



APPRAISAL OF REAL PROPERTY

LOCATED AT:

3621 Pitcairn Way
Tract 2356-Lot 34
San Jose, CA 95111-1331

FOR:

Law Offices of Daniel E. Hanley
1091 Lincoln Avenue
San Jose, CA 95125

AS OF:

January 14, 2008

RESIDENTIAL APPRAISAL SUMMARY REPORT

File No.: 4483

SUBJECT	Property Address: 3621 Pitcairn Way			City: San Jose			State: CA Zip Code: 95111-1331	
	County: Santa Clara			Legal Description: Tract 2356-Lot 34			Assessor's Parcel #: 494-21-074	
ASSIGNMENT	Tax Year: 07-08 R.E. Taxes: \$ 877.90			Special Assessments: \$ N/A			Borrower (if applicable): N/A	
	Current Owner of Record: Garrison			Occupant: <input checked="" type="checkbox"/> Owner <input type="checkbox"/> Tenant <input type="checkbox"/> Vacant			<input type="checkbox"/> Manufactured Housing	
	Project Type: <input type="checkbox"/> PUD <input type="checkbox"/> Condominium <input type="checkbox"/> Cooperative <input type="checkbox"/> Other (describe)						HOA: \$ N/A <input type="checkbox"/> per year <input type="checkbox"/> per month	
	Market Area Name: Meadow Lanes			Map Reference: 854 J-6			Census Tract: 5032.10	
	The purpose of this appraisal is to develop an opinion of: <input checked="" type="checkbox"/> Market Value (as defined), or <input type="checkbox"/> other type of value (describe) This report reflects the following value (if not Current, see comments): <input type="checkbox"/> Current (the Inspection Date is the Effective Date) <input checked="" type="checkbox"/> Retrospective <input type="checkbox"/> Prospective Approaches developed for this appraisal: <input checked="" type="checkbox"/> Sales Comparison Approach <input checked="" type="checkbox"/> Cost Approach <input type="checkbox"/> Income Approach (See Reconciliation Comments and Scope of Work) Property Rights Appraised: <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Leased Fee <input type="checkbox"/> Other (describe) Intended Use: To establish fair market value as of a historical date.							

MARKET AREA DESCRIPTION	Intended User(s) (by name or type): Garrison Trust & its Attorney					
	Client: Law Offices of Daniel E. Hanley Address: 1091 Lincoln Avenue, San Jose, CA 95125					
	Appraiser: Mark T. Ivie Address: 1280 Sierra-Mar Drive, San Jose, CA 95118					
	Location: <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural	Predominant Occupancy	One-Unit Housing	Present Land Use	Change in Land Use	
	Built up: <input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%				<input type="checkbox"/> Not Likely	
	Growth rate: <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow				<input type="checkbox"/> Likely * <input type="checkbox"/> In Process *	
Property values: <input type="checkbox"/> Increasing <input type="checkbox"/> Stable <input checked="" type="checkbox"/> Declining	* To: _____					
Demand/supply: <input type="checkbox"/> Shortage <input type="checkbox"/> In Balance <input checked="" type="checkbox"/> Over Supply						
Marketing time: <input type="checkbox"/> Under 3 Mos. <input checked="" type="checkbox"/> 3-6 Mos. <input type="checkbox"/> Over 6 Mos.	<input type="checkbox"/> Vacant (0-5%)	<input type="checkbox"/> Vacant (5-10%)	<input type="checkbox"/> Vacant (10-25%)	<input type="checkbox"/> Vacant (25-50%)	<input type="checkbox"/> Vacant (>50%)	

Market Area Boundaries, Description, and Market Conditions (including support for the above characteristics and trends):

Capitol Expressway to the North & West-Senter Road to the South-Freeway 101 to the East.

A small area of conforming single family residences.

In the subject neighborhood, property values are declining and demand/supply is in over supply.

Marketing time is over three months.

The subject is located in an established neighborhood where conventional loans with few or no concessions from sellers to buyers are typical.

Dimensions: 50 X 100	Site Area: 5,000 Sq.Ft.
Zoning Classification: R1-8	Description: Single Family Residence
Zoning Compliance: <input checked="" type="checkbox"/> Legal <input type="checkbox"/> Legal nonconforming (grandfathered) <input type="checkbox"/> Illegal <input type="checkbox"/> No zoning	
Are CC&Rs applicable? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Unknown	Have the documents been reviewed? <input type="checkbox"/> Yes <input type="checkbox"/> No
Ground Rent (if applicable) \$ /	
Highest & Best Use as improved: <input checked="" type="checkbox"/> Present use, or <input type="checkbox"/> Other use (explain) _____	
Actual Use as of Effective Date: Single Family Residence	Use as appraised in this report: Single Family Residence
Summary of Highest & Best Use: Per the current zoning, the highest and best use of the subject property as improved is the current use.	

SITE DESCRIPTION	Utilities	Public	Other	Provider/Description	Off-site Improvements	Type	Public	Private	Topography	Level
	Electricity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PG&E/Typical	Street	Asphalt	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Size	Typical
	Gas	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PG&E/Typical	Curb/Gutter	Concrete	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Shape	Rectangular
	Water	<input checked="" type="checkbox"/>	<input type="checkbox"/>	City/Typical	Sidewalk	Concrete	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Drainage	Appears Adequate
	Sanitary Sewer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	City/Typical	Street Lights	Electric	<input checked="" type="checkbox"/>	<input type="checkbox"/>	View	Neighborhood
	Storm Sewer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	City/Typical	Alley	None	<input checked="" type="checkbox"/>	<input type="checkbox"/>		

Other site elements: Inside Lot Corner Lot Cul de Sac Underground Utilities Other (describe)FEMA Spec'l Flood Hazard Area Yes No FEMA Flood Zone D FEMA Map # 0603490038D FEMA Map Date 8/2/1982

Site Comments:

Subject is located on a level conforming lot.

No apparent adverse easements, encroachments or conditions noted at time of inspection.

General Description	Exterior Description	Foundation	Basement	<input checked="" type="checkbox"/> None	Heating
# of Units One <input type="checkbox"/> Acc.Unit	Foundation Concrete	Slab No	Area Sq. Ft.	Type FAF	
# of Stories One	Exterior Walls Vinyl	Crawl Space Yes	% Finished	Fuel Gas	
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/>	Roof Surface Comp Shingle	Basement No	Ceiling	Condition Fair	
Design (Style) Ranch	Gutters & Dwnspts. Partial Metal	Sump Pump <input type="checkbox"/> N/A	Walls	Cooling	
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Und.Cons.	Window Type Sliding	Dampness <input type="checkbox"/> N/A	Floor	Central No	
Actual Age (Yrs.) 49	Storm/Screens No/Yes	Settlement None Noted	Outside Entry	Other No	
Effective Age (Yrs.) 35	Infestation None Noted				

Interior Description	Appliances	Attic <input type="checkbox"/> None	Amenities	Car Storage <input type="checkbox"/> None
Floors Hrdwd-vnyl-crpt/Avg.	Refrigerator <input type="checkbox"/>	Stairs <input type="checkbox"/> Fireplace(s) # -0-	Woodstove(s) #	Garage # of cars (2 Tot.)
Walls Drywall/Average	Range/Oven <input checked="" type="checkbox"/>	Drop Stair <input type="checkbox"/> Patio Covered		Attach. 2 2 Car
Trim/Finish Wood/Average	Disposal <input checked="" type="checkbox"/>	Scuttle <input checked="" type="checkbox"/> Deck		Detach. No
Bath Floor Vinyl/Fair	Dishwasher <input checked="" type="checkbox"/>	Doorway <input type="checkbox"/> Porch		Blt.-In No

RESIDENTIAL APPRAISAL SUMMARY REPORT

File No.: 4483

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

Data Source(s): MLS/MetroScan

1st Prior Subject Sale/Transfer

Analysis of sale/transfer history and/or any current agreement of sale/listing: None Noted.

