

APPRAISAL REPORT - COMMERCIAL / INDUSTRIAL

Client	Premier Money Source		Client File No.	
Client Contact	Christina@premiermoneysource.com			
Appraiser	George Hatch	License No.	AG006455	
Appraiser Contact	2588 El Camino Real #F-305 Carlsbad, CA 92008	License Expires	03/2023	
		Phone	760.434.9950	
			ghatch760 @ gmail.com	
Borrower	Navarro/Ramirez			
Property Address	18121 E Valley Blvd		Map Reference	
City	La Puente	County	Los Angeles	
		State	CA	
Property Rights	Fee Simple		Zip Code	91744
Property Owner	Veronica/Hector Navarro Ramirez Revocable Trust		Census Tract	4081.40
Property Use	Commercial	Use as Appraised	Commercial	
			APN	8727-012-026

Legal Description:

The *TR=PARCEL MAP AS PER BK 151 P 63 OF P M LOT 3

ADDITIONAL ASSIGNMENT ELEMENTS

Intended Users	The Intended Users are limited to Premier Money Source. No other intended users are identified or assumed.
Intended Uses	The Intended Use is for mortgage underwriting decisions. No other intended uses are identified or assumed.
Type of Value	Market Value
Hypothetical Conditions	None noted.
Extraordinary Assumptions	None noted. The standard assumptions and limitations are listed in the addendum.

Other Assignment Conditions applicable to this assignment; includes written appraisal policies, guidelines, or other instructions identified at the time of engagement.

The standard assumptions and limiting conditions are noted in the attached addendum. No other assumptions or hypothetical conditions are noted. No additional instructions were communicated by the Client or assumed by the Appraiser. This appraisal assignment was engaged by Premier Money Source and is intended to meet the requirements of their appraisal policy. It is not intended to meet the requirements of other users.

SALES HISTORY ANALYSIS

Property Owner	Veronica/Hector Navarro Ramirez Revocable Trust		
Date of Purchase:	09/07/2021	Doc No.	1362809
		Price	
Terms	Loan transaction		
Prior Sale:		Doc No.	
		Price	
Terms			
Current Seller		List Price	
Terms			
Current Buyer		Contract Price	
Comments:	Data sources researched include NDCData.com, CRMLS, Loopnet, and other data services.		
	According to the data sources listed above and the current property owner the subject property has not otherwise been listed or sold within the last 3 years. These owners have been onsite since at least 1993.		

SALIENT CONCLUSIONS

Year Built	1986	Market Rent Per Sq Ft	\$1.50
Building Area	5132 sf	Market Rent - Monthly	\$7,698
Site Area	13663 sf	Market Rent - Annual	\$92,376
Site Coverage	38%	Insurable Value Opinion	N/A
Site Zoning	C-M-BE Commercial Manufacturing	Cost Approach	Not Developed
Impr. Status	Legal Conforming	Income Approach	Not Developed
Highest Best Use	Existing Use	Sales Comparison Approach	\$1,050,000
Use as Appraised	Commercial	FINAL VALUE CONCLUSION	\$1,050,000

NEIGHBORHOOD ANALYSIS

Uses	Use	Supply	Vac %	Location	Suburban	La Puente (County area)
Single Family	70%	Balanced	0	Development Trend	Stable	For Retail
Multi-Family	10%	Balanced	0	Value Trend	Stable	For Retail
Office	0%	Balanced	—	Vacancy Trend	Stable	For Retail
Retail	10%	Balanced	0-5	Rental Demand	Stable	For Retail
Industrial	5%	Balanced	5	Distance - Services	2 Mi East	Valley/Lemon
Vacant	0%	Balanced	—	Distance - CBD	3 Miles West	Hacienda/Valley
Built Up	95%			Distance - Freeway	1 Mile South	Hwy-60 @ Fullerton

Neighborhood Boundaries:

Neighborhood Boundaries include: Amar Rd to the north; Grand Ave to the east, Valley blvd to the south and Nogales Street/La Puente city limits to the West

Analysis / Comments:

The subject neighborhood is located in an unincorporated County area east of the La Puente City limits and west of the Walnut city limits with some overlap. This area to the north of Valley Blvd is primarily residential in nature, with a limited number of neighborhood oriented retail uses at some of the traffic intersections. Valley blvd itself features a mix of heavy commercial and service and light industrial uses. Proximity to supporting services is in Walnut (e) or La Puente (w). Proximity to freeway access at Hwy-60 is good.

Observed physical conditions levels for existing homes is rated Average when compared to other residential neighborhoods in the region. Observed physical conditions levels for other retail use properties is also rated Average when compared to other commercial districts in the region.

Proximate Uses:

Proximate uses include: service commercial uses to the east and west of this parcel on the north side of the street whereas the south side of Valley Blvd is comprised of a business park featuring medium to large sides industrials.

MARKET SEGMENT ANALYSIS

Geographic Areas in Market Segment:

The geographic areas in which the subject competes includes the east side of the San Gabriel Valley area, east of Interstate-605 and west of Hwy-57/Pomona.

Property Types in Market Segment:

Based on the results of the Highest and Best Use Analysis on page 4 of this report, the property types with which the subject competes includes other automotive use properties in the 2,000 - 8,000 SqFt ranges. Virtually all of these properties are being purchased by owner-users rather than by rental income oriented investors.

Rental Demand in Market Segment:

The observed vacancy rates for rental units similar to the subject's in this area range from 0-5%, although there tend to be a few vacancies in the subject's zip at any given time. Asking rental rates tend to be based on a NNN basis and range from about \$1.50 - \$2.00 per SqFt/month.

Sales Activity in Market Segment:

The pace of sales within the subject's market segment have slowed within the last 12 months relative to the preceding 4 years, however there have been a number of comparables sales within this market segment within the last 18 months.

