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**David M. Condon**

Senior Vice President

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TO: Mr. Property Owner  
 12345 Ocean Breeze Ave.  
 Los Angeles CA 90066

RE: WebVest Apartment Demo  
 3000-3010 Parkview Ave.  
 Torrance CA 90050

**COMPARATIVE MARKET ANALYSIS (CMA)**

NAI Capital Commercial has completed a preliminary review of the information provided for your above referenced property based on the current market conditions including market rent survey, comparable properties and current properties that are available in the market. In addition, International Commercial Capital Corporation (ICCC) has included a comprehensive analysis for potential financing options to suit the basic scenarios for potential investors. This proposal is our Professional Broker Opinion of Value proposal for marketing your property or your Competitive Market Analysis (CMA) for your request.

The following properties include recent closed transactions and current properties on the market for sale. In our opinion, the current range of value is from \$10,500,000 to \$11,000,000 depending upon marketing exposure, pricing and available financing. We have also provided available financing options for a purchase or refinance scenario. NAI Capital Commercial will competitively price your property and give it the complete exposure to all seasoned investment professionals and investors.

**RECENT CLOSED TRANSACTIONS**

	ADDRESS	CITY	# UNITS	VALUE / UNIT	GRM	CAP RATE
1	3816W. 218th Street	Torrance	26	\$142,308		
2	3817 Merced Street	Torrance	53	\$166,981		
3	3318 Plaza Redondo Ave.	Torrance	28	\$107,143	11.92	5.13%
4	203338 Arlington Place	Torrance	35	\$170,714	12.83	4.66%
5	25843 Narbonne Ave.	Lomita	38	\$125,000	10.84	5.90%
6	23900 Hillside Ave	Torrance	57	\$139,912	13.25	4.90%

**PROPERTIES CURRENTLY ON MARKET**

	ADDRESS	CITY	# UNITS	VALUE / UNIT	GRM	CAP RATE
1	1600 W. Carson Street	Torrance	35	\$168,571	11.78	5.36%
2	23007 Arlington Ave.	Torrance	74	\$126,000	12.00	5.00%
3	26001 Viana Ave.	Torrance	9	\$320,000	19.00	3.60%
4	16100 Van Ness Ave.	Torrance	10	\$132,500	11.18	5.66%
5	12305 Beach Ave.	Torrance	40	\$145,000	10.75	6.00%
6	13800 Narbonne Ave.	Lomita	38	\$136,000	11.00	6.25%

**SUGGESTED PRICING SCHEDULE  
MULTI-RESIDENTIAL INVESTMENT**

**Project Name:** WebVest Apartment Demo  
**Property Address:** 3000-3010 Parkview Ave.  
 Torrance CA 90050

**OPINION OF VALUE PRICING RECOMMENDATION**

	<u>LISTING PRICE</u>		<u>AS IS VALUE</u>		<u>MARKET RENTS</u>	
<b>RECOMMENDED PRICING</b>		\$10,500,000		\$11,000,000		\$10,500,000
<b>SCHEDULED GROSS INCOME</b>		\$871,800		\$871,800		\$949,080
<b>VACANCY RATE</b>	5.00%	(\$43,590)	3.00%	(\$26,154)	5.00%	(\$47,454)
<b>EFFECTIVE GROSS INCOME (EGI)</b>		\$828,210		\$845,646		\$901,626
<b>EXPENSES</b>	36.07%	(\$298,735)	36.07%	(\$305,025)	34.00%	(\$306,553)
<b>NET OPERATING INCOME (NOI)</b>		\$529,475		\$540,621		\$595,073
<b>DEBT SERVICE</b>		(\$491,032)		(\$491,032)		(\$491,032)
<b>CASH FLOW</b>		\$38,443		\$49,590		\$104,041
<b>NUMBER OF UNITS</b>		74		74		74
<b>DOWN PAYMENT</b>		\$3,675,000		\$4,175,000		\$3,675,000
<b>PERCENT DOWN</b>		35.00%		37.95%		35.00%
<b>FINANCING (1ST TD)</b>	65.00%	\$6,825,000	62.05%	\$6,825,000	65.00%	\$6,825,000
<b>SUBORDINATE FINANCING</b>	0.00%	\$0	0.00%	\$0	0.00%	\$0
<b>TOTAL FINANCING</b>		\$6,825,000		\$6,825,000		\$6,825,000
<b>PERCENT FINANCED</b>		65.00%		62.05%		65.00%
<b>GROSS RENT MULTIPLIER</b>		12.04		12.62		11.06
<b>CAPITALIZATION RATE</b>		5.04%		4.91%		5.67%
<b>CASH ON CASH RETURN</b>		1.05%		1.19%		2.83%
<b>COST PER UNIT</b>		\$141,892		\$148,649		\$141,892
<b>COST PER SQUARE FOOT</b>		\$203.23		\$212.91		\$203.23