Date: None Noted

Price: Per

Source(s): MetroScan

2nd Prior Subject Sale/Transfer

Date:

Price:

Source(s):

SALES COMPARISON APPROACH TO VALUE (if developed) The Sales Comparison Approach was not developed for this appraisal.

FEATURE	SUBJECT	COMPARABLE SALE # 1			COMPARABLE SALE # 2			COMPARABLE SALE # 3		
Address	3621 Pitcairn Way San Jose, CA 95111-1331	495 Skall Drive San Jose, CA 95111			363 El Cajon Drive San Jose, CA 95111			4188 Ridgebrook Way San Jose, CA 95111		
Proximity to Subject		0.31 miles S			0.42 miles S			0.53 miles SE		
Sale Price	\$ N/A	\$ 420,000			\$ 429,000			\$ 450,000		
Sale Price/GLA	\$ N/A /sq.ft.	\$ 377.36 /sq.ft.			\$ 338.60 /sq.ft.			\$ 368.85 /sq.ft.		
Data Source(s)	Inspection	MLS#80746691/DOM 117			MLS#80727442/DOM 108			MLS#80727104/DOM 204		
Verification Source(s)	MetroScan	MetroScan			MetroScan			MetroScan		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION			+(-) \$ Adjust.			DESCRIPTION		
Sales or Financing	N/A	Conventional			Conventional			Conventional		
Concessions	N/A	None Noted			None Noted			None Noted		
Date of Sale/Time	N/A	12/13/07			09/05/07			12/06/07		
Rights Appraised	Fee Simple	Fee Simple			Fee Simple			Fee Simple		
Location	Average	Average			Average			Average		
Site	5,000 Sq.Ft.	5,000 Sq.Ft.			5,000 Sq.Ft.			6,000		
View	Neighborhood	Neighborhood			Neighborhood			Neighborhood		
Design (Style)	Ranch	Ranch			Ranch			Ranch		
Quality of Construction	Average	Average			Average			Average		
Age	49 Years	49 Years			49 Years			34 Years		
Condition	Average-	Average			-5,000			Average		
Above Grade	Total	Bdrms	Baths	Total	Bdrms	Baths	Total	Bdrms	Baths	
Room Count	5	3	2	5	3	2	6	3	2	
Gross Living Area	1,120 sq.ft.			1,113 sq.ft.			1,267 sq.ft.			-9,000 1,220 sq.ft. -6,000
Basement & Finished	N/A	N/A			N/A			N/A		
Rooms Below Grade	N/A	N/A			N/A			N/A		
Functional Utility	Average	Average			Average			Average		
Heating/Cooling	FAF/None	Wall/None			Wall/None			FAF/None		
Energy Efficient Items	None Noted	None Noted			None Noted			None Noted		
Garage/Carport	2 Car Garage	2 Car Garage			2 Car Garage			2 Car Garage		
Porch/Patio/Deck	Covered Patio	Patio			Patio			Patio		
Fireplace(s), etc.	No Fireplace	No Fireplace			No Fireplace			1 Fireplace		
Fence, Pool, etc.	Wood Fencing	Wood Fencing			Wood Fencing			Wood Fencing		
Kitchen Amenities	AEK	AEK			AEK			Updated AEK		
Net Adjustment (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> -			\$ -5,000			<input type="checkbox"/> + <input checked="" type="checkbox"/> -		
Adjusted Sale Price of Comparables		\$ 415,000			\$ 420,000			\$ 422,000		

Summary of Sales Comparison Approach Sales 1 & 3 are superior in overall condition.

Sales 2 & 3 are larger in gross living area.

Sale 3 has a larger lot, a fireplace & an updated kitchen.

RESIDENTIAL APPRAISAL SUMMARY REPORT

File No.: 4483

COST APPROACH	COST APPROACH TO VALUE (if developed) <input checked="" type="checkbox"/> The Cost Approach was not developed for this appraisal.	
	Provide adequate information for replication of the following cost figures and calculations.	
	Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value): Site value is based upon recent land sales in the subject market.	
	ESTIMATED <input checked="" type="checkbox"/> REPRODUCTION OR <input type="checkbox"/> REPLACEMENT COST NEW	
	Source of cost data: Marshall & Swift	
	Quality rating from cost service: Average Effective date of cost data: 01/2008	
	Comments on Cost Approach (gross living area calculations, depreciation, etc.): Cost Estimates Square foot calculations:Marshall/Swift Site value:Abstraction	
	SEE ATTACHED BUILDING DIAGRAM!	
	The high land value to improvement value is typical for this area.	
	Estimated Remaining Economic Life (if required): 35 Years	
INCOME APPROACH	OPINION OF SITE VALUE = \$ 300,000	
	DWELLING 1,120 Sq.Ft. @ \$ 200.00 = \$ 224,000	
	Sq.Ft. @ \$ = \$	
	Sq.Ft. @ \$ = \$	
	Sq.Ft. @ \$ = \$	
	Sq.Ft. @ \$ = \$	
	Garage/Carport 456 Sq.Ft. @ \$ 50.00 = \$ 22,800	
	Total Estimate of Cost-New = \$ 246,800	
	Less Physical Functional External	
	Depreciation 131,800 = \$(131,800)	
PUD	Depreciated Cost of Improvements = \$ 115,000	
	"As-is" Value of Site Improvements = \$ 5,000	
 = \$	
 = \$	
 = \$	
 = \$	
 = \$	
 = \$	
 = \$	
 = \$	
INDICATED VALUE BY COST APPROACH = \$ 420,000		
RECONCILIATION	INCOME APPROACH TO VALUE (if developed) <input checked="" type="checkbox"/> The Income Approach was not developed for this appraisal.	
	Estimated Monthly Market Rent \$ N/A X Gross Rent Multiplier N/A = \$ N/A Indicated Value by Income Approach	
	Summary of Income Approach (including support for market rent and GRM): The income approach to value has not been utilized in the appraisal analysis, as no consistent relationship appears to exist between property values and their rents in the subject's market area. Due to the absence of a demonstrable relationship between rents and market values, no reliable income multiplier can be derived. The subject is located in an area which is predominantly owner occupied.	
	PROJECT INFORMATION FOR PUDs (if applicable) <input type="checkbox"/> The Subject is part of a Planned Unit Development.	
	Legal Name of Project:	
	Describe common elements and recreational facilities:	
	Indicated Value by: Sales Comparison Approach \$ 420,000 Cost Approach (if developed) \$ 420,000 Income Approach (if developed) \$ N/A	
	Final Reconciliation All of the sale comparables used were given equal weight.	
	The market data approach is considered the best indicator of the subject's value in this report and is supported by the cost approach.	
	Income approach is not considered applicable due to the high ratio of owner occupied homes in the general area of the subject.	
This appraisal is made <input checked="" type="checkbox"/> "as is", <input type="checkbox"/> subject to completion per plans and specifications on the basis of a Hypothetical Condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a Hypothetical Condition that the repairs or alterations have been completed, <input type="checkbox"/> subject to the following required inspection based on the Extraordinary Assumption that the condition or deficiency does not require alteration or repair:		
This appraisal report is intended for use in establishing market value only.		
This report is not intended for any other use.		
<input checked="" type="checkbox"/> This report is also subject to other Hypothetical Conditions and/or Extraordinary Assumptions as specified in the attached addenda.		
Based on the degree of inspection of the subject property, as indicated below, defined Scope of Work, Statement of Assumptions and Limiting Conditions, and Appraiser's Certifications, my (our) Opinion of the Market Value (or other specified value type), as defined herein, of the real property that is the subject of this report is: \$ 420,000 , as of: January 14, 2008 , which is the effective date of this appraisal.		
If indicated above, this Opinion of Value is subject to Hypothetical Conditions and/or Extraordinary Assumptions included in this report. See attached addenda.		
A true and complete copy of this report contains 12 pages, including exhibits which are considered an integral part of the report. This appraisal report may not be properly understood without reference to the information contained in the complete report.		
Attached Exhibits:		
<input checked="" type="checkbox"/> Scope of Work <input checked="" type="checkbox"/> Limiting Cond./Certifications <input checked="" type="checkbox"/> Narrative Addendum <input checked="" type="checkbox"/> Photograph Addenda <input checked="" type="checkbox"/> Map Addenda <input type="checkbox"/> Additional Sales <input type="checkbox"/> Cost Addendum <input type="checkbox"/> Flood Addendum <input checked="" type="checkbox"/> Sketch Addendum <input type="checkbox"/> Hypothetical Conditions <input checked="" type="checkbox"/> Extraordinary Assumptions <input type="checkbox"/> <input type="checkbox"/> Manuf. House Addendum		
Client Contact: Daniel Hanley Client Name: Law Offices of Daniel E. Hanley		
E-Mail: dan@hanleylaw.com Address: 1091 Lincoln Avenue, San Jose, CA 95125		
APPRAISER		
SUPERVISORY APPRAISER (if required) or CO-APPRAISER (if applicable)		