SITE ANALYSIS

Site Size	13,663	SqFt	Topography	Level at street grade
Dimensions	75 x 182 x 75 x 190		Drainage	Appears Adequate
Frontage	75 ft @ Valley Blvd		FEMA Flood Zone	Zone X
View Amenity	None		Panel No. / Date	065043-1695F Eff 09/2008
Access	Average	Improvements	Utility Providers	
Frontage	Average	Maintenance	Electricity	Southern California Edison
Shape	Average	Street Width	Gas	Southern California Gas Co
Functional Utility	Average	Street Paving	Water	Metropolitan Water District
Visibility	Average	Sidewalks	Sewer	County Services District
Exposure	Average	Curbs/Gutters	Telephone	AT&T / Verizon
Traffic Pattern	Heavy	Storm Sewers	Easements	Shared driveway easement
Daily Traffic	24,000	Lighting	Encroachments	None Noted
Current Zoning	C-M-BE Commercial Manufacturing		Maximum Density	90% lot coverage
Allowable Uses	Allows C3 uses plus limited manufacture and assembly. C3 uses allow general commercial.		Min. Parking Req.	4/1000 (Retail)
			Improvements Status	Legal Conforming

Zoning Summary:

The County of Los Angeles does not publish a concise summary of their zoning regs. For further info refer to the County's website:

https://planning.lacounty.gov/luz/summary/category/commercial_zones

As a use type, the subject's existing use is a legally permissible use under this zoning.

Analysis / Comments:

Title and soils reports were not reviewed for this assignment. The subject site is located on the north side of Valley Blvd, about 100ft west of Yorbita Rd. In this location Valley Blvd is a primary commercial arteriole which extends west into Los Angeles and east into San Bernardino County. There is a raised center divider and 3 lanes of traffic in each direction with no street parking, so vehicular access is only directly available from westbound traffic.

This parcel also shares an apparent driveway easement with the adjacent parcel to the west, most of the curb cut being on that other parcel.

All offsite improvements (street paving, curbs, gutters, sidewalks, etc) are complete. Site shape is basically rectangular, lot topography is level and site utility is rate at or near 100%. No apparent adverse conditions are noted.

PROPERTY TAX ASSESSMENT - 2022

Assessor Parcel Number	Land	Building	Total	Current Taxes	Forecasted
8727-012-026	\$190,541	\$223,679	\$414,220	\$6,105.73	\$6,227.84

Analysis / Comments:

This site is not reported to be subject to special assessments. Under current property tax laws the potential for increases in property tax assessments amounts to 1% of full market value plus tax indebtedness, capped at a maximum inflation rate of no more than 2%/year. In the event of a closed sales or transfer the property is subject to be reassessed based on the market value at the time of assessment.

IMPROVEMENTS ANALYSIS

Property Type		Automotive Service		Construction Type		Concrete Block		No. of Bldgs		2	
Bldg	Floor	Gr SqFt	Net	Use Type	Net SqFt	Use %	Parking:				
1	1	4,725	4,725	Office		0%	On Site	Yes			
		407	407	Retail	5,132	100%	Adequacy	Yes			
				Industrial		0%	Paved	Yes			
Total		5,132	5,132	Residential		0%	No. Spaces	20			
Building Efficiency Ratio			100%			0%	Spaces/1000 SF	3.90			
Year Built	Econ Life	Remainder	Eff Age	Floor Area Ratio	37.56%	Excess Land	N/A				
1986	50	40	10	Ground Coverage Ratio		Other Structures	N/A				
Foundation	Concrete Slab					Conditions Ratings:					
Frame	Concrete Block					Floorplan	Average				
Roof Truss	Wood					Constr. Quality	Average				
Roof Cover	Flat Pitch / built Up					Exterior Condition	Average				
Exterior Walls	Concrete Block					Interior Condition	Average				
Interior Walls	Drywall Partitions					Roof Cover	Average				
Flooring	Resilient flooring in ofc					Electrical	Average				
HVAC	Roof Mounted HVAC Unit					Landscaping	Average				
Gas/Electric	(1) Electric; (1) Gas Meter					Parking Area	Average				
Restrooms	(3) 2-3 fixtures each					Restrooms	Average				

Analysis / Comments:

The building area reported for this property is 3620sf, however it appears the main building has a 1080sf addition as well as a 37x11 garage structure with 8ft truss. The reason for the additional building area not showing up in public records is unknown but in any case these improvements have been onsite for a long time - since at least 2003 – and the typical buyer would certainly continue to use them.

The main building includes a 25x45 front office area with 3 private offices, a 2-fixture restroom and the front sales counter with waiting area. There is a storage room next to that, 2 double-wide workbays and another storage room w/ mezzanine. As noted there is also the 37x11 workbay structure with 3 workbays but an 8ft truss height.

Other Site improvements include: fencing and some landscaping at the frontage asphalt approach driveway and concrete parking area.

Observed Physical Conditions:

Please note the physical observations process used for this appraisal is based on typical protocols used for the valuation process only, and should not be confused with a comprehensive technical inspection as would be performed by a professional building inspector or engineer. If desired, the reader is strongly encouraged to seek a technical inspection from a qualified inspector or engineer.

At the time of inspection the subject improvements were in average overall condition when compared to other properties in its market segment.

Hazardous Materials Conditions:

The Appraiser is not qualified in environmental screening or technical inspections for environmental hazards. The scope of the inspection/observation process used for this appraisal was limited to visual observation of the exposed areas only, and is only deemed sufficient to enable the development of a value opinion, consistent with that used by other sales, financing and valuation professionals. The subject property is currently being used as automotive service. This type of use is listed as using hazardous materials during the normal course of business.

