

LAND APPRAISAL REPORT

IDENTIFICATION

Owner Jennifer Hance Census Tract 0170.21 Map Reference 1190-H1
 Property Address North side Pebble Canyon Dr.
 City Poway County San Diego State CA Zip Code 92064
 Legal Description Not Available
 Sale Price \$ N/A Date of Sale N/A Property Rights Appraised Fee Leasehold De Minimis PUD
 Actual Real Estate Taxes \$ 851 (yr) Loan Charges to be paid by seller \$ N/A Other Sales Concessions N/A
 Client Federal Home Loans Corp. Address 5540 Ruffin Road, San Diego, CA 92123
 Occupant N/A Appraiser Ronald E. Tebbetts, CREA Instructions to Appraiser Appraisal purpose is for market value
 Intended User Federal Home Loans Corp. Intended Use Market value for lending purposes

NEIGHBORHOOD

Location	<input type="checkbox"/> Urban	<input checked="" type="checkbox"/> Suburban	<input type="checkbox"/> Rural	Good	Avg.	Fair	Poor
Built Up	<input checked="" type="checkbox"/> Over 75%	<input type="checkbox"/> 25% to 75%	<input type="checkbox"/> Under 25%	Employment Stability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Growth Rate	<input type="checkbox"/> Fully Dev.	<input type="checkbox"/> Rapid	<input type="checkbox"/> Steady	<input checked="" type="checkbox"/> Slow	Convenience to Employment	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Property Values	<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Declining	Convenience to Shopping	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Demand/Supply	<input type="checkbox"/> Shortage	<input checked="" type="checkbox"/> In Balance	<input type="checkbox"/> Oversupply	Convenience to Schools	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Marketing Time	<input type="checkbox"/> Under 3 Mos.	<input type="checkbox"/> 4-6 Mos.	<input checked="" type="checkbox"/> Over 6 Mos.	Adequacy of Public Transportation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Present Land Use	<u>90</u> %1 Family	<u> </u> %2-4 Family	<u> </u> % Apts	<u>5</u> % Condo	<u> </u> % Commercial	Recreational Facilities	<input type="checkbox"/>
Change In Present Land Use	<input checked="" type="checkbox"/> Not Likely	<input type="checkbox"/> Likely(*)	<input type="checkbox"/> Taking Place (*)	Adequacy of Utilities	Property of Compatibility	Protection from Detrimental Conditions	<input type="checkbox"/>
Predominate Occupancy	<input checked="" type="checkbox"/> Owner	<input type="checkbox"/> Tenant	<u> </u> % Vacant	Police and Fire Protection	General Appearance of Properties	Appeal to Market	<input type="checkbox"/>
Single Family Price Range	\$ <u>275,000</u> to \$ <u>1,425,000</u>	Predominant Value	\$ <u>550,000</u>	Single Family Age	<u>10</u> yrs to <u>50</u> yrs.	Predominant Age	<u>30</u> yrs

Comments including those factors, favorable or unfavorable, affecting marketability (e.g. public parks, schools, view, noise): The property is located in an established residential neighborhood. The property is vacant residential land. APN 321-230-65

SITE

Dimensions 100 x 200 = 20,000 SqFt Corner Lot
 Zoning Classification RS-2 Residential allowing for 2 units per acre. Present Improvements do do not conform to zoning regulations
 Highest and best use Present use Other (specify) hold for future development
 Elec. Public Other (Describe) OFF SITE IMPROVEMENTS Topo Slight slope
 Gas Street Access Public Private Size Typical
 Water Surface Asphalt Shape Rectangular
 San. Sewer Maintenance Public Private View None
 Underground Elect. & Tel. Storm Sewer Curb/Gutter Drainage Assumed adequate
 Sidewalk Street Lights **Is the property located in a HUD identified Special Flood Hazard Area?** No Yes
 Comments (favorable or unfavorable including any apparent adverse easements, encroachments or other adverse conditions): None

