



## **APPRAISAL OF REAL PROPERTY**

**LOCATED AT:**

3602 Roseview Ave  
Tract # 4085 Lot 77  
Los Angeles, CA 90065

**FOR:**

5 Arch Funding Corp  
19800 MacArthur Blvd #1150  
Irvine, CA 92612

**AS OF:**

01/03/2019

**BY:**

Paul Csengeri  
Lic# AR009295  
5624 Calle De Arboles  
Torrance, CA 90505

Paul Csengeri

# Exterior-Only Inspection Residential Appraisal Report

13141  
File # 20-001

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 3602 Roseview Ave City Los Angeles State CA Zip Code 90065  
 Borrower Frank A Mendoza Jr Owner of Public Record Gloria F Castaneda County Los Angeles  
 Legal Description Tract # 4085 Lot 77  
 Assessor's Parcel # 5454016001 Tax Year 2018 R.E. Taxes \$ 473  
 Neighborhood Name Mount Washington Map Reference 594-J4 Census Tract 1852.02  
 Occupant  Owner  Tenant  Vacant Special Assessments \$ 113.36  PUD HOA \$  per year  per month  
 Property Rights Appraised  Fee Simple  Leasehold  Other (describe)  
 Assignment Type  Purchase Transaction  Refinance Transaction  Other (describe)  
 Lender/Client 5 Arch Funding Corp Address 19800 MacArthur Blvd #1150, Irvine, CA 92612  
 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). DOM 25; Subject property was offered for sale.; Latest Price \$665,000; Latest Date 12/19/2019; Original Price \$665,000; Original Date 12/09/2019; CRMLS# 19535846

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. Nothing atypical noted.  
 Contract Price \$ 570,000 Date of Contract 12/19/2019 Is the property seller the owner of public record?  Yes  No Data Source(s) Realist-Assignment  
 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. 0

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	84 %	
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	5 %	
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	305	Low	New	Multi-Family	3 %
Neighborhood Boundaries	Neighborhood is bordered to the north by Lovell Drive; south by W. Avenue 26; east by; Justin Drive and west by the 5 Freeway.						2,180	High	115	Commercial	8 %	
Neighborhood Description	Neighborhood consists of a mix of older/newer single family residences reflecting various age, size and styles. Condition ranges from poor to good with average to good construction quality. Freeway access and consumer conveniences are in proximity to the subject's market area.						800	Pred.	87	Other	%	
Market Conditions (including support for the above conclusions)	Market conditions appear average, with marketing time being 1-3 months, if properly listed. Conventional and government financing is evident. The 1004MC shows an increase in values in past 12 months (time adjustments for dated sales applied to sales dated more than 12 months-closed).											

SITE

Dimensions 70.48 x 121.70 x 100.23 Area 3,476 sf Shape Rectangular View N;Res  
 Specific Zoning Classification R1 Zoning Description Low Residential  
 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 checked="" type="checkbox"/>	Street Concrete	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gas	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Sanitary Sewer	<input checked="" type="checkbox"/>	Alley	<input type="checkbox"/>	<input type="checkbox"/>

 FEMA Special Flood Hazard Area  Yes  No FEMA Flood Zone X FEMA Map # 06037C1626F FEMA Map Date 9/26/2008  
 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  
 Site is a smaller than typical up sloping triangular shaped interior lot on a sloping residential street. No apparent adverse conditions noted.  
 Appraiser recommends a title report for any easements.

IMPROVEMENTS

Source(s) Used for Physical Characteristics of Property  Appraisal Files  MLS  Assessment and Tax Records  Prior Inspection  Property Owner  
 Other (describe) Client provided information Data Source for Gross Living Area CRMLS/Realist and/or Client

General Description	General Description	Heating/Cooling	Amenities	Car Storage
Units <input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input type="checkbox"/> Concrete Slab <input checked="" type="checkbox"/> Crawl Space	<input type="checkbox"/> FWA <input type="checkbox"/> HWBB	<input type="checkbox"/> Fireplace(s) #	<input type="checkbox"/> None
# of Stories 1	<input type="checkbox"/> Full Basement <input type="checkbox"/> Finished	<input type="checkbox"/> Radiant	<input type="checkbox"/> Woodstove(s) # 0	<input type="checkbox"/> Driveway # of Cars
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	<input type="checkbox"/> Partial Basement <input type="checkbox"/> Finished	<input checked="" type="checkbox"/> Other Wood	<input checked="" type="checkbox"/> Patio/Deck	Driveway Surface Concrete
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Exterior Walls Wood	Fuel Gas	<input checked="" type="checkbox"/> Porch	<input checked="" type="checkbox"/> Garage # of Cars 1
Design (Style) Bungalow	Roof Surface Comp	<input type="checkbox"/> Central Air Conditioning	<input type="checkbox"/> Pool	<input type="checkbox"/> Carport # of Cars
Year Built 1921	Gutters & Downspouts None	<input type="checkbox"/> Individual	<input checked="" type="checkbox"/> Fence	<input type="checkbox"/> Attached <input checked="" type="checkbox"/> Detached
Effective Age (Yrs) 35	Window Type Wood	<input type="checkbox"/> Other	<input type="checkbox"/> Other	<input type="checkbox"/> Built-in
Appliances <input type="checkbox"/> Refrigerator <input type="checkbox"/> Range/Oven <input type="checkbox"/> Dishwasher <input checked="" type="checkbox"/> Disposal <input type="checkbox"/> Microwave <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> Other (describe)				
Finished area above grade contains: 4 Rooms 2 Bedrooms 1.0 Bath(s) 887 Square Feet of Gross Living Area Above Grade				
Additional features (special energy efficient items, etc.) Unknown				

Describe the condition of the property and data source(s) (including apparent needed repairs, deterioration, renovations, remodeling, etc.). This inspection is to provide an as is value opinion and an after repair value opinion (appraiser notes a client imposed hypothetical condition that the subject is in good condition with upgrades typical for the market area for the after repair value opinion); as is value opinion is based on comparable sales 1-3 and after repair value opinion is based on comparable sales 4-6. (Appraiser provided with a \$75,000 completion of project cost). The scope of the inspection was an exterior form 2055. No sketch was performed and the GLA and room count is based entirely on either one or more = Lender/CRMLS or Realist.  
 Are there any apparent physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property?  Yes  No  
 If Yes, describe.  
 From an exterior only inspection from the street there were no obvious physical deficiencies or adverse conditions, that would affect the livability, soundness, or structural integrity of the subject property.  
 Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)?  Yes  No If No, describe.  
 The subject property is compatible and conforming in the subject neighborhood. Marketability and acceptability is average.