Assumptions, Limiting Conditions & Scope of Work

File No.: 4483

Property Address: 3621 Pitcairn Way	City: San Jose	State: CA	Zip Code: 95111-1331
Client: Law Offices of Daniel E. Hanley	Address: 1091 Lincoln Avenue, San Jose, CA 95125		
Appraiser: Mark T. Ivie	Address: 1280 Sierra-Mar Drive, San Jose, CA 95118		

STATEMENT OF ASSUMPTIONS & LIMITING CONDITIONS

- The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
- The appraiser may have provided a sketch in the appraisal report to show approximate dimensions of the improvements, and any such sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size. Unless otherwise indicated, a Land Survey was not performed.
- If so indicated, 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 the appraisal report whether 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.
- 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.
- If the cost approach is included in this appraisal, the appraiser has estimated the value of the land in the cost approach at its highest and best use, and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used. Unless otherwise specifically indicated, the cost approach value is not an insurance value, and should not be used as such.
- The appraiser has noted in the appraisal report any adverse conditions (including, but not limited to, needed repairs, depreciation, 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 normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property, or adverse environmental conditions (including, but not limited to, the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. 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, the appraisal report must not be considered as an environmental assessment of the property.
- The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
- The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice, and any applicable federal, state or local laws.
- If this appraisal is indicated as subject to satisfactory completion, repairs, or alterations, the appraiser has based his or her appraisal report and valuation conclusion on the assumption that completion of the improvements will be performed in a workmanlike manner.
- An appraiser's client is the party (or parties) who engage an appraiser in a specific assignment. Any other party acquiring this report from the client does not become a party to the appraiser-client relationship. Any persons receiving this appraisal report because of disclosure requirements applicable to the appraiser's client do not become intended users of this report unless specifically identified by the client at the time of the assignment.
- The appraiser's written consent and approval must be obtained before this appraisal report can be conveyed by anyone to the public, through advertising, public relations, news, sales, or by means of any other media, or by its inclusion in a private or public database.
- An appraisal of real property is not a 'home inspection' and should not be construed as such. As part of the valuation process, the appraiser performs a non-invasive visual inventory that is not intended to reveal defects or detrimental conditions that are not readily apparent. The presence of such conditions or defects could adversely affect the appraiser's opinion of value. Clients with concerns about such potential negative factors are encouraged to engage the appropriate type of expert to investigate.

The Scope of Work is the type and extent of research and analyses performed in an appraisal assignment that is required to produce credible assignment results, given the nature of the appraisal problem, the specific requirements of the intended user(s) and the intended use of the appraisal report. Reliance upon this report, regardless of how acquired, by any party or for any use, other than those specified in this report by the Appraiser, is prohibited. The Opinion of Value that is the conclusion of this report is credible only within the context of the Scope of Work, Effective Date, the Date of Report, the Intended User(s), the Intended Use, the stated Assumptions and Limiting Conditions, any Hypothetical Conditions and/or Extraordinary Assumptions, and the Type of Value, as defined herein. The appraiser, appraisal firm, and related parties assume no obligation, liability, or accountability, and will not be responsible for any unauthorized use of this report or its conclusions.

Additional Comments (Scope of Work, Extraordinary Assumptions, Hypothetical Conditions, etc.):

Based upon the description furnished to the appraiser by the granddaughter, the subject was in below average condition on the evaluation date 01/14/08.

Certifications

File No.: 4483

Property Address: 3621 Pitcairn Way	City: San Jose	State: CA	Zip Code: 95111-1331
Client: Law Offices of Daniel E. Hanley	Address: 1091 Lincoln Avenue, San Jose, CA 95125		
Appraiser: Mark T. Ivie	Address: 1280 Sierra-Mar Drive, San Jose, CA 95118		

APPRAISER'S CERTIFICATION

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

- The statements of fact contained in this report are true and correct.
- The credibility of this report, for the stated use by the stated user(s), of 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.
- 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.
- I have no bias with respect to the property that is the subject of this report or to 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.
- I did not base, either partially or completely, my analysis and/or the opinion of value in the appraisal report on the race, color, religion, sex, 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.
- 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.

Additional Certifications:

In some cases, a clear digital photograph of the comparable sale was not possible due to lighting, distance from road or the observance of no trespassing signs. Multiple listing photographs may be used instead of the field photograph when the MLS photo presents the reader with a more descriptive view of the comparable sale. A field inspection of the exterior of all comparable sales was a part of this appraisal.

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.

DEFINITION OF MARKET VALUE *:

Market value means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised and acting in what they consider their own best interests;
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.

* This definition is from regulations published by federal regulatory agencies pursuant to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) of 1989 between July 5, 1990, and August 24, 1990, by the Federal Reserve System (FRS), National Credit Union Administration (NCUA), Federal Deposit Insurance Corporation (FDIC), the Office of Thrift Supervision (OTS), and the Office of Comptroller of the Currency (OCC). This definition is also referenced in regulations jointly published by the OCC, OTS, FRS, and FDIC on June 7, 1994, and in the Interagency Appraisal and Evaluation Guidelines, dated October 27, 1994.

Client Contact: Daniel Hanley
E-Mail: dan@hanleylaw.com

Client Name: Law Offices of Daniel E. Hanley
Address: 1091 Lincoln Avenue, San Jose, CA 95125

APPRAISER

SUPERVISORY APPRAISER (if required)
or CO-APPRAISER (if applicable)

Supplemental Addendum

File No. 4483

Owner	Garrison			
Property Address	3621 Pitcairn Way			
City	San Jose	County	Santa Clara	
Client	Law Offices of Daniel E. Hanley	State	CA	Zip Code 95111-1331

CONDITION OF THE IMPROVEMENTS:

Subject was inspected on 08/19/08. Per granddaughter, as of the evaluation date 01/14/08, the subject had-

- Dryrot/water damage to both bathroom vinyl floors.
- Original metal sliding windows.
- Ungrounded electrical outlets throughout interior of subject.

