

**APPRAISAL REPORT
OF**



**4950 Nadotti Rd
Stockton, CA 95215-2029**

PREPARED FOR

**Maria Salas
Salas Financial
9320 Chesapeake Drive Suite 116
San Diego, CA 92123**

AS OF

10/26/2022

PREPARED BY

**Levitt Appraisal Service
3715 Portsmouth Circle South
Stockton, CA 95219**

Levitt Appraisal Service
3715 Portsmouth Circle South
Stockton, CA 95219

10/30/2022

Salas Financial
9320 Chesapeake Drive Suite 116
San Diego, CA 92123

RE: **Perfect Investments, Inc.**
4950 Nadotti Rd
Stockton, CA 95215-2029
File No. **22-0274**
Case No.

Dear **Maria,**

In accordance with your request, I have personally inspected and prepared an appraisal report of the real property located at:

4950 Nadotti Rd, Stockton, CA 95215-2029

The purpose of this appraisal is to estimate the market value of the property described in the body of this appraisal report.

Enclosed, please find the appraisal report which describes certain data gathered during our investigation of the property. The methods of approach and reasoning in the valuation of the various physical and economic factors of the subject property are contained in this report.

An inspection of the property and a study of pertinent factors, including valuation trends and an analysis of neighborhood data, led the appraiser to the conclusion that the market value, as of **10/26/2022** is:

\$ **726,000**

The opinion of value expressed in this report is contingent upon the limiting conditions attached to this report.

It has been a pleasure to assist you. If I may be of further service to you in the future, please let me know.

Respectfully submitted,

Signature: _____



Gregory L. Levitt
AL031586

Appraisal Report

Uniform Residential Appraisal Report

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

Property Address **4950 Nadotti Rd** City **Stockton** State **CA** Zip Code **95215-2029**
 Borrower **Perfect Investments, Inc.** Owner of Public Record **Xi, Wang Terry Han & Zhen, Lau Jennifer Yu** County **San Joaquin**
 Legal Description **Por. of Sec. 54 and 64 Weber Grant**
 Assessor's Parcel # **101-240-120** Tax Year **2022** R.E. Taxes \$ **5,535.24**
 Neighborhood Name **Stockton** Map Reference **Compass** Census Tract **0036.01**
 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) **Purchase Transaction with ARV (After Repaired Value)**
 Lender/Client **Salas Financial** Address **9320 Chesapeake Drive Suite 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, offerings price(s), and date(s). According to the purchase contract, the subject is currently pending sale as part of a non-MLS transaction.
 The subject is not currently listed on the local MLS service, nor has been listed within the previous twelve months. The data source is Metrolist.

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. According to the purchase contract and one page addendum, the subject is currently pending sale, strictly in its "as-is" condition, for \$425,000. Contract appears typical for the industry with no unusual terms or conditions noted. Buyer is utilizing private financing.
 Contract Price \$ **425,000** Date of Contract **09/16/2022** Is the property seller the owner of public record? Yes No Data Source(s) **Parcelquest**
 Is there any financial assistance (loan charges, sale concessions, gift or down payment 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. None noted within the purchase agreement or known to the appraiser.

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 type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining	PRICE	AGE	One-Unit	80 %
Built-Up	<input checked="" type="checkbox"/> Over 75%	<input type="checkbox"/> 25-75%	<input type="checkbox"/> Under 25%	Demand/Supply	<input type="checkbox"/> Shortage	<input checked="" 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 3mths	<input type="checkbox"/> 3-6 mths	<input type="checkbox"/> Over 6 mths	330	Low	5	Multi-Family %
Neighborhood Boundaries The Calaveras River to the north, Jack Tone Road to the east, Highway 4/Farmington Road to the south, and Highway 99 to the west.								955	High	85+	Commercial 10 %
Neighborhood Description ***Please see Comment Addendum for comments on Neighborhood Description***								675	Pred.	50	Other AG 10 %

Market Conditions (including support for the above conclusions) ***Please see Comment Addendum for comments on Market Conditions***

Dimensions **See Site Map for Area Calculation** Area **2.66 ac** Shape **Irregular** View **Rural/Residential**
 Specific Zoning Classification **AU-20** Zoning Description **Agricultural-Urban Reserve; 20 acre minimum**
 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.

Utilities	Public	Other (describe)	Public	Other (describe)	Off-site Improvements--Type	Public	Private
Electricity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Water	<input type="checkbox"/>	Well (Private)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gas	<input type="checkbox"/>	<input checked="" type="checkbox"/> Propane (Private)	Sanitary Sewer	<input type="checkbox"/>	Septic (Private)	<input type="checkbox"/>	<input type="checkbox"/>

 FEMA Special Flood Hazard Area Yes No FEMA Flood Zone **AH** FEMA Map # **06077C0480F** FEMA Map Date **10/16/2009**
 Are the utilities and/or 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.
 Please see Comment Addendum for comments on Subject Site

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 checked="" type="checkbox"/> Craw Space	Foundation Walls	Conc.Perim.-Avg.	Floors	Laminate-New
# of Stories One	<input type="checkbox"/> Full Basement <input checked="" type="checkbox"/> Partial Basement	Exterior Walls	Stucco/Plaster-New	Walls	Drywall-Avg.
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Area 335 sq. ft.	Roof Surface	Composition-New	Trim/Finish	Wood/Paint-New
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Basement Finish 0 %	Gutters & Downspouts	Metal-New	Bath Floor	Laminate or Tile-New
Design (Style) Ranchette	<input checked="" type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type	Vinyl/Dual Pane-New	Bath Wainscot	Tile-New
Year Built 1955	Evidence of <input type="checkbox"/> Infestation None Noted	Storm Sash/Insulated	None/Yes-New	Car Storage	<input type="checkbox"/> None
Effective Age (Yrs) 30	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens	Mesh-New	<input checked="" type="checkbox"/> Driveway	# of Cars 3+
Attic <input type="checkbox"/> None	Heating <input type="checkbox"/> FWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant	Amenities	<input checked="" type="checkbox"/> Woodstove(s) # 1	Driveway Surface	Asphalt
<input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs	<input checked="" type="checkbox"/> Other FAU Fuel Gas	Fireplace(s) # 0	<input checked="" type="checkbox"/> Fence Wood/Wire	<input checked="" type="checkbox"/> Garage	# of Cars 3
<input type="checkbox"/> Floor <input checked="" type="checkbox"/> Scuttle	Cooling <input checked="" type="checkbox"/> Central Air Conditioning	<input checked="" type="checkbox"/> Patio/Deck Conc	<input checked="" type="checkbox"/> Porch Covered	<input type="checkbox"/> Carport	# of Cars 0
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input type="checkbox"/> Other	<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 Refrigerator Range/Oven Dishwasher Disposal Microwave Washer/Dryer Other (describe) **Kitchen Counters - Tile**
 Finished area **above** grade contains: **9** Rooms **5** Bedrooms **2.0** Bath(s) **2,371** Square Feet of Gross Living Area Above Grade
 Additional features (special energy efficient items, etc.) Upon completion, the subject will feature a covered porch, central heat and air, wood burning stove, dual pane windows, partial basement, two storage sheds and a detached three car garage.
 Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). ***Please see Comment Addendum for comments on Condition of Improvements***
 Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? Yes No If Yes, describe
 The appraiser has not been provided with any documentation revealing any physical deficiencies and has reported only apparent adverse conditions when warranted. See Limiting Condition #5.
 Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? Yes No If No, describe

Uniform Residential Appraisal Report

There are **9** comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ **425,000** to \$ **1,280,000**
 There are **20** comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ **375,000** to \$ **925,000**

