

APPRAISAL OF



LOCATED AT:

41132 Pennsylvania Ave
CA

FOR:

Premier Money Source, Inc.
3334 E Coast Hwy #507
Corona Del Mar, CA, 92625

BORROWER:

Brian VerBurg

AS OF:

March 28, 2024

BY:

Ryan Jefferson
Certified Residential Appraiser

Financial Asset Services, Inc.
Premier Money Source, Inc.
3334 E Coast Hwy #507
Corona Del Mar, CA, 92625

File Number: 41132 Pennsylvania Ave

In accordance with your request, I have appraised the real property at:

41132 Pennsylvania Ave
CA

The purpose of this appraisal is to develop an opinion of the market value of the subject property, as improved.
The property rights appraised are the fee simple interest in the site and improvements.

In my opinion, the market value of the property as of March 28, 2024 is:

\$460,000
Four Hundred Sixty Thousand Dollars

The attached report contains the description, analysis and supportive data for the conclusions, final opinion of value, descriptive photographs, limiting conditions and appropriate certifications.



Ryan Jefferson
Certified Residential Appraiser
California License: AR035525

Small Residential Income Property Appraisal Report

002367
File No. 41132 Pennsylvania Ave

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.

Property Address 41132 Pennsylvania Ave	City Big Bear Lake	State CA	Zip Code 92315
Borrower Brian VerBurg	Owner of Public Record Scott Lori Trust (12/1/2021)	County San Bernardino	
Legal Description KNICKERBOCKER SUB W 80 FT LOT 34			
Assessor's Parcel # 0309-211-06-0000	Tax Year 2023	R.E. Taxes \$	4,333
Neighborhood Name Big Bear Lake	Map Reference See location map	Census Tract 0112.05	
Occupant <input checked="" type="checkbox"/> Owner <input checked="" type="checkbox"/> Tenant <input type="checkbox"/> Vacant	Special Assessments \$ 0.00	<input type="checkbox"/> PUD	HOA \$ 0.00 <input type="checkbox"/> per year <input type="checkbox"/> per month
Property Rights Appraised <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Other (describe)			
Assignment Type <input checked="" type="checkbox"/> Purchase Transaction <input type="checkbox"/> Refinance Transaction <input type="checkbox"/> Other (describe)			
Lender/Client Premier Money Source, Inc. Address 3334 E Coast Hwy #507, Corona Del Mar, CA 92625			
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? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Report data source(s) used, offering price(s), and date(s). DOM 58; Subject was listed on 01/29/2024 for \$429,000. The price changed to \$357,000. It is in active status as of the effective date of this appraisal: CRMLS#IG24022371;			

I <input checked="" type="checkbox"/> did <input type="checkbox"/> 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. Arms length sale; This is a standard sale. There are no unusual conditions to, or concessions noted in the contract.
Contract Price \$ 365,000 Date of Contract 02/29/20224 Is the property seller the owner of public record? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Data Source(s) CoreLogic
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? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If Yes, report the total dollar amount and describe the items to be paid. \$8,000 The seller concession is for buyer closing costs. This is a typical/common concession in the market and has no impact on the marketability of the property, and will not impact the valuation.

Note: Race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood Characteristics	2-4 Unit Housing Trends	2-4 Unit Housing	Present Land Use %
Location <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural	Property Values <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	PRICE AGE	One-Unit 70 %
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	325 Low 3	Multi-Family 10 %
Neighborhood Boundaries To the north (Highway 38), to the south (Forest Ranger Road), to the East (Highway 38), and to the west (Highway 18).		925 High 86	Commercial 10 %
Neighborhood Description A mountain community of average quality cabins that consist of various style, age and design. Schools, parks and consumer services are adequately accessible. Big Bear offers employment in tourism and local business while major employment centers are located down the 330 highway in San Bernardino		634 Pred. 77	Other Vacant 5 %
County Cities.			
Market Conditions (including support for the above conclusions) The market is active with a steady amount of buy-sell activity. Homes in this area are eligible for all types of financing and sales concessions and buy-downs are not part of a typical transaction. The average time on market for this area is within 3 months.			

Dimensions See Plat Map	Area 19280 sf	Shape Rectangular	View Residential
Specific Zoning Classification R3		Zoning Description Multiple-Family Residential	
Zoning Compliance <input checked="" type="checkbox"/> Legal <input type="checkbox"/> Legal Nonconforming (Grandfathered Use) <input type="checkbox"/> No Zoning <input type="checkbox"/> Illegal (describe)			
Is the highest and best use of the subject property as improved (or as proposed per plans and specifications) the present use? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe. See Attached Addendum			
Utilities	Public	Other (describe)	
Electricity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Water
Gas	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Sanitary Sewer
FEMA Special Flood Hazard Area <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		FEMA Flood Zone X	FEMA Map # 06071C8007H
Are the utilities and off-site improvements typical for the market area? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		If No, describe.	
Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		If Yes, describe.	

GENERAL DESCRIPTION	FOUNDATION	EXTERIOR DESCRIPTION materials/condition	INTERIOR materials/condition
Units <input checked="" type="checkbox"/> Two <input type="checkbox"/> Three <input type="checkbox"/> Four	<input type="checkbox"/> Concrete Slab <input checked="" type="checkbox"/> Crawl Space	Foundation Walls Concrete/Average	Floors Cpt, Tile, Wd/Avg
<input type="checkbox"/> Accessory Unit (describe below)	<input type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls Wood Panel/Avg.	Walls Drywall/Avg
# of Stories 1 # of bldgs. 2	Basement Area 0 sq. ft.	Roof Surface Comp/Ave	Trim/Finish Wood/Avg.
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Finish n/a %	Gutters & Downspouts None	Bath Floor Tile/Avg
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	<input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type Alum, Vinyl/Avg	Bath Wainscot Fiberglass/Avg
Design (Style) Traditional	Evidence of <input type="checkbox"/> Infestation	Storm Sash/Insulated n/a	Car Storage
Year Built 1960	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens Yes/Average	<input checked="" type="checkbox"/> None
Effective Age (Yrs) 30	Heating/Cooling	Amenities	<input type="checkbox"/> Driveway # of Cars 0
Attic <input checked="" type="checkbox"/> None	<input checked="" type="checkbox"/> FWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant	<input type="checkbox"/> Fireplace(s) # <input type="checkbox"/> WoodStove(s) #0	Driveway Surface Concrete
<input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs	<input checked="" type="checkbox"/> Other Wall Fuel Gas	<input checked="" type="checkbox"/> Patio/Deck Slab <input checked="" type="checkbox"/> Fence Chain	<input type="checkbox"/> Garage # of Cars 0
<input type="checkbox"/> Floor <input type="checkbox"/> Scuttle	<input checked="" type="checkbox"/> Central Air Conditioning	<input type="checkbox"/> Pool None <input checked="" type="checkbox"/> Porch Slab	<input type="checkbox"/> Carport # of Cars 0
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input type="checkbox"/> Other	<input type="checkbox"/> Other None	<input type="checkbox"/> Att. <input type="checkbox"/> Det. <input type="checkbox"/> Built-in
# of Appliances Refrigerator 2 Range/Oven 2 Dishwasher 2 Disposal 2 Microwave 2 Washer/Dryer 1 Other (describe)			
Unit # 1 contains: 4 Rooms 2 Bedroom(s) 1 Bath(s) 1,071 Square feet of Gross Living Area			
Unit # 2 contains: 5 Rooms 3 Bedroom(s) 2 Bath(s) 882 Square feet of Gross Living Area			
Unit # 3 contains: Rooms Bedroom(s) Bath(s) Square feet of Gross Living Area			
Unit # 4 contains: Rooms Bedroom(s) Bath(s) Square feet of Gross Living Area			
Additional features (special energy efficient items, etc.) None			

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). The overall improvements of the entire structure is in below average condition, the subject is equal to other improvements within the neighborhood.

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IMPROVEMENTS	Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe _____
	Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe _____
	Is the property subject to rent control? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe _____

The following properties represent the most current, similar, and proximate comparable rental properties to the subject property. This analysis is intended to support the opinion of the market rent for the subject property.																			
FEATURE	SUBJECT	COMPARABLE RENTAL NO. 1				COMPARABLE RENTAL NO. 2				COMPARABLE RENTAL NO. 3									
41132 Pennsylvania Ave Address Big Bear Lake, CA 92315		545 W Big Bear Blvd Big Bear, CA 92314				101 W North Big Bear City, CA 92314				40041 Forest Rd Big Bear Lake, CA 92315									
Proximity to Subject		3.19 miles NE				3.73 miles NE				1.41 miles NW									
Current Monthly Rent	\$ 1,200					\$ 3,800				\$ 3,600									
Rent/Gross Bldg. Area	\$ 0.61 sq. ft.					\$ 3.05 sq. ft.				\$ 2.31 sq. ft.									
Rent Control	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No									
Data Source(s)	CoreLogic	CoreLogic				CoreLogic				CoreLogic									
Date of Lease(s)	12 month/vary	12 month/vary				12 month/vary				12 month/vary									
Location	Average	Average				Average				Average									
Actual Age	64	54				50				78									
Condition	Below Average	Average				Average				Average									
Gross Building Area	1957 sq.ft.	1,245				1,560				1,863									
Unit Breakdown	Rm Count			Size Sq. Ft.	Rm Count	Size Sq. Ft.	Monthly Rent	Rm Count			Size Sq. Ft.	Monthly Rent	Rm Count			Size Sq. Ft.	Monthly Rent		
	Tot	Br	Ba					Tot	Br	Ba			Tot	Br	Ba			Tot	Br
Unit # 1	4	2	1	1,071	3	1	1	415	\$ 1,100	4	2	1	780	\$ 1,800	4	2	2	621	\$ 2,200
Unit # 2	5	3	2	882	3	1	1	415	\$ 1,500	4	2	1	780	\$ 1,800	3	1	1	621	\$ 1,800
Unit # 3					2	0	1	415	\$ 1,200					\$	3	1	1	621	\$ 1,600
Unit # 4									\$					\$					\$
Utilities Included	None				None				None				None						

Analysis of rental data and support for estimated market rents for the individual subject units reported below (including the adequacy of the comparables, rental concessions, etc.)
The market rents range from \$1,150/m-\$2,200/m. This is a range consistent with multi-unit dwellings units in the market area. The actual rents fall within this range, market rent and actual rents are in line.

Rent Schedule: The appraiser must reconcile the applicable indicated monthly market rents to provide an opinion of the market rent for each unit in the subject property.									
Unit #	Leases		Actual Rents				Opinion Of Market Rent		Total Rents
	Lease Date		Per Unit		Total Rents	Per Unit			
	Begin Date	End Date	Unfurnished	Furnished			Unfurnished	Furnished	
1	Owner Occupied		\$	\$	\$ 0	\$	\$	\$ 1,500	
2	Month to Month				1,200			1,500	
3									
4									
Comment on lease data with market rents.			Current rents are in line		Total Actual Monthly Rent	\$ 1,200	Total Gross Monthly Rent	\$ 3,000	
					Other Monthly Income (itemize)	\$	Other Monthly Income (itemize)	\$	
					Total Actual Monthly Income	\$ 1,200	Total Estimated Monthly Income	\$ 3,000	
Utilities included in estimated rents <input type="checkbox"/> Electric <input checked="" type="checkbox"/> Water <input checked="" type="checkbox"/> Sewer <input type="checkbox"/> Gas <input type="checkbox"/> Oil <input type="checkbox"/> Cable <input checked="" type="checkbox"/> Trash collection <input type="checkbox"/> Other (describe)									
Comments on actual or estimated rents and other monthly income (including personal property) Official rent rolls were not provided to the appraiser, however the rents were provided verbally to the appraiser by the owner. There is no other monthly income drawn from the units besides rent.									

