

INVOICE

FROM:

Son H. Nguyen
 P.O. Box 20201
 Fountain Valley, CA 92728

Telephone Number: _____ Fax Number: _____

INVOICE NUMBER
09-20061
DATE
05/28/2009

TO:

Bismark Mortgage
 10500 NE 8th St Suite 700
 Bellevue, WA 98004

Telephone Number: _____ Fax Number: _____
 Alternate Number: _____ E-Mail: _____

REFERENCE
Internal Order #:
Lender Case #:
Client File #:
Main File # on form: 09-20061
Other File # on form:
Federal Tax ID:
Employer ID:

Payments not received within 45 days of invoice are subject to a 15% late fee. The balance owed is not contingent upon a mortgage loan closure or the closing of any real estate transactions. Any orders placed by agents or loan officers under the auspices of the financial entity or brokerage including orders made with a company letterhead will deem the company liable for any services rendered.

DESCRIPTION

Lender: Bismark Mortgage	Client: Bismark Mortgage
Purchaser/Borrower: JOHNSTON	
Property Address: 3774 S Hobart Blvd	
City: Los Angeles	
County: Los Angeles	State: CA
Legal Description: Fenway Park Lot 55	Zip: 90018-4549

FEES	AMOUNT
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Full Report - URAR Form 1004	325.00
SUBTOTAL	325.00

PAYMENTS	AMOUNT
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Check #: _____ Date: _____ Description: Paid	325.00
Check #: _____ Date: _____ Description: _____	
Check #: _____ Date: _____ Description: _____	
SUBTOTAL	325.00

TOTAL DUE	\$ 0
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Please Return This Portion With Your Payment

FROM:

Bismark Mortgage
 10500 NE 8th St Suite 700
 Bellevue, WA 98004

Telephone Number: _____ Fax Number: _____
 Alternate Number: _____ E-Mail: _____

AMOUNT DUE: \$ _____
AMOUNT ENCLOSED: \$ _____

INVOICE NUMBER
09-20061
DATE
05/28/2009

TO:

Son H. Nguyen
 P.O. Box 20201
 Fountain Valley, CA 92728

REFERENCE
Internal Order #:
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Other File # on form:
Federal Tax ID:
Employer ID:

APPRAISAL OF REAL PROPERTY

LOCATED AT:

3774 S Hobart Blvd
Fenway Park Lot 55
Los Angeles, CA 90018-4549

FOR:

Bismark Mortgage
10500 NE 8th St Suite 700
Bellevue, WA 98004

AS OF:

05/27/2009

BY:

Son H. Nguyen

AppraisalsDirect
P.O. Box 20201
Fountain Valley, CA 92728

Uniform Residential Appraisal Report

File # 09-20061

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

SUBJECT

Property Address 3774 S Hobart Blvd City Los Angeles State CA Zip Code 90018-4549
 Borrower JOHNSTON Owner of Public Record JOHNSTON County Los Angeles
 Legal Description Fenway Park Lot 55
 Assessor's Parcel # 5036-007-034 Tax Year 2008 R.E. Taxes \$ 137.60
 Neighborhood Name n/a Map Reference 673/H2 Census Tract 2313.00
 Occupant Owner Tenant Vacant Special Assessments \$ 0.00 PUD HOA \$ 0 per year per month
 Property Rights Appraised Fee Simple Leasehold Other (describe)
 Assignment Type Purchase Transaction Refinance Transaction Other (describe) Construction Loan
 Lender/Client Bismark Mortgage Address 10500 NE 8th St Suite 700, Bellevue, WA 98004
 Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? Yes No
 Report data source(s) used, offering price(s), and date(s). (MLS) No listings were found within 12 months of effective date of appraisal.

CONTRACT

I did did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed. n/a
 Contract Price \$ Date of Contract Is the property seller the owner of public record? Yes No Data Source(s)
 Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? Yes No
 If Yes, report the total dollar amount and describe the items to be paid. n/a

NEIGHBORHOOD

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

Neighborhood Characteristics		One-Unit Housing Trends		One-Unit Housing		Present Land Use %	
Location <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural	Property Values <input type="checkbox"/> Increasing <input type="checkbox"/> Stable <input checked="" type="checkbox"/> Declining	PRICE	AGE	One-Unit	75 %		
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 type="checkbox"/> In Balance <input checked="" type="checkbox"/> Over Supply	\$ (000)	(yrs)	2-4 Unit	10 %		
Growth <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	Marketing Time <input type="checkbox"/> Under 3 mths <input type="checkbox"/> 3-6 mths <input checked="" type="checkbox"/> Over 6 mths	150	Low 1	Multi-Family	10 %		
Neighborhood Boundaries See attached location map for neighborhood boundaries..		400	High 100+	Commercial	5 %		
		250	Pred. 70	Other	%		

Neighborhood Description The subject is located in a conforming neighborhood consisting of predominately detached single family residences with average to good quality of construction, level of maintenance and condition. All employment centers, schools, and shopping facilities are within typical, market expected proximity.
 Market Conditions (including support for the above conclusions) Property values in this area tend to reflect a declining market. Supply is more than the demand. Conventional financing is increasingly more difficult in the current marketplace and more buyers are using FHA financing. According to current market data properties in the neighborhood have a 3-6 month marketing time when listed within 3 to 8% of the market value.
 Dimensions Please see attached platmap. Area 3,271 Sq.Ft. Shape Rectangular View None
 Specific Zoning Classification Lar1 Zoning Description Single Family Residence
 Zoning Compliance Legal Legal Nonconforming (Grandfathered Use) No Zoning Illegal (describe)
 Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? Yes No If No, describe

SITE

Utilities	Public	Other (describe)	Public	Other (describe)	Off-site Improvements - Type	Public	Private
Electricity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Water	<input checked="" type="checkbox"/>	Street Asphalt	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gas	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Sanitary Sewer	<input checked="" type="checkbox"/>	Alley None	<input type="checkbox"/>	<input type="checkbox"/>

FEMA Special Flood Hazard Area Yes No FEMA Flood Zone X500 FEMA Map # 060137 / 1620 F FEMA Map Date 09/26/2008
 Are the utilities and off-site improvements typical for the market area? Yes No If No, describe
 Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? Yes No If Yes, describe
 Subject site is a typical site in the market area with typical public utility easements. There are no apparent adverse easements, encroachment, or other adverse conditions.

