

**4918 Leffingwell St, Houston, TX 77026**



**LOCATED AT**

4918 Leffingwell St  
Houston, TX 77026  
Tract 74A, City Gardens, Section 1

**FOR**

Longhorn Investments  
17103 Preston Road, Suite 250  
Dallas, TX 75248

**AS OF**

12/25/2023

**BY**

Tu Tran  
Trust Appraisal Network  
11111 Katy Freeway, Suite 910  
Houston, TX 77079  
832-377-7568  
tutran@trustappraisal.net

Borrower	Leal Holdings, LLC	File No.	TAN2023-1225
Property Address	4918 Leffingwell St		
City	Houston	County	Harris
		State	TX
Lender/Client	Longhorn Investments	Zip Code	77026

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11111 Katy Freeway, Suite 910  
Houston, TX 77079  
832-377-7568

12/28/2023

Longhorn Investments  
17103 Preston Road, Suite 250  
Dallas, TX 75248

Re: Property: 4918 Leffingwell St  
Houston, TX 77026  
Client: Leal Holdings, LLC  
File No.: TAN2023-1225

Opinion of Value: \$ 395,000  
Effective Date: 12/25/2023

In accordance with your request, we have appraised the above referenced property. This appraisal is subject to being remodeled according to the specs and plans in the attached addendum.

This appraisal was performed for Longhorn Investments for loan underwriting. The client should not rely on this appraisal report to disclose and conditions or defects to the subject.

This appraisal is made subject to certain conditions, definitions, and assumptions that are set forth in the attached report. Please be advised of the following: "I have performed no prior service, 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 appraiser has not identified any purchaser, borrower or seller as an intended user of this appraisal, and no such party should use or rely on this appraisal for any purpose. Such parties are advised to obtain an appraisal from an appraiser of their own choosing if they require an appraisal for their own use. Any reference to or use of this appraisal report by a purchaser, borrower or seller for their own purposes, including without limitation for the purposes of a property purchase decision or an appraisal contingency in a purchase agreement, is at such party's own risk and is not intended or authorized by the appraiser.**

Sincerely,

Tu Tran  
License or Certification #: 1331622  
State: TX Expires: 11/30/2024  
tutran@trustappraisal.net

Serial# 3468F915  
esign.alamode.com/verify

## SUMMARY OF SALIENT FEATURES

<b>SUBJECT INFORMATION</b>	Subject Address	4918 Leffingwell St
	Legal Description	Tract 74A, City Gardens, Section 1
	City	Houston
	County	Harris
	State	TX
	Zip Code	77026
	Census Tract	2109.00
	Map Reference	26420
<b>SALES PRICE</b>	Sale Price	\$ 215,000
	Date of Sale	11/06/2023
<b>CLIENT</b>	Borrower	Leal Holdings, LLC
	Lender/Client	Longhorn Investments
<b>DESCRIPTION OF IMPROVEMENTS</b>	Size (Square Feet)	3,074
	Price per Square Foot	\$ 113.86
	Location	N;Res;
	Age	73
	Condition	C2
	Total Rooms	12
	Bedrooms	6
	Baths	3
<b>APPRAISER</b>	Appraiser	Tu Tran
	Date of Appraised Value	12/25/2023
<b>VALUE</b>	Opinion of Value	\$ 395,000

Small Residential Income Property Appraisal Report

Loan #307515
File # TAN2023-1225

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 4918 Leffingwell St City Houston State TX Zip Code 77026
Borrower Leal Holdings, LLC Owner of Public Record Estate of Jennie V Hall County Harris
Legal Description Tract 74A, City Gardens, Section 1
Assessor's Parcel # 0660030000074 Tax Year 2023 R.E. Taxes \$ 4,893
Neighborhood Name City Gardens Map Reference 26420 Census Tract 2109.00
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 Longhorn Investments Address 17103 Preston Road, Suite 250, Dallas, TX 75248
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). DOM 37; According to HAR MLS #22694771, subject was listed on 10/16/2023 for \$250,000. It entered contract status on 12/02/2023.

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. A TREC promulgated contract was utilized. Sales price is \$215,000 with \$43,000 down, \$1,000 EMD. Buyer is paying the owner's title policy.
Contract Price \$ 215,000 Date of Contract 11/06/2023 Is the property seller the owner of public record? [x] Yes [ ] No Data Source(s) HCAD, 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? [ ] Yes [x] No
If Yes, report the total dollar amount and describe the items to be paid. \$0 Buyer is paying the owner's title policy.

NEIGHBORHOOD

Note: Race and the racial composition of the neighborhood are not appraisal factors.
Neighborhood Characteristics: Location [ ] Urban [x] Suburban [ ] Rural; Built-Up [x] Over 75% [ ] 25-75% [ ] Under 25%; Growth [ ] Rapid [x] Stable [ ] Slow
2-4 Unit Housing Trends: Property Values [ ] Increasing [x] Stable [ ] Declining; Demand/Supply [ ] Shortage [ ] In Balance [x] Over Supply; Marketing Time [x] Under 3 mths [ ] 3-6 mths [ ] Over 6 mths
2-4 Unit Housing: PRICE AGE One-Unit 60%; \$ (000) (yrs) 2-4 Unit 10%; 150 Low 1 Multi-Family 10%; 900 High 95 Commercial 20%; 269 Pred. 93 Other %
Neighborhood Boundaries: The boundaries are area bounded by: Kelley St. to the north, Lockwood Dr to the east, Liberty Rd to the south, and Jensen Dr to the west.
Neighborhood Description: Subject is located in Kashmere Gardens, approximately 6 miles northeast of Houston CBD. The area has been going through a gentrification process. There is a high trend of renovations and new constructions. Builders/Developers/Investors are tearing down older homes to build zero lot lines SFR or high density developments. Demand drivers include easy access to Loop 610/SH-59/IH-69 highways, jobs at the LBJ hospital and Houston CBD. The area is still a mixed neighborhood with commercial mixed in with SFR. There are still some streets littered with trash.
Market Conditions (including support for the above conclusions): According to HAR MLS, there were 18 sales of small income property (2-10 units) within the neighborhood boundaries in the last 12 months. The average sales price is \$265,468 and average sales PSF is \$144.68. Average DOM is 90 days. Average SP/LP ratio is 94%. Total sales are decreasing; however, absorption rate are stable. There has been an influx of new listings in the last six months. As a result, supply exceeds demand. Market will take 5.4 mos. to absorb current number of listings. Median sales price and DOM are stable.

SITE

Dimensions See Attached HCAD Plat Map Area 11,983 sf Shape Rectangular View N;Res;
Specific Zoning Classification No zoning Zoning Description Subject subdivision is not deed restricted.
Zoning Compliance [ ] Legal [ ] Legal Nonconforming (Grandfathered Use) [x] No Zoning [ ] Illegal (describe) Subject can be rebuilt if destroyed.
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 Subject is currently a one unit SFR. The proposed
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 None [ ] [ ]
FEMA Special Flood Hazard Area [x] Yes [ ] No FEMA Flood Zone AE FEMA Map # 48201C0690N FEMA Map Date 1/6/2017
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

IMPROVEMENTS

General Description: Units [ ] Two [x] Three [ ] Four; # of Stories 2 # of bldgs. 2; Type [x] Det. [ ] Att. [ ] S-Det./End Unit; Design (Style) Triplex; Year Built 1960; Effective Age (Yrs) 10
Foundation: [x] Concrete Slab [ ] Crawl Space; Basement Area 0 sq.ft.; Basement Finish 0 %; Evidence of [ ] Infestation Unknown; [ ] Dampness [ ] Settlement; Heating/Cooling: [x] FWA [ ] HWBB [ ] Radiant; [ ] Other Fuel Electric; Cooling [x] Central Air Conditioning; [x] Individual Meter [x] Other CF
Exterior Description: Foundation Walls Concrete (GD); Exterior Walls Brick/Sidings (Avg); Roof Surface Composition (GD); Gutters & Downspouts None; Window Type Vinyl (Avg); Storm Sash/Insulated None; Screens Yes (Avg)
Interior: Floors L. Vinyl Plank- GD; Walls Painted Drywl- GD; Trim/Finish Painted Wood- GD; Bath Floor Ceramic Tile- GD; Bath Wainscot Ceramic Tile- GD; Car Storage: [ ] None; [x] Driveway # of Cars 2; Driveway Surface Concrete; [x] Garage # of Cars 2; [x] Carport # of Cars 2; [x] Att. [x] Det. [ ] Built-in
# of Appliances: Refrigerator 3 Range/Oven 3 Dishwasher 3 Disposal 3 Microwave 3 Washer/Dryer 0 Other (describe)
Unit # 1 contains: 4 Rooms 2 Bedrooms 1 Bath(s) 696 Square Feet of Gross Living Area
Unit # 2 contains: 4 Rooms 2 Bedrooms 1 Bath(s) 808 Square Feet of Gross Living Area
Unit # 3 contains: 4 Rooms 2 Bedrooms 1 Bath(s) 1,211 Square Feet of Gross Living Area
Unit # 4 contains: Rooms Bedrooms Bath(s) Square Feet of Gross Living Area
Additional features (special energy efficient items, etc.): Ceiling fans, quartz counter top, Shaker style cabinets, LVP flooring, pex piping, stainless steel appliances, tiled shower walls, central HVAC, recessed lighting, fully fenced.

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). Subject is currently a detached SFR with a detached garage apartment. Appraisal report is subject to the rehab and conversion according to the attached Rehab Estimate of \$72,600: gutting the main house and converting the 2,019 sf into a 2-1 duplex. The detached garage apartment will be a 3rd unit with a 2-1. Finishes will be LVP flooring, interior/exterior paint, complete new kitchens/bathrooms, Central HVAC, roofing. After the remodeling, the property will be in good condition.

# Small Residential Income Property Appraisal Report

Loan #307515  
File # TAN2023-1225

IMPROVEMENTS	Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe. Currently, both structures are outdated. After the proposed remodeling, both units will be in good condition.
	Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe.
	Is the property subject to rent control? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe

The following properties represent the most current, similar, and proximate comparable rental properties to the subject property. This analysis is intended to support the opinion of the market rent for the subject property.

FEATURE	SUBJECT	COMPARABLE RENTAL # 1			COMPARABLE RENTAL # 2			COMPARABLE RENTAL # 3			
Address	4918 Leffingwell St Houston, TX 77026	2816 Woodward St Houston, TX 7726			3506 Sarah St Houston, TX 77026			3817 Wipprecht St Houston, TX 77026			
Proximity to Subject		0.80 miles NW			1.29 miles S			0.86 miles SE			
Current Monthly Rent	\$ 0	\$ 4,400			\$ 3,500			\$ 3,300			
Rent/Gross Bldg. Area	\$ sq.ft.	\$ 1.69 sq.ft.			\$ 1.17 sq.ft.			\$ 1.19 sq.ft.			
Rent Control	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Data Source(s)	HAR MLS	HARMLS#24253960;DOM 71			Seller Financials			Seller Financials			
Date of Lease(s)	Not Applicable	12/15/2023			Various			Vasrious			
Location	N;Res;	N;Res;			N;Res;			N;Res;			
Actual Age	63	82			63			73			
Condition	C2	C2			C2			C2			
Gross Building Area	2,715	2,600			3,000			2,767			
Unit Breakdown	Rm Count	Size Sq. Ft.	Rm Count	Size Sq. Ft.	Monthly Rent	Rm Count	Size Sq. Ft.	Monthly Rent	Rm Count	Size Sq. Ft.	Monthly Rent
	Tot Br Ba	2,715	Tot Br Ba	2,600	4,400	Tot Br Ba	3,000	3,500	Tot Br Ba	2,767	3,300
Unit # 1	4 2 1	696	4 2 1	666	\$ 1,200	4 2 1	750	\$ 800	4 2 1	837	\$ 900
Unit # 2	4 2 1	808	4 2 1	666	\$ 1,200	4 2 1	750	\$ 950	4 2 1	838	\$ 1,000
Unit # 3	4 2 1	1,211	5 3 2	1,268	\$ 2,000	4 2 1	750	\$ 800	5 3 2	1,092	\$ 1,400
Unit # 4					\$	4 2 1	750	\$ 950			\$
Utilities Included	Tenants pay utilitie	Tenants pay utilities.				Tenants pay utilities.			Landlord pays all utilities.		

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.) A search was done in the Central Gardens resulted in Rental Comp #1. It was necessary to search for comparables within the neighborhood boundaries. Rental Comps 2 and 3 are recently rehab 3 & 4 plexes. Rent PSF range from \$1.07-\$1.80 with an average of \$1.37 and a median of \$1.20. The rental rate psf is \$1.50 sf. All comparables are considered to be in good condition since they have been recently remodeled. Market rent for the subject units is \$1,000 for the smaller units and \$1,455 for the larger unit.

**Rent Schedule:** The appraiser must reconcile the applicable indicated monthly market rents to provide an opinion of the market rent for each unit in the subject property.

Unit #	Leases		Actual Rents			Opinion of Market Rent			
	Lease Date		Per Unit		Total Rents	Per Unit		Total Rents	
	Begin Date	End Date	Unfurnished	Furnished		Unfurnished	Furnished		
1	Not Applicable	Not Applicable	\$ 0	\$	\$ 0	\$ 1,000	\$	\$ 1,000	
2	Not Applicable	Not Applicable	0		0	1,000		1,000	
3	Not Applicable	Not Applicable	0		0	1,455		1,455	
4									
Comment on lease data The duplex is vacant at time of appraisal.			Total Actual Monthly Rent			\$ 0	Total Gross Monthly Rent		\$ 3,455
			Other Monthly Income (itemize)			\$ 0	Other Monthly Income (itemize)		\$ 0
			Total Actual Monthly Income			\$ 0	Total Estimated Monthly Income		\$ 3,455

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

Comments on actual or estimated rents and other monthly income (including personal property) Subject is currently a vacant detached SFR and a garage department. After the proposed rehab, the front building will be converted into a duplex with 2-1 for each unit. The rear building will be a 2-1 garage apartment. Appraisal is subject to be rehabbed according to the attached plans and specs (remodeling list). Based on the market rent, total monthly rent is \$3,655 or \$43,860 annually.

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

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

Data Source(s) HCAD, HAR MLS, Realist

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

Data Source(s) HCAD, HAR MLS, Realist

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)	HCAD, HAR MLS, Realist	HCAD, HAR MLS, Realist	HCAD, HAR MLS, Realist	HCAD, HAR MLS, Realist
Effective Date of Data Source(s)	12/25/2023	12/25/2023	12/25/2023	12/25/2023

Analysis of prior sale or transfer history of the subject property and comparable sales Subject property has no prior sale nor transferred in the last 36 months.

The comparables have not been transferred in the last 12 months.