PRIOR SALE HISTORY	I <input checked="" type="checkbox"/> did <input type="checkbox"/> did not research the sale or transfer history of the subject property and comparable sales. If not, explain _____			
	My research <input type="checkbox"/> did <input checked="" type="checkbox"/> 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			
	My research <input checked="" type="checkbox"/> did <input type="checkbox"/> 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			
	Report the results of the research and analysis of the prior sale history of the subject property and comparable sales (report additional prior sales on page 4).			
ITEM	SUBJECT	COMPARABLE SALE NO. 1	COMPARABLE SALE NO. 2	COMPARABLE SALE NO. 3
Date of Prior Sale/Transfer				
Price of Prior Sale/Transfer				
Data Source(s)	CoreLogic	CoreLogic	CoreLogic	CoreLogic
Effective Date of Data Source(s)	03/29/2024	03/29/2024	03/29/2024	03/29/2024
Analysis of prior sale history for the subject property and comparable sales The subject was perviously sold in a open and fair competative market. The increased value can be attrituted towrds the increased housing market value trends and owner improvements and upgrades. Comp 4 was perviously sold in a open and fair competative market. The increased value can be attrituted towrds the increased housing market value trends.				

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There are 11 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 357,000 to \$ 1,950,000											
There are 6 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 425,000 to \$ 925,000											
FEATURE	SUBJECT	COMPARABLE SALE NO. 1			COMPARABLE SALE NO. 2			COMPARABLE SALE NO. 3			
41132 Pennsylvania Ave Address Big Bear Lake, CA 92315		545 W Big Bear Blvd Big Bear, CA 92315			710 Marin Rd Big Bear Lake, CA 92315			101 W North Big Bear City, CA 92314			
Proximity to Subject		3.19 miles NE			0.16 miles NW			3.73 miles NE			
Sale Price		\$ 365,000			\$ 425,000			\$ 440,000			
Sale Price/Gross Bldg. Area		\$ 186.51 sq. ft			\$ 341.37 sq. ft			\$ 315.64 sq. ft			
Gross Monthly Rent		\$ 1,200			\$ 585,000			\$ 2,600			
Gross Rent Multiplier		304.17			0.73			0.00			
Price Per Unit		\$ 182,500			\$ 141,667			\$ 220,000			
Price Per Room		\$ 40,556			\$ 53,125			\$ 62,857			
Price Per Bedroom		\$ 73,000			\$ 212,500			\$ 146,667			
Rent Control		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Data Source(s)		Inspection			CRMLS#EV22245277;DOM 146			CRMLS#PW23131565;DOM 37			
Verification Source(s)		CoreLogic			CoreLogic			CoreLogic			
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) Adjustment		DESCRIPTION	+(-) Adjustment		DESCRIPTION	+(-) Adjustment		
Sale or Financing Concessions		\$8,000		ArmLth VA:2060		0		ArmLth Conv:5000		0	
Date of Sale/Time		02/29/20224		s06/23:c04/23		0		s10/23:c09/23		0	
Location		Residential		Residential				Residential		Residential	
Leasehold/Fee Simple		Fee Simple		Fee Simple				Fee Simple		Fee Simple	
Site		19280 sf		5000		14,000		6405		13,000	
View		Residential		Residential				Residential		Residential	
Design (Style)		Traditional		Traditional				Traditional		Traditional	
Quality of Construction		Average		Average				Average		Average	
Actual Age		64		54		0		75		0	
Condition		Below Average/Good		Average		-21,250		Average		-22,000	
Gross Building Area 57.00		1,957		1,245		41,000		1,394		32,000	
Gross Building Area 57.00		1,957		1,245		41,000		1,394		32,000	
Gross Building Area 57.00		1,957		1,245		41,000		1,394		32,000	
Unit Breakdown		Total	Bdrms.	Baths	Total	Bdrms.	Baths	Total	Bdrms.	Baths	
Unit # 1		4	2	1	3	1	1	4	2	1	
Unit # 2		5	3	2	3	1	1	10,000	3	1	
Unit # 3					2	0	1	-20,000			
Unit # 4											
Basement Description		n/a		n/a				n/a		n/a	
Basement Finished Rooms		None		None				None		None	
Functional Utility		Average		Average				Average		Average	
Heating/Cooling		FWA/Wall C/Air		FWA/Wall		0		Wall/Wndw		0	
Energy Efficient Items		None		None				None		None	
Parking On/Off Site		None		1 Car Garage		-5,000		None		None	
Porch/Patio/Deck		Patio/Porch		Porch/Patio				Porch/Patio		Porch/Patio	
Net Adjustment (Total)				<input checked="" type="checkbox"/> + <input type="checkbox"/> -		\$ 18,750		<input checked="" type="checkbox"/> + <input type="checkbox"/> -		\$ 23,000	
Adjusted Sale Price of Comparables				Net Adj. 4.4 %				Net Adj. 5.2 %		Net Adj. 0.7 %	
Adj. Price Per Unit (Adj. SP Comp / # of Comp Units)				Gross Adj. 26.2 %		\$ 443,750		Gross Adj. 15.2 %		\$ 463,000	
Adj. Price Per Room (Adj. SP Comp / # of Comp Rooms)						\$ 55,469				\$ 57,900	
Adj. Price Per Bdrm. (Adj. SP Comp / # of Comp Bedrooms)						\$ 221,875				\$ 115,800	
Value Per Unit		\$ 230,000 X		2 Units = \$		460,000		Value Per GBA \$ 235.00 X		1,957 GBA = \$ 459,895	
Value Per Rm.		\$ 55,500 X		9 Rooms = \$		499,500		Value Per Bdrms. \$ 92,000 X		5 Bdrms. = \$ 460,000	
Summary of Sales Comparison Approach including reconciliation of the above indicators of value. See Attached Addendum.											
Indicated Value by Sales Comparison Approach \$ 460,000											
Total gross monthly rent \$ 3,000 X gross rent multiplier (GRM) 153.00 = \$ 459,000 Indicated value by the Income Approach											
Comments on income approach including reconciliation of the GRM The estimated GRM is was bracketed by the unadjusted rent gross rents of the comparables. The GRM is a reliable indicator of value by investors in the subjects neighborhood.											
Indicated Value by: Sales Comparison Analysis \$ 460,000 Income Approach \$459,000 Cost Approach (if developed) \$ 460,300											
The sales comparison approach to value was given primary weight since current multi-family sales in the subject market area were readily available. The income approach is supportive and considered given market participants base decision making primarily on rental income. The cost approach is not considered by market participants.											
Estimated value exceeds the predominate value as a result of above average GLA and good condition.											
This appraisal is made <input checked="" type="checkbox"/> "as is," <input type="checkbox"/> subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or <input type="checkbox"/> subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair: As Repaired value is \$790,000											
Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 460,000 as of 03/28/2024, which is the date of inspection and the effective date of this appraisal.											

SALES COMPARISON APPROACH

INCOME

RECONCILIATION

Ryan Jefferson

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Clarification of Intended Use and Intended User:

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

- The subject property has co detectors.
- The subject property has smoke detectors.
- The subject utilities and mechanical systems were operational.
- The subject water heater was not in compliance with California plumbing code.

ADDITIONAL COMMENTS

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) Site value was derived through extraction. Site value exceeds 30%, which is typical in this market where there is a shortage of vacant sites available for residential development. The cost approach is not considered by market participants, however, was developed at the Client's request.

COST APPROACH

ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input checked="" type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE = \$ 203,200
Source of cost data builder-cost.net	Dwelling 1,957 Sq. Ft. @ \$ 115.00 = \$ 225,055
Quality rating from cost service Average Effective date of cost data Current	Sq. Ft. @ \$ = \$
Comments on Cost Approach (gross living area calculations, depreciation, etc.)	
The site/improvement value ratio for the subject is within the normal range.	Garage/Carport 425 Sq. Ft. @ \$ 40.00 = \$ 17,000
Physical depreciation was calculated using the age - life method. No functional or external depreciation was noted at inspection.	Total Estimate of Cost-New = \$ 242,055
	Less 70 Physical Functional External
	Depreciation = \$ (0)
	Depreciated Cost of Improvements = \$ 242,055
	"As-is" Value of Site Improvements = \$ 15,000
Estimated Remaining Economic Life (HUD and VA only) 40 Years	INDICATED VALUE BY COST APPROACH = \$ 460,300

PROJECT INFORMATION FOR PUDs (if applicable)

PUD INFORMATION

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 an 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 two- to four-unit property, including a two- to four-unit property in a planned unit development (PUD). A two- to four-unit property located in either a condominium or cooperative project requires the appraiser to inspect the project and complete the project information section of the Individual Condominium Unit Appraisal Report or the Individual Cooperative Interest Appraisal Report and attach it as an addendum to this report.

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

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

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

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

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

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

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

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

Small Residential Income Property Appraisal Report

002367

File No. 41132 Pennsylvania Ave

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

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

Small Residential Income Property Appraisal Report

002367
File No. 41132 Pennsylvania Ave

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

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

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

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

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

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

APPRAISER

Signature 
 Name Ryan Jefferson
 Company Name ValueGuard Appraisals
 Company Address 1405 Lemonwood Dr E
Upland, CA 91786
 Telephone Number 909-377-3657
 Email Address ryanj@valuegaurdappraisals.com
 Date of Signature and Report 03/29/2024
 Effective Date of Appraisal 03/28/2024
 State Certification # 3006258
 or State License # _____
 or Other (describe) _____ State # _____
 State CA
 Expiration Date of Certification or License 02/08/2026

ADDRESS OF PROPERTY APPRAISED
41132 Pennsylvania Ave
CA

APPRAISED VALUE OF SUBJECT PROPERTY \$ 460,000

LENDER/CLIENT

Name Financial Asset Services, Inc.
 Company Name Premier Money Source, Inc.
 Company Address 3334 E Coast Hwy #507
Corona Del Mar, CA 92625
 Email Address _____

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature _____
 Name _____
 Company Name _____
 Company Address _____
 Telephone Number _____
 Email Address _____
 Date of Signature _____
 State Certification # _____
 or State License # _____
 State _____
 Expiration Date of Certification or License _____

SUBJECT PROPERTY

- Did not inspect subject property
 Did inspect exterior of subject property from street
 Date of Inspection _____
 Did inspect interior and exterior of subject property
 Date of Inspection _____

COMPARABLE SALES

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

ADDENDUM

Borrower: Brian VerBurg

File No.: 41132 Pennsylvania Ave

Property Address: 41132 Pennsylvania Ave

Case No.: 002367

City: Big Bear Lake

State: CA

Zip: 92315

Lender: Premier Money Source, Inc.

Comments on Sales Comparison

Comp 1-3 provide support for the AS IS value. Comp 4-6 provide support for the AS Repaired value based on the proposed plans and budget provided.

The appraiser's comparable search parameters began with an MLS search for duplex homes sold within the prior year, located within the neighborhood boundaries laid out on page one, and containing 1000 to 3000sf of building area. GLA adjustments are considered blended adjustments and does not consider market reaction to bedroom count.

