

AGENDA

STANISLAUS COUNTY REDEVELOPMENT AGENCY

1010 10TH STREET, BASEMENT LEVEL, MODESTO

APRIL 8, 2008

9:20 A.M.

I. CALL TO ORDER

II. CONSENT CALENDAR (Those items marked with an *)

III. APPROVAL OF MINUTES

*A. Minutes of February 26, 2008.

IV. CORRESPONDENCE

A. None.

V. PUBLIC HEARINGS

A. None.

VI. AGENDA ITEMS

*A. Approval to Allocate \$700,000 from Housing Set-aside Funds to the Land Acquisition Program and Authorize the Executive Director to Sign and Negotiate on Behalf of the Agency.

B. Approval of a Housing Loan Rehabilitation Agreement with Habitat for Humanity, Stanislaus, in the Amount of \$199,575 to Rehabilitate Four (4) Properties in the Airport Neighborhood Redevelopment Sub-area, and Authorize the Executive Director to Sign and Negotiate on Behalf of the Agency.

VII. PUBLIC FORUM

VIII. ADJOURNMENT

MINUTES

STANISLAUS COUNTY REDEVELOPMENT AGENCY

FEBRUARY 26, 2008

The Stanislaus County Redevelopment Agency met in the Joint Chambers at 10th Street Place, Basement Level, 1010 10th Street, Modesto, California.

I. CALL TO ORDER

The meeting was called to order at 9:15 a.m.

Members present: William O'Brien, Jim DeMartini, Jeff Grover, Thomas Mayfield, and Dick Monteith.

Members absent: None

Staff present: Ron Freitas, Executive Director
Nancy Brown, Deputy Director

II. CONSENT CALENDAR (*)

Upon motion by Agency members O'Brien/Monteith, Agency unanimously approved the Consent Calendar.

III. APPROVAL OF MINUTES

*A. Upon motion by Agency members, O'Brien/Monteith, the Agency approved the minutes of December 11, 2007.

IV. CORRESPONDENCE

A. None

V. PUBLIC HEARINGS

A. None.

VI. AGENDA ITEMS

*A. Upon motion by Agency members O'Brien/Monteith, the Agency approved the agreement with Nolte Associates, Inc., to provide construction management for the Keyes Storm Drain Improvement Project in the amount of \$1,927,160.00 and, authorized the Executive Director to sign and negotiate on behalf of the Agency.

VII. PUBLIC FORUM

A. No persons spoke.

VIII. ADJOURNMENT

The meeting adjourned at 9:16 a.m



Ron E. Freitas
Executive Director

SITTING AS THE REDEVELOPMENT AGENCY
THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Redevelopment Agency *R. Tallman*

BOARD AGENDA # 9:20 a.m *VI-A

Urgent Routine

AGENDA DATE April 8, 2008

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval to Allocate \$700,000 of Housing Set-Aside Funds from FY 2007-08 Budget to Continue the Land Acquisition Program.

STAFF RECOMMENDATIONS:

1. Allocate \$700,000 from the FY 2007-08 Budget to continue the Land Acquisition Program; and,
2. Authorize the Interim Executive Director to sign and negotiate on behalf of the Agency.

FISCAL IMPACT:

There are funds available in the Housing Set-Aside account.

BOARD ACTION AS FOLLOWS:

No. 2008-253

On motion of Supervisor Grover, Seconded by Supervisor Monteith
and approved by the following vote,

Ayes: Supervisors: O'Brien, Grover, Monteith, DeMartini, and Chairman Mayfield

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) _____ Denied

3) _____ Approved as amended

4) _____ Other:

MOTION:

Christine Ferraro
CHRISTINE FERRARO TALLMAN, Clerk

ATTEST:

File No.

DISCUSSION:

Introduction

Since 2001, the Land Acquisition Program has facilitated acquisition and housing rehabilitation efforts for the Agency with the Redevelopment sub-areas and the unincorporated communities. The Land Acquisition Program allows the Agency to purchase properties and rehabilitate existing housing units and/or build a new housing unit. The program assists in providing affordable housing opportunities and improve neighborhoods that are blighted by sub-standard homes. With the additional funding allocated to the program the Agency will be able to purchase homes within the Redevelopment sub-areas hardest hit by the housing market down turn. This program is a necessary activity that provides the Agency an opportunity to eliminate blighting conditions and sub-standard housing that threaten the health and safety of the residents.

Within the last eight years the Agency has expended \$680,075 in the acquisition and rehabilitation of ten (10) homes within the redevelopment sub-areas of the Airport Neighborhood, Riverdale Park Tract and Denair.

Housing Market Trend

Currently there are approximately 10,000 homes in the foreclosures are in the process in Stanislaus County, with an average 200-300 Notices of Defaults being recorded per week. As a result of these foreclosures and the tightening of available credit, residential investment and construction spending are dropping, as in is consumer spending, due to decreased home equity wealth. The ripple effect of this crisis is such that all levels of government are bracing for huge shortfalls due to the loss of taxable income and reduced property values.

The Housing Market slow down has had a downward spiral affect throughout the region. If prices continue to fall, it will be the first year-over-year decline in median home sales since the Great Depression. If home values continue to decrease over the next few years in the same pattern, Stanislaus County will be facing a decrease in property values that may directly affect Infrastructure and Housing projects that the Agency conducts.

The report entitled "Housing at the Tipping Point" comes from Moody's Economy.com, Inc. suggests that prices in the Modesto and Stockton metropolitan areas could continue falling in 2008 and 2009. The report also forecasts a mild recovery to the housing market within the next 2-3 years. Moody's Economy.com, a division of Moody's Analytics, is a leading independent provider of economic analysis, data, and forecasting and credit risk services.

Conclusion

In an overall effort to eliminate blight and provide affordable housing opportunities to residents of the County, staff recommends allocating a total of \$700,000 from the Housing Set-Aside Fund to continue the Land Acquisition Program. The allocation will allow the Agency in acquiring approximately twelve (12) housing units. This program has been historically funded from Redevelopment Housing Set-Aside fund, and the Home Investment Partnership Program (HOME).

POLICY ISSUES:

A number of priorities will be served by counting the Land Acquisition Program. They are: A safe community (safety can begin with a single household); A healthy community (this program corrects defects found in a residential structure that could impact the health of its occupants); A strong, local economy (the program allows the Agency to invest in the community and deter blighting conditions); and, Effective Partnerships (the program will give housing non-profits the opportunity to partner with the Agency to re-build neighborhoods.

STAFFING IMPACT:

No additional staff is necessary.

SITTING AS THE REDEVELOPMENT AGENCY
THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Redevelopment Agency *END*

BOARD AGENDA # 9:20 a.m. VI-B

Urgent Routine

AGENDA DATE April 8, 2008

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval of a Housing Loan Rehabilitation Agreement with Habitat for Humanity, Stanislaus, in the Amount of \$199,575 to Rehabilitate Four (4) Properties in the Airport Neighborhood Redevelopment Sub-area, and Authorize the Interim Executive Director to Sign and Negotiate on Behalf of the Agency

STAFF RECOMMENDATIONS:

1. Authorize the expenditure of \$199,575 of Housing Set-Aside funds for the rehabilitation of the following four (4) single-family residential lots in the Airport Neighborhood Redevelopment sub-area: (1125 Del Mar Court, Modesto; 1020 Tenaya Drive, Modesto; 1114 Tenaya Drive, Modesto and 510 Benson, Modesto.) and;
2. Authorize the Interim Executive Director to Sign and Negotiate on behalf of the Agency

FISCAL IMPACT:

There will be an impact of \$199,575 to the Housing Set-Aside fund. This is a budgeted activity and there are funds available.

BOARD ACTION AS FOLLOWS:

No. 2008-254

On motion of Supervisor Monteith, Seconded by Supervisor Grover

and approved by the following vote,

Ayes: Supervisors: O'Brien, Grover, Monteith, DeMartini, and Chairman Mayfield

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) _____ Denied

3) _____ Approved as amended

4) _____ Other:

MOTION:

Christine Ferraro

ATTEST:

CHRISTINE FERRARO TALLMAN, Clerk

File No.

Approval of a Housing Loan Rehabilitation Agreement with Habitat for Humanity, Stanislaus, in the Amount of \$199,575 to Rehabilitate Four (4) Properties in the Airport Neighborhood Redevelopment Sub-area, and Authorize the Interim Executive Director to Sign and Negotiate on Behalf of the Agency

Page 2

DISCUSSION:

State Redevelopment law set forth under the California Community Redevelopment Law (Health and Safety Code 33000) requires that a minimum 20% of tax increment revenues be allocated for affordable housing activities. When this agency was created, it adopted a 25% allocation for affordable housing activities that includes housing rehabilitation.

Whenever possible, partnerships are developed to facilitate the implementation of these activities. One partnership that is producing homes for very low income people is with Habitat for Humanity.

Funds have been allocated from the 2007-08 Budget for housing rehabilitation activities. The Agency will hold a silent lien for the amount used to rehabilitate the properties. This amount will be due upon first sale.

The subject properties are located in the Airport Neighborhood District- redevelopment sub-area. Each home appraised at an estimated \$100,000 (See Attachment C). The homes estimated value after rehabilitation varies but will more than double its worth despite the current downturn in the housing market. By rehabilitating these homes the Agency will be assisting with the elimination of blight in the neighborhood and prevent a more severe decrease value in properties in this neighborhood. The total request for the funding for the rehabilitation of the four (4) housing units is \$199,575. A letter requesting Agency assistance has been received from Habitat for Humanity is included as Attachment A.

Habitat will evaluate applications of interested partner families, make their selection and begin the process of rehabilitating (500 hours) for each partner family. Once rehabilitation is completed, the partner family will be responsible for a mortgage amount that has been determined based on family income. However, there will be a second party lien in the amount that equals the difference of the mortgage and the appraised value. This lien will be held by Habitat. Stanislaus County will be in third position with its land purchase assistance.

POLICY ISSUES:

The recommendation made herein address Safe, Healthy Communities by investing with sweat equity to realize the revitalization of a neighborhood.

STAFFING IMPACT:

None.

ATTACHMENTS:

- A. Request for Funds from Habitat for Humanity (Exhibits provided in Attachment B)
- B. Housing Rehabilitation Loan Agreement
- C. Property Appraisals

ATTACHMENT A

**REQUEST FOR FUNDS FROM
HABITAT FOR HUMANITY**



**Habitat
for Humanity®**
Stanislaus County

630 Kearney Avenue
Modesto, CA 95350-5714
Phone: (209) 575-4585
Fax: (209) 575-0755
www.stanislaushabitat.org

*Building Homes,
Building Hope,
Building Communities,
One Nail at a Time...*

March 14, 2008

Executive Director
Anita Hellam

Ana Rocha
Stanislaus County Planning Department
1010 10th Place
Modesto, CA

Board of Directors
Alan Cassidy, Pres.
Steve Veglia, Vice Pres.
Sandell McLaughlin, Sec.
Meredith Hamilton, Treas.
Michael Downen, Past Pres.
Mary Baucher
Chris Courtney
Toni Ewoldt
Knowledge Hardy
Chris Harrigfeld
Karna Harrigfeld
Hal Leech
Steve Madison
Rene Patterson
Dean Petrulakis
Ben Reuben
John Simvoulakis
Gloria Vincent

Dear Ana:

Enclosed please find the work write-ups for four properties in the Airport Neighborhood we were able to acquire with your assistance. We appreciate that you and Nancy Brown took time to meet with us to review a preferred format for our funding requests. We will be incorporating this new format into our future requests for funding.

We propose to develop all four properties for affordable home ownership. There will be a total of 5 housing units produced on these four properties. One of the properties, Benson Avenue, will have two attached units.

Advisory Board
Rosa Bahamonde
Sally Shepherd Lindberg
George Petrulakis
Ruth Sesser
Tom Van Groningen
Adam Christianson

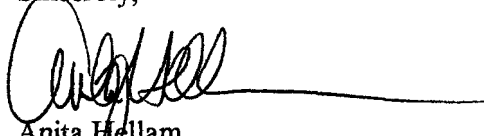
Since acquiring the property, we have been able to secure some outside funding. On the final page of each of the write-ups, you will find a summary of the costs and sources of funding. We are requesting redevelopment funding to bridge the gap on each project.

The request for funding breaks down as follows:

• 1125 Del Mar Court	\$ 41,786	1 unit
• 1114 Tenaya Ave	\$ 43,700	1 unit
• 510 Benson Avenue	\$ 65,494	2 units
• 1020 Tenaya Ave	\$ 48,595	1 unit
	<hr/>	<hr/>
	\$199,575	5 units

If there is anything I can do to expedite the process and get this matter before the Board of Supervisors, do not hesitate to call.

Sincerely,

A handwritten signature in black ink, appearing to read "Anita Hellam", with a long horizontal line extending to the right.

Anita Hellam
Executive Director
Habitat for Humanity, Stanislaus County

ATTACHMENT B

HOUSING REHABILITATION LOAN AGREEMENT

1125 DEL MAR COURT, MODESTO

HOUSING REHABILITATION LOAN AGREEMENT

This Property Acquisition Loan Agreement (hereafter "Agreement") is made and entered into by and between the **Stanislaus County Redevelopment Agency** ("Agency") and **Habitat for Humanity, Stanislaus County**, a California non-profit corporation ("Habitat") on **April 8, 2008**.

Recitals

A. The real property are located at: **1125 Del Mar Court, Modesto** in the unincorporated area of Stanislaus County, California, as more particularly described in Exhibit A attached hereto and, by this reference, made a part hereof, is available for purchase (the "Property").

B. Habitat desires to acquire the Property with an existing dwelling (the "Habitat House") for the purpose of sustaining affordable housing.

C. The Agency administers the Housing Rehabilitation Program with Redevelopment Housing Set-Aside funds ("Program Funds") for the purpose of providing and sustaining and providing affordable housing.

