Unless otherwise indicated, a Land Survey was not performed.
- If so indicated, 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 the appraisal report whether 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.
- 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.
- If the cost approach is included in this appraisal, the appraiser has estimated the value of the land in the cost approach at its highest and best use, and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used. Unless otherwise specifically indicated, the cost approach value is not an insurance value, and should not be used as such.
- The appraiser has noted in the appraisal report any adverse conditions (including, but not limited to, needed repairs, depreciation, 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 normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property, or adverse environmental conditions (including, but not limited to, the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. 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, the appraisal report must not be considered as an environmental assessment of the property.
- The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties. All information furnished regarding rental rates, lease terms, or projections of income and expense is from sources deemed reliable. No warranty or representation is made as to the accuracy thereof.
- The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice, and any applicable federal, state or local laws.
- If this appraisal is indicated as subject to satisfactory completion, repairs, or alterations, the appraiser has based his or her appraisal report and valuation conclusion on the assumption that completion of the improvements will be performed in a workmanlike manner.
- An appraiser's client is the party (or parties) who engage an appraiser in a specific assignment. Any other party acquiring this report from the client does not become a party to the appraiser-client relationship. Any persons receiving this appraisal report because of disclosure requirements applicable to the appraiser's client do not become intended users of this report unless specifically identified by the client at the time of the assignment.
- The appraiser's written consent and approval must be obtained before this appraisal report can be conveyed by anyone to the public, through advertising, public relations, news, sales, or by means of any other media, or by its inclusion in a private or public database.
- An appraisal of real property is not a 'home inspection' and should not be construed as such. As part of the valuation process, the appraiser performs a non-invasive visual inventory that is not intended to reveal defects or detrimental conditions that are not readily apparent. The presence of such conditions or defects could adversely affect the appraiser's opinion of value. Clients with concerns about such potential negative factors are encouraged to engage the appropriate type of expert to investigate.

**The Scope of Work is the type and extent of research and analyses performed in an appraisal assignment that is required to produce credible assignment results, given the nature of the appraisal problem, the specific requirements of the intended user(s) and the intended use of the appraisal report. Reliance upon this report, regardless of how acquired, by any party or for any use, other than those specified in this report by the Appraiser, is prohibited. The Opinion of Value that is the conclusion of this report is credible only within the context of the Scope of Work, Effective Date, the Date of Report, the Intended User(s), the Intended Use, the stated Assumptions and Limiting Conditions, any Hypothetical Conditions and/or Extraordinary Assumptions, and the Type of Value, as defined herein. The appraiser, appraisal firm, and related parties assume no obligation, liability, or accountability, and will not be responsible for any unauthorized use of this report or its conclusions.**

**Additional Comments (Scope of Work, Extraordinary Assumptions, Hypothetical Conditions, etc.):**

Prior professional services rendered at this address in the past three years: None

No professional assistance was provided in the preparation of this report.

\*\*\*\*\*This report was prepared in accordance with the requirements of the Appraisal Report option of USPAP\*\*\*\*\*

# Certifications

File No.: 70601

Property Address: 313 Nautilus St # 19	City: La Jolla	State: CA	Zip Code: 92037
Client: Melanie Hastings	Address: 252 Bonair Street La Jolla, CA 92037		
Appraiser: Mark A. Melikian	Address: P. O. Box 3051 Del Mar, CA 92014		

## APPRAISER'S CERTIFICATION

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

- The statements of fact contained in this report are true and correct.
- The credibility of this report, for the stated use by the stated user(s), of the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- Unless otherwise indicated, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
- I did not base, either partially or completely, my analysis and/or the opinion of value in the appraisal report on the race, color, religion, sex, 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.
- Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.
- Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification.


### Additional Certifications:

### DEFINITION OF MARKET VALUE \*:

Market value means 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 and 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 acting in what they consider their own best interests;
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.

\* This definition is from regulations published by federal regulatory agencies pursuant to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) of 1989 between July 5, 1990, and August 24, 1990, by the Federal Reserve System (FRS), National Credit Union Administration (NCUA), Federal Deposit Insurance Corporation (FDIC), the Office of Thrift Supervision (OTS), and the Office of Comptroller of the Currency (OCC). This definition is also referenced in regulations jointly published by the OCC, OTS, FRS, and FDIC on June 7, 1994, and in the Interagency Appraisal and Evaluation Guidelines, dated October 27, 1994.