Comparables actual age may differ by more than the industry standard of 8 years. Age adjustments were not necessary in as comparables have similar effective age to subject. All adjustments were extracted from the market, derived from interviews with local realtors and the appraiser's knowledge of the area; moreover, the adjustments appear to be reasonable and support market reactions.

To bracket various features it was necessary to include comps with closed sale dates over 6 months, and comps that exceed 1 mile of the subject. Condition adjustments are based on updated kitchen, bathrooms, flooring, interior/exterior paint, appliances and other additional features. Due to the limited number of relevant active or pending sales, a comparable listing was not provided in this appraisal report. Due to the lack of relevant closed comparables the appraiser was unable to locate any sales in similar condition to the subject. The requirement to bracket all major adjustments is the primary factor for the the adjusted sales price range being more than 25% and the gross adjustments being over 15%.

The greatest weight was placed on the weighted value sales method. See attached addendum.

EXTRA COMMENTS

Highest and Best Use

The subject's use as a multi-family residence is considered to fulfill the requirements for Best and Highest Use. It is constructed in the middle of a fully developed area of the county, surrounded with other multi-family and single family residences and no changes in utility or functionality is expected. Razing the current improvements and re-building them would not increase their contributions over what is already existing on the site. Due to zoning, a commercial improvement is not an option.

AIR Compliance Statement

-No employee, director, officer, or agent of the lender, or any other third party acting as joint venture partner, independent contractor, appraisal management company, or partner on behalf of the lender, shall influence or attempt to influence the development, reporting, result, or review of an appraisal through coercion, extortion, collusion, compensation, instruction, inducement, intimidation, bribery, or in any other manner.

I have not been contacted by anyone other than the intended user (lender/client as identified on the first page of the report), borrower, or designated contact to make an appointment to enter the property. I agree to immediately report any unauthorized contacts either personally by phone or electronically to the client.

Extra Commentary

The appraisal was prepared in accordance with the requirements of Title XI of the Financial Institutions, Reform, Recovery, and Enforcement Act (FIRREA) of 1989, as amended (12 U.S.C. 3331 et seq.)

ANSI Statement:

ANSI® Z765-2021 - was used for measuring, calculating and reporting the gross living and non-gross living areas of the subject property." within completed appraisal report

Weighted Value Calculator

Borrower: Brian VerBurg	File No.: 41132 Pennsylvania Ave
Property Address: 41132 Pennsylvania Ave	Case No.: 002367
City: Big Bear Lake	State: CA Zip: 92315
Lender: Premier Money Source, Inc.	

Weighted Value Calculator

Use the checkboxes to remove a comparable from the weighted value calculation. Select **Import** to use the weighted value as the, "Indicated Value by Sales Comparison Approach." The weighted value is calculated using the formulas below and rounded to the nearest 1000th.

$Weight = (100 - ((Comp\ Gross\ \% / Total\ Gross\ \%) \times 100)) / (\#\ of\ Comps - 1)$
 $Suggested\ Value = (Adj\ Price\ Comp1 \times Weight\ Comp1) + (Adj\ Price\ Comp2 \times Weight\ Comp2) + (Adj\ Price\ Comp3 \times Weight\ Comp3)...$

Type	Address	Price \$	Net Adj \$ / %		Gross Adj \$ / %		Adj Value \$	Weight	Adj Val x Wt
10	41132 Pennsylvania Ave	365,000						<input type="button" value="Reset"/>	
<input checked="" type="checkbox"/>	S 545 W Big Bear Blvd	425,000	18,750	4.4%	111,350	26.2%	443,750	<input type="text" value="27.5%"/>	122,031
<input checked="" type="checkbox"/>	S 710 Marin Rd	440,000	23,000	5.2%	66,880	15.2%	463,000	<input type="text" value="36.9%"/>	170,847
<input checked="" type="checkbox"/>	S 101 W North	460,000	3,200	0.7%	76,820	16.7%	463,200	<input type="text" value="35.6%"/>	164,899
<input type="checkbox"/>	S 41869 Brownie Ln	735,000	24,500	3.3%	24,255	3.3%	759,500	<input type="text"/>	
<input type="checkbox"/>	S 41617 Brownie Ln	816,500	6,000	0.7%	5,715	0.7%	822,500	<input type="text"/>	
<input type="checkbox"/>	S 256 Lagunita Ln	750,000	42,500	5.7%	167,250	22.3%	792,500	<input type="text"/>	
								100.0%	

Value Using the Weighted Sales Method: \$ 458,000

Weighted Value Calculator

Borrower: Brian VerBurg	File No.: 41132 Pennsylvania Ave
Property Address: 41132 Pennsylvania Ave	Case No.: 002367
City: Big Bear Lake	State: CA Zip: 92315
Lender: Premier Money Source, Inc.	

Use the checkboxes to remove a comparable from the weighted value calculation. Select **Import** to use the weighted value as the, "Indicated Value by Sales Comparison Approach." The weighted value is calculated using the formulas below and rounded to the nearest 1000th.

$Weight = (100 - ((Comp\ Gross\ \% / Total\ Gross\ \%) \times 100)) / (\#\ of\ Comps - 1)$
 $Suggested\ Value = (Adj\ Price\ Comp1 \times Weight\ Comp1) + (Adj\ Price\ Comp2 \times Weight\ Comp2) + (Adj\ Price\ Comp3 \times Weight\ Comp3)...$

Type	Address	Price \$	Net Adj \$ / %		Gross Adj \$ / %		Adj Value \$	Weight	Adj Val x Wt
10	41132 Pennsylvania Ave	365,000						<input type="button" value="Reset"/>	
<input type="checkbox"/>	S 545 W Big Bear Blvd	425,000	18,750	4.4%	111,350	26.2%	443,750	<input type="text"/>	
<input type="checkbox"/>	S 710 Marin Rd	440,000	23,000	5.2%	66,880	15.2%	463,000	<input type="text"/>	
<input type="checkbox"/>	S 101 W North	460,000	3,200	0.7%	76,820	16.7%	463,200	<input type="text"/>	
<input checked="" type="checkbox"/>	S 41869 Brownie Ln	735,000	24,500	3.3%	24,255	3.3%	759,500	<input type="text" value="43.7%"/>	331,902
<input checked="" type="checkbox"/>	S 41617 Brownie Ln	816,500	6,000	0.7%	5,715	0.7%	822,500	<input type="text" value="48.7%"/>	400,558
<input checked="" type="checkbox"/>	S 256 Lagunita Ln	750,000	42,500	5.7%	167,250	22.3%	792,500	<input type="text" value="7.6%"/>	60,230
								100.0%	

Value Using the Weighted Sales Method: \$ 793,000

Operating Income Statement

002367
41132 Pennsylvania Ave

One- to Four-Family Investment Property and Two- to Four-Family Owner-Occupied Property

Property Address 41132 Pennsylvania Ave Street	Big Bear Lake City	CA State	92315 Zip Code
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General Instructions: This form is to be prepared jointly by the loan applicant, the appraiser, and the lender's underwriter. The applicant must complete the following schedule indicating each unit's rental status, lease expiration date, current rent, market rent, and the responsibility for utility expenses. Rental figures must be based on the rent for an "unfurnished" unit.

	Currently Rented	Expiration Date	Current Rent Per Month	Market Rent Per Month	Utility Expense	Paid By Owner	Paid By Tenant
Unit No. 1	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Vacant	\$ _____	\$ 2,200	Electricity	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Unit No. 2	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Month to Month	\$ 2,100	\$ 2,100	Gas	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Unit No. 3	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Vacant	\$ _____	\$ 2,000	Fuel Oil	<input type="checkbox"/>	<input type="checkbox"/>
Unit No. 4	Yes <input type="checkbox"/> No <input type="checkbox"/>	_____	\$ _____	\$ _____	Fuel (Other)	<input type="checkbox"/>	<input type="checkbox"/>
Total			\$ 2,100	\$ 6,300	Water/Sewer	<input checked="" type="checkbox"/>	<input type="checkbox"/>
					Trash Removal	<input checked="" type="checkbox"/>	<input type="checkbox"/>

The applicant should complete all of the income and expense projections and for existing properties provide actual year-end operating statements for the past two years (for new properties the applicant's projected income and expenses must be provided). This Operating Income Statement and previous operating statements the applicant provides must then be sent to the appraiser for review, comment, and/or adjustments next to the applicant's figures (e.g., Applicant/Appraiser 288/300). If the appraiser is retained to complete the form instead of the applicant, the lender must provide to the appraiser the aforementioned operating statements, mortgage insurance premium, HOA dues, leasehold payments, subordinate financing, and/or any other relevant information as to the income and expenses of the subject property received from the applicant to substantiate the projections. The underwriter should carefully review the applicant's/appraiser's projections and the appraiser's comments concerning those projections. The underwriter should make any final adjustments that are necessary to more accurately reflect any income or expense items that appear unreasonable for the market. (Real estate taxes and insurance on these types of properties are included in PITI and not calculated as an annual expense item.) Income should be based on current rents, but should not exceed market rents. When there are no current rents because the property is proposed, new, or currently vacant, market rents should be used.

Annual Income and Expense Projection for Next 12 months

	By Applicant/Appraiser	Adjustments by Lender's Underwriter
Income (Do not include income for owner-occupied units)		
Gross Annual Rental (from unit(s) to be rented)	\$ 25,200	\$ _____
Other Income (include sources)	+	+
Total	\$ 25,200	\$ _____
Less Vacancy/Rent Loss	- (%)	- (%)
Effective Gross Income	\$ 25,200	\$ _____
Expenses (Do not include expenses for owner-occupied units)		
Electricity	_____	_____
Gas	_____	_____
Fuel Oil	_____	_____
Fuel (Type- _____)	_____	_____
Water/Sewer	_____	_____
Trash Removal	500	_____
Pest Control	800	_____
Other Taxes or Licenses	_____	_____
Casual Labor	_____	_____
This includes the costs for public area cleaning, snow removal, etc., even though the applicant may not elect to contract for such services.		
Interior Paint/Decorating	1,000	_____
This includes the costs of contract labor and materials that are required to maintain the interiors of the living units.		
General Repairs/Maintenance	_____	_____
This includes the costs of contract labor and materials that are required to maintain the public corridors, stairways, roofs, mechanical systems, grounds, etc.		
Management Expenses	_____	_____
These are the customary expenses that a professional management company would charge to manage the property.		
Supplies	_____	_____
This includes the costs of items like light bulbs, janitorial supplies, etc.		
Total Replacement Reserves - See Schedule on Pg. 2	547	_____
Miscellaneous	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Operating Expenses	\$ 2,847	\$ _____

Replacement Reserve Schedule

Adequate replacement reserves must be calculate regardless of whether actual reserves are provided for on the owner's operating statements or are customary in the local market. This represents the total average yearly reserves. Generally, all equipment and components that have a remaining life of more than one year-such as refrigerators, stoves, clothes washers/dryers, trash compactors, furnaces, roofs, and carpeting, etc.-should be expensed on a replacement cost basis.