IMPROVEMENTS

General Description	Foundation	Exterior Description	materials/condition	Interior	materials/condition
Units <input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input checked="" type="checkbox"/> Concrete Slab <input type="checkbox"/> Crawl Space	Foundation Walls	Concrete/ (A)	Floors	Pending
# of Stories 2	<input type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls	Pending	Walls	Pending
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Area 0 sq.ft.	Roof Surface	Pending	Trim/Finish	Pending
<input type="checkbox"/> Existing <input type="checkbox"/> Proposed <input checked="" type="checkbox"/> Under Const.	Basement Finish n/a %	Gutters & Downspouts	Pending	Bath Floor	Pending
Design (Style) Conventional	<input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type	Pending	Bath Wainscot	Pending
Year Built 2009	Evidence of <input type="checkbox"/> Infestation None	Storm Sash/Insulated	Pending	Car Storage	<input type="checkbox"/> None
Effective Age (Yrs) 1	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens	Pending	<input checked="" type="checkbox"/> Driveway # of Cars 2	
Attic <input type="checkbox"/> None	Heating <input type="checkbox"/> FWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant	Amenities	<input type="checkbox"/> Woodstove(s) #	Driveway Surface	Concrete
<input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs	<input type="checkbox"/> Other Fuel	<input type="checkbox"/> Fireplace(s) #	<input checked="" type="checkbox"/> Fence Wire	<input checked="" type="checkbox"/> Garage # of Cars 2 car	
<input type="checkbox"/> Floor <input checked="" type="checkbox"/> Scuttle	Cooling <input type="checkbox"/> Central Air Conditioning	<input type="checkbox"/> Patio/Deck	<input type="checkbox"/> Porch	<input type="checkbox"/> Carport # of Cars	
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input type="checkbox"/> Other	<input type="checkbox"/> Pool	<input type="checkbox"/> Other	<input type="checkbox"/> Att. <input type="checkbox"/> Det. <input checked="" type="checkbox"/> Built-in	

Appliances Refrigerator Range/Oven Dishwasher Disposal Microwave Washer/Dryer Other (describe)
 Finished area above grade contains: 10 Rooms 6 Bedrooms 4.00 Bath(s) 2,160 Square Feet of Gross Living Area Above Grade
 Additional features (special energy efficient items, etc.). None noted
 Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). The subject is a new construction with a planned square footage of approximately 2160sf with 6 bedrooms and 4 bathrooms.
 Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? Yes No If Yes, describe
 Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? Yes No If No, describe

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There are 10 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 250,000 to \$ 350,000 .

There are 40 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 200,000 to \$ 400,000 .

FEATURE	SUBJECT	COMPARABLE SALE # 1			COMPARABLE SALE # 2			COMPARABLE SALE # 3		
Address	3774 S Hobart Blvd Los Angeles	4011 Sutro Ave Los Angeles			3946 Dalton Ave Los Angeles			1071 Exposition Blvd Los Angeles		
Proximity to Subject		0.96 miles SW			0.37 miles SE			0.81 miles E		
Sale Price	\$	\$ 385,000			\$ 310,000			\$ 220,000		
Sale Price/Gross Liv. Area	\$ sq.ft.	\$ 204.79 sq.ft.			\$ 231.34 sq.ft.			\$ 227.27 sq.ft.		
Data Source(s)		DOC# 727335			DOC# 294077			DOC# 449976		
Verification Source(s)		NDC/MLS/Public Records			NDC/MLS/Public Records			NDC/MLS/Public Records		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	
Sales or Financing Concessions		DOM 46 REO		DOM 176 REO		DOM 54 REO				
Date of Sale/Time		05/18/2009		03/03/2009		03/30/2009				
Location	Traffic Noise	Average	-10,000	Average	-10,000	traffic noise				
Leasehold/Fee Simple	Fee Simple	Fee simple		Fee simple		Fee simple				
Site	3,271 Sq.Ft.	6,000 Sq.Ft.	-5,458	5400	-4,258	3100				
View	None	None		None		None				
Design (Style)	Conventional	Conventional		Conventional		Conventional				
Quality of Construction	Average	averea		Good		Average				
Actual Age	1	74 years	+10,950	97 years	+14,400	104	+15,450			
Condition	Good	Average	+10,000	Average	+10,000	Average	+10,000			
Above Grade Room Count	Total Bdrms. Baths	Total Bdrms. Baths		Total Bdrms. Baths		Total Bdrms. Baths				
	10 6 4.00	9 3 2.00	+10,000	6 2 1.00	+15,000	5 2 1	+15,000			
Gross Living Area	2,160 sq.ft.	1,880 sq.ft.	+7,000	1,340 sq.ft.	+20,500	968 sq.ft.	+29,800			
Basement & Finished Rooms Below Grade	0 n/a	0 n/a		0 n/a		0 n/a				
Functional Utility	Average	Average		Average		Average				
Heating/Cooling	Fau/Central	Comparable		Comparable		Comparable				
Energy Efficient Items	None	None		None		None				
Garage/Carport	2 car	2 Car garage		2 Car garage		None	+10,000			
Porch/Patio/Deck	Covered patio	Comparable		Comparable		Comparable				
Net Adjustment (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 22,492	<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 45,642	<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 80,250			
Adjusted Sale Price of Comparables		Net Adj. 5.8 % Gross Adj. 13.9 %	\$ 407,492	Net Adj. 14.7 % Gross Adj. 23.9 %	\$ 355,642	Net Adj. 36.5 % Gross Adj. 36.5 %	\$ 300,250			

SALES COMPARISON APPROACH

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

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

Data Source(s) NDC, Tax Records, MLS

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

Data Source(s) NDC, Tax Records, MLS

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

ITEM	SUBJECT	COMPARABLE SALE #1		COMPARABLE SALE #2		COMPARABLE SALE #3	
Date of Prior Sale/Transfer	03/09/1989	11/05/2008		02/22/2008		02/19/2008	
Price of Prior Sale/Transfer	500	85,000		244,593		496,968	
Data Source(s)	NDC/MLS/Public Records	NDC/MLS/Public Records		NDC/MLS/Public Records		NDC/MLS/ Public records	
Effective Date of Data Source(s)	Current	Current		Current		Current	

Analysis of prior sale or transfer history of the subject property and comparable sales Subject has not been sold or transferred within 36 months of the appraisal date.