**COMMENTS**

Market value is based on gross potential income at market rents. Financing is available at 6% fixed 3 years based on 1.05 DCR with Interest Only payment option. Subject property does not have rent control and market rents are supported with recent rent survey. Current activity for investors required cash on cash return of equity (ROE) is from 3% to 5% on pre tax cash flow analysis. Our analysis concludes that the price range from \$10.5M to \$11M will depend upon marketing exposure and time on the market.

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Managing Director & KISCL Underwriter

www.WebVest.info (Commercial MLS)  
 www.team-kiscl.com (Commercial Lending)

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 lee@kiscl.com

Date: 4-8-2008

Prepared for: KISCL SAMPLE LOAN OPTION COMPARISON

RE: 3000-3010 Parkview Ave.

LOAN PROGRAM DESCRIPTION	(1) Interest Only-3 Yrs	(2) 5 Yr Fixed Hybrid	(3) 10 Yr Fixed Hybrid	(4) 30/10 FNMA Fixed	(5) 30/30 FNMA Fixed
LOAN PROGRAM	3-Year Fixed-ARM	5-Year Fixed-ARM	10-Yr Fixed-ARM	30/10 Fixed	30/30 Fixed
LOAN AMOUNT	\$6,816,437	\$6,420,288	\$6,001,212	\$6,042,562	\$5,763,870
INDEX	12 MTA	12 MTA	12 MTA	10-Year Treas	30-Year Treas
LOAN TO VALUE (DCR)	65%	61%	57%	58%	55%
LOAN TO VALUE (Guidelines)	75%	75%	80%	80%	80%
QUALIFYING / INTEREST RATE	6.000%	6.125%	6.343%	5.879%	6.322%
START RATE	6.000%	6.125%	6.343%	5.879%	6.322%
DEBT COVERAGE RATIO	1.05	1.10	1.15	1.20	1.20
VARIABLE RATE MARGIN	2.630%	2.500%	2.350%	1.200%	1.480%
LIFE CAP OVER START RATE	5.00%	4.75%	5.00%		
AMORTIZATION (years) / TERM	30/30	30/30	30/15	30/10	30/30
MONTHLY PAYMENT	\$34,082	\$39,010	\$37,314	\$35,759	\$35,759
RECOURSE	Negotiable	Negotiable	Negotiable	Non-Recourse	Non-Recourse
IMPOUNDS	Taxes & Insurance	Taxes & Insurance	Taxes & Insurance	Taxes & Insurance	Taxes & Insurance
PRE-PAYMENT	1.75%-1.75%-1.75%	1.75%-1.75%-1.75%	5%-5%-4%-3%-2%-1%-1%-0%	Yield Maintenance	Yield Maintenance
LOAN FEE	1.00%	1.00%	1.00%	1.00%	1.00%
	ESTIMATED COSTS & 3rd PARTY REPORTS				
Appraisal	\$4,450	\$4,450	\$4,450	\$4,450	\$4,450
3rd Party Reports	\$500	\$500	\$500	\$10,000	\$10,000
(Processing & Underwriting)	\$1,695	\$1,595	\$1,695	\$2,500	\$2,500

- (1) 3 Yr Fixed-Hybrid with 30/30 amortization (no balloon payment). Loan converts to ARM after 3 yrs. Also available on 5 year Fixed-Hybrid.
- (2) 5 Yr Fixed-Hybrid with 30/30 amortization (no balloon payment). Loan converts to ARM after 5 yrs. No prepayment penalty after 3 years.
- (3) 10 Yr Fixed-Hybrid with 30/30 amortization (no balloon payment). Loan converts to ARM after 10 yrs. Step-down prepayment schedule.
- (4) 10 Yr Fixed balloon payment with three (3) time supplemental financing during term of loan. Step down prepayment schedule available.
- (5) 30 Yr Fixed fully amortized (no balloon) three (3) time supplemental financing during term of loan. Step down prepayment schedule available.