Client Contact: Melanie Hastings	Client Name: Melanie Hastings
E-Mail: socalmelanie@msn.com	Address: 252 Bonair Street La Jolla, CA 92037
<b>APPRAISER</b>	<b>SUPERVISORY APPRAISER (if required) or CO-APPRAISER (if applicable)</b>
	
Appraiser Name: Mark A. Melikian	Supervisory or Co-Appraiser Name: _____
Company: Mark A. Melikian	Company: _____
Phone: 858-945-8996 Fax: _____	Phone: _____ Fax: _____
E-Mail: appraisals@san.rr.com	E-Mail: _____
Date Report Signed: 06/19/2017	Date Report Signed: _____
License or Certification #: AR005192 State: CA	License or Certification #: _____ State: _____
Designation: _____	Designation: _____
Expiration Date of License or Certification: 06/29/2018	Expiration Date of License or Certification: _____
Inspection of Subject: <input checked="" type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None	Inspection of Subject: <input type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None
Date of Inspection: June 13, 2017	Date of Inspection: _____

SIGNATURES



Borrower	Hastings Trust 01-19-06	File No.	70601
Property Address	313 Nautilus St # 19		
City	La Jolla	County	San Diego
		State	CA
		Zip Code	92037
Lender/Client	Melanie Hastings		

## APPRAISAL AND REPORT IDENTIFICATION

This Report is one of the following types:

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

## Comments on Standards Rule 2-3

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

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

## Reasonable Exposure Time

(USPAP defines Exposure Time as the estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.)

My Opinion of Reasonable Exposure Time for the subject property at the market value stated in this report is: Three to six months.

## Comments on Appraisal and Report Identification

Note any USPAP related issues requiring disclosure and any State mandated requirements:

**Prior professional services rendered at this address in the past three years: None**

### APPRAISER:

Signature:   
 Name: Mark A. Melikian

State Certification #: AR005192  
 or State License #: \_\_\_\_\_  
 State: CA Expiration Date of Certification or License: 06/29/2018  
 Date of Signature and Report: 06/19/2017  
 Effective Date of Appraisal: June 13, 2017  
 Inspection of Subject:  None  Interior and Exterior  Exterior-Only  
 Date of Inspection (if applicable): June 13, 2017