The undersigned has recited three recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description includes a dollar adjustment reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to or more favorable than the subject property, a minus (-) adjustment is made thus reducing the indicated value of subject; if a significant item in the comparable is inferior to or less favorable than the subject property, a plus (+) adjustment is made thus increasing the indicated value of the subject.
 For the Market Data Analysis See grid below See narrative attachment

	SUBJECT PROPERTY	COMPARABLE NO.1	COMPARABLE NO.2	COMPARABLE NO.3
Address	<u>North side Pebble Canyon Dr. Poway, CA 92064</u>	<u>NL of Pebble Canyon Poway, CA 92064</u>	<u>17660 Saint Andrews Poway, CA 92064</u>	<u>13034 Carriage Rd. Poway, CA 92064</u>
Proximity to Subject		<u>adjacent</u>	<u>3.8 miles northwest</u>	<u>2.8 miles southwest</u>
Sales Price	\$ <u>N/A</u>	\$ <u>290,000</u>	\$ <u>360,000</u>	\$ <u>290,000</u>
Price / acre	\$ <u>N/A</u>	\$	\$	\$
Data Source	<u>Per inspection</u>	<u>MLS #076002419 Public Record</u>	<u>MLS #090000943 Public Record</u>	<u>MLS #086034831</u>
Date of Sale and Time Adjustment	<u>DESCRIPTION</u>	<u>DESCRIPTION</u> ^{+(-)\$} Adjustment	<u>DESCRIPTION</u> ^{+(-)\$} Adjustment	<u>DESCRIPTION</u> ^{+(-)\$} Adjustment
Location	<u>Average</u>	<u>Similar</u>	<u>Superior</u>	<u>Similar</u>
Site/View	<u>20,000 SqFt</u>	<u>20,000</u>	<u>22,702 - golf</u>	<u>17,424</u>
corner	<u>no</u>	<u>no</u>	<u>no</u>	<u>no</u>
Offsites	<u>existing</u>	<u>similar</u>	<u>similar</u>	<u>similar</u>
topography	<u>slight slope</u>	<u>similar</u>	<u>similar</u>	<u>similar</u>
Zoning	<u>RS-2</u>	<u>similar</u>	<u>similar</u>	<u>superior</u>
Sales or Financing Concessions	<u>N/A</u>	<u>conventional</u>	<u>conventional</u>	<u>conventional</u>
Net Adj.(Total)		<input type="checkbox"/> Plus <input checked="" type="checkbox"/> Minus \$ <u>-78,000</u>	<input type="checkbox"/> Plus <input checked="" type="checkbox"/> Minus \$ <u>-150,000</u>	<input type="checkbox"/> Plus <input checked="" type="checkbox"/> Minus \$ <u>-79,000</u>
Indicated Value of Subject		<u>Net=-27%</u> <u>Gross=27%</u> \$ <u>212,000</u>	<u>Net=-42%</u> <u>Gross=42%</u> \$ <u>210,000</u>	<u>Net=-27%</u> <u>Gross=27%</u> \$ <u>211,000</u>

Comments on Market Data There have been no recent sales of residential land in the immediate neighborhood due to the built-out nature. I looked at the zip codes of 92064 for sales and discovered only those shown above. The residential market for single family homes has declined steadily since the oldest sale in February 2007. This sale was adjusted downward 27% for the declining market conditions. Sale 3 is a pending sale which was reduced 10% for a probable discount from the asking price.

RECONCILIATION

Comments and Conditions of Appraisal: None

Final Reconciliation: I reconciled to a value giving the most weight to Sale 1 which is adjacent to the subject.

I ESTIMATE THE MARKET VALUE, AS DEFINED, OF SUBJECT PROPERTY AS OF September 28, 2009 to be \$ 210,000

This appraisal report is subject to the scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment.

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 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.

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

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

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

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
3. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
4. The appraiser has noted in this appraisal report any adverse conditions (such as 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 deficiencies or adverse conditions of the property (such as, but not limited to, 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.

