

APPRAISAL OF REAL PROPERTY



LOCATED AT

446 W Lake Samish Dr
Bellingham, WA 98229

Lot 19, Block 3, El Reposo Place, subject to easement recorded under Auditor File 1214211

FOR

Salas Financial
9320 Chesapeake Dr., Ste. 116, San Diego, CA 92123

OPINION OF VALUE

1,015,000

AS OF

03/15/2022

BY

Amy Ackerman
Arnason Appraisals

360.733.1140
amy@arnasonappraisals.com

Uniform Residential Appraisal Report

File # AA17792

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 **446 W Lake Samish Dr** City **Bellingham** State **WA** Zip Code **98229**
 Borrower **Gabriela Alvarez** Owner of Public Record **Gabriela Alvarez** County **Whatcom**
 Legal Description **Lot 19, Block 3, El Reposo Place, subject to easement recorded under Auditor File 1214211**
 Assessor's Parcel # **370335 430476 0000 / PID# 28018** Tax Year **2022** R.E. Taxes \$ **8,515**
 Neighborhood Name **Lake Samish** Map Reference **13380** Census Tract **0012.02**
 Occupant Owner Tenant Vacant Special Assessments \$ **0** PUD HOA \$ **0** per year per month
 Property Rights Appraised Fee Simple Leasehold Other (describe)
 Assignment Type Purchase Transaction Refinance Transaction Other (describe)
 Lender/Client **Salas Financial** Address **9320 Chesapeake Dr., Ste. 116, San Diego, CA 92123**
 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 No
 Report data source(s) used, offering price(s), and date(s). **Northwest Multiple Listing Service**

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	<input type="checkbox"/> Urban	<input checked="" type="checkbox"/> Suburban	<input type="checkbox"/> Rural	Property Values	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining	PRICE	AGE	One-Unit	100 %	
Built-Up	<input type="checkbox"/> Over 75%	<input checked="" type="checkbox"/> 25-75%	<input type="checkbox"/> Under 25%	Demand/Supply	<input checked="" type="checkbox"/> Shortage	<input type="checkbox"/> In Balance	<input type="checkbox"/> Over Supply	\$ (000)	(yrs)	2-4 Unit	%	
Growth	<input type="checkbox"/> Rapid	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Slow	Marketing Time	<input checked="" type="checkbox"/> Under 3 mths	<input type="checkbox"/> 3-6 mths	<input type="checkbox"/> Over 6 mths	320	Low	1	Multi-Family	%
Neighborhood Boundaries	The subject neighborhood is bounded on the north by Lake Samish Way, on the east and west by mountains, and on the south by the Nulle Road.						2,300	High	92		Commercial	%
Neighborhood Description	See attached addendum						1,000	Pred.	53		Other	%

Market Conditions (including support for the above conclusions) **See attached addendum**

SITE

Dimensions +/- **58' x 171' x 74' x 196'** Area **9804 sf** Shape +/- **Rectangular** View **B;Wtr;Territorial**
 Specific Zoning Classification **RR2** Zoning Description **Rural, Residential, 2 residences per acre**
 Zoning Compliance Legal Legal Nonconforming (Grandfathered Use) No Zoning Illegal (describe)
 Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? Yes No If No, describe **The highest and best use of the subject property is its present use. This is based on the criteria of what is legally permissible, physically possible, financially feasible and maximally productive.**
 Utilities **Public** Other (describe) _____ **Public** Other (describe) _____ Off-site Improvements - Type **Public** Private _____
 Electricity Water Lake Drawn Street **Asphalt**
 Gas Propane Sanitary Sewer Alley **None**
 FEMA Special Flood Hazard Area Yes No FEMA Flood Zone **X** FEMA Map # **53073C1675E** FEMA Map Date **01/18/2019**
 Are the utilities and off-site improvements typical for the market area? Yes No If No, describe _____
 Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? Yes No If Yes, describe _____
There is a sewer line easement (see provided Sewer Line Easement Addendum). This easement is not believed to have any impact on the subject property's value, function or marketability.

IMPROVEMENTS

General Description	Foundation	Exterior Description	materials/condition	Interior	materials/condition
Units <input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input type="checkbox"/> Concrete Slab <input type="checkbox"/> Crawl Space	Foundation Walls	Concrete/Average	Floors	Tile, Wood, Vinyl/Avg
# of Stories 1	<input checked="" type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls	Wood/Average	Walls	Wood, Drywall/Avg.
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Area 1,252 sq.ft.	Roof Surface	Composition/Avg. -	Trim/Finish	Wood/Stain/Avg.
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Basement Finish 91 %	Gutters & Downspouts	Metal & Metal/Avg.	Bath Floor	Vinyl/Average
Design (Style) Traditional	<input checked="" type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type	Wood, Metal/Avg/Fair	Bath Wainscot	Wood Panel/Avg.
Year Built 1964	Evidence of <input type="checkbox"/> Infestation	Storm Sash/Insulated	None/No	Car Storage	<input type="checkbox"/> None
Effective Age (Yrs) 25	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens	Some/Average	<input checked="" type="checkbox"/> Driveway	# of Cars 3
Attic <input checked="" type="checkbox"/> None	Heating <input checked="" type="checkbox"/> FWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant	Amenities	<input checked="" type="checkbox"/> Woodstove(s) # 1	Driveway Surface	Gravel
<input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs	<input type="checkbox"/> Other Fuel Propane	<input type="checkbox"/> Fireplace(s) # 0	<input type="checkbox"/> Fence None	<input type="checkbox"/> Garage	# of Cars 0
<input type="checkbox"/> Floor <input type="checkbox"/> Scuttle	Cooling <input type="checkbox"/> Central Air Conditioning	<input checked="" type="checkbox"/> Patio/Deck Wood	<input checked="" type="checkbox"/> Porch Cvd. Entry	<input checked="" type="checkbox"/> Carport	# of Cars 2
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input checked="" type="checkbox"/> Other None	<input type="checkbox"/> Pool None	<input type="checkbox"/> Other None	<input type="checkbox"/> Att. <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Built-in	
Appliances <input checked="" type="checkbox"/> Refrigerator <input checked="" type="checkbox"/> Range/Oven <input checked="" type="checkbox"/> Dishwasher <input type="checkbox"/> Disposal <input type="checkbox"/> Microwave <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> Other (describe)					
Finished area above grade contains: 4 Rooms 1 Bedrooms 1.0 Bath(s) 1,136 Square Feet of Gross Living Area Above Grade					
Additional features (special energy efficient items, etc.). None noted					
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). C4; No updates in the prior 15 years; See attached addendum					
Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe _____					
Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe _____					

