Small Residential Income Property Appraisal Report

File # 925384

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	5034 W Slauson Ave	City	Los Angeles	State CA	Zip Code 90056
Borrower	R and R Properties	Owner of Public Record	Contempo Rentals LLC	County	Los Angeles
Legal Description	TRACT # 24049 LOT 5				
Assessor's Parcel #	4001-002-007	Tax Year	2024	R.E. Taxes $	12,839
Neighborhood Name	Los Angeles	Map Reference	31084	Census Tract	7030.02

Occupant [ ] Owner [ ] Tenant [X] Vacant — Special Assessments $ 0 — [ ] PUD — HOA $ 0 [ ] per year [ ] per month

Property Rights Appraised [X] Fee Simple [ ] Leasehold [ ] Other (describe)

Assignment Type [X] Purchase Transaction [ ] Refinance Transaction [ ] Other (describe)

Lender/Client: Anchor Loans — Address: One Baxter Way, #220, Thousand Oaks, CA 91362

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? [X] Yes [ ] No

Report data source(s) used, offering price(s), and date(s). Subject listed in SB25099957 on 05/05/2025 for $1,995,000.

CONTRACT

I [X] 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. Purchase contract was analyzed, appears to be typical, sold as-is.

Contract Price $ 1,925,000 — Date of Contract 06/06/2025 — Is the property seller the owner of public record? [X] Yes [ ] No — Data Source(s) Realist

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? [X] Yes [ ] No

If Yes, report the total dollar amount and describe the items to be paid. 9,300 Seller to provide a Seller Credit of $9,500 Towards adjustments on plans and concessions

NEIGHBORHOOD

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	[ ] Urban	[X] Suburban	[ ] Rural	Property Values	[ ] Increasing	[X] Stable	[ ] Declining	PRICE $ (000)		AGE (yrs)	One-Unit	75 %
Built-Up	[X] Over 75%	[ ] 25-75%	[ ] Under 25%	Demand/Supply	[ ] Shortage	[X] In Balance	[ ] Over Supply	794	Low	40	2-4 Unit	10 %
Growth	[ ] Rapid	[X] Stable	[ ] Slow	Marketing Time	[X] Under 3 mths	[ ] 3-6 mths	[ ] Over 6 mths	3,200	High	120	Multi-Family	10 %
								1,400	Pred.	80	Commercial	5 %
											Other	%

Neighborhood Boundaries: Pico Blvd. to the North, Western Ave. to the East, Century Blvd. to the South, 405 Freeway to the West.

Neighborhood Description: The subject's neighborhood is mostly composed of older and newer average to good quality detached single family residences and multi-unit dwellings. Most properties are adequately to well maintained. Local shopping, transportation, parks, the beach, and employments centers are in close proximity.

Market Conditions (including support for the above conclusions): See attached 1004MC addendum.

SITE

Dimensions: See Plat Map — Area: 9,462 sf — Shape: Rectangular — View: N;Res;

Specific Zoning Classification: LCR318U* — Zoning Description: Residential/Multi-Family

Zoning Compliance [X] 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? [X] Yes [ ] No If No, describe

Utilities	Public	Other (describe)		Public	Other (describe)	Off-site Improvements – Type		Public	Private
Electricity	[X]	[ ]	Water	[X]	[ ]	Street	Asphalt	[X]	[ ]
Gas	[X]	[ ]	Sanitary Sewer	[X]	[ ]	Alley	Alley	[X]	[ ]

FEMA Special Flood Hazard Area [ ] Yes [X] No — FEMA Flood Zone X — FEMA Map # 06037C1776G — FEMA Map Date 12/21/2018

Are the utilities and/or off-site improvements typical for the market area? [X] Yes [ ] No If No, describe

Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? [ ] Yes [X] No If Yes, describe

The subject has level lot with 100% utility. No easements or encroachments noted. There were NO adverse conditions noted.

IMPROVEMENTS

General Description		Foundation		Exterior Description	materials/condition	Interior	materials/condition
Units [ ] Two [X] Three [ ] Four		[X] Concrete Slab	[ ] Crawl Space	Foundation Walls	Concrete/Average	Floors	Carpet/Wood/Poor
[ ] Accessory Unit (describe below)		[ ] Full Basement	[ ] Partial Basement	Exterior Walls	Stucco/Average	Walls	Drywall/Poor
# of Stories 1	# of bldgs. 1	Basement Area	0 sq.ft.	Roof Surface	Comp/Average	Trim/Finish	Wood/Poor
Type [X] Det. [ ] Att. [ ] S-Det./End Unit		Basement Finish	0 %	Gutters & Downspouts	None	Bath Floor	None
[X] Existing [ ] Proposed [ ] Under Const.		[ ] Outside Entry/Exit	[ ] Sump Pump	Window Type	Alum/Average	Bath Wainscot	None
Design (Style)	DT1;Triplex	Evidence of [ ] Infestation	None	Storm Sash/Insulated	None/Average	**Car Storage**	
Year Built	1959	[ ] Dampness	[ ] Settlement	Screens	Yes/Average	[ ] None	
Effective Age (Yrs)	66	**Heating/Cooling**		**Amenities**		[ ] Driveway # of Cars	0
Attic	[ ] None	[X] FWA [ ] HWBB	[ ] Radiant	[ ] Fireplace(s) # 0	[ ] Woodstove(s) # 0	Driveway Surface	Concrete
[ ] Drop Stair	[ ] Stairs	[ ] Other	Fuel Gas	[X] Patio/Deck Patio	[X] Fence Fenced	[X] Garage # of Cars	6
[ ] Floor	[X] Scuttle	Cooling [X] Central Air Conditioning		[ ] Pool None	[X] Porch Porch	[ ] Carport # of Cars	0
[ ] Finished	[ ] Heated	[ ] Individual	[ ] Other	[ ] Other None		[X] Att. [ ] Det. [ ] Built-in	

# of Appliances	Refrigerator	Range/Oven	Dishwasher	Disposal	Microwave	Washer/Dryer	Other (describe)
	0	2	0	2	0	0	None

	Rooms	Bedrooms	Bath(s)	Square Feet of Gross Living Area
Unit # 1 contains:	5	2	2.0	1,546
Unit # 2 contains:	5	2	2.0	1,699
Unit # 3 contains:	6	3	2.0	1,889
Unit # 4 contains:				

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 in fixer/Poor condition, in the middle of rehab/repair, kitchen & bathrooms have been gutted. Limited to investors and developers willing to complete the necessary repairs to bring subject back to liveable condition.

IMPROVEMENTS

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? [X] Yes [ ] No If Yes, describe.

Subject is mid-remodel/rehab condition.

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? [X] Yes [ ] No If No, describe.

Is the property subject to rent control? [X] Yes [ ] No If Yes, describe Subject to local rent control ordinances.