FEATURE	SUBJECT			COMPARABLE SALE # 1			COMPARABLE SALE # 2			COMPARABLE SALE # 3					
Address	4950 Nadotti Rd Stockton, CA 95215-2029			10795 E. Ada Avenue Stockton, CA 95215			1111 Beyer Lane Stockton, CA 95215			9437 Copperopolis Road Stockton, CA 95215					
Proximity to Subject				3.35 miles E			0.46 miles NE			3.01 miles E					
Sale Price	\$ 425,000			\$ 730,000			\$ 685,000			\$ 730,000					
Sale Price/Gross Liv. Area	\$ 179.25 sq. ft.			\$ 313.84 sq. ft.			\$ 312.50 sq. ft.			\$ 262.78 sq. ft.					
Data Source(s)	Inspection			MLS# 222101746			MLS# 222079698			MLS# 222034566					
Verification Source(s)	Parcelquest			Parcelquest/DOC#108753			Parcelquest/DOC#101055			Parcelquest/DOC#69485					
VALUE ADJUSTMENTS	DESCRIPTION			DESCRIPTION			DESCRIPTION			DESCRIPTION					
Sale or Financing				Conv 32 DOM			0			Conv 40 DOM					
Concessions				L/P \$770,000/\$0			0			L/P \$685,000/\$0					
Date of Sale/Time				s09/22;c08/22			0			s08/22;c07/22					
Location	Rural/Residential			Rural/Residential			Rural/Residential			Rural/Residential					
Leasehold/Fee Simple	Fee Simple			Fee Simple			Fee Simple			Fee Simple					
Site	2.66 ac			2.55 ac			0			1.00 ac					
View	Rural/Residential			Rural/Residential			0			Rural/Residential					
Design (Style)	Ranchette			Manufactured			0			Ranchette					
Quality of Construction	Average			Average			0			Average					
Actual Age	67			9			-14,500			55					
Condition	Renovated			Good			0			Average					
Above Grade	Total	Bdrms	Baths	Total	Bdrms	Baths	+10,000	Total	Bdrms	Baths	+10,000	Total	Bdrms	Baths	+5,000
Room Count	9	5	2.0	6	3	3.0	-5,000	6	3	2.0	0	7	4	2.0	0
Gross Living Area	2,371 sq. ft.			2,326 sq. ft.			0			2,192 sq. ft.			+7,160		
Basement & Finished Rooms Below Grade	Partial Basement Unfinished			None None			0			None None			0		
Functional Utility	Average			Average			0			Average			Average		
Heating/Cooling	FAU/Central			FAU/Central			0			FAU/Central			FAU/Central		
Energy Efficient Items	Dual Panes			Dual Panes			0			Dual Panes			Dual Panes		
Garage/Carport	3 Car Garage			3 Car Garage			0			2 Car Garage			+5,000		
Porch/Patio/Deck	Porch/Patio			Porch/Patio			0			Porch/Patio			Porch/Patio		
Fireplace	1 Wood Stove			None			+2,500			1 Fireplace			0		
Pool/Spa	None/None			None/None			0			None/None			0		
Other Item	Sheds (2)			None			0			Shop			-40,000		
Net Adjustment (Total)				<input type="checkbox"/> + <input checked="" type="checkbox"/> -			\$ -7,000			<input checked="" type="checkbox"/> + <input type="checkbox"/> -			\$ 41,310		
Adjusted Sale Price of Comparables				Net Adj: -1%						Net Adj: 6%			Net Adj: 0%		
				Gross Adj: 4%			\$ 723,000			Gross Adj: 18%			\$ 726,310		
										Gross Adj: 7%			\$ 726,420		

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) **Public Records/Parcelquest**
 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) **Public Records/Parcelquest**
 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	N/A	N/A	N/A	N/A
Price of Prior Sale/Transfer	\$ N/A	\$ N/A	\$ N/A	\$ N/A
Data Source(s)	Parcelquest	Parcelquest	Parcelquest	Parcelquest
Effective Date of Data Source(s)	10/26/2022	10/26/2022	10/26/2022	10/26/2022

Analysis of prior sale or transfer history of the subject property and comparable sales The subject property has not transferred ownership within the previous thirty six months. Please see the attached MPA addendum. None of the comparable properties had transferred ownership within the previous twelve months from their reported sale date.

Summary of Sales Comparison Approach *****Please see Comment Addendum for comments on Sales Comparison Approach*****

Indicated Value by Sales Comparison Approach \$ **726,000**
Indicated Value by: Sales Comparison Approach \$ 726,000 Cost Approach (if developed) \$ 734,790 Income Approach (if developed) \$

The sales comparison approach is given the most weight as it most truly reflects the actions of buyers & sellers in the real estate market. The cost approach is not required and was not developed as part of this assignment. The income approach is not required and given little weight, as residential properties in this area are not typically utilized for their income producing potential.

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: This appraisal is made "subject to" completion of all proposed repairs/renovations. This is an Appraisal Report. Please see Comment Addendum. The electronic signature is the same as the live signature.

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 \$ **726,000, as of **10/26/2022**, which is the date of inspection and the effective date of this appraisal.**

SALES COMPARISON ANALYSIS

RECONCILIATION

Owner **Xi, Wang Terry Han & Zhen, Lau Jennifer Yu**

Property Address **4950 Nadotti Rd**

City **Stockton** County **San Joaquin** State **CA** Zip Code **95215-2029**
Client **Salas Financial** Address **9320 Chesapeake Drive Suite 116, San Diego, CA 92123**

SALES COMPARISON ANALYSIS

FEATURE	SUBJECT	COMPARABLE SALE # 4			COMPARABLE SALE # 5			COMPARABLE SALE # 6		
Address	4950 Nadotti Rd Stockton, CA 95215-2029	6311 Landmark Road Stockton, CA 95215			5736 Cherokee Road Stockton, CA 95215					
Proximity to Subject		2.75 miles N			2.12 miles N					
Sale Price	\$ 425,000	\$ 849,000			\$ 699,000			\$		
Sale Price/Gross Liv. Area	\$ 179.25 sq. ft.	\$ 336.64 sq. ft.			\$ 291.25 sq. ft.			\$ sq. ft.		
Data Source(s)	Inspection	MLS# 222134796			MLS# 222116253					
Verification Source(s)	Parcelquest	Public Records/Parcelquest			Public Records/Parcelquest					
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	
Sale or Financing		Active 6 DOM	0	Active 58 DOM	0					
Concessions		O/L/P \$849,000	0	O/L/P \$799,000	0					
Date of Sale/Time		10/24/2022 L/D	0	09/02/2022 L/D	0					
Location	Rural/Residential	Rural/Residential			Rural/Residential					
Leasehold/Fee Simple	Fee Simple	Fee Simple			Fee Simple					
Site	2.66 ac	1.66 ac			2.03 ac			0		
View	Rural/Residential	Rural/Residential			Rural/Residential					
Design (Style)	Ranchette	Ranchette			Ranchette					
Quality of Construction	Average	Average			Average					
Actual Age	67	36			122			+13,750		
Condition	Renovated	Good			Renovated			0		
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths	+5,000	Total Bdrms. Baths	+5,000	Total Bdrms. Baths		Total Bdrms. Baths		
Room Count	9 5 2.0	7 4 2.1			7 4 2.0			0		
Gross Living Area	2,371 sq. ft.	2,522 sq. ft.			2,400 sq. ft.			0 sq. ft.		
Basement & Finished Rooms Below Grade	Partial Basement Unfinished	None None			Partial Basement Unfinished			0 0		
Functional Utility	Average	Average			Average					
Heating/Cooling	FAU/Central	FAU/Central			FAU/Central					
Energy Efficient Items	Dual Panes	Dual Panes			Dual Panes					
Garage/Carport	3 Car Garage	4 Car Garage			None			-5,000 +15,000		
Porch/Patio/Deck	Porch/Patio	Porch/Patio			Porch/Patio					
Fireplace	1 Wood Stove	1 Fireplace			None			0 +2,500		
Pool/Spa	None/None	Pool/None			None/None			-15,000		
Other Item	Sheds (2)	Wrkshp/Outbldg			None			-40,000 0		
Net Adjustment (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -56,290	<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 36,250	<input type="checkbox"/> + <input type="checkbox"/> -	\$	<input type="checkbox"/> + <input type="checkbox"/> -	\$	
Adjusted Sale Price of Comparables		Net Adj: -7%			Net Adj: 5%			Net Adj: 0%		
		Gross Adj: 11%			Gross Adj: 5%			Gross Adj: 0%		
		\$ 792,710			\$ 735,250			\$		

Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales

ITEM	SUBJECT	COMPARABLE SALE # 4	COMPARABLE SALE # 5	COMPARABLE SALE # 6
Date of Prior Sale/Transfer	N/A	N/A	N/A	
Price of Prior Sale/Transfer	\$ N/A	\$ N/A	\$ N/A	
Data Source(s)	Parcelquest	Parcelquest	Parcelquest	
Effective Date of Data Source(s)	10/26/2022	10/26/2022	10/26/2022	

Analysis of prior sale or transfer history of the subject property and comparable sales The subject property has not transferred ownership within the previous thirty six months. Please see the attached MPA addendum. None of the comparable properties had transferred ownership within the previous twelve months from their reported sale date.

Summary of Sales Comparison Approach Comparables #4 and #5 are active listings of similar rural/residential properties within the subject's market area. These comparables have been included to lend additional support to the opinion of value stated, and to inform the reader of their existence. Comparables #4 and #5 have been adjusted for their significant differences.

Levitt Appraisal Service
COMMENT ADDENDUM

File No. **22-0274**
Case No.