It is beyond the scope of this appraisal to determine whether or not there has been contamination, beyond that apparent from casual observation. This appraisal assumes that there are no hazardous materials conditions onsite that would adversely affect the value or the marketability of the subject property. If further investigation is desired, the reader is urged to seek field-related expert opinion from a qualified environmental site assessor or other environmental professional.

HIGHEST AND BEST USE ANALYSIS

The definition of Market Value upon which this appraisal is based includes an assumption that the typical buyers and sellers for a given property will be adequately informed or advised about the basis upon which the property would be valued. This is necessary in order to ascertain which types of buyers are most likely to pay the most for the subject property; which of the subject's attributes are of most effect on the value; which unit of comparison is most relevant to the valuation; and finally, which types of properties would be considered the most comparable. The process of developing an opinion of Highest and Best Use involves an analysis of all primary alternatives within the context of the following four criteria:

LEGALLY PERMISSIBLE USES:

The current zoning of C-M Commercial manufacturing allows most light and heavy commercial uses including automotive as well as service and light industrial uses such as light manufacturing and assembly. Maximum lot coverage ratios are 90%, the minimum parking requirement for retail uses 4 spaces/1000 SqFt GBA. As a use type, the existing use is considered a legally conforming use.

PHYSICALLY POSSIBLE USES:

The subject site is a typical interior lot of 13663 SqFt. The site fronts a commercial thoroughfare and has adequate exposure and access for those uses that would be legally permitted under the current zoning. All available utilities are connected to the site. Site topography includes a level terrace at street grade and lot utility is rated at or near 100%. In addition to the existing use and within the context of the legal uses noted above the site could also be developed with up to 10,000sf of retail or office or light industrial.

FINANCIALLY FEASIBLE USES:

This category includes consideration of those uses that have potential to add any value above and beyond the site value as vacant. Considering the supply and demand factors present in this area would seem to rule out most of the remaining uses except for the subject's existing use (as improved.)

MOST PROFITABLE USE:

This category narrows down any remaining feasible alternatives to the one option that can reasonably be considered the most profitable within the context of the current market conditions. The subject's use is considered to be among those uses that are legally permissible, physically possible, financially feasible and is considered by the Appraiser to be an adequate expression of the concept of Highest and Best Use. Further, there are no legal uses that would economically justify the removal of the existing improvements at this time.

Since the definition of Market Value used for this appraisal can only be adequately met if that property is valued according to its highest and best use, the remainder of this appraisal is based on the above conclusion

Highest and Best Use: Existing Use

APPRAISAL METHODOLOGY

Among buyers, sellers, and brokers for this property type the methodology used to develop listing and sale prices is generally limited to development of the Sales Comparison Approach and, to a much lesser degree, the Income Approach. The Cost Approach is usually not developed due to the near total lack of vacant site sales data and the difficulty in quantifying accrued depreciation.

The Income Approach is also not considered applicable to this assignment because most buyers aren't using it in their purchase decisions. Nevertheless, the Client did request a rental survey for internal purposes so that's included as an assignment condition.

The process of developing a Sales Comparison for this property type includes researching the available sales data in search of the most recent, proximate and similar site sales data. These data are chosen based on their respective similarities, particularly with regard for location, building size and condition. The sales data are analyzed based on their most relevant attributes and using the dominant unit of comparison, which in this case is the Price/SqFt of building area. Adjustments are applied for the other variables to result in a range of adjusted value indicators as presented by the comparable data. This range of values is then refined to a value indicator for the subject using a qualitative analysis wherein the subject is ranked among the comparable data based on its attributes.

After the different approaches to value are developed a final value conclusion is developed by reconciling the quantity and quality of data available between the approaches used, this is done within the context of the actions demonstrated by the buyers and sellers in this market segment.

INCOME APPROACH - RENT SURVEY

	Subject	Rental #1	Rental #2	Rental #3
Address	18121 E Valley Blvd La Puente	20225 Valley Blvd Walnut 91789	678 E San Bernardino Rd Covina 91723	4315 Maine Ave Baldwin Park
Proximity	---	2 Miles East	6 Miles North	7 Miles N/West
Year Built	1986	1987	1985	1967
Gross Bldg Area	5,132 sf	13,616 sf	15,240 sf	6,842 sf
Lot Area / Coverage	13,663 sf 38%	21,303 sf 64%	34,997 sf 44%	20,254 sf 34%
Construction	Concrete Block	Concrete Block	Concrete Block	Frame/Stucco
	Subject	Rental #2	Rental #2	Rental #3
Tenant Size	5,132 sf	3,900 sf	4,880 sf	6,842 sf
Monthly Rent/SqFt	---	\$4,500 \$1.15	\$5,515 \$1.13	\$11,300 \$1.65
Rental Terms	---	Modified Gross	Modified Gross	Modified Gross
Location	Valley Blvd	Valley Blvd	Average	Maine
Quality	Avg Automotive	Avg Automotive	Avg Automotive	Avg Automotive
Condition	Average	Average	Average	Average
Yard Area	Fenced/Paved	Open/Common \$0.25	Open/Common \$0.25	Fenced/Paved
Total Adjustments	--	\$0.25	\$0.25	\$0.00
Adjusted Rent/SqFt	--	\$1.40	\$1.38	\$1.65

Analysis / Comments:

The subject property consists of a single tenant auto service building fronting Valley Blvd. Most such properties are purchased by owner-users so rental data is relatively scarce. The above comparable data are considered to be among the most similar and proximate available at the time of this appraisal.

Rental #1 is located 2 miles west of the subject fronting the same street. This is a 6-unit multi-tenant building with 6 units. This unit has 12 assigned spaces.

Rental #2 is located in the main business district in Covina, west of Barranca. The property consists of a multi-tenant auto service building with 4 tenant spaces and open/assigned parking.