Based upon the description furnished to the appraiser by the granddaughter, the subject was in below average condition on the evaluation date 01/14/08.

COMMENTS COST APPROACH:

The cost approach calculations were obtained from Marshall & Swift Handbook on residential cost valuation, local building contractors, and the appraiser's experience and knowledge of the subject's market area.

SALES COMPARISON ANALYSIS:

A thorough search has been performed to find the most recent sales of similar type properties within the subject's market area. Attention was given to find the most recent sales of residences similar in quality, age, condition, gross living area and amenities compared to that of the subject. The comparables cited are the most representative of the market for the subject residence.

COMMENTS ON ADJUSTMENT ANALYSIS:

Three closed sales are included to support the subject's appraised value. All homes are located within the subject's market area and are considered the most recent and comparable properties to the subject. The lot size adjustments were based upon \$5.00/sf rounded, gross living area adjustments were based upon \$60.00/sf rounded and fireplace adjustments were based upon \$2,000/fireplace.

All line adjustments are based upon either paired sales analysis, market data, cost new minus depreciation and/or the appraiser's knowledge of the subject's market area.

FINAL RECONCILIATION:

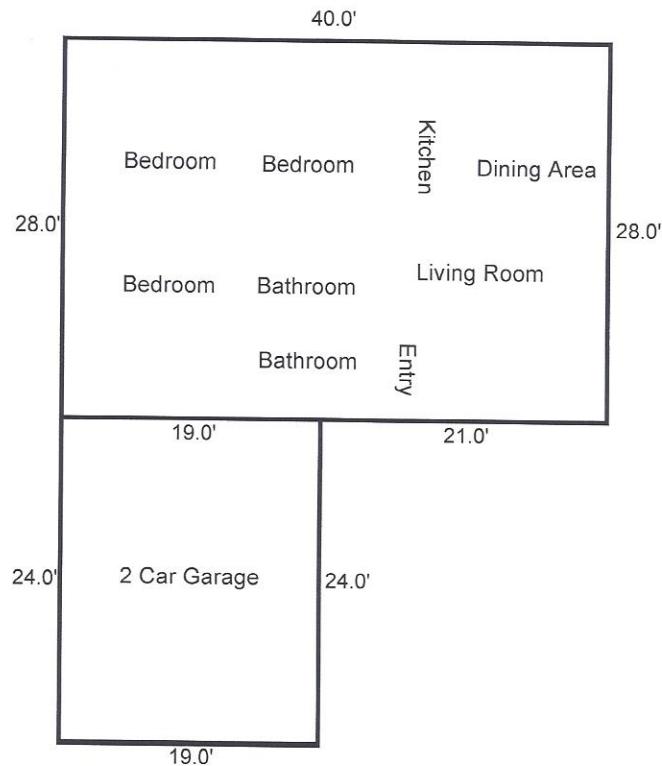
The three comparables have a net adjusted price range of \$415,000 to \$422,000. All three sales were given equal weight.

The reproduction cost approach and the market data approach to value were used in the analysis leading to the final estimate of value. Greater weight has been given to the market data approach in this analysis.

The income approach to value has not been utilized in the appraisal analysis, as no consistent relationship appears to exist between property values and their rents in the subject's market area. Due to the absence of a demonstrable relationship between rents and market values, no reliable income multiplier can be derived. The subject is located in an area which is predominantly owner occupied.

Building Sketch

Owner	Garrison			
Property Address	3621 Pitcairn Way			
City	San Jose	County	Santa Clara	
Client	Law Offices of Daniel E. Hanley	State	CA	Zip Code 95111-1331



Sketch by Apex IV™

Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	1120.0	1120.0
GAR	Garage	456.0	456.0

LIVING AREA BREAKDOWN			
Breakdown			Subtotals
First Floor			
19.0	x	28.0	532.0
21.0	x	28.0	588.0

Subject Photo Page

Owner	Garrison		
Property Address	3621 Pitcairn Way		
City	San Jose	County	Santa Clara
Client	Law Offices of Daniel E. Hanley	State	CA Zip Code 95111-1331



Subject Front

3621 Pitcairn Way
 Sales Price N/A
 Gross Living Area 1,120
 Total Rooms 5
 Total Bedrooms 3
 Total Bathrooms 2
 Location Average
 View Neighborhood
 Site 5,000 Sq.Ft.
 Quality Average
 Age 49 Years



Subject Rear



Subject Street

Comparable Photo Page

Owner	Garrison		
Property Address	3621 Pitcairn Way		
City	San Jose	County	Santa Clara
Client	Law Offices of Daniel E. Hanley	State	CA Zip Code 95111-1331



Comparable 1

495 Skall Drive	
Prox. to Subject	0.31 miles S
Sale Price	420,000
Gross Living Area	1,113
Total Rooms	5
Total Bedrooms	3
Total Bathrooms	2
Location	Average
View	Neighborhood
Site	5,000 Sq.Ft.
Quality	Average
Age	49 Years