Borrower **Perfect Investments, Inc.**

Property Address **4950 Nadotti Rd**

City **Stockton** County **San Joaquin** State **CA** Zip Code **95215-2029**

Lender/Client **Salas Financial** Address **9320 Chesapeake Drive Suite 116, San Diego, CA 92123**

SCOPE OF WORK:

In addition to the conditions noted within the certification pages of this report, the additional items have been added to this assignments Scope of Work. This assignment is for a proposed purchase and renovation of the subject property. The appraiser has performed a physical inspection of the interior and exterior of the subject property and has reviewed the proposed cost breakdown for the work to be performed. The Lender/Client has requested that the subject be valued using the hypothetical condition that all proposed work has been completed in a professional manner. The purchase agreement was reviewed by the appraiser and the results have been reported in this appraisal.

COMMENTS ON NEIGHBORHOOD DESCRIPTION:

The subject is located within a unincorporated area in the eastern portion of the City of Stockton. The area consists of rural/residential single family homes of various floor plan styles, including single and two story and of various bedroom/bathroom counts on parcels ranging from .5 acres to 20 acres. The subject is of the same general quality of the area and upon completion of the proposed renovations, will be of the same overall condition. All local amenities are within a reasonable proximity. In addition to SFR's, the area is comprised of commercial and agricultural properties.

COMMENTS ON MARKET CONDITIONS:

The area has had moderate sales volume with values stabilizing over the previous six months after the increases seen spanning the prior six month period. Over the previous six months interest rates have been increasing after years of historically low rates that resulted in rising home prices with demand that out paced supply. The recent increase in interest rates has resulted in a slow down in the market with sales and listing activity on the decline. The subject's market area has been a mix of traditional sales, REO sales and short sale properties with traditional sales currently the driving factor for the area. Currently supply and demand appear to be in balance.

As of the effective date, the short and long-term impact on the market from the COVID-19 virus is unknown; however, as stay at home restrictions have been lifted, marketing times appear to have remained stable (between 14 - 45 days when properly listed) and market activity appears steady. These conditions have been taken into consideration with regards to the estimate of reasonable exposure time. At this time, restrictions on showings allow for one agent and two clients per viewing, however, this does not appear to have had a delay in market activity, and no significant long-term shift in demand or supply has been noted that would result in a change in market prices.

The state of California has recently experienced catastrophic wildfires, however, the subject and surrounding area have not been physically affected. This does not appear to have had any negative impact on values or marketability.

HIGHEST AND BEST USE:

The existing use supported the four functions of Highest and Best Use both as vacant and as improved. The existing use was physically possible, legally permissible, financially feasible and was the most productive use of the site as of the effective date. Any change now or in the foreseeable future is highly unlikely.

COMMENTS ON SUBJECT SITE:

There are no adverse conditions known or observed. The subject is a typical rural/residential parcel for this area. The appraiser was not provided with a copy of the preliminary title report, and therefore, cannot guarantee that property is free of encroachments or easements, and recommends further investigation and survey. There is no external obsolescence noted. The subject is located backing to the Stockton Diverting Canal, however, this does not appear to have any negative impact on value or marketability, however, the subject is located within a FEMA designated Flood Hazard Zone. The lack of off-site improvements (i.e. cubs, gutters and sidewalks) and the use of private utilities (i.e. well, septic and propane) is typical for the area and does not appear to have any negative impact on value or marketability.

COMMENTS ON CONDITION OF IMPROVEMENTS:

The subject property is of average quality construction that at the time of inspection had areas of deferred maintenance observed. The subject is currently pending sale to the borrower and is being valued "subject to" completion of a proposed extensive repair/remodel of the dwelling. The proposed repairs/renovations to be made to the subject include a new composition shingle roof, new/repair electrical, new light fixtures, new and/or repaired drywall/plaster where needed, new dual pane windows, new interior and exterior doors, new central heat and air system, new granite/tile counter tops, new kitchen cabinetry, new laminate floor coverings, new plumbing fixtures in the kitchen and bathrooms and new appliances. The appraiser was provided with a cost breakdown detailing the proposed \$100,750 required to complete this project (see attached Cost Breakdown). Per the Lender/Clients request, the subject is to be valued using the hypothetical condition that the subject's proposed repair/renovation have been completed in a professional manner with all permits obtained and finalized with the Extraordinary Assumption that all work has been completed as detailed in the Cost Breakdown. It should be noted, that if the proposed repairs/renovations finished condition differs from the plans provided to the appraiser, the value opinion developed within this report could be affected and the use of the Hypothetical Condition and Extraordinary Assumption may have an impact on the opinion of value stated. Public records reflects the subject as 1,894 square feet with 2 bedrooms/2 bathrooms. However, upon inspection the subject was measured to be approximately 2,371 sf with 5 bedrooms/2 bathrooms due to a non-permitted addition. For the purpose of this report, the subject will be valued at the 2,371 square feet with the hypothetical condition that the additional square footage has been retroactively permitted during the renovation process.

continued next page...

Levitt Appraisal Service
COMMENT ADDENDUM

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Case No.

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City **Stockton** County **San Joaquin** State **CA** Zip Code **95215-2029**
Lender/Client **Salas Financial** Address **9320 Chesapeake Drive Suite 116, San Diego, CA 92123**

COMMENTS ON SALES COMPARISON APPROACH:

All comparables are from within the subject's market area and have been adjusted for their significant differences. Due to the lack of sales, pending sales and/or active listings for rural/residential properties more similar overall to the subject, all comparables required adjustments to reflect the subject's superior bedroom count (@ \$5,000 per bedroom). Comparables #1, #4 and #5 required adjustments to reflect their significant differences in age (@ \$250/yr for differences in excess of 25/yr). Comparables #2, #3 and #4 required adjustments to reflect their significant differences in parcel size (@ \$15,000/ac), to reflect their significant differences in GLA square footage (@ \$40/sf for differences in excess of 100/sf) and to reflect their differences in outbuilding amenity. Comparables #2, #4 and #5 required adjustments to reflect their differences in garage space (@ \$5,000 per garage space). Comparables #1 and #4 required adjustments to reflect their differences in bathroom counts (@ \$5,000 per full bathroom and \$2,500 per half bathroom). Comparables #1 and #5 required adjustments to reflect their lack of wood stove/fireplace amenity (@ \$2,500 per wood stove/fireplace). Comparable #2 required an adjustment to reflect the subject's superior overall condition due to its proposed repairs/renovation (@ 5%). Comparable #4 required an adjustment to reflect the subject's lack of pool amenity (@ \$15,000). The use of comparables located in excess of a one mile radius from the subject property is typical when appraising rural/residential homes within the subject's market area. Adjustments are based on current and/or historic paired sales, when available and/or applicable, or based on the appraiser's knowledge of market reaction to differences in amenity within this market area. After making all the necessary adjustments to all comparables, these comparables are considered to have been the most recent, most similar, and best indicators of current market value as of the effective date of this report. After adjustments, equal consideration in the final opinion of value was given to sales #2 and #3 as they are the most similar overall to the subject with comparable #1 receiving less consideration due to its manufactured home design, however, this comparable was included due to its recent sale date and similar parcel size. Additional support is provided by comparables #4 and #5, active listings. The subject's After Repaired Value (ARV) is above the predominate value for the area, however, will fall within the typical value range and the subject will not be considered an over-improvement for the area.

The subject is being valued using the Hypothetical Condition that all proposed repair/renovation work has been completed in a professional manner with the Extraordinary Assumption that the subject has been completed per the details described within the Cost Breakdown. Should the finished property differ from what has been reported, the opinion of value stated within this report could be affected. The subject's proposed purchase price is below the given value range, however, this is due to the subject's current overall condition prior to the proposed repairs/renovations.

MLS photographs of the comparable properties have been utilized within this report

COMMENTS ON EXPOSURE TIME:

An opinion, based on supporting market data, of the 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. The appraiser has determined the subject property would have to be exposed for 14 - 45 days in order to have a market value range of \$685,000 - \$735,000 on the effective date of this appraisal.

INTENDED USER:

Clarification of Intended User - (Certification #23) The Intended User of this appraisal report is the Lender/Client (Salas Financial). The Intended Use is to evaluate the property that is the subject of this appraisal for a mortgage finance transaction, subject to the stated Scope of Work, purpose of the appraisal, reporting requirements of this appraisal report form, and Definition of Market Value. No additional Intended Users are identified by the appraiser.

DISCLOSURE OF PRIOR APPRAISAL AND/OR OTHER SERVICES:

In compliance with the ethics rule of the Uniform Standards of Professional Appraisal Practice (USPAP), I hereby certify that to the best of my knowledge and belief, I have not performed any prior services regarding the subject property, as an appraiser, or in any other capacity, within the 3 year period immediately preceding acceptance of this appraisal assignment. Furthermore, I certify that I do not have any current or prospective interest in the subject property or the parties involved.

This appraisal has been performed in accordance with the requirements of Title XI of the Financial Institution Reform, Recovery and Enforcement Act of 1989 (U.S.C.3331 et seq.), and any implementing regulations.