Summary of Sales Comparison Approach Sales recited are from subject neighborhood and are in acceptable proximity to the subject. They are the most recent and most comparable found. All value affecting dissimilarities were adjusted according to market reaction, subtraction or paired analysis.

Comparables #1-8 are located within the subject's neighborhood and are the best available and considered supportive of the subject market value. The indicated range of values brackets the value of the subject.

Indicated Value by Sales Comparison Approach \$ 300,000

Indicated Value by: Sales Comparison Approach \$ 300,000 Cost Approach (if developed) \$ 309,202 Income Approach (if developed) \$ n/a

Market actions of buyers and sellers are best analyzed by the Sales Comparison Approach. That approach is given greatest weight in the reconciliation. The Cost Approach and the Income Approach were not used for the this report. .

RECONCILIATION

This appraisal is made "as is", subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair: This summary appraisal report is intended for use by the lender/client for a mortgage finance transaction only. This report is not intended for any other use.

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 \$ 300,000 , as of 05/27/2009 , which is the date of inspection and the effective date of this appraisal.

Uniform Residential Appraisal Report

File # 09-20061

ADDITIONAL COMMENTS

Purpose of Appraisal
 The purpose of the appraisal is to provide an opinion of market value of the subject property as defined in the report, on behalf of the appraisal company facilitating the assignment for the referenced lender/client as the intended user of the report. The only function of the appraisal is to assist the lender/client mentioned in this report in evaluating the subject property for lending purposes. The use of this appraisal by anyone other than the stated intended user, or for any other use than the stated intended use, is prohibited. The purpose of the appraisal is to provide an opinion of market value of the subject property, as defined in this report.

Intended use/Intended user
 This summary appraisal report is intended for use by the lender/client and/or their assigns for a mortgage finance transaction only. This report is not intended for any other use.

Scope of Report
 This appraisal is based on the information gathered by the appraiser from public records, other identified sources, inspection of the subject property and neighborhood, and selection of comparable sales, listings, and/or rentals within the subject's market area. The original source of the comparables is shown in the data source section of the market grid along with the source of confirmation if available. The original source is presented first. The sources and data believed to be unreliable was not included in the report nor used as a basis for the value conclusion. The extent of analysis applied to the assignment may be further imparted within the report, the appraiser's certification below and/or any other statement of limiting conditions and appraiser's certification such as may be utilized within the Freddie Mac form 439 or Fannie Mae for 1004 (Dated 03/05), when applicable.

Exposure Time/Marketing Time
 Exposure time, at the time of the estimated value, is considered to be less than 3 months. This is typical to the subject's neighborhood and market area. Exposure time is directly associated with the appraised value and it is considered to be prior to the effective date of the appraisal. Marketing time is also estimated at less than 3 months, but is considered after the appraisal date. These estimates are based upon the comparables performance as well as typical marketing time evidenced by the interviews of market participants and an analysis of listing to closing dates indicated in MLS for the market area. Exposure time relates the probable time the subject would likely have been exposed to the market to sell at its market value. Market time reflects the probable time the subject will need to be exposed to the market in order to sell at the market value.

Site Comments
 Due to incomplete and sometimes inaccurate flood data information available to the appraiser, it is recommended that the required lender flood certification is relied upon. It is assumed for the purpose of valuation, that the subject property is not in a flood zone, however, no warranties are implied. No adverse easements (normal public utility easements exist), encroachments or other conditions were noted. No soil subsidence or other visible problems were evident, including adverse environmental conditions. However, it should be noted that the appraiser is not a qualified expert in these fields and can not render a professional opinion on this matter, no warranties implied.

Sales Comparison
 The market adjustments are based upon the market, and as such, may differ from actual cost. All of the comparables are considered to be competing properties within the same market and were selected to "range in" the subject value. The appraiser made an extensive search for the best available similar properties to the best represent the subject's most probable market value at the time of appraisal. The appraiser searched the local multiple listings and public records for recent sales. Adjustments were made to the comparables in order to isolate the actual contributory value of each item.

Cash Equivalency
 Unless otherwise stated in this report. All sales are considered cash equivalent. All comparable sales were financed through local mortgage lenders at market rates, and do not appear to have special conditions of sale.

COST APPROACH

COST APPROACH TO VALUE (not required by Fannie Mae)

Provide adequate information for the lender/client to replicate the below cost figures and calculations.
 Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value)

ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input checked="" type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE	= \$	75,000
Source of cost data	DWELLING 2,160 Sq.Ft. @ \$ 110.00	= \$	237,600
Quality rating from cost service Effective date of cost data	0 Sq.Ft. @ \$	= \$	
Comments on Cost Approach (gross living area calculations, depreciation, etc.)	Garage/Carport 360 Sq.Ft. @ \$	= \$	
	Total Estimate of Cost-New	= \$	237,600
	Less Physical Functional External		
	Depreciation 3,398	= \$(3,398)
	Depreciated Cost of Improvements	= \$	234,202
	"As-is" Value of Site Improvements	= \$	
Estimated Remaining Economic Life (HUD and VA only) 69 Years	INDICATED VALUE BY COST APPROACH	= \$	309,202

INCOME

INCOME APPROACH TO VALUE (not required by Fannie Mae)

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

PUD INFORMATION

PROJECT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowners' Association (HOA)? Yes No Unit type(s) Detached Attached
 Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.