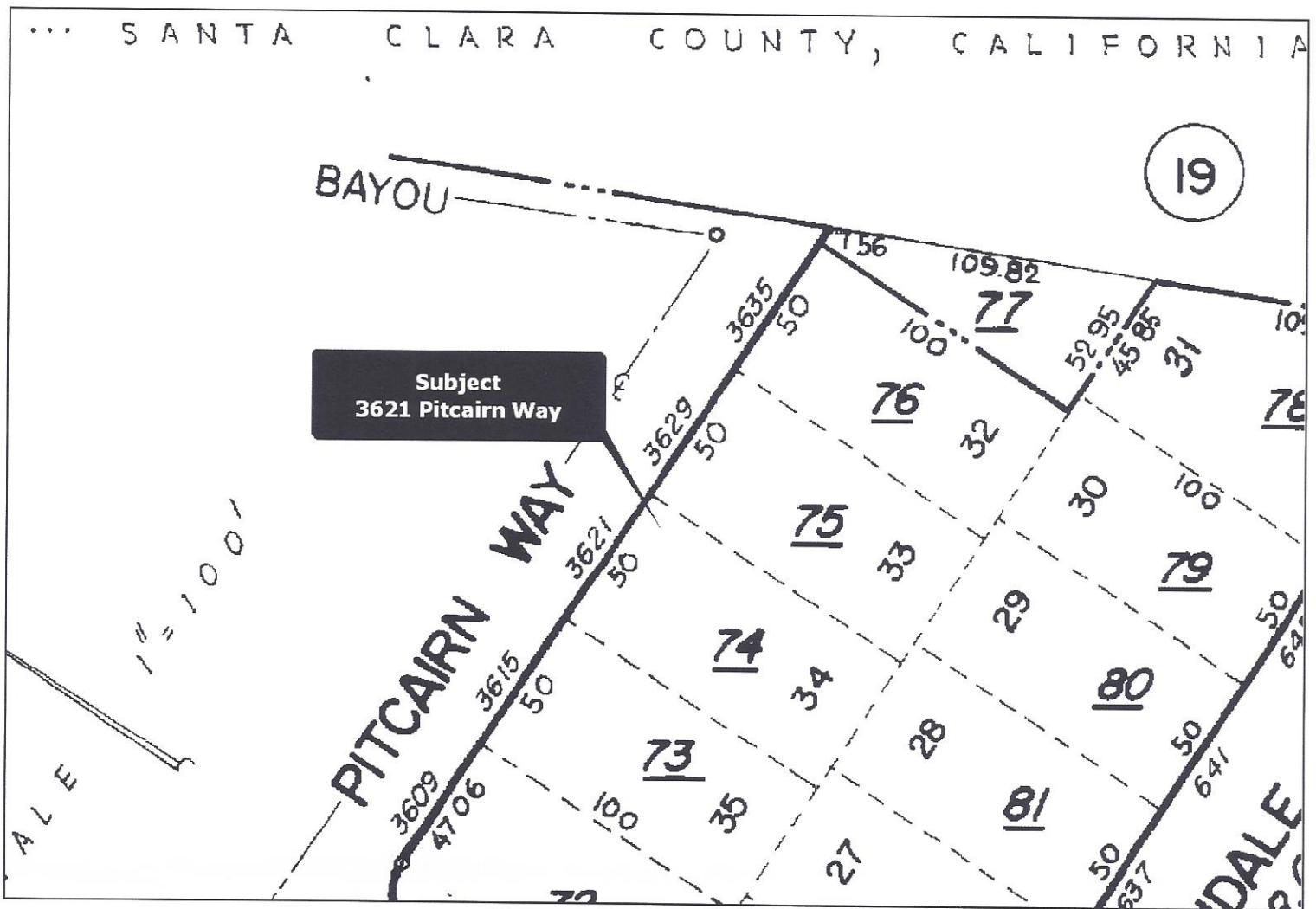
Comparable 2

363 El Cajon Drive	
Prox. to Subject	0.42 miles S
Sale Price	429,000
Gross Living Area	1,267
Total Rooms	5
Total Bedrooms	3
Total Bathrooms	2
Location	Average
View	Neighborhood
Site	5,000 Sq.Ft.
Quality	Average
Age	49 Years



Comparable 3

4188 Ridgebrook Way	
Prox. to Subject	0.53 miles SE
Sale Price	450,000
Gross Living Area	1,220
Total Rooms	6
Total Bedrooms	3
Total Bathrooms	2
Location	Average
View	Neighborhood
Site	6,000

Plat Map

Location Map

Owner	Garrison						
Property Address	3621 Pitcairn Way						
City	San Jose	County	Santa Clara	State	CA	Zip Code	95111-1331
Client	Law Offices of Daniel E. Hanley						





APPRAISAL OF REAL PROPERTY

LOCATED AT:

3621 Pitcairn Way
Tract 2356-Lot 34
San Jose, CA 95111-1331

FOR:

Law Offices of Daniel E. Hanley
1091 Lincoln Avenue
San Jose, CA 95125

AS OF:

January 14, 2008

RESIDENTIAL APPRAISAL SUMMARY REPORT

File No.: 4483

Property Address:	3621 Pitcairn Way	City:	San Jose	State:	CA	Zip Code:	95111-1331
County:	Santa Clara	Legal Description:			Tract 2356-Lot 34		
Tax Year:	07-08	R.E. Taxes:	\$ 877.90	Special Assessments:	\$ N/A	Assessor's Parcel #:	494-21-074
Current Owner of Record:	Garrison				Borrower (if applicable):	N/A	
Project Type:	<input type="checkbox"/> PUD <input type="checkbox"/> Condominium <input type="checkbox"/> Cooperative <input type="checkbox"/> Other (describe)				Occupant:	<input checked="" type="checkbox"/> Owner <input type="checkbox"/> Tenant <input type="checkbox"/> Vacant	<input type="checkbox"/> Manufactured Housing
Market Area Name:	Meadow Lanes				HOA:	\$ N/A	<input type="checkbox"/> per year <input type="checkbox"/> per month
					Map Reference:	854 J-6	Census Tract: 5032.10

The purpose of this appraisal is to develop an opinion of: Market Value (as defined), or other type of value (describe)

This report reflects the following value (if not Current, see comments): Current (the Inspection Date is the Effective Date) Retrospective Prospective

Approaches developed for this appraisal: Sales Comparison Approach Cost Approach Income Approach (See Reconciliation Comments and Scope of Work)

Property Rights Appraised: Fee Simple Leasehold Leased Fee Other (describe)

Intended Use: To establish fair market value as of a historical date.

Intended User(s) (by name or type): Garrison Trust & its Attorney

Client: Law Offices of Daniel E. Hanley Address: 1091 Lincoln Avenue, San Jose, CA 95125

Appraiser: Mark T. Ivie Address: 1280 Sierra-Mar Drive, San Jose, CA 95118

Location:	<input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural	Predominant Occupancy	One-Unit Housing	Present Land Use	Change in Land Use
Built up:	<input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	<input checked="" type="checkbox"/> Owner <input type="checkbox"/> Tenant <input checked="" type="checkbox"/> Vacant (0-5%) <input type="checkbox"/> Vacant (>5%)	PRICE \$ (000)	AGE (yrs)	One-Unit %
Growth rate:	<input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow		400	Low	2-4 Unit %
Property values:	<input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining		500	High	Multi-Unit %
Demand/supply:	<input type="checkbox"/> Shortage <input type="checkbox"/> In Balance <input checked="" type="checkbox"/> Over Supply		425-475	Pred 35-45	Comm'l %
Marketing time:	<input type="checkbox"/> Under 3 Mos. <input checked="" type="checkbox"/> 3-6 Mos. <input type="checkbox"/> Over 6 Mos.				* To: _____

Market Area Boundaries, Description, and Market Conditions (including support for the above characteristics and trends):
 Capitol Expressway to the North & West-Senter Road to the South-Freeway 101 to the East.
 A small area of conforming single family residences.

In the subject neighborhood, property values are declining and demand/supply is in over supply.
 Marketing time is over three months.
 The subject is located in an established neighborhood where conventional loans with few or no concessions from sellers to buyers are typical.

Dimensions: 50 X 100	Site Area: 5,000 Sq.Ft.
Zoning Classification: R1-8	Description: Single Family Residence
Zoning Compliance: <input checked="" type="checkbox"/> Legal <input type="checkbox"/> Legal nonconforming (grandfathered) <input type="checkbox"/> Illegal <input type="checkbox"/> No zoning	
Are CC&Rs applicable? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Unknown	Have the documents been reviewed? <input type="checkbox"/> Yes <input type="checkbox"/> No Ground Rent (if applicable) \$ /
Highest & Best Use as improved: <input checked="" type="checkbox"/> Present use, or <input type="checkbox"/> Other use (explain) _____	
Actual Use as of Effective Date: Single Family Residence	Use as appraised in this report: Single Family Residence
Summary of Highest & Best Use: Per the current zoning, the highest and best use of the subject property as improved is the current use.	

Utilities	Public	Other	Provider/Description	Off-site Improvements	Type	Public	Private	Topography	Level
Electricity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PG&E/Typical	Street	Asphalt	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Size	Typical
Gas	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PG&E/Typical	Curb/Gutter	Concrete	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Shape	Rectangular
Water	<input checked="" type="checkbox"/>	<input type="checkbox"/>	City/Typical	Sidewalk	Concrete	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Drainage	Appears Adequate
Sanitary Sewer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	City/Typical	Street Lights	Electric	<input checked="" type="checkbox"/>	<input type="checkbox"/>	View	Neighborhood
Storm Sewer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	City/Typical	Alley	None	<input checked="" type="checkbox"/>	<input type="checkbox"/>		

Other site elements: Inside Lot Corner Lot Cul de Sac Underground Utilities Other (describe)

FEMA Spec'l Flood Hazard Area Yes No FEMA Flood Zone D FEMA Map # 0603490038D FEMA Map Date 8/2/1982

Site Comments: _____

Subject is located on a level conforming lot.