Uniform Residential Appraisal Report

File # AA17792

There are 0 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 600,000 to \$ 1,350,000					
There are 7 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 750,000 to \$ 1,350,000					
FEATURE	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3	
Address	446 W Lake Samish Dr Bellingham, WA 98229	324 W Lake Samish Dr Bellingham, WA 98229	2604 Woodcliff Ln Bellingham, WA 98229	3038 Northshore Rd Bellingham, WA 98226	
Proximity to Subject		0.30 miles SE	5.51 miles NE	6.41 miles NE	
Sale Price	\$	\$ 1,000,001	\$ 900,000	\$ 1,025,000	
Sale Price/Gross Liv. Area	\$ sq.ft.	\$ 900.90 sq.ft.	\$ 600.80 sq.ft.	\$ 749.27 sq.ft.	
Data Source(s)		NWMLS#1722505;DOM 3	NWMLS#1733217;DOM 2	NWMLS#1786244;DOM 4	
Verification Source(s)		Auditor File #2021-0306096	Auditor File #2021-0401453	Auditor File #2021-0704866	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment
Sales or Financing Concessions		ArmLth VA;0		ArmLth Conv;0	0
Date of Sale/Time		s03/21;c02/21	+108,333	s04/21;c03/21	+90,000
Location	B;WtrFr;	B;WtrFr;		B;WtrFr;	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple	
Site	9804 sf	19602 sf	-25,000	22319 sf	0
View	B;Wtr;Territorial	B;Wtr;Territorial		B;Wtr;Territorial	
Design (Style)	DT1;Traditional	DT1;Traditional		DT2;Traditional	0
Quality of Construction	Q4	Q4		Q4	
Actual Age	58	53	0	29	0
Condition	C4	C4		C3	-30,030
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths		Total Bdrms. Baths	
Room Count	4 1 1.0	4 1 1.0		6 3 2.0	-7,500
Gross Living Area	1,136 sq.ft.	1,110 sq.ft.	+2,210	1,498 sq.ft.	-30,770
Basement & Finished Rooms Below Grade	1252sf1136sfwo 1rr1br1.0ba0o	744sf744sfwo 0rr2br1.0ba0o	+32,300	504sf504sfwo 1rr0br0.1ba0o	+50,300
Functional Utility	Adequate	Adequate		Fair/Steep Site	+50,000
Heating/Cooling	Furnace/None	Elec.Bsbd/None	0	Furnace/None	
Energy Efficient Items	None Noted	None Noted		Furnace	0
Garage/Carport	2cp3dw	2cp3dw		2dw	+5,000
Porch/Patio/Deck	CvEntry/Deck	CvEntry/Deck		CvPorch/Deck	0
House and Waterfront Location	Connected	Connected		Separated by Rd.	+100,000
Waterfront Feet	50' Low Bank	84' Low Bank	-34,000	100' High Bank	+30,000
Dock/Boat Ramp/Etc.	None	Shared Dock	-50,000	Dock	-60,000
Net Adjustment (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 33,843		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 101,000	
Adjusted Sale Price of Comparables		Net Adj. 3.4 % Gross Adj. 25.2 % \$ 1,033,844		Net Adj. 11.2 % Gross Adj. 39.7 % \$ 1,001,000	
				Net Adj. 1.8 % Gross Adj. 54.3 % \$ 1,043,395	

SALES COMPARISON APPROACH

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

My research did did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

Data Source(s) **Assessor/Realist**

My research did did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.

Data Source(s) **Assessor/Realist**

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

ITEM	SUBJECT	COMPARABLE SALE #1	COMPARABLE SALE #2	COMPARABLE SALE #3
Date of Prior Sale/Transfer				
Price of Prior Sale/Transfer				
Data Source(s)	Assessor/Realist	Assessor/Realist	Assessor/Realist	Assessor/Realist
Effective Date of Data Source(s)	03/18/2022	03/18/2022	03/18/2022	03/18/2022

Analysis of prior sale or transfer history of the subject property and comparable sales My research did not reveal any sale or transfer history for the subject property within three years of the effective date of this appraisal. My research did not reveal any sale or transfer history for the comparable properties within one year of the sale date utilized in this report.

Summary of Sales Comparison Approach See attached addendum

Indicated Value by Sales Comparison Approach \$ **1,015,000**

Indicated Value by: Sales Comparison Approach \$ 1,015,000 Cost Approach (if developed) \$ 941,878 Income Approach (if developed) \$

See attached addendum

RECONCILIATION

This appraisal is made "as is", subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair:

Based on a 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 \$ 1,015,000, as of 03/15/2022, which is the date of inspection and the effective date of this appraisal.

Uniform Residential Appraisal Report

File # AA17792

ADDITIONAL COMMENTS

A complete visual inspection of the subject property was conducted, including a physical inspection of all floors, including basements. The inspection did not include the attic or crawl space. The physical characteristics, quality and general condition of the subject are noted. The inspection performed is not a "Home Inspection".

The owner of public record, real estate taxes and assessments were collected from the county assessor's office, as of the date of inspection.

The method used to verify past listings was NWMLS, and information from the owner(s). The property may have been offered 'for sale by the owner', and not reported to the appraiser.

The extent of the appraiser's research into adverse site conditions or external factors, including but not limited to, easements, encroachments, environmental conditions and land uses, included a visual inspection of the property, familiarity with the area, and a drive through the surrounding neighborhood.

The legal situation of the property was not researched and the box checked in the zoning compliance section was chosen to show how the improvements fit with the current zoning. No survey has been completed in conjunction with this appraisal. Property set backs were not measured.

The extent of the appraiser's research into infestation, dampness and settlement was a physical and visual inspection of the property for any red flag evidence of these issues.

The sources for information gathered on the comparable sales include the Northwest Multiple Listing Service (NWMLS), the county assessor's office, public records, and information obtained by driving by the comparable sales.

The effective age of the subject residence is the actual age of the house less the years that have been taken off as a result of face lifting, structural improvements, removal of functional inadequacies, modernization and/or updating. The effective age of the subject residence was determined by estimating a remaining economic life and subtracting that from a typical life expectancy, taking into account the improvements and condition of the property.

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) See attached addendum

ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input checked="" type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE	=\$	700,000
Source of cost data Marshall & Swift Residential Cost Handbook	DWELLING 1,136 Sq.Ft. @ \$ 180.00	=\$	204,480
Quality rating from cost service Average Effective date of cost data 12/2021	BASEMENT 1,252 Sq.Ft. @ \$ 85.00	=\$	106,420
Comments on Cost Approach (gross living area calculations, depreciation, etc.)	Cv. entry and deck	=\$	
Site improvements include lake water draw and sewer hook-ups, gravel driveway and landscaping.	Garage/Carport 480 Sq.Ft. @ \$ 30.00	=\$	14,400
	Total Estimate of Cost-New	=\$	325,300
	Less Physical Functional External		
	Depreciation 108,422	= \$(108,422)
	Depreciated Cost of Improvements	=\$	216,878
	"As-is" Value of Site Improvements	=\$	25,000
Estimated Remaining Economic Life (HUD and VA only) 50 Years	INDICATED VALUE BY COST APPROACH	=\$	941,878

INCOME

INCOME APPROACH TO VALUE (not required by Fannie Mae)

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

PUD INFORMATION

PROJECT INFORMATION FOR PUDs (if applicable)

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

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

Legal Name of Project

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

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

Does the project contain any multi-dwelling units? Yes No Data Source

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.

Uniform Residential Appraisal Report

File # AA17792

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 the 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.

Uniform Residential Appraisal Report

File # AA17792

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.