Legal Name of Project

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

Was the project created by the conversion of existing building(s) into a PUD? Yes No If Yes, date of conversion.
 Does the project contain any multi-dwelling units? Yes No Data Source
 Are the units, common elements, and recreation facilities complete? Yes No If No, describe the status of completion.
 Are the common elements leased to or by the Homeowners' Association? Yes No If Yes, describe the rental terms and options.
 Describe common elements and recreational facilities.

Uniform Residential Appraisal Report

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

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

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

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

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

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

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

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

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

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

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

Uniform Residential Appraisal Report

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

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

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

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

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

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

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

APPRAISER

Signature _____
 Name Son H. Nguyen
 Company Name _____
 Company Address P.O. Box 20201, Fountain Valley, CA 92728
 Telephone Number (714) 754-7405
 Email Address son@appraisalsdirect.net
 Date of Signature and Report June 15, 2009
 Effective Date of Appraisal 05/27/2009
 State Certification # AR033613
 or State License # _____
 or Other (describe) _____ State # _____
 State CA
 Expiration Date of Certification or License 4/6/2010

ADDRESS OF PROPERTY APPRAISED
3774 S Hobart Blvd
Los Angeles, CA 90018-4549

APPRAISED VALUE OF SUBJECT PROPERTY \$ 300,000

LENDER/CLIENT

Name _____
 Company Name Bismark Mortgage
 Company Address 10500 NE 8th St Suite 700, Bellevue, WA 98004
 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 _____

Uniform Residential Appraisal Report

File # 09-20061

FEATURE	SUBJECT	COMPARABLE SALE # 4			COMPARABLE SALE # 5			COMPARABLE SALE # 6		
Address	3774 S Hobart Blvd Los Angeles	1133 W 41st St Los Angeles			1734 Leighton Ave Los Angeles			6825 S Western Ave Los Angeles		
Proximity to Subject		0.94 miles SE			0.39 miles SW			2.75 miles S		
Sale Price	\$	\$ 300,000			\$ 280,000			\$ 269,900		
Sale Price/Gross Liv. Area	\$ sq.ft.	\$ 131.58 sq.ft.			\$ 195.53 sq.ft.			\$ 124.95 sq.ft.		
Data Source(s)		DOC# 499333			DOC# 424917			MLS#R902654		
Verification Source(s)		APN# 5020-018-013			NDC/MLS/Public Records			NDC/MLS/Public Records		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment		DESCRIPTION	+(-) \$ Adjustment		DESCRIPTION	+(-) \$ Adjustment	
Sales or Financing Concessions		DOM 26 short sale			DOM 233 short sale			DOM 18 REO		
Date of Sale/Time		04/07/2009			03/25/2009			pending sale		
Location	Traffic Noise	Average	-10,000		Average	-10,000		traffic noise		
Leasehold/Fee Simple	Fee Simple	Fee simple			Fee simple			Fee simple		
Site	3,271 Sq.Ft.	6,350 Sq.Ft.	-6,158		5934	-5,326		2,876		
View	None	None			None			None		
Design (Style)	Conventional	Conventional			Conventional			Conventional		
Quality of Construction	Average	Average			Average			Average		
Actual Age	1	99 years	+14,700		85	+12,600		2		
Condition	Good	Average	+10,000		Average	+10,000		Good		
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths			Total Bdrms. Baths			Total Bdrms. Baths		
Room Count	10 6 4.00	9 4 3.00	+5,000		6 3 2	+10,000		8 4 3	+5,000	
Gross Living Area	2,160 sq.ft.	2,280 sq.ft.	-3,000		1,432 sq.ft.	+18,200		2,160 sq.ft.		
Basement & Finished Rooms Below Grade	0 n/a	0 n/a			0 n/a			0 n/a		
Functional Utility	Average	Average			Average			Average		
Heating/Cooling	Fau/Central	Comparable			Comparable			Comparable		
Energy Efficient Items	None	None			None			None		
Garage/Carport	2 car	2 Car garage			2 Car garage			2 Car garage		
Porch/Patio/Deck	Covered patio	Comparable			Comparable			Comparable		
Net Adjustment (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 10,542		<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 35,474		<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 5,000	
Adjusted Sale Price of Comparables		Net Adj. 3.5 % Gross Adj. 16.3 %	\$ 310,542		Net Adj. 12.7 % Gross Adj. 23.6 %	\$ 315,474		Net Adj. 1.9 % Gross Adj. 1.9 %	\$ 274,900	
Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).										
ITEM	SUBJECT		COMPARABLE SALE # 4		COMPARABLE SALE # 5		COMPARABLE SALE # 6			
Date of Prior Sale/Transfer	03/09/1989		08/17/2006		09/09/2008		08/07/2007			
Price of Prior Sale/Transfer	500		540,000		372,600		520,000			
Data Source(s)	NDC/MLS/Public Records		NDC/MLS/Public Records		NDC/MLS/Public Records		NDC/MLS/Public Records			
Effective Date of Data Source(s)	Current		Current		Current		Current			
Analysis of prior sale or transfer history of the subject property and comparable sales										
Analysis/Comments										