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There are <b>2</b> comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ <b>647,000</b> to \$ <b>699,900</b>					
There are <b>44</b> comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ <b>420,000</b> to \$ <b>1,192,000</b>					
FEATURE	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3	
Address	3602 Roseview Ave Los Angeles, CA 90065	2681 Roseview Ave Los Angeles, CA 90065	2691 Thorpe Ave Los Angeles, CA 90065	408 James St Los Angeles, CA 90065	
Proximity to Subject		0.33 miles SW	0.36 miles SW	0.59 miles SE	
Sale Price	\$ 570,000	\$ 615,000	\$ 585,000	\$ 570,000	
Sale Price/Gross Liv. Area	\$ 642.62 sq.ft.	\$ 667.03 sq.ft.	\$ 620.36 sq.ft.	\$ 701.11 sq.ft.	
Data Source(s)		CRMLS#BB19130216;DOM 18	CRMLS#WS19176455;DOM 10	CRMLS#MB18276970;DOM 46	
Verification Source(s)		Doc#1238422	Doc#1010917	Doc#148275	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment
Sales or Financing Concessions		ArmLth Cash;0		ArmLth Conv;0	
Date of Sale/Time		s11/19;c08/19		s09/19;c08/19	
Location	B;CityHills	B;CityHills		N;Res;	+10,000
Leasehold/Fee Simple	Fee Simple	Fee Simple		B;Inf City	+5,000
Site	3476 sf	6359 sf	-14,415	4001 sf	
View	N;Res;	N;Res;		N;Res;	
Design (Style)	Bungalow	Bungalow		Bungalow	
Quality of Construction	Q4	Q4		Q4	
Actual Age	98	98		99	
Condition	C4	C3	-10,000	C3	-10,000
Above Grade					
Room Count	Total Bdrms. Baths 4 2 1.0	Total Bdrms. Baths 4 2 1.0		Total Bdrms. Baths 4 2 2.0	-10,000
Gross Living Area	887 sq.ft.	922 sq.ft.		943 sq.ft.	
Basement & Finished Rooms Below Grade	Osf	Osf		Osf	
Functional Utility	Average	Average		Average	
Heating/Cooling	Wall/None	Wall/None		FAU/CAC	-10,000
Energy Efficient Items	Unknown	Unknown		Unknown	
Garage/Carport	1	1 Garage		1 Garage	
Porch/Patio/Deck	Porch/Patio	Porch/Patio		Porch/Patio	
Pool/Spa	None	None		None	
Fireplace(s)	None	None		None	
Upgrades/Remodel	Moderate	Superior	-20,000	Superior	-20,000
Net Adjustment (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ -44,415		<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ -40,000	
Adjusted Sale Price of Comparables		Net Adj. 7.2 % Gross Adj. 7.2 % \$ 570,585		Net Adj. 6.8 % Gross Adj. 10.3 % \$ 545,000	
				Net Adj. 0.6 % Gross Adj. 2.3 % \$ 566,830	

SALES COMPARISON APPROACH

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

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) CRMLS/Realist/TitleCo

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) CRMLS/Realist/TitleCo

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	03/11/2005	06/08/2004	06/06/2019	08/20/2018
Price of Prior Sale/Transfer		\$265,000	\$513,000	
Data Source(s)	CARETS/Data Express	CARETS/Data Express	CARETS/Data Express	CARETS/Data Express
Effective Date of Data Source(s)	01/03/2020	01/03/2020	01/03/2020	01/03/2020

Analysis of prior sale or transfer history of the subject property and comparable sales The appraiser has reviewed available prior sales information for the subject and the comparable sales, which are noted above. The subject has not transferred/sold within the past 36 months. Comp 2 prior sale was prior to renovation. Comp 3 transferred twice on date shown above. One with a Trustee's Deed and the other with an Affidavit.

Summary of Sales Comparison Approach See Addendum.

Indicated Value by Sales Comparison Approach \$ 565,000

**Indicated Value by: Sales Comparison Approach \$ 565,000 Cost Approach (if developed) \$ 570,724 Income Approach (if developed) \$**

In the final analysis most consideration was given to the market data approach as it best represents the actions of buyers and sellers in an open market. Due to the lack of rental data for similar single family homes in the subject property's neighborhood, the income approach was not considered in the final analysis.

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

**Based on a visual inspection of the exterior areas of the subject property from at least the street, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 565,000 , as of 01/03/2019 , which is the date of inspection and the effective date of this appraisal.**

RECONCILIATION

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ADDITIONAL COMMENTS

1) SUBJECT NEIGHBORHOOD; The subject neighborhood is predominantly single family residences reflecting various age, size and styles, condition and construction quality. The subject neighborhood is conforming and typical for a residential neighborhood. The accessibility of shopping, school, transportation, park access, and freeway access is average. There were no noted adversities.

2) SUBJECT SITE; See page 1 of 6.

3) SUBJECT CONDITION OF IMPROVEMENTS. See page 1 of 6.

4) COST APPROACH; Was completed

5) MARKET APPROACH; The Market Approach is the main supporter of value. It is primarily based on sales of similar type properties in the subjects area, this is known as the principle of substitution. The greatest weight was given to the most similar sale, or sales, as noted in the report.

6) FINAL RECONCILIATION; The Market Approach was given the most weight, as the Market Approach was determined to be the strongest supporter of value. The Income approach was not performed for this property (see previous notes on The Income Approach).

7) EXTRAORDINARY ASSUMPTION; It is assumed that all structures, given value in this report are legally permitted as stated in this report. It is assumed that there are no unknown geological and or environmental adverse issues. The physical characteristics of the comparables were either verified through county records, multiple listing service, and or homeowner verification, assumed to be as stated, verified with agents. The current stated flood zone information is assumed to be as stated in this report, verified with Alameda Software. The subject zoning information is assumed to be as stated. The subject is assumed to have no termite infestation. The subject dwelling is assumed to have no unknown water damage, toxic mold and or mildew adversities. Any needed repairs, estimated cost to cure, or cost of upgrades, for the subject property, and or the comparables, is assumed to be correct, as stated, if not, a more qualified building contractor is recommended to give a more accurate bid. The type and condition of the utilities, all appliances, room count, heating and a/c, plumbing, electrical, foundation, window type, appliances, walls, upgrades, is all assumed to be as stated, all in good working order. The indicated owner is assumed to be correct. If applicable, any HOA, CC&R's, and all PUD information is assumed to be correct (not reviewed). The subject indicted public road is assumed to be correct. I am assuming the subject has a raised foundation. I am assuming that the estimated square feet of the home/property, garage and any other amenity given value if done in the cost approach are correct. If any of these items are found to be not true, I reserve the right to change my appraisal.