Gregory L. Levitt
Appraiser, AL031586

Uniform Residential Appraisal Report

This report form is designed to report an appraisal of a one-unit property or a one-unit property with an accessory unit; including a unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a condominium or cooperative project.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the interior and exterior areas of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

INTENDED USE: The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this appraisal report is the lender/client.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

Uniform Residential Appraisal Report**APPRAISER'S CERTIFICATION:** The Appraiser certifies and agrees that:

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

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 Gregory L. Levitt
 Company Name Levitt Appraisal Service
 Company Address 3715 Portsmouth Circle South
Stockton, CA 95219
 Telephone Number (209) 603-2023
 Email Address ttivelg@aol.com
 Date of Signature and Report 10/30/2022
 Effective Date of Appraisal 10/26/2022
 State Certification # _____
 or State License # AL031586
 or Other (describe) _____ State # _____
 State CA
 Expiration Date of Certification or License 08/14/2023

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 _____

ADDRESS OF PROPERTY APPRAISED

4950 Nadotti Rd
Stockton, CA 95215-2029

APPRAISED VALUE OF SUBJECT PROPERTY \$ 726,000

LENDER/CLIENT

Name Maria Salas
 Company Name Salas Financial
 Company Address 9320 Chesapeake Drive Suite 116
San Diego, CA 92123
 Email Address _____

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 _____

Levitt Appraisal Service
SKETCH ADDENDUM

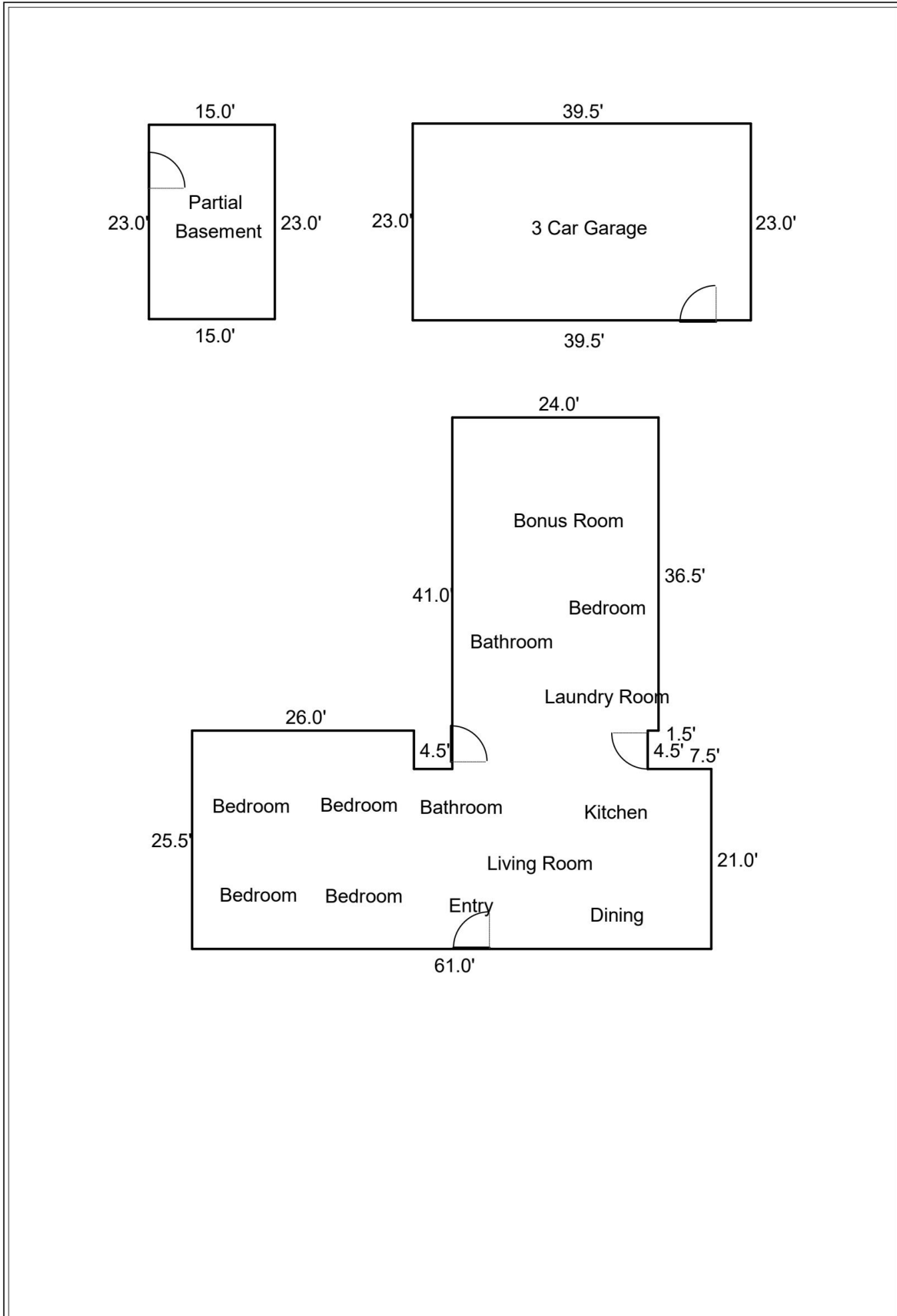
File No. **22-0274**
Case No.

Borrower **Perfect Investments, Inc.**

Property Address **4950 Nadotti Rd**

City **Stockton** County **San Joaquin** State **CA** Zip Code **95215-2029**

Lender/Client **Salas Financial** Address **9320 Chesapeake Drive Suite 116, San Diego, CA 92123**



WinSketch by Jammin Software

Levitt Appraisal Service
SKETCH ADDENDUM

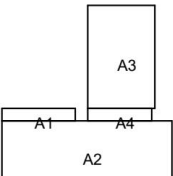

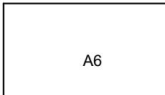
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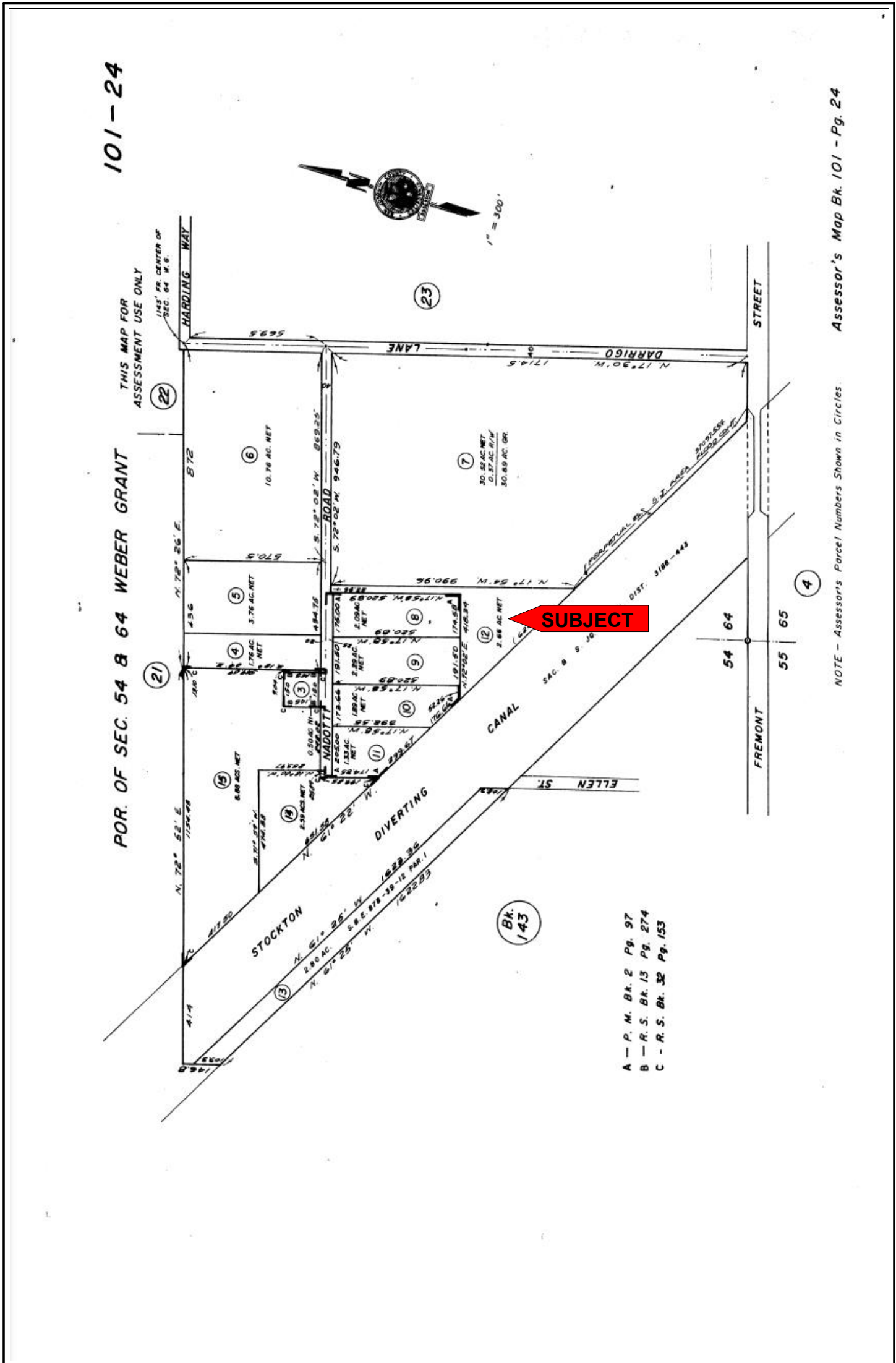
City **Stockton** County **San Joaquin** State **CA** Zip Code **95215-2029**