D. The Agency is willing to advance Program Funds to Habitat for it to rehabilitate sub-standard housing to provide affordable housing opportunities for lower income persons on the terms and conditions set forth in this Agreement.

Now, Therefore, the parties mutually agree as follows:

Terms and Conditions

1. The Agency will advance to Habitat the sum of **\$41,786.00** from its Program Funds for the purpose of rehabilitating the Habitat House as necessary for occupancy.

2. Prior to or concurrent with Agency funding under Section 1, Habitat will execute an interest free promissory note in the amount of **\$41786.00**, and a deed of trust in substantially the same form as the Promissory Note and the Deed of Trust collectively attached as Exhibit B and, by this reference, made a part of this Agreement. Habitat agrees and acknowledges that the Promissory Note and the Deed of Trust shall be recorded against the Property with the County Recorder of the County of Stanislaus and shall appear of record with respect to and as encumbrances to the Property. Habitat further acknowledges that this Agreement may also be recorded.

3. Habitat rehabilitate as necessary for occupancy within 18 months from the date the County advances funds to Habitat. Habitat will place a Qualified Purchaser in the Habitat House within one year from the date the Property and the Habitat House

are suitable for occupancy. "Qualified Purchaser" means a person or persons who are at eighty percent (80%) of the median area income for Stanislaus County at the time of occupancy of the Habitat House.

4. The Agency agrees to subordinate this Agreement, the Promissory Note and Deed of Trust to a purchase money deed of trust executed by a Qualified Purchaser.

5. Habitat shall structure the sale of the Property and Habitat House so that purchase payments are and remain affordable for a Qualified Purchaser, and so that such payment schedule is transferable to successor Qualified Purchasers of the Property.

6. The Property shall be used as the principal residence of the Qualified Purchaser and his/her family and for no other purpose. A Qualified Purchaser shall not enter into an agreement for the rental or lease of the Property.

7. Unless otherwise provided for in this Agreement, the full amount of the funds advanced to Habitat shall be due and payable 45 years after Habitat issues a certificate of occupancy to the first Qualified Purchaser. Habitat may, with permission of the Agency, make payments to the Agency without penalty prior to the scheduled due on date.

8. The funds advanced by the Agency to Habitat under this Agreement that are unpaid, shall become immediately due and payable when (a) the Property is sold or transferred to a non-Qualified Purchaser, including, without limitation, lease, exchange or other disposition of the Property or any interest therein whether voluntary or involuntary; (b) Habitat fails to purchase the Property, relocate the Habitat House or place a Qualified Purchaser in the Habitat House within the specified time period; or (c) Habitat fails to perform any other provision of this Agreement in the manner provided after 30-day notice by the Agency to cure such default.

9. If this Agreement is terminated by either party before the purchase of the property, both parties shall be relieved of all their obligations hereunder. If this Agreement is terminated by either party after the loan closing date, Habitat shall immediately become liable for payment to the Agency, or its designee, the outstanding principal at the date of termination.

10. When the funds advanced to Habitat are paid in full, the Agency shall execute and record a reconveyance.

11. Habitat or a Qualified Purchaser shall maintain for the term of this Agreement fire insurance adequate to cover all encumbrances on the property. In areas designated by HUD as flood prone, Habitat or a Qualified Purchaser shall maintain flood insurance in an amount adequate to secure the full amount of funds advanced under this Agreement. For all insurance policies, the Agency shall be designated as loss payee for the amount of the funds advanced to Habitat under this

Agreement, and a statement of loss payee shall be forwarded to the Agency.

12. Habitat and any Qualified Purchaser shall maintain the improvements and landscaping on the Property in a manner consistent with community standards which will uphold the value of the Property.

13. Habitat shall defend, indemnify, and hold harmless the Agency and its officers, agents, employees, representatives and volunteers from and against any loss, liability, claim or judgment relating in any manner to the Property or this Agreement. Habitat shall remain fully obligated for the payment of taxes, liens, and assessments related to the Property.

14. Habitat shall execute any further documents consistent with the terms of this Agreement, including documents in recordable form, as the County shall from time to time find necessary or appropriate to effectuate its purposes in entering into this Agreement and advancing funds to Habitat pursuant to this Agreement.

15. Habitat shall cause the Qualified Purchaser to comply with all applicable State, federal and local law, regulations and ordinances. Nothing in this Agreement is intended to be, nor shall it be deemed to be, a waiver of any County ordinance, rule, or regulation.

16. Any notices, requests or approvals given under this Agreement from one party to another may be personally delivered or deposited with the United States Postal Service for mailing, postage prepaid, registered or certified mail, return receipt requested to the following address:

To Habitat: Anita Hellam, Executive Director
Habitat for Humanity, Stanislaus County
630 Kearney Avenue
Modesto, CA 95350

To Agency: Stanislaus County Redevelopment Agency
Attention: Deputy Director
1010 10th Street, Suite 3400
Modesto CA 95354

Either party may change its address for notice by giving written notice thereof to the other party.

16. This Agreement shall be governed by the laws of the State of California. Any legal action brought under this Agreement shall be instituted in the Superior Court of the County of Stanislaus, State of California.

17. No modification, rescission, waiver, release or amendment of any provision of this Agreement shall be made except by a written agreement executed by the parties.

18. Failure to exercise any right the Agency may have or be entitled to, in the event of default hereunder, shall not constitute a waiver of such right or any other right in the event of a subsequent default.

19. This Agreement, together with all attachments hereto, constitutes the entire understanding and agreement of the parties. This Agreement integrates all of the terms and conditions mentioned herein or incidental thereto, and supersedes all prior negotiations, discussions and previous agreements between the parties concerning all or any part of the subject matter of this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives, on the date and year first above written.

Stanislaus County Redevelopment Agency

By: 
Kirk Ford
Interim Executive Director

"Agency"

Habitat for Humanity, Stanislaus County

By: 
Anita Hellam
Executive Director

"Habitat"

APPROVED AS TO FORM:
Michael H. Krausnick
County Counsel

By: 
John P. Doering
Assistant County Counsel

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EXHIBIT A

DESCRIPTION OF REAL PROPERTY

That property located in the unincorporated area of Stanislaus County, State of California, more particularly described as:

LOT 7 IN BLOCK 2050 OF BUCK TRACT, IN THE COUNTY OF STANISLAUS, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL MAP THEREOF, FILED IN THE OFFICE OF THE RECORDER OF STANISLAUS COUNTY, CALIFORNIA, ON JULY 28, 1945 IN VOLUME 14 OF MAPS, AT PAGE 37.

APN: 035-010-006

EXHIBIT B

PROMISSORY NOTE SECURED BY DEED OF TRUST
AND
DEED OF TRUST

PROMISSORY NOTE SECURED BY DEED OF TRUST

DO NOT DESTROY THE ORIGINAL OF THIS NOTE: When paid, the original Note, together with the Deed of Trust securing it, must be surrendered to the Trustee for cancellation and retention before reconveyance will be made.

\$41,786.00

**Modesto, California
April ____, 2008.**

On or before **April __** 2052, for value received, **Habitat for Humanity, Stanislaus County** (the "Borrower") promises to pay to **Stanislaus County Redevelopment Agency** (the "Holder"), or order, at 1010 Tenth Street, Suite 3400, Modesto, California, or any other place designated in writing submitted by Holder to Borrower, the principal sum of **Forty One Thousand Seven Hundred Eighty Six Dollars and No Cents (\$41,786.00)**, or so much thereof as may be advanced. No interest shall accrue under this Note. Principal under this Note shall be paid in lawful money of the United States.

The Borrower reserves the right to prepay at any time all or any part of the Note without the payment of penalties or premiums to the Holder. Any and all payments on this Note shall be applied to the principal due on the Note.

The Borrower shall abide by all covenants contained in the Property Acquisition Loan Agreement of even date. In the event of any inconsistencies between this Note and the Property Acquisition Loan Agreement, the latter shall prevail.

This Note is secured by a certain Deed of Trust of even date to **First American Title Company**, a California corporation, as Trustee, executed by Borrower in favor of Holder.

Should default be made in payment when due, or in the performance of the Property Acquisition Loan Agreement, or in the performance of the agreements contained in the Deed of Trust securing this, the whole sum of principal shall become immediately due and payable at Holder's option. Failure by Holder to exercise this option shall not constitute a waiver of the right to exercise it in the event of any subsequent default.

Should suit be commenced to collect payments due under this Note or any portion thereof, the prevailing party may recover reasonable attorney's fees in addition to any other relief allowed by law.

In Witness Whereof, the Note has been duly executed by the undersigned, as of this date.

Anita Hellam, Executive Director
Habitat for Humanity, Stanislaus County

Recording Requested By
And For The Benefit Of:
and
When Recorded Mail To:

Stanislaus County
Redevelopment Agency
Attn: Ana Rocha
1010 Tenth Street, Suite 3400
Modesto, CA 95354

Space Above For Recorder's Use

DEED OF TRUST

THIS DEED OF TRUST, made this ____ day of **April**, 2008, by between **Habitat for Humanity, Stanislaus County** (the "Trustor"); **Stanislaus County Redevelopment Agency** (the "Beneficiary"); and **First American Title Company** (the "Trustee");

Trustor irrevocably grants, transfers and assigns to Trustee, in trust, with the power of sale, all that property located at **1125 Del Mar Court** in the City of Modesto, County of Stanislaus, State of California, and more particularly described as:

LOT 7 IN BLOCK 2050 OF BUCK TRACT, IN THE COUNTY OF STANISLAUS, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL MAP THEREOF, FILED IN THE OFFICE OF THE RECORDER OF STANISLAUS COUNTY, CALIFORNIA, ON JULY 28, 1945 IN VOLUME 14 OF MAPS, AT PAGE 37.

APN: 035-010-006

FOR THE PURPOSE OF SECURING:

(1) Performance of each agreement of Trustor incorporated by reference or contained in this Deed of Trust, including, but not limited to, the Promissory Note Secured by Deed of Trust and the Property Acquisition Loan Agreement;

(2) Payment of the indebtedness evidenced by a Promissory Note, and any extension or renewal of that Note, in the principal sum of **Forty One Thousand Seven Hundred Eighty Six Dollars and No Cents (\$41,786.00)**, executed by Trustor on this date in favor of the Beneficiary or order; and

(3) Payment of any further sums that the then record owner of the Property hereafter may borrow from Beneficiary, when evidenced by another not or notes reciting it is so secured.

A. TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR AGREES:

Maintenance and Repair

(1) To keep the Property in good condition and repair; not to remove or demolish any building on the Property; to complete or restore promptly and in good and workmanlike manner any building that may be constructed, damaged, or destroyed on the Property; to pay when due all claims for labor performed and materials furnished for the Property; to comply with all laws affecting the Property or requiring any alterations or improvements to be made on the Property; not to commit or permit waste of the Property; not to commit, suffer or permit any act on the Property in violation of law; and to cultivate, irrigate, fertilize, fumigate, prune, and do all other acts that from the character or use of the Property may be reasonably necessary.

Fire Insurance

(2) To provide, maintain, and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary on any indebtedness secured by the Deed of Trust and in any order determined by Beneficiary, or at the option of Beneficiary the entire amount so collected or any part of that amount may be released to Trustor. This application or release shall not cure or waive any default or notice of default under this Deed of Trust or invalidate any act done pursuant to such notice.

Defense of Security

(3) To appear in and defend any action or proceeding purporting to affect the security of this Deed of Trust or the rights or powers of Beneficiary, or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorneys' fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed of Trust.

Payment of Liens and Taxes

(4) To pay at least 30-days before delinquency, all taxes and assessments affecting the Property, including assessments on appurtenant water stock; all encumbrances, charges, and liens, with interest, on the Property or any part of the Property, which appear to be prior or superior to this Deed of Trust; and all costs, fees and expenses of this Trust. If Trustor fails to make any payment or to do any act as provided in this Deed of Trust, the Beneficiary or Trustee may (but is not obligated to) make the payment or do the act in the required manner and to the extent deemed necessary by the Beneficiary or Trustee to protect the security of this Deed of Trust. The performance by Beneficiary or Trustee of such an act shall not require notice to or demand on Trustor and shall not release Trustor from any obligation under this Deed of Trust. Beneficiary or Trustee shall also have the following related rights and powers: to enter on the Property for the foregoing purposes; to appear in and defend any action or proceeding purporting to affect the security of this Deed of Trust or the rights or powers of Beneficiary or Trustee; to pay, purchase, contest, or compromise any encumbrance, charge or lien that in the judgment of either appears to be prior or superior to

this Deed of Trust; to employ counsel; and to pay necessary expenses and costs, including attorneys' fees.

Reimbursement of Costs

(5) To pay immediately and without demand all sums expended by Beneficiary or Trustee pursuant to this Deed of Trust, with interest from the date of expenditure at the amount allowed by law in effect at the date of this Deed of Trust, and to pay any amount demanded by Beneficiary (up to the maximum allowed by law at the time of the demand) for any statement regarding the obligation secured by this Deed of Trust.

B. THE PARTIES AGREE THAT:

Condemnation Award

(1) Any award of damages in connection with any taking or condemnation, or for injury to the Property by reason of public use, or for damages for private trespass or injury to the property, is hereby assigned and shall be paid to Beneficiary as further security for all obligations secured by the Deed of Trust. On receipt of any such proceeds, Beneficiary may hold the proceeds as further security, or apply or release them in the manner and with the same effect as provided in this Deed of Trust for the disposition of proceeds for fire or other insurance.

Trustee's Powers

(2) On written request of Beneficiary and presentation of this Deed of Trust and Promissory Note for endorsement, Trustee may (a) reconvey all or any part of the Property; (b) consent to the making and recording, or either, of any map or plat of all or any part of the Property; (c) join in granting any easement on the Property; (d) join in or consent to any extension agreement or any agreement subordinating the lien, encumbrance, or charge of this Deed of Trust. Trustee need not provide Trustor with notice before taking any of the foregoing actions, and shall not be liable for the proper performance of the act. The exercise by Trustee of any of the foregoing powers shall not affect the personal liability of any person for payment of the indebtedness secured by this Deed of Trust, or the lien of this Deed of Trust on the remaining property as security for the repayment of the full amount secured by this Deed of Trust.