8) HYPOTHETICAL CONDITION: The following statement only pertains to the after repaired value ARV (derived from comps 4-6). "The report is based, in part, on client imposed hypothetical condition that the subject is in good condition with upgrades typical for the market area (Appraiser provided with a \$75,000 completion of project cost)

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)		Due to the lack of vacant lots the land value is extracted from the market with lot values over 30% due to being a high demand area.	
ESTIMATED	<input type="checkbox"/> REPRODUCTION OR	<input checked="" type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE .....
Source of cost data	Builders/Contractors		DWELLING 887 Sq.Ft. @ \$ 175.00 .....
Quality rating from cost service	Q4	Effective date of cost data	2019 Sq.Ft. @ \$ .....
Comments on Cost Approach (gross living area calculations, depreciation, etc.)			Hardscape .....
1) Gross living area was based on either CRMLS, Realist, Corelogic or Lender.			Garage/Carport 180. Sq.Ft. @ \$ 25.00 .....
2) The economic life is estimated at 75 years. The remaining economic life is based on the effective age of the subject property.			Total Estimate of Cost-New .....
3) Functional Obs; None			Less Physical Functional External .....
4) External Obs; None			Depreciation 99,001 .....
Estimated Remaining Economic Life (HUD and VA only) 25 Years			Depreciated Cost of Improvements .....
			"As-is" Value of Site Improvements .....
			INDICATED VALUE BY COST APPROACH .....
			=\$ 570,724

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) The Income Approach is not felt to applicable for predominant owner occupied single family homes. There is limited or no rental data to base The Income Approach on, or to create a credible result.			

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(s)

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

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

Describe common elements and recreational facilities.

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

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

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

The appraiser must be able to obtain adequate information about the physical characteristics (including, but not limited to, condition, room count, gross living area, etc.) of the subject property from the exterior-only inspection and reliable public and/or private sources to perform this appraisal. The appraiser should use the same type of data sources that he or she uses for comparable sales such as, but not limited to, multiple listing services, tax and assessment records, prior inspections, appraisal files, information provided by the property owner, etc.

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

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

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

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

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

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

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

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a visual inspection of the exterior areas of the subject property from at least the street. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.
9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.

# Exterior-Only Inspection Residential Appraisal Report

13141  
File # 20-001

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

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

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

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

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

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

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

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.
4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRaiser Paul Csengeri  
Signature   
Name Paul Csengeri  
Company Name South Bay Appraisal Group  
Company Address 5624 Calle De Arboles, Torrance, CA 90505  
Telephone Number (310)-415-6849  
Email Address paulc@socal.rr.com  
Date of Signature and Report 01/03/2020  
Effective Date of Appraisal 01/03/2019  
State Certification # AR009295  
or State License # \_\_\_\_\_  
or Other (describe) \_\_\_\_\_ State # \_\_\_\_\_  
State CA  
Expiration Date of Certification or License 09/29/2020  
ADDRESS OF PROPERTY APPRAISED  
3602 Roseview Ave  
Los Angeles, CA 90065  
APPRAISED VALUE OF SUBJECT PROPERTY \$ 565,000  
LENDER/CLIENT  
Name Daniel Hatmaker  
Company Name 5 Arch Funding Corp  
Company Address 19800 MacArthur Blvd #1150, Irvine, CA  
92612  
Email Address dhatmaker@5arch.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 exterior of subject property  
 Did inspect exterior of subject property from street  
Date of Inspection \_\_\_\_\_

## COMPARABLE SALES

- Did not inspect exterior of comparable sales from street  
 Did inspect exterior of comparable sales from street  
Date of Inspection \_\_\_\_\_

# Exterior-Only Inspection Residential Appraisal Report

13141  
File # 20-001

FEATURE	SUBJECT	COMPARABLE SALE # 4			COMPARABLE SALE # 5			COMPARABLE SALE # 6		
Address	3602 Roseview Ave Los Angeles, CA 90065	533 Isabel St Los Angeles, CA 90065			1129 Isabel St Los Angeles, CA 90065			462 Wren Dr Los Angeles, CA 90065		
Proximity to Subject		0.54 miles SE			0.07 miles SW			0.89 miles NE		
Sale Price	\$ 570,000	\$ 806,000			\$ 777,000			\$ 773,500		
Sale Price/Gross Liv. Area	\$ 642.62 sq.ft.	\$ 730.07 sq.ft.			\$ 833.69 sq.ft.			\$ 904.68 sq.ft.		
Data Source(s)		CRMLS#19494490;DOM 17			CRMLS#19453892;DOM 14			CRMLS#IV19251018;DOM 20		
Verification Source(s)		Doc#1116333			Doc#545509			Doc#1334135		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment		DESCRIPTION	+(-) \$ Adjustment		DESCRIPTION	+(-) \$ Adjustment	
Sales or Financing Concessions		ArmLth Cash			ArmLth Cash			ArmLth Cash;0		
Date of Sale/Time		s10/19;c09/19			s06/19;c05/19			s12/19;c11/19		
Location	B;CityHills	B;ObsCityHills +10,000			B;CityHills			B;CityHills		
Leasehold/Fee Simple	Fee Simple	Fee Simple			Fee Simple			Fee Simple		
Site	3476 sf	6203 sf -13,635			5596 sf -10,600			2908 sf		
View	N;Res;	N;Res;			N;Res;			N;Res;		
Design (Style)	Bungalow	Bungalow			Traditional			Bungalow		
Quality of Construction	Q4	Q4			Q4			Q4		
Actual Age	98	97			71			96		
Condition	C3	C3			C3			C3		
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths			Total Bdrms. Baths			Total Bdrms. Baths		
Room Count	4 2 1.0	4 2 2.0	-10,000		4 2 2.0	-10,000		4 2 1.5	-5,000	
Gross Living Area	887 sq.ft.	1,104 sq.ft. -21,700			932 sq.ft.			855 sq.ft.		
Basement & Finished Rooms Below Grade	0sf	0sf			0sf			Yes-Unknown		
Functional Utility	Average	Average			Average			Average		
Heating/Cooling	FAU/CAC	FAU/CAC			Wall/None +5,000			FAU/CAC		
Energy Efficient Items	Unknown	Unknown			Unknown			Unknown		
Garage/Carport	1	1 Garage			2 Garage +5,000			None +5,000		
Porch/Patio/Deck	Porch/Patio	Porch/Patio			Deck/Patio			Porch/Patio		
Pool/Spa	None	None			None			None		
Fireplace(s)	None	None			None			None		
Upgrades/Remodel	Yes	Yes			Yes			Yes		
Net Adjustment (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -35,335		<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -10,600		<input type="checkbox"/> + <input type="checkbox"/> -	\$ 0	
Adjusted Sale Price of Comparables		Net Adj. 4.4 %			Net Adj. 1.4 %			Net Adj. 0.0 %		
		Gross Adj. 6.9 %	\$ 770,665		Gross Adj. 3.9 %	\$ 766,400		Gross Adj. 1.3 %	\$ 773,500	

SALES COMPARISON APPROACH

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 # 4		COMPARABLE SALE # 5		COMPARABLE SALE # 6	
Date of Prior Sale/Transfer	03/11/2005	09/06/2017		01/05/2011		07/25/2018	
Price of Prior Sale/Transfer		\$710,000		\$384,000		\$757,500	
Data Source(s)	CARETS/Data Express	CARETS/Data Express		CARETS/Data Express		CARETS/Data Express	
Effective Date of Data Source(s)	01/03/2020	01/03/2020		01/03/2020		01/03/2020	

SALE HISTORY

Analysis of prior sale or transfer history of the subject property and comparable sales See page 2 of 6 on 2055.