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

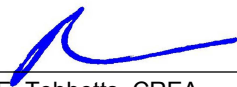
1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a complete visual inspection of the subject property.
3. I performed this appraisal in accordance with the requirements of the Uniform Standards 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 reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
9. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale of the subject property.
10. I have knowledge and experience in appraising this type of property in this market area.
11. 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.
12. 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.
13. 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, 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.
14. 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.
15. 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.
16. 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.
17. 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.
18. 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.
19. I identified the client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.
20. I am aware that any disclosure or distribution of this appraisal report by me or the 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.

21. 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.

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 Ronald E. Tebbetts, CREA

Company Name Tebbetts Appraisal Service, Inc.

Company Address 7097 Heron Circle
Carlsbad, CA 92011

Telephone Number _____

Email Address _____

Date of Signature and Report September 30, 2009

Effective Date of Appraisal September 28, 2009

State Certification # AG002672

or State License # _____

or Other (describe) _____ State # _____

State CA

Expiration Date of Certification or License 1/26/10

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature _____

Name _____

Company Name _____

Company Address _____

Telephone Number _____

Email Address _____

Date of Signature _____

State Certification # _____

or State License # _____

State CA

Expiration Date of Certification or License _____

ADDRESS OF PROPERTY APPRAISED

North side Pebble Canyon Dr.
Poway, CA 92064

APPRAISED VALUE OF SUBJECT PROPERTY \$ 210,000

CLIENT

Name _____

Company Name Federal Home Loans Corp.

Company Address 5540 Ruffin Road
San Diego, CA 92123

Email Address _____

SUBJECT PROPERTY

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

COMPARABLE SALES

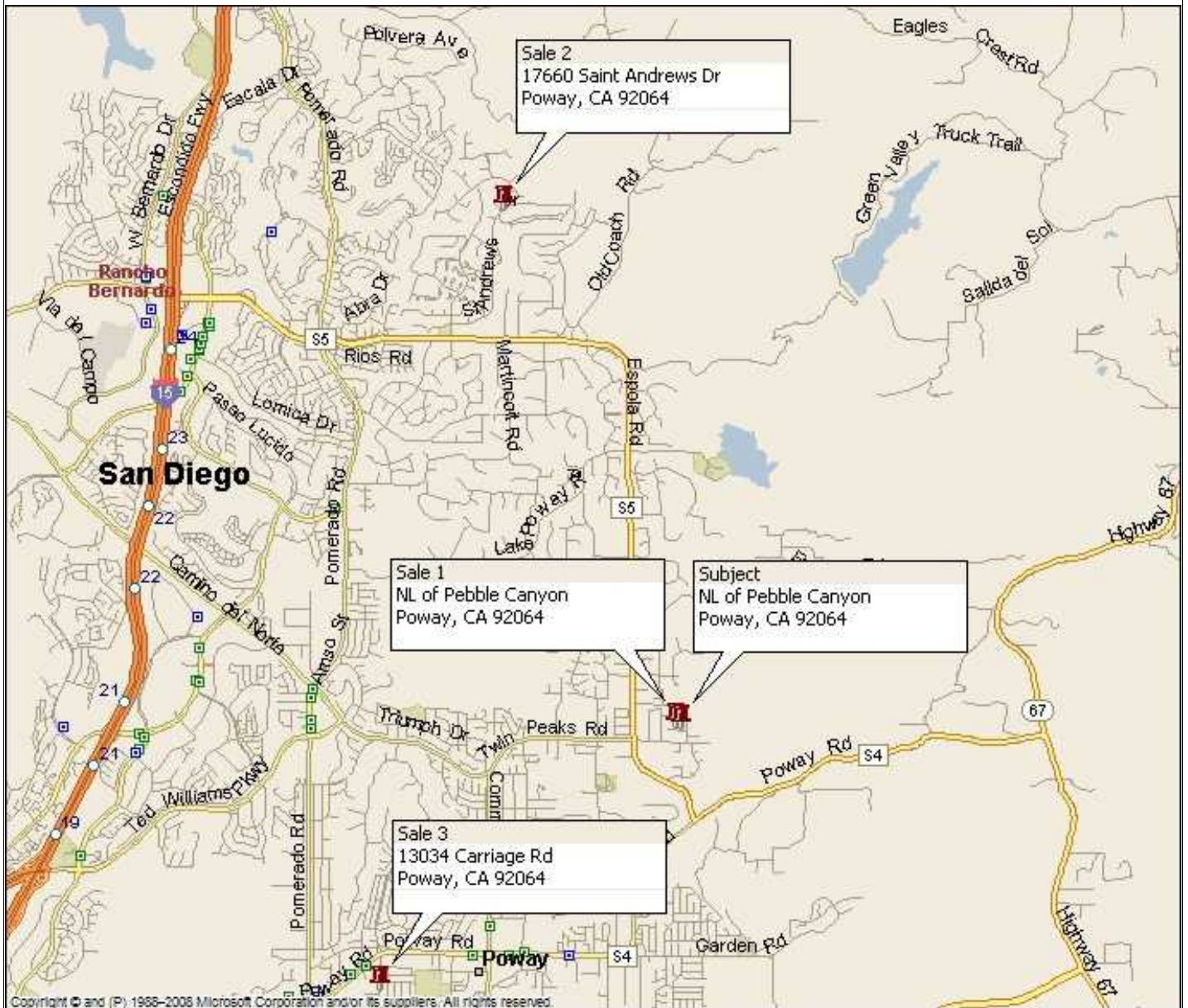
- Did not inspect exterior of comparable sales from street
- Did inspect exterior of comparable sales from street
Date of Inspection _____