# Small Residential Income Property Appraisal Report

Loan #307515  
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There are 7 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 200,000 to \$ 980,000		There are 18 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 150,000 to \$ 430,000					
FEATURE	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3			
Address	4918 Leffingwell St Houston, TX 77026	2816 Woodard St Houston, TX 77026	3206 Brackenridge St Houston, TX 77026	3506 Sarah St Houston, TX 77026			
Proximity to Subject		0.80 miles NW	1.18 miles SW	1.29 miles S			
Sale Price	\$ 215,000	\$ 430,000	\$ 335,000	\$ 425,000			
Sale Price/Gross Bldg. Area	\$ 79.00 sq.ft.	\$ 165.38 sq.ft.	\$ 142.55 sq.ft.	\$ 141.67 sq.ft.			
Gross Monthly Rent	\$ 3,455	\$ 4,400	\$ 3,300	\$ 3,500.00			
Gross Rent Multiplier	62.23	97.73	101.52	121.43			
Price per Unit	\$ 71,667	\$ 143,333	\$ 111,667	\$ 106,250			
Price per Room	\$ 17,917	\$ 33,077	\$ 27,917	\$ 26,563			
Price per Bedroom	\$ 35,833	\$ 61,429	\$ 55,833	\$ 53,125			
Rent Control	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Data Source(s)		MLS#91076321;DOM 35	MLS#73184643;DOM 23	MLS#24773940;DOM 14			
Verification Source(s)		HCAD, HAR MLS, Realist	HCAD, HAR MLS, Realist	HCAD, HAR MLS, Realist			
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) Adjustment	DESCRIPTION	+(-) Adjustment	DESCRIPTION	+(-) Adjustment
Sale or Financing Concessions		ArmLth Unknown;\$5000	-5,000	ArmLth Unknown;\$11000	-11,000	ArmLth Unknown	
Date of Sale/Time		s09/23;c08/23		s09/23;c08/23		s05/23;c03/23	
Location	N;Res;	N;Res;		N;Res;		N;Res;	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Site	11983 sf	5336 sf	+13,300	4099 sf	+15,700	5001 sf	+14,000
View	N;Res;	N;Res;		N;Res;		N;Res;	
Design (Style)	Triplex	Triplex		Triplex		Fourplex	-51,000
Quality of Construction	Q4	Q4		Q4		Q4	
Actual Age	73	82	0	61	0	63	0
Condition	C2	C2		C3	+50,250	C2	
Gross Building Area	2,715	2,600	+3,900	2,350	+12,400	3,000	-9,700
Unit Breakdown	Total Bdrms Baths	Total Bdrms Baths		Total Bdrms Baths		Total Bdrms Baths	
Unit # 1	4 2 1	5 3 1	-5,000	4 2 1		4 2 1	
Unit # 2	4 2 1	4 2 1		4 2 1		4 2 1	
Unit # 3	4 2 1	4 2 1		4 2 1		4 2 1	
Unit # 4						4 2 1	-14,000
Basement Description	0	0		0		0	
Basement Finished Rooms	0sf	0sf		0sf		0sf	
Functional Utility	Average	Average		Average		Average	
Heating/Cooling	Central HVAC	Central HVAC		Central HVAC		Central HVAC	
Energy Efficient Items	Insul/C. Fans	Insul/C. Fans		Insul/C. Fans		Insul/C. Fans	
Parking On/Off Site	2	None		None		None	
Porch/Patio/Deck	Porch, Patio	Porch, Patio		Porch, Patio		Porch, Patio	
Swimming Pool	None	None		None		None	
Fireplace	None	None		None		None	
Fencing	Fully Fenced	Fully Fenced		Fully Fenced		Fully Fenced	
Net Adjustment (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 7,200	<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 67,350	<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -60,700
Adjusted Sale Price of Comparables		Net Adj. 1.7 % Gross Adj. 6.3 %	\$ 437,200	Net Adj. 20.1 % Gross Adj. 26.7 %	\$ 402,350	Net Adj. 14.3 % Gross Adj. 20.9 %	\$ 364,300
Adjusted Price Per Unit (Adj. SP Comp / # of Comp Units)		\$ 145,733		\$ 134,117		\$ 91,075	
Adjusted Price Per Room (Adj. SP Comp / # of Comp Rooms)		\$ 33,631		\$ 33,529		\$ 22,769	
Adjusted Price Per Bedrm (Adj. SP Comp / # of Comp Bedrooms)		\$ 62,457		\$ 67,058		\$ 45,538	
Value per Unit	\$ 220,000 X 3	Units = \$ 660,000		Value per GBA \$ 245 X 2,715	GBA = \$ 665,175		
Value per Rm.	\$ 55,000 X 12	Rooms = \$ 660,000		Value per Bdrms. \$ 103,000 X 6	Bdrms. = \$ 618,000		
Summary of Sales Comparison Approach including reconciliation of the above indicators of value.				See Additional Comments			

Indicated Value by Sales Comparison Approach \$	395,000
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Total gross monthly rent \$	3,455	X gross rent multiplier (GRM)	114	= \$	393,870	Indicated value by the Income Approach
Comments on income approach including reconciliation of the GRM The GRM ranges from 97.73 to 121.43 with an average of 106.9. Emphasis was put on the first 2 comparables since they tri-plex. The GRM is 114.						

Indicated Value by:	Sales Comparison Approach \$	395,000	Income Approach \$	393,870	Cost Approach (if developed) \$	453,612
The reported value is an unbiased independent valuation of the subject property consistent with USPAP requirements. The Cost Approach provides support for the sales approach. The income approach also provides support for the sales comparison approach. Most weight is given the Sales Comparison Approach.						

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: Appraisal report is subject to being converted from a SFR Detached to a duplex, according to attached plans and specs.

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 \$ 395,000 , as of 12/25/2023 , which is the date of inspection and the effective date of this appraisal.

# Small Residential Income Property Appraisal Report

Loan #307515  
File # TAN2023-1225

## SALES COMPARISON APPROACH COMMENTS:

There were only one sale in subject subdivision, City Gardens Outlot in the last 6 months. It was included as Sale 1. Subject will be in good condition after being rehabbed according to plans and specs. It was necessary to search for sales in the Kashmere Gardens Area. To narrow down the sales, the following criteria were selected: triplex or fourplex that have been renovated or remodeled. Sales 2 and 3 are from this search.

These available sales are comparable with the subject in terms of gross living area, limiting conditions, and market appeal. Adjustments were made for the differences in the gross living area and have been calculated at \$34 per square foot, rounded. The remaining adjustments reflect the estimated contributory value of the amenity and are believed to be self-explanatory. The sales price for the 3 comparable sales ranged from \$335,000 to \$430,000 with an average of \$396,667 and a median of \$425,000. The adjusted sales price ranged from \$364,300 to \$437,200 with an average of \$401,283 and a median of \$402,350. Emphasis was put on Sales 1 and 3 since they are triplex. The final opinion of value is \$395,000.

Please note that some comparable exceed the preferred guidelines of 15% and/or 25% for net and/or gross percentages respectively. This can be attributed to the complexity of comparable selection and the limited number of recent, available comparable sales. The subject's floor plan, GLA and lot size in conjunction with age made it necessary to utilize a variety of homes to "bracket" the market's reaction for each contributable characteristic.

Please be advised of the following: "I have performed no prior service, 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 appraiser has not identified any purchaser, borrower or seller as an intended user of this appraisal, and no such party should use or rely on this appraisal for any purpose. Such parties are advised to obtain an appraisal from an appraiser of their own choosing if they require an appraisal for their own use. Any reference to or use of this appraisal report by a purchaser, borrower or seller for their own purposes, including without limitation for the purposes of a property purchase decision or an appraisal contingency in a purchase agreement, is at such party's own risk and is not intended or authorized by the appraiser.**

ADDITIONAL COMMENTS

## COST APPROACH TO VALUE (not required by Fannie Mae)

Provide adequate information for the lender/client to replicate the below cost figures and calculations.

Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value) Site value was derived from allocation method.

ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input checked="" type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE .....	=\$	44,000
Source of cost data <u>www.dwellingcost.com</u>	DWELLING 2,715 Sq.Ft. @ \$ 149.50 .....	=\$	405,893
Quality rating from cost service <u>4</u> Effective date of cost data <u>12/2023</u>	0 Sq.Ft. @ \$ .....	=\$	
Comments on Cost Approach (gross building area calculations, depreciation, etc.)		=\$	
Economic life is <u>60</u> years.	Garage/Carport 1,392 Sq.Ft. @ \$ 46.02 .....	=\$	64,060
	Total Estimate of Cost-New .....	=\$	469,953
	Less Physical Functional External		
	Depreciation 78,341 .....	= \$(	78,341)
	Depreciated Cost of Improvements .....	=\$	391,612
	"As-is" Value of Site Improvements .....	=\$	18,000
Estimated Remaining Economic Life (HUD and VA only) <u>50</u> Years	<b>INDICATED VALUE BY COST APPROACH</b> .....	<b>=\$</b>	<b>453,612</b>

COST APPROACH

## 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.

PUD INFORMATION



# Small Residential Income Property Appraisal Report

Loan #307515  
File # TAN2023-1225

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

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

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

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

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

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

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

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

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

# Small Residential Income Property Appraisal Report

Loan #307515  
File # TAN2023-1225

**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.

# Small Residential Income Property Appraisal Report

Loan #307515  
File # TAN2023-1225

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

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

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

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

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

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

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.

4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.

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

## APPRAISER

Signature   
Name Tu Tran  
Company Name Trust Appraisal Network  
Company Address 11111 Katy Freeway, Suite 910, Houston, TX  
77079  
Telephone Number 832-377-7568  
Email Address tutran@trustappraisal.net  
Date of Signature and Report 12/28/2023  
Effective Date of Appraisal 12/25/2023  
State Certification # 1331622  
or State License # \_\_\_\_\_  
or Other (describe) \_\_\_\_\_ State # \_\_\_\_\_  
State TX  
Expiration Date of Certification or License 11/30/2024

## ADDRESS OF PROPERTY APPRAISED

4918 Leffingwell St  
Houston, TX 77026

APPRAISED VALUE OF SUBJECT PROPERTY \$ 395,000

## LENDER/CLIENT

Name \_\_\_\_\_  
Company Name Longhorn Investments  
Company Address 17103 Preston Road, Suite 250, Dallas, TX  
75248  
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

Loan #307515  
File # TAN2023-1225

FEATURE	SUBJECT	COMPARABLE SALE # 4			COMPARABLE SALE # 5			COMPARABLE SALE # 6		
Address	4918 Leffingwell St Houston, TX 77026	3817 Wipprecht St Houston, TX 77026			3711 Pickfair St Houston, TX 77026			3903 Broyles St Houston, TX 77026		
Proximity to Subject		0.86 miles SE			1.08 miles SE			0.66 miles S		
Sale Price	\$ 215,000	\$ 400,000								
Sale Price/Gross Bldg. Area	\$ 79.00 sq.ft.	\$ 144.67 sq.ft.			\$ sq.ft.			\$ sq.ft.		
Gross Monthly Rent	\$ 3,455	\$ 3,150								
Gross Rent Multiplier	62.23	126.98								
Price per Unit	\$ 71,667	\$ 133,333								
Price per Room	\$ 17,917	\$ 30,769								
Price per Bedroom	\$ 35,833	\$ 57,143								
Rent Control	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			<input type="checkbox"/> Yes <input type="checkbox"/> No			<input type="checkbox"/> Yes <input type="checkbox"/> No		
Data Source(s)		MLS#42293371;DOM 23								
Verification Source(s)		HCAD, HAR MLS, Realist								
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) Adjustment		DESCRIPTION	+(-) Adjustment		DESCRIPTION	+(-) Adjustment	
Sale or Financing Concessions		Listing	-12,000							
Date of Sale/Time		Active								
Location	N;Res;	N;Res;								
Leasehold/Fee Simple	Fee Simple	Fee Simple								
Site	11983 sf	15002 sf	-6,000							
View	N;Res;	N;Res;								
Design (Style)	Triplex	Triplex								
Quality of Construction	Q4	Q4								
Actual Age	73	73								
Condition	C2	C2								
Gross Building Area	2,715		2,765							
Unit Breakdown	Total	Bdrms	Baths	Total	Bdrms	Baths	Total	Bdrms	Baths	
Unit # 1	4	2	1	5	3	2				
Unit # 2	4	2	1	4	2	1				
Unit # 3	4	2	1	4	2	1				
Unit # 4										
Basement Description	0	0								
Basement Finished Rooms	0sf	0sf								
Functional Utility	Average	Average								
Heating/Cooling	Central HVAC	Central HVAC								
Energy Efficient Items	Insul/C. Fans	Insul/C. Fans								
Parking On/Off Site	2	Open; Conc. DW								
Porch/Patio/Deck	Porch, Patio	Porch, Patio								
Swimming Pool	None	None								
Fireplace	None	None								
Fencing	Fully Fenced	Fully Fenced								
Net Adjustment (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -18,000		<input type="checkbox"/> + <input type="checkbox"/> -	\$		<input type="checkbox"/> + <input type="checkbox"/> -	\$	
Adjusted Sale Price of Comparables		Net Adj.	4.5 %		Net Adj.	%		Net Adj.	%	
		Gross Adj.	4.5 % \$ 382,000		Gross Adj.	% \$		Gross Adj.	% \$	
Adjusted Price Per Unit (Adj. SP Comp / # of Comp Units)		\$	127,333		\$			\$		
Adjusted Price Per Room (Adj. SP Comp / # of Comp Rooms)		\$	29,385		\$			\$		
Adjusted Price Per Bedrm (Adj. SP Comp / # of Comp Bedrooms)		\$	54,571		\$			\$		
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)	HCAD, HAR MLS, Realist		HCAD, HAR MLS, Realist							
Effective Date of Data Source(s)	12/25/2023		12/25/2023							
Analysis of prior sale or transfer history of the subject property and comparable sales										
Analysis/Comments										

SALES COMPARISON APPROACH

SALE HISTORY

ANALYSIS / COMMENTS

4918 Leffingwell St, Houston, TX 77026

# Multiplex Rehab Budget

# \$72,600.00

## Total works for entire conversion INTO TRIPLEX

### General Conditions

- Permits and Fees \$500.00

### Demo

- Demo Labor \$2,500.00
- Dumpster \$700.00

### Mechanical Systems

- Roof \$11,800.00
- Concrete Foundation \$8,800.00 With transferable warranty
- Plumbing \$1,500.00
- Electrical \$1,400.00
- HVAC \$5,000.00 New Package Unit

### Wood Work

- Rough Carpentry Labor \$8,500.00
- (REFRAME WALL AND DOORWAYS)
- Framing Materials
- Finish Carpentry Works
- Sub Flooring \$1,500.00

### Doors Windows and Glass

- Exterior Doors \$1,500.00
- Interior Doors \$750.00
- Door Labor \$900.00
- Insulation \$350.00

**SHEETROCK TAPE AND FLOAT AND TEXTURE/PAINT**

- **\$3,000.00**

**EXTERIOR PAINT**

- **\$3000.00**

**Cabinetry**

**"All new custom shakers style cabinetry"**

- **\$6000.00**

**Finishes**

- Granite Countertop "for all cabinetry needed" \$3,000.00
- Bathroom Subway Tile and back splash for kitchen. \$3,000.00
- LVP Flooring \$6,000.00
- Recess lighting in both units \$1,000.00
- Bathroom lighting fixtures \$225.00
- Sinks and Faucets for restrooms and kitchens \$500.00
- Door Handles \$100.00
- 2 Entry Doors \$1000.00
- Cabinetry Hardware \$75.00

Total rehab cost \$72,600.00

# Market Conditions Addendum to the Appraisal Report

Loan #307515  
File No. TAN2023-1225

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 **4918 Leffingwell St** City **Houston** State **TX** ZIP Code **77026**

Borrower **Leal Holdings, LLC**

**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.

Inventory Analysis	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)	9	5	4	<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)	1.5	1.67	1.33	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Comparable Active Listings	3	6	7	<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Increasing
Months of Housing Supply (Total Listings/Ab.Rate)	2	3.6	5.25	<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> 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	\$194,000	\$270,000	\$292,250	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Sales Days on Market	15	105	28	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Comparable List Price	\$335,000	\$324,250	\$400,000	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Listings Days on Market	137	33	91	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale Price as % of List Price	93.75	98.51	98.97	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Seller-(developer, builder, etc.)paid financial assistance prevalent?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> 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.). **HARMLS indicates there were 18 closed sales during the past 12 months and 3 of those sales contained seller concessions which is 17% of the total transactions in this market area. Prior Months 7-12: 9 Sales; 0 with concessions; 0% of sales for this period. 4-6: 5 Sales; 0 with concessions; 0% of sales for this period. 0-3: 4 Sales; 3 with concessions; 75% of sales for this period. The concessions ranged between \$1,700 and \$11,000. The median concession amount is \$5,000.**

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

The data used in the grid above does not indicate there were any REO/Short sales or other distressed properties associated with the reported transactions. However, this is not a mandatory reporting field for agents and there may be some distressed sales that were not reported. It is beyond the scope of this assignment to confirm each sale used in the Market Conditions Report.