Uniform Residential Appraisal Report

File # 09-20061

FEATURE	SUBJECT	COMPARABLE SALE # 7			COMPARABLE SALE # 8			COMPARABLE SALE # 9		
Address	3774 S Hobart Blvd Los Angeles	4726 Pickford St Los Angeles			6030 S Van Ness Ave Los Angeles					
Proximity to Subject		2.59 miles NW			2.31 miles S					
Sale Price	\$	\$ 325,000			\$ 280,000			\$		
Sale Price/Gross Liv. Area	\$ sq.ft.	\$ 197.45 sq.ft.			\$ 170.11 sq.ft.			\$ sq.ft.		
Data Source(s)		MLS#C09018172			MLS#08-306025					
Verification Source(s)		NDC/MLS/Public Records			NDC/MLS/Public Records					
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment		DESCRIPTION	+(-) \$ Adjustment		DESCRIPTION	+(-) \$ Adjustment	
Sales or Financing Concessions		DOM 21 short sale			DOM 210 short sale					
Date of Sale/Time		pending sale			active listing					
Location	Traffic Noise	Average	-10,000		traffic noise					
Leasehold/Fee Simple	Fee Simple	Fee simple			Fee simple					
Site	3,271 Sq.Ft.	3789	-1,036		5227	-3,912				
View	None	None			None					
Design (Style)	Conventional	Conventional			Conventional					
Quality of Construction	Average	Average			Average					
Actual Age	1	6			14	+1,950				
Condition	Good	Good			Good					
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths			Total Bdrms. Baths			Total Bdrms. Baths		
Room Count	10 6 4.00	8 4 3	+10,000		8 4 2	+10,000				
Gross Living Area	2,160 sq.ft.	1,646 sq.ft.	+12,850		1,646 sq.ft.	+12,850			sq.ft.	
Basement & Finished Rooms Below Grade	0 n/a	0 n/a			0 n/a					
Functional Utility	Average	Average			Average					
Heating/Cooling	Fau/Central	Comparable			Comparable					
Energy Efficient Items	None	None			None					
Garage/Carport	2 car	2 Car garage			2 Car garage					
Porch/Patio/Deck	Covered patio	Comparable			Comparable					
Net Adjustment (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 11,814		<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 20,888		<input type="checkbox"/> + <input type="checkbox"/> -	\$	
Adjusted Sale Price of Comparables		Net Adj. 3.6 %			Net Adj. 7.5 %			Net Adj. %		
		Gross Adj. 10.4 %	\$ 336,814		Gross Adj. 10.3 %	\$ 300,888		Gross Adj. %	\$	
Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).										
ITEM	SUBJECT		COMPARABLE SALE # 7		COMPARABLE SALE # 8		COMPARABLE SALE # 9			
Date of Prior Sale/Transfer	03/09/1989		12/20/2007		n/a					
Price of Prior Sale/Transfer	500		\$770,000							
Data Source(s)	NDC/MLS/Public Records		NDC/MLS/Public Records		NDC/MLS/Public Records					
Effective Date of Data Source(s)	Current		Current		Current					
Analysis of prior sale or transfer history of the subject property and comparable sales										
Analysis/Comments										

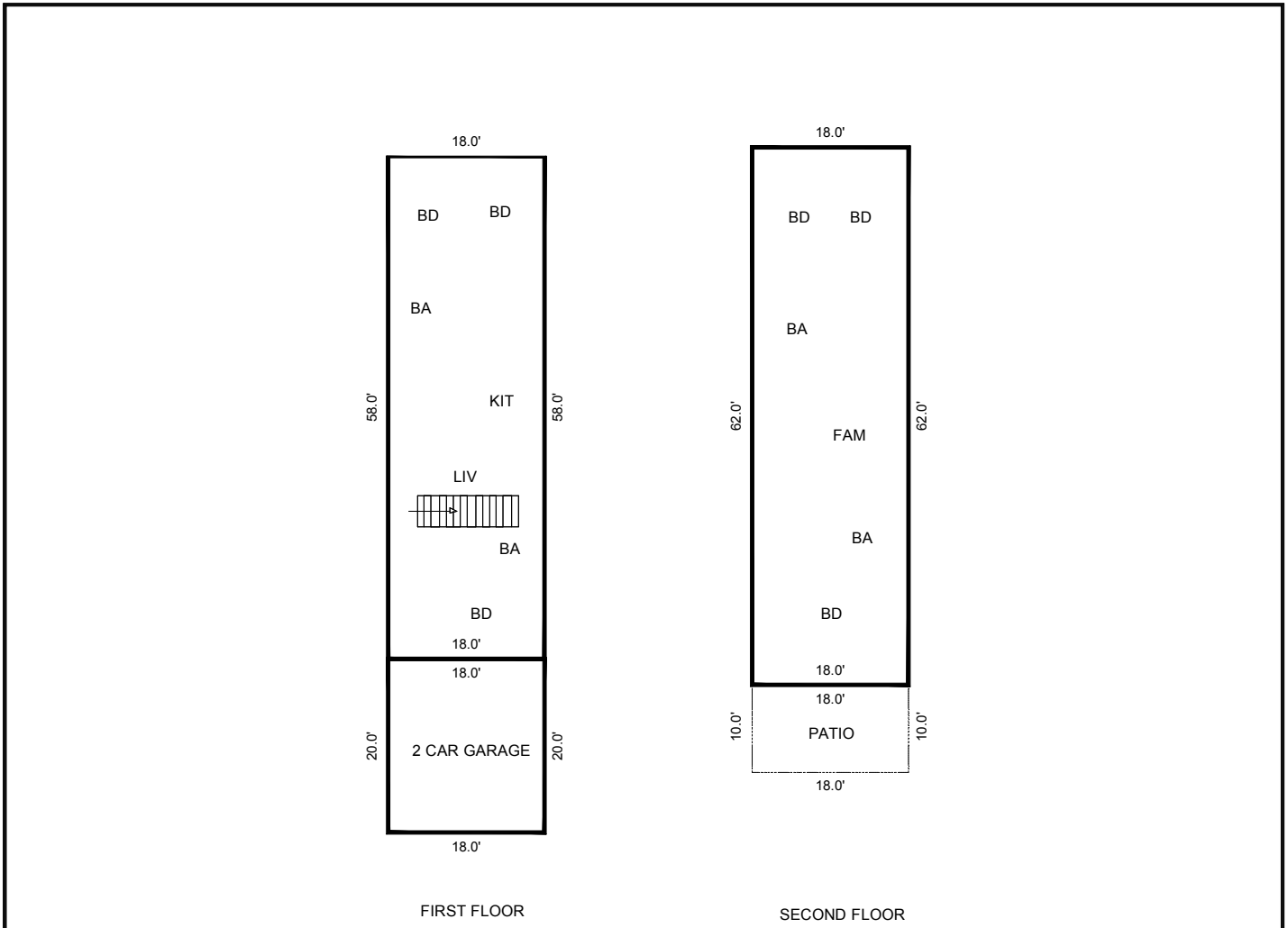
SALES COMPARISON APPROACH

SALE HISTORY

ANALYSIS / COMMENTS

Building Sketch

Borrower/Client	JOHNSTON		
Property Address	3774 S Hobart Blvd		
City	Los Angeles	County Los Angeles	State CA Zip Code 90018-4549
Lender	Bismark Mortgage		