Equipment	Replacement Cost	Remaining Life		By Applicant/ Appraiser	Lender Adjustments
Stoves/Ranges	@ \$ 500.00 ea. ÷	15 Yrs. x	4	Units = \$ 133.33	\$
Refrigerators	@ \$ ea. ÷	Yrs. x		Units = \$	\$
Dishwashers	@ \$ ea. ÷	Yrs. x		Units = \$	\$
A/C Units	@ \$ 550.00 ea. ÷	15 Yrs. x	4	Units = \$ 146.67	\$
C. Washer/Dryers	@ \$ ea. ÷	Yrs. x		Units = \$	\$
HW Heaters	@ \$ 400.00 ea. ÷	15 Yrs. x	4	Units = \$ 106.67	\$
Furnace(s)	@ \$ 600.00 ea. ÷	15 Yrs. x	4	Units = \$ 160.00	\$
(Other)	@ \$ ea. ÷	Yrs. x		Units = \$	\$
Roof	@ \$ ÷	Yrs. x One Bldg. =		\$	\$
Carpeting (Wall to Wall)					
		Remaining Life			
(Units)	Total Sq. Yds. @ \$	Per Sq. Yd. ÷	Yrs. =	\$	\$
(Public Areas)	Total Sq. Yds. @ \$	Per Sq. Yd. ÷	Yrs. =	\$	\$
Total Replacement Reserves. (Enter on Pg. 1)				\$ 546.67	\$

Operating Income Reconciliation

\$ 25,200.00	- \$ 2,847.00	= \$ 22,353.00	÷ 12 =	\$ 1,862.75
Effective gross Income	Total Operating Expenses	Operating Income		Monthly Operating Income
\$ 1,862.75	- \$	= \$ 1,862.75		
Monthly Operating Income	Monthly Housing Expenses	Net Cash Flow		

(Note: Monthly Housing Expense includes principal and interest on the mortgage, hazard insurance premiums, real estate taxes, mortgage insurance premiums, HOA dues, leasehold payments, and subordinate financing payments.)

Underwriter's instructions for 2-4 Family Owner-Occupied Properties

- If Monthly Operating Income is a positive number, enter as "Net Rental Income" in the "Gross Monthly Income" section of Freddie Mac Form 65/Fannie Mae Form 1003. If Monthly Operating Income is a negative number, it must be included as a liability for qualification purposes.
- The borrower's monthly housing expense-to-income ratio must be calculated by comparing the total Monthly Housing Expense for the **subject property** to the borrower's stable monthly income.

Underwriter's instructions for 1-4 Family Investment Properties

- If Net Cash Flow is a positive number, enter as "Net Rental Income" in the "Gross Monthly Income" section of Freddie Mac Form 65/Fannie Mae Form 1003. If Net Cash Flow is a negative number, it must be included as a liability for qualification purposes.
- The borrower's monthly housing expense-to-income ratio must be calculated by comparing the total monthly housing expense for the borrower's **primary residence** to the borrower's stable monthly income.

Appraiser's Comments (including sources for data and rationale for the projections)

Estimates above are for replacement and installation of like kind and quality materials, systems, and appliances. Rents were provided by the owner or client. It is typical of the owner to pay for sewer and water and for the tenant to pay for electricity and gas in this market.

Ryan Jefferson
Appraiser Name


Appraiser Signature

03/29/2024
Date

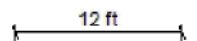
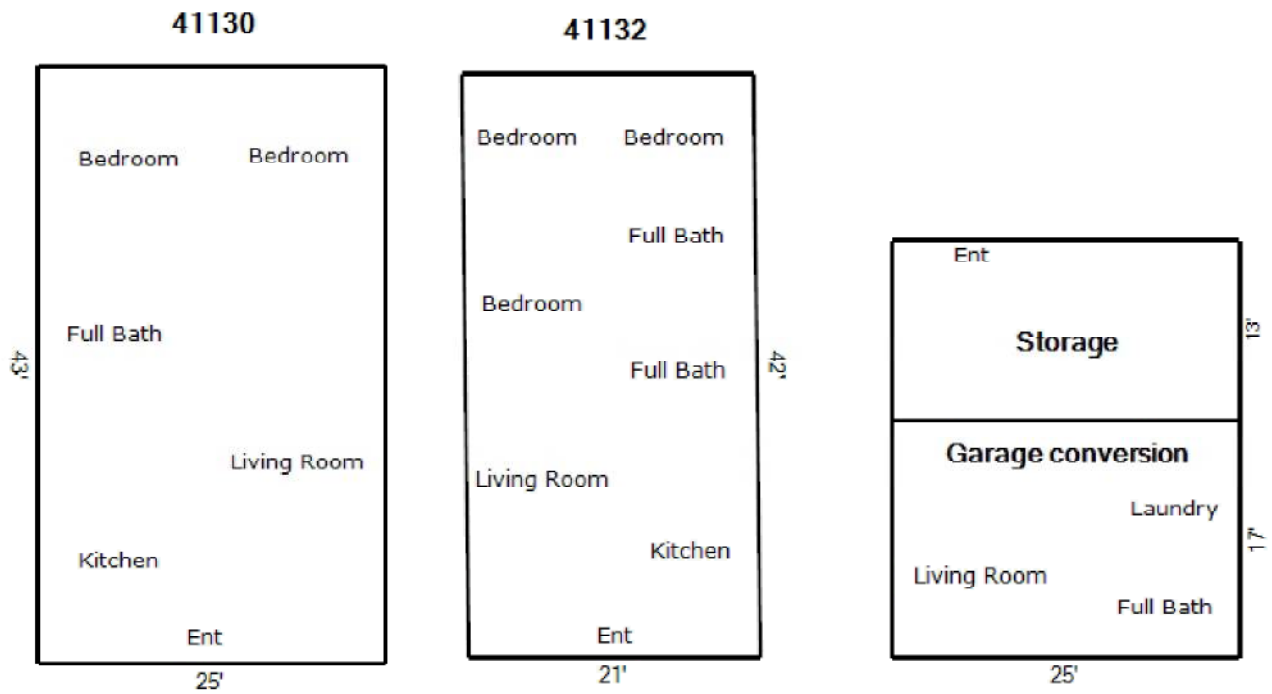
Underwriter's Comments and Rationale for Adjustments

Underwriter Name _____ Underwriter Signature _____ Date _____

FLOORPLAN SKETCH

Borrower: Brian VerBurg File No.: 41132 Pennsylvania Ave
 Property Address: 41132 Pennsylvania Ave Case No.: 002367
 City: Big Bear Lake State: CA Zip: 92315
 Lender: Premier Money Source, Inc.

Sketch



Living Area		Area Calculation			
41132	882 ft ²	41132			x 1.00 = 882 ft ²
41130	1075 ft ²	Δ	0' 6" x 42' x 0.50 =		10.5 ft ²
Nonliving Area		□	20' 6" x 42' x 1.00 =		861 ft ²
Garage conversion	425 ft ²	Δ	0' 6" x 42' x 0.50 =		10.5 ft ²
Storage	325 ft ²	41130			x 1.00 = 1075 ft ²
Total Living Area (rounded):	1957 ft²	■	25' x 43' x 1.00 =		1075 ft ²

SUBJECT PROPERTY PHOTO ADDENDUM

Borrower: Brian VerBurg	File No.: 41132 Pennsylvania Ave
Property Address: 41132 Pennsylvania Ave	Case No.: 002367
City: Big Bear Lake	State: CA
Lender: Premier Money Source, Inc.	Zip: 92315

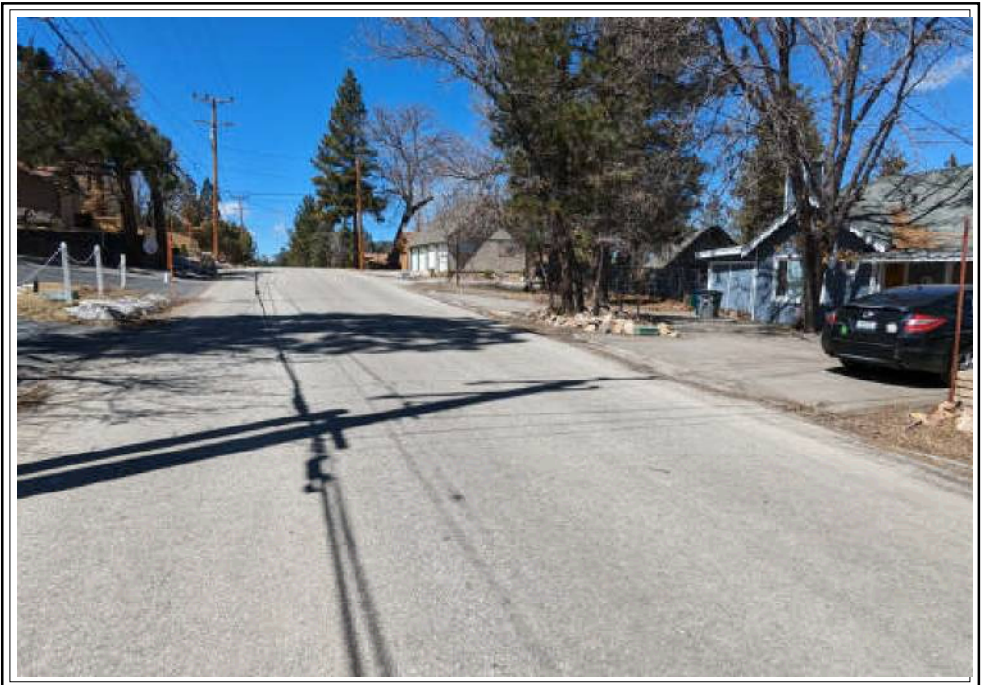


**FRONT VIEW OF
SUBJECT PROPERTY**

Appraised Date: March 28, 2024
Appraised Value: \$ 460,000



**REAR VIEW OF
SUBJECT PROPERTY**



STREET SCENE

Borrower: Brian VerBurg
Property Address: 41132 Pennsylvania Ave
City: Big Bear Lake
Lender: Premier Money Source, Inc.