Uniform Residential Appraisal Report

File # AA17792

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 Amy Ackerman
Company Name Arnason Appraisals
Company Address 914 Dupont St
Bellingham, WA 98225
Telephone Number 360.733.1140
Email Address amy@arnasonappraisals.com
Date of Signature and Report 03/19/2022
Effective Date of Appraisal 03/15/2022
State Certification # 1703276
or State License # _____
or Other (describe) _____ State # _____
State WA
Expiration Date of Certification or License 04/10/2023

ADDRESS OF PROPERTY APPRAISED

446 W Lake Samish Dr
Bellingham, WA 98229
APPRAISED VALUE OF SUBJECT PROPERTY \$ 1,015,000

LENDER/CLIENT

Name No AMC
Company Name Salas Financial
Company Address 9320 Chesapeake Dr., Ste. 116, San Diego,
CA 92123
Email Address info@salasfinancial.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 _____

Market Conditions Addendum to the Appraisal Report

File No. AA17792

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 **446 W Lake Samish Dr** City **Bellingham** State **WA** ZIP Code **98229**

Borrower **Gabriela Alvarez**

Instructions: The appraiser must use the information required on this form as the basis for his/her conclusions, and must provide support for those conclusions, regarding housing trends and overall market conditions as reported in the Neighborhood section of the appraisal report form. The appraiser must fill in all the information to the extent it is available and reliable and must provide analysis as indicated below. If any required data is unavailable or is considered unreliable, the appraiser must provide an explanation. It is recognized that not all data sources will be able to provide data for the shaded areas below; if it is available, however, the appraiser must include the data in the analysis. If data sources provide the required information as an average instead of the median, the appraiser should report the available figure and identify it as an average. Sales and listings must be properties that compete with the subject property, determined by applying the criteria that would be used by a prospective buyer of the subject property. The appraiser must explain any anomalies in the data, such as seasonal markets, new construction, foreclosures, etc.

Inventory Analysis	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)	5	2	0	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)	0.83	0.67	0	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Comparable Active Listings	DNA	DNA	0	<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Housing Supply (Total Listings/Ab.Rate)	DNA	DNA	0	<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale & List Price, DOM, Sale/List %	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Median Comparable Sale Price	900,000	1,237,500	N/A	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Sales Days on Market	4	5	N/A	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Comparable List Price	DNA	DNA	N/A	<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Listings Days on Market	DNA	DNA	N/A	<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale Price as % of List Price	111%	113%	N/A	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Seller-(developer, builder, etc.)paid financial assistance prevalent?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing

Explain in detail the seller concessions trends for the past 12 months (e.g., seller contributions increased from 3% to 5%, increasing use of buydowns, closing costs, condo fees, options, etc.). **This data is not available. There is currently no method to search for seller concessions. The appraiser has seen seller concessions remain relatively stable over the last 12 months. This is not quantifiable data; it is based only on the experience of the appraiser and general observations from the comments section in the multiple listing form of sold properties.**

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

Cite data sources for above information. **Northwest Multiple Listing Service**

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.

The absorption rate and the number of comparable sales have been generally stable over the past year. The market values have been increasing over the past twelve (12) months and the days on market have been fairly stable with limited inventory available. Please refer to the attached addendum for an expanded analysis and explanation of marketing time and conditions.

If the subject is a unit in a condominium or cooperative project, complete the following:

Project Name:

Subject Project Data	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)				<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)				<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Active Comparable Listings				<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Unit Supply (Total Listings/Ab.Rate)				<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing

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

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

Signature	Signature
Appraiser Name Amy Ackerman	Supervisory Appraiser Name
Company Name Arnason Appraisals	Company Name
Company Address 914 Dupont St, Bellingham, WA 98225	Company Address
State License/Certification # 1703276 State WA	State License/Certification # State
Email Address amy@arnasonappraisals.com	Email Address

MARKET RESEARCH & ANALYSIS

CONDO/CO-OP PROJECTS

APPRAISER

Supplemental Addendum

File No. AA17792

Borrower	Gabriela Alvarez						
Property Address	446 W Lake Samish Dr						
City	Bellingham	County	Whatcom	State	WA	Zip Code	98229
Lender/Client	Salas Financial						

Neighborhood - Description

The subject property is located approximately 15 minutes southeast of downtown Bellingham, Washington in a single family residential neighborhood situated on the shores of Lake Samish. Lake Samish is a popular medium-sized recreational lake south of Bellingham's city limits. The neighborhood is improved with average to very good quality single family homes, a majority of which either have water frontage on Lake Samish or take advantage of the attractive lake and territorial views. Shopping facilities, public schools, and public parks are within an acceptable driving distance and noise is not a problem. No adverse area factors were noted.

Neighborhood - Market Conditions

This area typically has excellent marketability. Marketing time for similar homes in this area is 0 - 3 months. Marketing time has remained stable in the neighborhood. Financing terms have little or no impact on sales prices in the market place. In this market, demand outweighs supply. There are currently no comparable listings on Lake Samish. Low interest rates and a lack of inventory are fueling this market.

This appraisal was performed during the COVID-19 pandemic, which is having widespread health and economic impacts throughout the United States. The analyses, conclusions and value opinion in this appraisal are based on the data available to the appraiser at the time of the assignment and apply only as of the effective date indicated. No analyses or opinions contained in this appraisal should be construed as predictions of future market conditions or value.

Subject - Overall Condition of the Property

The subject residence is a one-story Lindal Cedar home with a full basement. The foyer, kitchen and main floor bedroom are tiled, the dining room, and living room have wood flooring, and the bathroom and storage room have vinyl flooring. The ceilings throughout the main level are vaulted, tongue and groove wood. The living room has a wood stove on a tile base and a wall of windows faces the lake. The kitchen is dated with painted cabinets, laminate countertops and white appliances. The bathroom has a bathtub with a wood surround and a single vanity with a laminate countertop. A spiral staircase descends from the living room to the basement recreation room. There is vinyl flooring in the rec room and basement bathroom, and laminate flooring in the basement bedroom. There is a sink in the rec room. The basement bathroom has a bathtub with a wood surround and a single vanity with a laminate countertop.

There is an unfinished mechanical room in the basement that houses the laundry appliances, furnace, hot water tank (single strapped for earthquake safety), and water treatment equipment. The home draws its water from the lake, which is not uncommon in this market and does not negatively impact the subject property's value, function or marketability. There are smoke detectors on both levels of the home, and there is a carbon monoxide detector located in the foyer/living room area.

There is some minor deferred maintenance and physical deterioration due to normal wear and tear. The home appears to have been adequately maintained and requires only minimal repairs to building components as well as some cosmetic repairs. The lower entry deck has some rotting boards (see provided photo), and the home has original, single pane windows, with some cracked windows. All major building components appear to have been adequately maintained and are functioning properly.

There is a 20' x 24' wood frame carport with a gable roof and a gravel floor on the property .

Sales Comparison Analysis - Summary of Sales Comparison Approach

Five comparable sales were selected to aid in establishing a market value opinion for the subject property utilizing the sales comparison approach. All but one of the comparable sales were settled within 12 months of the effective date of this appraisal, and all are located on either Lake Samish or Lake Whatcom, in Bellingham. Despite having settled 20 months before the effective date of this appraisal, comparable five was included due to its proximity to the subject property, on a similar size lot. It should be noted that some of the comparables ages vary from the subject's by more than 30%, and some of the comparables have gross living areas that vary from the subject's by more than 25%.