Sketch by Apex IV™

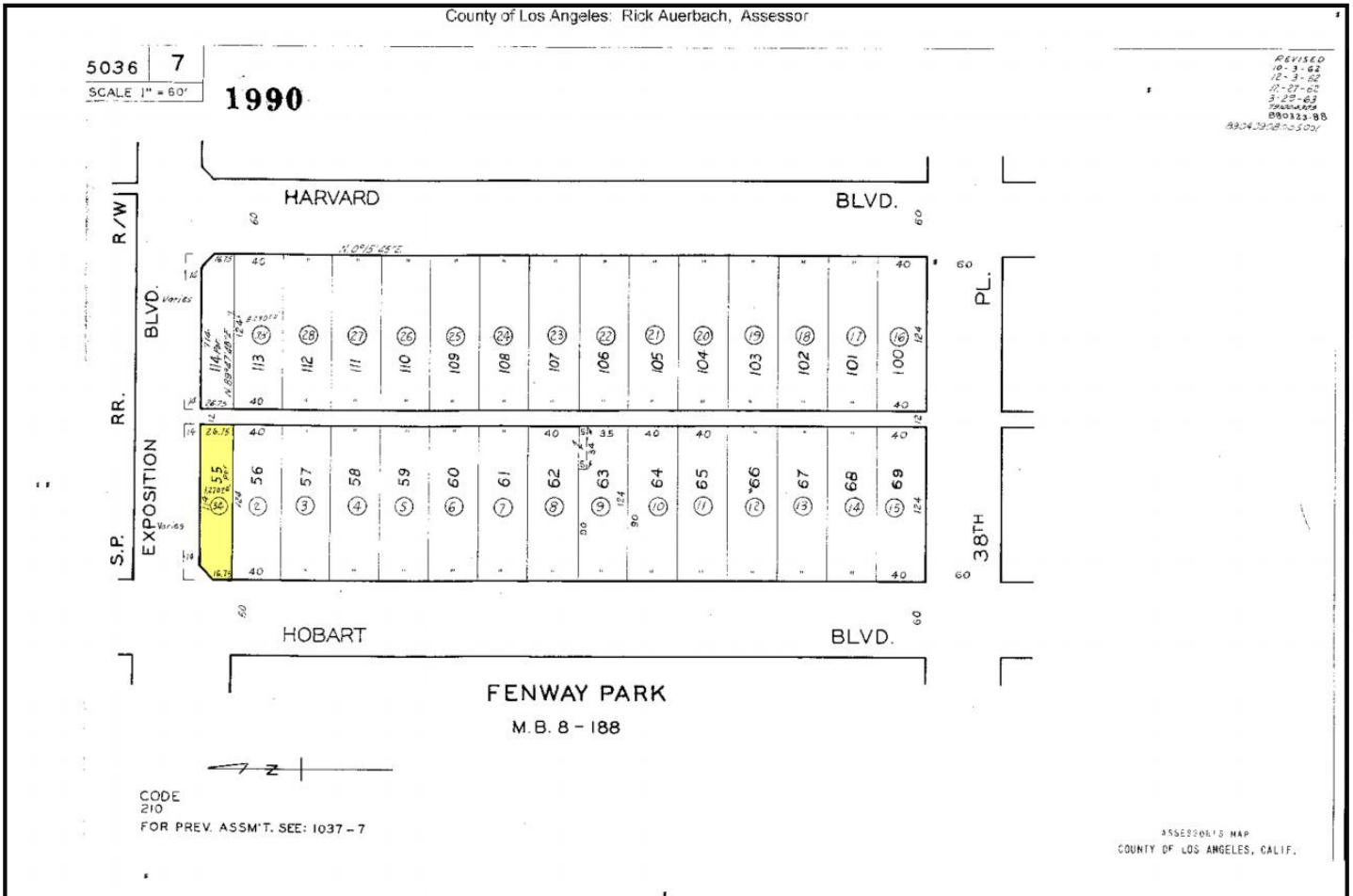
Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	1044.0	1044.0
GLA2	Second Floor	1116.0	1116.0
P/P	Porch	180.0	180.0
GAR	Garage	360.0	360.0
Net LIVABLE Area		(Rounded)	2160

LIVING AREA BREAKDOWN		
Breakdown	Subtotals	
First Floor	18.0 x 58.0	1044.0
Second Floor	18.0 x 62.0	1116.0
2 Items	(Rounded)	2160