No apparent adverse easements, encroachments or conditions noted at time of inspection.

General Description	Exterior Description	Foundation	Basement	<input checked="" type="checkbox"/> None	Heating
# of Units One <input type="checkbox"/> Acc.Unit	Foundation Concrete	Slab No	Area Sq. Ft.		Type FAF
# of Stories One	Exterior Walls Vinyl	Crawl Space Yes	% Finished		Fuel Gas
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/>	Roof Surface Comp Shingle	Basement No	Ceiling		Condition Fair
Design (Style) Ranch	Gutters & Dwnspts. Partial Metal	Sump Pump <input type="checkbox"/> N/A	Walls		Cooling
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Und.Cons.	Window Type Sliding	Dampness <input type="checkbox"/> N/A	Floor		Central No
Actual Age (Yrs.) 49	Storm/Screens No/Yes	Settlement None Noted	Outside Entry		Other No
Effective Age (Yrs.) 35	Infestation None Noted				

Interior Description	Appliances	Attic <input type="checkbox"/> None	Amenities	Car Storage <input type="checkbox"/> None
Floors Hrdwd-vnyl-crpt/Avg.	Refrigerator <input type="checkbox"/>	Stairs <input type="checkbox"/>	Fireplace(s) # -0-	Garage # of cars (2 Tot.)
Walls Drywall/Average	Range/Oven <input checked="" type="checkbox"/>	Drop Stair <input type="checkbox"/>	Patio Covered	Attach. 2 2 Car
Trim/Finish Wood/Average	Disposal <input checked="" type="checkbox"/>	Scuttle <input checked="" type="checkbox"/>	Deck	Detach. No
Bath Floor Vinyl/Fair	Dishwasher <input checked="" type="checkbox"/>	Doorway <input type="checkbox"/>	Porch	Blk In No

RESIDENTIAL APPRAISAL SUMMARY REPORT

File No.: 4483

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

Data Source(s): MLS/MetroScan

TRANSFER HISTORY	1st Prior Subject Sale/Transfer	Analysis of sale/transfer history and/or any current agreement of sale/listing: <u>None Noted</u> .									
	Date:	<u>None Noted</u>									
	Price:	<u>Per</u>									
	Source(s):	<u>MetroScan</u>									
	2nd Prior Subject Sale/Transfer										
	Date:										
SALES COMPARISON APPROACH	Price:										
	Source(s):										
	SALES COMPARISON APPROACH TO VALUE (if developed) <input type="checkbox"/> The Sales Comparison Approach was not developed for this appraisal.										
	FEATURE	SUBJECT	COMPARABLE SALE # 1			COMPARABLE SALE # 2			COMPARABLE SALE # 3		
	Address	3621 Pitcairn Way San Jose, CA 95111-1331	495 Skall Drive San Jose, CA 95111			363 El Cajon Drive San Jose, CA 95111			4188 Ridgebrook Way San Jose, CA 95111		
	Proximity to Subject		0.31 miles S			0.42 miles S			0.53 miles SE		
Sale Price	\$ N/A		\$ 420,000			\$ 429,000			\$ 450,000		
Sale Price/GLA	\$ N/A /sq.ft.	\$ 377.36 /sq.ft.				\$ 338.60 /sq.ft.			\$ 368.85 /sq.ft.		
Data Source(s)	Inspection	MLS#80746691/DOM 117			MLS#80727442/DOM 108			MLS#80727104/DOM 204			
Verification Source(s)	MetroScan	MetroScan			MetroScan			MetroScan			
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION		+(-) \$ Adjust.	DESCRIPTION		+(-) \$ Adjust.	DESCRIPTION		+(-) \$ Adjust.	
Sales or Financing	N/A	Conventional			Conventional			Conventional			
Concessions	N/A	None Noted			None Noted			None Noted			
Date of Sale/Time	N/A	12/13/07			09/05/07			12/06/07			
Rights Appraised	Fee Simple	Fee Simple			Fee Simple			Fee Simple			
Location	Average	Average			Average			Average			
Site	5,000 Sq.Ft.	5,000 Sq.Ft.			5,000 Sq.Ft.			6,000		-5,000	
View	Neighborhood	Neighborhood			Neighborhood			Neighborhood			
Design (Style)	Ranch	Ranch			Ranch			Ranch			
Quality of Construction	Average	Average			Average			Average			
Age	49 Years	49 Years			49 Years			34 Years			
Condition	Average-	Average		-5,000	Average-			Average		-5,000	
Above Grade	Total	Bdrms	Baths		Total	Bdrms	Baths		Total	Bdrms	Baths
Room Count	5	3	2		5	3	2		6	3	2
Gross Living Area	1,120 sq.ft.			1,113 sq.ft.	1,267 sq.ft.			-9,000	1,220 sq.ft.		-6,000
Basement & Finished	N/A	N/A			N/A			N/A			
Rooms Below Grade	N/A	N/A			N/A			N/A			
Functional Utility	Average	Average			Average			Average			
Heating/Cooling	FAF/None	Wall/None			Wall/None			FAF/None			
Energy Efficient Items	None Noted	None Noted			None Noted			None Noted			
Garage/Carport	2 Car Garage	2 Car Garage			2 Car Garage			2 Car Garage			
Porch/Patio/Deck	Covered Patio	Patio			Patio			Patio			
Fireplace(s), etc.	No Fireplace	No Fireplace			No Fireplace			1 Fireplace		-2,000	
Fence, Pool, etc.	Wood Fencing	Wood Fencing			Wood Fencing			Wood Fencing			
Kitchen Amenities	AEK	AEK			AEK			Updated AEK		-10,000	
Net Adjustment (Total)		<input type="checkbox"/>	+	<input checked="" type="checkbox"/>	-	\$ -5,000	<input type="checkbox"/>	+	<input checked="" type="checkbox"/>	-	\$ -28,000
Adjusted Sale Price of Comparables				\$ 415,000			\$ 420,000			\$ 422,000	

Summary of Sales Comparison Approach Sales 1 & 3 are superior in overall condition.

Sales 2 & 3 are larger in gross living area.

Sale 3 has a larger lot, a fireplace & an updated kitchen.