Cite data sources for above information. **HARMLS was the data source used to complete the Market Conditions Addendum. 12/25/2023**

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.

According to HAR MLS, there were 18 sales of small income property (2-10 units) within the neighborhood boundaries in the last 12 months. The average sales price is \$265,468 and average sales PSF is \$144.68. Average DOM is 90 days. Average SP/LP ratio is 94%. Total sales are decreasing; however, absorption rate are stable. There has been an influx of new listings in the last six months. As a result, supply exceeds demand. Market will take 5.4 mos. to absorb current number of listings. Median sales price and DOM are stable.

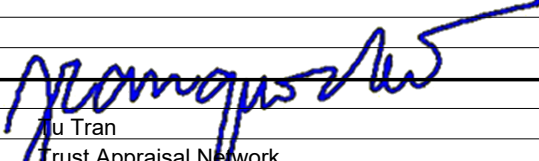
If the subject is a unit in a condominium or cooperative project, complete the following:

Project Name:

Subject Project Data	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)				<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)				<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Active Comparable Listings				<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Unit Supply (Total Listings/Ab.Rate)				<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> 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.

Signature   
Appraiser Name **Tu Tran**  
Company Name **Trust Appraisal Network**  
Company Address **11111 Katy Freeway, Suite 910, Houston, TX 77079**  
State License/Certification # **1331622** State **TX**  
Email Address **tutran@trustappraisal.net**

Signature \_\_\_\_\_  
Supervisory Appraiser Name \_\_\_\_\_  
Company Name \_\_\_\_\_  
Company Address \_\_\_\_\_  
State License/Certification # \_\_\_\_\_ State \_\_\_\_\_  
Email Address \_\_\_\_\_

MARKET RESEARCH & ANALYSIS

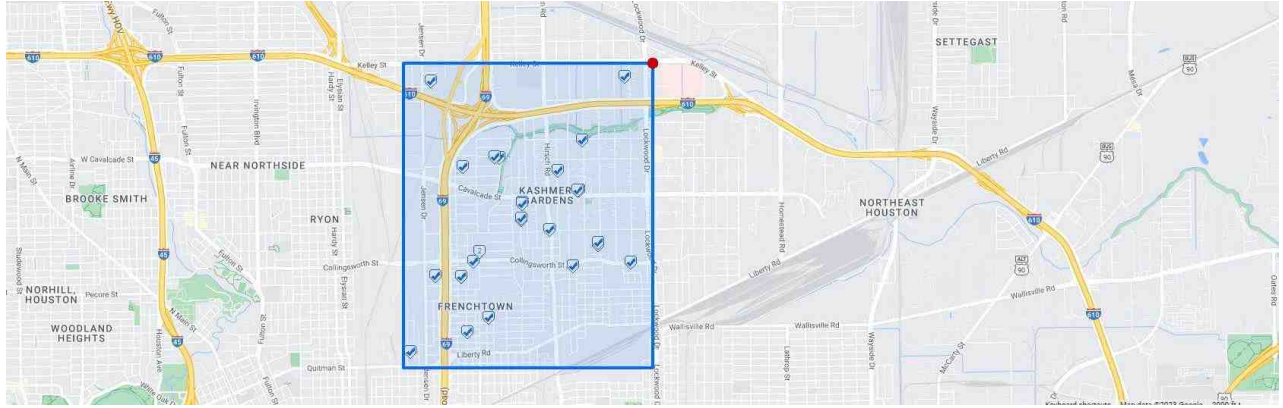
CONDO/CO-OP PROJECTS

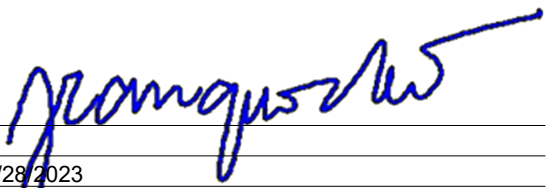
APPRAISER

# Neighborhood Map

File No. TAN2023-1225

Borrower	Leal Holdings, LLC			
Property Address	4918 Leffingwell St			
City	Houston	County	Harris	State TX Zip Code 77026
Lender/Client	Longhorn Investments			



Signature   
Name Tu Tran  
Date Signed 12/28/2023  
State Certification # 1631622 State TX  
Or State License # \_\_\_\_\_ State \_\_\_\_\_

Signature \_\_\_\_\_  
Name \_\_\_\_\_  
Date Signed \_\_\_\_\_  
State Certification # \_\_\_\_\_ State \_\_\_\_\_  
Or State License # \_\_\_\_\_ State \_\_\_\_\_



## Subject Photo Page

Borrower	Leal Holdings, LLC						
Property Address	4918 Leffingwell St						
City	Houston	County	Harris	State	TX	Zip Code	77026
Lender/Client	Longhorn Investments						



### Subject Front

4918 Leffingwell St  
Sales Price 215,000  
Gross Living Area 3,074  
Total Rooms 12  
Total Bedrooms 6  
Total Bathrooms 3  
Location N;Res;  
View N;Res;  
Site 11983 sf  
Quality Q4  
Age 73



### Subject Rear



### Subject Street

## Exterior Photos

Borrower	Leal Holdings, LLC				
Property Address	4918 Leffingwell St				
City	Houston	County	Harris	State	TX Zip Code 77026
Lender/Client	Longhorn Investments				



**Front View**



**Side View**



**Side View**



**Front View**



**Rear View**



**Side View**

## Exterior Photos

Borrower	Leal Holdings, LLC						
Property Address	4918 Leffingwell St						
City	Houston	County	Harris	State	TX	Zip Code	77026
Lender/Client	Longhorn Investments						



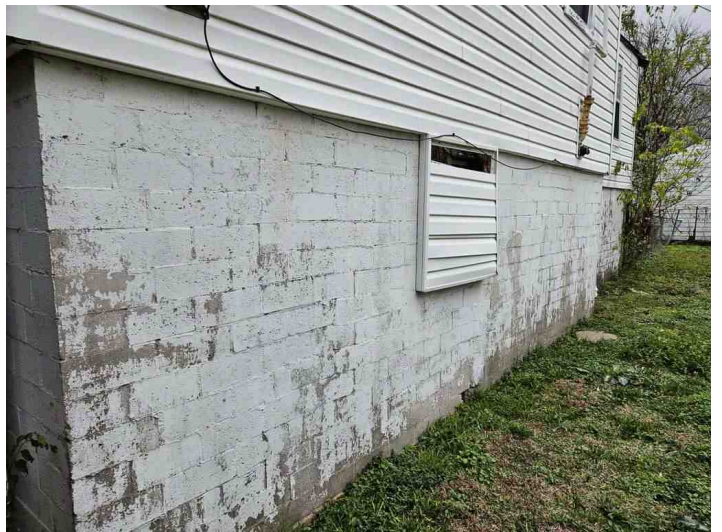
**Garage Apartment**



**Garage Apartment**



**Garage Apartment**



**Garage Apartment**



**Garage Apartment**



**Backyard**

## Exterior Photos

Borrower	Leal Holdings, LLC						
Property Address	4918 Leffingwell St						
City	Houston	County	Harris	State	TX	Zip Code	77026
Lender/Client	Longhorn Investments						



**Gas Meter**



**Electric Meter**



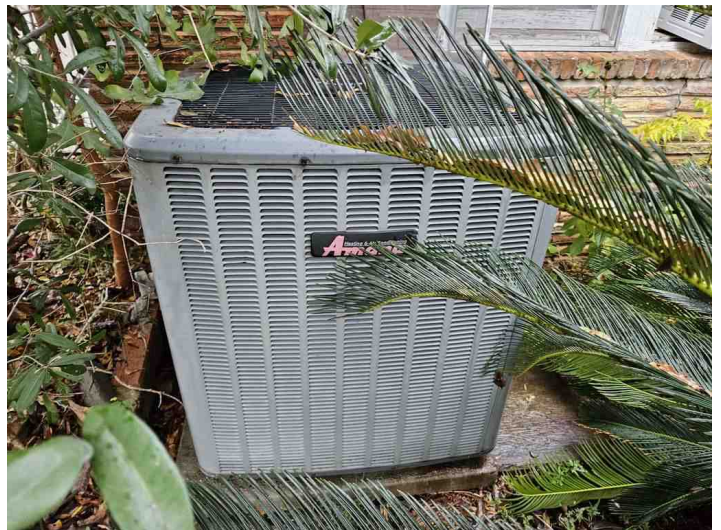
**Backyard**



**Patio Area**



**Backyard**



**AC Unit**

## Interior Photos

Borrower	Leal Holdings, LLC						
Property Address	4918 Leffingwell St						
City	Houston	County	Harris	State	TX	Zip Code	77026
Lender/Client	Longhorn Investments						



**Typical Interior Photo**



**Typical Interior Photo**



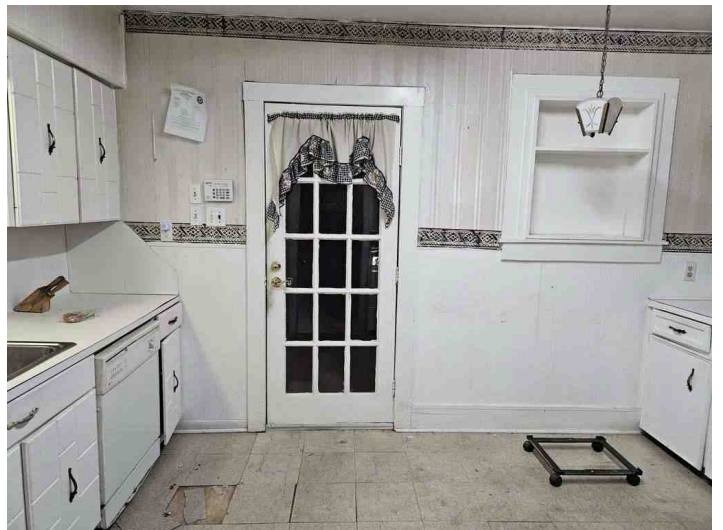
**Typical Interior Photo**



**Typical Interior Photo**



**Typical Interior Photo**



**Typical Interior Photo**

## Interior Photos

Borrower	Leal Holdings, LLC						
Property Address	4918 Leffingwell St						
City	Houston	County	Harris	State	TX	Zip Code	77026
Lender/Client	Longhorn Investments						



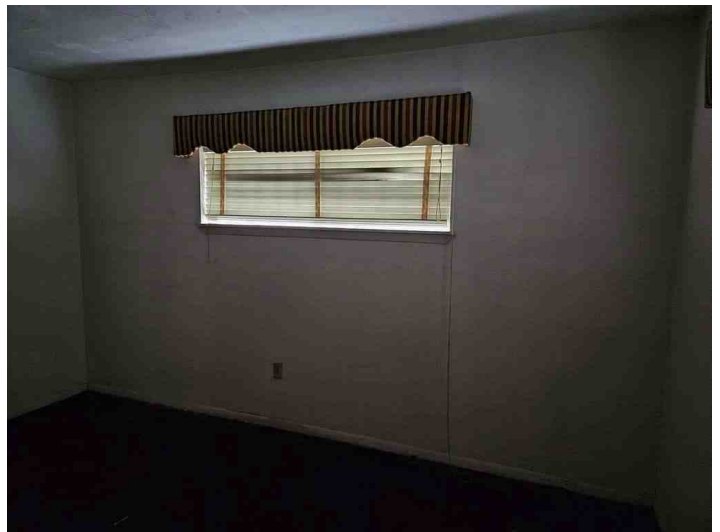
**Typical Interior Photo**



**Typical Interior Photo**



**Typical Interior Photo**



**Typical Interior Photo**



**Typical Interior Photo**



**Typical Interior Photo**

## Interior Photos

Borrower	Leal Holdings, LLC						
Property Address	4918 Leffingwell St						
City	Houston	County	Harris	State	TX	Zip Code	77026
Lender/Client	Longhorn Investments						



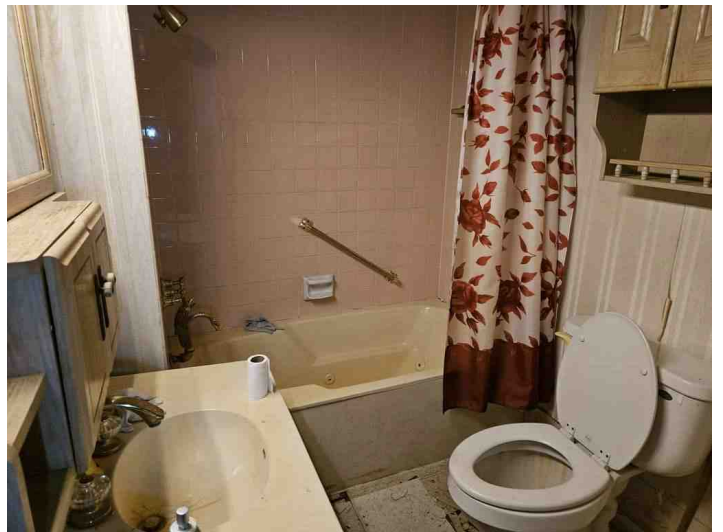
**Typical Interior Photo**



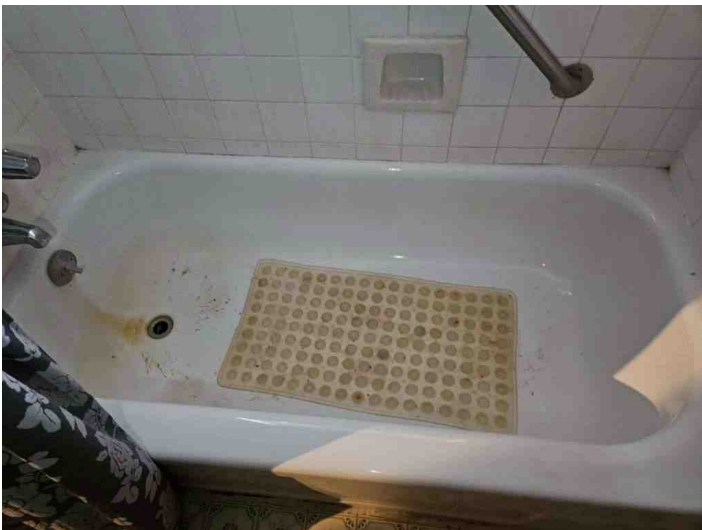
**Typical Interior Photo**



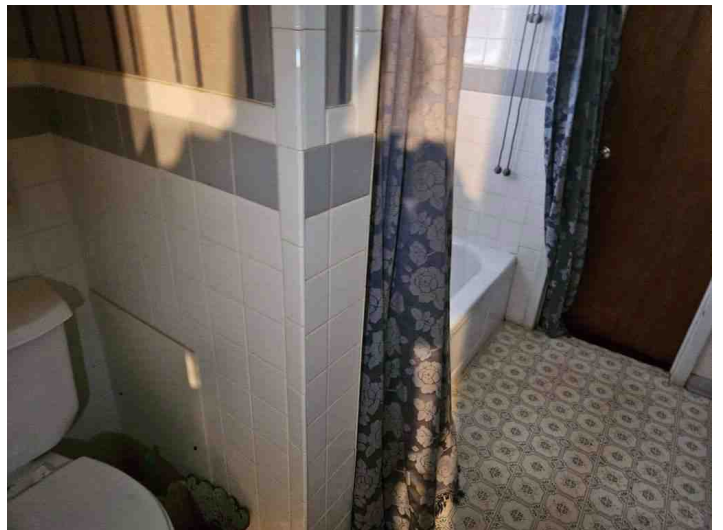
**Typical Interior Photo**



**Typical Interior Photo**



**Typical Interior Photo**



**Typical Interior Photo**

## Interior Photos

Borrower	Leal Holdings, LLC						
Property Address	4918 Leffingwell St						
City	Houston	County	Harris	State	TX	Zip Code	77026
Lender/Client	Longhorn Investments						