Due to improving market conditions, a positive annual adjustment of 10% was applied to the sales to bring them to current market value. Comparables one, three and four were adjusted for their larger, usable site sizes. Comparable two was not given a site adjustment due to the steep nature of this site the additional land is not believed to add any value.

Adjustments were made at \$7,500/full bathroom, \$4,000/half bathroom, \$85/square foot (sf) for above grade living area, \$75/sf for finished, below grade living area, and \$25/sf for unfinished basement areas. Carports were adjusted at \$2,500/bay, and garages at \$7,500/bay. Homes separates from their water frontage by a road were given a sizeable adjustment to recognize the market reaction. Low and no bank water frontage differences were adjusted at \$1,000/waterfront foot (FF). High bank water frontage was adjusted at \$200/waterfront foot (FF).

Comparable one is a sale of a similar home just south of the subject property. The home is similar in age, gross living area, quality and condition, with the same main level bedroom and bathroom count. The main difference is that this property includes a good sized shared dock and 34' more low bank water frontage.

Comparable two is a newer, similar quality home located on Lake Whatcom. This home has a new roof, gutters and downspouts and exterior paint. It is in superior condition with these updates and its younger age; a \$15/square foot (sf) condition adjustment was made to reflect the market reaction. This home is situated on a steep hillside, which will deter some buyers. A functional utility adjustment was made to account for this factor. This property has high bank waterfront with 50+ stairs to access its water frontage. This home has the benefit of a private dock.

Comparables three and four are located in a rural part of Lake Whatcom, separated from their water frontages by Northshore Road. Comparable three is superior in quality and condition with remodel work completed. Adjustments were made to account for the market reaction. Comparable three has only one enclosed bedroom, and it includes a bathroom in the same room. This is an item of functional obsolescence warranting an adjustment. This home was also adjusted for its 100' low bank waterfront with a private dock, float and boat ramp. Comparable four is similar in quality and condition, but required adjustments for its 130' of low bank waterfront with a private dock.

Comparable six is an older sale just north of the subject property. This comparable's view is partially obscured as it is situated close to the road. This home is Q5 quality (a \$50/sf adjustment was applied), and in inferior condition (a \$35/sf adjustment was applied). Lastly, this home was adjusted for its slightly smaller water frontage and the benefit of a dock with a float.

It should be noted that some comparables have adjustments that exceed 10% of their sale prices, and some exceed the preferred guidelines of 15% and/or 25% for net and gross adjustments, respectively. The subject's gross living area and lot size,

Supplemental Addendum

File No. AA17792

Borrower	Gabriela Alvarez				
Property Address	446 W Lake Samish Dr				
City	Bellingham	County	Whatcom	State	WA Zip Code 98229
Lender/Client	Salas Financial				

in conjunction with age, made it necessary to utilize a variety of homes to bracket the market reaction to each contributable characteristic.

The comparable sales produce an adjusted value range of \$954,910 to \$1,074,633 for the subject property. Comparable sale one has the least gross percentage adjustments and is the most similar to the subject property. This comparable sale is considered to be the best indicator of market value for the subject property. With additional weight on comparable one, a market value opinion of \$1,015,000 is supported by the sales comparison approach.

Reconciliation - Reconciliation and Final Value Conclusion

The sales comparison and cost approaches develop an estimated value range for the subject property of \$941,878 to \$1,015,000. The sales comparison approach was given primary weight since it represents the direct actions of willing buyers and sellers. The cost approach was developed in support of the sales comparison approach. Due to the difficulty of estimating physical depreciation, the cost approach is most accurate with new construction. The income approach to value was considered, but not developed due to a lack of data. A final market value opinion of \$1,015,000 is justified by the data in this appraisal report, and within the confines of our current real estate market.

Cost Approach - Support for the Opinion of Site Value

The site value was estimated using the following reasonably similar sales on Lake Samish and Lake Whatcom:

<u>Sale #</u>	<u>Location</u>	<u>Site Size</u>	<u>Waterfront Footage (FF)</u>	<u>Sale Date</u>	<u>Sale Price / Price per FF</u>
1.	326 Shallow Shore Road	.11 acre	40' with a dock	07/2019	\$500,000/\$12,500
2.	18XX North Shore Rd.	.62 acre	43' with a dock	09/2020	\$795,000 / \$18,488
3.	1789 North Shore Dr. (Old house of no value)	.68 acre	60'	08/2017	\$550,000 / \$9,167
4.	3157 Agate Bay Lane (Improvements torn down)	.68 acre	93' with a dock	07/2017	\$1,350,000 / \$14,516

The first comparable waterfront land sale is on Lake Samish and sold as vacant land. The second comparable site sale is located on Lake Whatcom, and also sold as a vacant land site. The remaining two sales are on Lake Whatcom and had improvements that were subsequently torn down for construction of new homes. The subject site has approximately 50' of water frontage on Lake Samish. After a review of the subject property and the comparable waterfront sales, it appears the market will support a value for the subject site, as unimproved, at ~\$14,000 per front foot (FF) of water frontage, or \$700,000.

It should be noted that the land value for the subject exceeds 30% of indicated market value. This is common for the subject's market area and does not negatively impact the value or marketability of the subject.

Market Conditions Addendum to the Appraisal Report : Summary of Market Conditions

The 1004 MC form was completed utilizing the following market segment: Waterfront homes on the shores of Lake Samish and Lake Whatcom, with 2,500 or fewer square feet of living area, built in or before 1995.