Full Reconveyance

(3) On written request of the Beneficiary stating that all sums secured by this Deed of Trust have been paid, surrender of this Deed of Trust, the Promissory Note, and any other notes secured by this Deed of Trust to the Trustee for cancellation and retention, and payment of Trustee's fees and charges, Trustee shall reconvey, without warranty, the Property then subject to this Deed of Trust. The recitals in the reconveyance shall be conclusive proof of the truthfulness of the recitals. The grantee in the reconveyance may be described as "the person or persons legally entitled thereto." Five years after issuance of the full reconveyance, Trustee may destroy the Promissory Note and this Deed of Trust, unless directed in the request to retain them.

Default in Foreclosure

(4) On default by Trustor in the payment of any indebtedness secured by this Deed of Trust or in the performance of any obligation under this Deed of Trust, Beneficiary may declare all sums secured by this Deed of Trust immediately due and payable by delivering to Trustee a written declaration of default and demand for sale and a written notice of default and election to sell the Property. Trustee shall cause the notice of default and election to sell to be recorded. Beneficiary also shall deposit with Trustee this Deed of Trust, the Promissory Note, and all documents evidencing any additional expenditures secured by this Deed of Trust.

After the required time period has lapsed following the recordation of the notice of default, and after notice of sale has been given as required by law, Trustee, without demand on Trustor, shall sell the Property at the time and place specified in the notice of sale, either as a whole or in separate parcels, and in any order determined by the Trustee, at public auction to the highest bidder for cash in lawful money of the United States, payable at the time of sale. Trustee may postpone sale of all or any portion of the Property by public announcement at the time and place of sale, and from time to time thereafter may postpone the sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to the purchaser at the auction its deed conveying the Property sold, but without any covenant or warranty, express or implied. The recital in the deed of any matter of fact shall be conclusive proof of the truthfulness of the recital. Any person, including Trustor, Trustee, or Beneficiary, may purchase at the sale.

After deducting all costs, fees, and expenses of Trustee and Beneficiary under this Paragraph, including costs of procuring evidence of title incurred in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms of this Deed of Trust, not then repaid, with accrued interest at the amount allowed by law in effect at the date of this Deed of Trust; all other sums then secured by the Deed of Trust; and the remainder, if any, to the person or persons legally entitled to the remaining proceeds.

Acceptance by Trustee

(5) Trustee accepts this Trust when this Deed, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party to this Deed of Trust of pending sale under any other deed of trust or any action or proceeding in which Trustor, Beneficiary, or Trustee shall be a party unless brought by Trustee.

Substitution of Trustees

(6) Beneficiary, or any successor in ownership of any indebtedness secured by this Deed of Trust, may from time to time, by written instrument, substitute a successor or successors to any Trustee named in or acting under this Deed of Trust. The substitution instrument shall set forth the following: the date of recordation of this Deed of Trust; the name of the Trustor; the book and page where this Deed of Trust is recorded; and the name of the new Trustee. When executed by Beneficiary and duly acknowledged and recorded in the office of the recorder of the county or counties where the Property is situated, the substitution instrument shall be conclusive proof of proper substitution of the successor Trustee or

Trustees. Any successor Trustee or Trustees shall, without reconveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties.

Cumulative Powers and Remedies

(7) The powers and remedies conferred in this Deed of Trust are concurrent and cumulative to all other rights and remedies provided in this Deed of Trust or give by law. These powers and remedies may be exercised singly, successively, or together, and as often as deemed necessary.

Conclusiveness of Recitals

(8) The recitals contained in any reconveyance, trustee's deed, or any other instrument executed by the Trustee from time to time under the authority of this Deed of Trust or in the exercise of it powers or the performance of its duties under this Deed of Trust, shall be conclusive evidence of their truth, whether stated as specific and particular facts, or in general statements or conclusions. Further, the recitals shall be binding and conclusive on the Trustor, the Trustor's heirs, executors, administrators, successors, and assigns, and all other persons.

Co-Trustees

(9) If two or more persons are designated as Trustee in this Deed of Trust, any, or all, power granted in this Deed of Trust to Trustee may be exercised by any of those persons, if the other person or persons are unable, for any reason, to act. Any recital of this inability in any instrument executed by any of those persons shall be conclusive against Trustor and Trustor's heirs and assigns.

General Provisions

(10) This Deed of Trust applies to, inures to the benefit of, and binds all parties to this Deed of Trust and their heirs, legatees, devisees, administrators, executors, successors and assigns. The term "Beneficiary" shall mean the holder or owner, including pledgee, of the Promissory Note secured by this Deed of Trust, whether or not named as a beneficiary in this Deed of Trust, and the heirs, legatees, devisees, administrators, executors, successors and assigns of any such person. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

Attorneys' Fees

(11) If any action is brought for the foreclosure of this Deed of Trust or for the enforcement of any provision of this Deed of Trust (whether or not suit is filed), Trustor agrees to pay all costs and expenses of Beneficiary and Trustee, including reasonable attorneys' fees; and these sums shall be secured by this Deed of Trust.

— Signatures on Following Page —

In Witness Whereof, this Deed of Trust has been duly executed by the undersigned, as of this date.

Anita Hellam, Executive Director
Habitat for Humanity, Stanislaus County

ACKNOWLEDGMENT

State of California)
)
County of Stanislaus)

ss

On April _____, 2008 before me, _____
(here insert name and title of the officer), personally appeared ANITA HELLAM, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

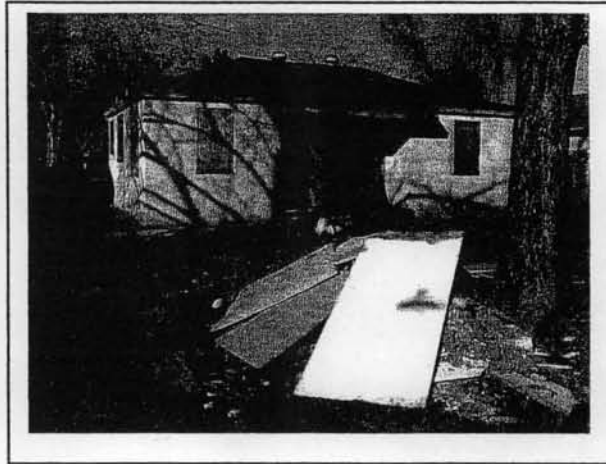
Signature _____ (Seal)

**HABITAT FOR HUMANITY, STANISLAUS COUNTY
WORK WRITE-UP**

Jurisdiction: **Stanislaus County**

Property Acquisition Date: 9/27/07

Ground Breaking Date: 1/21/08



Estimated construction timeline: 12 weeks 16 weeks 25 weeks
Total Amount Requested: \$ 41,786

Property Address: 1125 Del Mar Court, Modesto, CA 9535

The work to be performed as a part of this estimate shall conform to all applicable Building Codes and to Stanislaus County's standards as specified in the Guidelines and Specifications. Permit fees, impact fees, temporary services and professional fees are NOT included in the estimate.

.....
DESCRIPTION OF WORK TO BE DONE
.....

- | | |
|--|-----------------|
| 1. Environmental Phase 1 Inspection..... | \$ 1,500 |
| To include all required labor and materials to remove hazardous materials as outlined in the Phase 1 report and in compliance with all applicable standards and regulations governing such materials. Both lead and asbestos were removed from the property. | |
| 2. On and off-site improvements | \$ 3,500 |
| To include work required to tie project into existing area utility services and priming or installation of septic. | |
| 3. Excavation and Demolition..... | \$ 4,000 |
| As per plans. To include all necessary interior and exterior demolition to remove any hazardous materials and to open walls for the installation of all services. | |

4. Concrete..... \$ 6,000

To include all required labor and materials to form and pour concrete footings and flatwork in accordance with plans.

Form and pour 4" thick 2000 PSI concrete floor slab. Prepare and compact subgrade to required density, provide 4" thick compacted gravel base course, approved moisture barrier and 6"x6" x 10 gauge EWWM reinforcement. Provide ½" thick PEJF wherever new concrete abuts existing concrete. Steel trowel and broom finish new concrete.

Location : Bedroom/bathroom addition approximately 200 square feet
Unattached garage 400 square feet

Provide and install a 4" thick, 2000 PSI concrete driveway slab reinforced with 6"x6" x10 gauge EWWM over earth sub grade compacted to the required density. Provide and install ½" thick PEJF every LF or whatever new concrete abuts existing concrete and score slab at a 5' O.C. Steel trowel and broom finish slab and slope at the rate of 1" in 10' for drainage.

Driveway to garage – approximately 250 sf

5. Rough Framing..... \$ 8,918

To include all necessary labor and materials to frame interior modifications of existing residence as per plans.

5.A.2

Form and pour typical concrete ("T"/buttress) (1/2) store footings.

Install ½" diameter x 10" anchor bolts at 6'-0" O.C.

Mudsill to be no closer than 6" to grade..

INSULATION- Provide and install insulation throughout addition areas.

Provide and install insulation for all exterior walls. Exterior walls: R-11;

Ceiling: R-30; Floor is not necessary (R-19)

6. Rough Electrical..... \$ 2,000

To include all necessary labor and materials to wire addition, including interior modifications of existing residence as per plans.

Home will be entirely re-wired and will include wiring for telephones in the master bedroom and kitchen.

MAIN SERVICE PANEL: Replace the main service entry panel with 200 amp CB main service in a rain-tight entrance panel box. Service feeds to meet all current local and national electrical codes for replacements. Reconnect existing circuits to new panel. Balance loads for existing circuits.

New circuits: (GFCI breaker of the same ampacity on circuits feeding the bathrooms, kitchen counter outlets, garage, and any exterior outlets); a 20 amp circuit breaker for the laundry outlets (one 30 amp 240v) for the on-demand hot water heater; one 50 amp 240v for the kitchen range; four 15

amp 120 v lights/general purpose; three 20amp/120 dedicated for kitchen one 20 amp/120v general purpose outlet circuit; two blank spaces0.
Provide and install number 8 bare copper hard drawn ground wire from the grounding terminal of the service entrance box and fastened to the street side of the metallic water serve pipe and to a rod 1/2" x 8' copper ground set 1" above grade. Use a bronze grounding clamp. Ground wire must be in conduit where exposed to any external damage. ID all existing and new circuits at service panel/sub panel (s) in ink.
Include new telephone lines in the existing locations.

7. Finished Electrical..... \$ 900

Provide and install new light fixture.
(Number of Units and location: 4 – ceiling fans- (3) bedrooms and living room, florescent overhead lighting kitchen and (2) bathrooms, overhead lighting garage, front port lighting, back porch lighting, exterior garage lighting, overhead chandelier - dining room, entry area overhead light and 2 hallway lights.

Provide and install a (direct wire/battery operated) smoke detectors. In all sleeping areas, living area, and centrally located in the hallways and/or areas giving access to all rooms used for sleeping areas. Total of 5 smoke detectors will be installed.

8. Rough Plumbing..... \$ 4,324

To include all necessary labor and materials to plumb existing residence as per plans.
BUILDING SEWER: Provide and install a new 4" ABS SCH40 building sewer from the dwelling to the (property line, city main.) Include (2) cleanouts (1 dual-sweep and 1 single-sweep0.
All work done within the city right-of-way must comply with the City of Modesto Engineering Standards.
MAIN WATER SERVICE SUPPLY: Replace the existing water service piping from the water meter to the dwelling, with (1") SCH 40 PVC pipe and fittings. At residence include a new cast brass shutoff valve.
WATER PIPE: Replace all water piping throughout dwelling with Type M copper tubing, sized to current code requirements.
Provide and install a new 3/4 cast brass shutoff valve at service to water heater.
Provide and install all new angle stops, chrome escutcheon plates and supply tubes to all plumbing fixtures at existing locations.
At the end of all accessible runs install anti-hammer air chambers.
Install all new hose bibs at existing locations; new units to have approved backflow prevention devices attached.
All piping to be secured with approved fasteners at intervals specified in UPC.
All piping within the attic or crawl spaces shall be insulated.

NOTE: WHERE VERTICALS ARE NOT ACCESSIBLE INSTALL A DIALECTRIC CONNECTOR BETWEEN THE NEW COPPER EXISTING RISERS.

Provide and install new light fixtures in every room. 6 new fixtures will be installed inside the home. An exterior fixture will be installed on the front and back porch and a third exterior fixture, with a motion sensor, will be installed on the garage.

Provide and install a (direct wire/battery operated) smoke detectors. In all sleeping areas and centrally located in the hallways and/or areas giving access to all rooms used for sleeping areas. There will be 4 smoke detectors. One in each of two bedrooms. One in the hall outside of the bedrooms and one in the living/dining/kitchen area.

9. Exterior Wall Covering \$ 8,000

STUCCO : Provide and install new stucco finish over wire lath. Lath to be over double layer of 30/30/30 Kraft paper. Install week screed to a minimum of 6" above grand and 4" above floor membrane.

Scratch coat to be scored horizontally.

Brown coat: 3/8" thick

Color coat: 1/8"- 1/4" thick or to match existing.

WOOD SIDING : **Not applicable**

10. Doors and Windows.....\$ 2,294

FRONT ENTRY : Provide and install a new 1-3/4" thick, Solid Core exterior (steel-clad) or metal entry door as per plan. Door style shall be a 4 or 6 panel.

Provide and install three standard butt hinges and Yale locking systems with dead bolt. Provide adjustable vinyl weather-stripping at jambs and an extruded aluminum threshold with vinyl inserts. Provide a 1/2" peephole with a minimum 160 degree field of vision. Key all door locks alike.

SECONDARY EXITS : Provide and install a new 1-3/8" thick, Solid Core exterior or metal entry door as per plan. The door between living area and garage will have a self closing mechanism and have a home hour fire rating.