**Typical Interior Photo**



**Typical Interior Photo**



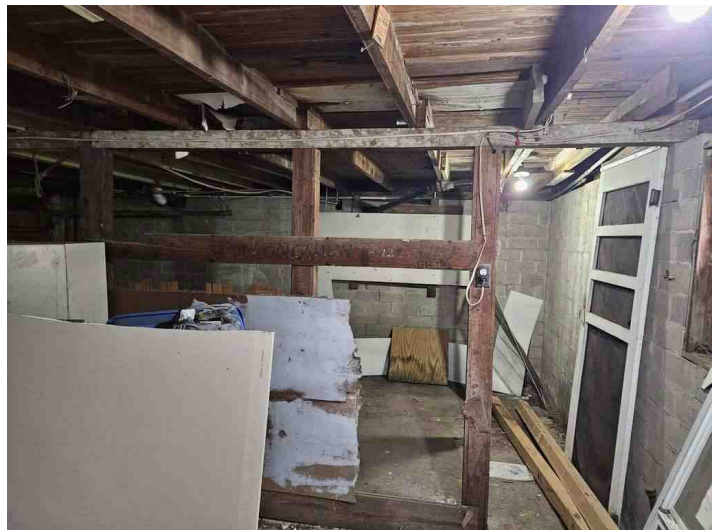
**Typical Interior Photo**



**Typical Interior Photo**



**Typical Interior Photo**



**Typical Interior Photo**



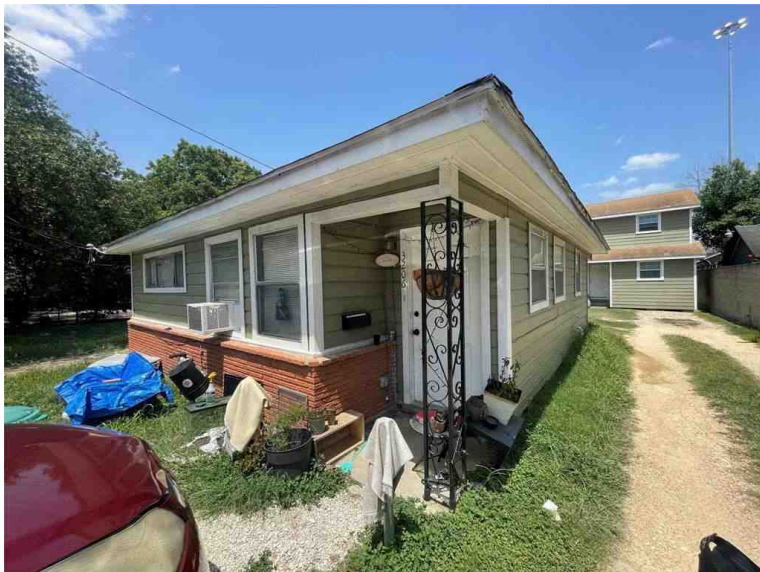
## Comparable Photo Page

Borrower	Leal Holdings, LLC			
Property Address	4918 Leffingwell St			
City	Houston	County Harris	State TX	Zip Code 77026
Lender/Client	Longhorn Investments			



### Comparable 1

2816 Woodard St  
 Prox. to Subject 0.80 miles NW  
 Sale Price 430,000  
 Gross Living Area  
 Total Rooms  
 Total Bedrooms  
 Total Bathrooms  
 Location N;Res;  
 View N;Res;  
 Site 5336 sf  
 Quality Q4  
 Age 82



### Comparable 2

3206 Brackenridge St  
 Prox. to Subject 1.18 miles SW  
 Sale Price 335,000  
 Gross Living Area  
 Total Rooms  
 Total Bedrooms  
 Total Bathrooms  
 Location N;Res;  
 View N;Res;  
 Site 4099 sf  
 Quality Q4  
 Age 61



### Comparable 3

3506 Sarah St  
 Prox. to Subject 1.29 miles S  
 Sale Price 425,000  
 Gross Living Area  
 Total Rooms  
 Total Bedrooms  
 Total Bathrooms  
 Location N;Res;  
 View N;Res;  
 Site 5001 sf  
 Quality Q4  
 Age 63

## Comparable Photo Page

Borrower	Leal Holdings, LLC						
Property Address	4918 Leffingwell St						
City	Houston	County	Harris	State	TX	Zip Code	77026
Lender/Client	Longhorn Investments						



### Comparable 4

3817 Wipprecht St  
Sales Price 400,000  
G.B.A. 2,765  
Age/Yr. Blt. 73

### Comparable 5

3711 Pickfair St  
Sales Price  
G.B.A.  
Age/Yr. Blt.

### Comparable 6

3903 Broyles St  
Sales Price  
G.B.A.  
Age/Yr. Blt.

# Rental Photo Page

Borrower	Leal Holdings, LLC						
Property Address	4918 Leffingwell St						
City	Houston	County	Harris	State	TX	Zip Code	77026
Lender/Client	Longhorn Investments						



## Rental 1

2816 Woodward St  
Proximity to Subj. 0.80 miles NW  
GBA 2,600  
Age/Year Built 82



## Rental 2

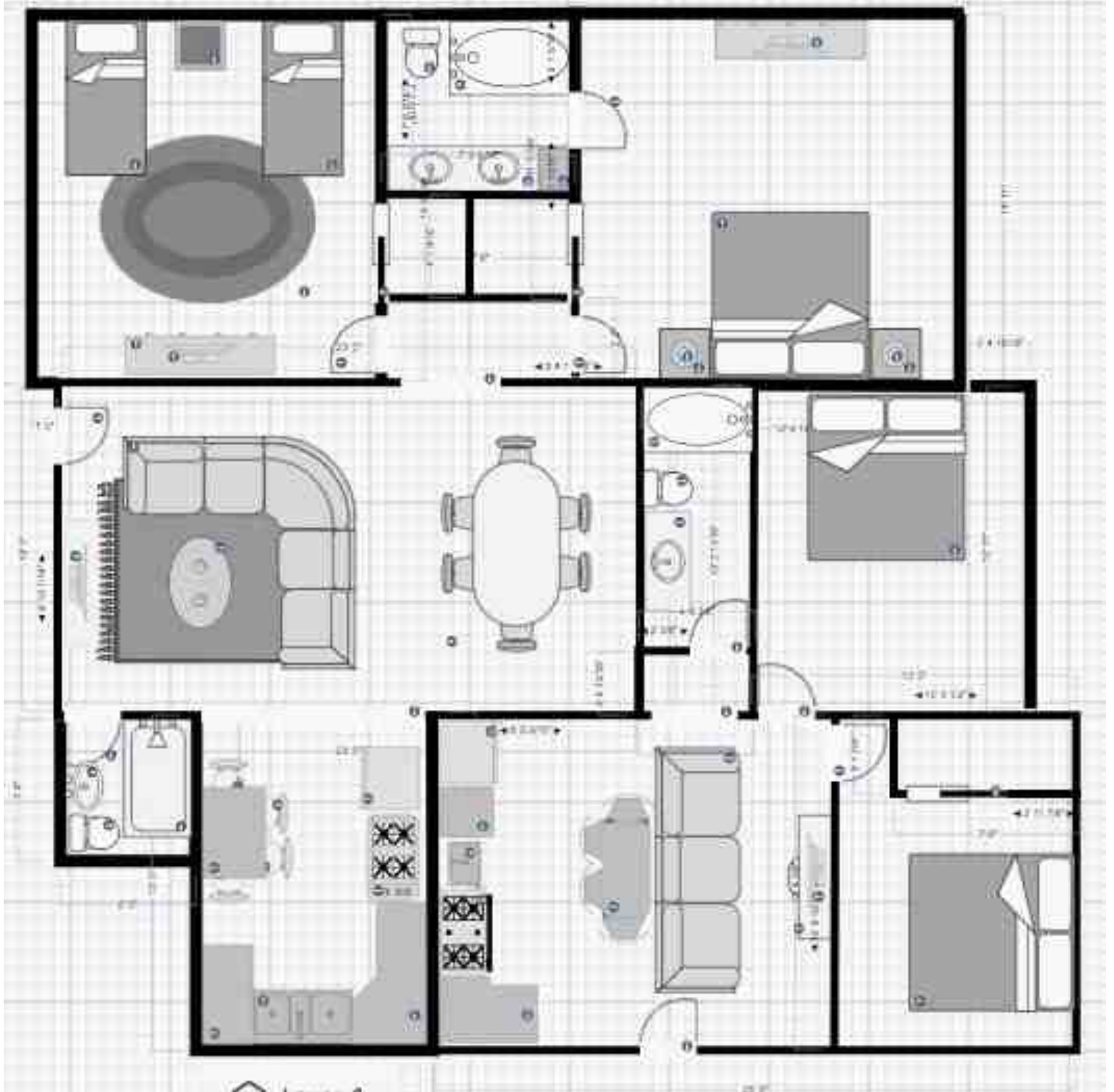
3506 Sarah St  
Proximity to Subj. 1.29 miles S  
GBA 3,000  
Age/Year Built 63