Rental #3 is located in downtown Baldwin Park in the downtown area. It also consists of a freestanding auto service building, similar in quality and utility to the subject. However, there is also a fenced lot to the rear of the building so that has prompted an increase in the rental rate. This property was also just listed for sale at \$350/sf.

In addition to the rental data presented above there were also a number of other less directly comparable and/or more dated rental data analyzed during the course of this appraisal. After consideration of their respective differences these other rental data are also considered to be indicative of the trends demonstrated by the direct comparables presented above.

Of the comparable data analyzed, greatest weight is given to Rental #3 with consideration for the extra lot area because it is a single tenant building. However, R#1 is also given some weight due to sharing the similar location. These rentals indicate to market rents of \$1.50/sf under modified gross terms.

SALES COMPARISON APPROACH

	<u>Subject</u>	<u>Sale #1</u>	<u>Sale #2</u>	<u>Sale #3</u>
Address	18121 E Valley Blvd	16017 Whittier Blvd	433 E Arrow Hwy	202 W Badillo St
Address	La Puente 91744	Whittier 90603	Azusa 91702	Covina 91723
APN	8727-012-026	8233-015-016	8621-008-049	8444-002-001
Proximity	-	6.5 Miles	7 Miles	5.5 Miles
Year Built	1986	1967	1970	1991
Gross Bldg Area	5,132 sf	3,531 sf	5,334 sf	6,269 sf
Lot Area / Cov Ratio	13,663 sf 38%	18,140 sf 19%	23,696 sf 23%	13,881 sf 45%
Construction	Concrete Block	Concrete Block	Concrete Block	Frame/Stucco
Sale Date	-	6/28/2022	5/10/2022	1/10/2022
Document Number	-	672075	504643	33318
Sale Price	-	\$825,000	\$1,370,000	\$1,200,000
Property rights	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Financing	-	No 1 st	No 1 st	No 1 st
Conditions of Sale	-	Typical	Typical	Typical
Adj for 38% Lot Coverage	38% Lot Cov Adj @\$15/sf	9000sf -\$135,000	10,000sf -\$150,000	None
Sale Price - Price/SF	-	\$690,000 \$195.41	\$1,220,000 \$228.72	\$1,200,000 \$191.42
Market Conditions	Eff 08/2022	06/2022	05/2022	01/2022
Location	Valley Blvd	Whittier Blvd -\$10.00	Arrow Hwy -\$12.00	Badillo St
Quality	Avg Automotive	Avg Automotive	Avg+ Automotive -\$12.00	Avf Automotive
Condition	Average	Average	Average	Average
Unit Size	5,132 sf	3,531 sf \$10.00	5,334 sf	6,269 sf
Total Adjustments	-	\$0.00	-\$24.00	\$0.00
Adj. Price / SF	-	\$195.41	\$204.72	\$191.42

Analysis/Comments:

The subject property consists of an auto service use building with frontage on Valley Blvd in the County area east of the La Puente city limits. The building/land coverage at 38% is a little higher than average for the auto service properties. Since the lot area contributes to the business operations of this type of use a lot size adjustment is applied to the properties with larger lots relative to their respective building areas. This adjustment is intended to equalize these sales to a comparable lot utility.

The subject's market segment extends throughout this portion of the San Gabriel Valley and includes other auto service use properties. S#1 and S#2 have locations with superior retail traffic exposure and higher rents. The other locations are more similar. S#4 and #6 are much smaller than the subject's 5132sf building area so they are adjusted to reflect the different economy of scale.

Of these sales, the La Puente locations (S#4, #5) as is the Badillo Ave location (S#3) so these sales are given more weight.

After consideration/adjustment for the different lot coverage ratios the Price/SqFt for the building area is generally considered to be the dominant unit of comparison for this type of property so it is given sole weight in the Sales Comparison.

Price/SqFt Indicator	GBA	\$/SF	= Value	VALUE BY SALES COMPARISON
	5,132	\$205.00	\$1,052,060	<u>\$1,050,000</u>

SALES COMPARISON APPROACH

	<u>Subject</u>	<u>Sale #4</u>	<u>Sale #5</u>	<u>Sale #6</u>
Address	18121 E Valley Blvd	14960 Valley Blvd	16209 Old Valley Blvd	
Address	La Puente 91744	La Puente 91746	La Puente 91744	
APN	8727-012-026	8208-010-024	8246-020-018	
Proximity	--	4 Miles West	2.5 Miles West	
Year Built	1986	2009	1988	
Gross Bldg Area	5,132 sf	2,600 sf	5,265 sf	
Lot Area / Cov Ratio	13,663 sf 38%	7,343 sf 35%	18,695 sf 28%	
Construction	Concrete Block	Frame/Stucco/Siding	Concrete Block	
Sale Date	—	6/29/2021	5/21/2021	
Document Number	—	1015781	823658	
Sale Price	—	\$630,000	\$1,300,000	
Property rights	Fee Simple	Fee Simple	Fee Simple	
Financing	—	No 1 st	No 1 st	
Conditions of Sale	—	Typical	Typical	
Excess Land	38% Lot Cov Adj @\$15/sf	None	-5000sf -\$75,000	
Sale Price - Price/SF	— --	\$630,000 \$242.31	\$1,225,000 \$232.67	
Market Conditions	Eff 08/2022	06/2021	05/2021	
Location	Valley Blvd	Valley Blvd	Old Valley Blvd	
Quality	Avg Automotive	Avg Auto Svc	Avg+ Auto Svc -\$12.00	
Condition	Average	Average	Avg + -\$12.00	
Unit Size	5,132 sf	2,600 sf -\$24.00	5,265 sf	
Total Adjustments	--	-\$24.00	-\$24.00	
Adj. Price / SF	--	\$218.31	\$208.67	

Analysis/Comments:

S#1 - 16017 Whittier Blvd This property is located on the north side of Whittier Blvd west of Beach Blvd in Whittier, almost due south of the subject. This location is markedly superior for retail rents and pricing but the building as very comparable overall with 4 workbays.