INTERIOR DOORS : Provide and install 1-3/8" thick , paint-grade Hollow Core doors. Provide and install Yale brand privacy locksets and standard door stoppers.

CLOSET DOORS : Install a set of hollow core sliding closet doors or shutter style solid wood closet doors with floor guides and all necessary hardware

GARAGE DOOR : Replace deteriorated garage door with a new (fiberglass/wood/aluminum) garage single-vehicle door to fit existing opening. Provide segmented roll-up mechanism, all hardware and weather-stripping.

WINDOWS: Provide and install All-Weather or approved equal, dual-glazed white vinyl from widows with pin locks and screens as per plans.

11. Appliances \$ in-kind
Provide brand new Energy Star (electric/ gas) Whirlpool kitchen range and brand new Energy Star Whirlpool refrigerator

12. Sheetrock, Tape/Texture..... \$ 6,000
Provide and install new ½" thick regular sheetrock to meet manufacturer's specifications and to building code throughout the home and the ceilings. Apply metal corners on all outside edges. Tape and texture.

13. Exterior and Interior Painting..... \$ 5,000
EXTERIOR: Burn, scrape, and remove loose paint from woodwork. Fill all depressions and cracks in exterior surfaces with approved wood fillers, to create a uniform finish. Primer entire exterior woodwork, install new rain gutters and down spouts and cover with a single coat of premium quality latex based primer/surface conditioner, to manufacturer's specification. Paint entire exterior woodwork, doors, rain gutters and downspouts with a premium quality latex, applied per manufacturer's specification, to achieve a uniform color coat.
INTERIOR: Burn, scrape and remove loose paint from kitchen cabinets and wood trim, built-ins and wood trim that will be restored. Prime all new materials with a premium quality primer per manufacturer's specifications. Paint all interior walls, ceilings, doors, closets, and trim with a premium quality semi-gloss or low sheen latex enamel paint applied per manufacturer's specifications.

14. Finish Electrical..... \$ 800
Provide and install all necessary finish wiring, receptacles, cover plates, and light fixtures as per plans. (Fixtures will range in price, depending on size and purpose, between \$15 per unit to \$100 per unit)
LIGHT BAR: Provide and install a new light bar fixture with 3-5 bulbs. The light fixture to be installed above the mirror and controlled by a single pole switch located near door entry to room. (Allowance: \$75.00)
CEILING FAN: Provide and install a 52" ceiling fan with 5 wood blades, 3 speed reversible motor in each of the bedrooms and the living room. The ceiling fan to be controlled by double pole switch to control the fan and the switch. (Allowance: \$100)
LIGHT BOX: Provide and install 2" x 4" birch finish light box with 3 florescent bulb light fixtures. Install at the existing location, light fixture to be controlled by a 3-way pole switch located near door entry to room (Allowance : \$200)
BATHROOM FAN: Provide and install a new fan unit in bathroom ceiling, including all wiring. Install duct to exterior of dwelling. (Allowance: \$50.00)
OUTDOOR LIGHT : Provide and install lantern light fixtures with motion detection capacity and single switch located inside the home. (Allowance \$150 per unit for a total of 3 units. Front and back porch and garage)

15. Finish Plumbing..... \$ 500

BATH VANITY: Provide and install a 48" wide vanity cabinet including cultured marble top with molded bowl in bathroom as per plans. Top to have a 4" backsplash. Caulk all edges of vanity and top with silicone sealant. Faucet with pop-up drain and full p-trap assembly will be provided and installed.

BATHTUB: Provide and install a new 60"x 30" x 15" bathtub or bath with shower insert in the primary bathroom. Provide and install new chrome-plated brass escutcheons and spout with control valves of the pressure balance or the thermostatic mixing valve type. Handle position stops shall be provided on such valves and shall be adjusted per manufacturer's instructions to deliver a maximum mixed water setting of 120 degrees F (49 C), automatic diverter, 1/2" diameter shower arm tree, and shower head. Connect water supply to existing hot and cold water supply lines. All new work to be in copper or with pecks water system. All fixtures to be provided and installed.

TOILET: Provide and install a new, white American Standard "Cadet" pr approved equal, 1.6 gallon, closed coupled water closet in bathroom, with flapper style flush valve and anti-siphon ball cock. Provide seat and cover. Connect to existing sewer pipe, floor flange with new bowl wax seal and to the existing cold water supply pipe. Provide a chrome-plated angle valve, a new supply tube.

KITCHEN SINK: Provide and install a new double bowl white porcelain or stainless steel kitchen sink with a new single lever faucet and sprayer. Includes new shut off and supply tubes.

GARBAGE DISPOSAL: Provide and install a 1/2 horse powered split-phase motor. Continuous- type feed system. Stainless steel grind chamber, grind wheel and shredder ring.

WATER HEATER: Provide and install a new on-demand hot water heater. "UL Approved ignition, glass lined fiberglass insulated r16, gas water heater with energy star ratings. Connect to existing hot and cold water pipes. Provide pipe fittings, union, supports, shut-off valves, temperature and pressure relief valve and smitty pan. Relief valve shall have a 3/4" diameter copper drain pipe terminating 1" above base of smitty pan. Drain from smitty pan shall extend to the exterior of the building, pointing downwards terminating 6" above grade. Install a suitable draft diverter and vent pipe. Provide and install a seismic strap of 3/4" wide by 24 gauge perforated plumbers tape with 1/4" DIA. X 3" lag screw with flat washer fasten into the stud and to go around the water heater 360 at the upper 1/3 and bottom 1/3 and 4" above the control. Provide and install an 18" high fire resistant platform in the garage.

16. Roofing.....\$ 3,000

STRIP ROOF: Strip and dispose of existing deteriorated roof covering over residence and garage to bare wood sheathing. Remove all nails or pound flat. All holes over 1/2' in diameter shall be covered with metal flashing.

TRUSSES: Evaluate trusses. Replace damaged or rotted wood. Install braces and ballast supports to eliminate any swaying or sagging.

SHEATHING: Provide and install 15/32" CDX plywood sheathing over entire roof area. Nail and space as per county code.

COMPOSITION ROOFING: Provide and install a 220 lb., 40-50 year, class shingles per manufacturer's specifications. Install over a layer of 15 lb. non-perforated roofing felt. Replace all sheet metal with new: including roof jacks and flashing/edge strips.

RAIN GUTTERS: Provide and install 6" galvanized rain gutters and downspouts as per plans.

17. HVAC.....\$ 9,000

CENTRAL HEAT/ AIR CONDITIONING: Provide and install a new 3 ½ ton, dual pack floor mounted unit. Provide new supply and return ducts, registers for each habitable room, blowers, controls, heat exchangers and wall thermostats. Test and balance unit after installation. All cold air returns and ducting in unconditioned space to be insulated to conform with current code requirements for replacement units.

18. Flooring..... \$ 1,550

Provide and install hard wood flooring throughout out the house, with the exception of the bathrooms and kitchen, where no-wax wear layer vinyl sheet floor covering. Use adhesives recommended by the flooring manufactures and according to installation instructions. There will be no carpeting in the home due to the need for wheelchair access throughout the home.

19. Kitchen Cabinets and Counter Tops..... \$ 2,500

Provide and install upper cabinets and base cabinets with rise door fronts to conform to kitchen layout and specifications according to plans. Drawer glides shall be side mounted with a minimum of 50 lb rating. Provide and install ceramic counter tile with a full or a 4" backsplash.

Counter Tops will be composed of 4x4 ceramic tile will be provided and installed in the kitchen area. This material is more durable than vinyl counter tops and is more attractive.

20. Trim out to completion..... \$ 3,000

Provide all necessary labor and materials to complete final trim out, including baseboards, closet specialties, bath accessories, door bell, mailbox, house numbers etc.

21. Landscaping..... \$ 2,000

Design and provide and install sprinkler system for front yard. Install grass lawn, decorative shrubs and bushes in planter area along the front and side of the home, plant a county approved shade tree in the front yard.

22. Yard Fencing..... \$ 2,000

Provide and install a redwood dog-eared fence around entire back yard area.
 Include a side gate entrance with locking mechanism and latch.

Work Total - Construction Budget		\$ 76,786
Permits		\$ 2,000
Architectural and Engineering		\$ 3,000
Total Project Budget		\$81,786
Grants and other Sources of Funding		Amount
Women Build		In-Kind
Modesto Rotary	Women Build	\$ 5,000
AHP WISH	Down payment	\$15,000
SHOP	Predevelopment	\$10,000
Stanis. County	Predevelopment	\$10,000
Total Funds Committed		\$40,000
Project Gap – funding request total		\$ 41,786

PROPERTY ACQUISITION LOAN AGREEMENT JUN 24 10 9:11

This Property Acquisition Loan Agreement (hereafter "Agreement") is made and entered into by and between the **Stanislaus County Redevelopment Agency** ("Agency") and **Habitat for Humanity, Stanislaus County**, a California non-profit corporation ("Habitat") on **September** , **2007**.

Recitals

A. The real property located at **1125 Del Mar Court, Modesto** in the unincorporated area of Stanislaus County, California, as more particularly described in Exhibit A attached hereto and, by this reference, made a part hereof, is available for purchase (the "Property").

B. Habitat desires to acquire the Property with an existing dwelling (the "Habitat House") for the purpose of providing affordable housing.

C. The Agency administers the Property Acquisition Program with Redevelopment Housing Set-Aside funds ("Program Funds") for the purpose of providing affordable housing.

D. The Agency is willing to advance Program Funds to Habitat for it to acquire the Property and to provide affordable housing opportunities for lower income persons on the terms and conditions set forth in this Agreement.

Now, Therefore, the parties mutually agree as follows:

Terms and Conditions

1. The Agency will advance to Habitat the sum of **\$80,000.00** from its Program Funds for the purpose of purchasing the Property, and rehabilitating the Habitat House as necessary for occupancy.

2. Prior to or concurrent with Agency funding under Section 1, Habitat will execute an interest free promissory note in the amount of **\$80,000.00**, and a deed of trust in substantially the same form as the Promissory Note and the Deed of Trust collectively attached as Exhibit B and, by this reference, made a part of this Agreement. Habitat agrees and acknowledges that the Promissory Note and the Deed of Trust shall be recorded against the Property with the County Recorder of the County of Stanislaus and shall appear of record with respect to and as encumbrances to the Property. Habitat further acknowledges that this Agreement may also be recorded.

3. Habitat will purchase the Property and, thereafter, rehabilitate as necessary for occupancy within 18 months from the date the County advances funds to Habitat. Habitat will place a Qualified Purchaser in the Habitat House within one year

from the date the Property and the Habitat House are suitable for occupancy. "Qualified Purchaser" means a person or persons who are at eighty percent (80%) of the median area income for Stanislaus County at the time of occupancy of the Habitat House.

4. The Agency agrees to subordinate this Agreement, the Promissory Note and Deed of Trust to a purchase money deed of trust executed by a Qualified Purchaser.

5. Habitat shall structure the sale of the Property and Habitat House so that purchase payments are and remain affordable for a Qualified Purchaser, and so that such payment schedule is transferable to successor Qualified Purchasers of the Property.

6. The Property shall be used as the principal residence of the Qualified Purchaser and his/her family and for no other purpose. A Qualified Purchaser shall not enter into an agreement for the rental or lease of the Property.

7. Unless otherwise provided for in this Agreement, the full amount of the funds advanced to Habitat shall be due and payable 45 years after Habitat issues a certificate of occupancy to the first Qualified Purchaser. Habitat may, with permission of the Agency, make payments to the Agency without penalty prior to the scheduled due on date.

8. The funds advanced by the Agency to Habitat under this Agreement that are unpaid, shall become immediately due and payable when (a) the Property is sold or transferred to a non-Qualified Purchaser, including, without limitation, lease, exchange or other disposition of the Property or any interest therein whether voluntary or involuntary; (b) Habitat fails to purchase the Property, relocate the Habitat House or place a Qualified Purchaser in the Habitat House within the specified time period; or (c) Habitat fails to perform any other provision of this Agreement in the manner provided after 30-day notice by the Agency to cure such default.

9. If this Agreement is terminated by either party before the purchase of the property, both parties shall be relieved of all their obligations hereunder. If this Agreement is terminated by either party after the loan closing date, Habitat shall immediately become liable for payment to the Agency, or its designee, the outstanding principal at the date of termination.

10. When the funds advanced to Habitat are paid in full, the Agency shall execute and record a reconveyance.

11. Habitat or a Qualified Purchaser shall maintain for the term of this Agreement fire insurance adequate to cover all encumbrances on the property. In areas designated by HUD as flood prone, Habitat or a Qualified Purchaser shall maintain flood insurance in an amount adequate to secure the full amount of funds advanced under this Agreement. For all insurance policies, the Agency shall be

designated as loss payee for the amount of the funds advanced to Habitat under this Agreement, and a statement of loss payee shall be forwarded to the Agency.

12. Habitat and any Qualified Purchaser shall maintain the improvements and landscaping on the Property in a manner consistent with community standards which will uphold the value of the Property.

13. Habitat shall defend, indemnify, and hold harmless the Agency and its officers, agents, employees, representatives and volunteers from and against any loss, liability, claim or judgment relating in any manner to the Property or this Agreement. Habitat shall remain fully obligated for the payment of taxes, liens, and assessments related to the Property.

14. Habitat shall execute any further documents consistent with the terms of this Agreement, including documents in recordable form, as the County shall from time to time find necessary or appropriate to effectuate its purposes in entering into this Agreement and advancing funds to Habitat pursuant to this Agreement.

15. Habitat shall cause the Qualified Purchaser to comply with all applicable State, federal and local law, regulations and ordinances. Nothing in this Agreement is intended to be, nor shall it be deemed to be, a waiver of any County ordinance, rule, or regulation.