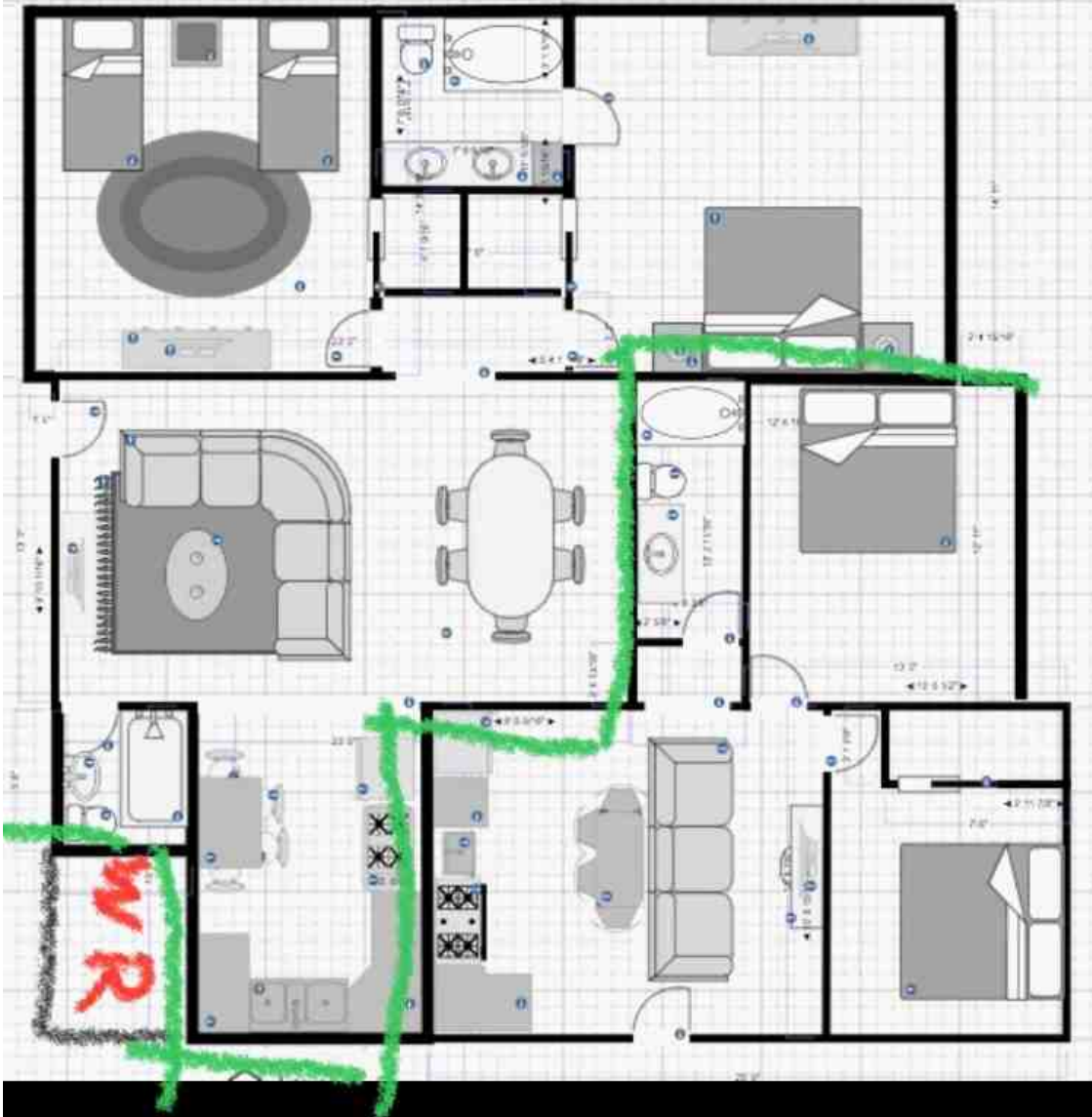
## Rental 3

3817 Wipprecht St  
Proximity to Subj. 0.86 miles SE  
GBA 2,767  
Age/Year Built 73

**Proposed Floorplan Provided by the Borrower**

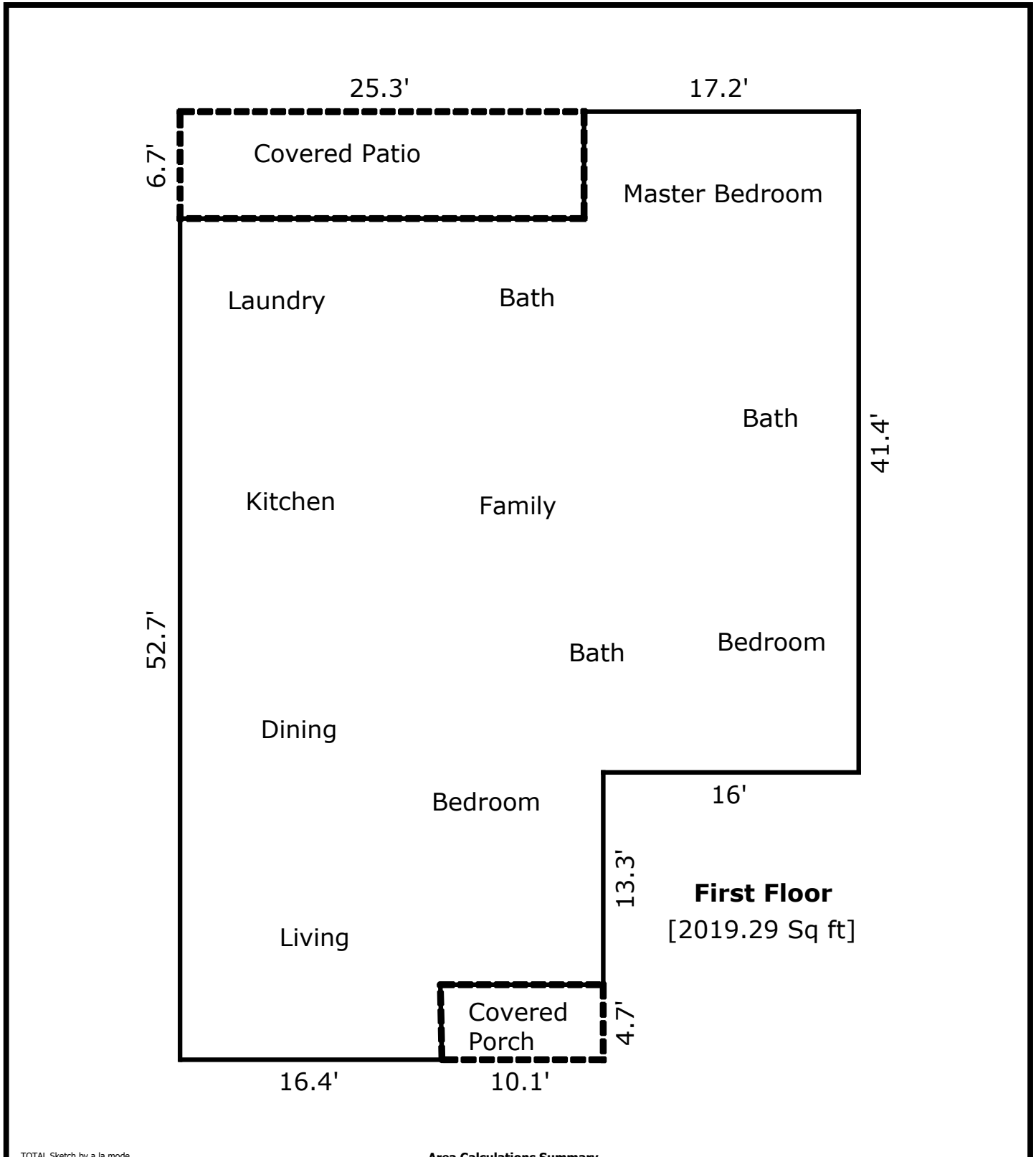


Proposed Floorplan Provided by the Borrower



## Building Sketch (Page - 1)

Borrower	Leal Holdings, LLC			
Property Address	4918 Leffingwell St			
City	Houston	County Harris	State TX	Zip Code 77026
Lender/Client	Longhorn Investments			



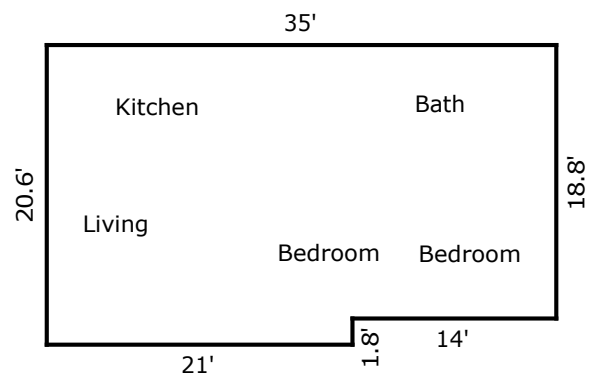
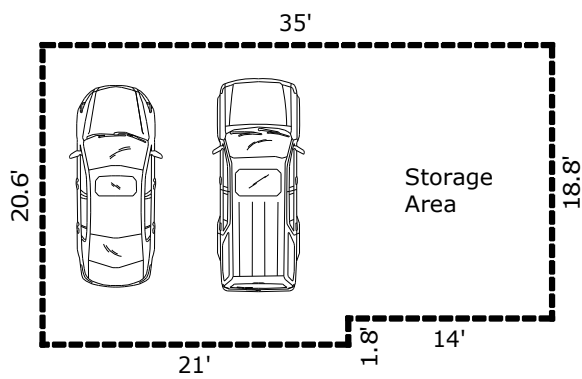
TOTAL Sketch by a la mode

### Area Calculations Summary

Living Area	Calculation Details		
First Floor	2019.29 Sq ft	$17.2 \times 6.7$	= 115.24
		$42.5 \times 34.7$	= 1474.75
		$18 \times 16.3$	= 293.4
		$0.5 \times 4.7 \times 0.1$	= 0.24
		$10.2 \times 13.3$	= 135.66
<b>Total Living Area (Rounded):</b>	<b>2019 Sq ft</b>		
Non-living Area			
Covered Porch	47.71 Sq ft	$4.7 \times 10.1$	= 47.47
		$0.5 \times 4.7 \times 0.1$	= 0.24
Covered Patio	169.51 Sq ft	$6.7 \times 25.3$	= 169.51

## Building Sketch (Page - 2)

Borrower	Leal Holdings, LLC			
Property Address	4918 Leffingwell St			
City	Houston	County Harris	State TX	Zip Code 77026
Lender/Client	Longhorn Investments			



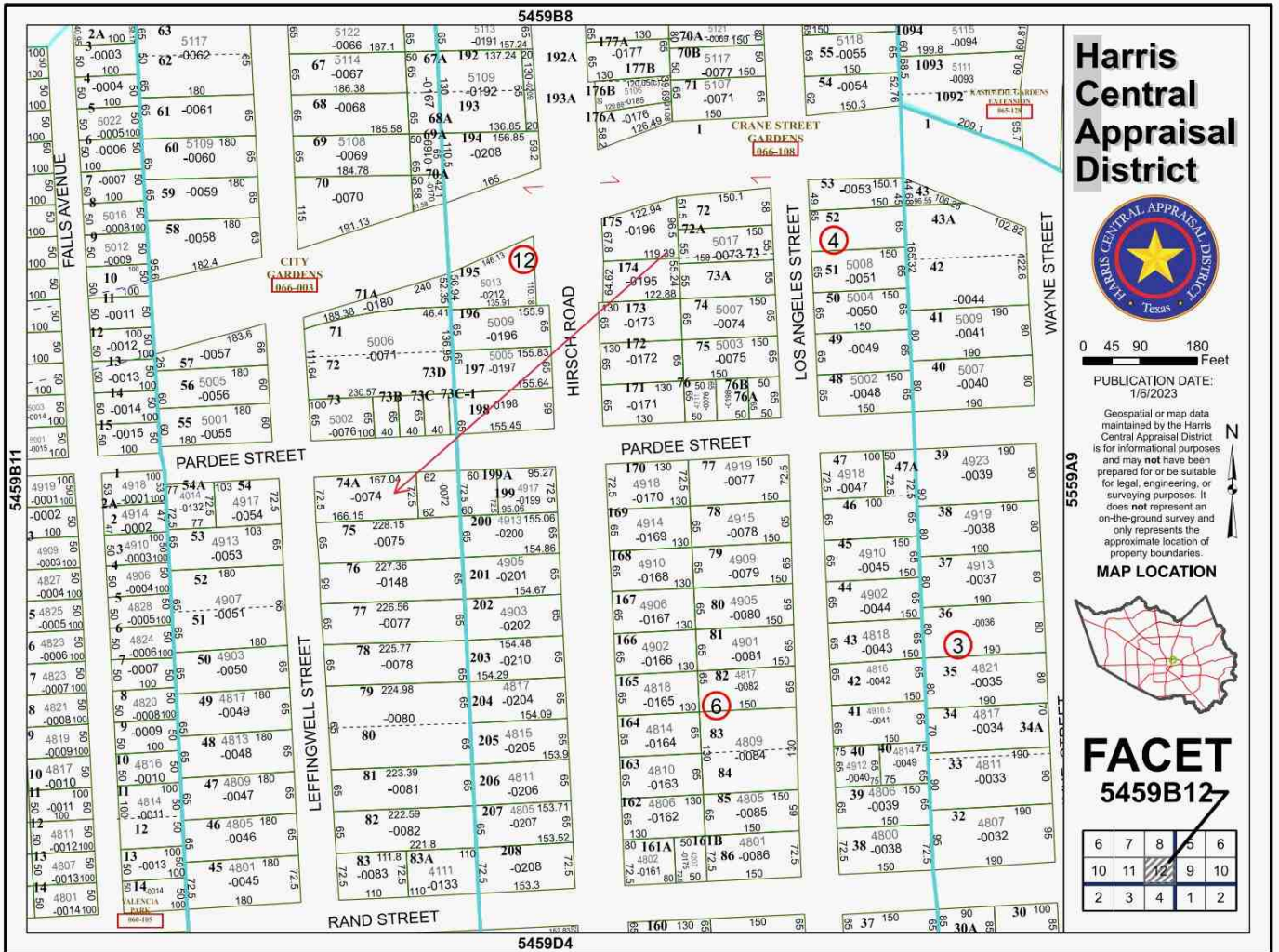
**Unit 3- Garage Apartment**  
[695.8 Sq ft]

TOTAL Sketch by a la mode

### Area Calculations Summary

Living Area	Calculation Details		
Unit 3- Garage Apartment	695.8 Sq ft	$18.8 \times 14$	= 263.2
		$20.6 \times 21$	= 432.6
		$0.5 \times 20.6 \times 0$	= 0
<b>Total Living Area (Rounded):</b>	<b>696 Sq ft</b>		
Non-living Area			
2 Car Detached	695.8 Sq ft	$20.6 \times 21$	= 432.6
		$14 \times 18.8$	= 263.2

# Facet Map from HCAD





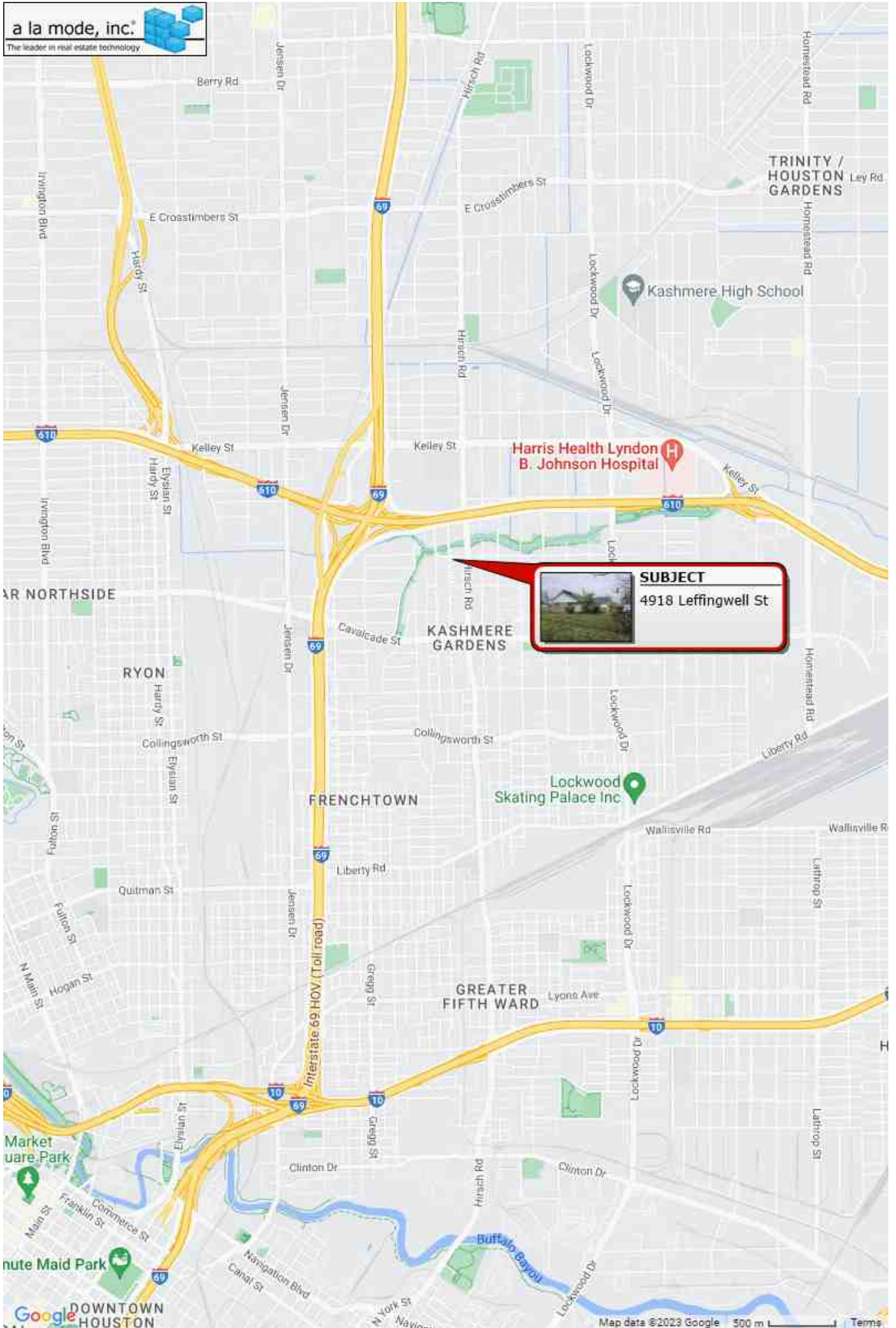
# Aerial Map

Borrower	Leal Holdings, LLC						
Property Address	4918 Leffingwell St						
City	Houston	County	Harris	State	TX	Zip Code	77026
Lender/Client	Longhorn Investments						