Borrower Jennifer Hance

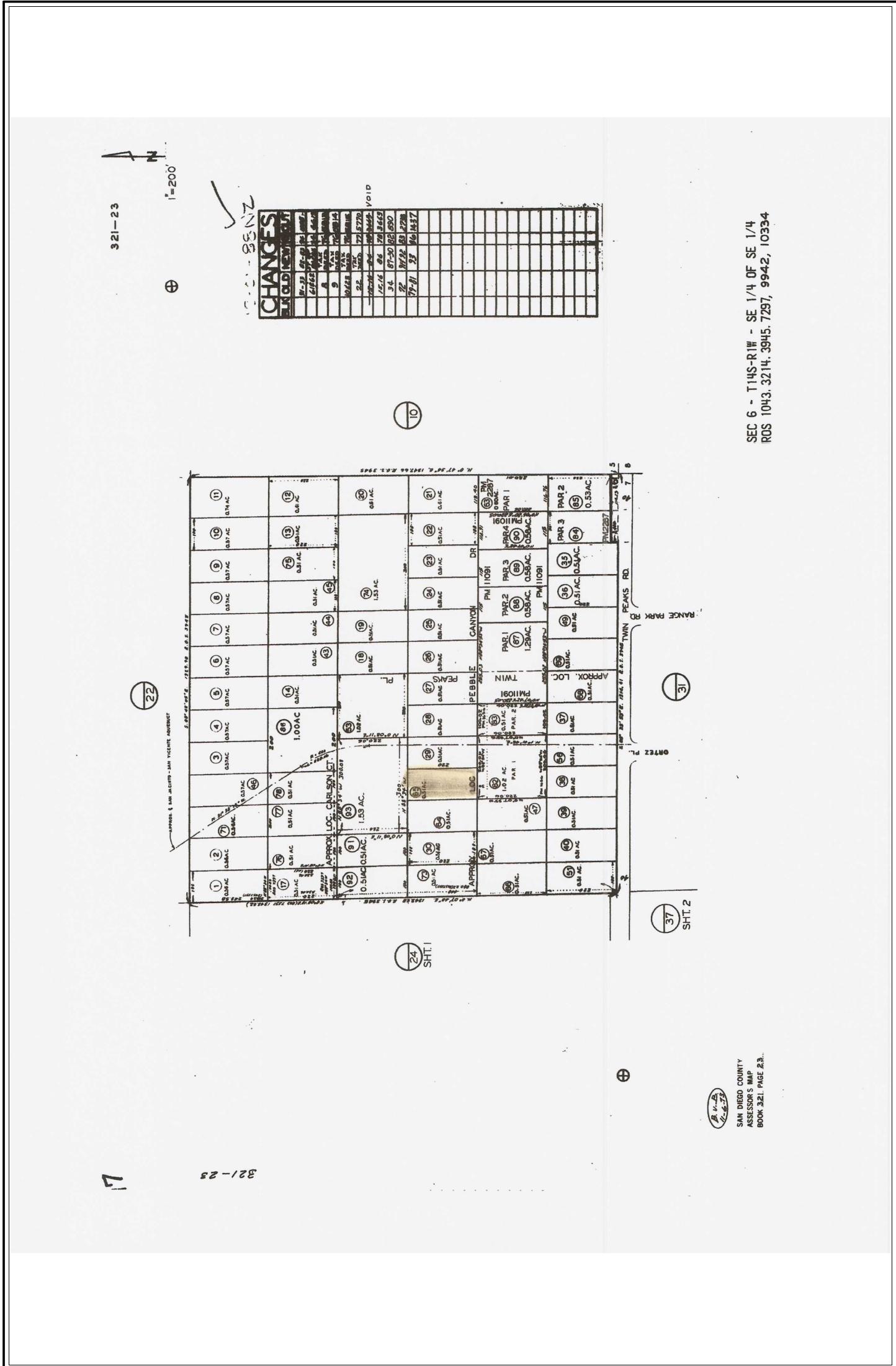
Property Address North side Pebble Canyon Dr.