ANALYSIS / COMMENTS

Analysis/Comments See Addendum

**Supplemental Addendum**

File No. 20-001

Borrower	Frank A Mendoza Jr						
Property Address	3602 Roseview Ave						
City	Los Angeles	County	Los Angeles	State	CA	Zip Code	90065
Lender/Client	5 Arch Funding Corp						

SUPPLEMENTAL ADDENDUM

## Final Reconciliation

\*As Is Value opinion (AIV): \$565,000

\*As is value opinion is based on comparable sales 1-3

\*After Repair Value opinion (ARV): \$770,000

\*After repair value opinion is based on comparable sales 4-6

If made, adjustments are based on several methods. If made, any adjustments, including those for bathrooms, bedrooms and GLA, based on matched pairs analyses, Building-Cost.net, consultations with realtors and appraisers experience. " If made, time and negotiation adjustments are derived/influenced by 1004MC and/or DQ NEWS. Additionally, if made market adjustments made by either paired sales analysis or common knowledge are as follows: Lot \$5/sf, GLA \$100/sf, Bedroom \$25,000 and bathroom \$10,000.

All comps are in the subject`s market area or competing market areas, are similar in appeal, are considered good indicators of value and were the best available data at the time of inspection. The AIV opinion and ARV opinion were derived by weighted analysis of the comparable sales. As noted in this report, an as is value opinion and an after repair value opinion have been provided. The as is value opinion is based on comparable sales 1-3 and the after repair value opinion is based on comparable sales 4-6. The after repair value opinion is based on the property having undergone \$75,000 completion of renovation cost.

Due to the lack of recent comparable sales a wider data search was used (some dated past 6 months).

Some CRMLS comp photos to better show home.

AIV -Comparables 1-3: Sales Comparison Comments

The final opinion of value was derived by weighted analysis as all comps (1-3) were considered. The opinion of value is below the pre adjusted sales price of all 3 sales.

ARV - Comparables 4-6: Sales Comparison Comments

\*Subject to/after repair value opinion is based on the hypothetical condition that the subject has undergone \$75,000 completion of renovation cost, bringing the subject up to good condition. After repair value opinion is based on the comparable sales 4-6. The final opinion of value was derived by weighted analysis as all comps (4-6) were considered.

# SOW

Item	Cost
Garage Roof 2500	\$ 2,500
New Bathroom 6000	\$ 6,000
New kitchen 9000	\$ 9,000
exterior Paint 2000	\$ 2,000
Interior Paint 2500	\$ 2,500
HVAC 5500	\$ 5,500
Foundation/Termite Wood Repair 20000	\$ 20,000
Doors 1500	\$ 1,500
Exterior Siding/Fascia 1500	\$ 1,500
Roofing for Garage 2000	\$ 2,000
Plumbing 2500	\$ 2,500
Wood Stairs 3500	\$ 3,500
Landscaping 2500	\$ 2,500
Drywall and Basement Paint 1500	\$ 1,500
Demo/Trash 3500	\$ 3,500
Flooring 3500	\$ 3,500
Fencing 2500	\$ 2,500
Windows 3000	\$ 3,000
Total:	\$ 75,000

# Market Conditions Addendum to the Appraisal Report

13141  
File No. 20-001

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 **3602 Roseview Ave** City **Los Angeles** State **CA** ZIP Code **90065**

Borrower **Frank A Mendoza Jr**

**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)	21	13	10	<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)	3.5	4.33	3.33	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Comparable Active Listings	5	4	2	<input checked="" type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Housing Supply (Total Listings/Ab.Rate)	1.43	0.92	0.6	<input checked="" 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	\$650,000	\$660,000	\$721,000	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Sales Days on Market	19	25	18	<input checked="" type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Comparable List Price	\$625,000	\$673,000	\$673,450	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Listings Days on Market	67	46	106	<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Increasing
Median Sale Price as % of List Price	104.55	100	100	<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.). The CRMLS MLS indicates there were 44 closed sales during the past 12 months and 1 of those sales contained seller concessions which is 2% of the total transactions in this market area. Prior Months 7-12: 21 Sales; 0 with concessions; 0% of sales for this period. 4-6: 13 Sales; 1 with concessions; 8% of sales for this period. 0-3: 10 Sales; 0 with concessions; 0% of sales for this period. The concessions ranged between \$2,000 and \$2,000. The median concession amount is \$2,000.

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).

The data used in the grid above does not indicate there were any REO/Short sales or other distressed properties associated with the reported transactions. However, this is not a mandatory reporting field for agents and there may be some distressed sales that were not reported. It is beyond the scope of this assignment to confirm each sale used in the Market Conditions Report.

Cite data sources for above information. The CRMLS MLS was the data source used to complete the Market Conditions Addendum. Effective Date: Friday, January 03, 2020

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.

Appraiser's "Inventory Analysis," "Median Sale & List Price, DOM" and other observations in this addendum are based on the data source identified above, which appraiser generally believes to be an acceptable source of market data. However, the appraiser cannot verify all of the information in that data source and cannot guarantee the accuracy of such data or conclusions based thereon. The appraiser also cannot guarantee future market conditions affecting the subject property.