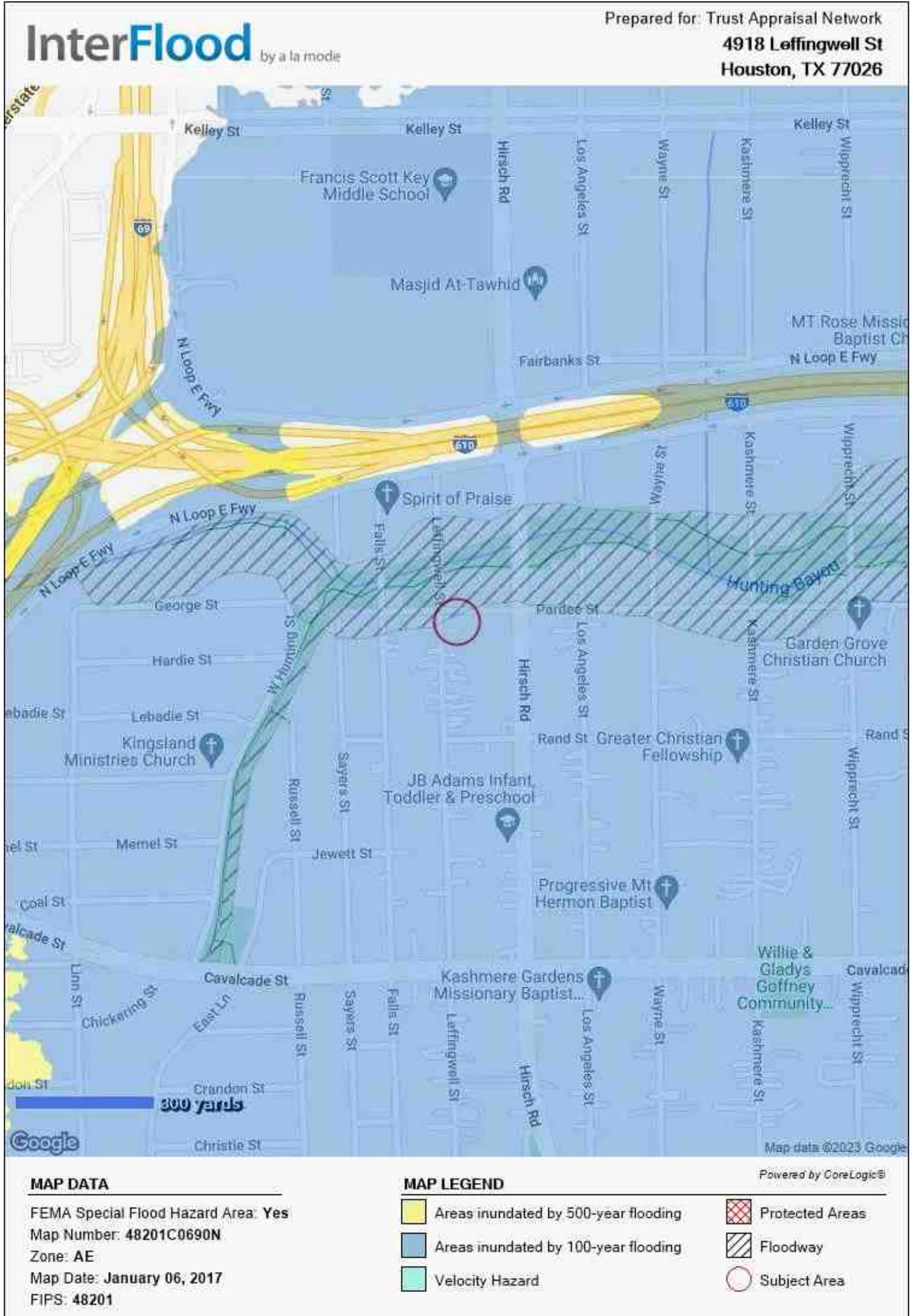
## Location Map

Borrower	Leal Holdings, LLC			
Property Address	4918 Leffingwell St			
City	Houston	County Harris	State TX	Zip Code 77026
Lender/Client	Longhorn Investments			



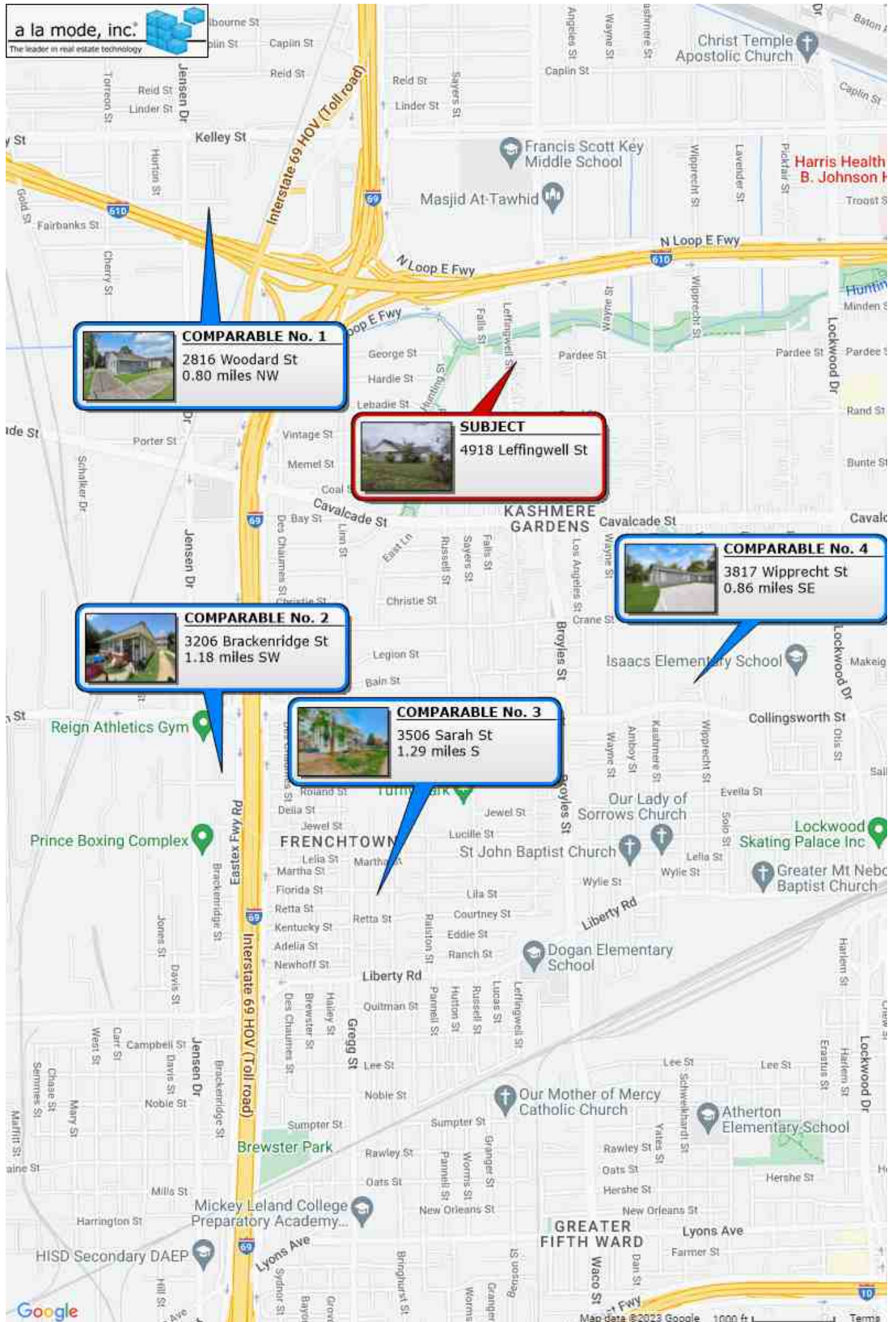
# Flood Map

Borrower	Leal Holdings, LLC			
Property Address	4918 Leffingwell St			
City	Houston	County Harris	State TX	Zip Code 77026
Lender/Client	Longhorn Investments			



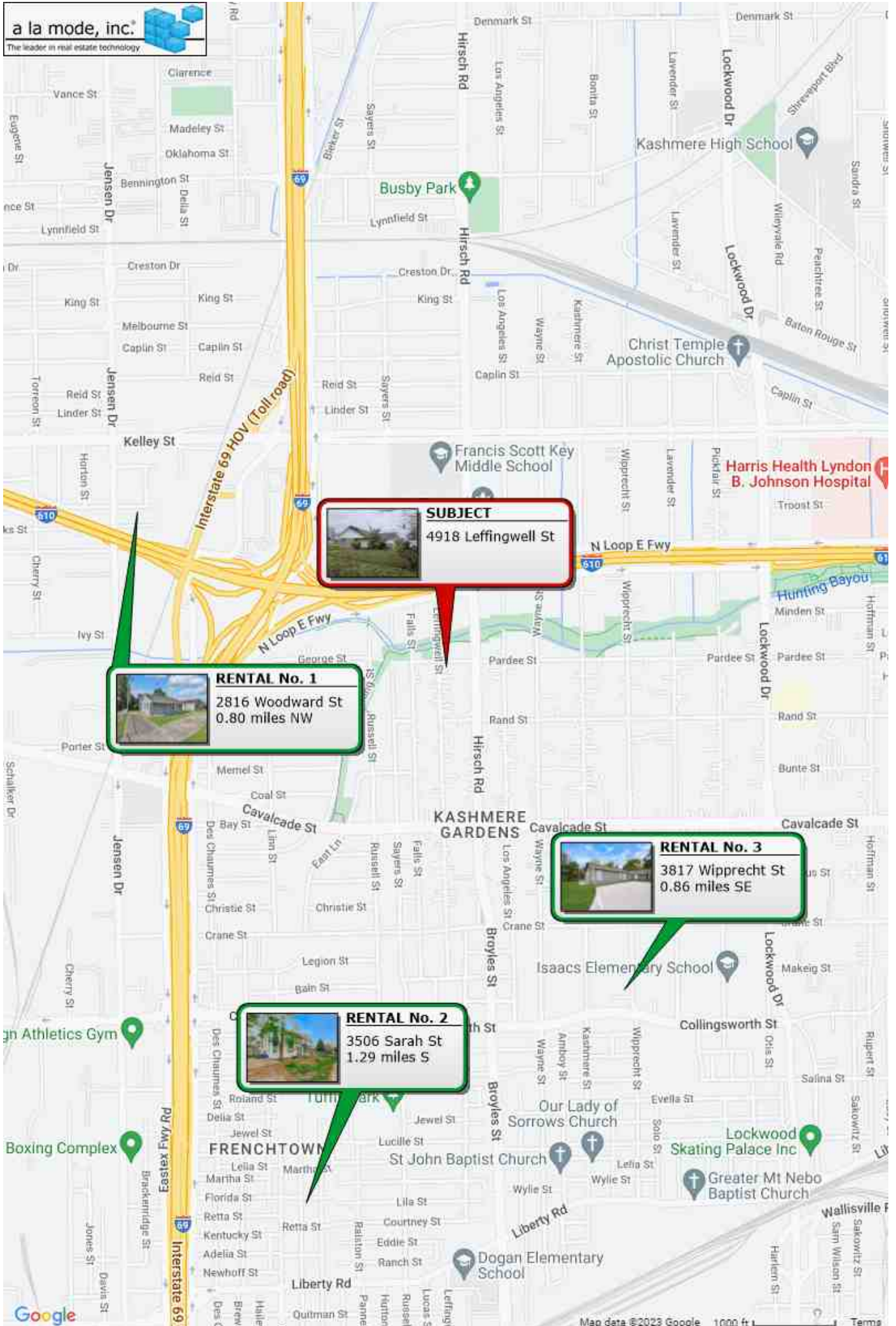
# Comparable Sales Map

Borrower	Leal Holdings, LLC		
Property Address	4918 Leffingwell St		
City	Houston	County Harris	State TX      Zip Code 77026
Lender/Client	Longhorn Investments		



## Rental Comparable Map

Borrower	Leal Holdings, LLC			
Property Address	4918 Leffingwell St			
City	Houston	County	Harris	State TX Zip Code 77026
Lender/Client	Longhorn Investments			



## Scope of Work

File No. TAN2023-1225

Borrower	Leal Holdings, LLC			
Property Address	4918 Leffingwell St			
City	Houston	County	Harris	State TX Zip Code 77026
Lender/Client	Longhorn Investments			

### USPAP COMPLIANCE & REPORT FORM CLARIFICATION

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

**The appraiser has not identified any purchaser, borrower or seller as an intended user of this appraisal, and no such party should use or rely on this appraisal for any purpose. Such parties are advised to obtain an appraisal from an appraiser of their own choosing if they require an appraisal for their own use. Any reference to or use of this appraisal report by a purchaser, borrower or seller for their own purposes, including without limitation for the purposes of a property purchase decision or an appraisal contingency in a purchase agreement, is at such party's own risk and is not intended or authorized by the appraiser.**

- This appraisal is NOT A HOME INSPECTION. The appraiser conducted only a visual observation of readily accessible areas in order to assess the subject property's general condition from a marketing perspective. This appraisal report cannot be relied upon for a definitive analysis of the structural and mechanical merits, conditions, and/or possible defects in the property.
- The appraiser attempted to adhere fully with the requirements set forth in Certification Statement, which is contained in the Narrative Addendum, and believes the sources provided credible information. However, since Texas is a "nondisclosure" state, adherence may not always be possible in the normal course of business.
- The source of the definition of "Market Value" used within this report (Page 4, paragraph 6) is found in the Fannie Mae Selling Guide; Section B4-1.1-01, Definition of Market Value (last updated 04/15/2014)/Freddie Mac Guidelines, Single-Family Seller/Service Guide, Chapter 44, as well as Handbook 4000.1, Section II B.4(c)(i)(A). See attached definition of market value contained in Fannie Mae Form 1004.
- Data sources relied on for this appraisal may include one or more of following: Houston Association of Real Estate- HAR MLS, local county Appraisal District sites, and tax data published by Realist Inc./Corelogic/ Stewart Title and provided by HAR.com.

### WORK FLOW

The following steps were followed in arriving at the final estimates of value included in the appraisal report to the subject property:

- After receiving the assignment, a preliminary search of all available resources was made to determine market trends, influences and other significant factors pertinent to the subject property.
- Data sources relied on for this appraisal may include one or more of following: Corelogic, HAR MLS, local county Appraisal District sites, and tax data published by Realist and provided by HAR.com.
- When requested by the client, a physical inspection of the subject property interior and exterior was performed. This includes measurement of the subject.
- A physical inspection of the subject's neighborhood was made, including taking notice of its general appearance, level of development (curbs, gutters, sidewalks, street lights, etc.), general appearance of other single-family properties, presence of non-residential use properties, external adversities and amenities, such as, parks, community pools, etc.
- Although due diligence was exercised while at the subject, the appraiser(s) are not an expert in such matters as pest control, structural engineering, hazardous waste, etc., and no warranty is given to these elements. As needed. Inspection by various professions within these fields might be recommended with the final estimate of value subject to their findings.
- An analysis of the subject's transaction history was completed.
- An analysis of the subject's market area was done. Including concluded sales, current listings, the number of foreclosures, days on market, types of financing utilized, and the amount of seller concessions.
- An opinion of the subject's Highest and Best Use was developed.
- The appraisal report was then completed in accordance with standards dictated by the Appraisal Foundation. The report included data and information required to lead a reader to a similar value conclusion.
- The appraisal report was then delivered to the Client, which constituted the completion of the assignment.
- As a matter of assignment parameters, any status, repair, or progress inspections ordered subsequent to the submittal of this appraisal report will be considered an extension of this assignment, therefore not requiring an additional subsequent notice of prior services performed.

**Extraordinary Assumption-**  
condition.

Appraisal is subject to the property being updated and remodeled to a good

## Scope of Work

File No. TAN2023-1225

Borrower	Leal Holdings, LLC						
Property Address	4918 Leffingwell St						
City	Houston	County	Harris	State	TX	Zip Code	77026
Lender/Client	Longhorn Investments						

**Hypothetical Condition-** Appraisal is subject to the property being updated and remodeled to a good condition.

### Worked Performed on Assignment

Tu Tran inspected and photographed the property exterior from the street, conducted the development of Highest and Best Use and filtered sales and assessor data, observed each of the sales used and discarded and formulated the final opinion of value.