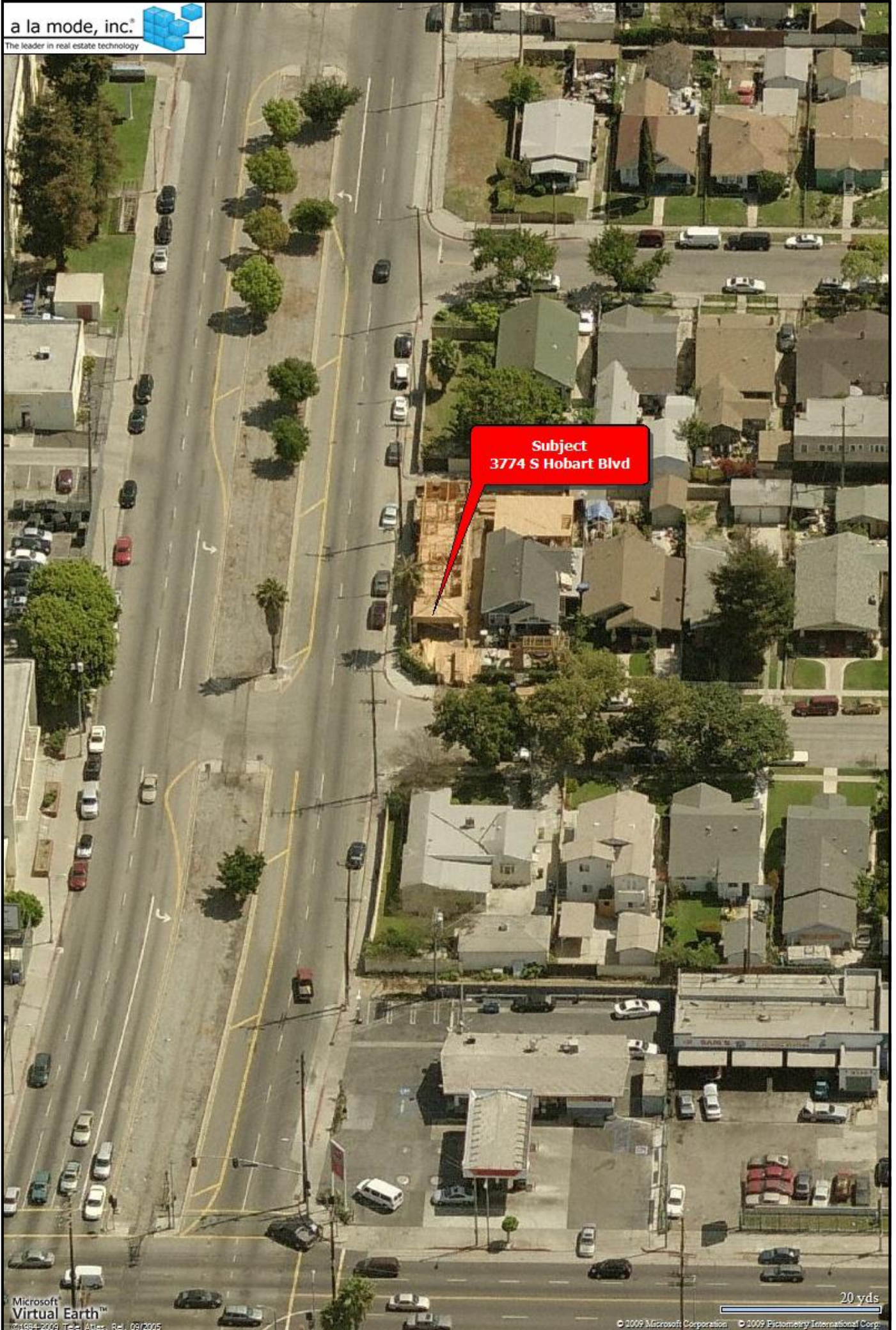
Plat Map

Borrower/Client	JOHNSTON			
Property Address	3774 S Hobart Blvd			
City	Los Angeles	County	Los Angeles	State CA Zip Code 90018-4549
Lender	Bismark Mortgage			