File No.: 41132 Pennsylvania Ave
Case No.: 002367
State: CA
Zip: 92315



Front View



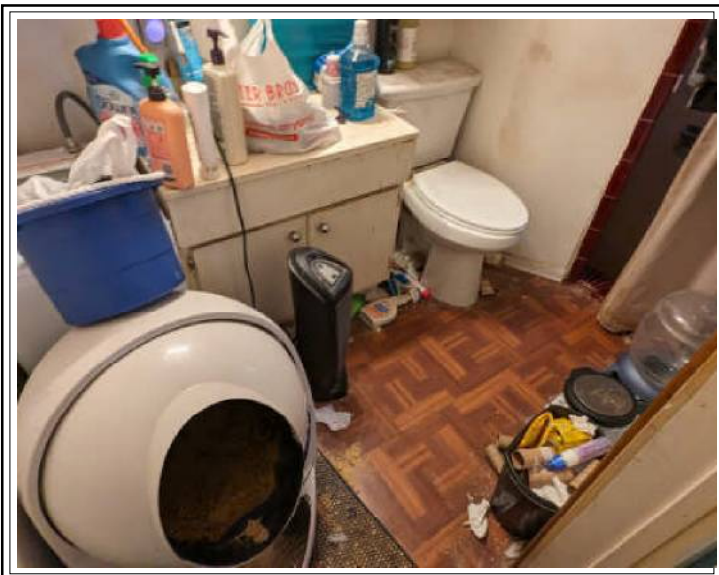
Side Photo



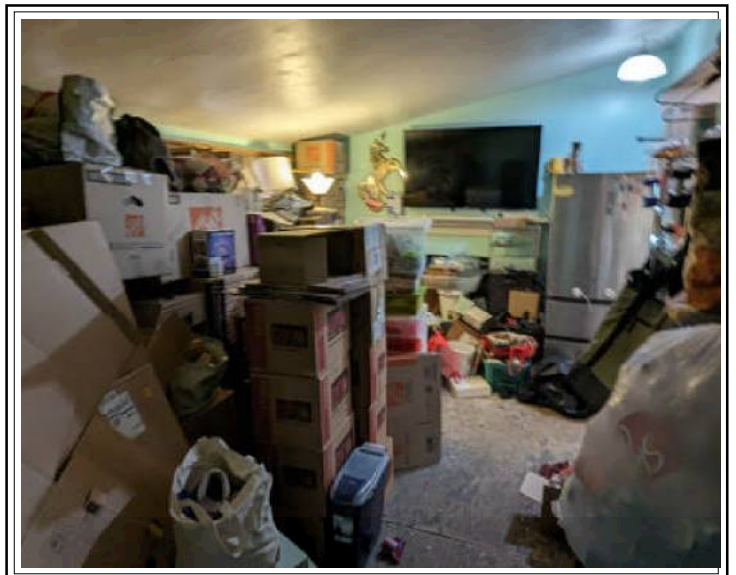
Kitchen



Living Room

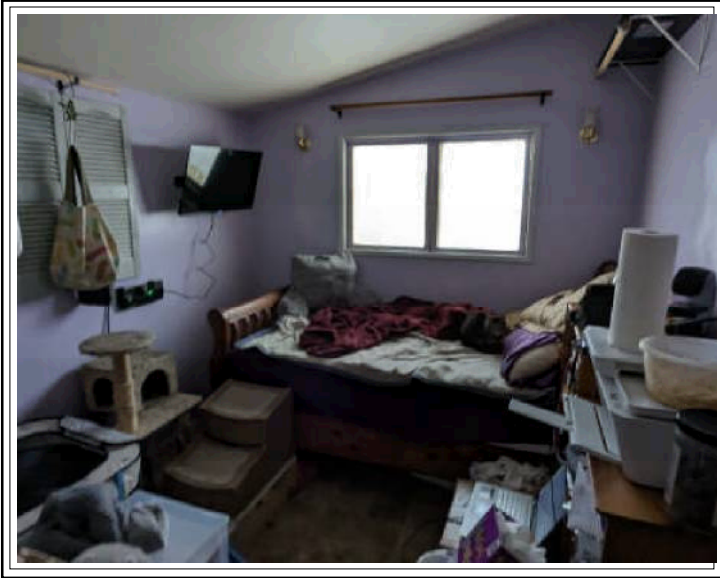


Full Bath

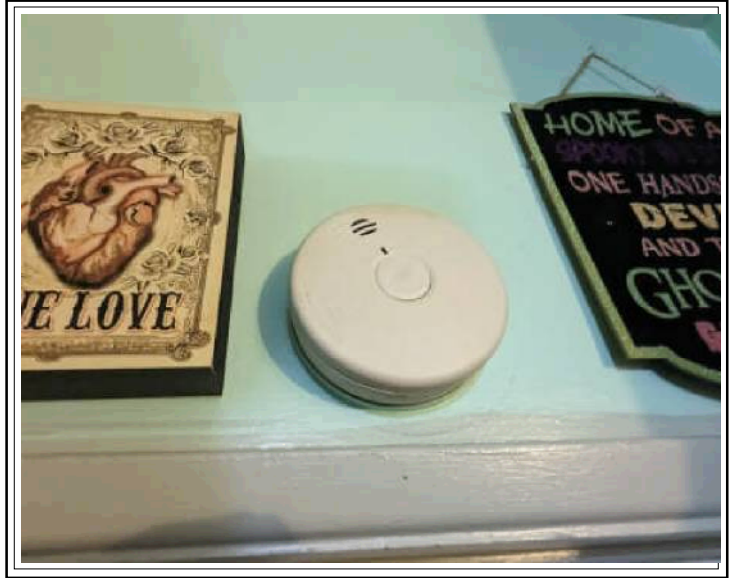


Bedroom

Borrower: Brian VerBurg	File No.: 41132 Pennsylvania Ave
Property Address: 41132 Pennsylvania Ave	Case No.: 002367
City: Big Bear Lake	State: CA
Lender: Premier Money Source, Inc.	Zip: 92315



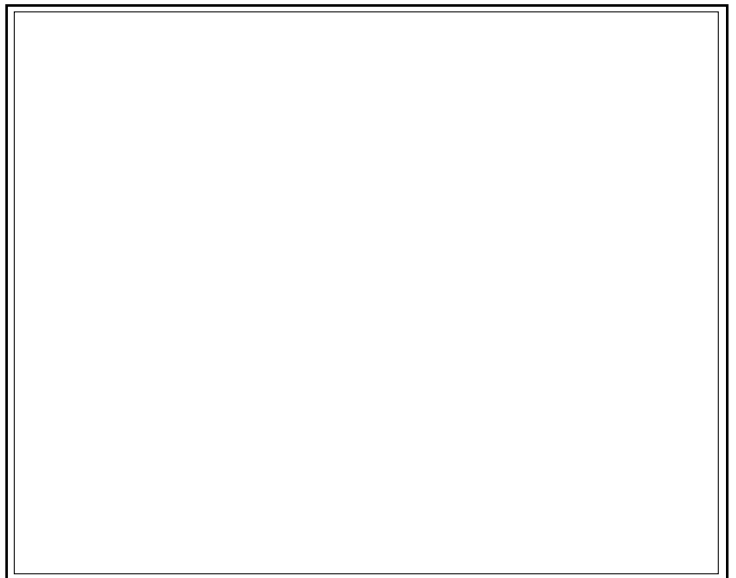
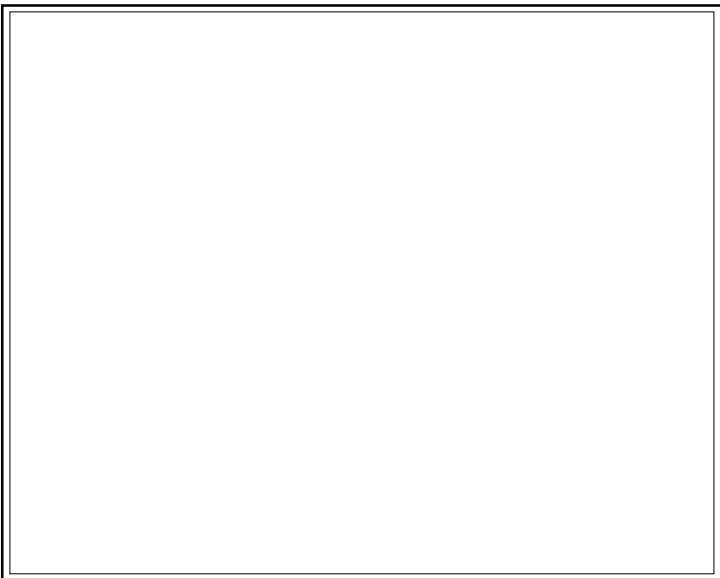
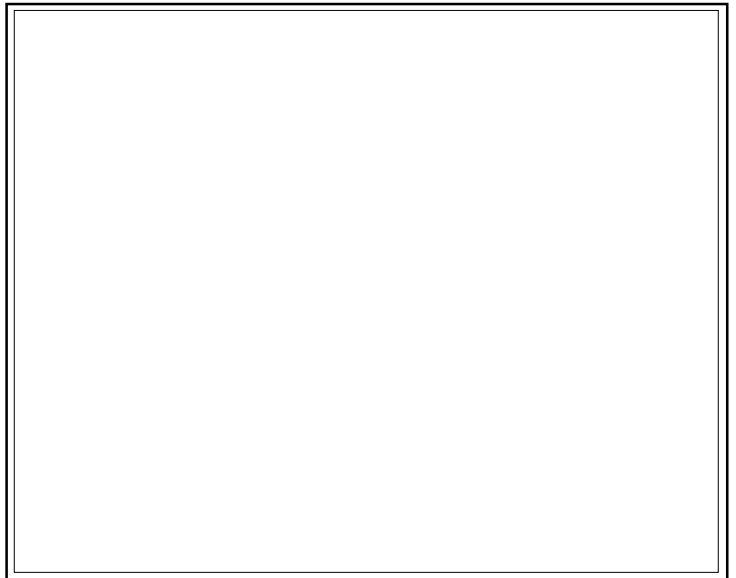
Bedroom



Smoke/Co Detector



Water Heater



Borrower: Brian VerBurg
Property Address: 41132 Pennsylvania Ave
City: Big Bear Lake
Lender: Premier Money Source, Inc.

File No.: 41132 Pennsylvania Ave
Case No.: 002367
State: CA
Zip: 92315



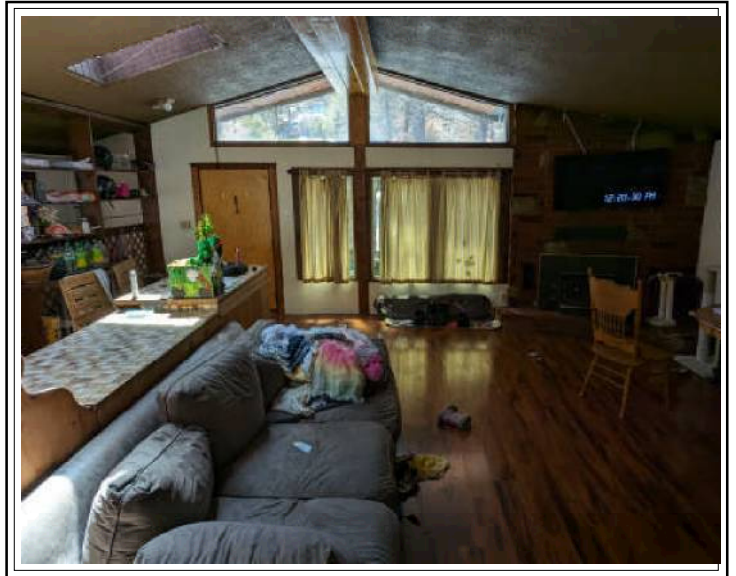
Front View



Side Photo (both units)