RESIDENTIAL APPRAISAL SUMMARY REPORT

File No.: 4483

COST APPROACH	COST APPROACH TO VALUE (if developed) <input checked="" type="checkbox"/> The Cost Approach was not developed for this appraisal.	
	Provide adequate information for replication of the following cost figures and calculations.	
	Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value): Site value is based upon recent land sales in the subject market.	
INCOME APPROACH	ESTIMATED <input checked="" type="checkbox"/> REPRODUCTION OR <input type="checkbox"/> REPLACEMENT COST NEW	
	Source of cost data: Marshall & Swift	
	Quality rating from cost service: Average Effective date of cost data: 01/2008	
	Comments on Cost Approach (gross living area calculations, depreciation, etc.): Cost Estimates Square foot calculations: Marshall/Swift Site value: Abstraction	
	SEE ATTACHED BUILDING DIAGRAM!	
	The high land value to improvement value is typical for this area.	
	Estimated Remaining Economic Life (if required): 35 Years	
	INCOME APPROACH TO VALUE (if developed) <input checked="" type="checkbox"/> The Income Approach was not developed for this appraisal.	
	Estimated Monthly Market Rent \$ N/A X Gross Rent Multiplier N/A = \$ N/A	
	Summary of Income Approach (including support for market rent and GRM): The income approach to value has not been utilized in the appraisal analysis, as no consistent relationship appears to exist between property values and their rents in the subject's market area. Due to the absence of a demonstrable relationship between rents and market values, no reliable income multiplier can be derived. The subject is located in an area which is predominantly owner occupied.	
PUD	PROJECT INFORMATION FOR PUDs (if applicable) <input type="checkbox"/> The Subject is part of a Planned Unit Development.	
	Legal Name of Project:	
	Describe common elements and recreational facilities:	
RECONCILIATION	Indicated Value by: Sales Comparison Approach \$ 420,000 Cost Approach (if developed) \$ 420,000 Income Approach (if developed) \$ N/A	
	Final Reconciliation All of the sale comparables used were given equal weight.	
	The market data approach is considered the best indicator of the subject's value in this report and is supported by the cost approach.	
	Income approach is not considered applicable due to the high ratio of owner occupied homes in the general area of the subject.	
ATTACHMENTS	This appraisal is made <input checked="" type="checkbox"/> "as is", <input type="checkbox"/> subject to completion per plans and specifications on the basis of a Hypothetical Condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a Hypothetical Condition that the repairs or alterations have been completed, <input type="checkbox"/> subject to the following required inspection based on the Extraordinary Assumption that the condition or deficiency does not require alteration or repair:	
	This appraisal report is intended for use in establishing market value only.	
	This report is not intended for any other use.	
	<input checked="" type="checkbox"/> This report is also subject to other Hypothetical Conditions and/or Extraordinary Assumptions as specified in the attached addenda.	
	Based on the degree of inspection of the subject property, as indicated below, defined Scope of Work, Statement of Assumptions and Limiting Conditions, and Appraiser's Certifications, my (our) Opinion of the Market Value (or other specified value type), as defined herein, of the real property that is the subject of this report is: \$ 420,000, as of: January 14, 2008, which is the effective date of this appraisal.	
	If indicated above, this Opinion of Value is subject to Hypothetical Conditions and/or Extraordinary Assumptions included in this report. See attached addenda.	
	A true and complete copy of this report contains 12 pages, including exhibits which are considered an integral part of the report. This appraisal report may not be properly understood without reference to the information contained in the complete report.	
	Attached Exhibits:	
	<input checked="" type="checkbox"/> Scope of Work <input checked="" type="checkbox"/> Limiting Cond./Certifications <input checked="" type="checkbox"/> Narrative Addendum <input checked="" type="checkbox"/> Photograph Addenda <input checked="" type="checkbox"/> Sketch Addendum <input checked="" type="checkbox"/> Map Addenda <input type="checkbox"/> Additional Sales <input type="checkbox"/> Cost Addendum <input type="checkbox"/> Flood Addendum <input type="checkbox"/> Manuf. House Addendum <input type="checkbox"/> Hypothetical Conditions <input checked="" type="checkbox"/> Extraordinary Assumptions <input type="checkbox"/>	

Client Contact: Daniel Hanley
E-Mail: dan@hanleylaw.com

Client Name: Law Offices of Daniel E. Hanley
Address: 1091 Lincoln Avenue, San Jose, CA 95125

APPRaiser

SUPERVISORY APPRAISER (if required)
or CO-APPRaiser (if applicable)

Assumptions, Limiting Conditions & Scope of Work

File No.: 4483

Property Address: 3621 Pitcairn Way	City: San Jose	State: CA	Zip Code: 95111-1331
Client: Law Offices of Daniel E. Hanley	Address: 1091 Lincoln Avenue, San Jose, CA 95125		
Appraiser: Mark T. Ivie	Address: 1280 Sierra-Mar Drive, San Jose, CA 95118		

STATEMENT OF ASSUMPTIONS & LIMITING CONDITIONS

- The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
- The appraiser may have provided a sketch in the appraisal report to show approximate dimensions of the improvements, and any such sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size. Unless otherwise indicated, a Land Survey was not performed.
- If so indicated, 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 the appraisal report whether 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.
- 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.
- If the cost approach is included in this appraisal, the appraiser has estimated the value of the land in the cost approach at its highest and best use, and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used. Unless otherwise specifically indicated, the cost approach value is not an insurance value, and should not be used as such.
- The appraiser has noted in the appraisal report any adverse conditions (including, but not limited to, needed repairs, depreciation, 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 normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property, or adverse environmental conditions (including, but not limited to, the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. 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, the appraisal report must not be considered as an environmental assessment of the property.
- The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
- The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice, and any applicable federal, state or local laws.
- If this appraisal is indicated as subject to satisfactory completion, repairs, or alterations, the appraiser has based his or her appraisal report and valuation conclusion on the assumption that completion of the improvements will be performed in a workmanlike manner.
- An appraiser's client is the party (or parties) who engage an appraiser in a specific assignment. Any other party acquiring this report from the client does not become a party to the appraiser-client relationship. Any persons receiving this appraisal report because of disclosure requirements applicable to the appraiser's client do not become intended users of this report unless specifically identified by the client at the time of the assignment.
- The appraiser's written consent and approval must be obtained before this appraisal report can be conveyed by anyone to the public, through advertising, public relations, news, sales, or by means of any other media, or by its inclusion in a private or public database.
- An appraisal of real property is not a 'home inspection' and should not be construed as such. As part of the valuation process, the appraiser performs a non-invasive visual inventory that is not intended to reveal defects or detrimental conditions that are not readily apparent. The presence of such conditions or defects could adversely affect the appraiser's opinion of value. Clients with concerns about such potential negative factors are encouraged to engage the appropriate type of expert to investigate.

The Scope of Work is the type and extent of research and analyses performed in an appraisal assignment that is required to produce credible assignment results, given the nature of the appraisal problem, the specific requirements of the intended user(s) and the intended use of the appraisal report. Reliance upon this report, regardless of how acquired, by any party or for any use, other than those specified in this report by the Appraiser, is prohibited. The Opinion of Value that is the conclusion of this report is credible only within the context of the Scope of Work, Effective Date, the Date of Report, the Intended User(s), the Intended Use, the stated Assumptions and Limiting Conditions, any Hypothetical Conditions and/or Extraordinary Assumptions, and the Type of Value, as defined herein. The appraiser, appraisal firm, and related parties assume no obligation, liability, or accountability, and will not be responsible for any unauthorized use of this report or its conclusions.

Additional Comments (Scope of Work, Extraordinary Assumptions, Hypothetical Conditions, etc.):

Based upon the description furnished to the appraiser by the granddaughter, the subject was in below average condition on the evaluation date 01/14/08.

Certifications

Property Address: 3621 Pitcairn Way	City: San Jose	File No.: 4483
Client: Law Offices of Daniel E. Hanley	Address: 1091 Lincoln Avenue, San Jose, CA 95125	State: CA Zip Code: 95111-1331
Appraiser: Mark T. Ivie	Address: 1280 Sierra-Mar Drive, San Jose, CA 95118	

APPRAISER'S CERTIFICATION

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

- The statements of fact contained in this report are true and correct.
- The credibility of this report, for the stated use by the stated user(s), of 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.
- 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.
- I have no bias with respect to the property that is the subject of this report or to 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.
- I did not base, either partially or completely, my analysis and/or the opinion of value in the appraisal report on the race, color, religion, sex, 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.
- 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.