Rates & Terms are subject to change without notice with market conditions.

	Subject Property	Sales Comparable 1	Sales Comparable 2	Sales Comparable 3
Situs Address	3000-3010 Parkview Ave.	3816W. 218th Street	3817 Merced Street	3318 Plaza Redondo Ave.
City	Torrance	Torrance	Torrance	Torrance
State, Zip	CA 90050	CA 90505	CA 90504	CA



	WebVest Apartment Demo	Aztec House	Merced Apartments	Park Camino Apts
Project Name	WebVest Apartment Demo	Aztec House	Merced Apartments	Park Camino Apts
Sales Price	\$10,500,000	\$3,700,000	\$8,850,000	\$3,000,000
# Units	74	26	53	28
GRM	12.04			11.92
Cap Rate	4.82%			5.13%
Sale Date		6-1-2005	6-1-2005	6-1-2005
Value per Unit	\$141,892	\$142,308	\$166,981	\$107,143
Avg Unit Size	698	659	950	624
Value per Sq Ft	\$203.23	\$215.94	\$175.77	\$171.70
Map Code	733-F6	793-D1	763-E5	733-F6
Proximity to Subject		6 miles south.	8 miles southeast.	3 miles southeast.
Lot Size	1.69 Acres	43560	55000	43560
Lot Size (Acres)	0.00	1.00	1.26	1.00
Property Type		Garden Style Low Rise	Garden Style Low Rise	Garden Style Low Rise
Year Built	1961	1962	1969	1971
Improvements	2-Story walk up, F & S Carport parking	2-Story WF/Stucco	2-Story WF/Stucco	2-Story WF/Stucco
Unit Breakdown	11 Single + 1	5 Studio + 1		28 1 + 1
Unit Breakdown	2 Single + 1	14 1 + 1		
Unit Breakdown	34 1 + 1	6 2 + 1		
Unit Breakdown	11 1 + 1	1 3 + 1		
Unit Breakdown	9 2 + 1			
Unit Breakdown	5 2 + 1			
Unit Breakdown	2 2 + 1			
Unit Breakdown	2 2 + 1			
Parking Spaces	74			45
Parking Ratio	1.00			1.61
Secured Parking	Yes	No	No	Yes
Parking Type	Open & Covered	Tuck Under	Tuck Under	Tuck Under
Security Entrance	Yes	Yes	Yes	Yes
Appeal / Utility	Good	Excellent	Good	Good
Location	Above Average	Excellent	Above Average	Good
Condition	Good	Excellent	Above Average	Good
Amenities	Pool	N/A	N/A	Laundry
Utilities (G & E)	Unknown	Unknown	Unknown	Unknown
Gross Income	\$871,800			\$251,688
Less Vacancy (%)	5.00%			3.00%
EGI	\$828,210			\$244,137
Expenses (% EGI)	38.83%			36.92%
NOI	\$506,616			\$154,002
Expenses / Unit	\$4,346			\$3,219
Annual Rent / Unit	\$11,781			\$8,989
Income Ratio				1.31
Price per Unit	\$141,892	\$142,308	\$166,981	\$107,143
Adjusted Price/Unit				\$140,425
Marketing Time		N/A	N/A	90
Sale Terms		CTNL		CTNL
1st TD Financing		\$2,331,000	\$6,372,000	\$1,740,000
% LTV 1st TD		63.00%	72.00%	58.00%
Lender		Far East	CCB	First Federal Bank
Comments:		Property appears to be upgraded as of 1-27-06 photo attached. Lender is Far East National Bank. No additional data available.	No details available at this time. Lender is Commercial Capital Bank.	Located 3 lots to east. Inferior property appeal and less amenities.