Lender/Client **Salas Financial** Address **9320 Chesapeake Drive Suite 116, San Diego, CA 92123**

SKETCH CALCULATIONS		Perimeter	Area
	A1 : 26.0 x 4.5 = A2 : 60.8 x 21.0 = A3 : 24.0 x 36.5 = A4 : 22.8 x 4.5 =		117.0 1275.8 876.0 102.4
	First Floor		2371.2
	A5 : 14.8 x 22.8 =		335.6
	Basement		335.6
	Total Living Area		2371.2
	A6 : 39.5 x 23.0 =		908.5
	Detached Garage		908.5
	Total Garage Area		908.5

WinSketch by Jammin Software

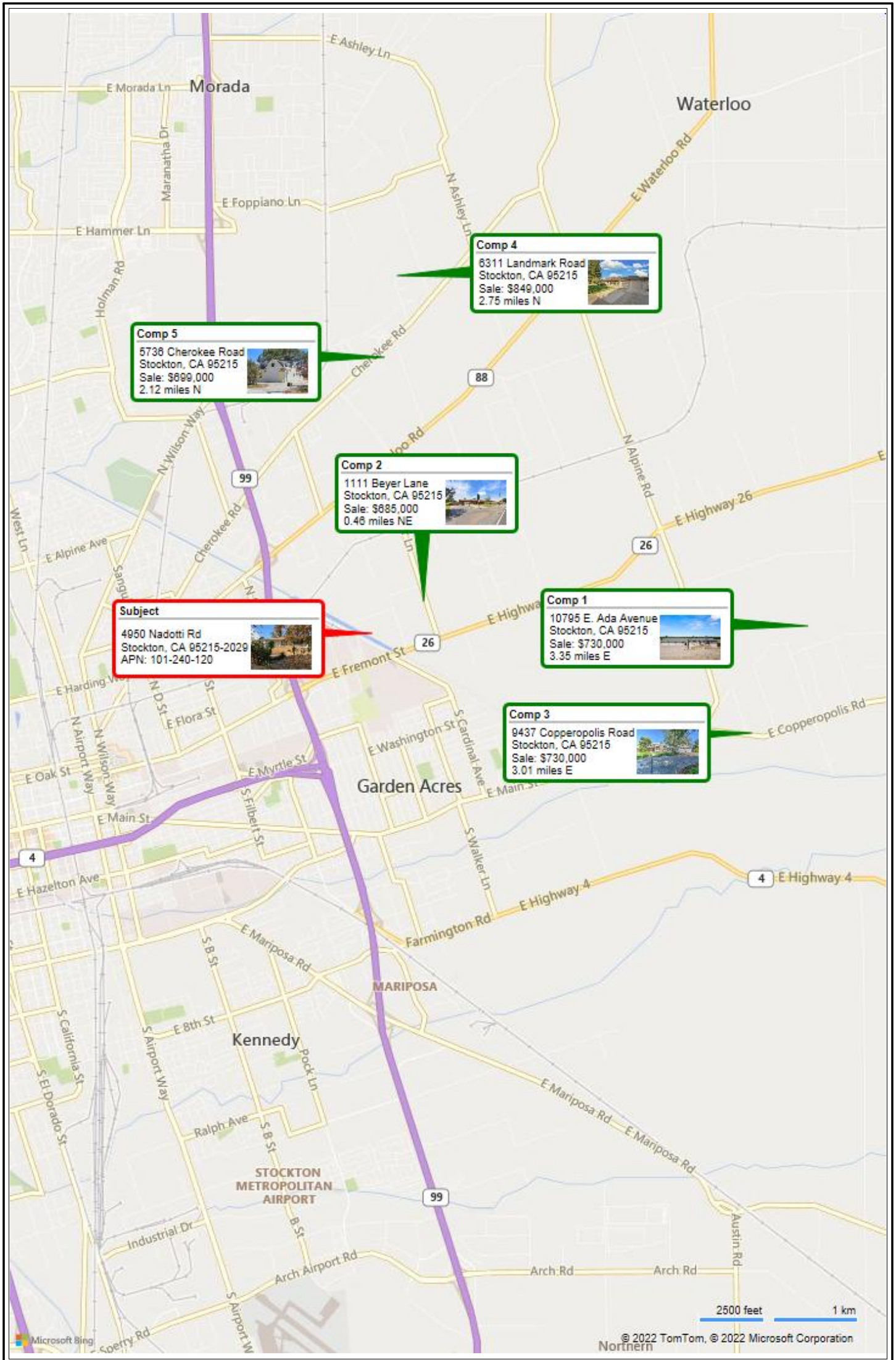
Borrower **Perfect Investments, Inc.**
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Levitt Appraisal Service
LOCATION MAP ADDENDUM

File No. **22-0274**
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Levitt Appraisal Service
SUBJECT PHOTO ADDENDUM

File No. 22-0274
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**FRONT OF
SUBJECT PROPERTY**
4950 Nadotti Rd
Stockton, CA 95215-2029



**REAR OF
SUBJECT PROPERTY**



STREET SCENE

Levitt Appraisal Service
SUBJECT PHOTO ADDENDUM

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Lender/Client **Salas Financial** Address **9320 Chesapeake Drive Suite 116, San Diego, CA 92123**



Street scene opposite direction



Driveway



Partial view of subject parcel

Levitt Appraisal Service
SUBJECT PHOTO ADDENDUM

File No. 22-0274
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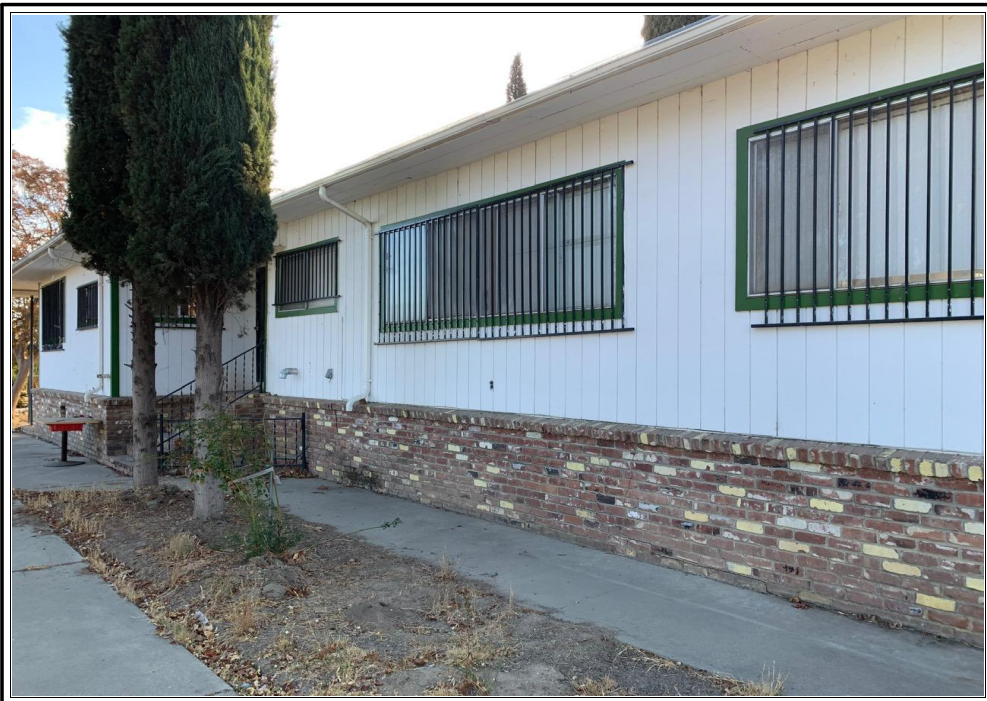
Property Address **4950 Nadotti Rd**

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Lender/Client **Salas Financial** Address **9320 Chesapeake Drive Suite 116, San Diego, CA 92123**



Additional front view of subject



Side view of subject



Side view of subject

Levitt Appraisal Service
SUBJECT PHOTO ADDENDUM

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Case No.