### SUPERVISORY or CO-APPRAISER (if applicable):

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

# ADDITIONAL COMPARABLE SALES

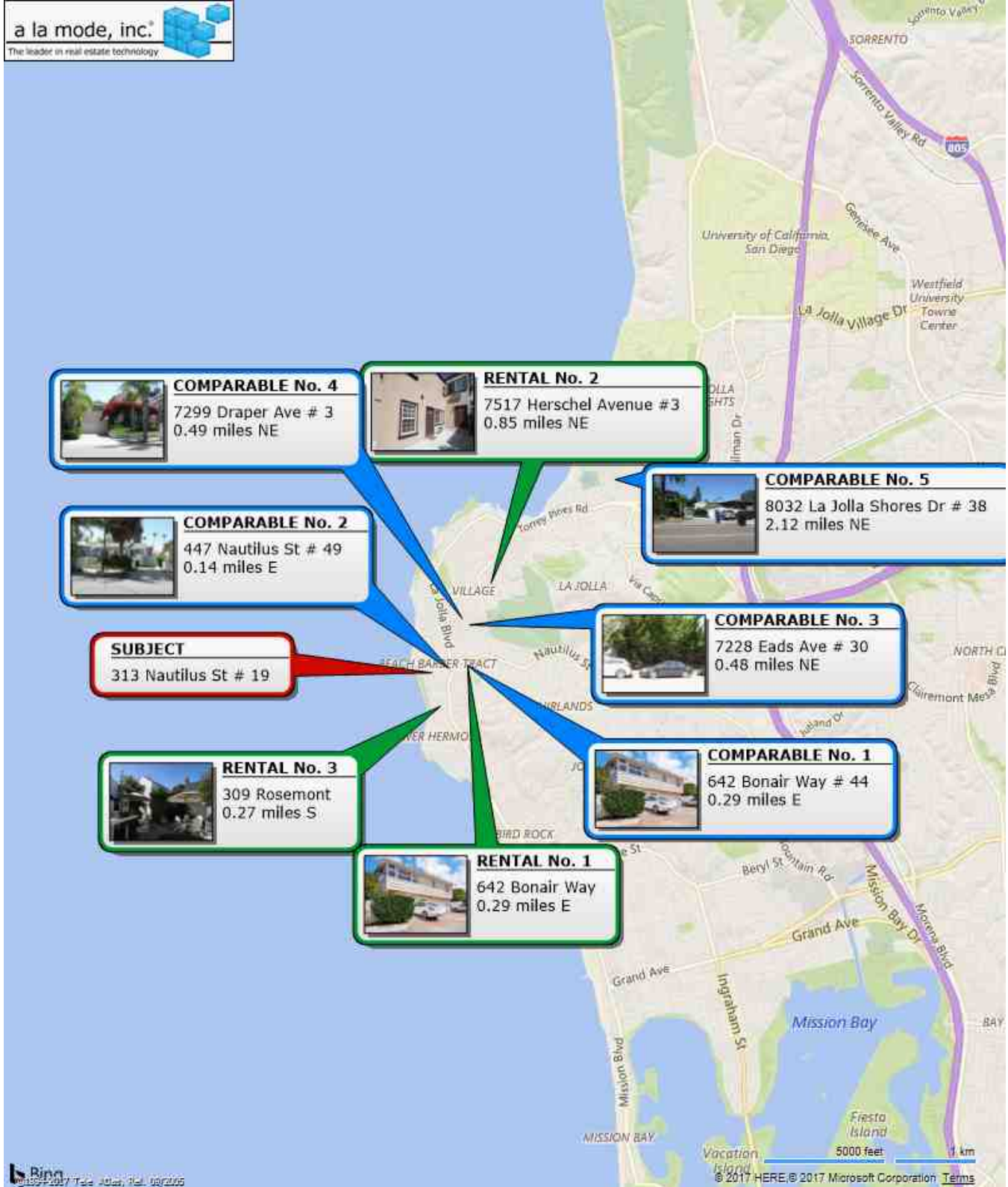
File No.: 70601

FEATURE		SUBJECT		COMPARABLE SALE # 4			COMPARABLE SALE # 5			COMPARABLE SALE # 6					
Address 313 Nautilus St # 19 La Jolla, CA 92037		7299 Draper Ave # 3 La Jolla, CA 92037		8032 La Jolla Shores Dr # 38 La Jolla, CA 92037											
Proximity to Subject		0.49 miles NE		2.12 miles NE											
Sale Price		\$ 4,600,000		\$ 1,900,000											
Sale Price/GBA		\$ 575.00 /sq.ft.		\$ 795.64 /sq.ft.											
Gross Monthly Rent		\$ 8,300		\$ 14,100			\$ 7,285								
Gross Rent Multiplier		326.24		260.81											
Price per Unit		\$ 920,000		\$ 475,000											
Price per Room		\$ 255,556		\$ 158,333											
Price per Bedroom		\$ 460,000		\$ 475,000											
Data Source(s)		Inspection		MLS/Agent			MLS/County								
Verification Source(s)		Public Records		Public Records			Doc# 407877								
VALUE ADJUSTMENTS		DESCRIPTION		DESCRIPTION		+/- \$ Adjust		DESCRIPTION		+/- \$ Adjust		DESCRIPTION		+/- \$ Adjust	
Rent Control		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				<input type="checkbox"/> Yes <input type="checkbox"/> No			
Sales or Financing Concessions				N/A			Conv Loan								
Date of Sale/Time				ACTIVE LISTING			None								
Rights Appraised		Fee Simple		11/07/16-List Date			07/31/15-COE								
Location		Average		Fee Simple			Fee Simple								
Site		6526/Mst Level		13939/Upslope			-250,000		5297/Mst Level		0				
View		None Significant		Some Bluewater			-500,000		None Significant						
Design (Style)		Contemporary		Contemporary			Contemporary								