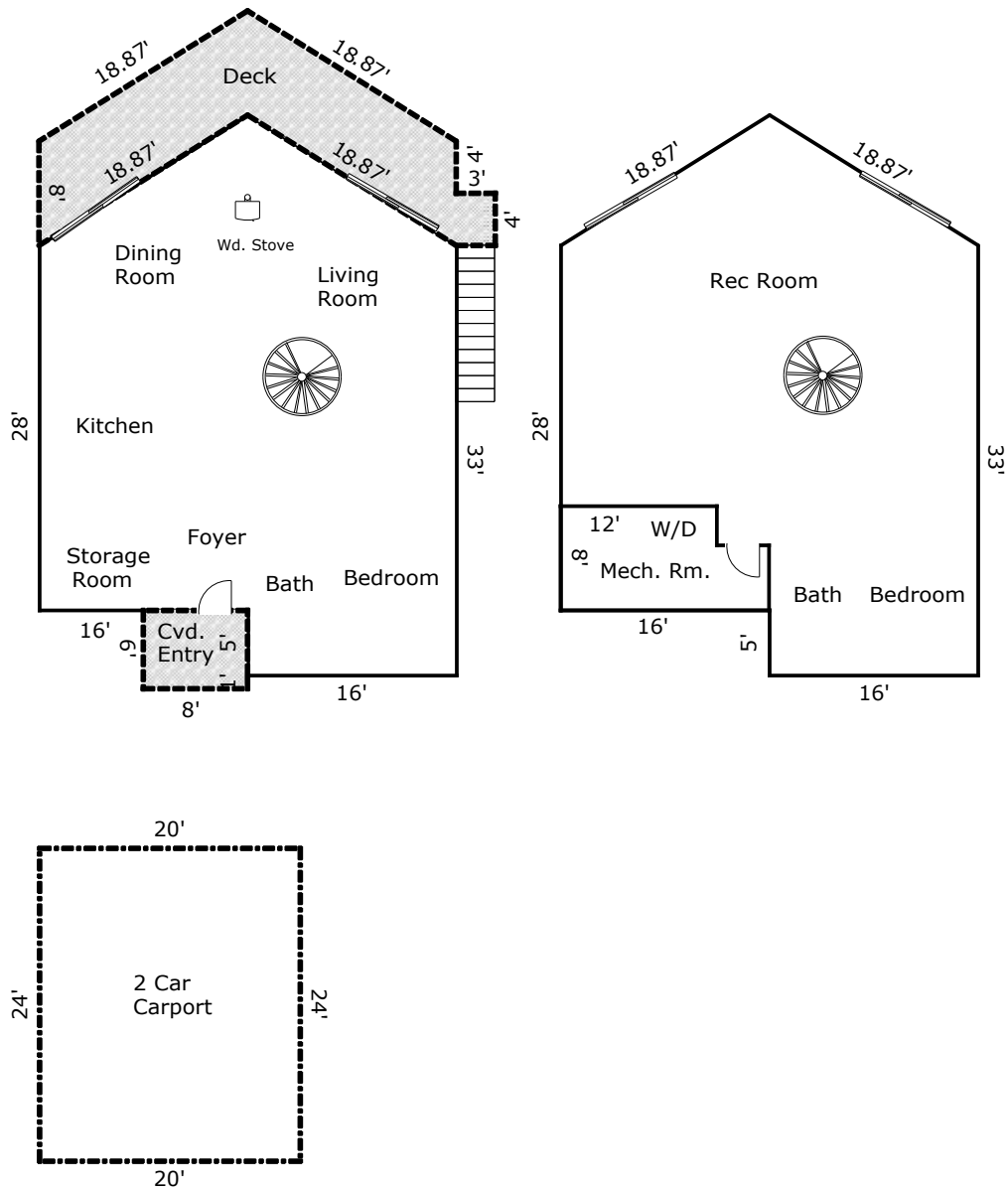
The 'Inventory Analysis' was filled out with 'DNA' (Data Not Available) for areas where the data is not available. For example, historical data cannot be retrieved for active listings during historical time periods.

It should also be noted that the data for the 'median comparable sales price as a percentage of the list price' is based on the final list price. Because properties may have been listed for a different amount originally, the results can be misleading. For this reason, the 'average sales price' divided by the 'average list price' has been used in an attempt to provide a more accurate representation of the 'Median comparable sales price as a percentage of the list price'.

Please note that the 'days on market' is based on the current NWMLS listing; previous listings are not included. Given this limitation, the trend cannot be sufficiently analyzed to give an accurate view of the market. The data for 'median comparable sales days on market' does not always give an accurate view of market trends. For this reason, the appraiser also considers the marketing time of the comparable sales, along with additional sources including InfoSparks.

Building Sketch

Borrower	Gabriela Alvarez		
Property Address	446 W Lake Samish Dr		
City	Bellingham	County	Whatcom
		State	WA
Lender/Client	Salas Financial	Zip Code	98229



TOTAL Sketch by a la mode, inc.

Area Calculations Summary

Living Area	Calculation Details		
First Floor	1136 Sq ft		
		$0.5 \times 16 \times 10$	= 80
		28×16	= 448
		16×33	= 528
		$0.5 \times 16 \times 10$	= 80
Total Living Area (Rounded):	1136 Sq ft		
Non-living Area			
2 Car Carport	480 Sq ft	20×24	= 480
Wood Deck	268 Sq ft	4×3	= 12
		$0.5 \times (8 + 8) \times 16$	= 128
		$0.5 \times (8 + 8) \times 16$	= 128
Covered Entry	48 Sq ft	8×6	= 48
Unfinished Room	116 Sq ft	5×4	= 20
		12×8	= 96
Basement	1136 Sq ft	$0.5 \times 16 \times 10$	= 80
		28×16	= 448
		16×33	= 528
		$0.5 \times 16 \times 10$	= 80

Subject Photo Page

Borrower	Gabriela Alvarez						
Property Address	446 W Lake Samish Dr						
City	Bellingham	County	Whatcom	State	WA	Zip Code	98229
Lender/Client	Salas Financial						



Front

446 W Lake Samish Dr
Sales Price
Gross Living Area 1,136
Total Rooms 4
Total Bedrooms 1
Total Bathrooms 1.0
Location B;WtrFr;
View B;Wtr;Territorial
Site 9804 sf
Quality Q4
Age 58



Rear



Street Scene

Subject Photo Page

Borrower	Gabriela Alvarez						
Property Address	446 W Lake Samish Dr						
City	Bellingham	County	Whatcom	State	WA	Zip Code	98229
Lender/Client	Salas Financial						



Side

446 W Lake Samish Dr
Sales Price
Gross Living Area 1,136
Total Rooms 4
Total Bedrooms 1
Total Bathrooms 1.0
Location B;WtrFr;
View B;Wtr;Territorial
Site 9804 sf
Quality Q4
Age 58



Side



Street Scene

Subject Photo Page

Borrower	Gabriela Alvarez				
Property Address	446 W Lake Samish Dr				
City	Bellingham	County	Whatcom	State	WA Zip Code 98229
Lender/Client	Salas Financial				



Waterfront

446 W Lake Samish Dr
Sales Price
Gross Living Area 1,136
Total Rooms 4
Total Bedrooms 1
Total Bathrooms 1.0
Location B;WtrFr;
View B;Wtr;Territorial
Site 9804 sf
Quality Q4
Age 58



Waterfront



Waterfront

Subject Photo Page

Borrower	Gabriela Alvarez				
Property Address	446 W Lake Samish Dr				
City	Bellingham	County	Whatcom	State	WA Zip Code 98229
Lender/Client	Salas Financial				

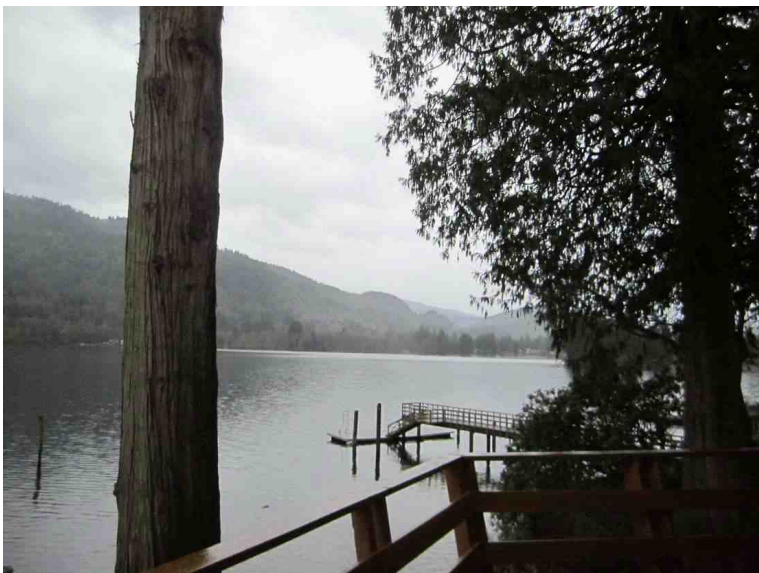


View

446 W Lake Samish Dr
Sales Price
Gross Living Area 1,136
Total Rooms 4
Total Bedrooms 1
Total Bathrooms 1.0
Location B;WtrFr;
View B;Wtr;Territorial
Site 9804 sf
Quality Q4
Age 58