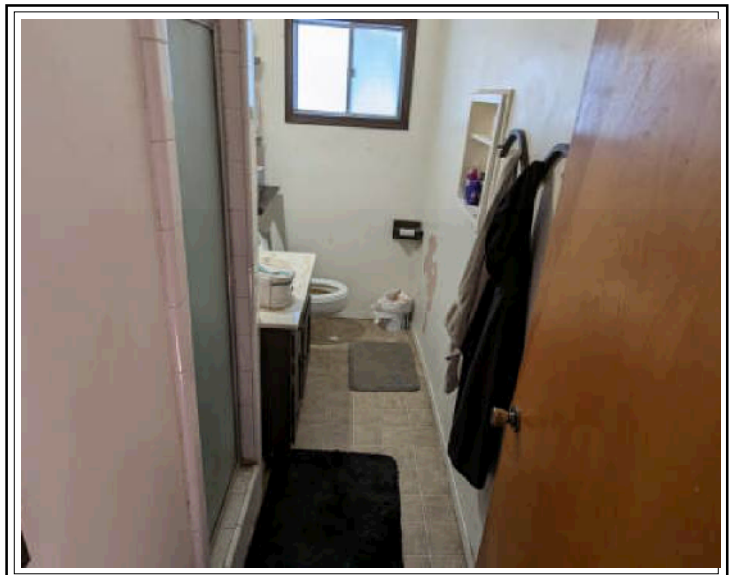
Side Photo



Living Room



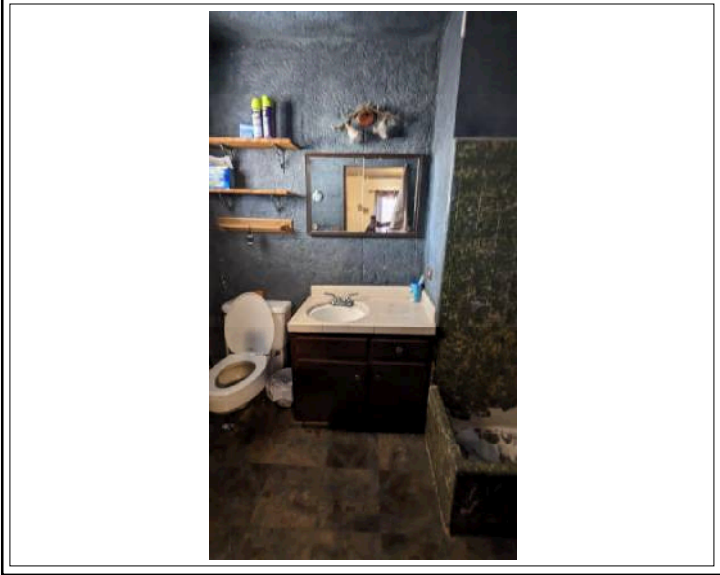
Kitchen



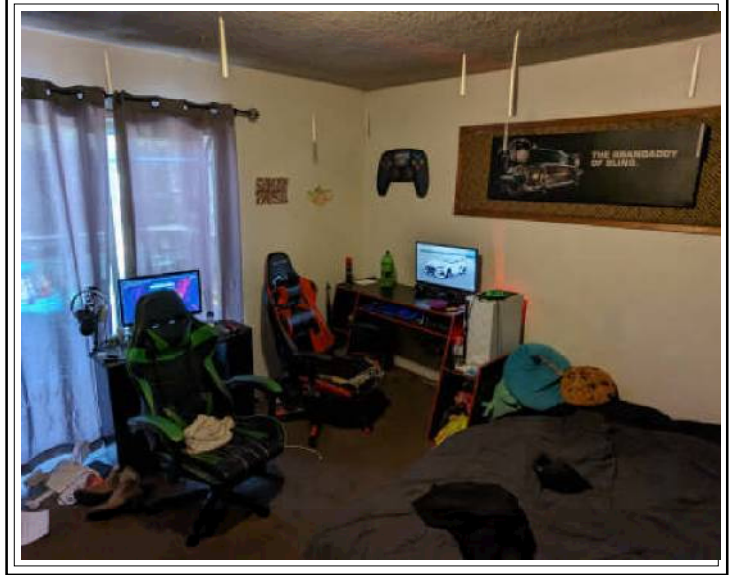
Full Bath

Borrower: Brian VerBurg
Property Address: 41132 Pennsylvania Ave
City: Big Bear Lake
Lender: Premier Money Source, Inc.

File No.: 41132 Pennsylvania Ave
Case No.: 002367
State: CA
Zip: 92315



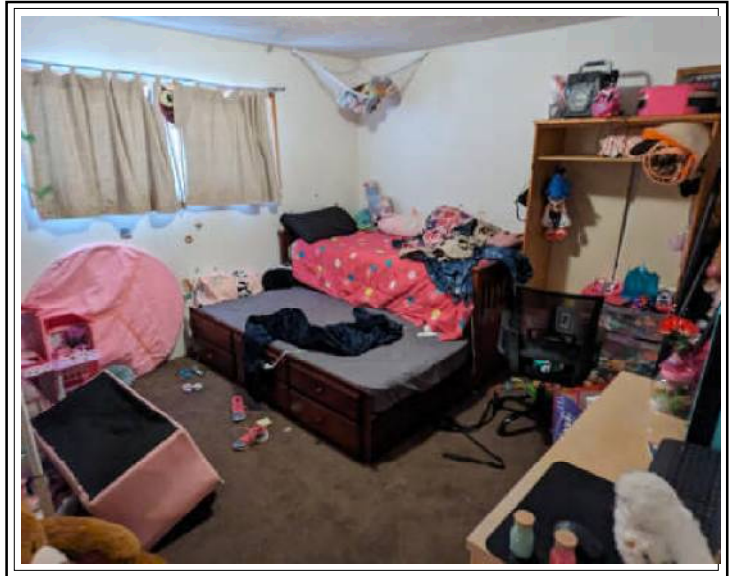
Full Bath



Bedroom



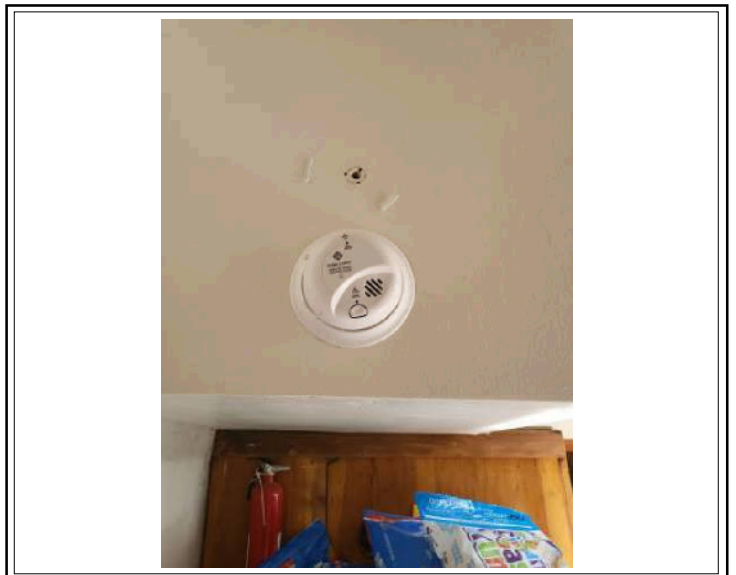
Bedroom



Bedroom



Water Heater



Smoke/Co Detector

Borrower: Brian VerBurg
Property Address: 41132 Pennsylvania Ave
City: Big Bear Lake
Lender: Premier Money Source, Inc.

File No.: 41132 Pennsylvania Ave
Case No.: 002367
State: CA
Zip: 92315



Storage



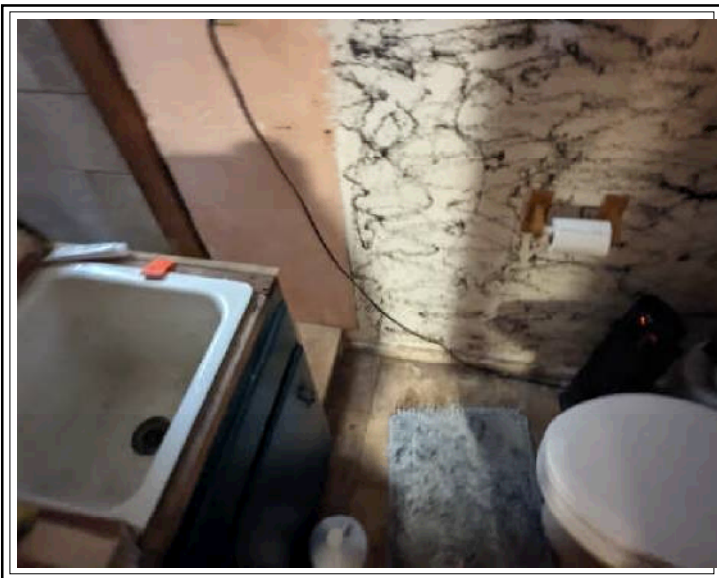
Storage



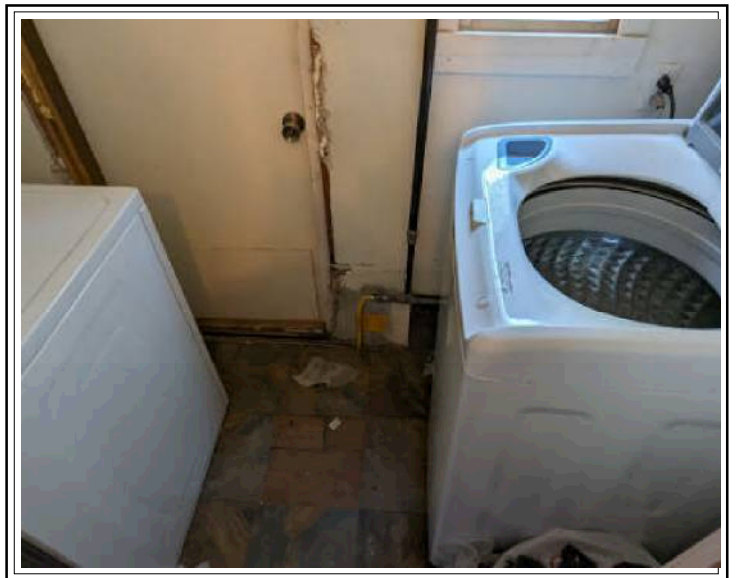
Living Room



Living Room



Full Bath



Laundry

COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: Brian VerBurg	File No.: 41132 Pennsylvania Ave	
Property Address: 41132 Pennsylvania Ave	Case No.: 002367	
City: Big Bear Lake	State: CA	Zip: 92315
Lender: Premier Money Source, Inc.		



COMPARABLE SALE #1

545 W Big Bear Blvd
Big Bear, CA 92315
Sale Date: s06/23:c04/23
Sale Price: \$ 425,000



COMPARABLE SALE #2

710 Marin Rd
Big Bear Lake, CA 92315
Sale Date: s10/23:c09/23
Sale Price: \$ 440,000



COMPARABLE SALE #3

101 W North
Big Bear City, CA 92314
Sale Date: s09/23:c08/23
Sale Price: \$ 460,000

COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: Brian VerBurg	File No.: 41132 Pennsylvania Ave	
Property Address: 41132 Pennsylvania Ave	Case No.: 002367	
City: Big Bear Lake	State: CA	Zip: 92315
Lender: Premier Money Source, Inc.		