Quality of Construction		Average		Average			Average								
Age		66 yrs		26 yrs			-50,000		64 yrs						
Condition		Good		Good			Good								
Total GBA		2,353 sq.ft.		8,000 sq.ft.			2,388 sq.ft.			sq.ft.					
Total # of Units		4		5			-600,000		4						
Total GLA		2,353 sq.ft.		8,000 sq.ft.			2,388 sq.ft.			sq.ft.					
Unit Breakdown		Total Bdrms Baths		Total Bdrms Baths				Total Bdrms Baths				Total Bdrms Baths			
Unit # 1		3 1 1		5 3 2.5		-87,500		3 1 1							
Unit # 2		3 1 1		4 2 2.5		-62,500		3 1 1							
Unit # 3		3 1 1		5 3 2.5		-87,500		3 1 1							
Unit # 4		3 1 1		4 2 2		-50,000		3 1 1							
Basement & Finished Rooms Below Grade		None		4/2/2			None								
Functional Utility		Adequate		Adequate			Adequate								
Heating/Cooling		FAU/None		FAU/None			Wall/None			+5,000					
Energy Efficient Items		Insulated		Insulated			Insulated								
Parking		4 Garage		7 Garage			-75,000		No Garage		+100,000				
Porch/Patio/Deck		Patios		Patios			Patios								
Net Adjustment (Total)				<input type="checkbox"/> + <input checked="" type="checkbox"/> -		\$ -1,762,500		<input checked="" type="checkbox"/> + <input type="checkbox"/> -		\$ 355,000		<input type="checkbox"/> + <input type="checkbox"/> -		\$	
Adjusted Sale Price of Comparables							\$ 2,837,500					\$			
Adjusted Price of Comparables per GBA				\$ 354.69						\$ 944.30					
Adjusted Price of Comparables per Unit				\$ 567,500						\$ 563,750					
Adjusted Price of Comparables per Room				\$ 157,639						\$ 187,917					
Adjusted Price of Comparables per Bedroom				\$ 283,750						\$ 563,750					
Summary of Sales Comparison Approach															