**Average Adjusted Price per Unit: \$143,878**

	Subject Property	Sales Comparable 4	Sales Comparable 5	Sales Comparable 6
Situs Address	3000-3010 Parkview Ave.	203338 Arlington Place	25843 Narbonne Ave.	23900 Hillside Ave
City	Torrance	Torrance	Lomita	Torrance
State, Zip	CA 90050	CA 90504	CA	CA 90504
				
Project Name	WebVest Apartment Demo	Arlington Apartments	Miramar Apartments	Hillside Apartments
Sales Price	\$10,500,000	\$5,975,000	\$4,750,000	\$7,975,000
# Units	74	35	38	57
GRM	12.04	12.83	10.84	13.25
Cap Rate	4.82%	4.66%	5.90%	4.90%
Sale Date		1-15-2005	12-1-2005	8-20-2005
Value per Unit	\$141,892	\$170,714	\$125,000	\$139,912
Avg Unit Size	698	957	649	682
Value per Sq Ft	\$203.23	\$178.38	\$192.60	\$205.15
Map Code	733-F6	763-B4	793-G5	793-C2
Proximity to Subject		2 lots to the east.	6 miles south.	4 miles southeast.
Lot Size	1.69 Acres	40000	43560	60000
Lot Size (Acres)	0.00	0.92	1.00	1.38
Property Type		Garden Style Low Rise	Garden Style Low Rise	Garden Style Low Rise
Year Built	1961	1964	1962	1963
Improvements	2-Story walk up, F & S Carport parking	2-story WF/Stucco carport & garage parking.	2-story WF/Stucco Carport parking	2-story walk up, F & S Carport parking
Unit Breakdown	11 Single + 1	8 1 + 1	16 Single + 1	45 1 + 1
Unit Breakdown	2 Single + 1	25 2 + 1	11 1 + 1	12 2 + 2
Unit Breakdown	34 1 + 1	1 3 + 2	10 2 + 1	
Unit Breakdown	11 1 + 1	1 3 + 2	1 3 + 2	
Unit Breakdown	9 2 + 1			
Unit Breakdown	5 2 + 1			
Unit Breakdown	2 2 + 1.5			
Unit Breakdown				
Parking Spaces	74	35	38	
Parking Ratio	1.00	1.00	1.00	
Secured Parking	Yes	Yes	Yes	Yes
Parking Type	Open & Covered	Open & Covered	Open & Covered	Covered
Security Entrance	Yes	Yes	Yes	Yes
Appeal / Utility	Good	Above Average	Good	Good
Location	Above Average	Above Average	Good	Good
Condition	Good	Good	Average	Above Average
Amenities	Pool	Laundry & Pool	Laundry	Laundry, Pool
Utilities (G & E)	Unknown	Unknown	Unknown	Unknown
Gross Income	\$871,800	\$465,640	\$437,995	\$601,697
Less Vacancy (%)	5.00%		3.00%	3.00%
EGI	\$828,210	\$465,640	\$424,855	\$583,646
Expenses (% EGI)	38.83%	40.25%	34.00%	33.00%
NOI	\$506,616	\$278,220	\$280,404	\$391,043
Expenses / Unit	\$4,346	\$5,355	\$3,801	\$3,379
Annual Rent / Unit	\$11,781	\$13,304	\$11,526	\$10,556
Income Ratio		0.89	1.02	1.12
Price per Unit	\$141,892	\$170,714	\$125,000	\$139,912
Adjusted Price/Unit		\$151,172	\$127,764	\$156,149
Marketing Time		60	30 days	180
Sale Terms		CTNL	CTNL	CTNL
1st TD Financing		\$4,242,250	\$3,467,500	\$5,582,500
% LTV 1st TD		71.00%	73.00%	70.00%
Lender		First Regional Bank	IMPAC	Commercial Capital B
Comments:		Good location. Similar property with similar amenities.	Rents 20% below market. Cosmetic repairs needed with unit upgrade for market rents.	Good location with strong rental demand. Subject property has good curb appeal.
<b>Average Adjusted Price per Unit: \$143,878</b>				