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

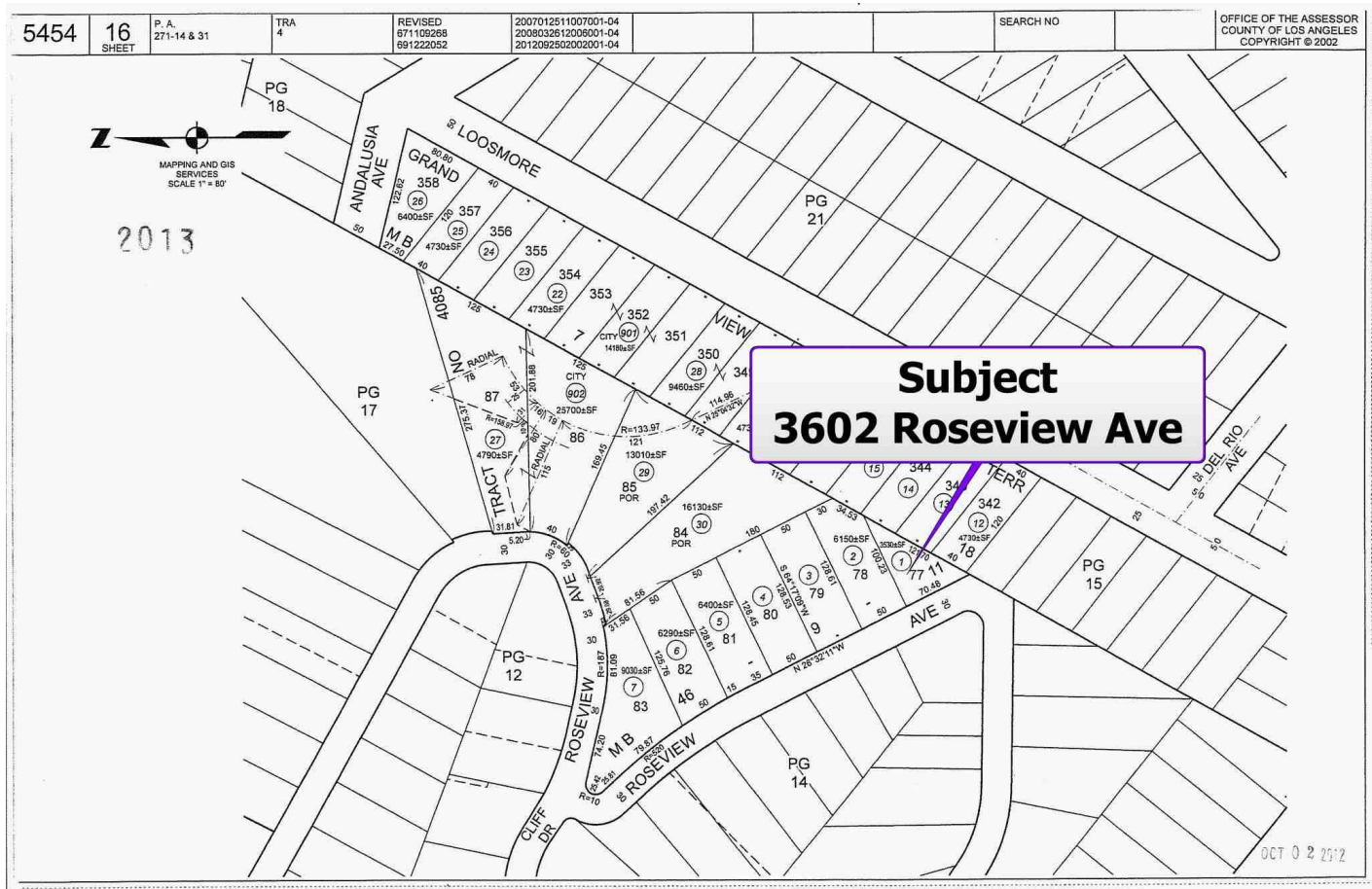
Are foreclosure sales (REO sales) a factor in the project?  Yes  No If yes, indicate the number of REO listings and explain the trends in listings and sales of foreclosed properties.

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

Signature	Signature
Appraiser Name <b>Paul Csengeri</b>	Supervisory Appraiser Name
Company Name <b>South Bay Appraisal Group</b>	Company Name
Company Address <b>5624 Calle De Arboles, Torrance, CA 90505</b>	Company Address
State License/Certification # <b>AR009295</b> State <b>CA</b>	State License/Certification # State
Email Address <b>paulc@socal.rr.com</b>	Email Address

# Plat Map

Borrower	Frank A Mendoza Jr				
Property Address	3602 Roseview Ave				
City	Los Angeles	County Los Angeles	State CA	Zip Code 90065	
Lender/Client	5 Arch Funding Corp				



## Location Map

Borrower	Frank A Mendoza Jr			
Property Address	3602 Roseview Ave			
City	Los Angeles	County Los Angeles	State CA	Zip Code 90065
Lender/Client	5 Arch Funding Corp			



Borrower	Frank A Mendoza Jr	File No.	20-001
Property Address	3602 Roseview Ave		
City	Los Angeles	County	Los Angeles
		State	CA
		Zip Code	90065
Lender/Client	5 Arch Funding Corp		

**APPRAISAL AND REPORT IDENTIFICATION**

This Report is one of the following types:

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

**Comments on Standards Rule 2-3**

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

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

**Reasonable Exposure Time**

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

My Opinion of Reasonable Exposure Time for the subject property at the market value stated in this report is: 30-90 days.  
 Estimated exposure and marketing time if properly listed is 1-3 months.

**Comments on Appraisal and Report Identification**

Note any USPAP-related issues requiring disclosure and any state mandated requirements:

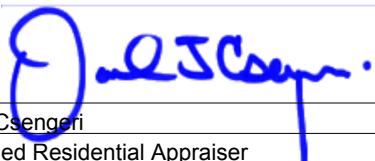
The Intended User of this appraisal report is the Lender/Client as noted in this report. The Intended Use is to evaluate the property's current market value for a bridge loan, subject to the stated Scope of Work, purpose of the appraisal, reporting requirements of this appraisal report form, and Definition of Market Value (see notes on Hypothetical Condition of this report). No additional Intended Users are identified by the appraiser.

Reasonable exposure time is estimated at 30-90 days based on reasonable list price, property type, property characteristics, and agent's due diligence.

**Prior Service on the Subject Property.**

Appraiser has not performed appraisal services on the subject property in the past 3 year period immediately proceeding acceptance of this appraisal assignment.

**APPRAISER:**

Signature:   
 Name: Paul Csengeri  
 Certified Residential Appraiser  
 State Certification #: AR009295  
 or State License #: \_\_\_\_\_  
 State: CA Expiration Date of Certification or License: 09/29/2020  
 Date of Signature and Report: 01/03/2020  
 Effective Date of Appraisal: 01/03/2019  
 Inspection of Subject:  None  Interior and Exterior  Exterior-Only  
 Date of Inspection (if applicable): 01/03/2019

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

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

**FIRREA / USPAP ADDENDUM**

Borrower	Frank A Mendoza Jr	File No.	20-001
Property Address	3602 Roseview Ave		
City	Los Angeles	County	Los Angeles
		State	CA
		Zip Code	90065
Lender/Client	5 Arch Funding Corp		

**Purpose**

The Purpose and Function of this appraisal is to estimate the market value of the subject property for a bridge loan, as defined herein, and to assist the client in evaluating the subject property, and is not intended for use by any other party for any other purpose. The appraiser is not responsible for unauthorized use of this report.