S#2 - 433 E Arrow Hwy This property is located on the north side of Arrow Hwy just east of Azusa Ave on the extreme south end of the city of Azusa. This location is a little superior for retail exposure and rents. The property consists of a tire store with 4 double sized bays and a small work area. The building quality is a little superior.

S#3 - 202 W Badillo St This property is located on the s/w corner of 3rd/Badillo in Covina. This is a secondary location in town. The property consists of an older auto service building with 4 regular sized workbays and a 5th larger workbay, as well as an open/unsecured parking area in the front.

S#4 - 14960 Valley Blvd This property is located on the s/w corner of 9th/Valley in La Puente, this being a very similar location to the subject. The property consists of a service commercial uses with 2 workbays and a fenced/secured parking area in front. Of all the sales this is the least similar in configuration but the most similar for location. The building area is actually a little bigger than shown in public records.

S#5 - 16209 Old Valley Blvd This property is located on the n/west corner of Old Valley/Common Ave on the east side of La Puente's original downtown area. This location has less retail exposure than the subject site. The property consists of an auto service building with 6 overhead doors, superior in quality to the subject. It's been remodeled for non-automotive use (indoor batting gym) and includes a fenced/gated yard area.

RECONCILIATION OF APPRAISAL

Value By Cost Approach	Not Developed
Value by Income Approach	Not Developed
Value by Sales Comparison Approach	\$1,050,000

The extent of the development and reporting of this appraisal assignment are intended to meet or exceed the needs of the intended users of this report within the context of the intended use as communicated to the appraiser. Specifically, the client has ordered an appraisal for mortgage lending purposes.

The Cost Approach was not deemed applicable to this assignment because the improvements are older and there are few relevant site sales data, both conditions of which detract from the development of a reliable indication of value by Cost.

The Income Approach is not applicable to this assignment because most buyers are not using this approach to value in their purchase decisions. The client did request a rental survey for internal purposes so that's included as an assignment condition.

The Sales Comparison Approach is the dominant approach to value within this market segment and is given greatest weight. There were adequate sales of sufficiently similar attributes for comparison, and after comparison they yielded a reasonably narrow range of value indicators. In addition to the sales data presented in this appraisal as being "most similar and proximate", there were also a number of other, less similar properties that were also analyzed during the course of this appraisal. These other sales data are retained in the workfile and also contributed to the Appraiser's opinion of value.

The opinion of Market Value expressed below is based on an estimated exposure time of 3-4 months as of the prior effective date, assuming adequate exposure to the market by competent brokerage. In this case, the estimated marketing time is considered to be equal to the estimated exposure time. Any attempts to market the property in less time or by using less than adequate exposure to the market would likely require significant discounting or concessions.

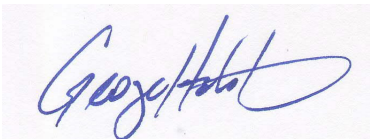
The subject property is appraised in its "As Is" condition based on the definition of value contained herein and within the context of the assumptions and limitations noted. This appraisal was engaged by Prtemier Money Source and is intended to meet the requirements of their appraisal policies. Other uses or other users are not intended by the Appraiser. Any third parties not otherwise identified as an Intended User of this appraisal are strongly urged to seek a separate appraisal that is specific to their needs and requirements from a duly qualified appraiser.

FINAL VALUE CONCLUSION

Property Rights Appraised	Fee Simple	Effective Date of the Appraisal	8/31/2022
Definition of Value	Market Value		
Appraised Condition	"As Is"	Value of Non-Realty Interests	N/A
Est. Exposure Time	3-4 Months	(Insurable Value)	N/A

APPRAISED MARKET VALUE OF THE FEE SIMPLE INTEREST IS:

\$1,050,000



George Hatch #AG006455
 Certified General Appraiser

Date of Inspection: 8/31/2022
 Date of Report: 9/13/2022
 Personal Inspection: Interior/Exterior

ASSIGNMENT ELEMENTS

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 and knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and Seller are typically motivated;
2. Both parties are well informed and acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure on the open market;
4. Payment is made in 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: Office of the Comptroller of the Currency, under 12CFR, part 34, Subpart C - Appraisals, 34.42 Definitions (f).]

DEFINITION OF FAIR MARKET VALUE (IRS purposes)

"The price of a service between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having a reasonable knowledge of the relevant facts."

[Source: Internal Revenue Service Regulation Section 1.170A-1(c)(2)]

DATA SOURCES USED IN APPRAISAL

ParcelQuest, LoopNet.com, CRMLS. Site zoning and requirements were obtained from the jurisdiction in which the subject site is located. Data verification is generally limited to cross checking databases. Personal verification is generally limited to those instances where the database information is considered less than reliable or incomplete. This level of research and verification are considered appropriate within the context of the intended users and intended use of this appraisal.

PHYSICAL INSPECTION OF IMPROVEMENTS

- Exterior Inspection (Only) Assumes interior quality/condition is consistent with that observed on the exterior, and assumes building area as reported is substantially accurate.
- Interior/Exterior Inspection, no physical measurements; assumes building area as reported is substantially accurate.
- Interior/Exterior Inspection, with physical measurements (see diagram). Unless otherwise noted all interior areas were observed.

COST APPROACH (TO MARKET VALUE)

- Not applicable to this assignment and not developed
- Considered applicable to this assignment and is included in this appraisal.