COMPARABLE SALE #4

41869 Brownie Ln
Big Bear, CA 92315
Sale Date: s06/22;c05/22
Sale Price: \$ 735,000



COMPARABLE SALE #5

41617 Brownie Ln
Big Bear Lake, CA 92315
Sale Date: s12/22;c11/22
Sale Price: \$ 816,500



COMPARABLE SALE #6

256 Lagunita Ln
Big Bear Lake, CA 92315
Sale Date: s02/24;c01/24
Sale Price: \$ 750,000

COMPARABLE RENTALS PHOTO ADDENDUM

Borrower: Brian VerBurg	File No.: 41132 Pennsylvania Ave
Property Address: 41132 Pennsylvania Ave	Case No.: 002367
City: Big Bear Lake	State: CA
Lender: Premier Money Source, Inc.	Zip: 92315



COMPARABLE RENTAL #1

545 W Big Bear Blvd
Big Bear, CA 92314



COMPARABLE RENTAL #2

101 W North
Big Bear City, CA 92314



COMPARABLE RENTAL #3

40041 Forest Rd
Big Bear Lake, CA 92315

LOCATION MAP

Borrower: Brian VerBurg

File No.: 41132 Pennsylvania Ave

Property Address: 41132 Pennsylvania Ave

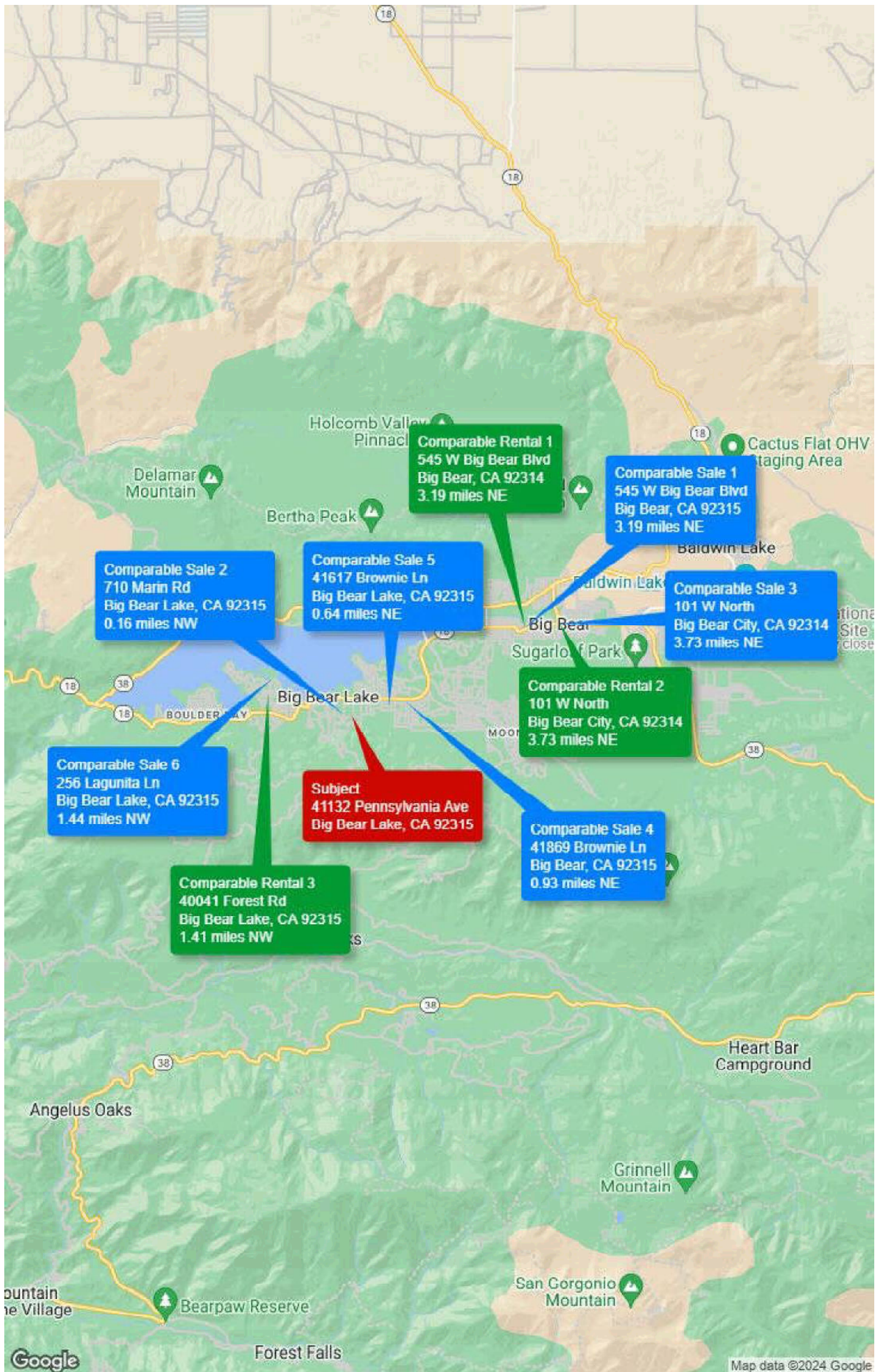
Case No.: 002367

City: Big Bear Lake

State: CA

Zip: 92315

Lender: Premier Money Source, Inc.



AERIAL MAP

Borrower: Brian VerBurg

File No.: 41132 Pennsylvania Ave

Property Address: 41132 Pennsylvania Ave

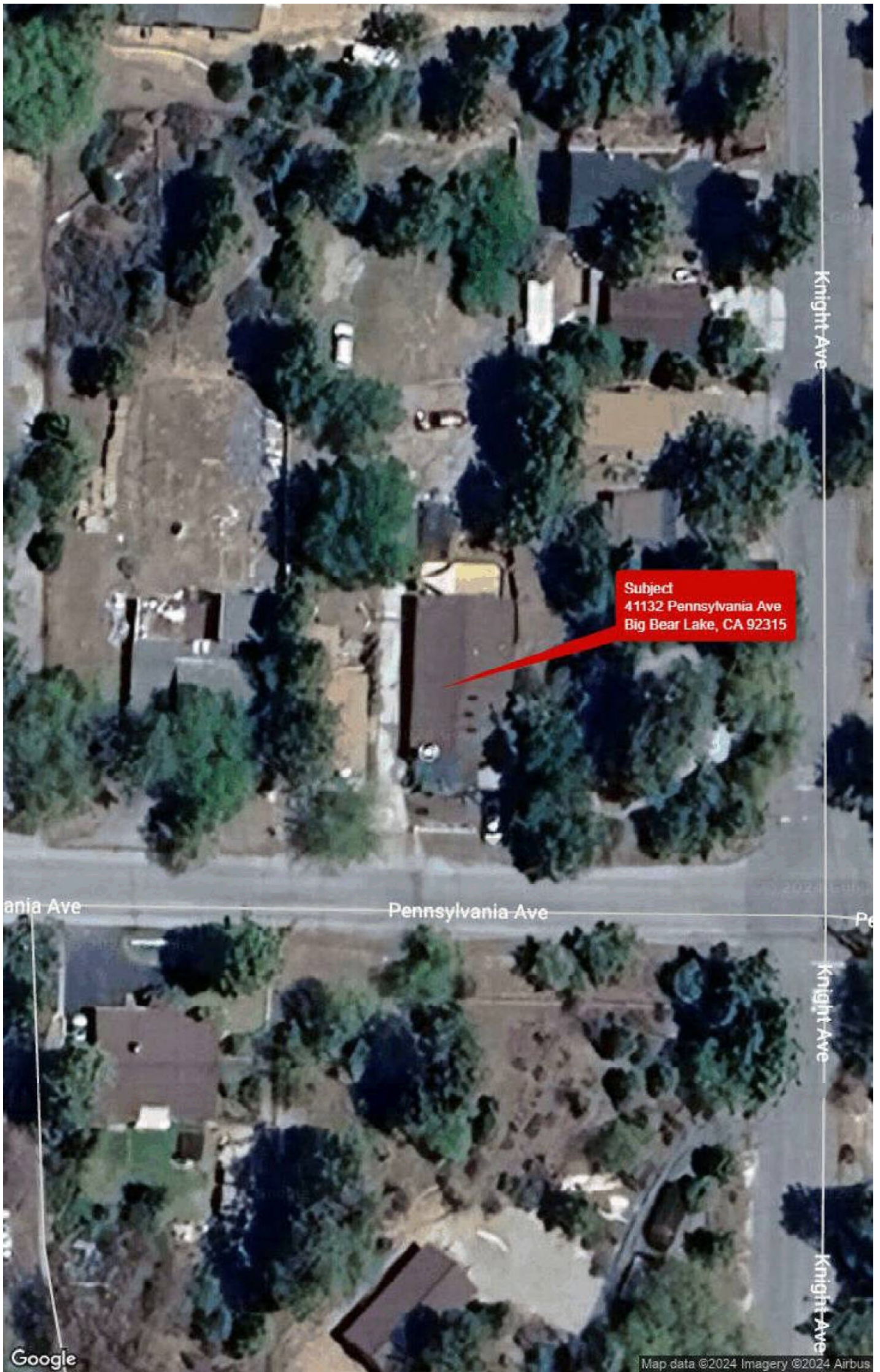
Case No.: 002367

City: Big Bear Lake

State: CA

Zip: 92315

Lender: Premier Money Source, Inc.



PLAT MAP

Borrower: Brian VerBurg

File No.: 41132 Pennsylvania Ave

Property Address: 41132 Pennsylvania Ave

Case No.: 002367

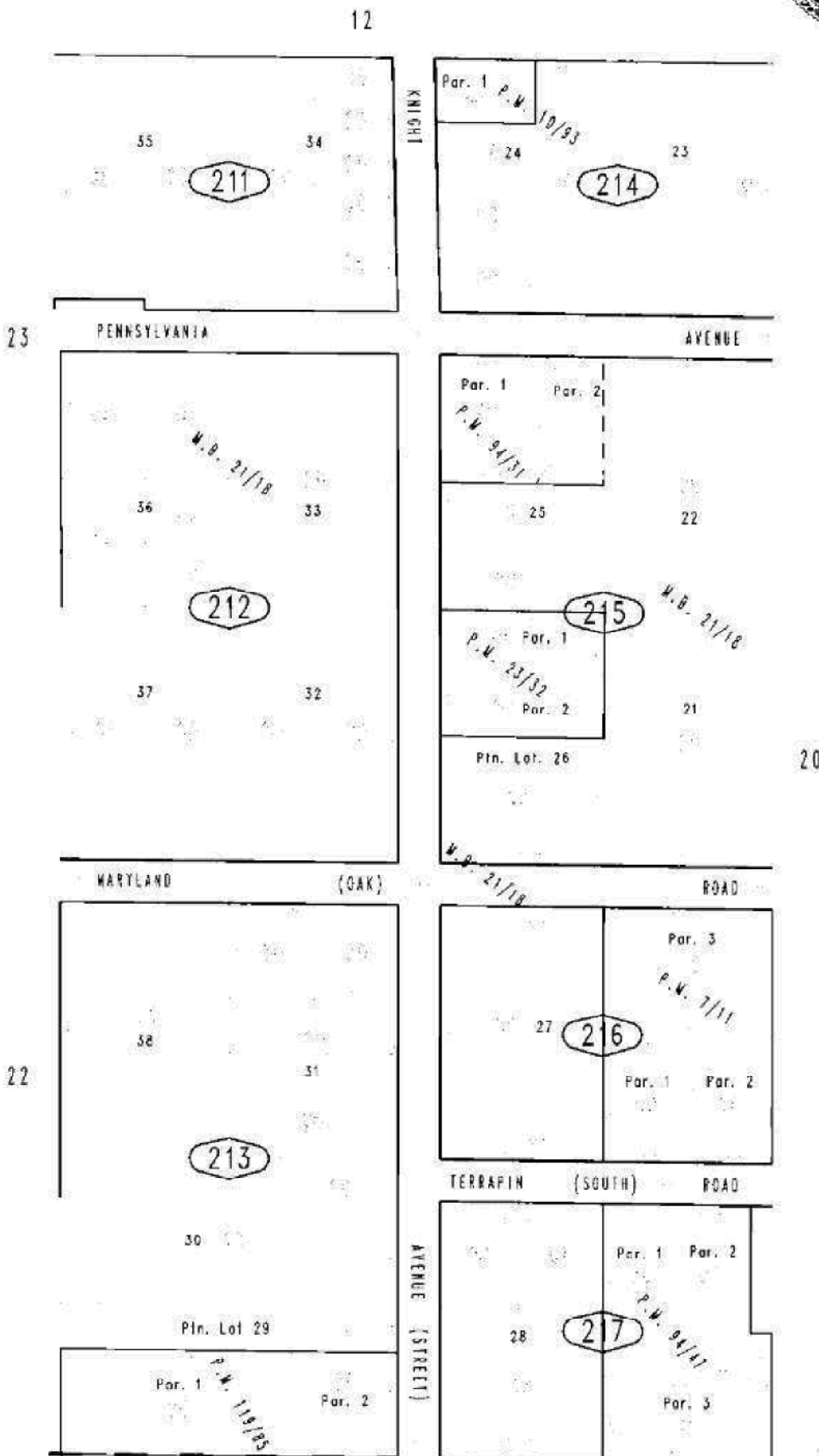
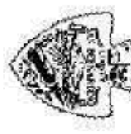
City: Big Bear Lake

State: CA

Zip: 92315

Lender: Premier Money Source, Inc.