COMPARABLE RENTAL DATA

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 # 1	COMPARABLE RENTAL # 2	COMPARABLE RENTAL # 3
Address	5034 W Slauson Ave Los Angeles, CA 90056	5048 W Slauson Ave Los Angeles, CA 90056	3141 S Halm Ave Los Angeles, CA 90034	2320 S Mansfield Ave Los Angeles, CA 90016
Proximity to Subject		0.03 miles NW	3.30 miles NW	3.49 miles N
Current Monthly Rent	$	$ 13,200	$ 17,100	$ 17,400
Rent/Gross Bldg. Area	$ sq.ft.	$ 2.55 sq.ft.	$ 3.80 sq.ft.	$ 3.28 sq.ft.
Rent Control	[X] Yes [ ] No	[X] Yes [ ] No	[X] Yes [ ] No	[X] Yes [ ] No
Data Source(s)	Realist/MLS	MLS#SR25063729	MLS#24378807	MLS#WS24075213
Date of Lease(s)	Month To Month	Month To Month	Month To Month	Month To Month
Location	A;Busy Road	A;Busy Road	A;Busy Road	A;Busy Road
Actual Age	66	64	2	7
Condition	Poor	Average	Newer Construction	Excellent
Gross Building Area	5,134	5,172	4,502	5,304

Unit Breakdown	Subject Rm Count Tot	Br	Ba	Size Sq. Ft.	Comp 1 Rm Count Tot	Br	Ba	Size Sq. Ft.	Monthly Rent	Comp 2 Rm Count Tot	Br	Ba	Size Sq. Ft.	Monthly Rent	Comp 3 Rm Count Tot	Br	Ba	Size Sq. Ft.	Monthly Rent
				5,134				5,172	13,200				4,502	17,100				5,304	16,500
Unit # 1	5	2	2.0	1,546	6	3	2.0	1,724	$ 4,400	6	3	3.0	1,501	$ 5,700	7	4	4.0	1,768	$ 5,500
Unit # 2	5	2	2.0	1,699	6	3	2.0	1,724	$ 4,400	6	3	3.0	1,501	$ 5,700	7	4	4.0	1,768	$ 5,500
Unit # 3	6	3	2.0	1,889	6	3	2.0	1,724	$ 4,400	7	4	4.0	1,500	$ 5,700	7	4	4.0	1,768	$ 5,500
Unit # 4									$					$					$

FEATURE	SUBJECT	COMPARABLE RENTAL # 1	COMPARABLE RENTAL # 2	COMPARABLE RENTAL # 3
Utilities Included	N/A	N/A	N/A	N/A
Parking	6 Car Garage	6 Car Garage	Open	2 Car Garage

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.) These are the closest and most similar rental comparables available at the time of this report. These rental comparables are adequate indicators of market rent for the subject units.

SUBJECT RENT SCHEDULE

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.

Leases			Actual Rents			Opinion of Market Rent		
Unit #	Lease Date Begin Date	End Date	Per Unit Unfurnished	Furnished	Total Rents	Per Unit Unfurnished	Furnished	Total Rents
1	Month to	Month	$ 0	$	$ 0	$ 4,800	$	$ 4,800
2	Month to	Month	0		0	5,500		5,500
3	Month to	Month	0		0	6,500		6,500
4								

Comment on lease data All units are vacant.	Total Actual Monthly Rent	$ 0	Total Gross Monthly Rent	$ 16,800
	Other Monthly Income (itemize)	$ 0	Other Monthly Income (itemize)	$ 0
	Total Actual Monthly Income	$	Total Estimated Monthly Income	$ 16,800

Utilities included in estimated rents [ ] Electric [ ] Water [ ] Sewer [ ] Gas [ ] Oil [X] Trash collection [ ] Cable [ ] Other

Comments on actual or estimated rents and other monthly income (including personal property) The opinion of market rents are supported by the rental survey.

PRIOR SALE HISTORY

I [X] did [ ] did not research the sale or transfer history of the subject property and comparable sales. If not, explain Realist and MLS were utilized in researching the sale or transfer history of subject and all comparables.

My research [ ] did [X] 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) Realist/MLS

My research [ ] did [X] 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) Realist/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				
Price of Prior Sale/Transfer				
Data Source(s)	Realist	Realist	Realist	Realist
Effective Date of Data Source(s)	07/05/2025	07/05/2025	07/05/2025	07/05/2025

Analysis of prior sale or transfer history of the subject property and comparable sales None noted.

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There are 58 comparable properties currently offered for sale in the subject neighborhood ranging in price from $ 850,000 to $ 3,600,000 .

There are 64 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from $ 794,000 to $ 3,200,000 .

SALES COMPARISON APPROACH

FEATURE	SUBJECT	COMPARABLE SALE # 1		COMPARABLE SALE # 2		COMPARABLE SALE # 3	
Address	5034 W Slauson Ave Los Angeles, CA 90056	4023 Lincoln Ave Culver City, CA 90232		5048 W Slauson Ave Los Angeles, CA 90056		2320 S Mansfield Ave Los Angeles, CA 90016	
Proximity to Subject		2.86 miles NW		0.03 miles NW		3.49 miles N	
Sale Price	$ 1,925,000		$ 2,100,000		$ 2,500,000		$ 3,160,000
Sale Price/Gross Bldg. Area	$ 375.00 sq.ft.	$ 492.96 sq.ft.		$ 483.37 sq.ft.		$ 595.89 sq.ft.	
Gross Monthly Rent	$ 16,800	$ 12,000		$ 13,200		$ 17,400	
Gross Rent Multiplier	114.58	175.00		189.39		181.61	
Price per Unit	$	$ 525,000		$ 833,333		$ 1,053,333	
Price per Room	$ 101,316	$ 105,000		$ 138,889		$ 150,476	
Price per Bedroom	$ 192,500	$ 262,500		$ 277,778		$ 263,333	
Rent Control	☒ Yes ☐ No	☒ Yes ☐ No		☒ Yes ☐ No		☒ Yes ☐ No	
Data Source(s)		MLS#PW25023037 DOM: 57		MLS#SR25063729 DOM: 0		MLS#WS24075213 DOM: 6	
Verification Source(s)		Doc#404641		Doc#184451		Doc#324448	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(–) Adjustment	DESCRIPTION	+(–) Adjustment	DESCRIPTION	+(–) Adjustment
Sale or Financing Concessions		ArmLth 72,500	0	ArmLth 35,000		ArmLth 0	
Date of Sale/Time		s06/25;c05/25		s03/25;c03/25		s05/24;c04/24	
Location	A;Busy Road	N;Res;Superior	-25,000	A;Busy Road		A;Busy Road	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Site	9,462 sf	6,751 sf	+37,000	8,385 sf	0	6,700 sf	+38,000
View	N;Res;	Average		N;Res;		N;Res;	
Design (Style)	DT1;Triplex	DT1;Fourplex		DT1;Triplex		DT2;Triplex	0
Quality of Construction	Average	Average		Average		Superior	-250,000
Actual Age	66	67	0	64	0	7	0
Condition	Poor	Below Average	-125,000	Average	-250,000	Excellent	-500,000
Gross Building Area	5,134	4,260	+152,950	5,172		5,303	-29,575
Unit Breakdown	Total / Bdrms / Baths	Total / Bdrms / Baths		Total / Bdrms / Baths		Total / Bdrms / Baths	
Unit # 1	5 / 2 / 2.0	5 / 2 / 1.0	+15,000	6 / 3 / 2.0	-10,000	7 / 4 / 4.0	-25,000
Unit # 2	5 / 2 / 2.0	5 / 2 / 1.0	+15,000	6 / 3 / 2.0	-10,000	7 / 4 / 4.0	-25,000
Unit # 3	6 / 3 / 2.0	5 / 2 / 1.0	+25,000	6 / 3 / 2.0	0	7 / 4 / 4.0	-15,000
Unit # 4		5 / 2 / 1.0	-50,000				
Basement Description	0	0sf		0sf		0sf	
Basement Finished Rooms	0sf	0sf		0sf		0sf	
Functional Utility	Average	Average		Average		Average	
Heating/Cooling	FAU/CAC	Wall/Wall	0	Wall/None	0	FAU/CAC	
Energy Efficient Items	None noted	None noted		None noted		None noted	
Parking On/Off Site	6 Car Garage	1 Car Garage	+75,000	6 Car Garage		2 Car Garage	+60,000
Porch/Patio/Deck	Porch/Patio	Porch/Patio		Porch/Patio		Porch/Patio	
Adverse Market Condition	Advrse Mk Cnd	None	-300,000	None	-300,000	None	-300,000
				None			
Net Adjustment (Total)		☐ + ☒ –	$ -180,050	☐ + ☒ –	$ -570,000	☐ + ☒ –	$ -1,046,575
Adjusted Sale Price of Comparables		Net Adj. 8.6 % Gross Adj. 39.0 %	$ 1,919,950	Net Adj. 22.8 % Gross Adj. 22.8 %	$ 1,930,000	Net Adj. 33.1 % Gross Adj. 39.3 %	$ 2,113,425
Adjusted Price Per Unit (Adj. SP Comp / # of Comp Units)		$ 479,988		$ 643,333		$ 704,475	
Adjusted Price Per Room (Adj. SP Comp / # of Comp Rooms)		$ 95,998		$ 107,222		$ 100,639	
Adjusted Price Per Bedrm (Adj. SP Comp / # of Comp Bedrooms)		$ 239,994		$ 214,444		$ 176,119	