INCOME APPROACH

- Not applicable to this assignment and not developed
- Considered applicable to this assignment and is included in this appraisal.

Not Applicable to this assignment. A rental survey was added to the assignment per Client Request but is not normally used by most buyers in this market segment.

SALES COMPARISON APPROACH

- Not applicable to this assignment and not developed
- Considered applicable to this assignment and is included in this appraisal.

Comment - See "Appraisal Methodology" section of this report for an explanation of the type and depth of research and analysis applied for this approach to value.

ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal and appraisal report was prepared in conformance with the Uniform Standards of Professional Appraisal Practice (USPAP). In addition to the assumptions and associated limitations resulting from the scope of work used in this assignment, additional assumptions and limitations apply as follows:

- 1 This appraisal was developed using the scope of work as identified throughout this report, the decisions for which were made within the context of the needs of the intended users as communicated to the Appraiser by the Client. This workproduct cannot be assumed to be sufficient for the needs of other users or for other uses than those identified on Page 1 of this report. Specifically, any other third parties are advised to seek another appraisal from a duly qualified appraiser specific to their use.
- 2 The extent of research and analysis performed for this assignment is considered appropriate for the intended use as identified. If desired, the reader may request additional information and analyses, or further clarification. However, the reader is notified that any substantial changes to the assignment conditions may affect the scope of work sufficiently to create a new assignment. If so, additional billing may be charged to cover the additional costs associated with the extra work.
- 3 This appraisal is intended to meet or exceed the requirements set forth under Standard Rule 1 of the Uniform Standards of Professional Practice for appraisal development, including any additional assignment conditions communicated by the Client to the Appraiser. The Appraiser cannot assume responsibility for any applicable assignment conditions that the Client or Intended Users may desire but which were not communicated to the Appraiser at the outset of the assignment.
- 4 Unless otherwise indicated, this is an Appraisal Report which is intended to comply with the reporting requirements set forth under Standard Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice. As such, it might not include full discussions of the data, reasoning and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the date, reason gin and analyses is retained in the appraiser's file. The information contained in this report is specific to the needs of the client and for the intended use stated in the report. The appraiser is not responsible for unauthorized use of this report.
- 5 No responsibility is assumed for legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated in the report.
- 6 The property is appraised free and clear of any or all liens and encumbrances unless otherwise stated in this report.
- 7 Responsible ownership and competent property management are assumed unless otherwise stated in this report.
- 8 The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
- 9 Any engineering relied upon is assumed to be correct. Any plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
- 10 It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render is more or less valuable. No responsibility is assumed for such conscience or for arranging fore engineering studies that may be required to discover them.
- 11 It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated in this report.
- 12 It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in this appraisal report.
- 13 It is assumed that all required licenses, certificates of occupancy or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any uses on which the value estimates contained in this report are based.
- 14 Any sketch in this report may show approximated dimensions and is included to assist the reader in visualizing the property. Maps and exhibits found in this report are provided for reader reference purposes only. No guarantee as to accuracy is expressed or implied unless otherwise stated in this report. No survey has been made for the purpose of this report.
- 15 It is assumed that utilization of the land and improvements is with the boundaries or property lines to the property described and that there is no encroachment or trespass unless otherwise stated in this report.
- 16 The appraiser is not qualified to detect hazardous waste and/or toxic materials. Any comments the appraiser that might suggest the possibility of the presence of such substances should not be taken as confirmation of the presence of hazardous waster and/or toxic materials. Such determination would require investigation by a qualified expert in the field or environmental assessment. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value to the property. The appraiser's value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value unless otherwise stated in this report. No responsibility is assumed for an environmental conditions, or for any expertise or engineering knowledge required to discover them. The Appraiser's descriptions and resulting comments are the result of the routine observations made during the appraisal process.
- 17 Any proposed improvements are assumed to be completed in accordance with the submitted plans and specifications.

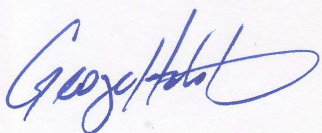
ASSUMPTIONS AND LIMITING CONDITIONS

- 18 Unless otherwise stated in the report, the subject property appraised without a specific compliance survey having been conducted to determine if the property is or is not in conformance with the requirements of the Americans with Disabilities Act. The presence of architectural and communications barriers that are structural in nature that would restrict access by disabled individuals may adversely affect the property's value, marketability, or utility.
- 19 The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
- 20 The exposure period cited as the basis for the appraised value was estimated in part by analyzing the comparable sales and other properties of similar uses from the other parts of the region. This estimated exposure period is based on the assumption of adequate exposure to the open market by competent brokerage. Any attempts to market the property as distressed sale, lender REO, or other quick sale conditions will likely result in significant discounting.
- 21 The area researched for relevant comparable data is limited to the subject's market segment, particularly with regard for the subject property's use and type. Other limitations to the comparable data relate to the economic, political, social and geographic characteristics.
- 22 The appraiser will not be required to give testimony or appear in court as a result of performing this appraisal unless specific arrangements - including additional compensation - are made in advance.
- 23 The client for this assignment is as identified on Page 1 of this report. Except as outlined in the Confidentiality Section of the Ethics Rule of USPAP and applicable local, state or federal law, the Appraiser will not discuss or otherwise disseminate confidential information or assignment results to any party without specific instructions to do so from the Client.
- 24 This appraisal was prepared for mortgage lending purposes using the banking definition of Market Value. Any third parties contemplating the use of the appraisal report, particularly in connection with a sale or for uses of than the intended use as stated herein are strongly urged to seek their own appraisals specific to their own usage. I cannot assume the responsibility for any misunderstandings that may occur as the result of a misuse of this appraisal report.