**Scope of Work**

1) After receiving the assignment, an extensive search of all resources customary to the appraisal of residential real estate was made to determine general market trends, influences and other significant factors pertinent to the subject property. 2) An exterior only, curbside physical inspection of the subject property was performed. 3) A written report was then completed, with appropriate adjustments being made to estimate an accurate opinion of value. 4) A complete summary report was then sent to the intended user.

**Intended Use / Intended User**

Intended Use: The Intended Use is to evaluate the property that is the subject of this appraisal for its current market value for a bridge loan, subject to the stated Scope Of Work, purpose of the appraisal, reporting requirements of this appraisal report form, and Definition of Market Value.

Intended User(s): The intended user(s) of this appraisal report is the client and their heirs and assigns. No other intended users are noted.

**History of Property**

Current listing information: DOM 25; Subject property was offered for sale.; Latest Price \$665,000; Latest Date 12/19/2019; Original Price \$665,000; Original Date 12/09/2019; CRMLS# 19535846

Prior sale: The subject has not sold within the past 36 months.

**Exposure Time / Marketing Time**

Estimated exposure and marketing time if properly listed is 1-3 months.

**Personal (non-realty) Transfers**

None

**Additional Comments**

None

**Certification Supplement**

1. This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or an approval of a loan.
2. My compensation is not contingent upon the reporting of a 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. It is assumed that permits are available on all structures, including permanent foundations, and it is assumed the age given to the appraiser either by the county/city records, or by the home owner is true and accurate, if found not to be true and accurate, I reserve the right to change my appraisal. Supervisory inspection is an exterior only.
4. Digital Signature: This report has been digitally signed by the licensed appraiser, if there is any unauthorized use of this report, or my signature, this report will no longer be valid.

Appraiser: Paul Csengeri  
 Signed Date: 01/03/2020  
 Certification or License #: AR009295  
 Certification or License State: CA Expires: 09/29/2020  
 Effective Date of Appraisal: 01/03/2019

Supervisory Appraiser: \_\_\_\_\_  
 Signed Date: \_\_\_\_\_  
 Certification or License #: \_\_\_\_\_  
 Certification or License State: \_\_\_\_\_ Expires: \_\_\_\_\_  
 Inspection of Subject:  Did Not  Exterior Only  Interior and Exterior

**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 considers his 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. (Source: FDIC Interagency Appraisal and Evaluation Guidelines, October 27, 1994.)

\*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 judgement.

## **STATEMENT OF LIMITING CONDITIONS AND CERTIFICATION**

**CONTINGENT AND LIMITING CONDITIONS:** The appraiser's certification that appears in the appraisal report is subject to the following conditions:

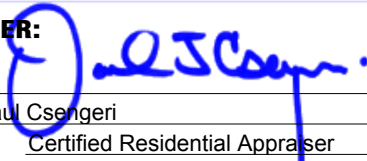
1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is valued on the basis of it being under responsible ownership.
2. Any sketch provided in the appraisal report may show approximate dimensions of the improvements and is included only to assist the reader of the report in visualizing the property. The appraiser has made no survey of the property.
3. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
4. Any distribution of valuation between land and improvements in the report applies only under the existing program of utilization. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
5. The appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous waste, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. This appraisal report must not be considered an environmental assessment of the subject property.
6. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
7. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice, and any applicable federal, state or local laws.
8. 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 completion of the improvements will be performed in a workmanlike manner.
9. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the borrower; the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organizations; any state or federally approved financial institution; or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the property description section of the report only to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.
10. The appraiser is not an employee of the company or individual(s) ordering this report and compensation is not contingent upon the reporting of a predetermined value or direction of value or upon an action or event resulting from the analysis, opinions, conclusions, or the use of this report. This assignment is not based on a required minimum, specific valuation, or the approval of a loan.

**CERTIFICATION:** The appraiser certifies and agrees that:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial and unbiased professional analyses, opinions, and conclusions.
3. Unless otherwise indicated, I have no present or prospective interest in the property that is the subject of this report and no personal interest interest with respect to the parties involved.
4. 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.
5. I have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. 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.
8. 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.
9. Unless otherwise indicated, I have made a personal inspection of the exterior areas of the property that is the subject of this report, and the exteriors of all properties listed as comparables.
10. 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).

**ADDRESS OF PROPERTY ANALYZED:** 3602 Roseview Ave, Los Angeles, CA 90065

**APPRAISER:**

Signature:   
 Name: Paul Csengeri  
 Title: Certified Residential Appraiser  
 State Certification #: AR009295  
 or State License #:  
 State: CA Expiration Date of Certification or License: 09/29/2020  
 Date Signed: 01/03/2020

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

Signature: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 State Certification #: \_\_\_\_\_  
 or State License #: \_\_\_\_\_  
 State: \_\_\_\_\_ Expiration Date of Certification or License: \_\_\_\_\_  
 Date Signed: \_\_\_\_\_  
 Did  Did Not Inspect Property

## Appraiser Independence Certification

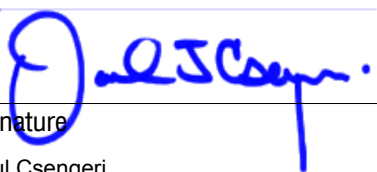
I do hereby certify, I have followed the appraiser independence safeguards in compliance with Appraisal Independence and any applicable state laws I may be required to comply with. This includes but is not limited to the following:

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

I assert that no employee, director, officer, or agent of 5 Arch Funding Corp, or any other third party acting as joint venture partner, independent contractor, appraisal management company, or partner on behalf of 5 Arch Funding Corp, influenced, or attempted to influence the development, reporting, result, or review of my appraisal through coercion, extortion, collusion, compensation, inducement, intimidation, bribery, or in any other manner.