# Aerial Map

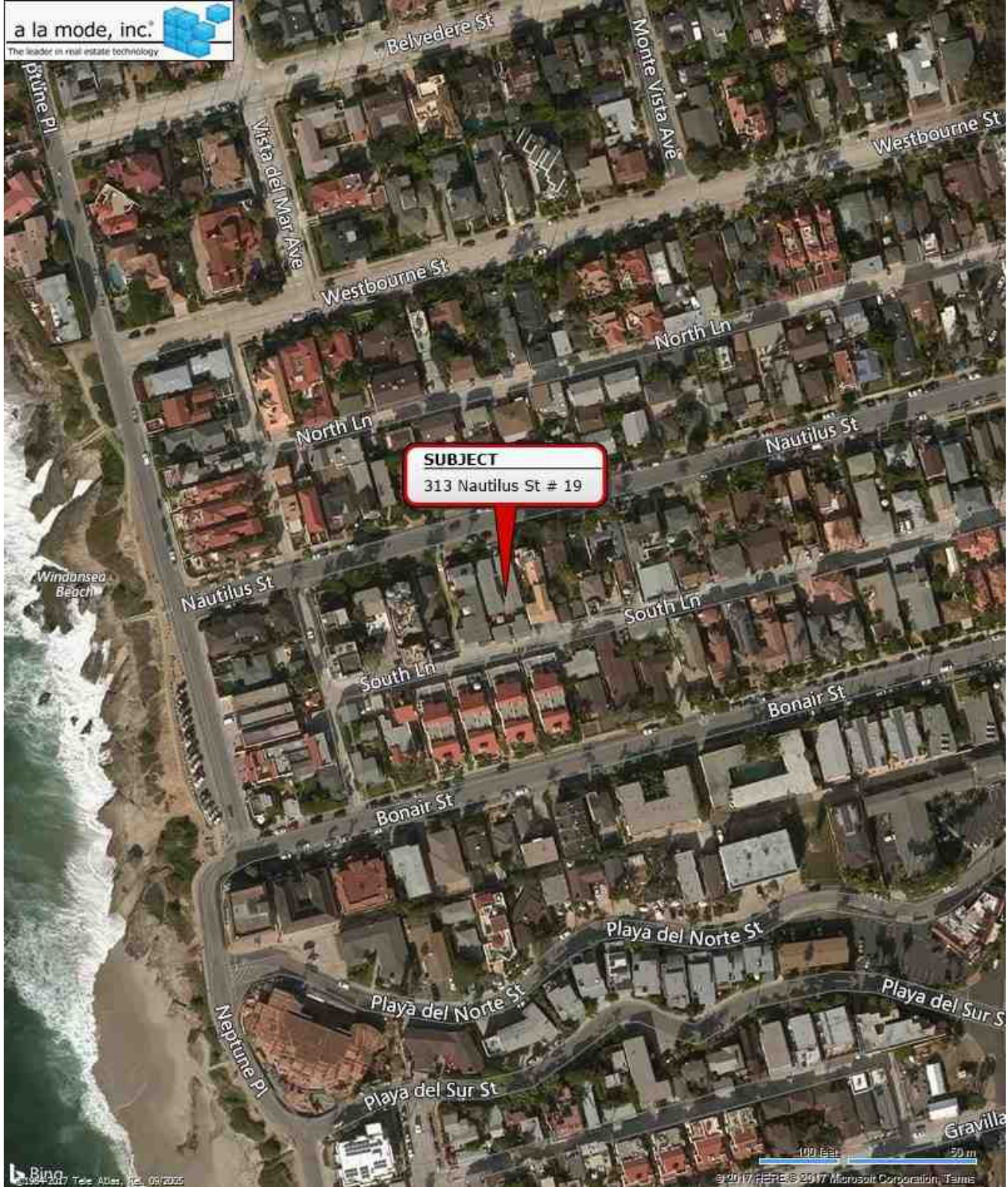
Borrower	Hastings Trust 01-19-06			
Property Address	313 Nautilus St # 19			
City	La Jolla	County	San Diego	State CA Zip Code 92037
Lender/Client	Melanie Hastings			