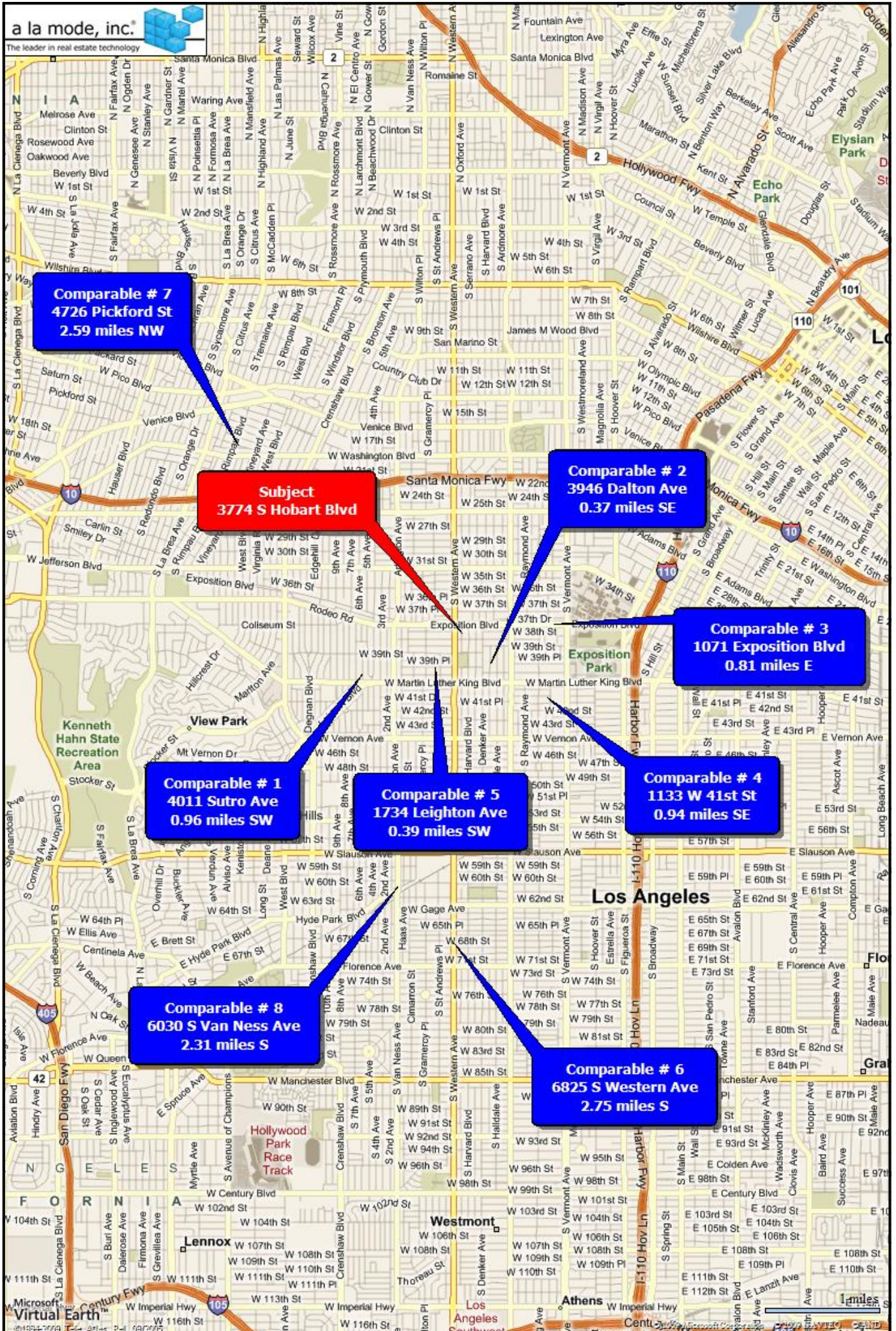
Location Map

Borrower/Client	JOHNSTON						
Property Address	3774 S Hobart Blvd						
City	Los Angeles	County	Los Angeles	State	CA	Zip Code	90018-4549
Lender	Bismark Mortgage						



Location Map

Borrower/Client	JOHNSTON			
Property Address	3774 S Hobart Blvd			
City	Los Angeles	County	Los Angeles	State CA Zip Code 90018-4549
Lender	Bismark Mortgage			



Subject Photo Page

Borrower/Client	JOHNSTON			
Property Address	3774 S Hobart Blvd			
City	Los Angeles	County Los Angeles	State CA	Zip Code 90018-4549
Lender	Bismark Mortgage			



Subject Front

3774 S Hobart Blvd
 Sales Price
 Gross Living Area 2,160
 Total Rooms 10
 Total Bedrooms 6
 Total Bathrooms 4.00
 Location Traffic Noise
 View None
 Site 3,271 Sq.Ft.
 Quality Average
 Age 1



Subject Rear



Subject Street

PHOTOGRAPH ADDENDUM

Borrower/Client	JOHNSTON				
Property Address	3774 S Hobart Blvd				
City	Los Angeles	County	Los Angeles	State	CA Zip Code 90018-4549
Lender	Bismark Mortgage				



Alternate Front



Subject Side



Alternate Rear

Comparable Photo Page

Borrower/Client	JOHNSTON						
Property Address	3774 S Hobart Blvd						
City	Los Angeles	County	Los Angeles	State	CA	Zip Code	90018-4549
Lender	Bismark Mortgage						

**Comparable 1**

4011 Sutro Ave	
Prox. to Subject	0.96 miles SW
Sale Price	385,000
Gross Living Area	1,880
Total Rooms	9
Total Bedrooms	3
Total Bathrooms	2.00
Location	Average
View	None
Site	6,000 Sq.Ft.
Quality	average
Age	74 years

**Comparable 2**

3946 Dalton Ave	
Prox. to Subject	0.37 miles SE
Sale Price	310,000
Gross Living Area	1,340
Total Rooms	6
Total Bedrooms	2
Total Bathrooms	1.00
Location	Average
View	None
Site	5400
Quality	Good
Age	97 years

**Comparable 3**

1071 Exposition Blvd	
Prox. to Subject	0.81 miles E
Sale Price	220,000
Gross Living Area	968
Total Rooms	5
Total Bedrooms	2
Total Bathrooms	1
Location	traffic noise
View	None
Site	3100
Quality	Average
Age	104

Comparable Photo Page

Borrower/Client	JOHNSTON						
Property Address	3774 S Hobart Blvd						
City	Los Angeles	County	Los Angeles	State	CA	Zip Code	90018-4549
Lender	Bismark Mortgage						

**Comparable 4**

1133 W 41st St	
Prox. to Subject	0.94 miles SE
Sale Price	300,000
Gross Living Area	2,280
Total Rooms	9
Total Bedrooms	4
Total Bathrooms	3.00
Location	Average
View	None
Site	6,350 Sq.Ft.
Quality	Average
Age	99 years

**Comparable 5**

1734 Leighton Ave	
Prox. to Subject	0.39 miles SW
Sale Price	280,000
Gross Living Area	1,432
Total Rooms	6
Total Bedrooms	3
Total Bathrooms	2
Location	Average
View	None
Site	5934
Quality	Average
Age	85

**Comparable 6**

6825 S Western Ave	
Prox. to Subject	2.75 miles S
Sale Price	269,900
Gross Living Area	2,160
Total Rooms	8
Total Bedrooms	4
Total Bathrooms	3
Location	traffic noise
View	None
Site	2,876
Quality	Average
Age	2

Comparable Photo Page

Borrower/Client	JOHNSTON						
Property Address	3774 S Hobart Blvd						
City	Los Angeles	County	Los Angeles	State	CA	Zip Code	90018-4549
Lender	Bismark Mortgage						



Comparable 7

4726 Pickford St
 Prox. to Subject 2.59 miles NW
 Sales Price 325,000
 Gross Living Area 1,646
 Total Rooms 8
 Total Bedrooms 4
 Total Bathrooms 3
 Location Average
 View None
 Site 3789
 Quality Average
 Age 6



Comparable 8

6030 S Van Ness Ave
 Prox. to Subject 2.31 miles S
 Sales Price 280,000
 Gross Living Area 1,646
 Total Rooms 8
 Total Bedrooms 4
 Total Bathrooms 2
 Location traffic noise
 View None
 Site 5227
 Quality Average
 Age 14

Comparable 9

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

License and E & O Insurance

Borrower/Client	JOHNSTON				
Property Address	3774 S Hobart Blvd				
City	Los Angeles	County	Los Angeles	State	CA
Lender	Bismark Mortgage				
				Zip Code	90018-4549