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City **Stockton**

County

San Joaquin

State

CA

Zip Code

95215-2029

Lender/Client

Salas Financial

Address

9320 Chesapeake Drive Suite 116, San Diego, CA 92123



Additional rear view of subject



Well and propane



Shed 1

Levitt Appraisal Service
SUBJECT PHOTO ADDENDUM

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Shed 2



Living Room



Bedroom

Levitt Appraisal Service
SUBJECT PHOTO ADDENDUM

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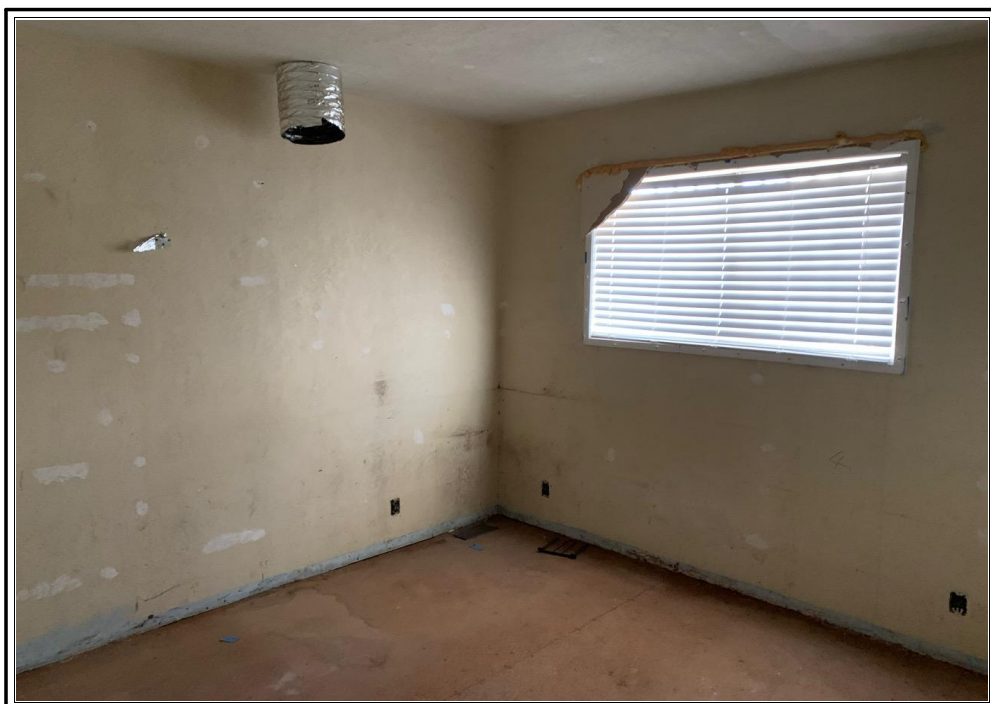
Lender/Client **Salas Financial** Address **9320 Chesapeake Drive Suite 116, San Diego, CA 92123**



Bedroom



Bedroom



Bedroom

Levitt Appraisal Service
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Bathroom



Dining Area



Kitchen

Levitt Appraisal Service
SUBJECT PHOTO ADDENDUM

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County

San Joaquin

State

CA

Zip Code

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Lender/Client

Salas Financial

Address

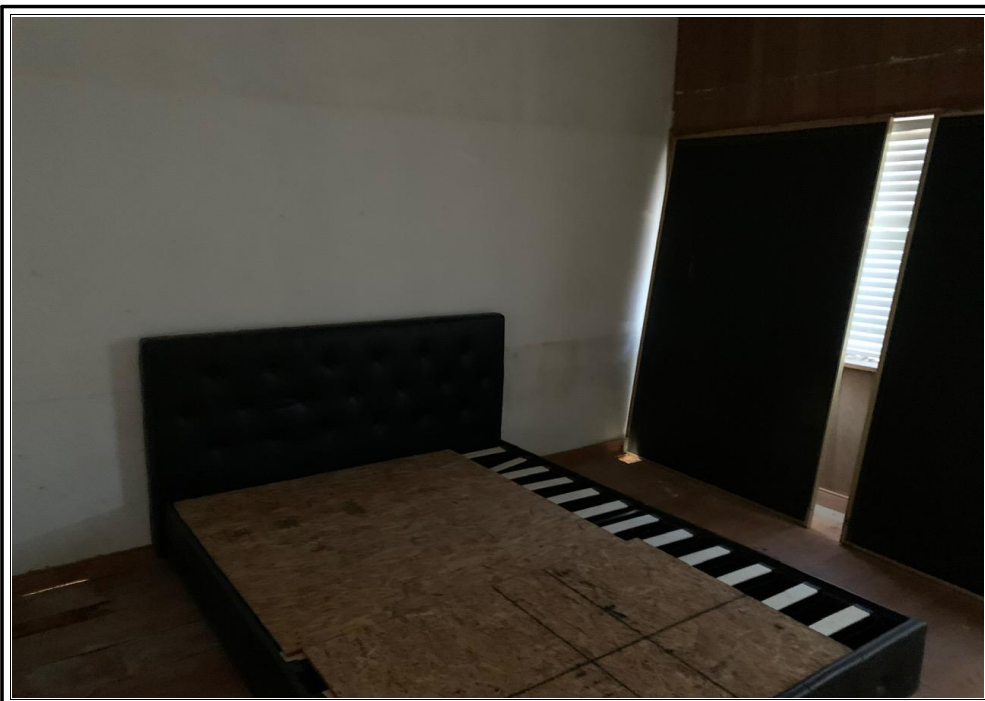
9320 Chesapeake Drive Suite 116, San Diego, CA 92123



Additional view of Kitchen



Laundry Room



Bedroom

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SUBJECT PHOTO ADDENDUM

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Bathroom



Bonus Room



Basement

Levitt Appraisal Service
SUBJECT PHOTO ADDENDUM

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Lender/Client **Salas Financial** Address **9320 Chesapeake Drive Suite 116, San Diego, CA 92123**



Detached Garage



Side view of Garage showing exterior fire damage



Rear view of Garage

Levitt Appraisal Service
SUBJECT PHOTO ADDENDUM

File No. **22-0274**
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Borrower **Perfect Investments, Inc.**

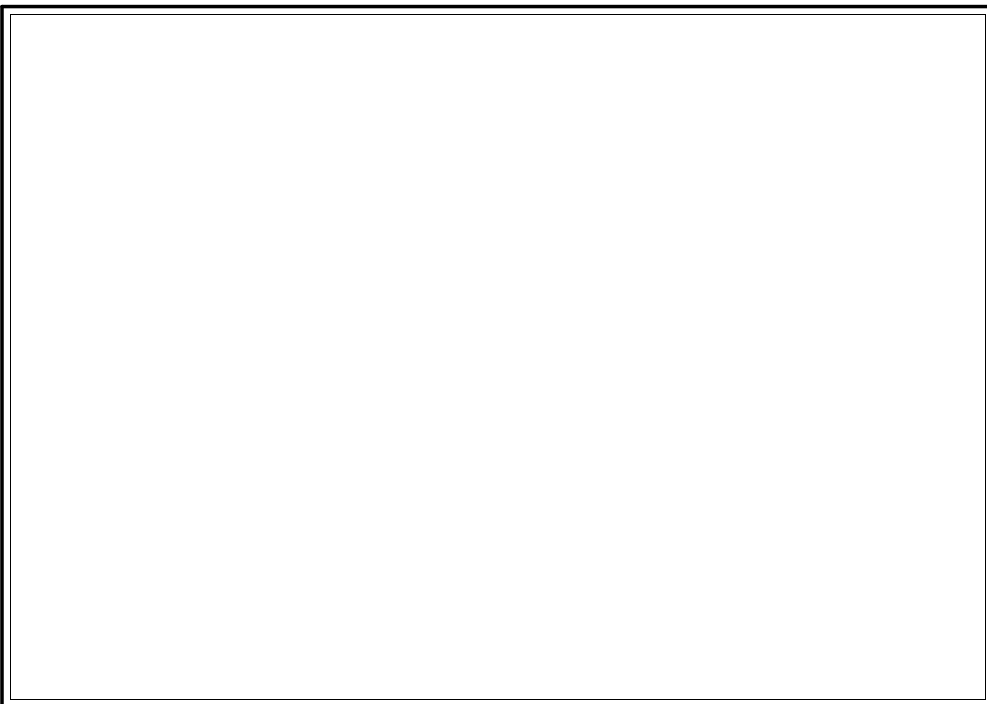
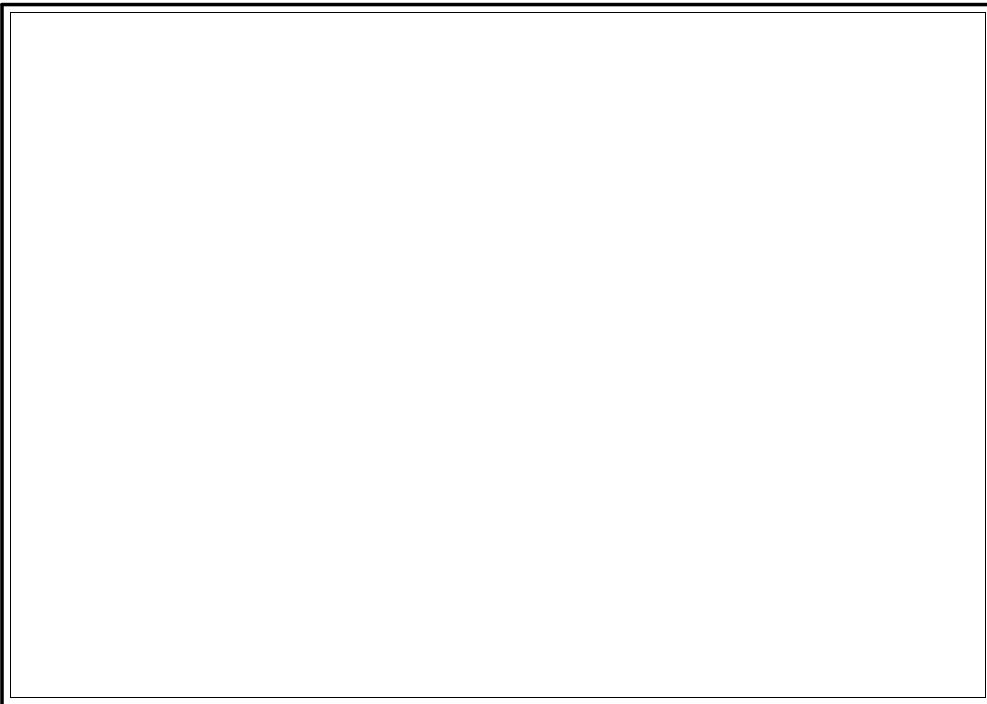
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Lender/Client **Salas Financial** Address **9320 Chesapeake Drive Suite 116, San Diego, CA 92123**