# Aerial Map

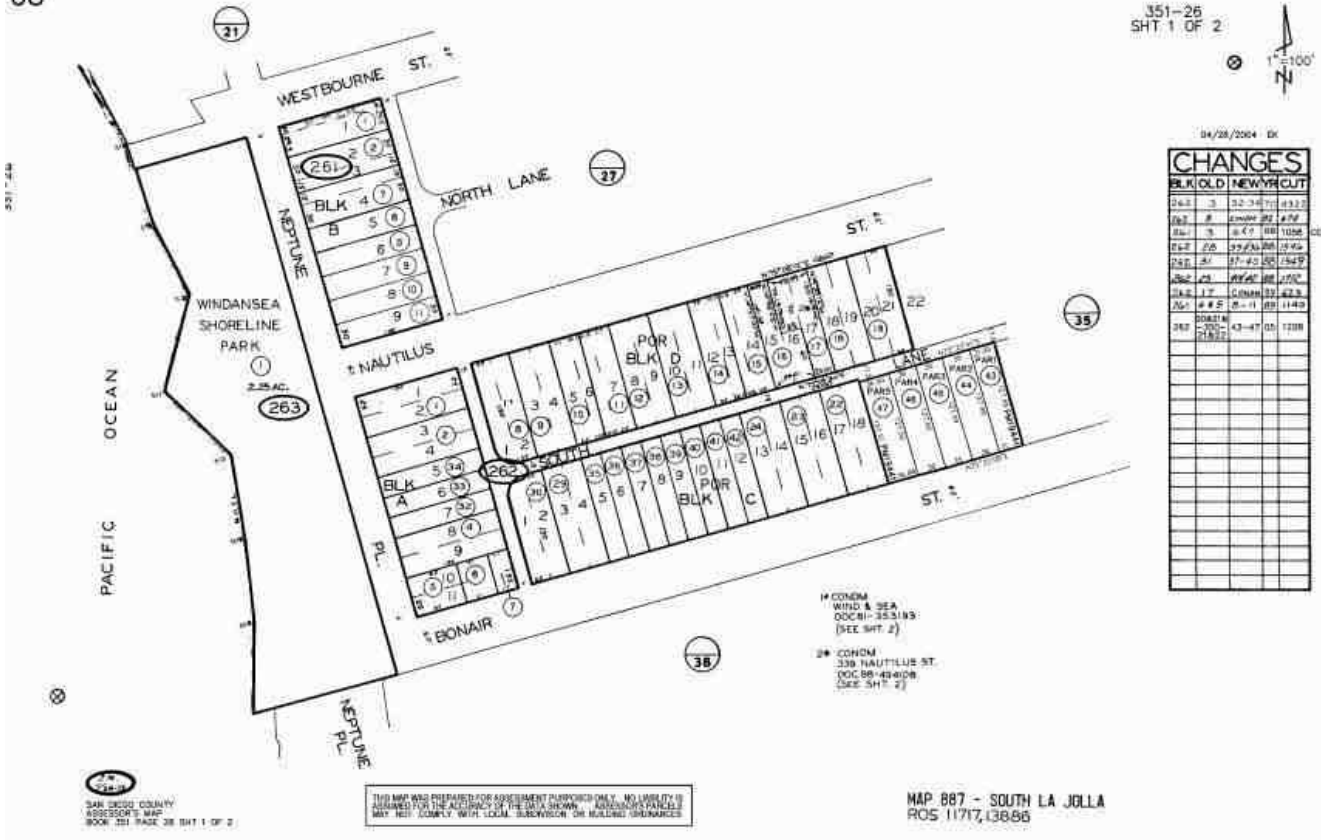
Borrower	Hastings Trust 01-19-06				
Property Address	313 Nautilus St # 19				
City	La Jolla	County	San Diego	State	CA Zip Code 92037
Lender/Client	Melanie Hastings				