16. Any notices, requests or approvals given under this Agreement from one party to another may be personally delivered or deposited with the United States Postal Service for mailing, postage prepaid, registered or certified mail, return receipt requested to the following address:

To Habitat: Anita Hellam, Executive Director
Habitat for Humanity, Stanislaus County
630 Kearney Avenue
Modesto, CA 95350

To Agency: Stanislaus County Redevelopment Agency
Attention: Deputy Director
1010 10th Street, Suite 3400
Modesto CA 95354

Either party may change its address for notice by giving written notice thereof to the other party.

16. This Agreement shall be governed by the laws of the State of California. Any legal action brought under this Agreement shall be instituted in the Superior Court of the County of Stanislaus, State of California.

17. No modification, rescission, waiver, release or amendment of any provision of this Agreement shall be made except by a written agreement executed by

the parties.

18. Failure to exercise any right the Agency may have or be entitled to, in the event of default hereunder, shall not constitute a waiver of such right or any other right in the event of a subsequent default.

19. This Agreement, together with all attachments hereto, constitutes the entire understanding and agreement of the parties. This Agreement integrates all of the terms and conditions mentioned herein or incidental thereto, and supersedes all prior negotiations, discussions and previous agreements between the parties concerning all or any part of the subject matter of this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives, on the date and year first above written.

Stanislaus County Redevelopment Agency

By: 

Ron E. Freitas
Executive Director

"Agency"

Habitat for Humanity, Stanislaus County

By: 

Anita Hellam
Executive Director

"Habitat"

APPROVED AS TO FORM:
Michael H. Krausnick
County Counsel

By: 

John P. Doering
Assistant County Counsel

EXHIBIT A

DESCRIPTION OF REAL PROPERTY

That property located in the unincorporated area of Stanislaus County, State of California, more particularly described as:

LOT 7 IN BLOCK 2050 OF BUCK TRACT, IN THE COUNTY OF STANISLAUS, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL MAP THEREOF, FILED IN THE OFFICE OF THE RECORDER OF STANISLAUS COUNTY, CALIFORNIA, ON JULY 28, 1945 IN VOLUME 14 OF MAPS, AT PAGE 37.

APN: 035-010-006

EXHIBIT B

PROMISSORY NOTE SECURED BY DEED OF TRUST
AND
DEED OF TRUST

PROMISSORY NOTE SECURED BY DEED OF TRUST

DO NOT DESTROY THE ORIGINAL OF THIS NOTE: When paid, the original Note, together with the Deed of Trust securing it, must be surrendered to the Trustee for cancellation and retention before reconveyance will be made.

\$80,000.00

**Modesto, California
September 12, 2007.**

On or before **September** ___ 2052, for value received, **Habitat for Humanity, Stanislaus County** (the "Borrower") promises to pay to **Stanislaus County Redevelopment Agency** (the "Holder"), or order, at 1010 Tenth Street, Suite 3400, Modesto, California, or any other place designated in writing submitted by Holder to Borrower, the principal sum of **Eighty Thousand Dollars and No Cents (\$80,000.00)**, or so much thereof as may be advanced. No interest shall accrue under this Note. Principal under this Note shall be paid in lawful money of the United States.

The Borrower reserves the right to prepay at any time all or any part of the Note without the payment of penalties or premiums to the Holder. Any and all payments on this Note shall be applied to the principal due on the Note.

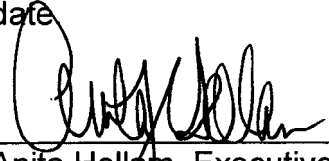
The Borrower shall abide by all covenants contained in the Property Acquisition Loan Agreement of even date. In the event of any inconsistencies between this Note and the Property Acquisition Loan Agreement, the latter shall prevail.

This Note is secured by a certain Deed of Trust of even date to **First American Title Company**, a California corporation, as Trustee, executed by Borrower in favor of Holder.

Should default be made in payment when due, or in the performance of the Property Acquisition Loan Agreement, or in the performance of the agreements contained in the Deed of Trust securing this, the whole sum of principal shall become immediately due and payable at Holder's option. Failure by Holder to exercise this option shall not constitute a waiver of the right to exercise it in the event of any subsequent default.

Should suit be commenced to collect payments due under this Note or any portion thereof, the prevailing party may recover reasonable attorney's fees in addition to any other relief allowed by law.

In Witness Whereof, the Note has been duly executed by the undersigned, as of this date



Anita Hellam, Executive Director
Habitat for Humanity, Stanislaus County

ATTACHMENT B-1

HOUSING REHABILITATION LOAN AGREEMENT

1020 TENAYA DRIVE, MODESTO

HOUSING REHABILITATION LOAN AGREEMENT

This Property Acquisition Loan Agreement (hereafter "Agreement") is made and entered into by and between the **Stanislaus County Redevelopment Agency** ("Agency") and **Habitat for Humanity, Stanislaus County**, a California non-profit corporation ("Habitat") on **April 8, 2008**.

Recitals

A. The real property located at **1020 Tenaya Drive, Modesto** in the unincorporated area of Stanislaus County, California, as more particularly described in Exhibit A attached hereto and, by this reference, made a part hereof, is available for purchase (the "Property").

B. Habitat desires to rehabilitate the Property with an existing dwelling ("Habitat House") to the property for the purpose of providing affordable housing.

C. The Agency administers the Housing Rehabilitation Program with Redevelopment Housing Set-Aside funds ("Program Funds") for the purpose of sustaining and providing affordable housing.

D. The Agency is willing to advance Program Funds to Habitat for it to rehabilitate sub-standard housing and to provide affordable housing opportunities for lower income persons on the terms and conditions set forth in this Agreement.

Now, Therefore, the parties mutually agree as follows:

Terms and Conditions

1. The Agency will advance to Habitat the sum of **\$48,595.00** from its Program Funds for the purpose of rehabilitating the Habitat House as necessary for occupancy.

2. Prior to or concurrent with Agency funding under Section 1, Habitat will execute an interest free promissory note in the amount of **\$48,595.00**, and a deed of trust in substantially the same form as the Promissory Note and the Deed of Trust collectively attached as Exhibit B and, by this reference, made a part of this Agreement. Habitat agrees and acknowledges that the Promissory Note and the Deed of Trust shall be recorded against the Property with the County Recorder of the County of Stanislaus and shall appear of record with respect to and as encumbrances to the Property. Habitat further acknowledges that this Agreement may also be recorded.

3. Habitat will purchase the Property and, thereafter, will cause the Habitat House to be rehabilitated as necessary for occupancy within 18 months from the date the County advances funds to Habitat. Habitat will place a Qualified Purchaser in the

Habitat House within one year from the date the Property and the Habitat House are suitable for occupancy. "Qualified Purchaser" means a person or persons who are at eighty percent (80%) of the median area income for Stanislaus County at the time of occupancy of the Habitat House.

4. The Agency agrees to subordinate this Agreement, the Promissory Note and Deed of Trust to a purchase money deed of trust executed by a Qualified Purchaser.

5. Habitat shall structure the sale of the Property and Habitat House so that purchase payments are and remain affordable for a Qualified Purchaser, and so that such payment schedule is transferable to successor Qualified Purchasers of the Property.

6. The Property shall be used as the principal residence of the Qualified Purchaser and his/her family and for no other purpose. A Qualified Purchaser shall not enter into an agreement for the rental or lease of the Property.

7. Unless otherwise provided for in this Agreement, the full amount of the funds advanced to Habitat shall be due and payable 45 years after Habitat issues a certificate of occupancy to the first Qualified Purchaser. Habitat may, with permission of the Agency, make payments to the Agency without penalty prior to the scheduled due on date.

8. The funds advanced by the Agency to Habitat under this Agreement that are unpaid, shall become immediately due and payable when (a) the Property is sold or transferred to a non-Qualified Purchaser, including, without limitation, lease, exchange or other disposition of the Property or any interest therein whether voluntary or involuntary; (b) Habitat fails to purchase the Property, relocate the Habitat House or place a Qualified Purchaser in the Habitat House within the specified time period; or (c) Habitat fails to perform any other provision of this Agreement in the manner provided after 30-day notice by the Agency to cure such default.

9. If this Agreement is terminated by either party before the purchase of the property, both parties shall be relieved of all their obligations hereunder. If this Agreement is terminated by either party after the loan closing date, Habitat shall immediately become liable for payment to the Agency, or its designee, the outstanding principal at the date of termination.

10. When the funds advanced to Habitat are paid in full, the Agency shall execute and record a reconveyance.

11. Habitat or a Qualified Purchaser shall maintain for the term of this Agreement fire insurance adequate to cover all encumbrances on the property. In areas designated by HUD as flood prone, Habitat or a Qualified Purchaser shall maintain flood insurance in an amount adequate to secure the full amount of funds advanced under this Agreement. For all insurance policies, the Agency shall be

designated as loss payee for the amount of the funds advanced to Habitat under this Agreement, and a statement of loss payee shall be forwarded to the Agency.

12. Habitat and any Qualified Purchaser shall maintain the improvements and landscaping on the Property in a manner consistent with community standards which will uphold the value of the Property.

13. Habitat shall defend, indemnify, and hold harmless the Agency and its officers, agents, employees, representatives and volunteers from and against any loss, liability, claim or judgment relating in any manner to the Property or this Agreement. Habitat shall remain fully obligated for the payment of taxes, liens, and assessments related to the Property.

14. Habitat shall execute any further documents consistent with the terms of this Agreement, including documents in recordable form, as the County shall from time to time find necessary or appropriate to effectuate its purposes in entering into this Agreement and advancing funds to Habitat pursuant to this Agreement.

15. Habitat shall cause the Qualified Purchaser to comply with all applicable State, federal and local law, regulations and ordinances. Nothing in this Agreement is intended to be, nor shall it be deemed to be, a waiver of any County ordinance, rule, or regulation.

16. Any notices, requests or approvals given under this Agreement from one party to another may be personally delivered or deposited with the United States Postal Service for mailing, postage prepaid, registered or certified mail, return receipt requested to the following address:

To Habitat: Anita Hellam, Executive Director
Habitat for Humanity, Stanislaus County
630 Kearney Avenue
Modesto, CA 95350

To Agency: Stanislaus County Redevelopment Agency
Attention: Deputy Director
1010 10th Street, Suite 3400
Modesto CA 95354

Either party may change its address for notice by giving written notice thereof to the other party.

16. This Agreement shall be governed by the laws of the State of California. Any legal action brought under this Agreement shall be instituted in the Superior Court of the County of Stanislaus, State of California.

17. No modification, rescission, waiver, release or amendment of any provision of this Agreement shall be made except by a written agreement executed by the parties.

18. Failure to exercise any right the Agency may have or be entitled to, in the event of default hereunder, shall not constitute a waiver of such right or any other right in the event of a subsequent default.

19. This Agreement, together with all attachments hereto, constitutes the entire understanding and agreement of the parties. This Agreement integrates all of the terms and conditions mentioned herein or incidental thereto, and supersedes all prior negotiations, discussions and previous agreements between the parties concerning all or any part of the subject matter of this Agreement.

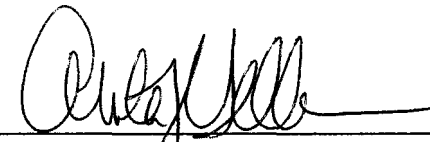
IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives, on the date and year first above written.

Stanislaus County Redevelopment Agency

By: 
Kirk Ford
Interim Executive Director

"Agency"

Habitat for Humanity, Stanislaus County

By: 
Anita Hellam
Executive Director

"Habitat"

APPROVED AS TO FORM:
Michael H. Krausnick
County Counsel

By: 
John P. Doering
Assistant County Counsel

I:\USERS\ROCHA\RD\Habitat\Housing Rehab\Housing Rehab Loan Agmt 1020 Tenaya, Modesto.wpd

EXHIBIT A

DESCRIPTION OF REAL PROPERTY

That property located in the unincorporated area of Stanislaus County, State of California, more particularly described as:

LOT 1 IN BLOCK 2040 OF EMERICH TRACT, IN THE COUNTY OF STANISLAUS, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL MAP THEREOF, FILED IN THE OFFICE OF THE RECORDER OF STANISLAUS COUNTY, CALIFORNIA, ON MAY 31, 1945 IN VOLUME 14 OF MAPS, AT PAGE 33.

APN: 035-012-005

EXHIBIT B

PROMISSORY NOTE SECURED BY DEED OF TRUST
AND
DEED OF TRUST

PROMISSORY NOTE SECURED BY DEED OF TRUST

DO NOT DESTROY THE ORIGINAL OF THIS NOTE: When paid, the original Note, together with the Deed of Trust securing it, must be surrendered to the Trustee for cancellation and retention before reconveyance will be made.

\$48,595.00

**Modesto, California
April____, 2008.**

On or before **April ____ 2052**, for value received, **Habitat for Humanity, Stanislaus County** (the "Borrower") promises to pay to **Stanislaus County Redevelopment Agency** (the "Holder"), or order, at 1010 Tenth Street, Suite 3400, Modesto, California, or any other place designated in writing submitted by Holder to Borrower, the principal sum of **Forty Eight Thousand Five Hundred and Ninety Five Dollars and No Cents (\$48,595.00)**, or so much thereof as may be advanced. No interest shall accrue under this Note. Principal under this Note shall be paid in lawful money of the United States.

The Borrower reserves the right to prepay at any time all or any part of the Note without the payment of penalties or premiums to the Holder. Any and all payments on this Note shall be applied to the principal due on the Note.

The Borrower shall abide by all covenants contained in the Property Acquisition Loan Agreement of even date. In the event of any inconsistencies between this Note and the Property Acquisition Loan Agreement, the latter shall prevail.

This Note is secured by a certain Deed of Trust of even date to **First American Title Company**, a California corporation, as Trustee, executed by Borrower in favor of Holder.

Should default be made in payment when due, or in the performance of the Property Acquisition Loan Agreement, or in the performance of the agreements contained in the Deed of Trust securing this, the whole sum of principal shall become immediately due and payable at Holder's option. Failure by Holder to exercise this option shall not constitute a waiver of the right to exercise it in the event of any subsequent default.