### Comments on the Inspection

The appraiser(s) conducted a visual inspection of only the readily accessible areas of the property, viewing only those components of the property which were clearly visible from the ground or floor level. No tests of the mechanical, plumbing, and electrical systems were made. Such tests are not within the standard guidelines of Fannie Mae or Freddie Mac. Comments on the condition of the foundation, roof, exterior, interior, floors, mechanical, plumbing, electrical, insulation and all other matters relating to the construction of the subject property are based on a casual observation only, which may have been limited by the placement of personal property, furnishings, etc. so as to preclude observation of the items blocked by same. There was no observation of the attic, crawl space, or components that are hidden within walls or other areas that would not be visible by a typical visitor to the home.

The report may rate the adequacy and/or common of various items (based on observation only) however. It should be clearly understood that these statements are a guide for comparison purposes (as part of the valuation process) and do not represent a detailed analysis of the physical or operational condition of these items. The appraiser(s) is not an expert in these matters and any opinion stated is advisory based only upon observation. This report is not a home inspection. The reader or intended user should not rely on this report to disclose condition and defects.

Such knowledge goes beyond the scope of this appraisal and as such, comments on observed condition given in this report should not be taken as a guarantee that a problem does not exist. The following chart will assist reader in comprehending the scope of a complete visual inspection:

### Complete Visual Inspection Does/Did NOT Include;

- Testing or activating mechanical systems & activating appliances
- Observation of areas not readily accessible
- Building Code compliance issues
- Moving furniture or personal property
- Mold Assessment
- Removing (or moving) floor coverings
- The testing or inspection of the well or septic system
- Reporting personal property
- Roof Condition report beyond an observation from ground level
- Radon Assessment

### Complete Visual Inspection Includes:

- List the amenities
- View readily observable exterior areas
- View readily observable interior areas
- Note quality of materials and workmanship
- Measure the exterior of the improvements
- Observe the floor plan and room layout
- Assess the functional utility of the property
- Note the subject's conformity to the market area
- Note style & design
- Observe the general condition of the improvements. Including a sample of closets, windows, electrical switches, and doors.
- Photograph exterior and view site around the improvements

The neighborhood observation was limited to driving through a representative number of streets in the area, reviewing maps and other appropriate data, observing comparables from the street and noting any visible influences on the value of the subject property. It also included research to the extent defined in the sections below.

### Statement of Limiting Conditions

Acceptance of and/or use of this report constitute acceptance of the following limited conditions and assumptions; these can only be modified by written documents executed by both parties.

This appraisal is to be used only for the purposes stated herein. While distribution of this appraisal in its entirety is at the discretion of the client, individual sections shall not be distributed; this report is intended to be used in whole and not in part.

No part of this appraisal, its value estimates or the identity of the firm of the appraiser(s) may be communicated to the public through advertising, public relations, media sales, or other media.

## Scope of Work

File No. TAN2023-1225

Borrower	Leal Holdings, LLC						
Property Address	4918 Leffingwell St						
City	Houston	County	Harris	State	TX	Zip Code	77026
Lender/Client	Longhorn Investments						

All files, work papers and documents developed in connection with this assignment are the property of Trust Appraisal Network. Information, estimates and opinion are verified where possible, but cannot be guaranteed. Plans provided are intended to assist the client in visualizing the property; no other use of these plans is intended or permitted.

No hidden or unapparent conditions of the property, subsoil or structure, which would make the property more or less valuable, were discovered by the appraiser(s) or made known to the appraiser(s). No responsibility is assumed for such conditions or engineering necessary to discover them. Unless otherwise stated, this appraisal assumes there is no existence of hazardous materials or conditions, in any form, on or near the subject property.

Unless otherwise stated in this report, the existence of hazardous substance, including without limitation asbestos, polychlorinated biphenyl, petroleum leakage, or agricultural chemicals, which may or may not be presented on the property, was not called to the attention of the appraiser nor did the appraiser become aware of such during the appraiser's inspection. The appraiser has no knowledge of the existence of such material on or in the property unless otherwise stated. The appraiser, however, is not qualified to test for such substance. The presence of such hazardous substance may affect the value of the property. The value opinion developed herein is predicted on the assumptions that no such hazardous substance exists on or in the property or in such proximity thereto, nor for any expertise or knowledge required to discover them.

Unless stated herein, the property is assumed to be outside of areas where flood hazard insurance is mandatory. Maps used by public and private agencies to determine these areas are limited with respect to accuracy. Due to diligence has been exercised in interpreting these maps, but no responsibility is assumed for misinterpretation.

Good title, free of liens, encumbrances and special assessments is assumed. No responsibility is assumed for matters of a legal nature.

Necessary license, permits, consents, legislative or administrative authority from any local, state or Federal government or private entity are assumed to be in place or reasonably obtainable.

This appraisal is based on the data available at the time the appraisal was developed and completed. Amendments/ modifications to appraisals based on new information made available after the appraisal was completed will be made, as soon as reasonable possible, for an additional fee.



## Scope of Work

File No. TAN2023-1225

Borrower	Leal Holdings, LLC						
Property Address	4918 Leffingwell St						
City	Houston	County	Harris	State	TX	Zip Code	77026
Lender/Client	Longhorn Investments						

### APPRAISER CERTIFICATION

The appraiser named respectfully submits and represents to the following:

1. The Lender/Client compiled with all of FNMA's Appraisal Independence Guidelines set out in FNMA Announcement SEI-2010-14; Appraiser Independence Requirements (AIR); Affidavit of Appraiser - Certification of Non-Influence.
2. There have been no written or verbal communications or conversations between the mortgage lender or any staff person thereof and myself, my assistant, or any other staff member working on my behalf during the completion of this particular assignment or review assignment regarding a predetermined value for the subject property of this assignment.
3. I acknowledge that I have not been Influenced, coerced, extorted, or bribed regarding the outcome of this appraisal report, nor am I knowingly aware of being recommended by any staff member, director, or agent of the mortgage lender's loan production staff, including the loan officer, to complete this assignment.
4. I certify that I have been engaged to provide a complete order with the Information required for me to agree and complete a full appraisal assignment that meets USPAP guidelines and standards, included on their order form was the originating lender's company name and address for purposes of Inclusion on the appraisal report. No Individual names from lender's staff. Including loan officer name, was provided to me. No preliminary estimation of value, loan amount, or any similar Information was provided to me or communicated to me or any staff person within my company. In the event the loan is an FHA transaction, I understand that the lender may require my identity, including my State Certification number; however, no attempt was made to coerce or influence the outcome of this appraisal report.
5. I acknowledge that I have completed this assignment and have only acted with the highest integrity and in a manner al to my profession, and consistent both with USPAP standards and the Appraiser Independence Requirements rules and regulations.
6. I acknowledge that I am not an employee of nor affiliated with the mortgage lender, and that I am not a staff appraiser to any entity that is either wholly or partially owned by the lender/Investor or by any entity that is owned in whole or in part by a "Settlement Services" provider. By Including this document within this appraisal report, I acknowledge to the best of my ability that all of the above statements are valid and true, I have honestly agreed with them, and that I have no objections or reservations to their contrary.

### FIRREA Certification Statement

The appraiser certifies and agrees that this appraisal report was prepared in accordance with the requirements of Title XI of the Financial Institutions, Reform, Recovery, and Enforcement Act (FIRREA) of 1969, as amended (12 U.S.C. 3331 et seq.), and any applicable implementing regulations in effect at the time the appraiser signs the appraisal certification.

## Scope of Work

File No. TAN2023-1225

Borrower	Leal Holdings, LLC						
Property Address	4918 Leffingwell St						
City	Houston	County	Harris	State	TX	Zip Code	77026
Lender/Client	Longhorn Investments						

### CLARIFICATIONS ON DATA GATHERING, ANALYSIS AND REPORTING

This addendum defines terms used in the appraisal process. It is not a modification of the assumptions, limiting conditions or certification, but a "clarification" of the appraiser's actions with respect to generally accepted appraisal practice and USPAP.

The intent here is to further define, clarify, and document what the appraiser(s) did and or did not do in order to develop the value opinion, based on the complexity of this assignment and/or because of a supplementary agreement, if and as identified within the appraisal report.

Absent a written, supplemental Scope at Work provided by the client prior to the assignment by formal engagement letter, the Scope of Work outlined here and within the report is considered to be representative of what typical users of appraisal services would require and in general, what appraisers would provide as reasonable, acceptable and sufficient for the stated intended user's needs.

**Housing Market Trends & Conditions:** Under the "One- Unit Housing Trends" on the first page of the URAR, the boxes selected are based on an analysis of the neighborhood, as specified in "The Appraisal of Real Estate" (by the Appraisal Institute) and outlined in "Essential of Real Estate Economics" - Fifth Edition. In other words, boundaries for the "neighborhood" in this report are set to include all influences on the subject property's value that can be attributed to its location.

For the 1004MC, the analysis reports trends of properties "competitive to the subject". Except in unusual cases set out in the report, all properties used in this Section are located within the defined neighborhood.

It may be that the neighborhood is sufficiently small and homogeneous that all the properties are considered for both purposes. When this is the case, it is so noted in the Narrative Addendum.

**Reasonable Exposure Time:** Exposure time is always presumed to precede the effective date of the appraisal. It is the estimated length of time the property would have been offered on the market, prior to the hypothetical sale, at the appraised value, on the effective date of the appraisal. It is a retrospective estimate based on an analysis of past events assuming a competitive and open market. This includes not only adequate, sufficient and reasonable time, but adequate, sufficient and reasonable effort. It is often expressed as a range and is based on the following:

- Statistical information about days on the market, most commonly obtained from the local Multiple Listing Service
- Information gathered through sales verification
- Interviews with market participants

Under current and historical market conditions, the reasonable exposure time for the subject property is considered to be equivalent to the marketing time listed on pg. 1 of this report. This is based on the analyses of current market trends in the general area and takes into account the size, condition and price range of the subject property and surrounding area. It presupposes that the listed price would be at or near the appraised value. It also assumes aggressive professional marketing by reputable local real estate offices

**Income Approach:** The Income Approach to value is applicable when sufficient investor-owned properties exist within the subject's immediate area or neighborhood and when investors regularly acquire such properties that are similarly desirable to the subject for the express purpose of the income they provide. While rentals may exist in any area, their presence alone is not proof of a viable rental and investor marketplace. As such in areas dominated by "owner occupied" units, it may be inappropriate to employ the income approach, unless the approach clearly represents the motivations and actions of investors in the marketplace as it relates to the subject property. If the approach is included, the available data supported conclusions by the appraiser(s) that it was meaningful to the analysis and value opinion. If the approach was not included, it was the appraiser's opinion that the data was insufficient to provide a meaningful conclusion.

**Cost Approach:** Nothing set forth in the appraisal should be relied upon for the purpose of determining the amount or type of insurance coverage to be placed on the subject property. The appraiser assumes no liability for, and does not guarantee that, any insurable value estimate inferred from this report will result in the subject property being fully insured for any loss that may be sustained.

**Extent of Data Research-Sales/Listing:** The sold transactions and listings of the subject property and comparables were researched, verified, analyzed and reported in compliance with the Certifications of this URAR. Sales data (including listed, closed, pending and expired) of properties that are geographically, physically, functionally and economically similar to the subject property and that reflected current buyer and seller actions were researched and considered. If necessary and applicable, the appraiser(s) also researched comparable land and improved sales, income and expense information and construction costs, confirmed sales information (as noted under "EXTENT OF INFORMATION VERIFICATION", below, and analyzed the information in applying the approach(es) used.

Depending upon the availability and reliability of various data sources, the appraiser(s) used any combination of reasonably available information from city/county records, real estate agents, owners' comments, buyer's description, assessors' records, multiple listing service (MLS) data, brochures listings on websites and visual observation to identify the relevant characteristics of the subject property. Comparable properties presented reflect the most similar physical, functional, economic and location characteristics compared to the subject and are relevant to the analysis of subject property. These sales were adjusted to the subject to reflect the market's reaction (if any) to differences.

# Scope of Work

File No. TAN2023-1225

Borrower	Leal Holdings, LLC						
Property Address	4918 Leffingwell St						
City	Houston	County	Harris	State	TX	Zip Code	77026
Lender/Client	Longhorn Investments						

**Extent of Information Verification:** Representative samples of disinterested sources for Information and data verification include but are not limited to county and city online records, such as, online records of the Recorder, Treasurer, Zoning Department, GIS, and the Assessor Office; personal observation of condition, location, physical attributes and real estate transaction declaration documents. Flood zone determinations are from flood map services available online at the time of the assignment.

The appraiser(s) verified applicable information with sources "deemed to be reliable" and a disinterested party; or, corroborated with a third-party source to the extent such verification was possible in the time permitted by the Client. In some cases, the motivations of the parties or other factors (terms, arms-length transactions, etc.) may not have been available. In such a case, the data was accepted at "face value as factually accurate". The appraiser(s) did not review a survey of the subject site; did not check land records for recorded easements, and has reported only apparent easements and encroachments. Unless otherwise stated within the report, there was no confirmation of the subject being within the appropriate setbacks, as dictated by zoning, building, or other regulations.

**Adverse Factors:** As cited in the "Assumptions & Limiting Conditions", the assessment of adverse factors is subjective and open to broad interpretation. Most properties will have a form of physical depreciation, deficiency, or livability issues, dependent upon the standards of the party observing the property. A wide-range of factors internal or external to the property may be "adverse" by someone's viewpoint.

Absent specific directives or guidelines from the client, the appraiser(s) made a visual inspection of the property and its market environment (as cited elsewhere in the Scope of Work) and noted factors that may affect the marketability and livability to potential buyers. This was based upon the appraiser's knowledge of the market and or as evidenced by sales of properties with similar or comparable conditions. Such Items are noted in the report and the valuation approaches that were applied to the analysis.

Some buyers in the market may consider factors such as drug labs, registered sex offenders, criminal activity, Interim rehabilitation facilities halfway houses, or similar uses as "adverse". Unless cited within the report the appraiser(s) has made no attempt to investigate or discover such activities as part of this assignment, unless such factors were readily apparent and obvious affecting the subject property as evidenced by market data. If the intended user has concerns in these areas it is highly recommended that they secure this information from a reliable source.

**Disclosure/Distribution:** Regardless of who paid for this assignment, the Intended user is only the lender/client stated within the report. This report may be inappropriate for use by parties other than the intended user and could place them at risk. Despite possession of the report, this appraisal should not be relied on by anyone other than the stated intended user and for the stated/intended purpose.

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

**The Value Opinion:** The value opinion stated in the report is based on the appraiser's, or appraisers', analysis and considers the productivity, economic and physical conditions of the property only as of the date of value cited. As market conditions change, this value opinion may not be valid in another time.

Personal property that may be included with a sale or transfer of the property were excluded from the value unless such items are necessary for the operations of the property (garage door remotes, pool remotes, etc.) and would normally be a part of the mechanical or operational equipment that is considered realty.

**Use of Electronic Appraisal Delivery Services:** If the lender/client directed that the appraiser transmits the content of this report via, Appraisal Port or a similar delivery portal service, pursuant to user agreements, these services disclaim any warranty that the service provided will be error free. They advise that information reported to and by these services may be subject to transmission errors, and indicate that use of their service is at the user's sole risk. Accordingly, the lender/client should make its own determination as to the accuracy and reliability of any such service they employ. The appraiser makes no representations and specially disclaims any warranty regarding the accuracy or portrayal of content transmitted via Appraisal Port or similar service or their reliability. The appraiser uses such technology at the specific direction and sole risk of the lender/client. At its request the lender/client may obtain a true copy of the original report directly from the appraiser via email (PDF), mail or other means.