I further assert that 5 Arch Funding Corp has never participated in any of the following prohibited behavior in our business relationship:

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

 <hr/> Signature	01/03/2020 <hr/> Date
Paul Csengeri <hr/> Appraiser's Name	AR009295 <hr/> State License or Certification #
Certified Residential Appraiser <hr/> State Title or Designation	09/29/2020 <span style="float: right;">CA</span> <hr/> Expiration Date of License or Certification <span style="float: right;">State</span>

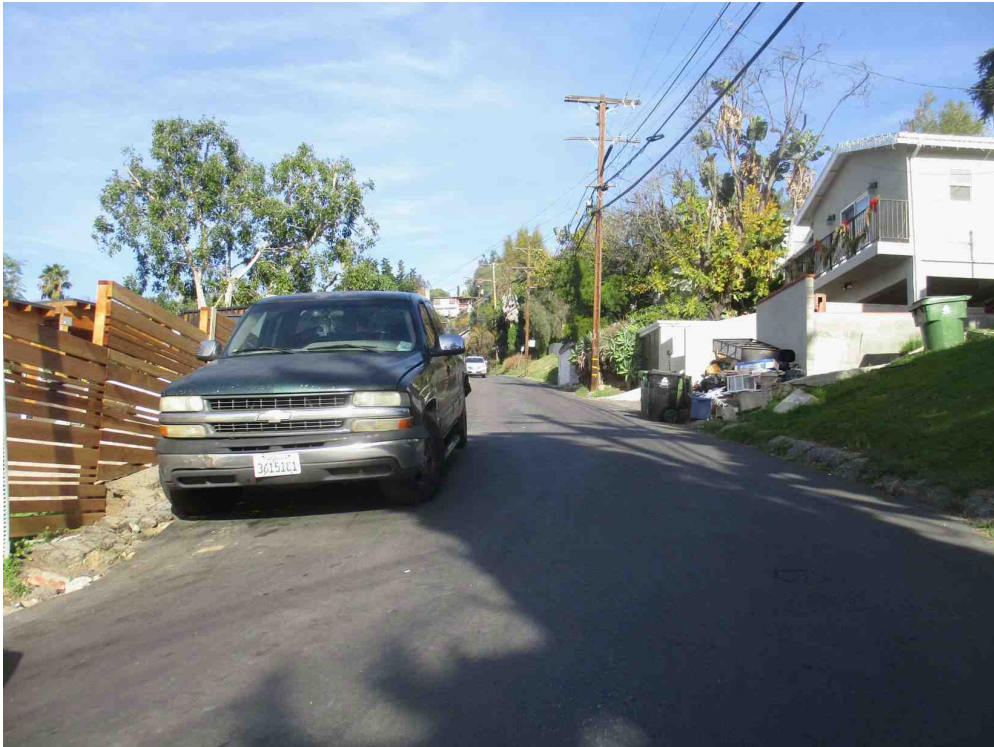
3602 Roseview Ave, Los Angeles, CA 90065  
 Address of Property Appraised

## Subject Photograph Addendum

Borrower	Frank A Mendoza Jr						
Property Address	3602 Roseview Ave						
City	Los Angeles	County	Los Angeles	State	CA	Zip Code	90065
Lender/Client	5 Arch Funding Corp						



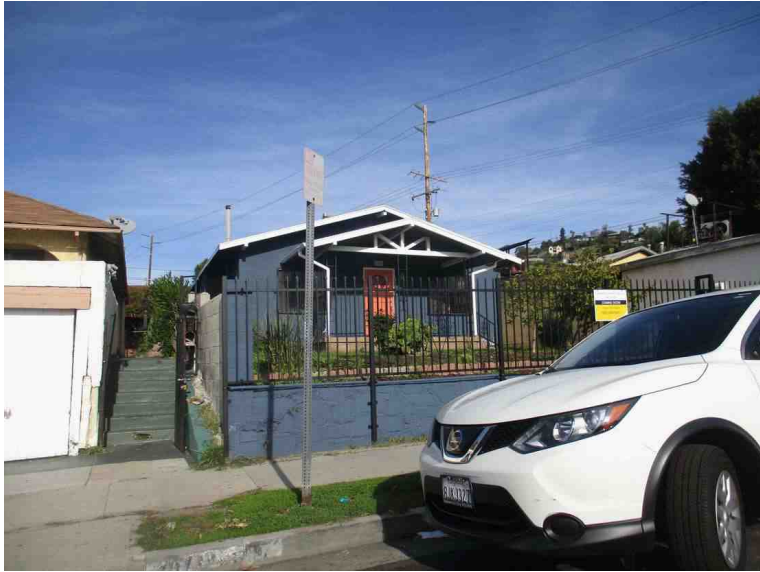
Front



Street

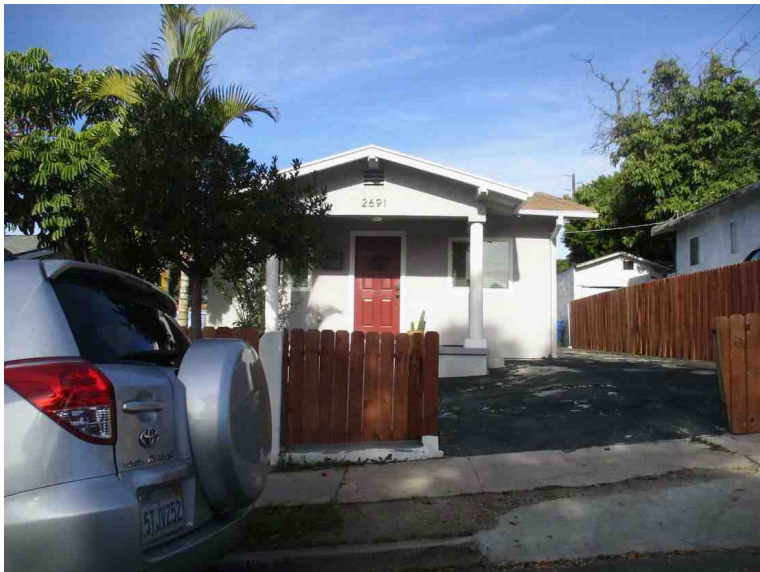
## Comparable Photo Page

Borrower	Frank A Mendoza Jr				
Property Address	3602 Roseview Ave				
City	Los Angeles	County	Los Angeles	State	CA
Lender/Client	5 Arch Funding Corp		Zip Code	90065	



### Comparable 1

2681 Roseview Ave  
 Prox. to Subject 0.33 miles SW  
 Sale Price \$615,000  
 Gross Living Area 922  
 Total Rooms 4  
 Total Bedrooms 2  
 Total Bathrooms 1.0  
 Location B;CityHills  
 View N;Res;  
 Site 6359 sf  
 Quality Q4  
 Age 98



### Comparable 2

2691 Thorpe Ave  
 Prox. to Subject 0.36 miles SW  
 Sale Price \$585,000  
 Gross Living Area 943  
 Total Rooms 4  
 Total Bedrooms 2  
 Total Bathrooms 2.0  
 Location N;Res;  
 View N;Res;  
 Site 4001 sf  
 Quality Q4  
 Age 99