View



View

Subject Photo Page

Borrower	Gabriela Alvarez				
Property Address	446 W Lake Samish Dr				
City	Bellingham	County	Whatcom	State	WA Zip Code 98229
Lender/Client	Salas Financial				



Carport

446 W Lake Samish Dr
Sales Price
Gross Living Area 1,136
Total Rooms 4
Total Bedrooms 1
Total Bathrooms 1.0
Location B;WtrFr;
View B;Wtr;Territorial
Site 9804 sf
Quality Q4
Age 58



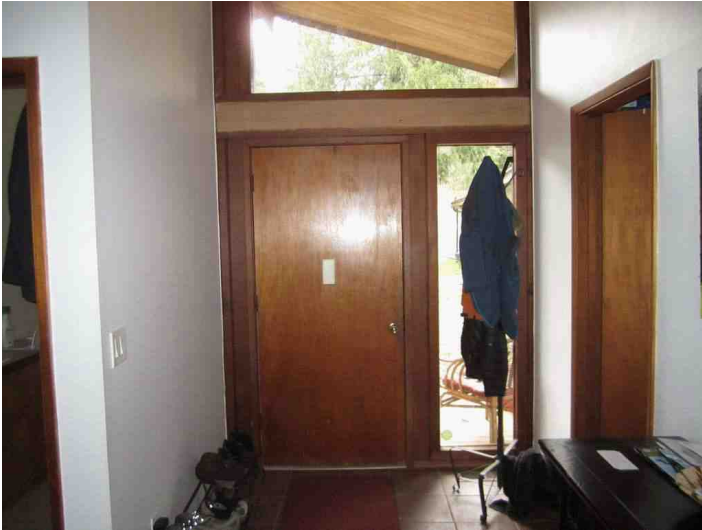
Single Pane Windows - some cracks



Lower Entry Deck - Rotting Boards

Interior Photos

Borrower	Gabriela Alvarez						
Property Address	446 W Lake Samish Dr						
City	Bellingham	County	Whatcom	State	WA	Zip Code	98229
Lender/Client	Salas Financial						



Foyer



Living Room w/ Spiral Staircase



Living Room w/ Wood Stove



Dining Room



Kitchen



Kitchen - Alt. View

Interior Photos

Borrower	Gabriela Alvarez				
Property Address	446 W Lake Samish Dr				
City	Bellingham	County	Whatcom	State	WA Zip Code 98229
Lender/Client	Salas Financial				



Kitchen - Alt. View



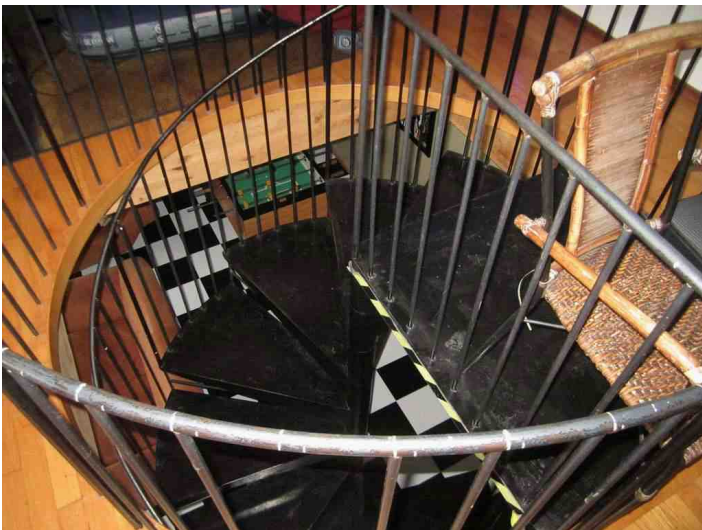
Main Floor Bedroom



Main Floor Bathroom



Main Floor Carbon Monoxide Detector



Spiral Stairs to Basement



Rec Room

Interior Photos

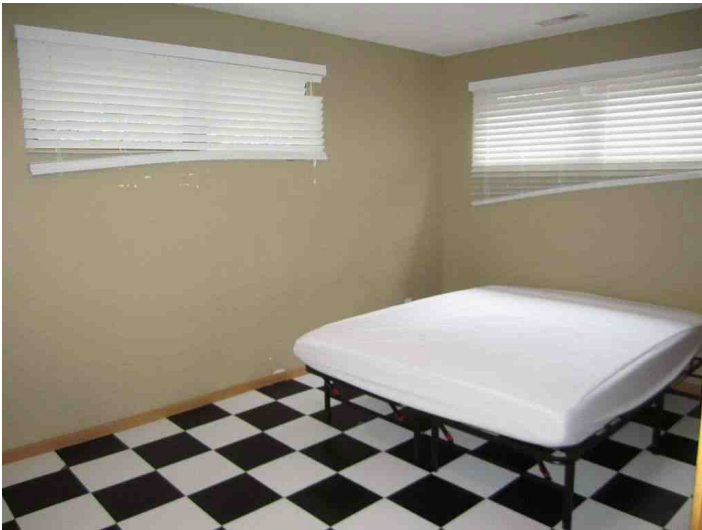
Borrower	Gabriela Alvarez				
Property Address	446 W Lake Samish Dr				
City	Bellingham	County	Whatcom	State	WA Zip Code 98229
Lender/Client	Salas Financial				



Rec Room - Alt. View



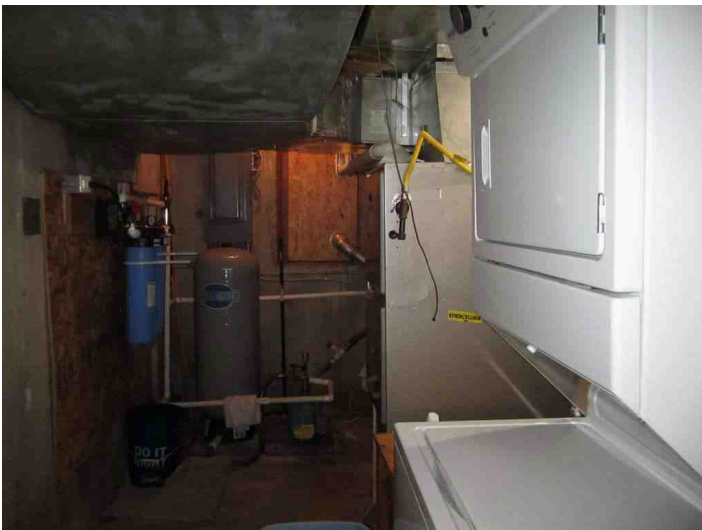
Sink in Rec Room



Basement Bedroom



Basement Bathroom



Mechanical Room w/ Water Treatment System, Furnace, H2O Tank & Laundry



Braced H2O Tank

Comparable Photo Page

Borrower	Gabiela Alvarez				
Property Address	446 W Lake Samish Dr				
City	Bellingham	County	Whatcom	State	WA Zip Code 98229
Lender/Client	Salas Financial				