Borrower	Leal Holdings, LLC	File No. TAN2023-1225
Property Address	4918 Leffingwell St	
City	County Harris	State TX Zip Code 77026
Lender/Client	Longhorn Investments	

**APPRAISAL AND REPORT IDENTIFICATION**

This Report is one of the following types:

- 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 only by the specified client and any other named intended user(s).)

**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).

**Reasonable Exposure Time**

(USPAP defines Exposure Time as the estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.)

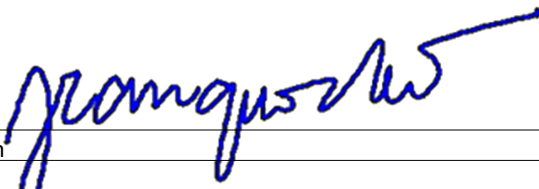
My Opinion of Reasonable Exposure Time for the subject property at the market value stated in this report is: 30-90 Days

**Comments on Appraisal and Report Identification**

Note any USPAP-related issues requiring disclosure and any state mandated requirements:

Appraiser has not provided any services regarding the subject property within the three-year period immediately preceding acceptance of the assignment, as an appraiser or in any other capacity.

**APPRAISER:**

Signature:   
 Name: Tu Tran  
 State Certification #: 1331622  
 or State License #: \_\_\_\_\_  
 State: TX Expiration Date of Certification or License: 11/30/2024  
 Date of Signature and Report: 12/28/2023  
 Effective Date of Appraisal: 12/25/2023  
 Inspection of Subject:  None  Interior and Exterior  Exterior-Only  
 Date of Inspection (if applicable): 12/25/2023

**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  Inter  Exterior-Only  
 Date of Inspection (if applicable): \_\_\_\_\_

## UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

(Source: Fannie Mae UAD Appendix D: UAD Field-Specific Standardization Requirements)

### Condition Ratings and Definitions

#### C1

The improvements have been recently constructed and have not been previously occupied. The entire structure and all components are new and the dwelling features no physical depreciation.

Note: Newly constructed improvements that feature recycled or previously used materials and/or components can be considered new dwellings provided that the dwelling is placed on a 100 percent new foundation and the recycled materials and the recycled components have been rehabilitated/remanufactured into like-new condition. Improvements that have not been previously occupied are not considered "new" if they have any significant physical depreciation (that is, newly constructed dwellings that have been vacant for an extended period of time without adequate maintenance or upkeep).

#### C2

The improvements feature no deferred maintenance, little or no physical depreciation, and require no repairs. Virtually all building components are new or have been recently repaired, refinished, or rehabilitated. All outdated components and finishes have been updated and/or replaced with components that meet current standards. Dwellings in this category are either almost new or have been recently completely renovated and are similar in condition to new construction.

Note: The improvements represent a relatively new property that is well maintained with no deferred maintenance and little or no physical depreciation, or an older property that has been recently completely renovated.

#### C3

The improvements are well maintained and feature limited physical depreciation due to normal wear and tear. Some components, but not every major building component, may be updated or recently rehabilitated. The structure has been well maintained.

Note: The improvement is in its first-cycle of replacing short-lived building components (appliances, floor coverings, HVAC, etc.) and is being well maintained. Its estimated effective age is less than its actual age. It also may reflect a property in which the majority of short-lived building components have been replaced but not to the level of a complete renovation.

#### C4

The improvements feature some minor deferred maintenance and physical deterioration due to normal wear and tear. The dwelling has been adequately maintained and requires only minimal repairs to building components/mechanical systems and cosmetic repairs. All major building components have been adequately maintained and are functionally adequate.

Note: The estimated effective age may be close to or equal to its actual age. It reflects a property in which some of the short-lived building components have been replaced, and some short-lived building components are at or near the end of their physical life expectancy; however, they still function adequately. Most minor repairs have been addressed on an ongoing basis resulting in an adequately maintained property.

#### C5

The improvements feature obvious deferred maintenance and are in need of some significant repairs. Some building components need repairs, rehabilitation, or updating. The functional utility and overall livability is somewhat diminished due to condition, but the dwelling remains useable and functional as a residence.

Note: Some significant repairs are needed to the improvements due to the lack of adequate maintenance. It reflects a property in which many of its short-lived building components are at the end of or have exceeded their physical life expectancy but remain functional.

#### C6

The improvements have substantial damage or deferred maintenance with deficiencies or defects that are severe enough to affect the safety, soundness, or structural integrity of the improvements. The improvements are in need of substantial repairs and rehabilitation, including many or most major components.

Note: Substantial repairs are needed to the improvements due to the lack of adequate maintenance or property damage. It reflects a property with conditions severe enough to affect the safety, soundness, or structural integrity of the improvements.

### Quality Ratings and Definitions

#### Q1

Dwellings with this quality rating are usually unique structures that are individually designed by an architect for a specified user. Such residences typically are constructed from detailed architectural plans and specifications and feature an exceptionally high level of workmanship and exceptionally high-grade materials throughout the interior and exterior of the structure. The design features exceptionally high-quality exterior refinements and ornamentation, and exceptionally high-quality interior refinements. The workmanship, materials, and finishes throughout the dwelling are of exceptionally high quality.

#### Q2

Dwellings with this quality rating are often custom designed for construction on an individual property owner's site. However, dwellings in this quality grade are also found in high-quality tract developments featuring residence constructed from individual plans or from highly modified or upgraded plans. The design features detailed, high quality exterior ornamentation, high-quality interior refinements, and detail. The workmanship, materials, and finishes throughout the dwelling are generally of high or very high quality.

# UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

(Source: Fannie Mae UAD Appendix D: UAD Field-Specific Standardization Requirements)

## Quality Ratings and Definitions (continued)

### Q3

Dwellings with this quality rating are residences of higher quality built from individual or readily available designer plans in above-standard residential tract developments or on an individual property owner's site. The design includes significant exterior ornamentation and interiors that are well finished. The workmanship exceeds acceptable standards and many materials and finishes throughout the dwelling have been upgraded from "stock" standards.

### Q4

Dwellings with this quality rating meet or exceed the requirements of applicable building codes. Standard or modified standard building plans are utilized and the design includes adequate fenestration and some exterior ornamentation and interior refinements. Materials, workmanship, finish, and equipment are of stock or builder grade and may feature some upgrades.

### Q5

Dwellings with this quality rating feature economy of construction and basic functionality as main considerations. Such dwellings feature a plain design using readily available or basic floor plans featuring minimal fenestration and basic finishes with minimal exterior ornamentation and limited interior detail. These dwellings meet minimum building codes and are constructed with inexpensive, stock materials with limited refinements and upgrades.

### Q6

Dwellings with this quality rating are of basic quality and lower cost; some may not be suitable for year-round occupancy. Such dwellings are often built with simple plans or without plans, often utilizing the lowest quality building materials. Such dwellings are often built or expanded by persons who are professionally unskilled or possess only minimal construction skills. Electrical, plumbing, and other mechanical systems and equipment may be minimal or non-existent. Older dwellings may feature one or more substandard or non-conforming additions to the original structure

## Definitions of Not Updated, Updated, and Remodeled

### Not Updated

Little or no updating or modernization. This description includes, but is not limited to, new homes.

Residential properties of fifteen years of age or less often reflect an original condition with no updating, if no major components have been replaced or updated. Those over fifteen years of age are also considered not updated if the appliances, fixtures, and finishes are predominantly dated. An area that is 'Not Updated' may still be well maintained and fully functional, and this rating does not necessarily imply deferred maintenance or physical/functional deterioration.

### Updated

The area of the home has been modified to meet current market expectations. These modifications are limited in terms of both scope and cost.

An updated area of the home should have an improved look and feel, or functional utility. Changes that constitute updates include refurbishment and/or replacing components to meet existing market expectations. Updates do not include significant alterations to the existing structure.

### Remodeled

Significant finish and/or structural changes have been made that increase utility and appeal through complete replacement and/or expansion.

A remodeled area reflects fundamental changes that include multiple alterations. These alterations may include some or all of the following: replacement of a major component (cabinet(s), bathtub, or bathroom tile), relocation of plumbing/gas fixtures/appliances, significant structural alterations (relocating walls, and/or the addition of) square footage). This would include a complete gutting and rebuild.

## Explanation of Bathroom Count

Three-quarter baths are counted as a full bath in all cases. Quarter baths (baths that feature only a toilet) are not included in the bathroom count. The number of full and half baths is reported by separating the two values using a period, where the full bath count is represented to the left of the period and the half bath count is represented to the right of the period.

### Example:

3.2 indicates three full baths and two half baths.







**Certified General Appraiser License**



**Certified General  
Real Estate Appraiser**

Appraiser: **Tu Quoc Tran**  
License #: **TX 1331622 G**

License Expires: **11/30/2024**

Having provided satisfactory evidence of the qualifications required by the Texas Appraiser Licensing and Certification Act, Occupations Code, Chapter 1103, authorization is granted to use this title:  
Certified General Real Estate Appraiser

For additional information or to file a complaint please contact TALCB at [www.talcb.texas.gov](http://www.talcb.texas.gov).

  
**Chelsea Buchholtz**  
Commissioner



FEATURE	SUBJECT	SUPPLEMENTAL COMPARABLE # 7			SUPPLEMENTAL COMPARABLE # 8			SUPPLEMENTAL COMPARABLE # 9		
Address	4918 Leffingwell St Houston, TX 77026	4518 Los Angeles St Houston, TX 77026			3903 Broyles St Houston, TX 77026			4518 Los Angeles St Houston, TX 77026		
Proximity to Subject		0.29 miles SE			0.80 miles NW			0.68 miles W		
Sale Price	\$ 215,000	\$ 194,000			\$ 268,000			\$ 270,000		
Sale Price/Living Area	\$ 79.19 /sq.ft.	\$ 119.75 /sq.ft.			\$ 88.62 /sq.ft.			\$ 149.17 /sq.ft.		
Data Source(s)		MLS#35182860;DOM 1			MLS#89171819;DOM 51			MLS#55763727;DOM 528		
Verification Source(s)		HCAD, HARMLS, Realist			HCAD, HAR MLS, Realist			HCAD, HAR MLS, Realist		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) Adjustment		DESCRIPTION	+(-) Adjustment		DESCRIPTION	+(-) Adjustment	
Sale or Financing		ArmLth			ArmLth			ArmLth		
Concessions		Unknown;0			Unknown;0			Unknown;0		
Date of Sale/Time		s05/23;c04/23			s07/23;c06/23			s09/23;c07/23		
Location	N;Res;	N;Res;			N;Res;			N;Res;		
Leasehold/Fee Simple	Fee Simple	Fee Simple			Fee Simple			Fee Simple		
Site	11983 sf	7800 sf			10000 sf			9000 sf		
View	N;Res;	N;Res;			N;Res;			N;Res;		
Design (Style)	Triplex	Duplex			Fourplex			Triplex		
Quality of Construction	Q4	Q4			Q4			Q4		
Actual Age	73	59			82			78		
Condition	C4	C4			C5			C4		
Living Area	2,715 sq.ft.	1,620 sq.ft.			3,024 sq.ft.			1,810 sq.ft.		
Unit Breakdown	Total Bdrms Baths	Total Bdrms Baths			Total Bdrms Baths			Total Bdrms Baths		
Subject as SFR										
Subject as Multi										
Unit # 1	4 2 1	4 2 1			4 2 1			3 1 1		
Unit # 2	4 2 1	4 2 1			4 2 1			4 2 1		
Unit # 3	4 2 1				4 2 1			5 3 2		
Unit # 4					4 2 1			-14,000		
Basement Description	0sf	0sf			0			0sf		
Basement Finished Rooms	None	None			0sf					
Functional Utility	Average	Average			Average			Average		
Heating/Cooling	Central HVAC	Central HVAC			Window Units			+16,000 Central HVAC		
Energy Efficient Items	Insul/C. Fans	Insul/C. Fans			Insul/C. Fans			Insul/C. Fans		
Parking On/Off Site	Covered Parking	1cp;dw			None			1ga1dw		
Porch/Patio/Deck	Porch	Porch, Patio			Porch, Patio			Porch, Patio		
Fencing	Fully Fenced	Fully Fenced			None			None		
					Fully Fenced					
Net Adjustment (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> -			<input type="checkbox"/> + <input checked="" type="checkbox"/> -			<input checked="" type="checkbox"/> + <input type="checkbox"/> -		
Adjusted Sale Price		Net Adj. %			Net Adj. %			Net Adj. %		
of Supplemental Sales		Gross Adj. %			Gross Adj. %			Gross Adj. %		
		\$ 240,200			\$ 233,000			\$ 283,200		

SALES COMPARISON APPROACH

ANALYSIS / COMMENTS

RECONCILIATION

ITEM	SUBJECT	SUPPLEMENTAL COMP. # 7	SUPPLEMENTAL COMP. # 8	SUPPLEMENTAL COMP. # 9
Date of Prior Sale/Transfer			04/05/2023	12/12/2022
Price of Prior Sale/Transfer			\$205,000	\$118,000
Data Source(s)	HCAD, HAR MLS, Realist	HCAD, HAR MLS, Realist	HAR MLS #91252401	HAR MLS #62090313
Effective Date of Data Source(s)	12/25/2023	12/14/2023	12/25/2023	12/14/2023

Summary of Sales Comparison Approach The client has requested an "As Is" value. A search for sales within the neighborhood boundaries was performed. Sales 7-9 are the top 5 lowest sold properties in the last 6 months. Sale 1 is from the subject subdivision. Sale 8 is in worst condition then the subject. Sale 7 and 9 are not outdated, similar to subject property. The "As Is" value is \$235,000.

Has the GLA changed by more than 15%?  Yes  No

Indicated Value by Sales Comparison Approach

As Is Value: \$ 235,000

As Repaired (Subject to) Value: \$ 395,000

This addendum 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:

## "As Is Value" Comparable Photos 7-9

Borrower	Leal Holdings, LLC			
Property Address	4918 Leffingwell St			
City	Houston	County Harris	State TX	Zip Code 77026
Lender/Client	Loughorn Investments			



### Comparable 7

4518 Los Angeles St  
 Prox. to Subject 0.29 miles SE  
 Sale Price 194,000  
 Gross Living Area 1,620  
 Total Rooms  
 Total Bedrooms  
 Total Bathrooms  
 Location N;Res;  
 View N;Res;  
 Site 7800 sf  
 Quality Q4  
 Age 59



### Comparable 8

3903 Broyles St  
 Prox. to Subject 0.80 miles NW  
 Sale Price 268,000  
 Gross Living Area 3,024  
 Total Rooms  
 Total Bedrooms  
 Total Bathrooms  
 Location N;Res;  
 View N;Res;  
 Site 10000 sf  
 Quality Q4  
 Age 82



### Comparable 9

4518 Los Angeles St  
 Prox. to Subject 0.68 miles W  
 Sale Price 270,000  
 Gross Living Area 1,810  
 Total Rooms  
 Total Bedrooms  
 Total Bathrooms  
 Location N;Res;  
 View N;Res;  
 Site 9000 sf  
 Quality Q4  
 Age 78

## "As Is Value" Comparable Sales Map

Borrower	Leal Holdings, LLC			
Property Address	4918 Leffingwell St			
City	Houston	County Harris	State TX	Zip Code 77026
Lender/Client	Longhorn Investments			