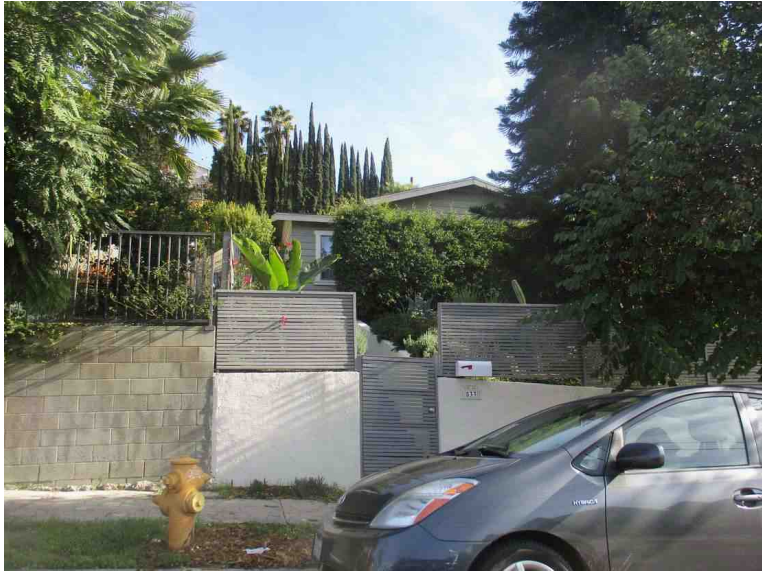


### Comparable 3

408 James St  
 Prox. to Subject 0.59 miles SE  
 Sale Price 570,000  
 Gross Living Area 813  
 Total Rooms 4  
 Total Bedrooms 2  
 Total Bathrooms 1.0  
 Location B;Inf City  
 View N;Res;  
 Site 5110 sf  
 Quality Q4  
 Age 95

## Comparable Photo Page

Borrower	Frank A Mendoza Jr						
Property Address	3602 Roseview Ave						
City	Los Angeles	County	Los Angeles	State	CA	Zip Code	90065
Lender/Client	5 Arch Funding Corp						



### Comparable 4

533 Isabel St	
Prox. to Subject	0.54 miles SE
Sale Price	\$806,000
Gross Living Area	1,104
Total Rooms	4
Total Bedrooms	2
Total Bathrooms	2.0
Location	B;ObsCityHills
View	N;Res;
Site	6203 sf
Quality	Q4
Age	97



### Comparable 5

1129 Isabel St	
Prox. to Subject	0.07 miles SW
Sale Price	\$777,000
Gross Living Area	932
Total Rooms	4
Total Bedrooms	2
Total Bathrooms	2.0
Location	B;CityHills
View	N;Res;
Site	5596 sf
Quality	Q4
Age	71



### Comparable 6

462 Wren Dr	
Prox. to Subject	0.89 miles NE
Sale Price	\$773,500
Gross Living Area	855
Total Rooms	4
Total Bedrooms	2
Total Bathrooms	1.5
Location	B;CityHills
View	N;Res;
Site	2908 sf
Quality	Q4
Age	96



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

**Paul J. Csengeri**

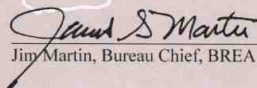
has successfully met the requirements for a license as a residential real estate appraiser in the State of California and is, therefore, entitled to use the title:

“Certified Residential Real Estate Appraiser”

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

BREA APPRAISER IDENTIFICATION NUMBER: AR 009295

Effective Date: September 30, 2018  
Date Expires: September 29, 2020

  
Jim Martin, Bureau Chief, BREA

3043253

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

**LEXINGTON INSURANCE COMPANY  
WILMINGTON, DELAWARE**

Administrative Offices – 99 High Street, Floor 23, Boston, Massachusetts 02110-23110

**Certificate Number:** 016074005-07  
**This Certificate forms a part of Master Policy Number:** 018389876-07  
**Renewal of Master Policy Number :** 018389876-06

**YOUR RISK PURCHASING GROUP MASTER POLICY IS A CLAIMS MADE POLICY.  
READ THE ATTACHED MASTER POLICY CAREFULLY**

**THE AMERICAN ACADEMY OF STATE CERTIFIED APPRAISERS**

**CERTIFICATE DECLARATIONS**

- 1. Name and Address of Certificate Holder:** Paul James Csengeri d/b/a  
South Bay Appraisal Group  
5624 Calle De Arboles  
Torrance CA 90505
- 2. Certificate Period:** **Effective Date:** 11/21/19 **to Expiration Date:** 11/21/20  
12:01 a.m. Local Time at the Address of the Insured.
- 2a. Retroactive Date:** 11/21/02  
12:01 a.m. Local Time at the Address of the Insured.
- 3. Limit of Liability:** \$ 1,000,000 each claim  
\$ 2,000,000 aggregate limit
- 4. Deductible:** \$2,500 each claim
- 5. Professional Covered Services insured by this policy are:** REAL ESTATE APPRAISAL SERVICES
- 6. Advance Certificate Holder Premium:** \$ 983
- 7. Minimum Earned Premium:** 25% or \$ 246

**Forms and Endorsements:**  
See Attached Forms list

**Agency Name and Address:** INTERCORP, INC.  
1438-F West Main Street  
Ephrata, PA 17522-1345

IT IS HEREBY UNDERSTOOD AND AGREED THAT THE CERTIFICATE HOLDER AGREES TO ALL TERMS AND CONDITIONS AS SET FORTH IN THE ATTACHED MASTER POLICY.  
  
THIS POLICY IS ISSUED BY YOUR RISK PURCHASING GROUP INSURER WHICH MAY NOT BE SUBJECT TO ALL OF THE INSURANCE LAWS AND REGULATIONS OF YOUR STATE. STATE INSURANCE INSOLVENCY GUARANTY FUNDS ARE NOT AVAILABLE FOR YOUR RISK PURCHASING GROUP INSURER.

*Allen D Barry IV*

County: Los Angeles

Authorized Representative OR  
Countersignature (in states where applicable)

**Date:** November 15, 2019

PRG 3152 (10/05)

**FORMS SCHEDULE**

**Certificate Holder:** Paul James Csengeri d/b/a  
South Bay Appraisal Group  
**Certificate Number:** 016074005-07      **Effective Date:** 11/21/19

<b>Form Number</b>	<b>Edition Date</b>	<b>Title</b>
PRG 3512	12/15	Real Estate Appraisers Professional Liability Coverage Form
PRG 4020	11/18	Addendum to the Declarations
PRG 3935	02/16	Premises Liability Coverage Amendatory Endorsement
89644	06/13	Economic Sanctions Endorsement
91222	09/16	Policyholder Notice
118477	03/15	Policyholder Notice
		Recording and Distribution of Material or Information In Violation of Law Exclusion Endorsement
119914	10/16	
PRG 3150	10/05	Real Estate Appraisers Professional Liability Insurance
119914	1016	Recording and Distribution of Material or Information In Violation