Value per Unit	$ 643,333	X 3	Units = $ 1,929,999	Value per GBA	$ 376	X 5,134	GBA = $ 1,930,384
Value per Rm.	$ 120,625	X 16	Rooms = $ 1,930,000	Value per Bdrms.	$ 275,714	X 7	Bdrms. = $ 1,929,998

Summary of Sales Comparison Approach including reconciliation of the above indicators of value. All comparables are located in the same market area.

Adjustments are based on current market data/paired sales study analysis. Adjustments made for condition/features are applied per exterior inspection and MLS description. Comparables used are all similar in amenities, market location, design/appeal, effective age, lot utility. Subject value is bracketed and placed in the value range. Comparables 1-3 represent an As-is value. Adverse Market Condition adjustment was made due to the subject in poor condition, gutted kitchen & bathrooms. An in depth search was conducted, NO similar recent re-sales similar to subject in condition were available, search parameters were expended beyond 5 miles & 12 months. Most weight was given to comparable 2.

Indicated Value by Sales Comparison Approach $ 1,930,000

INCOME

Total gross monthly rent $ 16,800 X gross rent multiplier (GRM) 115 = $ 1,932,000 Indicated value by the Income Approach

Comments on income approach including reconciliation of the GRM A Gross rent multiplier of 160 is considered appropriate for the subject property.

RECONCILIATION

Indicated Value by: **Sales Comparison Approach $** 1,930,000 **Income Approach $** 1,932,000 **Cost Approach (if developed) $** 1,930,760

Sales comparison analysis is the best indicator of market value and is given most weight. The cost and income approaches are also supportive of the value estimate.

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

Based on a 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 $ 1,930,000 **, as of** 07/21/2025 **, which is the date of inspection and the effective date of this appraisal.**

ADDITIONAL COMMENTS

Extraordinary Assumptions: The appraisal report requires multiple extraordinary assumptions:
1. The "As Is" value is be based upon either a NEW - EXCELLENT - GOOD - AVERAGE - FAIR - POOR. condition rating. The appropriate rating is based upon photos, if available, appraiser's MLS and market research, and an exterior observation of the subject property.
2. An extraordinary assumptions also made for the "After Repair Value" assuming the total repairs/rehab has been completed and the subject's "After Repairs" condition rating is deemed NEW - EXCELLENT - GOOD - AVERAGE - FAIR - POOR .
3. The quality, style and amenities of the proposed renovation or new construction is similar and competitive to the quality, style and amenities of the competitive properties in the subjects market area and the sales data utilized in the report. The value can be drastically impacted by the use of inferior materials that do not meet market expectation. The client is aware of this risk and the appraisal is only for the exclusive use of the client, there are no other intended users due to the clients limited defined scope of work.

"As is" : The Scope of Work did include an interior inspection of the subject property. All information provided is based on, market data services (such as Realist, MLS, or any other informational sources) the appraiser has deemed appropriate in order to provide a credible report unless specified in the engagement email. The appraiser has reviewed this information and provided condition and quality determinations based on the UAD definitions provided within this report: Q1 to Q6 and C1 to C6.

"As Repaired Value": At the client request further research as determined an as repaired value and completed under the extraordinary assumption that the subject property has been updated and or remodeled. This assumption includes that the subject property has been completely remodeled in a workmanlike manner to the standards as required within the building codes and permits of the certain county and/or area neighborhood zoning and use codes. The client if further advised that the use of extraordinary assumption may impact the final reconciliation of the subject property. If these assumptions are found to be inaccurate the appraiser reserves the right to re-evaluate based on additional supported information which result in an alternative (lower or higher) reconciled value. The appraiser has attempted to provide the most recent up to date data on the subject property and all comparable sales utilized within this report. The appraiser makes no warranties or guarantees expressed or implied as to building materials, quality and/or condition. All information has been provided by third party sources with secondary verification made where possible.

Although the client does not require the cost approach; it was considered but the cost approach was not developed due to sales comparison approach is a more accurate, and preferred indication of market value.

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) Although the client does not require the cost approach; it was considered but the cost approach was not developed due to sales comparison approach is a more accurate, and preferred indication of market value.

ESTIMATED ☐ REPRODUCTION OR ☒ REPLACEMENT COST NEW

Source of cost data: Marshall & Swift/Building-cost.net

Quality rating from cost service: Avg   Effective date of cost data: Current

Comments on Cost Approach (gross building area calculations, depreciation, etc.)

Due to the difficulty in determining the physical depreciation, and the limited availability of land sales that are similar to subject, the cost approach is NOT considered the most reliable approach to value. The site value is greater than 30% of the indicated value of the cost approach but this is typical for this area.

OPINION OF SITE VALUE			=$	1,440,000
DWELLING	5,134 Sq.Ft. @ $	250.00	=$	1,283,500
	0 Sq.Ft. @ $		=$	
Porch/Patio			=$	25,000
Garage/Carport	1,110 Sq.Ft. @ $	50.00	=$	55,500
Total Estimate of Cost-New			=$	1,364,000
Less Depreciation	Physical 900,240	Functional	External	=$(900,240)
Depreciated Cost of Improvements			=$	463,760
"As-is" Value of Site Improvements			=$	27,000
INDICATED VALUE BY COST APPROACH			=$	1,930,760

Estimated Remaining Economic Life (HUD and VA only) 34 Years

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.