APPRAISER'S CERTIFICATION

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

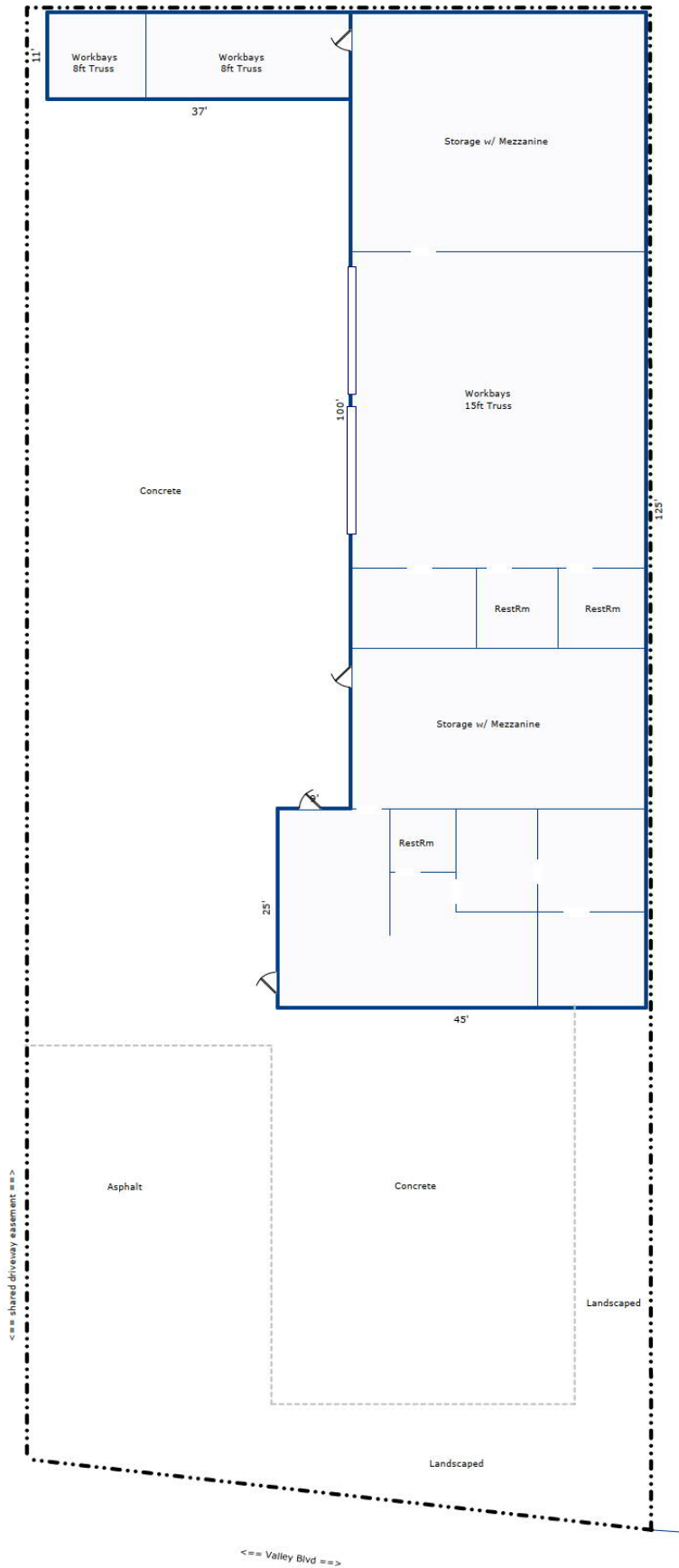
- 1 The statements of fact contained in this report are true and correct.
- 2 The reported analyses, opinions and conclusions are limited only to the reported assumptions and limiting conditions, and are my personal, impartial and unbiased professional analyses, opinions and conclusions.
- 3 I have no present or prospective interest in the property that is the subject of this report and I have no personal interest with respect to the parties involved.
- 4 I have no bias with respect to the property that is the subject of this report or to the parties involved in this assignment.
- 5 My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- 6 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.
- 7 This appraisal was not based on a requested minimum valuation, a specific valuation or the approval of a loan.
- 8 My analyses, opinions and conclusions were developed, and this report has been prepared in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice, current as of the date of the appraisal.
- 9 I have made a personal physical inspection of the property that is the subject of this report.
- 10 No one provided significant professional assistance to the person signing this report, unless otherwise indicated.
- 11 I have not performed any other services in conjunction with this property within the prior 3 years.



George Hatch #AG006455
Certified General Appraiser

Date of Report: 9/13/2022
Personal Inspection: Interior/Exterior

DIAGRAM



PLAT MAP

8727	12 SHEET	P. A. 8260-30 8261-1	TRA 8347 14597 1878 11534 15169 8001 13674 15484	REVISED 2001040511006001-06 2004052606005001-06	20050111 200870131 2010081302003001-06	20110308 20120215	
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2012



MAPPING AND GIS
SERVICES
SCALE 1" = 200'