City Poway County San Diego State CA Zip Code 92064

Lender/Client Federal Home Loans Corp. Address 5540 Ruffin Road, San Diego, CA 92123



Borrower Jennifer Hance
 Property Address North side Pebble Canyon Dr.
 City Poway County San Diego State CA Zip Code 92064
 Lender/Client Federal Home Loans Corp. Address 5540 Ruffin Road, San Diego, CA 92123



SEC 6 - T14S-R1W - SE 1/4 OF SE 1/4
 ROS 1043.3214.3945.7297, 9942, 10334

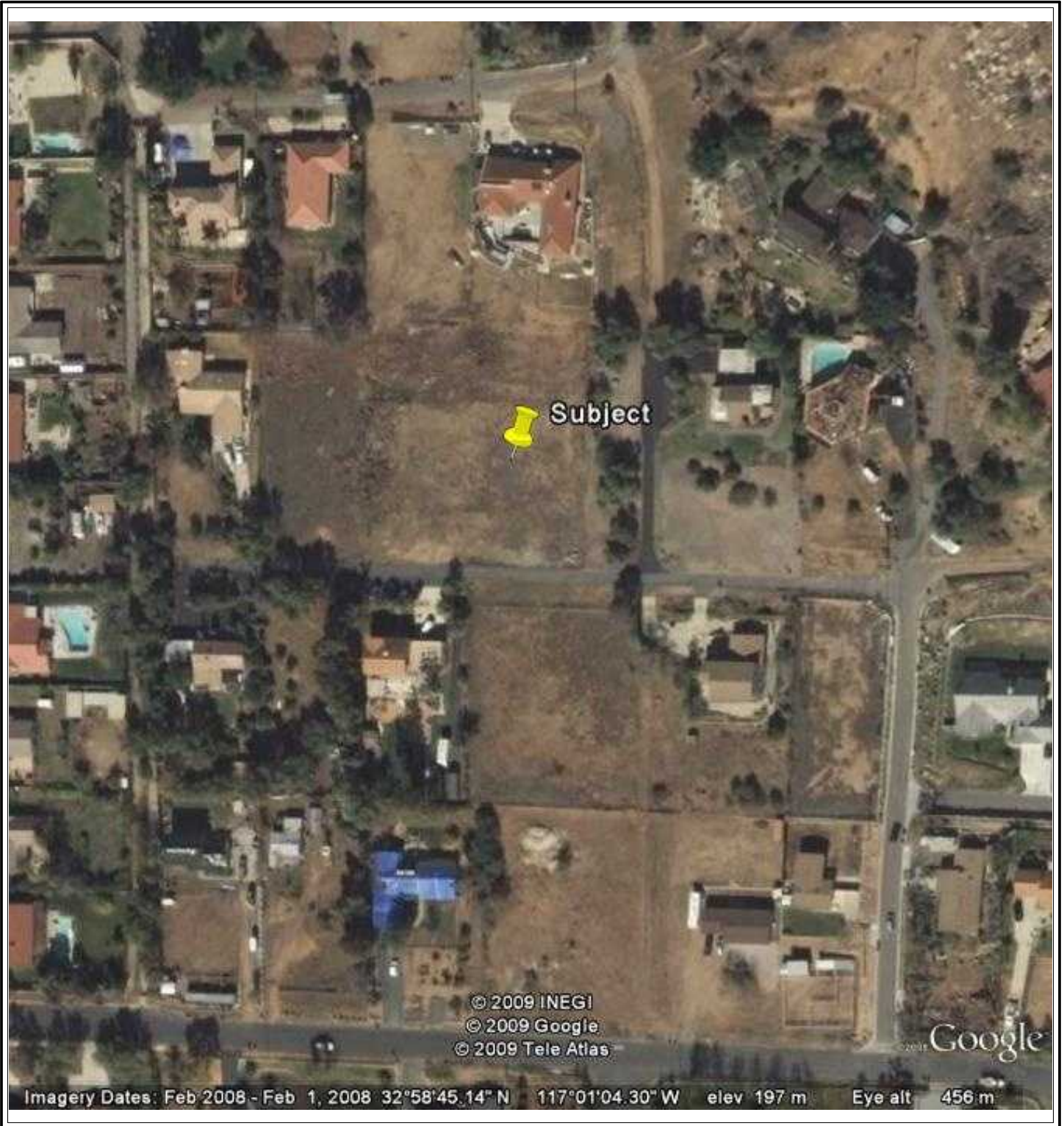
SAN DIEGO COUNTY
 ASSESSOR'S MAP
 BOOK 321, PAGE 23

Borrower Jennifer Hance

Property Address North side Pebble Canyon Dr.

City Poway County San Diego State CA Zip Code 92064

Lender/Client Federal Home Loans Corp. Address 5540 Ruffin Road, San Diego, CA 92123



Tebbetts Appraisal Service, Inc.
SUBJECT PHOTO ADDENDUM

File No. 090097
Case No.

Borrower Jennifer Hance

Property Address North side Pebble Canyon Dr.