December 2003



Ptn. S.W.1/4, Sec.20, T.2N.,R.1E., S.B.B.&M.
Ptn. Knickerbocker's Sub., M.B. 21/18

CITY of Big Bear Lake 0309-21
Tax Rate Area
17001

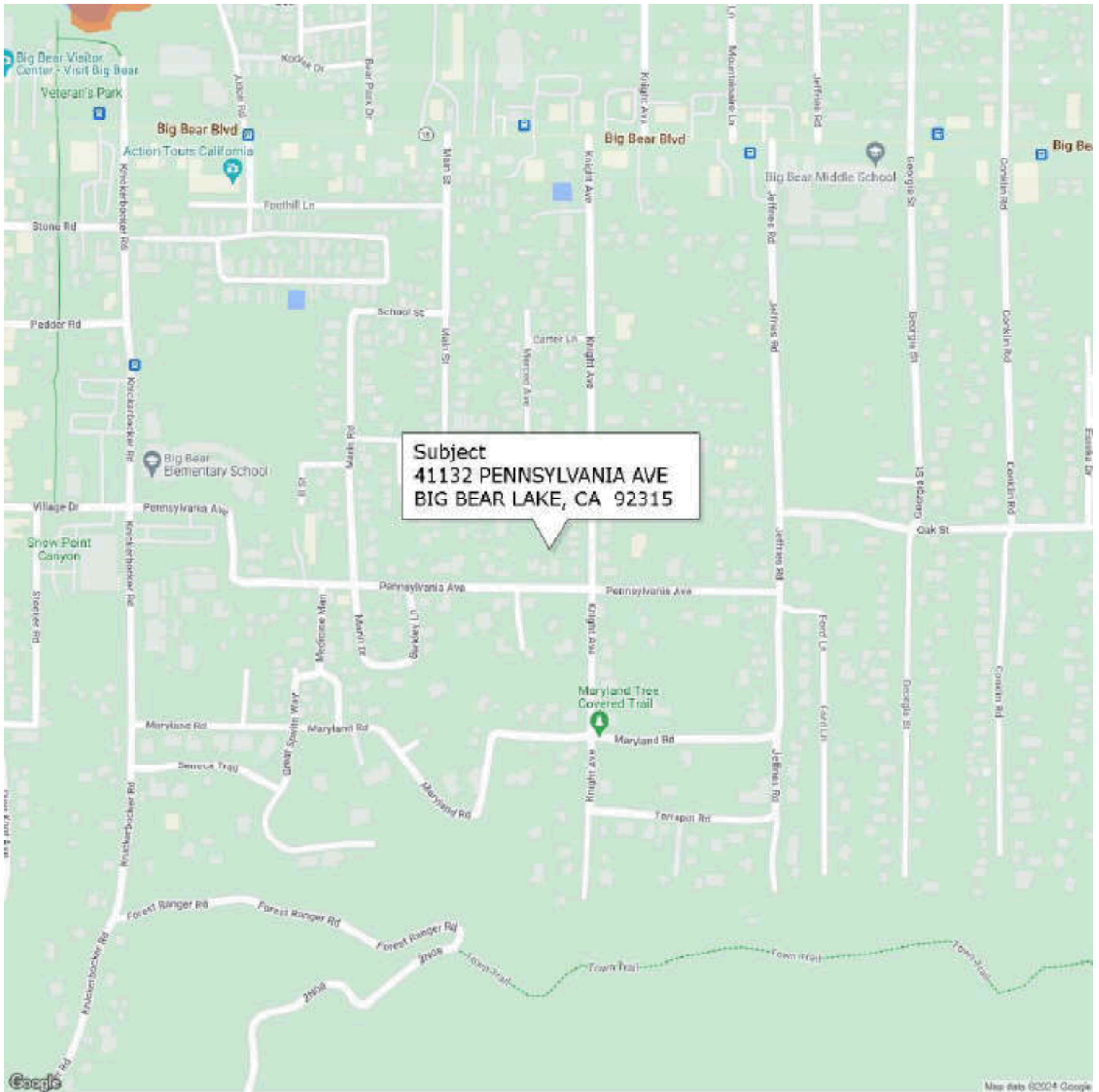
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Assessor's Map
Book 0309 Page 21
San Bernardino County

0308
24

FLOOD MAP

Borrower: Brian VerBurg	File No.: 41132 Pennsylvania Ave
Property Address: 41132 Pennsylvania Ave	Case No.: 002367
City: Big Bear Lake	State: CA
Lender: Premier Money Source, Inc.	Zip: 92315



FLOOD INFORMATION

Community: City of Big Bear Lake
 Property is NOT in a FEMA Special Flood Hazard Area
 Map Number: 06071C8007H
 Panel: 06071C8007
 Zone: X
 Map Date: 08-28-2008
 FIPS: 06071
 Source: FEMA DFIRM

LEGEND

-  = FEMA Special Flood Hazard Area – High Risk
-  = Moderate and Minimal Risk Areas
- Road View:
 -  = Forest
 -  = Water

Sky Flood™

No representations or warranties to any party concerning the content, accuracy or completeness of this flood report, including any warranty of merchantability or fitness for a particular purpose is implied or provided. Visual scaling factors differ between map layers and are separate from flood zone information at marker location. No liability is accepted to any third party for any use or misuse of this flood map or its data.

USPAP ADDENDUM

002367
File No. 41132 Pennsylvania Ave

Borrower: Brian VerBurg
 Property Address: 41132 Pennsylvania Ave
 City: Big Bear Lake County: San Bernardino State: CA Zip Code: 92315
 Lender: Premier Money Source, Inc.

Reasonable Exposure Time
 My opinion of a reasonable exposure time for the subject property at the market value stated in this report is: 0-90 days

Exposure time definition from 2020-2021 USPAP:
 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.

Opinion of reasonable Exposure Time: Based upon MLS research exposure tome for the subject is estimated at 1-90 days.


Additional Certifications

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** performed services, as an appraiser or in another capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment. Those services are described in the comments below.

I have no financial interest in this property or perceived conflict of interest that would preclude my objectivity on the valuation of this property.

Additional Comments

<p>APPRAISER:</p> <p>Signature: <u></u> Name: <u>Ryan Jefferson</u> Date Signed: <u>03/29/2024</u> State Certification #: <u>3006258</u> or State License #: _____ or Other (describe): _____ State #: _____ State: <u>CA</u> Expiration Date of Certification or License: <u>02/08/2026</u> Effective Date of Appraisal: <u>March 28, 2024</u></p>	<p>SUPERVISORY APPRAISER (only if required):</p> <p>Signature: _____ Name: _____ Date Signed: _____ State Certification #: _____ or State License #: _____ State: _____ Expiration Date of Certification or License: _____ Supervisory Appraiser inspection of Subject Property: <input type="checkbox"/> Did Not <input type="checkbox"/> Exterior-only from street <input type="checkbox"/> Interior and Exterior</p>
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Borrower: Brian VerBurg

File No.: 41132 Pennsylvania Ave

Property Address: 41132 Pennsylvania Ave

Case No.: 002367

City: Big Bear Lake

State: CA

Zip: 92315

Lender: Premier Money Source, Inc.



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

Ryan C. Jefferson

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: 3006258

Effective Date: February 9, 2022

Date Expires: February 8, 2024


Loretta Dillon, Deputy Bureau Chief, BREA

3062850

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

Borrower: Brian VerBurg	File No.: 41132 Pennsylvania Ave
Property Address: 41132 Pennsylvania Ave	Case No.: 002367
City: Big Bear Lake	State: CA Zip: 92315
Lender: Premier Money Source, Inc.	

HUDSON INSURANCE COMPANY

100 William Street, 5th Floor
New York, NY 10038

**REAL ESTATE APPRAISERS ERRORS AND OMISSIONS INSURANCE POLICY DECLARATIONS**

NOTICE: THIS IS A "CLAIMS MADE AND REPORTED" POLICY. THIS POLICY REQUIRES THAT A CLAIM BE MADE AGAINST THE INSURED DURING THE POLICY PERIOD AND REPORTED TO THE INSURER, IN WRITING, DURING THE POLICY PERIOD OR AUTOMATIC EXTENDED REPORTING PERIOD.

THIS POLICY MAY CONTAIN PROVISIONS WHICH LIMIT THE AMOUNT OF CLAIM EXPENSES THE INSURER IS RESPONSIBLE TO PAY IN CONNECTION WITH CLAIMS. CLAIM EXPENSES SHALL BE SUBJECT TO ANY DEDUCTIBLE AMOUNT. THE PAYMENT OF CLAIM EXPENSES WILL REDUCE THE LIMITS OF LIABILITY STATED IN ITEM 4. OF THE DECLARATIONS. PLEASE READ YOUR POLICY CAREFULLY.

PLEASE READ THIS POLICY CAREFULLY.

Policy Number: PRA-2AX-1016019 **Renewal of:** PRA-2AX-1008316

1. Named Insured: Ryan Charles Jefferson

2. Address: 736 E Newburgh St
Glendora, CA 91730

3. Policy Period: **From:** February 26, 2023 **To:** February 26, 2024

12:01 A.M. Standard Time at the address of the **Named Insured** as stated in Number 2 above

4. Limit of Liability	Each Claim	Policy Aggregate
Damages Limit of Liability	A. \$1,000,000	B. \$1,000,000
Claims Expense Limit of Liability	C. \$1,000,000	D. \$1,000,000

5. Deductible (Inclusive of Claims Expenses):

5A. \$500 Each Claim **5B. \$1,000** Aggregate

6. Policy Premium: \$680.00 **State Taxes/Surcharges:** \$0.00

7. Retroactive Date: February 26, 2021

8. Notice to Company: Notice of a **Claim** or Potential **Claim** should be sent to:

Hudson Insurance Group
100 William Street, 5th Floor
New York, NY 10038
Fax: 646-216-3786
Email: HUDSONCLAIMS300@HUDSONINSGROUP.COM

9. A. Program Administrator: Riverton Insurance Agency Corp.

B. Agent/Broker: OREP Insurance Services, LLC
(888) 347-5273

IN WITNESS WHEREOF, We have caused this policy to be executed by our President and our Corporate Secretary at New York, New York

President

Secretary