Should suit be commenced to collect payments due under this Note or any portion thereof, the prevailing party may recover reasonable attorney's fees in addition to any other relief allowed by law.

In Witness Whereof, the Note has been duly executed by the undersigned, as of this date.

Anita Hellam, Executive Director
Habitat for Humanity, Stanislaus County

Recording Requested By
And For The Benefit Of:
and
When Recorded Mail To:

Stanislaus County
Redevelopment Agency
Attn: Ana Rocha
1010 Tenth Street, Suite 3400
Modesto, CA 95354

Space Above For Recorder's Use

DEED OF TRUST

THIS DEED OF TRUST, made this ____ day of **April**, 2008, by between **Habitat for Humanity, Stanislaus County** (the "Trustor"); **Stanislaus County Redevelopment Agency** (the "Beneficiary"); and **First American Title Company** (the "Trustee");

Trustor irrevocably grants, transfers and assigns to Trustee, in trust, with the power of sale, all that property located at **1020 Tenaya Drive** the City of Modesto, County of Stanislaus, State of California, and more particularly described as:

LOT 1 IN BLOCK 2040 OF EMERICH TRACT, IN THE COUNTY OF STANISLAUS, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL MAP THEREOF, FILED IN THE OFFICE OF THE RECORDER OF STANISLAUS COUNTY, CALIFORNIA, ON MAY 31, 1945 IN VOLUME 14 OF MAPS, AT PAGE 33.

APN: 035-012-005

FOR THE PURPOSE OF SECURING:

(1) Performance of each agreement of Trustor incorporated by reference or contained in this Deed of Trust, including, but not limited to, the Promissory Note Secured by Deed of Trust and the Property Acquisition Loan Agreement;

(2) Payment of the indebtedness evidenced by a Promissory Note, and any extension or renewal of that Note, in the principal sum of **Forty Eight Thousand Five Hundred and Ninety Five Dollars and No Cents (\$48,595.00)**, executed by Trustor on this date in favor of the Beneficiary or order; and

(3) Payment of any further sums that the then record owner of the Property hereafter may borrow from Beneficiary, when evidenced by another not or notes reciting it is so secured.

A. TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR AGREES:

Maintenance and Repair

(1) To keep the Property in good condition and repair; not to remove or demolish any building on the Property; to complete or restore promptly and in good and workmanlike manner any building that may be constructed, damaged, or destroyed on the Property; to pay when due all claims for labor performed and materials furnished for the Property; to comply with all laws affecting the Property or requiring any alterations or improvements to be made on the Property; not to commit or permit waste of the Property; not to commit, suffer or permit any act on the Property in violation of law; and to cultivate, irrigate, fertilize, fumigate, prune, and do all other acts that from the character or use of the Property may be reasonably necessary.

Fire Insurance

(2) To provide, maintain, and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary on any indebtedness secured by the Deed of Trust and in any order determined by Beneficiary, or at the option of Beneficiary the entire amount so collected or any part of that amount may be released to Trustor. This application or release shall not cure or waive any default or notice of default under this Deed of Trust or invalidate any act done pursuant to such notice.

Defense of Security

(3) To appear in and defend any action or proceeding purporting to affect the security of this Deed of Trust or the rights or powers of Beneficiary, or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorneys' fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed of Trust.

Payment of Liens and Taxes

(4) To pay at least 30-days before delinquency, all taxes and assessments affecting the Property, including assessments on appurtenant water stock; all encumbrances, charges, and liens, with interest, on the Property or any part of the Property, which appear to be prior or superior to this Deed of Trust; and all costs, fees and expenses of this Trust. If Trustor fails to make any payment or to do any act as provided in this Deed of Trust, the Beneficiary or Trustee may (but is not obligated to) make the payment or do the act in the required manner and to the extent deemed necessary by the Beneficiary or Trustee to protect the security of this Deed of Trust. The performance by Beneficiary or Trustee of such an act shall not require notice to or demand on Trustor and shall not release Trustor from any obligation under this Deed of Trust. Beneficiary or Trustee shall also have the following related rights and powers: to enter on the Property for the foregoing purposes; to appear in and defend any action or proceeding purporting to affect the security of this Deed of Trust or the rights or powers of Beneficiary or Trustee; to pay, purchase, contest, or compromise any encumbrance, charge or lien that in the judgment of either appears to be prior or superior to

this Deed of Trust; to employ counsel; and to pay necessary expenses and costs, including attorneys' fees.

Reimbursement of Costs

(5) To pay immediately and without demand all sums expended by Beneficiary or Trustee pursuant to this Deed of Trust, with interest from the date of expenditure at the amount allowed by law in effect at the date of this Deed of Trust, and to pay any amount demanded by Beneficiary (up to the maximum allowed by law at the time of the demand) for any statement regarding the obligation secured by this Deed of Trust.

B. THE PARTIES AGREE THAT:

Condemnation Award

(1) Any award of damages in connection with any taking or condemnation, or for injury to the Property by reason of public use, or for damages for private trespass or injury to the property, is hereby assigned and shall be paid to Beneficiary as further security for all obligations secured by the Deed of Trust. On receipt of any such proceeds, Beneficiary may hold the proceeds as further security, or apply or release them in the manner and with the same effect as provided in this Deed of Trust for the disposition of proceeds for fire or other insurance.

Trustee's Powers

(2) On written request of Beneficiary and presentation of this Deed of Trust and Promissory Note for endorsement, Trustee may (a) reconvey all or any part of the Property; (b) consent to the making and recording, or either, of any map or plat of all or any part of the Property; (c) join in granting any easement on the Property; (d) join in or consent to any extension agreement or any agreement subordinating the lien, encumbrance, or charge of this Deed of Trust. Trustee need not provide Trustor with notice before taking any of the foregoing actions, and shall not be liable for the proper performance of the act. The exercise by Trustee of any of the foregoing powers shall not affect the personal liability of any person for payment of the indebtedness secured by this Deed of Trust, or the lien of this Deed of Trust on the remaining property as security for the repayment of the full amount secured by this Deed of Trust.

Full Reconveyance

(3) On written request of the Beneficiary stating that all sums secured by this Deed of Trust have been paid, surrender of this Deed of Trust, the Promissory Note, and any other notes secured by this Deed of Trust to the Trustee for cancellation and retention, and payment of Trustee's fees and charges, Trustee shall reconvey, without warranty, the Property then subject to this Deed of Trust. The recitals in the reconveyance shall be conclusive proof of the truthfulness of the recitals. The grantee in the reconveyance may be described as "the person or persons legally entitled thereto." Five years after issuance of the full reconveyance, Trustee may destroy the Promissory Note and this Deed of Trust, unless directed in the request to retain them.

Default in Foreclosure

(4) On default by Trustor in the payment of any indebtedness secured by this Deed of Trust or in the performance of any obligation under this Deed of Trust, Beneficiary may declare all sums secured by this Deed of Trust immediately due and payable by delivering to Trustee a written declaration of default and demand for sale and a written notice of default and election to sell the Property. Trustee shall cause the notice of default and election to sell to be recorded. Beneficiary also shall deposit with Trustee this Deed of Trust, the Promissory Note, and all documents evidencing any additional expenditures secured by this Deed of Trust.

After the required time period has lapsed following the recordation of the notice of default, and after notice of sale has been given as required by law, Trustee, without demand on Trustor, shall sell the Property at the time and place specified in the notice of sale, either as a whole or in separate parcels, and in any order determined by the Trustee, at public auction to the highest bidder for cash in lawful money of the United States, payable at the time of sale. Trustee may postpone sale of all or any portion of the Property by public announcement at the time and place of sale, and from time to time thereafter may postpone the sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to the purchaser at the auction its deed conveying the Property sold, but without any covenant or warranty, express or implied. The recital in the deed of any matter of fact shall be conclusive proof of the truthfulness of the recital. Any person, including Trustor, Trustee, or Beneficiary, may purchase at the sale.

After deducting all costs, fees, and expenses of Trustee and Beneficiary under this Paragraph, including costs of procuring evidence of title incurred in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms of this Deed of Trust, not then repaid, with accrued interest at the amount allowed by law in effect at the date of this Deed of Trust; all other sums then secured by the Deed of Trust; and the remainder, if any, to the person or persons legally entitled to the remaining proceeds.

Acceptance by Trustee

(5) Trustee accepts this Trust when this Deed, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party to this Deed of Trust of pending sale under any other deed of trust or any action or proceeding in which Trustor, Beneficiary, or Trustee shall be a party unless brought by Trustee.

Substitution of Trustees

(6) Beneficiary, or any successor in ownership of any indebtedness secured by this Deed of Trust, may from time to time, by written instrument, substitute a successor or successors to any Trustee named in or acting under this Deed of Trust. The substitution instrument shall set forth the following: the date of recordation of this Deed of Trust; the name of the Trustor; the book and page where this Deed of Trust is recorded; and the name of the new Trustee. When executed by Beneficiary and duly acknowledged and recorded in the office of the recorder of the county or counties where the Property is situated, the substitution instrument shall be conclusive proof of proper substitution of the successor Trustee or

Trustees. Any successor Trustee or Trustees shall, without reconveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties.

Cumulative Powers and Remedies

(7) The powers and remedies conferred in this Deed of Trust are concurrent and cumulative to all other rights and remedies provided in this Deed of Trust or give by law. These powers and remedies may be exercised singly, successively, or together, and as often as deemed necessary.

Conclusiveness of Recitals

(8) The recitals contained in any reconveyance, trustee's deed, or any other instrument executed by the Trustee from time to time under the authority of this Deed of Trust or in the exercise of its powers or the performance of its duties under this Deed of Trust, shall be conclusive evidence of their truth, whether stated as specific and particular facts, or in general statements or conclusions. Further, the recitals shall be binding and conclusive on the Trustor, the Trustor's heirs, executors, administrators, successors, and assigns, and all other persons.

Co-Trustees

(9) If two or more persons are designated as Trustee in this Deed of Trust, any, or all, power granted in this Deed of Trust to Trustee may be exercised by any of those persons, if the other person or persons are unable, for any reason, to act. Any recital of this inability in any instrument executed by any of those persons shall be conclusive against Trustor and Trustor's heirs and assigns.

General Provisions

(10) This Deed of Trust applies to, inures to the benefit of, and binds all parties to this Deed of Trust and their heirs, legatees, devisees, administrators, executors, successors and assigns. The term "Beneficiary" shall mean the holder or owner, including pledgee, of the Promissory Note secured by this Deed of Trust, whether or not named as a beneficiary in this Deed of Trust, and the heirs, legatees, devisees, administrators, executors, successors and assigns of any such person. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

Attorneys' Fees

(11) If any action is brought for the foreclosure of this Deed of Trust or for the enforcement of any provision of this Deed of Trust (whether or not suit is filed), Trustor agrees to pay all costs and expenses of Beneficiary and Trustee, including reasonable attorneys' fees; and these sums shall be secured by this Deed of Trust.

— Signatures on Following Page —

In Witness Whereof, this Deed of Trust has been duly executed by the undersigned, as of this date.

Anita Hellam, Executive Director
Habitat for Humanity, Stanislaus County

ACKNOWLEDGMENT

State of California)
) ss
County of Stanislaus)

On April _____, 2008 before me, _____
(here insert name and title of the officer), personally appeared ANITA HELLAM, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

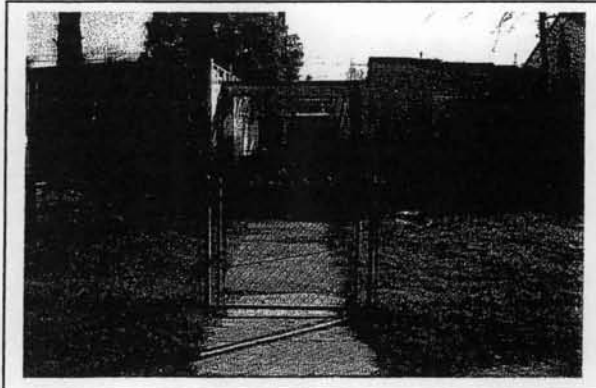
Signature _____ (Seal)

HABITAT FOR HUMANITY, STANISLAUS COUNTY
WORK WRITE-UP

Jurisdiction: **Stanislaus County**

Property Acquisition Date: 9/27/07

Ground Breaking Date: 1/15/08



Estimated construction timeline: 12 weeks 16 weeks 25 weeks
Total Amount Requested : \$48,595

Property Address: 1020 Tenaya Avenue, Modesto, CA 9535

The work to be performed as a part of this estimate shall conform to all applicable Building Codes and to Stanislaus County's standards as specified in the Guidelines and Specifications. Permit fees, impact fees, temporary services and professional fees are NOT included in the estimate.

.....
DESCRIPTION OF WORK TO BE DONE
.....

1. **Environmental Phase 1 Inspection**..... **\$ 4,000**
To include all required labor and materials to remove hazardous materials as outlined in the Phase 1 report and in compliance with all applicable standards and regulations governing such materials.

2. **On and off-site improvements** **\$ 4,000**
To include work required to tie project into existing area utility services and priming or installation of septic.

3. **Excavation and Demolition**..... **\$ 3,000**
As per plans. To include all necessary interior and exterior demolition to build addition and all required trenching and grading in preparation for concrete.

4. **Concrete**..... **\$ 7,000**
To include all required labor and materials to form and pour concrete footings and flatwork in accordance with plans.

Form and pour 4" thick 2000 PSI concrete floor slab. Prepare and compact subgrade to required density, provide 4" thick compacted gravel base course, approved moisture barrier and 6"x6" x 10 gauge EWWM reinforcement. Provide ½" thick PEJF wherever new concrete abuts existing concrete. Steel trowel and broom finish new concrete.

Location : Bedroom/bathroom addition approximately 200 square feet
Unattached garage 400 square feet

Provide and install a 4" thick, 2000 PSI concrete driveway slab reinforced with 6"x6" x10 gauge EWWM over earth sub grade compacted to the required density. Provide and install ½" thick PEJF every LF or whatever new concrete abuts existing concrete and score slab at a 5' O.C. Steel trowel and broom finish slab and slope at the rate of 1" in 10' for drainage.