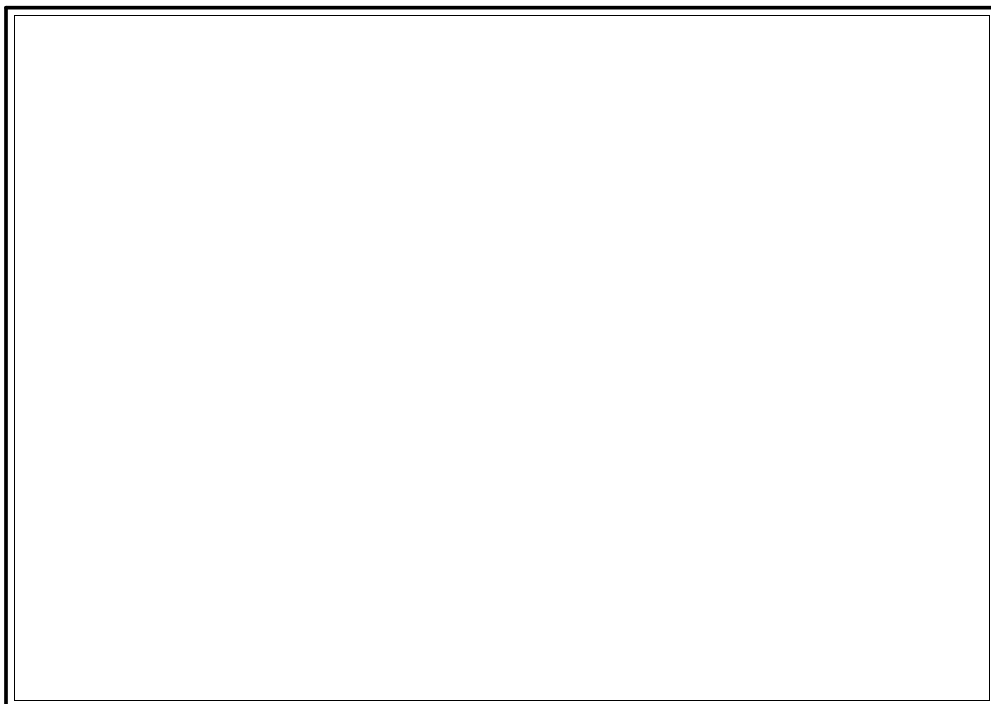
City Poway County San Diego State CA Zip Code 92064

Lender/Client Federal Home Loans Corp. Address 5540 Ruffin Road, San Diego, CA 92123

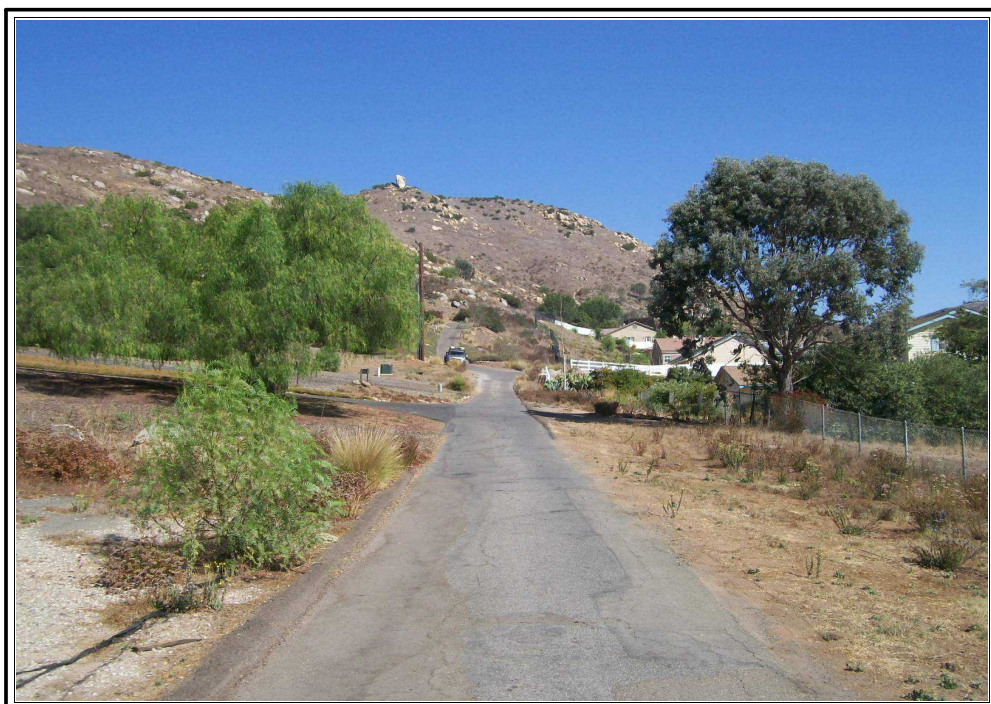


**FRONT OF
SUBJECT PROPERTY**

North side Pebble Canyon Dr.
Poway, CA 92064



**REAR OF
SUBJECT PROPERTY**



STREET SCENE