# Plat Map

Borrower	Hastings Trust 01-19-06			
Property Address	313 Nautilus St # 19			
City	La Jolla	County	San Diego	State CA Zip Code 92037
Lender/Client	Melanie Hastings			

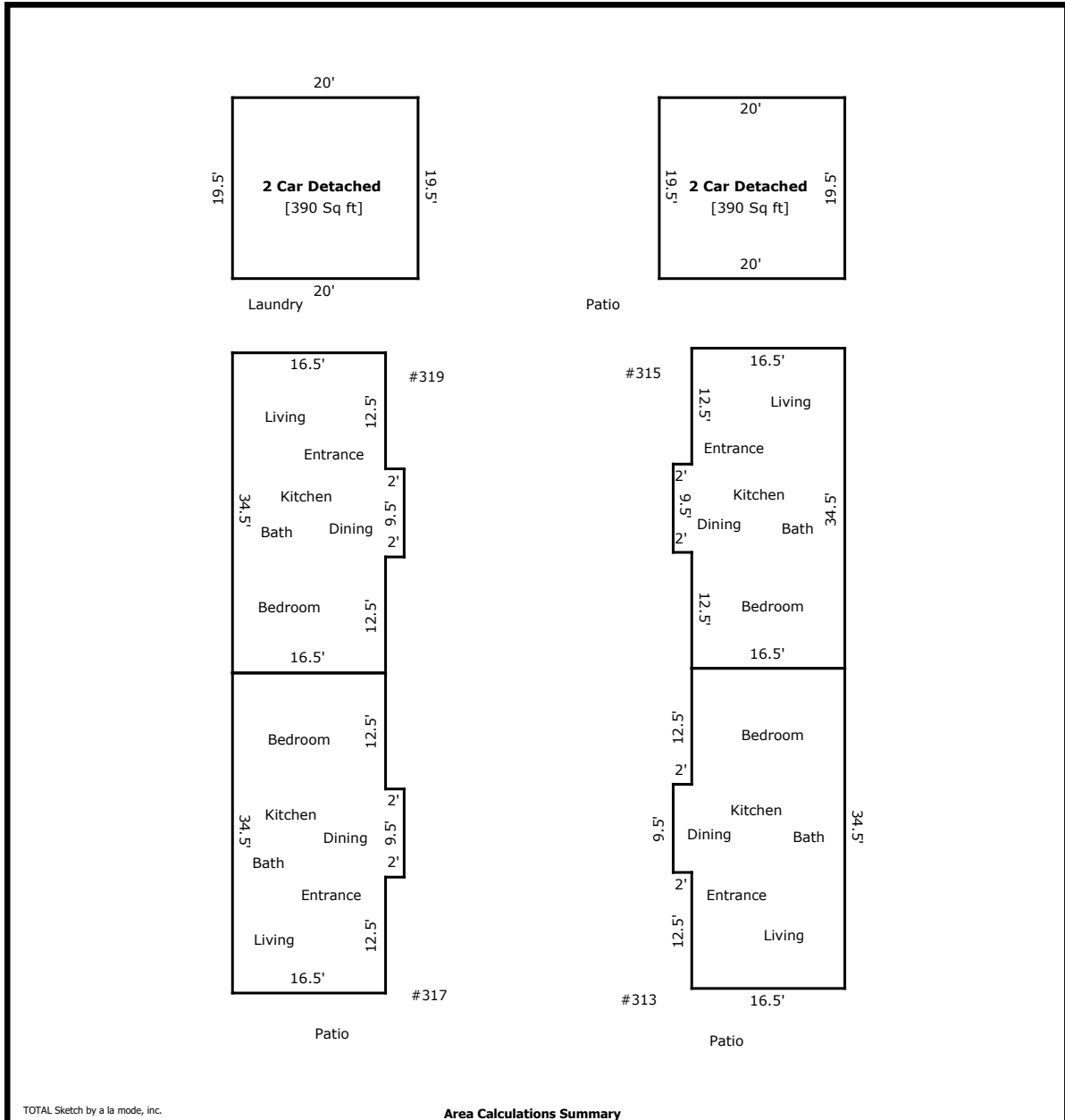
08





# Building Sketch

Borrower	Hastings Trust 01-19-06			
Property Address	313 Nautilus St # 19			
City	La Jolla	County	San Diego	State CA Zip Code 92037
Lender/Client	Melanie Hastings			



TOTAL Sketch by a la mode, inc.

### Area Calculations Summary

Living Area	Calculation Details	
First Floor	588.25 Sq ft	$9.5 \times 2 = 19$ $34.5 \times 16.5 = 569.25$
Concrete Patio	588.25 Sq ft	$9.5 \times 2 = 19$ $16.5 \times 34.5 = 569.25$
Concrete Patio	588.25 Sq ft	$9.5 \times 2 = 19$ $16.5 \times 34.5 = 569.25$
Second Floor	588.25 Sq ft	$9.5 \times 2 = 19$ $34.5 \times 16.5 = 569.25$
<b>Total Living Area (Rounded):</b>	<b>2353 Sq ft</b>	
<b>Non-living Area</b>		
2 Car Detached	390 Sq ft	$20 \times 19.5 = 390$
2 Car Detached	390 Sq ft	$20 \times 19.5 = 390$

## Subject Photo Page

Borrower	Hastings Trust 01-19-06				
Property Address	313 Nautilus St # 19				
City	La Jolla	County	San Diego	State	CA Zip Code 92037
Lender/Client	Melanie Hastings				



### Subject Front

313 Nautilus St # 19  
Sales Price  
Gross Building Area 2,353  
Age 66 yrs



### Subject Rear



### Subject Street

## Subject Photo Page

Borrower	Hastings Trust 01-19-06				
Property Address	313 Nautilus St # 19				
City	La Jolla	County	San Diego	State	CA Zip Code 92037
Lender/Client	Melanie Hastings				



**Front of Unit 313**



**Front of Unit 315**



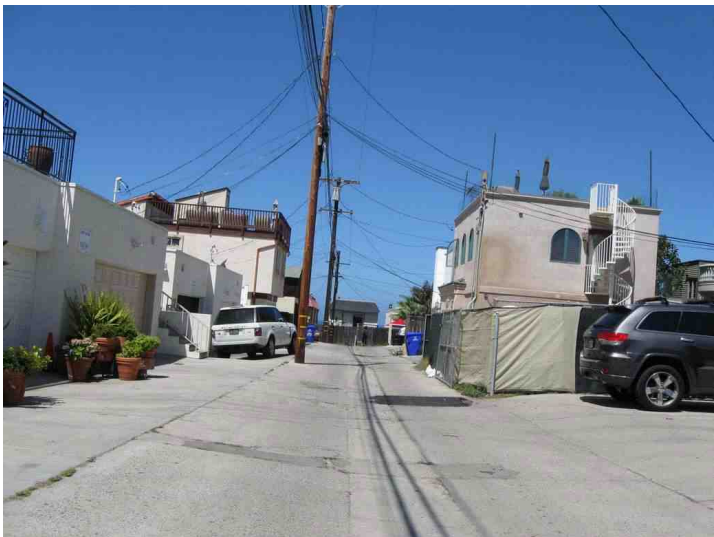
**Front of Unit 317**

## Subject Photo Page

Borrower	Hastings Trust 01-19-06						
Property Address	313 Nautilus St # 19						
City	La Jolla	County	San Diego	State	CA	Zip Code	92037
Lender/Client	Melanie Hastings						



**Front of Unit 319**



**Alley**

**N/A**



## Photograph Addendum

Borrower	Hastings Trust 01-19-06				
Property Address	313 Nautilus St # 19				
City	La Jolla	County	San Diego	State	CA Zip Code 92037
Lender/Client	Melanie Hastings				