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.

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).

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 Steven A Strom

Signature
Name Steven A Strom
Company Name Appraisals 2-Day
Company Address 8603 Shadow Lane, Fountain Valley, CA 92708
Telephone Number 714-499-6409
Email Address 33strom@gmail.com
Date of Signature and Report 07/23/2025
Effective Date of Appraisal 07/21/2025
State Certification # AR027644
or State License #
or Other (describe) State #
State CA
Expiration Date of Certification or License 05/23/2026

ADDRESS OF PROPERTY APPRAISED
5034 W Slauson Ave
Los Angeles, CA 90056

APPRAISED VALUE OF SUBJECT PROPERTY $ 1,930,000

LENDER/CLIENT
Name
Company Name Anchor Loans
Company Address One Baxter Way, #220, Thousand Oaks, CA 91362
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

Small Residential Income Property Appraisal Report

File # 925384

SALES COMPARISON APPROACH

FEATURE	SUBJECT	COMPARABLE SALE # 4		COMPARABLE SALE # 5		COMPARABLE SALE # 6	
Address	5034 W Slauson Ave Los Angeles, CA 90056	5048 W Slauson Ave Los Angeles, CA 90056		3141 S Halm Ave Los Angeles, CA 90034		2320 S Mansfield Ave Los Angeles, CA 90016	
Proximity to Subject		0.03 miles NW		3.30 miles NW		3.49 miles N	
Sale Price	$ 1,925,000		$ 2,500,000		$ 3,020,000		$ 3,160,000
Sale Price/Gross Bldg. Area	$ 375.00 sq.ft.	$ 483.37 sq.ft.		$ 670.81 sq.ft.		$ 595.89 sq.ft.	
Gross Monthly Rent	$ 16,800	$ 13,200		$ 17,100		$ 17,400	
Gross Rent Multiplier	114.58	189.39		176.61		181.61	
Price per Unit	$	$ 833,333		$ 1,006,667		$ 1,053,333	
Price per Room	$ 101,316	$ 138,889		$ 158,947		$ 150,476	
Price per Bedroom	$ 192,500	$ 277,778		$ 302,000		$ 263,333	
Rent Control	☒ Yes ☐ No	☒ Yes ☐ No		☒ Yes ☐ No		☒ Yes ☐ No	
Data Source(s)		MLS#SR25063729 DOM: 0		MLS#24378807 DOM: 43		MLS#WS24075213 DOM: 6	
Verification Source(s)		Doc#184451		Doc#382251		Doc#324448	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(–) Adjustment	DESCRIPTION	+(–) Adjustment	DESCRIPTION	+(–) Adjustment
Sale or Financing Concessions		ArmLth 35,000		ArmLth 0		ArmLth 0	
Date of Sale/Time		s03/25;c03/25		s06/24;c05/24		s05/24;c04/24	
Location	A;Busy Road	A;Busy Road		A;Busy Road		A;Busy Road	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Site	9,462 sf	8,385 sf	0	5,403 sf	+41,000	6,700 sf	+38,000
View	N;Res;	N;Res;		N;Res;		N;Res;	
Design (Style)	DT1;Triplex	DT1;Triplex		DT2;Triplex	0	DT2;Triplex	0
Quality of Construction	Average	Average		Superior	-125,000	Superior	-125,000
Actual Age	66	64	0	2	0	7	0
Condition	Excellent	Average	+400,000	Newer Construction	-125,000	Excellent	
Gross Building Area	5,134	5,172		4,502	+110,600	5,303	-29,575
Unit Breakdown	Total / Bdrms / Baths	Total / Bdrms / Baths		Total / Bdrms / Baths		Total / Bdrms / Baths	
Unit # 1	6 / 3 / 3.0	6 / 3 / 2.0	+15,000	6 / 3 / 3.0	0	7 / 4 / 4.0	-25,000
Unit # 2	6 / 3 / 3.0	6 / 3 / 2.0	+15,000	6 / 3 / 3.0	0	7 / 4 / 4.0	-25,000
Unit # 3	7 / 4 / 3.0	6 / 3 / 2.0	+25,000	7 / 4 / 4.0	-15,000	7 / 4 / 4.0	-15,000
Unit # 4							
Basement Description	0	0sf		0sf		0sf	
Basement Finished Rooms	0sf	0sf		0sf		0sf	
Functional Utility	Average	Average		Average		Average	
Heating/Cooling	FAU/CAC	Wall/None	+5,000	FAU/CAC		FAU/CAC	
Energy Efficient Items	None noted	None noted		None noted		None noted	
Parking On/Off Site	6 Car Garage	6 Car Garage		Open	+90,000	2 Car Garage	+60,000
Porch/Patio/Deck	Porch/Patio	Porch/Patio		Porch/Patio		Porch/Patio	
Net Adjustment (Total)		☒ + ☐ –	$ 460,000	☐ + ☒ –	$ -23,400	☐ + ☒ –	$ -121,575
Adjusted Sale Price of Comparables		Net Adj. 18.4 % Gross Adj. 18.4 %	$ 2,960,000	Net Adj. 0.8 % Gross Adj. 16.8 %	$ 2,996,600	Net Adj. 3.8 % Gross Adj. 10.0 %	$ 3,038,425
Adjusted Price Per Unit (Adj. SP Comp / # of Comp Units)		$ 986,667		$ 998,867		$ 1,012,808	
Adjusted Price Per Room (Adj. SP Comp / # of Comp Rooms)		$ 164,444		$ 157,716		$ 144,687	
Adjusted Price Per Bedrm (Adj. SP Comp / # of Comp Bedrooms)		$ 328,889		$ 299,660		$ 253,202	

SALE HISTORY

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				
Price of Prior Sale/Transfer				
Data Source(s)	Realist	Realist	Realist	Realist
Effective Date of Data Source(s)	07/05/2025	07/05/2025	07/05/2025	07/05/2025

Analysis of prior sale or transfer history of the subject property and comparable sales None noted.

ANALYSIS / COMMENTS

Analysis/Comments Sales 4-6 reflect the "After Repairs" value of the property as requested by the client: $550,000 in Repairs.