Additional Certifications:

In some cases, a clear digital photograph of the comparable sale was not possible due to lighting, distance from road or the observance of no trespassing signs. Multiple listing photographs may be used instead of the field photograph when the MLS photo presents the reader with a more descriptive view of the comparable sale. A field inspection of the exterior of all comparable sales was a part of this appraisal.

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.

DEFINITION OF MARKET VALUE *:

Market value means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised and acting in what they consider their own best interests;
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.

* This definition is from regulations published by federal regulatory agencies pursuant to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) of 1989 between July 5, 1990, and August 24, 1990, by the Federal Reserve System (FRS), National Credit Union Administration (NCUA), Federal Deposit Insurance Corporation (FDIC), the Office of Thrift Supervision (OTS), and the Office of Comptroller of the Currency (OCC). This definition is also referenced in regulations jointly published by the OCC, OTS, FRS, and FDIC on June 7, 1994, and in the Interagency Appraisal and Evaluation Guidelines, dated October 27, 1994.

Client Contact: Daniel Hanley
E-Mail: dan@hanleylaw.com

Client Name: Law Offices of Daniel E. Hanley
Address: 1091 Lincoln Avenue, San Jose, CA 95125

APPRaiser

SUPERVISORY APPRAISER (if required)
or CO-APPRAISER (if applicable)

Supplemental Addendum

File No. 4483

Owner	Garrison			
Property Address	3621 Pitcairn Way			
City	San Jose	County	Santa Clara	
Client	Law Offices of Daniel E. Hanley	State	CA	Zip Code 95111-1331

CONDITION OF THE IMPROVEMENTS:

Subject was inspected on 08/19/08. Per granddaughter, as of the evaluation date 01/14/08, the subject had-

- Dryrot/water damage to both bathroom vinyl floors.
- Original metal sliding windows.
- Ungrounded electrical outlets throughout interior of subject.

Based upon the description furnished to the appraiser by the granddaughter, the subject was in below average condition on the evaluation date 01/14/08.

COMMENTS COST APPROACH:

The cost approach calculations were obtained from Marshall & Swift Handbook on residential cost valuation, local building contractors, and the appraiser's experience and knowledge of the subject's market area.

SALES COMPARISON ANALYSIS:

A thorough search has been performed to find the most recent sales of similar type properties within the subject's market area. Attention was given to find the most recent sales of residences similar in quality, age, condition, gross living area and amenities compared to that of the subject. The comparables cited are the most representative of the market for the subject residence.

COMMENTS ON ADJUSTMENT ANALYSIS:

Three closed sales are included to support the subject's appraised value. All homes are located within the subject's market area and are considered the most recent and comparable properties to the subject. The lot size adjustments were based upon \$5.00/sf rounded, gross living area adjustments were based upon \$60.00/sf rounded and fireplace adjustments were based upon \$2,000/fireplace.

All line adjustments are based upon either paired sales analysis, market data, cost new minus depreciation and/or the appraiser's knowledge of the subject's market area.

FINAL RECONCILIATION:

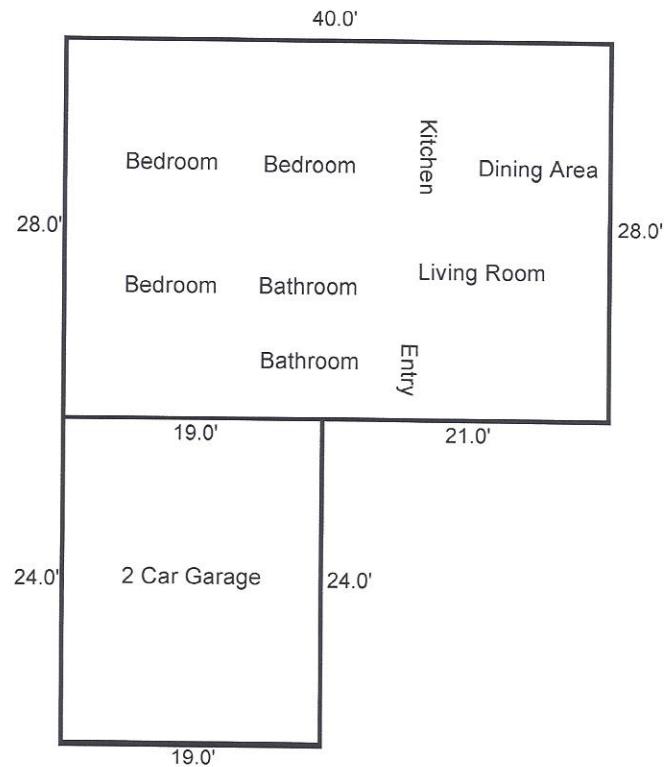
The three comparables have a net adjusted price range of \$415,000 to \$422,000. All three sales were given equal weight.

The reproduction cost approach and the market data approach to value were used in the analysis leading to the final estimate of value. Greater weight has been given to the market data approach in this analysis.

The income approach to value has not been utilized in the appraisal analysis, as no consistent relationship appears to exist between property values and their rents in the subject's market area. Due to the absence of a demonstrable relationship between rents and market values, no reliable income multiplier can be derived. The subject is located in an area which is predominantly owner occupied.

Building Sketch

Owner	Garrison			
Property Address	3621 Pitcairn Way			
City	San Jose	County	Santa Clara	
Client	Law Offices of Daniel E. Hanley	State	CA	Zip Code 95111-1331



Sketch by Apex IV™

Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	1120.0	1120.0
GAR	Garage	456.0	456.0

LIVING AREA BREAKDOWN			
Breakdown			Subtotals
First Floor	19.0	x	28.0
	21.0	x	28.0
			532.0
			588.0

Subject Photo Page

Owner	Garrison			
Property Address	3621 Pitcairn Way			
City	San Jose	County	Santa Clara	
Client	Law Offices of Daniel E. Hanley	State	CA	Zip Code 95111-1331



Subject Front

3621 Pitcairn Way
 Sales Price N/A
 Gross Living Area 1,120
 Total Rooms 5
 Total Bedrooms 3
 Total Bathrooms 2
 Location Average
 View Neighborhood
 Site 5,000 Sq.Ft.
 Quality Average
 Age 49 Years



Subject Rear



Subject Street

Comparable Photo Page

Owner	Garrison		
Property Address	3621 Pitcairn Way		
City	San Jose	County	Santa Clara
Client	Law Offices of Daniel E. Hanley	State	CA Zip Code 95111-1331



Comparable 1

495 Skall Drive	
Prox. to Subject	0.31 miles S
Sale Price	420,000
Gross Living Area	1,113
Total Rooms	5
Total Bedrooms	3
Total Bathrooms	2
Location	Average
View	Neighborhood
Site	5,000 Sq.Ft.
Quality	Average
Age	49 Years



Comparable 2

363 El Cajon Drive	
Prox. to Subject	0.42 miles S
Sale Price	429,000
Gross Living Area	1,267
Total Rooms	5
Total Bedrooms	3
Total Bathrooms	2
Location	Average
View	Neighborhood
Site	5,000 Sq.Ft.
Quality	Average
Age	49 Years



Comparable 3

4188 Ridgebrook Way	
Prox. to Subject	0.53 miles SE
Sale Price	450,000
Gross Living Area	1,220
Total Rooms	6
Total Bedrooms	3
Total Bathrooms	2
Location	Average
View	Neighborhood
Site	6,000

Plat Map

... S A N T A C L A R A C O U N T Y , C A L I F O R N I A