**UNIT 313 LIVING ROOM**



**UNIT 313 KITCHEN**



**UNIT 313 BEDROOM**



**UNIT 313 BATHROOM**



**UNIT 315 LIVING ROOM**



**UNIT 315 KITCHEN**



**UNIT 315 BEDROOM**



**UNIT 315 BATHROOM**



**UNIT 317 LIVING ROOM**



**UNIT 317 KITCHEN**



**UNIT 317 BEDROOM**



**UNIT 317 BATHROOM**



## Photograph Addendum

Borrower	Hastings Trust 01-19-06				
Property Address	313 Nautilus St # 19				
City	La Jolla	County	San Diego	State	CA Zip Code 92037
Lender/Client	Melanie Hastings				



**UNIT 319 LIVING ROOM**



**UNIT 319 KITCHEN**



**UNIT 319 BEDROOM**



**UNIT 319 BATHROOM**

## Comparable Photo Page

Borrower	Hastings Trust 01-19-06			
Property Address	313 Nautilus St # 19			
City	La Jolla	County	San Diego	State CA Zip Code 92037
Lender/Client	Melanie Hastings			



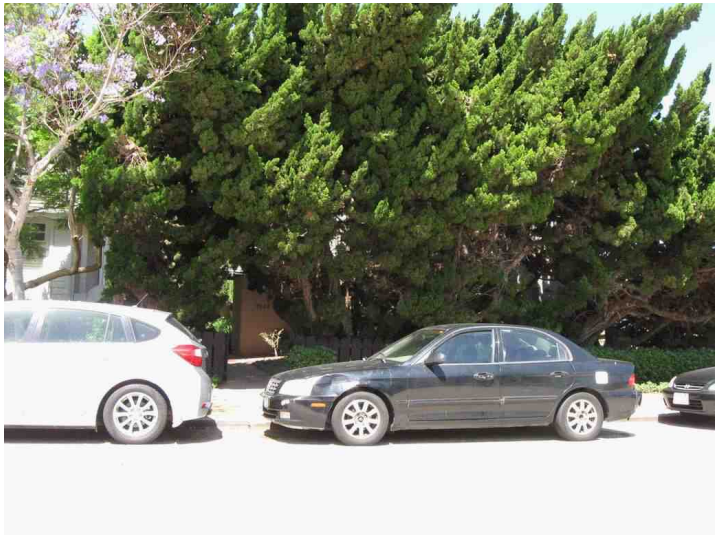
### Comparable 1

642 Bonair Way # 44  
 Sales Price 1,701,375  
 G.B.A. 2,578  
 Age/Yr. Blt. 68 yrs



### Comparable 2

447 Nautilus St # 49  
 Sales Price 1,803,600  
 G.B.A. 2,140  
 Age/Yr. Blt. 77 yrs



### Comparable 3

7228 Eads Ave # 30  
 Sales Price 1,800,000  
 G.B.A. 3,256  
 Age/Yr. Blt. 66 yrs

## Comparable Photo Page

Borrower	Hastings Trust 01-19-06				
Property Address	313 Nautilus St # 19				
City	La Jolla	County	San Diego	State	CA Zip Code 92037
Lender/Client	Melanie Hastings				



### Comparable 4

7299 Draper Ave # 3  
Sales Price 4,600,000  
G.B.A. 8,000  
Age/Yr. Blt. 26 yrs



### Comparable 5

8032 La Jolla Shores Dr # 38  
Sales Price 1,900,000  
G.B.A. 2,388  
Age/Yr. Blt. 64 yrs

### Comparable 6

Sales Price  
G.B.A.  
Age/Yr. Blt.



## Rental Photo Page

Borrower	Hastings Trust 01-19-06						
Property Address	313 Nautilus St # 19						
City	La Jolla	County	San Diego	State	CA	Zip Code	92037
Lender/Client	Melanie Hastings						



### Rental 1

642 Bonair Way  
Proximity to Subj. 0.29 miles E  
GBA 2,578  
Age/Year Built 69 yrs



### Rental 2

7517 Herschel Avenue #3  
Proximity to Subj. 0.85 miles NE  
GBA 650  
Age/Year Built 45 yrs



### Rental 3

309 Rosemont  
Proximity to Subj. 0.27 miles S  
GBA 400  
Age/Year Built 73 yrs