Age: 66
Quality: Average
Condition: Excellent
GLA: 5,134 sf

After Repair Value = $2,990,000

Subject Photo Page

Borrower	R and R Properties						
Property Address	5034 W Slauson Ave						
City	Los Angeles	County	Los Angeles	State	CA	Zip Code	90056
Lender/Client	Anchor Loans						

Subject Front

5034 W Slauson Ave

Sales Price 1,925,000

G.B.A. 5,134

Age/Yr.Blt. 66

Subject Rear

Street

Subject Photo Page

Borrower	R and R Properties						
Property Address	5034 W Slauson Ave						
City	Los Angeles	County	Los Angeles	State	CA	Zip Code	90056
Lender/Client	Anchor Loans						

Opposite Street

5034 W Slauson Ave

Sales Price 1,925,000

G.B.A. 5,134

Age 66

Side

Alternate Side

Photo Addendum

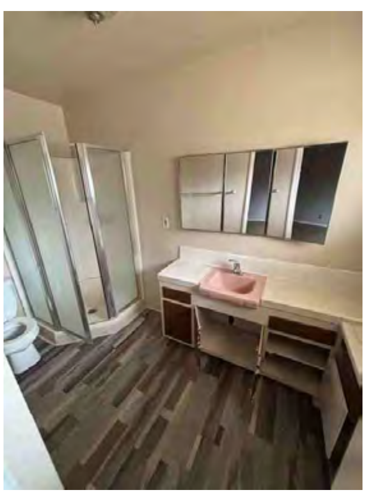
Borrower	R and R Properties						
Property Address	5034 W Slauson Ave						
City	Los Angeles	County	Los Angeles	State	CA	Zip Code	90056
Lender/Client	Anchor Loans						

5034 West Slauson Ave. - Kitchen

5034 West Slauson Ave. - Living Room

5034 West Slauson Ave. - Bathroom

5034 West Slauson Ave. - Bedroom



5034 West Slauson Ave. - Bathroom

5034 West Slauson Ave. - Bedroom

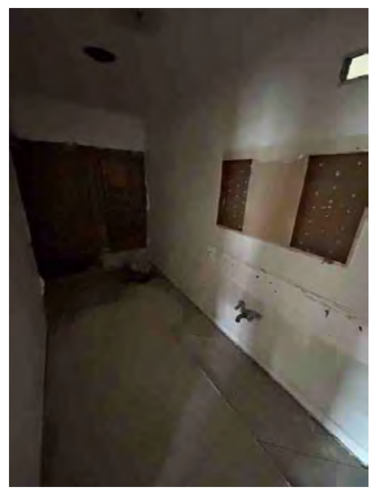
Photo Addendum

Borrower	R and R Properties						
Property Address	5034 W Slauson Ave						
City	Los Angeles	County	Los Angeles	State	CA	Zip Code	90056
Lender/Client	Anchor Loans						

5034 West Slauson Ave. - Water Heater Double Strapped

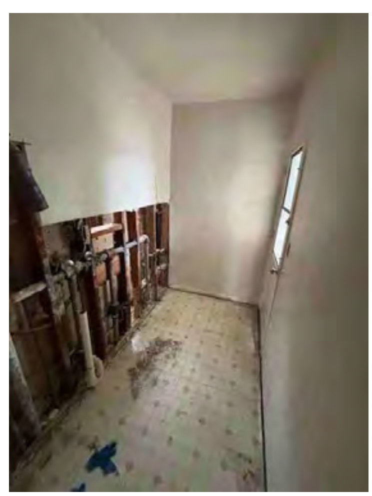
5036 West Slauson Ave. - Kitchen

5036 West Slauson Ave. - Living Room



5036 West Slauson Ave. - Bathroom

5036 West Slauson Ave. - Bedroom



5036 West Slauson Ave. - Bathroom

Interior Photos

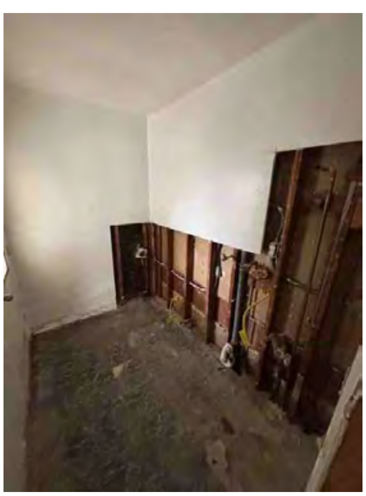
Borrower	R and R Properties						
Property Address	5034 W Slauson Ave						
City	Los Angeles	County	Los Angeles	State	CA	Zip Code	90056
Lender/Client	Anchor Loans						

5036 West Slauson Ave. - Bedroom

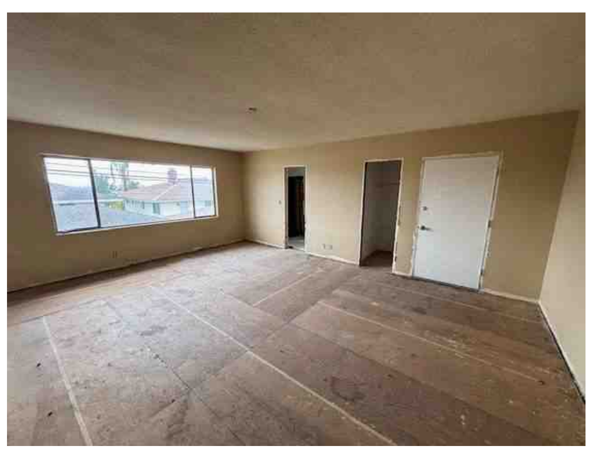
5038 West Slauson Ave. - Kitchen

5038 West Slauson Ave. - Living Room

5038 West Slauson Ave. - Bedroom



5038 West Slauson Ave. - Bathroom



5038 West Slauson Ave. - Bedroom

Interior Photos

Borrower	R and R Properties						
Property Address	5034 W Slauson Ave						
City	Los Angeles	County	Los Angeles	State	CA	Zip Code	90056
Lender/Client	Anchor Loans						

5038 West Slauson Ave. - Bathroom

5038 West Slauson Ave. - Bedroom

Forced Air Unit

A/C Unit

Garage

Garage

Comparable Photo Page

Borrower	R and R Properties						
Property Address	5034 W Slauson Ave						
City	Los Angeles	County	Los Angeles	State	CA	Zip Code	90056
Lender/Client	Anchor Loans						

Comparable 1
4023 Lincoln Ave
Sales Price 2,100,000
G.B.A. 4,260
Age/Yr.Blt. 67

Comparable 2
5048 W Slauson Ave
Sales Price 2,500,000
G.B.A. 5,172
Age/Yr.Blt. 64

Comparable 3
2320 S Mansfield Ave
Sales Price 3,160,000
G.B.A. 5,303
Age/Yr.Blt. 7

Comparable Photo Page

Borrower	R and R Properties						
Property Address	5034 W Slauson Ave						
City	Los Angeles	County	Los Angeles	State	CA	Zip Code	90056
Lender/Client	Anchor Loans						

Comparable 4

5048 W Slauson Ave
Sales Price 2,500,000
G.B.A. 5,172
Age/Yr.Blt. 64

Comparable 5

3141 S Halm Ave
Sales Price 3,020,000
G.B.A. 4,502
Age/Yr.Blt. 2

Comparable 6

2320 S Mansfield Ave
Sales Price 3,160,000
G.B.A. 5,303
Age/Yr.Blt. 7

Rental Photo Page

Borrower	R and R Properties						
Property Address	5034 W Slauson Ave						
City	Los Angeles	County	Los Angeles	State	CA	Zip Code	90056
Lender/Client	Anchor Loans						

Rental 1

5048 W Slauson Ave
Prox. to Subj. 0.03 miles NW
G.B.A. 5,172
Age 64

Rental 2

3141 S Halm Ave
Prox. to Subj. 3.30 miles NW
G.B.A. 4,502
Age 2

Rental 3

2320 S Mansfield Ave
Prox. to Subj. 3.49 miles N
G.B.A. 5,304
Age 7

Market Conditions Addendum to the Appraisal Report

File No. 925384

The purpose of this addendum is to provide the lender/client with a clear and accurate understanding of the market trends and conditions prevalent in the subject neighborhood. This is a required addendum for all appraisal reports with an effective date on or after April 1, 2009.