Driveway to garage – approximately 250 sf

5. Rough Framing..... \$ 9,000

To include all necessary labor and materials to frame addition and interior modifications of existing residence as per plans.

5.A.2

Form and pour typical concrete ("T"/buttress) (1/2) store footings.

Install ½" diameter x 10" anchor bolts at 6'-0" O.C.

Mudsill to be no closer than 6" to grade..

(Location: Bedroom addition South West corner of home; detached garage South West of home)

(Lineal Feet: 27

INSULATION- Provide and install insulation throughout addition areas.

Provide and install insulation for all exterior walls. Exterior walls: R-11;

Ceiling: R-30; Floor is not necessary (R-19)

6. Rough Electrical..... \$ 6,000

To include all necessary labor and materials to wire addition, including interior modifications of existing residence as per plans.

Home will be entirely re-wired and will include wiring for telephones in the master bedroom and kitchen.

MAIN SERVICE PANEL: Replace the main service entry panel with 200 amp CB main service in a rain-tight entrance panel box. Service feeds to meet all current local and national electrical codes for replacements. Reconnect existing circuits to new panel. Balance loads for existing circuits.

New circuits: (GFCI breaker of the same ampacity on circuits feeding the bathrooms, kitchen counter outlets, garage, and any exterior outlets); a 20 amp circuit breaker for the laundry outlets (one 30 amp 240v) for the on-demand hot water heater; one 50 amp 240v for the kitchen range; four 15

amp 120 v lights/general purpose; three 20amp/120 dedicated for kitchen one 20 amp/120v general purpose outlet circuit; two blank spaces0.

Provide and install number 8 bare copper hard drawn ground wire from the grounding terminal of the service entrance box and fastened to the street side of the metallic water serve pipe and to a rod 1/2" x 8' copper ground set 1" above grade. Use a bronze grounding clamp. Ground wire must be in conduit where exposed to any external damage. ID all existing and new circuits at service panel/sub panel (s) in ink.

Include new telephone lines in the existing locations.

7. Finished Electrical..... \$ 1,500

Provide and install new light fixture.

(Number of Units and location: 4 – ceiling fans- (3) bedrooms and living room, florescent overhead lighting kitchen and (2) bathrooms, overhead lighting garage, front port lighting, back porch lighting, exterior garage lighting, overhead chandelier - dining room, entry area overhead light and 2 hallway lights.

Provide and install a (direct wire/battery operated) smoke detectors. In all sleeping areas, living area, and centrally located in the hallways and/or areas giving access to all rooms used for sleeping areas. Total of 5 smoke detectors will be installed.

8. Rough Plumbing..... \$ 4,500

To include all necessary labor and materials to plumb addition, including interior modifications of existing residence as per plans.

BUILDING SEWER: Provide and install a new 4" ABS SCH40 building sewer from the dwelling to the (property line, city main.) Include (2) cleanouts (1 dual-sweep and 1 single-sweep0.

All work done within the city right-of-way must comply with the City of Modesto Engineering Standards.

MAIN WATER SERVICE SUPPLY: Replace the existing water service piping from the water meter to the dwelling, with (1") SCH 40 PVC pipe and fittings.

At residence include a new cast brass shutoff valve.

WATER PIPE: Replace all water piping throughout dwelling with Type M copper tubing, sized to current code requirements.

Provide and install a new 3/4 cast brass shutoff valve at service to water heater.

Provide and install all new angle stops, chrome escutcheon plates and supply tubes to all plumbing fixtures at existing locations.

At the end of all accessible runs install anti-hammer air chambers.

Install all new hose bibs at existing locations; new units to have approved backflow prevention devices attached.

All piping to be secured with approved fasteners at intervals specified in UPC.

All piping within the attic or crawl spaces shall be insulated.

NOTE: WHERE VERTICALS ARE NOT ACCESSIBLE INSTALL A DIALECTRIC CONNECTOR BETWEEN THE NEW COPPER EXISTING RISERS.

Provide and install new light fixtures in every room. 7 new fixtures will be installed inside the home. An exterior fixture will be installed on the front and back porch and a third exterior fixture, with a motion sensor, will be installed on the garage.

Provide and install a (direct wire/battery operated) smoke detectors. In all sleeping areas and centrally located in the hallways and/or areas giving access to all rooms used for sleeping areas. There will be 4 smoke detectors. One in each of two bedrooms. One in the hall outside of the bedrooms and one in the living/dining/kitchen area.

9. Exterior Wall Covering \$ 8,000

STUCCO: Provide and install new stucco finish over wire lath. Lath to be over double layer of 30/30/30 Kraft paper. Install week screed to a minimum of 6" above grand and 4" above floor membrane.

Scratch coat to be scored horizontally.

Brown coat: 3/8" thick

Color coat: 1/8"- 1/4" thick or to match existing.

WOOD SIDING : **Not applicable**

10. Doors and Windows.....\$ 2,294

FRONT ENTRY: Provide and install a new 1-3/4" thick, Solid Core exterior (steel-clad) or metal entry door as per plan. Door style shall be a 4 or 6 panel.

Provide and install three standard butt hinges and Yale locking systems with dead bolt. Provide adjustable vinyl weather-stripping at jambs and an extruded aluminum threshold with vinyl inserts. Provide a 1/2" peephole with a minimum 160 degree field of vision. Key all door locks alike.

SECONDARY EXITS: Provide and install a new 1-3/8" thick, Solid Core exterior or metal entry door as per plan. The door between living area and garage will have a self closing mechanism and have a home hour fire rating.

PATIO GLASS DOORS: Provide and install a set of dual paned and dual - glazed, tempered glass, sliding patio doors with patio locks. Door finish to be vinyl or mill finish aluminum.

INTERIOR DOORS: Provide and install 1-3/8" thick , paint-grade Hollow Core doors. Provide and install Yale brand privacy locksets and standard door stoppers.

CLOSET DOORS: Install a set of hollow core sliding closet doors or shutter style solid wood closet doors with floor guides and all necessary hardware

GARAGE DOOR: Replace deteriorated garage door with a new (fiberglass/wood/aluminum) garage single-vehicle door to fit existing opening. Provide segmented roll-up mechanism, all hardware and weather-stripping.

WINDOWS: Provide and install All-Weather or approved equal, dual-glazed white vinyl from widows with pin locks and screens as per plans.

11. Appliances \$ in-kind
Provide brand new Energy Star (electric/ gas) Whirlpool kitchen range and brand new Energy Star Whirlpool refrigerator

12. Sheetrock, Tape/Texture..... \$ 7,000
Provide and install new ½" thick regular sheetrock to meet manufacturer's specifications and to building code throughout the home and the ceilings. Apply metal corners on all outside edges. Tape and texture.

13. Exterior and Interior Painting..... \$ 5,000
EXTERIOR: Burn, scrape, and remove loose paint from woodwork. Fill all depressions and cracks in exterior surfaces with approved wood fillers, to create a uniform finish. Primer entire exterior woodwork, install new rain gutters and down spouts and cover with a single coat of premium quality latex based primer/surface conditioner, to manufacturer's specification. Paint entire exterior woodwork, doors, rain gutters and downspouts with a premium quality latex, applied per manufacturer's specification, to achieve a uniform color coat.
INTERIOR: Burn, scrape and remove loose paint from kitchen cabinets and wood trim, built-ins and wood trim that will be restored. Prime all new materials with a premium quality primer per manufacturer's specifications. Paint all interior walls, ceilings, doors, closets, and trim with a premium quality semi-gloss or low sheen latex enamel paint applied per manufacturer's specifications.

14. Finish Electrical..... \$ 1,200
Provide and install all necessary finish wiring, receptacles, cover plates, and light fixtures as per plans. (Fixtures will range in price, depending on size and purpose, between \$15 per unit to \$100 per unit)
LIGHT BAR: Provide and install a new light bar fixture with 3-5 bulbs. The light fixture to be installed above the mirror and controlled by a single pole switch located near door entry to room. (Allowance: \$75.00)
CEILING FAN: Provide and install a 52" ceiling fan with 5 wood blades, 3 speed reversible motor in each of the bedrooms and the living room. The ceiling fan to be controlled by double pole switch to control the fan and the switch. (Allowance: \$100)
LIGHT BOX: Provide and install 2" x 4" birch finish light box with 3 florescent bulb light fixtures. Install at the existing location, light fixture to be controlled by a 3-way pole switch located near door entry to room (Allowance : \$200)
BATHROOM FAN: Provide and install a new fan unit in both bathroom ceilings, including all wiring. Install duct to exterior of dwelling. (Allowance: \$50.00 per unit)

OUTDOOR LIGHT: Provide and install lantern light fixtures with motion detection capacity and single switch located inside the home. (Allowance \$150 per unit for a total of 3 units. Front and back porch and garage)

15. Finish Plumbing..... \$ 500

BATH VANITY: Provide and install a 48" wide vanity cabinet including cultured marble top with molded bowl in both bathrooms as per plans. Top to have a 4" backsplash. Caulk all edges of vanity and top with silicone sealant. Faucet with pop-up drain and full p-trap assembly will be provided and installed.

BATHTUB: Provide and install a new 60"x 30" x 15" bathtub or bath with shower insert in the primary bathroom. The second bath will be designed with customs features to accommodate wheelchair access and will be hand framed and tiled to specifications provided by DRAIL or another agency that provides such technical assistance. Provide and install new chrome-plated brass escutcheons and spout with control valves of the pressure balance or the thermostatic mixing valve type. Handle position stops shall be provided on such valves and shall be adjusted per manufacturer's instructions to deliver a maximum mixed water setting of 120 degrees F (49 C), automatic diverter, 1/2" diameter shower arm tree, and shower heard. Connect water supply to existing hot and cold water supply lines. All new work to be in copper or with pecks water system. All fixtures to be provided and installed.

TOILET: Provide and install a new, while American Standard "Cadet" pr approved equal, 1.6 gallon, closed coupled water closet in both bathrooms, with flapper style flush valve and anti-siphon ball cock. Provide seat and cover. Connect to existing sewer pipe, floor flange with new bowl wax seal and to the existing cold water supply pipe. Provide a chrome-plated angle valve, a new supply tube.

KITCHEN SINK: Provide and install a new double bowl while porcelain or stainless steel kitchen sink with a new single lever faucet and sprayer. Includes new shut off and supply tubes.

GARBAGE DISPOSAL: Provide and install a 1/2 horse powered split-phase motor. Continuous- type feed system. Stainless steel grind chamber, grind wheel and shredder ring.

WATER HEATER: Provide and install a new on-demand hot water heater. "UL Approved ignition, glass lined fiberglass insulated r16, gas water heater with energy star ratings. Connect to existing hot and cold water pipes. Provide pipe fittings, union, supports, shut-off valves, temperature and pressure relief valve and smitty pan. Relief valve shall have a 3/4" diameter copper drain pipe terminating 1" above base of smitty pan. Drain from smitty pan shall extend to the exterior of the building, pointing downwards terminating 6" above grade. Install a suitable draft diverter and vent pipe. Provide and install a seismic strap of 3/4" wide by 24 gauge perforated plumbers tape with 1/4" DIA. X 3" lag screw with flat washer fasten into the stud and to go around the water heater 360 at the upper 1/3 and bottom 1/3

and 4" above the control. Provide and install an 18" high fire resistant platform in the garage.

16. Roofing.....\$ 5,000

STRIP ROOF: Strip and dispose of existing deteriorated roof covering over residence and garage to bare wood sheathing. Remove all nails or pound flat. All holes over ½ ' in diameter shall be covered with metal flashing.

TRUSSES: Evaluate trusses. Replace damaged or rotted wood. Install braces and ballast supports to eliminate any swaying or sagging.

SHEATHING: Provide and install 15/32" CDX plywood sheathing over entire roof area. Nail and space as per county code.

COMPOSITION ROOFING: Provide and install a 220 lb., 40-50 year, class shingles per manufacturer's specifications. Install over a layer of 15 lb. non-perforated roofing felt. Replace all sheet metal with new: including roof jacks and flashing/edge strips.

RAIN GUTTERS: Provide and install 6" galvanized rain gutters and downspouts as per plans.

17. HVAC.....\$ 12,000

CENTRAL HEAT/ AIR CONDITIONING: Provide and install a new 3 ½ ton, dual pack floor mounted unit. Provide new supply and return ducts, registers for each habitable room, blowers, controls, heat exchangers and wall thermostats. Test and balance unit after installation. All cold air returns and ducting in unconditioned space to be insulated to conform with current code requirements for replacement units.

18. Solar Energy Panels.....\$ in-kind

Install roof mounted solar panels. Energy generated will be converted to electricity whereby reducing demand on grid and helping the homeowner with reduced energy bills.

19. Flooring.....\$ 3,500

Provide and install hard wood flooring throughout out the house, with the exception of the bathrooms and kitchen, where no-wax wear layer vinyl sheet floor covering. Use adhesives recommended by the flooring manufactures and according to installation instructions. There will be no carpeting in the home due to the need for wheelchair access throughout the home.

20. Kitchen Cabinets and Counter Tops.....\$ 2,500

Provide and install upper cabinets and base cabinets with rise door fronts to conform to kitchen layout and specifications according to plans. Drawer glides shall be side mounted with a minimum of 50 lb rating. Provide and install ceramic counter tile with a full or a 4" backsplash.

Counter Tops will be composed of 4x4 ceramic tile will be provided and installed in the kitchen area. This material is more durable than vinyl counter tops and is more attractive.

21. **Trim out to completion**..... **\$ 5,000**
 Provide all necessary labor and materials to complete final trim out, including baseboards, closet specialties, bath accessories, door bell, mailbox, house numbers etc.

22. **Landscaping**..... **\$ 2,500**
 Design and provide and install sprinkler system for front yard. Install grass lawn, decorative shrubs and bushes in planter area along the front and side of the home, plant a county approved shade tree in the front yard.