Interior view of Garage



Borrower **Perfect Investments, Inc.**

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City **Stockton** County **San Joaquin** State **CA** Zip Code **95215-2029**

Lender/Client **Salas Financial** Address **9320 Chesapeake Drive Suite 116, San Diego, CA 92123**



COMPARABLE SALE # 1

10795 E. Ada Avenue
Stockton, CA 95215



COMPARABLE SALE # 2

1111 Beyer Lane
Stockton, CA 95215



COMPARABLE SALE # 3

9437 Copperopolis Road
Stockton, CA 95215

Borrower **Perfect Investments, Inc.**

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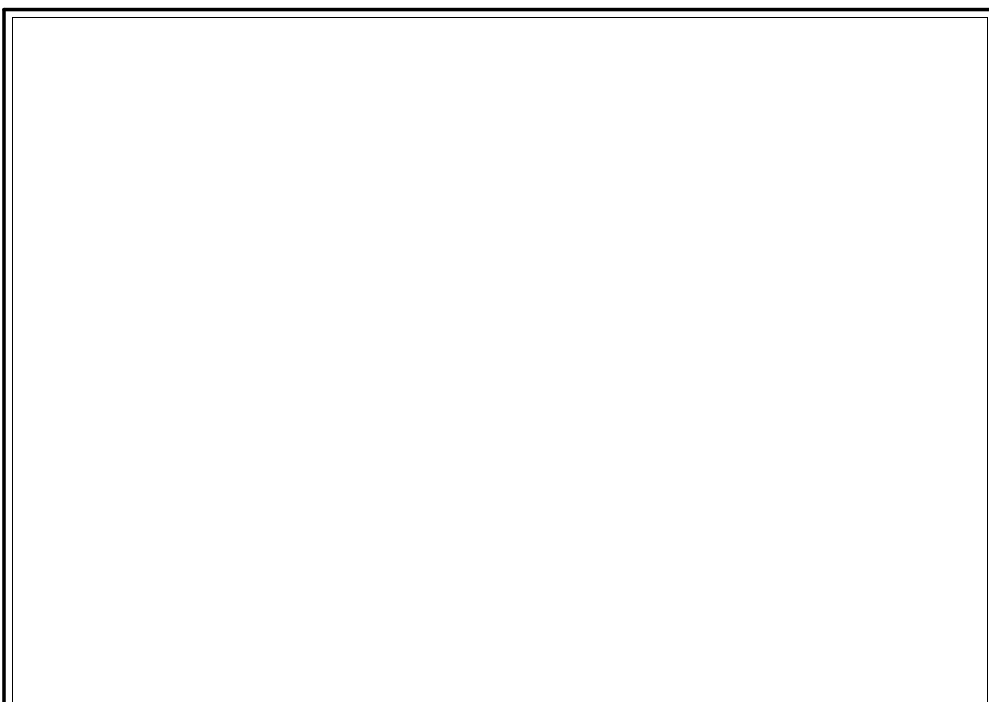
Lender/Client **Salas Financial** Address **9320 Chesapeake Drive Suite 116, San Diego, CA 92123**



COMPARABLE SALE # 4
6311 Landmark Road
Stockton, CA 95215



COMPARABLE SALE # 5
5736 Cherokee Road
Stockton, CA 95215



COMPARABLE SALE # 6

MULTI PURPOSE SUPPLEMENTAL ADDENDUM FOR FEDERALLY RELATED TRANSACTIONS

File No. **22-0274**

Case No.

Borrower/Client **Perfect Investments, Inc.**

Property Address **4950 Nadotti Rd**

City **Stockton** County **San Joaquin** State **CA** Zip Code **95215-2029**

Lender **Salas Financial** Address **9320 Chesapeake Drive Suite 116, San Diego, CA 92123**

This Multi-Purpose Supplemental Addendum for Federally Related Transactions was designed to provide the appraiser with a convenient way to comply with the current appraisal standards and requirements of the Federal Deposit Insurance Corporation (FDIC), the Office of the Controller of Currency (OCC), The Office of Thrift Supervision (OTS), the Resolution Trust Corporation (RTC) and the Federal Reserve.

This Multi-Purpose Supplement Addendum is for use with any appraisal. Only those statements which have been checked by the appraiser apply to the property being appraised.

PURPOSE & FUNCTION OF APPRAISAL

The purpose of the appraisal is to estimate the market value of the subject property as defined herein. The function of the appraisal is to assist the above-named Lender in evaluating the subject property for lending purposes. This is a Federally related transaction.

EXTENT OF APPRAISAL PROCESS

- The appraisal is based on the information gathered by the appraiser from public records, other identified sources, inspection of the subject property and neighborhood, and selection of comparable sales within the subject market area. The original source of the comparables is shown in the Data Source section of the market grid along with the source of confirmation, if available. The original source is present first. The sources and data are considered reliable. When conflicting information was provided, the source deemed most reliable has been used. Data believed to be unreliable was not included in the report nor used as a basis for the value conclusion.
- The Reproduction Cost is based on Marshall & Swift Residential Cost Services supplemented by the appraiser's knowledge of the local market.
- Physical depreciation is based on the estimated effective age of the subject property. Functional and/or external depreciation, if present, is specifically addressed in the appraisal report or other addenda. In estimating the site value, the appraiser has relied on personal knowledge of the local market. The knowledge is based on prior/or current analysis of site sales and/or abstractions of site values from sales of improved properties.
- The subject property is located in an area of primarily owner-occupied single family residences and the Income Approach is not considered to be meaningful. For this reason, the Income Approach was not used.
- The Estimated Market Rent and Gross Rent Multiplier utilized in the Income Approach are based on the appraiser's knowledge of the subject market area. The rental knowledge is based on prior and/or current rate surveys of residential properties. The Gross Rent Multiplier is based on prior and/or current analysis of prices and market rates for residential properties.
- For income producing properties, actual rents, vacancies and expenses have been reported and analyzed. They have been used to project future rents, vacancies and expenses.

SUBJECT PROPERTY OFFERING INFORMATION

- According to **the purchase agreement,** _____ the subject property:
- has not been offered** for sale in the past 30 days.
 - is currently offered** for sale for \$ **425,000**.
 - was offered** for sale within the past 30 days for \$ _____.
 - Offering information **was considered** in the final reconciliation of value.
 - Offering information **was not considered** in the final reconciliation of value.
 - Offering information **was not available**. The reasons for unavailability and the steps taken by the appraiser are explained later in this addendum.

SALE HISTORY OF SUBJECT PROPERTY

- According to **Public Records (Parcelquest)** _____ the subject property:
- has not transferred** in the past twelve months. **has not transferred** in the past 36 months.
 - has transferred** in the past twelve months. **has transferred** in the past 36 months.
 - All prior sales which have occurred in the past months are listed below and reconciled to the appraised value, either in the body of the report or in the addenda.