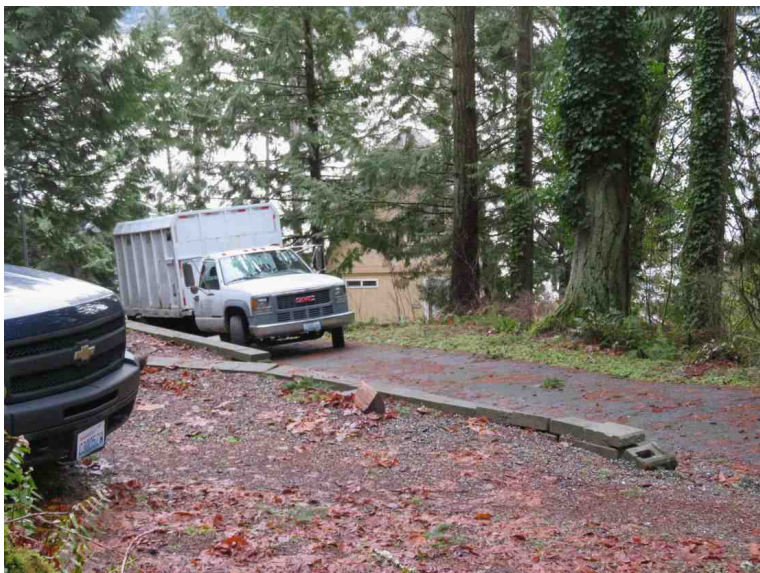
Comparable 1

324 W Lake Samish Dr	
Prox. to Subject	0.30 miles SE
Sale Price	1,000,001
Gross Living Area	1,110
Total Rooms	4
Total Bedrooms	1
Total Bathrooms	1.0
Location	B;WtrFr;
View	B;Wtr;Territorial
Site	19602 sf
Quality	Q4
Age	53



Comparable 2

2604 Woodcliff Ln	
Prox. to Subject	5.51 miles NE
Sale Price	900,000
Gross Living Area	1,498
Total Rooms	6
Total Bedrooms	3
Total Bathrooms	2.0
Location	B;WtrFr;
View	B;Wtr;Territorial
Site	22319 sf
Quality	Q4
Age	29



Comparable 3

3038 Northshore Rd	
Prox. to Subject	6.41 miles NE
Sale Price	1,025,000
Gross Living Area	1,368
Total Rooms	5
Total Bedrooms	1
Total Bathrooms	2.0
Location	B;WtrFr;
View	B;Wtr;Territorial
Site	28750 sf
Quality	Q3
Age	49

Comparable Photo Page

Borrower	Gabiela Alvarez						
Property Address	446 W Lake Samish Dr						
City	Bellingham	County	Whatcom	State	WA	Zip Code	98229
Lender/Client	Salas Financial						



Comparable 4

2958 Northshore Rd
 Prox. to Subject 6.52 miles NE
 Sale Price 1,115,000
 Gross Living Area 2,016
 Total Rooms 6
 Total Bedrooms 3
 Total Bathrooms 1.0
 Location B;WtrFr;
 View B;Wtr;Territorial
 Site 2.00 ac
 Quality Q4
 Age 85



Comparable 5

596 W Lake Samish Dr
 Prox. to Subject 0.47 miles NW
 Sale Price 650,000
 Gross Living Area 1,020
 Total Rooms 6
 Total Bedrooms 3
 Total Bathrooms 1.1
 Location B;WtrFr;
 View B;Wtr;Territorial
 Site 7,193 sf
 Quality Q5
 Age 92

Comparable 6

Prox. to Subject
 Sale Price
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location
 View
 Site
 Quality
 Age

Location Map

Borrower	Gabriela Alvarez						
Property Address	446 W Lake Samish Dr						
City	Bellingham	County	Whatcom	State	WA	Zip Code	98229
Lender/Client	Salas Financial						



Long Plat Map

PLAT OF EL REPOSA PLACE

Scale: 1"=100'
Recorded Scale: 1"=150'

DEDICATION

STATE OF WASHINGTON
COUNTY OF WHATCOM)
Know all men by these presents: That we, John G. Griffith, and Lillian Griffith, G. E. Griffith and Kenneth B. Griffith, F. D. Lowlyes and Lillian A. Lowlyes, husbands and wives, owners in fee simple of the land embraced in this plat of El Reposo Place, Whatcom County, Washington, have caused the same to be platted into Blocks, Lots and Streets as shown on this plat and we do hereby dedicate and acknowledge this plat and dedicate to the public use forever all the streets shown thereon.

J. G. Griffith
Kenneth B. Griffith
John G. Griffith
Lillian Griffith

Witness our hands and seals this 17th day of April 1925.
Frank L. Lowlyes
Lillian A. Lowlyes

ACKNOWLEDGEMENT

STATE OF WASHINGTON)
COUNTY OF WHATCOM)
On this 17th day of April 1925 before me the undersigned Notary Public in and for the State of Washington, duly commissioned and sworn personally appeared John G. Griffith and Lillian Griffith his wife, G. E. Griffith and Kenneth B. Griffith his wife, F. D. Lowlyes and Lillian A. Lowlyes his wife, to me known to be the individuals described in and who executed the foregoing dedication, and individually acknowledged to me that they signed and sealed the same as their individual free and voluntary act and deed for uses and purposes therein mentioned.

Witness my official signature and seal the day and year in this certificate first above written.
J. J. M. M. M.
Notary Public in and for the State of Washington residing at Bellingham, Wash.



DESCRIPTION

This plat occupies portions of the SE 1/4 of the NW 1/4 and Lot 7 Section 26 Twp 37 North Range 3 E. N.M. and Lots 1 and 2 of Section 35 Twp 37 North Range 3 East N.M. The base line of the survey is the East and West Section Line between Sections 26 and 35 Twp. 37 North Range 3 East and extends from the 1/4 corner on the West to the Mander Corner on the East. We hereby certify that the Plat of El Reposo Place is based upon an actual survey in the field, that the distances, courses, and angles are correct, that permanent monuments have been set (as shown upon the plat) and the lot and block corners are substantially ground.

Edw. Groch
M. L. Wright
Civil Engineers and Surveyors

This is to certify that the taxes on the land herein platted have been paid up to and including the year 1926.
Edith M. Rowland
Treasurer of Whatcom County