Property Address 5034 W Slauson Ave | City Los Angeles | State CA | ZIP Code 90056

Borrower R and R Properties

Instructions: The appraiser must use the information required on this form as the basis for his/her conclusions, and must provide support for those conclusions, regarding housing trends and overall market conditions as reported in the Neighborhood section of the appraisal report form. The appraiser must fill in all the information to the extent it is available and reliable and must provide analysis as indicated below. If any required data is unavailable or is considered unreliable, the appraiser must provide an explanation. It is recognized that not all data sources will be able to provide data for the shaded areas below; if it is available, however, the appraiser must include the data in the analysis. If data sources provide the required information as an average instead of the median, the appraiser should report the available figure and identify it as an average. Sales and listings must be properties that compete with the subject property, determined by applying the criteria that would be used by a prospective buyer of the subject property. The appraiser must explain any anomalies in the data, such as seasonal markets, new construction, foreclosures, etc.

MARKET RESEARCH & ANALYSIS

Inventory Analysis	Prior 7–12 Months	Prior 4–6 Months	Current – 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)	40	14	10	[ ] Increasing	[X] Stable	[ ] Declining
Absorption Rate (Total Sales/Months)	6.67	4.67	3.33	[ ] Increasing	[X] Stable	[ ] Declining
Total # of Comparable Active Listings	n/a	n/a	58	[ ] Declining	[X] Stable	[ ] Increasing
Months of Housing Supply (Total Listings/Ab.Rate)	n/a	n/a	17.4	[ ] Declining	[X] Stable	[ ] Increasing
Median Sale & List Price, DOM, Sale/List %	Prior 7–12 Months	Prior 4–6 Months	Current – 3 Months	Overall Trend		
Median Comparable Sale Price	1,404,000	1,354,000	1,412,000	[ ] Increasing	[X] Stable	[ ] Declining
Median Comparable Sales Days on Market	67	40	57	[ ] Declining	[X] Stable	[ ] Increasing
Median Comparable List Price	1,465,000	1,435,000	1,497,000	[ ] Increasing	[X] Stable	[ ] Declining
Median Comparable Listings Days on Market	n/a	n/a	66	[ ] Declining	[X] Stable	[ ] Increasing
Median Sale Price as % of List Price	97%	96%	98%	[ ] Increasing	[X] Stable	[ ] Declining
Seller-(developer, builder, etc.)paid financial assistance prevalent?	[ ] Yes	[X] No		[ ] Declining	[X] Stable	[ ] Increasing

Explain in detail the seller concessions trends for the past 12 months (e.g., seller contributions increased from 3% to 5%, increasing use of buydowns, closing costs, condo fees, options, etc.). Sellers typically pay 0-2% for buyer's closing costs.

Are foreclosure sales (REO sales) a factor in the market? [X] Yes [ ] No If yes, explain (including the trends in listings and sales of foreclosed properties).

There is evidence of REO/Forclosure Sales. But this does not appear to be a major factor.

Cite data sources for above information. The CRMLS MLS was the data source used to complete the Market Conditions Addendum.

Summarize the above information as support for your conclusions in the Neighborhood section of the appraisal report form. If you used any additional information, such as an analysis of pending sales and/or expired and withdrawn listings, to formulate your conclusions, provide both an explanation and support for your conclusions.

Closed, active, backup, and pending sales were researched within the subject's market area to determine the appraiser's conclusions.

CONDO/CO-OP PROJECTS

If the subject is a unit in a condominium or cooperative project , complete the following: **Project Name:**

Subject Project Data	Prior 7–12 Months	Prior 4–6 Months	Current – 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)				[ ] Increasing	[ ] Stable	[ ] Declining
Absorption Rate (Total Sales/Months)				[ ] Increasing	[ ] Stable	[ ] Declining
Total # of Active Comparable Listings				[ ] Declining	[ ] Stable	[ ] Increasing
Months of Unit Supply (Total Listings/Ab.Rate)				[ ] Declining	[ ] Stable	[ ] Increasing

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

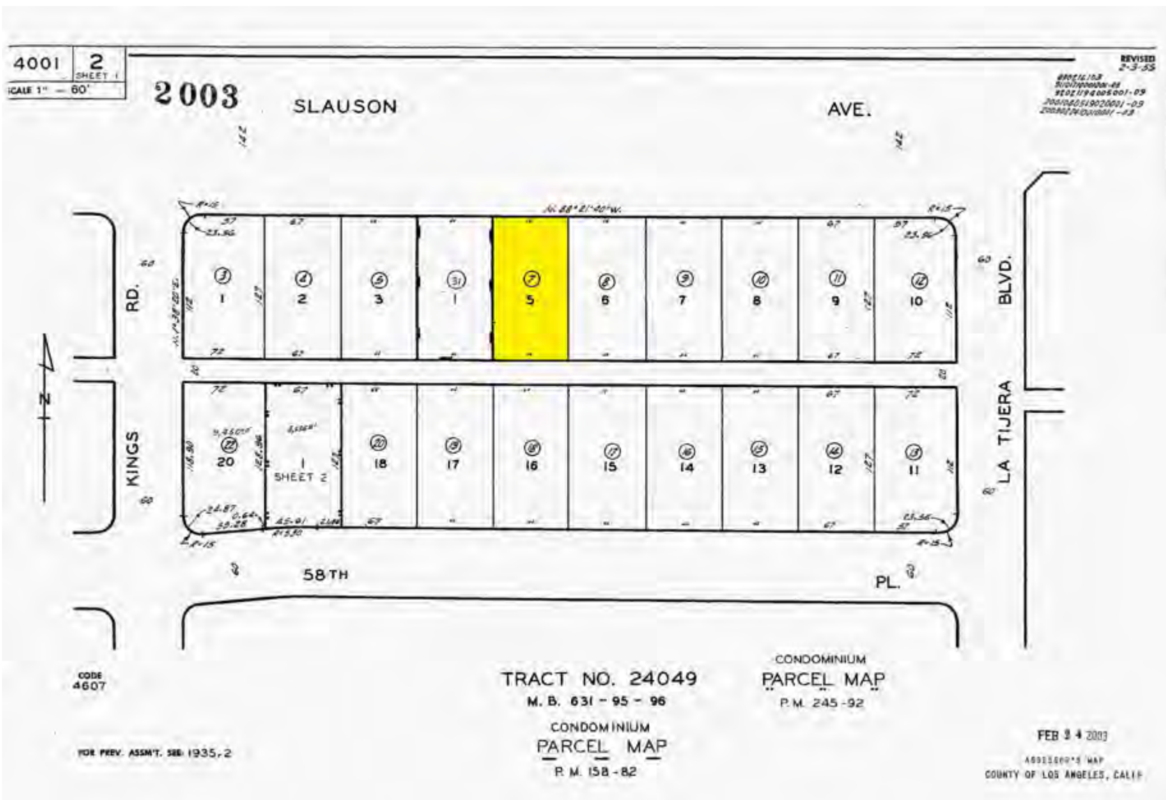
Summarize the above trends and address the impact on the subject unit and project.