Date	Sales Price	Document #	Seller	Buyer
08/06/2019	\$375,000	83662	Zhang, Shi B	Wang, Terry H X & Lau, Jennifer Y Z

FEMA FLOOD HAZARD DATA

- Subject property **is not located** in a FEMA Special Flood Hazard Area.
 - Subject property **is located** in a FEMA Special Flood Hazard Area.
- | Zone | FEMA Map/Panel# | Map Date | Name of Community |
|------|-----------------|------------|--------------------|
| AH | 06077C0480F | 10/16/2009 | SAN JOAQUIN COUNTY |
- The community **does not participate** in the National Flood Insurance Program.
 - The community **does participate** in the National Flood Insurance Program.
 - It is covered by **a regular** program.
 - It is covered by **an emergency** program.

CURRENT SALES CONTRACT

- The subject property is **currently not under contract**.
- The contract and/or escrow instructions **were not available for review**. The unavailability of the contract is explained later in the addenda section.
- The contract and/or escrow instructions **were reviewed**. The following summarizes the contract:

Contract Date	Amendment Date	Contract Price	Seller
09/16/2022	09/16/2022	\$425,000	Xi, Wang Terry Han & Zhen, Lau Jennifer Yu

- The contract indicated that personal property **was not included** in the sale.
- The contract indicated that personal property **was included**. It consisted of _____ Estimated contributory value is \$ _____.
- Personal property **was not included** in the final value estimate.
- Personal property **was included** in the final value estimate.
- The contract indicated **no financing concessions** or other incentives.
- The contract indicated **the following concessions** or incentives: _____
- If concessions or incentives exist, the comparables were checked for similar concessions and appropriate adjustments were made, if applicable, so that the final value conclusion is in compliance with the Market Value defined herein.

MARKET OVERVIEW Include an explanation of current market conditions and trends.

0-3 month(s) is considered a reasonable marketing period for the subject property based on MLS statistical data spanning the previous twelve months.

ADDITIONAL CERTIFICATION

- The Appraiser certifies and agrees that:
- (1) Their analyses, opinions and conclusions were developed, and this report was prepared, in conformity with the Uniform Standards of Professional Appraisal Practice ("USPAP").
 - (2) Their compensation is not contingent upon the reporting of predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
 - (3) This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

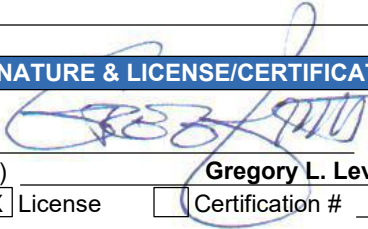
ADDITIONAL (ENVIRONMENTAL) LIMITING CONDITIONS

The value estimated is based on the assumption that the property is not negatively affected by the existence of hazardous substances or detrimental environmental conditions unless otherwise stated in this report. The appraiser is not an expert in the identification of hazardous substances or detrimental environmental conditions. The appraiser's routine inspection of and inquiries about the subject property did not develop any information that indicated any apparent significant hazardous substances or detrimental environmental conditions which would affect the property negatively unless otherwise stated in this report. It is possible that tests and inspections made by a qualified hazardous substance and environmental expert would reveal the existence of hazardous substances or detrimental environmental conditions on or around the property that would negatively affect its value.

ADDITIONAL COMMENTS

None

APPRAISER'S SIGNATURE & LICENSE/CERTIFICATION

Appraiser's Signature  Effective Date 10/26/2022 Date Prepared 10/30/2022
 Appraiser's Name (print) Gregory L. Levitt Phone # (209) 603-2023
 State CA License Certification # AL031586 Tax ID # 84-3998646

CO-SIGNING APPRAISER'S CERTIFICATION

- The co-signing appraiser **has personally inspected** the subject property, both inside and out, and has made an exterior inspection of all comparable sales listed in the report. The report was prepared by the appraiser under direct supervision of the co-signing appraiser. The co-signing appraiser accepts responsibility for the contents of the report including the value conclusion and the limiting conditions, and confirms that the certifications apply fully to the co-signing appraiser.
- the co-signing appraiser **has not personally inspected** the interior of the subject property and:
 - has not inspected** the exterior of the subject property and all comparable sales listed in the report.
 - has inspected** the exterior of the subject property and all comparable sales listed in the report.
- The report was prepared by the appraiser under direct supervision of the co-signing appraiser. The co-signing appraiser accepts responsibility for the contents of the report, including the value conclusions and the limiting conditions, and confirms that the certifications apply fully to the co-signing appraiser with the exception of the certification regarding physical inspections. The above describes the level of inspection performed by the co-signing appraiser.
- The co-signing appraiser's level of inspection, involvement in the appraisal process and certification are covered elsewhere in the addenda section of this appraisal.

CO-SIGNING APPRAISER'S SIGNATURE & LICENSE/CERTIFICATION

Co-Signing
 Appraiser's Signature _____ Effective Date _____ Date Prepared _____
 Co-Signing Appraiser's Name (print) _____ Phone # (_____) _____
 State License Certification # _____ Trainee _____ Tax ID # _____

APPRAISAL COMPLIANCE

Borrower/Client Perfect Investments, Inc.		Unit No.	
Address 4950 Nadotti Rd			
City Stockton	County San Joaquin	State CA	Zip Code 95215-2029
Lender/Client Salas Financial			

APPRAISAL AND REPORT IDENTIFICATION

This Appraisal Report is one of the following types:

Appraisal Report This report was prepared in accordance with the requirements of the Appraisal Report option of USPAP Standards Rule 2-2(a).

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

ADDITIONAL CERTIFICATIONS

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions 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 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).
- This report has been prepared in accordance with Title XI of FIRREA as amended, and any implementing regulations.

PRIOR SERVICES

- I have **NOT** performed services, as an appraiser or in another capacity, regarding the property that is the subject of the report within the three-year period immediately preceding acceptance of this assignment.
- I **HAVE** performed services, as an appraiser or in another capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment. Those services are described in the comments below.

PROPERTY INSPECTION

- I **HAVE** made a personal inspection of the property that is the subject of this report.
- I have **NOT** made a personal inspection of the property that is the subject of this report.

APPRAISAL ASSISTANCE

Unless otherwise noted, no one provided significant real property appraisal assistance to the person signing this certification. If anyone did provide significant assistance, they are hereby identified along with a summary of the extent of the assistance provided in the report.


ADDITIONAL COMMENTS

Additional USPAP related issues requiring disclosure and/or any state mandated requirements: In addition to the conditions noted within the certification pages of this report, the additional items have been added to this assignments Scope of Work. This assignment is for a proposed purchase and renovation of the subject property. The appraiser has performed a physical inspection of the interior and exterior of the subject property and has reviewed the proposed cost breakdown for the work to be performed. The Lender/Client has requested that the subject be valued using the hypothetical condition that all proposed work has been completed in a professional manner. The purchase agreement was reviewed by the appraiser and the results have been reported in this appraisal.

MARKETING TIME AND EXPOSURE TIME FOR THE SUBJECT PROPERTY

- A reasonable marketing time for the subject property is _____ day(s) utilizing market conditions pertinent to the appraisal assignment.
- A reasonable exposure time for the subject property is 14 - 45 day(s).

APPRAISER SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature 	Signature _____
Name Gregory L. Levitt	Name _____
Date of Signature 10/30/2022	Date of Signature _____
State Certification # _____	State Certification # _____
or State License # AL031586	or State License # _____
State CA	State _____
Expiration Date of Certification or License 08/14/2023	Expiration Date of Certification or License _____
Effective Date of Appraisal 10/26/2022	Supervisory Appraiser Inspection of Subject Property:
	<input type="checkbox"/> Did Not <input type="checkbox"/> Exterior Only from street <input type="checkbox"/> Interior and Exterior

Borrower **Perfect Investments, Inc.**

Property Address **4950 Nadotti Rd**

City **Stockton**

County

San Joaquin

State

CA

Zip Code

95215-2029

Lender/Client **Salas Financial**

Address **9320 Chesapeake Drive Suite 116, San Diego, CA 92123**

Business, Consumer Services & Housing Agency
BUREAU OF REAL ESTATE APPRAISERS
REAL ESTATE APPRAISER LICENSE



Gregory L. Levitt

has successfully met the requirements for a license as a residential real estate appraiser in the State of California and is, therefore, entitled to use the title:

“Residential Real Estate Appraiser”

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

BREA APPRAISER IDENTIFICATION NUMBER: **A** AL 031586

Effective Date: August 15, 2021

Date Expires: August 14, 2023

COPY

Loretta Dillon
 Loretta Dillon, Deputy Bureau Chief, BREA

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