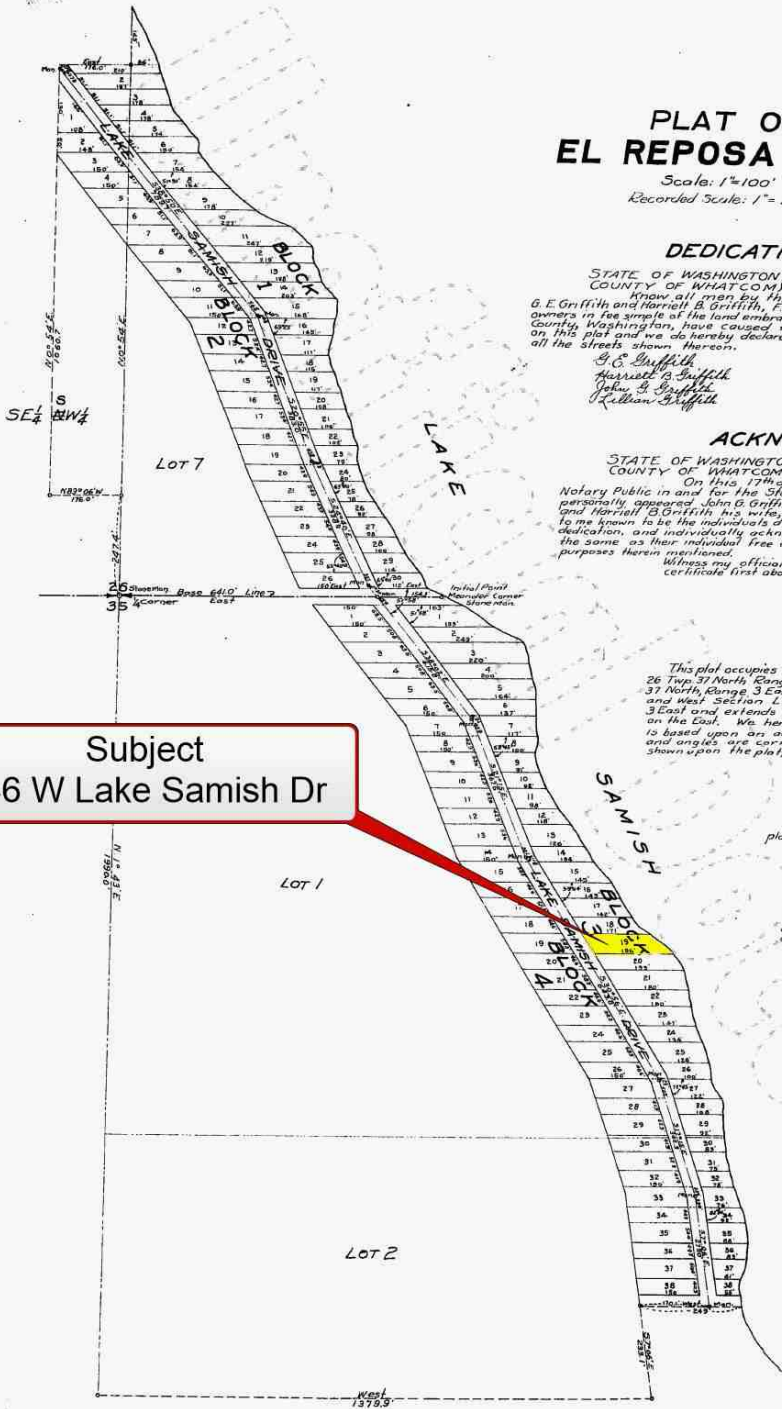
This is to certify that I have checked the above Plat as to computations and descriptions and locations on the ground, and find the same correct.
Fred W. M. E. M.
County Engineer

Approved by the Board of County Commissioners of Whatcom County, Washington this 11th day of April 1925.
S. J. B. B.
Chairman

305926

Filed and recorded at the request of G. E. Griffith this 23 day of March, 1926 at 11 A.M. and recorded on Page 7 Volume 7 of Plat Books.
Sam. B. Bassett
Auditor of Whatcom County

\$ 39.00



Subject
446 W Lake Samish Dr

Plat Map

Borrower	Gabriela Alvarez				
Property Address	446 W Lake Samish Dr				
City	Bellingham	County	Whatcom	State	WA Zip Code 98229
Lender/Client	Salas Financial				



Aerial Map

Borrower	Gabriela Alvarez				
Property Address	446 W Lake Samish Dr				
City	Bellingham	County	Whatcom	State	WA Zip Code 98229
Lender/Client	Salas Financial				



1214211

E A S E M E N T

07687

300

THIS INSTRUMENT made this 14th day of April, 19 76, by
and between MILTON A. CLOTHIER and _____
_____ and _____

herein called the "Grantor", and Whatcom County Water District No. 12 a
municipal corporation of Whatcom County, Washington, herein called
"Grantee."

WITNESSETH:

That said Grantor for and in consideration of the sum of

\$ 1⁰⁰ to GRANTOR

in hand paid by said Grantee, and other valuable consideration, receipt
of which is hereby acknowledged, do by these presents grant, bargain,
sell, convey, and confirm unto the said Grantee, right-of-way or ease-
ment for Sanitary Sewers with necessary appurtenances over, through,
across and upon the following described property in Whatcom County,
Washington, more particularly described as follows:

This Sewer Easement is through Lot 19 Block 3 of El Reposa Place ac-
cording to the Plat thereof recorded in Vol. 7 of Plats, Page 7,
Records of Whatcom County, Washington:

This easement is that portion of the above described tract included
within the limits of a strip of land 10 feet in width the centerline
of which is described as the centerline of the sewer pipe line as
constructed and shall be located on the lake side of the line of
normal high water.

Also a 10 foot permanent easement for side sewer connection lying
between the above described line and a point on shore just above
normal high water, the extent and centerline location of which will
be determined at the time of construction.

TOGETHER WITH 30 foot temporary construction easements the center-
lines of which are the centerline of the pipelines above described.

Said temporary construction easement shall remain in force during
construction and until such time as the sewers and appurtenances have
been accepted for maintenance and operation by Whatcom County Water
District No. 12.

Milton A Clothier Jr-6765
P.O. Box 580
Bellingham, Wash.

EASEMENT NO. H/8-29

VOL 286 PAGE 716

1214211

UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

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

Condition Ratings and Definitions

C1

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

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

C2

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

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

C3

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

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

C4

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

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

C5

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

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

C6

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

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

Quality Ratings and Definitions

Q1

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

Q2

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

UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

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

Quality Ratings and Definitions (continued)

Q3

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

Q4

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

Q5

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

Q6

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

Definitions of Not Updated, Updated, and Remodeled

Not Updated

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

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

Updated

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

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

Remodeled

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

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

Explanation of Bathroom Count

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

Example:

3.2 indicates three full baths and two half baths.

Appraiser Qualifications & License

AMY ACKERMAN

Arnason Appraisals
914 Dupont Street, Bellingham, WA 98225
360.927.9989 Mobile 360.733.1140 Office
amy@arnasonappraisals.com

CERTIFICATION

Certified Residential Real Estate Appraiser #1703276
FHA Approved Appraiser

EDUCATION

Master of Business Administration
Western Washington University

Bachelor of Arts in Psychology
Western Washington University

Recent Appraisal Courses:

- ✓ New Construction Essentials: Luxury Homes
- ✓ Supporting Your Adjustments: Methods for Residential Appraisers
- ✓ 2020-2021 7-Hour National USPAP Update Course
- ✓ Residential Construction and the Appraiser
- ✓ Appraising Today's Manufactured Homes
- ✓ The FHA Handbook 4000.1
- ✓ Supporting Your Adjustments: Methods for Residential Appraisers
- ✓ Statistics, Modeling and Finance
- ✓ Residential Market Analysis and Highest and Best Use
- ✓ Residential Report Writing and Case Studies
- ✓ Residential Sales Comparison and Income Approaches
- ✓ Residential Appraiser Site Valuation and Cost Approach

BUSINESS EXPERIENCE

October 2017 - Current	Certified Residential Real Estate Appraiser Arnason Inc., dba Arnason Appraisals
July 2015 - October 2017	Residential Real Estate Appraiser Trainee Arnason Inc., dba Arnason Appraisals
April 2000 – June 2015	Administration Manager Dawson Construction, Inc.

LICENSE