APPRAISER

Appraiser	Supervisory Appraiser
Signature	Signature
Appraiser Name Steven A Strom	Supervisory Appraiser Name
Company Name Appraisals 2-Day	Company Name
Company Address 8603 Shadow Lane, Fountain Valley, CA 92708	Company Address
State License/Certification # AR027644 State CA	State License/Certification # State
Email Address 33strom@gmail.com	Email Address

Plat Map

Borrower	R and R Properties						
Property Address	5034 W Slauson Ave						
City	Los Angeles	County	Los Angeles	State	CA	Zip Code	90056
Lender/Client	Anchor Loans						



Appraiser Independence Certification

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

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

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

I further assert that Anchor Loans has never participated in any of the following prohibited behavior in our business relationship:

1) Withholding or threatening to withhold timely payment or partial payment for an appraisal report;

2) Withholding or threatening to withhold future business with me, or demoting or terminating or threatening to demote or terminate me;

3) Expressly or impliedly promising future business, promotions, or increased compensation for myself;

4) Conditioning the ordering of my appraisal report or the payment of my appraisal fee or salary or bonus on the opinion, conclusion, or valuation to be reached, or on a preliminary value estimate requested from me;

5) Requesting that I provide an estimated, predetermined, or desired valuation in an appraisal report prior to the completion of the appraisal report, or requesting that I provide estimated values or comparable sales at any time prior to my completion of an appraisal report;

6) Provided me an anticipated, estimated, encouraged, or desired value for a subject property or a proposed or target amount to be loaned to the borrower, except that a copy of the sales contract for purchase transactions may be provided;

7) Provided to me, or my appraisal company, or any entity or person related to me as appraiser, appraisal company, stock or other financial or non-financial benefits;

8) Any other act or practice that impairs or attempts to impair my independence, objectivity, or impartiality or violates law or regulation, including, but not limited to, the Truth in Lending Act (TILA) and Regulation Z, or the USPAP.

Signature

07/23/2025
Date

Steven A Strom
Appraiser's Name

AR027644
State License or Certification #

State Title or Designation

05/23/2026
Expiration Date of License or Certification

CA
State

5034 W Slauson Ave, Los Angeles, CA 90056
Address of Property Appraised

05/13

Borrower	R and R Properties					File No.	925384
Property Address	5034 W Slauson Ave						
City	Los Angeles	County	Los Angeles	State	CA	Zip Code	90056
Lender/Client	Anchor Loans						

APPRAISAL AND REPORT IDENTIFICATION

This Report is one of the following types:

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

Comments on Standards Rule 2-3

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

Comments on Appraisal and Report Identification

Note any USPAP related issues requiring disclosure and any State mandated requirements:

APPRAISER:

Signature:
Name: Steven A Strom
State Certification #: AR027644
or State License #:
State: CA Expiration Date of Certification or License: 05/23/2026
Date of Signature and Report: 07/23/2025
Effective Date of Appraisal: 07/21/2025
Inspection of Subject: [ ] None [X] Interior and Exterior [ ] Exterior-Only
Date of Inspection (if applicable): 07/21/2025

SUPERVISORY or CO-APPRAISER (if applicable):

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

Engagement Letter

Borrower	R and R Properties						
Property Address	5034 W Slauson Ave						
City	Los Angeles	County	Los Angeles	State	CA	Zip Code	90056
Lender/Client	Anchor Loans						

Engagement Letter

Appraisal Assignment Details

Due Date:	Jul 23, 2025
Fee:	$500.00
Loan Number:	925384
Address:	5034 West Slauson Avenue, Los Angeles, CA 90056
APN:	4001002007
Borrower(s):	Kenneth Berry, DBA R and R Properties
Lender:	Anchor Loans, LP
Appraisal Coordinator:	Victoria Steele
Client:	Anchor Loans, LP One Baxter Way, Suite 220 Thousand Oaks, CA 91302
Value Required:	AS IS & AFTER REPAIRS
Transaction Type:	Purchase
Appraisal Product:	1025 with Cost Approach
POC:	Sean Hagi/ Ken Berry Phone: (949) 294-8939
Existing:	5168 sq ft TRIPLEX 7.0 + 6.0, on 0 sq ft lot, built 1959
Future:	5168 sq ft TRIPLEX 10.0 + 9.0, on 0 sq ft lot, built 1959
Additional Notes:	Triplex remodel. Relocate and update Kitchens and Bathrooms. Remove and Replace all Windows in same size and locations. Replumb and rewire all three units. Electric panels to remain as is Install new HVAC in each unit Reroof and properly vent entire building Two - 3 bedroom 3 bath units, Unit #1 is 1,546 sq ft, Unit #2 is 1,699 One - 4 bedroom 3 bath unit, Unit #3 is 1,889. Totaling 5134 Sq Ft
Future Plans:	Rehab Fix/Flip
Borrower Repairs:	$550,000.00
Repairs Complete:	N/A

Supplemental Addendum

File No. 925384

Borrower	R and R Properties						
Property Address	5034 W Slauson Ave						
City	Los Angeles	County	Los Angeles	State	CA	Zip Code	90056
Lender/Client	Anchor Loans						

*As Is Value opinion (AIV): $1,930,000

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

*After Repair Value opinion (ARV): $2,990,000

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

If made, adjustments are based on several methods. If made, any adjustments, including those for bathrooms, bedrooms and GLA, based on matched pair study analysis. All comparables are from the subject`s market area, similar in appeal, similar effective, similar lot utility. As is Value (AIV) opinion and After Repair Value (ARV) opinion were derived by weighted analysis of the comparable sales. As noted in this report, an as is value opinion and an after repair value opinion have been provided. The as-is value opinion is based on comparable sales 1-3 and the after repair value opinion is based on comparable sales 4-6. The after repair value opinion is based on the property having undergone $550,000 in rehabilitation.

FIRREA / USPAP ADDENDUM

Borrower	R and R Properties					File No.	925384
Property Address	5034 W Slauson Ave						
City	Los Angeles	County	Los Angeles	State	CA	Zip Code	90056
Lender/Client	Anchor Loans						

Purpose

As is-After Repair Valuation

Scope of Work

Additional Scope of Work Statement: At the client's request both "As Is" and "As Repaired" values may have been determined within this report if applicable to the assignment. For both values the appraiser has utilized market data services such as Realist, MLS, or any other informational sources to provide the best most up to date information as possible.

Intended Use / Intended User

Intended Use: The intended use of this appraisal report lending purposes

Intended User(s): The intended user of this appraisal report is the client only. No other intended users are identified.

History of Property

Current listing information: See appropriate sections of the report page 1.

Prior sale: See appropriate sections of the UAD format report.

Exposure Time / Marketing Time

Reasonable exposure time for the subject property at the market value stated in this report is estimated at 40-130 days

Personal (non-realty) Transfers

None noted.

Additional Comments

Unless otherwise noted, 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. The intended user of this appraisal report is the lender/client, this report is for a mortgage transaction only, it is not intended for any other use, subject to the stated scope of work, purpose of the appraisal, reporting requirements of this appraisal form, definition of market value, no additional intended users are identified by the appraiser.