SUBJECT PHOTOS



Subject Front



Subject



Subject



Subject



Subject Street



Subject Street

SUBJECT PHOTOS



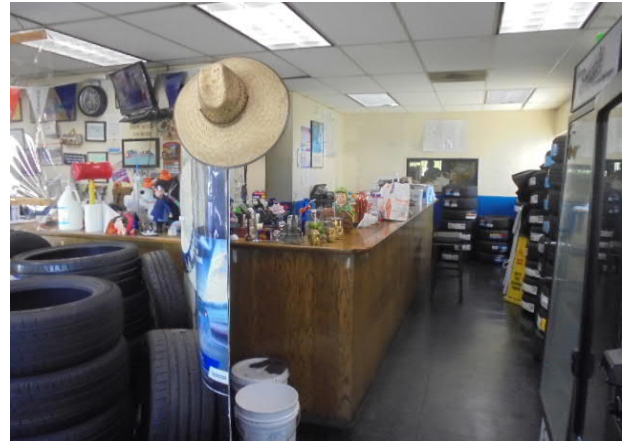
Work Bay



Storage



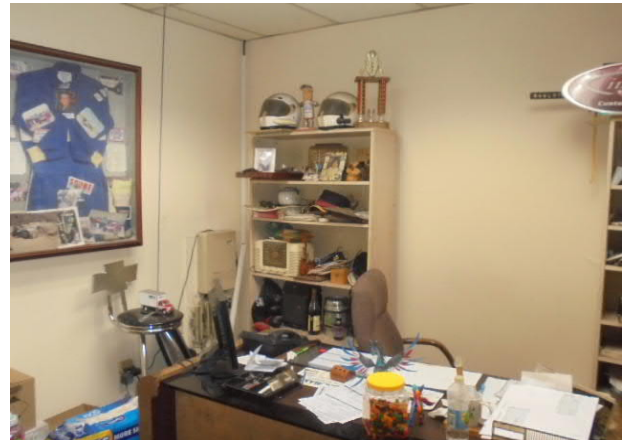
Storage



Interior



Interior



Office

RENTAL COMPARABLES



Rental #1 – 20225 Valley Blvd, Walnut

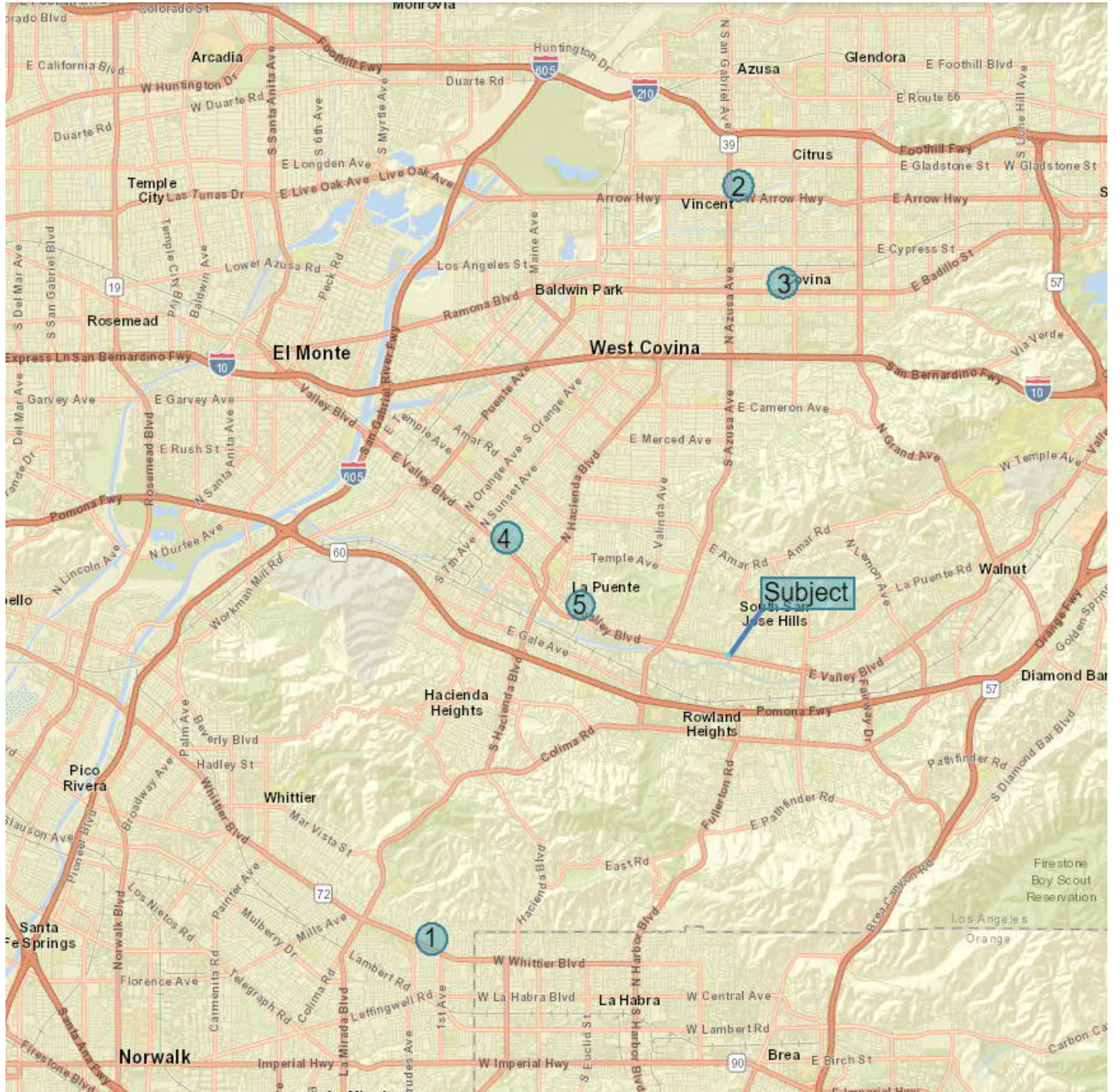


Rental #2 – 678 E San Bernardino Rd, Covina



Rental #3 – 4315 Maine Street, Baldwin Park

LOCATION MAP - SALES DATA



SALES COMPARABLES



Sale #1- 16017 Whittier Blvd, Whittier



Sale #4- 14960 Valley Pkway, La Puente



Sale #2- 433 E Arrow Hwy – Azusa



Sale #5- 16209 Old Valley Rd, La Puente



Sale #3- 202 Badillo Rd, Covina