AIR Statement: No employee, director, officer or agent of the lender, or any other third party acting as a joint venture partner, independent contractor, appraisal management company, or partner on behalf of the lender has influenced or attempted to influence the development, reporting, result or review of this assignment through coercion, extortion, collusion, compensation, instruction, inducement, intimidation, bribery or in any other manner.

Certification Supplement

1. This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or an approval of a loan.
2. My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result or the occurrence of a subsequent event.

Appraiser:	Steven A Strom	Supervisory Appraiser:	
Signed Date:	07/23/2025	Signed Date:	
Certification or License #:	AR027644	Certification or License #:	
Certification or License State:	CA Expires: 05/23/2026	Certification or License State:	Expires:
Effective Date of Appraisal:	07/21/2025	Inspection of Subject:	☐ Did Not ☐ Exterior Only ☐ Interior and Exterior

HUDSON INSURANCE COMPANY
100 William Street, 5th Floor
New York, NY 10038

HUDSON INSURANCE GROUP

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-3AX-1000901 **Renewal of:** PRA-3AX-1000719

1. **Named Insured:** Steven Strom DBA Appraisals 2-Day

2. **Address:** 8603 Shadow Lane
Fountain Valley, CA, 92708

3. **Policy Period:** **From:** 02/04/2025 **To:** 02/04/2026
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.**	$2,000,000
Claims Expense Limit of Liability	**C.**	$1,000,000	**D.**	$2,000,000

5. **Deductible** (Inclusive of **Claims Expenses**):
5A. $ 500 Each **Claim** **5B.** $ 1,000 Aggregate

6. **Policy Premium:** $774.00 **State Taxes/Surcharges:** $0.00

7. **Retroactive Date:** Full Prior Acts

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:** RCIM
Phone: (707)934-4214

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

Christy 2. Dallof
President

Dina Dankiel
Secretary

Business, Consumer Services & Housing Agency

BUREAU OF REAL ESTATE APPRAISERS

REAL ESTATE APPRAISER LICENSE

Steven A. Strom

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

"Certified Residential Real Estate Appraiser"

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

BREA APPRAISER IDENTIFICATION NUMBER: AR 027644

Effective Date: May 24, 2024
Date Expires: May 23, 2026

Angela Jemmott

Angela Jemmott, Bureau Chief, BREA

3075103

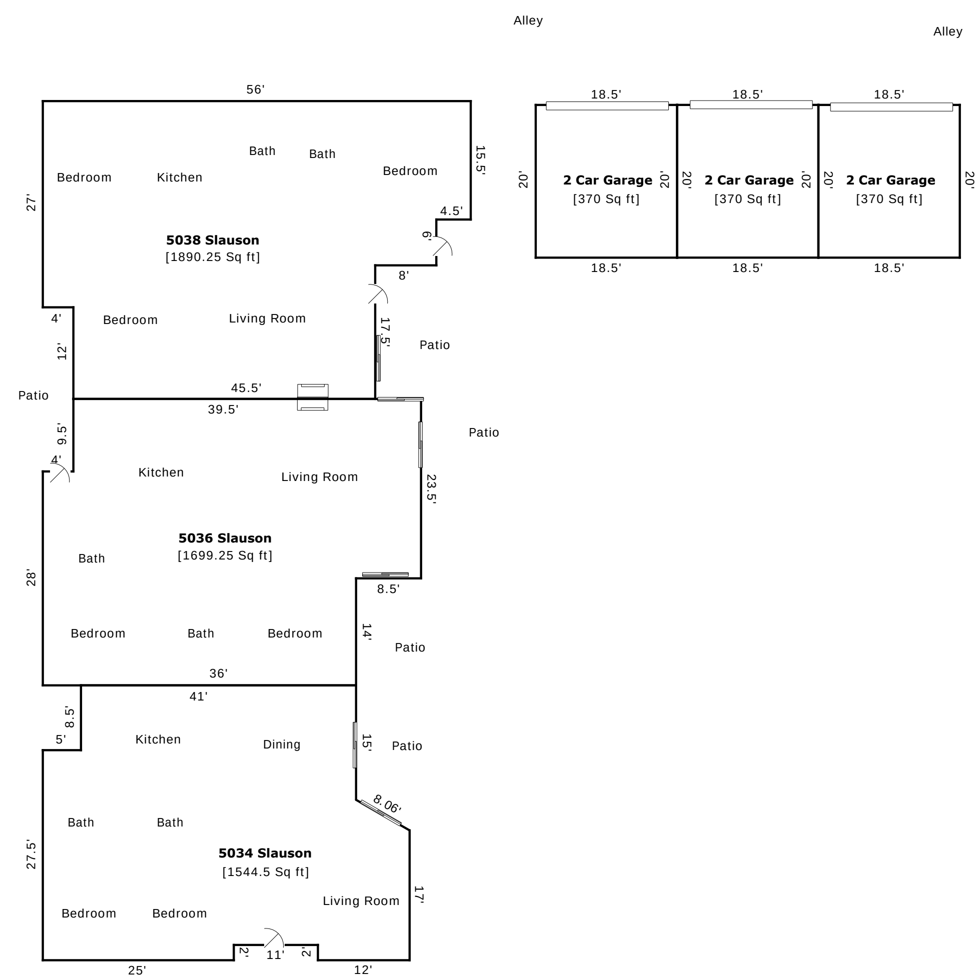
THIS DOCUMENT CONTAINS A TRUE WATERMARK - HOLD UP TO LIGHT TO SEE "CHAIN LINK"

Aerial Map

Borrower	R and R Properties						
Property Address	5034 W Slauson Ave						
City	Los Angeles	County	Los Angeles	State	CA	Zip Code	90056
Lender/Client	Anchor Loans						

Building Sketch

Borrower	R and R Properties						
Property Address	5034 W Slauson Ave						
City	Los Angeles	County	Los Angeles	State	CA	Zip Code	90056
Lender/Client	Anchor Loans						



TOTAL Sketch by a la mode

Area Calculations Summary

Living Area		**Calculation Details**		
5038 Slauson	1890.25 Sq ft	39.5 × 12	=	474
		27 × 43.5	=	1174.5
		12.5 × 15.5	=	193.75
		8 × 6	=	48
5036 Slauson	1699.25 Sq ft	23.5 × 8.5	=	199.75
		37.5 × 37	=	1387.5
		4 × 28	=	112
5034 Slauson	1544.5 Sq ft	0.5 × 7 × 4	=	14
		17 × 7	=	119
		36 × 5	=	180
		34 × 11	=	374
		36 × 20	=	720
		27.5 × 5	=	137.5
Total Living Area (Rounded):	**5134 Sq ft**			
Non-living Area				
2 Car Garage	370 Sq ft	18.5 × 20	=	370
2 Car Garage	370 Sq ft	18.5 × 20	=	370
2 Car Garage	370 Sq ft	18.5 × 20	=	370

Location Map

Borrower	R and R Properties						
Property Address	5034 W Slauson Ave						
City	Los Angeles	County	Los Angeles	State	CA	Zip Code	90056
Lender/Client	Anchor Loans