23. **Yard Fencing**..... **\$ 2,500**
 Provide and install a redwood dog-eared fence around entire back yard area. Include a side gate entrance with locking mechanism and latch.

Work Total - Construction Budget			\$ 95,994
Permits			\$22,601
Architectural and Engineering			\$10,000
Total Project Budget			\$128,595
Grants and other Sources of Funding			Amount
1 st United Methodist		Room addition	\$15,000
PGE		Solar	\$15,000
MID		Solar Rebate	\$15,000
AHP WISH		Down payment	\$15,000
SHOP		Predevelopment	\$10,000
Stanis. County		Predevelopment	\$10,000
Total Funds Committed			\$80,000
Project Gap – funding request total			\$48,595

PROPERTY ACQUISITION LOAN AGREEMENT 2011 JUN 24 | A | 9: 11 |

This Property Acquisition Loan Agreement (hereafter "Agreement") is made and entered into by and between the **Stanislaus County Redevelopment Agency** ("Agency") and **Habitat for Humanity, Stanislaus County**, a California non-profit corporation ("Habitat") on **September** , 2007.

Recitals

A. The real property located at **1020 Tenaya Drive, Modesto** in the unincorporated area of Stanislaus County, California, as more particularly described in Exhibit A attached hereto and, by this reference, made a part hereof, is available for purchase (the "Property").

B. Habitat desires to acquire the Property with an existing dwelling ("Habitat House") to the property for the purpose of providing affordable housing.

C. The Agency administers the Property Acquisition Program with Redevelopment Housing Set-Aside funds ("Program Funds") for the purpose of providing affordable housing.

D. The Agency is willing to advance Program Funds to Habitat for it to acquire the Property and to provide affordable housing opportunities for lower income persons on the terms and conditions set forth in this Agreement.

Now, Therefore, the parties mutually agree as follows:

Terms and Conditions

1. The Agency will advance to Habitat the sum of **\$80,000.00** from its Program Funds for the purpose of purchasing the Property, and rehabilitating the Habitat House as necessary for occupancy.

2. Prior to or concurrent with Agency funding under Section 1, Habitat will execute an interest free promissory note in the amount of **\$80,000.00**, and a deed of trust in substantially the same form as the Promissory Note and the Deed of Trust collectively attached as Exhibit B and, by this reference, made a part of this Agreement. Habitat agrees and acknowledges that the Promissory Note and the Deed of Trust shall be recorded against the Property with the County Recorder of the County of Stanislaus and shall appear of record with respect to and as encumbrances to the Property. Habitat further acknowledges that this Agreement may also be recorded.

3. Habitat will purchase the Property and, thereafter, will cause the Habitat House to be rehabilitated as necessary for occupancy within 18 months from the date the County advances funds to Habitat. Habitat will place a Qualified Purchaser in the

Habitat House within one year from the date the Property and the Habitat House are suitable for occupancy. "Qualified Purchaser" means a person or persons who are at eighty percent (80%) of the median area income for Stanislaus County at the time of occupancy of the Habitat House.

4. The Agency agrees to subordinate this Agreement, the Promissory Note and Deed of Trust to a purchase money deed of trust executed by a Qualified Purchaser.

5. Habitat shall structure the sale of the Property and Habitat House so that purchase payments are and remain affordable for a Qualified Purchaser, and so that such payment schedule is transferable to successor Qualified Purchasers of the Property.

6. The Property shall be used as the principal residence of the Qualified Purchaser and his/her family and for no other purpose. A Qualified Purchaser shall not enter into an agreement for the rental or lease of the Property.

7. Unless otherwise provided for in this Agreement, the full amount of the funds advanced to Habitat shall be due and payable 45 years after Habitat issues a certificate of occupancy to the first Qualified Purchaser. Habitat may, with permission of the Agency, make payments to the Agency without penalty prior to the scheduled due on date.

8. The funds advanced by the Agency to Habitat under this Agreement that are unpaid, shall become immediately due and payable when (a) the Property is sold or transferred to a non-Qualified Purchaser, including, without limitation, lease, exchange or other disposition of the Property or any interest therein whether voluntary or involuntary; (b) Habitat fails to purchase the Property, relocate the Habitat House or place a Qualified Purchaser in the Habitat House within the specified time period; or (c) Habitat fails to perform any other provision of this Agreement in the manner provided after 30-day notice by the Agency to cure such default.

9. If this Agreement is terminated by either party before the purchase of the property, both parties shall be relieved of all their obligations hereunder. If this Agreement is terminated by either party after the loan closing date, Habitat shall immediately become liable for payment to the Agency, or its designee, the outstanding principal at the date of termination.

10. When the funds advanced to Habitat are paid in full, the Agency shall execute and record a reconveyance.

11. Habitat or a Qualified Purchaser shall maintain for the term of this Agreement fire insurance adequate to cover all encumbrances on the property. In areas designated by HUD as flood prone, Habitat or a Qualified Purchaser shall maintain flood insurance in an amount adequate to secure the full amount of funds advanced under this Agreement. For all insurance policies, the Agency shall be

designated as loss payee for the amount of the funds advanced to Habitat under this Agreement, and a statement of loss payee shall be forwarded to the Agency.

12. Habitat and any Qualified Purchaser shall maintain the improvements and landscaping on the Property in a manner consistent with community standards which will uphold the value of the Property.

13. Habitat shall defend, indemnify, and hold harmless the Agency and its officers, agents, employees, representatives and volunteers from and against any loss, liability, claim or judgment relating in any manner to the Property or this Agreement. Habitat shall remain fully obligated for the payment of taxes, liens, and assessments related to the Property.

14. Habitat shall execute any further documents consistent with the terms of this Agreement, including documents in recordable form, as the County shall from time to time find necessary or appropriate to effectuate its purposes in entering into this Agreement and advancing funds to Habitat pursuant to this Agreement.

15. Habitat shall cause the Qualified Purchaser to comply with all applicable State, federal and local law, regulations and ordinances. Nothing in this Agreement is intended to be, nor shall it be deemed to be, a waiver of any County ordinance, rule, or regulation.

16. Any notices, requests or approvals given under this Agreement from one party to another may be personally delivered or deposited with the United States Postal Service for mailing, postage prepaid, registered or certified mail, return receipt requested to the following address:

To Habitat: Anita Hellam, Executive Director
Habitat for Humanity, Stanislaus County
630 Kearney Avenue
Modesto, CA 95350

To Agency: Stanislaus County Redevelopment Agency
Attention: Deputy Director
1010 10th Street, Suite 3400
Modesto CA 95354

Either party may change its address for notice by giving written notice thereof to the other party.

16. This Agreement shall be governed by the laws of the State of California. Any legal action brought under this Agreement shall be instituted in the Superior Court of the County of Stanislaus, State of California.

17. No modification, rescission, waiver, release or amendment of any provision of this Agreement shall be made except by a written agreement executed by

the parties.

18. Failure to exercise any right the Agency may have or be entitled to, in the event of default hereunder, shall not constitute a waiver of such right or any other right in the event of a subsequent default.

19. This Agreement, together with all attachments hereto, constitutes the entire understanding and agreement of the parties. This Agreement integrates all of the terms and conditions mentioned herein or incidental thereto, and supersedes all prior negotiations, discussions and previous agreements between the parties concerning all or any part of the subject matter of this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives, on the date and year first above written.

Stanislaus County Redevelopment Agency

By: 
Ron E. Freitas
Executive Director

"Agency"

Habitat for Humanity, Stanislaus County

By: 
Anita Hellam
Executive Director

"Habitat"

APPROVED AS TO FORM:
Michael H. Krausnick
County Counsel

By: 
John P. Doering
Assistant County Counsel

I:\USERS\Rocha\RD\Habitat\Property Acquisition Loan Agmt 1020 Tenaya, Modesto.wpd

EXHIBIT A

DESCRIPTION OF REAL PROPERTY

That property located in the unincorporated area of Stanislaus County, State of California, more particularly described as:

LOT 1 IN BLOCK 2040 OF EMERICH TRACT, IN THE COUNTY OF STANISLAUS, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL MAP THEREOF, FILED IN THE OFFICE OF THE RECORDER OF STANISLAUS COUNTY, CALIFORNIA, ON MAY 31, 1945 IN VOLUME 14 OF MAPS, AT PAGE 33.

APN: 035-012-005

EXHIBIT B

PROMISSORY NOTE SECURED BY DEED OF TRUST
AND
DEED OF TRUST

PROMISSORY NOTE SECURED BY DEED OF TRUST

DO NOT DESTROY THE ORIGINAL OF THIS NOTE: When paid, the original Note, together with the Deed of Trust securing it, must be surrendered to the Trustee for cancellation and retention before reconveyance will be made.

\$80,000.00

**Modesto, California
September 17, 2007.**

On or before **September 17** 2052, for value received, **Habitat for Humanity, Stanislaus County** (the "Borrower") promises to pay to **Stanislaus County Redevelopment Agency** (the "Holder"), or order, at 1010 Tenth Street, Suite 3400, Modesto, California, or any other place designated in writing submitted by Holder to Borrower, the principal sum of **Eighty Thousand Dollars and No Cents (\$80,000.00)**, or so much thereof as may be advanced. No interest shall accrue under this Note. Principal under this Note shall be paid in lawful money of the United States.

The Borrower reserves the right to prepay at any time all or any part of the Note without the payment of penalties or premiums to the Holder. Any and all payments on this Note shall be applied to the principal due on the Note.

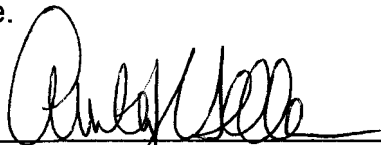
The Borrower shall abide by all covenants contained in the Property Acquisition Loan Agreement of even date. In the event of any inconsistencies between this Note and the Property Acquisition Loan Agreement, the latter shall prevail.

This Note is secured by a certain Deed of Trust of even date to **First American Title Company**, a California corporation, as Trustee, executed by Borrower in favor of Holder.

Should default be made in payment when due, or in the performance of the Property Acquisition Loan Agreement, or in the performance of the agreements contained in the Deed of Trust securing this, the whole sum of principal shall become immediately due and payable at Holder's option. Failure by Holder to exercise this option shall not constitute a waiver of the right to exercise it in the event of any subsequent default.

Should suit be commenced to collect payments due under this Note or any portion thereof, the prevailing party may recover reasonable attorney's fees in addition to any other relief allowed by law.

In Witness Whereof, the Note has been duly executed by the undersigned, as of this date.



Anita Hellam, Executive Director
Habitat for Humanity, Stanislaus County

ATTACHMENT B-2

HOUSING REHABILITATION LOAN AGREEMENT

1114 TENAYA DRIVE, MODESTO

HOUSING REHABILITATION LOAN AGREEMENT

This Property Acquisition Loan Agreement (hereafter "Agreement") is made and entered into by and between the **Stanislaus County Redevelopment Agency** ("Agency") and **Habitat for Humanity, Stanislaus County**, a California non-profit corporation ("Habitat") on **April 8**, 2008.

Recitals

A. The real property located at **1114 Tenaya Drive, Modesto** in the unincorporated area of Stanislaus County, California, as more particularly described in Exhibit A attached hereto and, by this reference, made a part hereof, is available for purchase (the "Property").

B. Habitat desires to acquire the Property with an existing dwelling (the "Habitat House") for the purpose of providing affordable housing.

C. The Agency administers the Housing Rehabilitation Program with Redevelopment Housing Set-Aside funds ("Program Funds") for the purpose of sustaining and providing affordable housing.

D. The Agency is willing to advance Program Funds to Habitat for it to rehabilitate sub-standard housing to provide affordable housing opportunities for lower income persons on the terms and conditions set forth in this Agreement.

Now, Therefore, the parties mutually agree as follows:

Terms and Conditions

1. The Agency will advance to Habitat the sum of **\$43,700.00** from its Program Funds for the purpose of rehabilitating the Habitat House as necessary for occupancy.

2. Prior to or concurrent with Agency funding under Section 1, Habitat will execute an interest free promissory note in the amount of **\$43,700.00**, and a deed of trust in substantially the same form as the Promissory Note and the Deed of Trust collectively attached as Exhibit B and, by this reference, made a part of this Agreement. Habitat agrees and acknowledges that the Promissory Note and the Deed of Trust shall be recorded against the Property with the County Recorder of the County of Stanislaus and shall appear of record with respect to and as encumbrances to the Property. Habitat further acknowledges that this Agreement may also be recorded.

3. Habitat will rehabilitate as necessary for occupancy within 18 months from the date the County advances funds to Habitat. Habitat will place a Qualified Purchaser in the Habitat House within one year from the date the Property and the Habitat House

are suitable for occupancy. "Qualified Purchaser" means a person or persons who are at eighty percent (80%) of the median area income for Stanislaus County at the time of occupancy of the Habitat House.

4. The Agency agrees to subordinate this Agreement, the Promissory Note and Deed of Trust to a purchase money deed of trust executed by a Qualified Purchaser.

5. Habitat shall structure the sale of the Property and Habitat House so that purchase payments are and remain affordable for a Qualified Purchaser, and so that such payment schedule is transferable to successor Qualified Purchasers of the Property.

6. The Property shall be used as the principal residence of the Qualified Purchaser and his/her family and for no other purpose. A Qualified Purchaser shall not enter into an agreement for the rental or lease of the Property.

7. Unless otherwise provided for in this Agreement, the full amount of the funds advanced to Habitat shall be due and payable 45 years after Habitat issues a certificate of occupancy to the first Qualified Purchaser. Habitat may, with permission of the Agency, make payments to the Agency without penalty prior to the scheduled due on date.

8. The funds advanced by the Agency to Habitat under this Agreement that are unpaid, shall become immediately due and payable when (a) the Property is sold or transferred to a non-Qualified Purchaser, including, without limitation, lease, exchange or other disposition of the Property or any interest therein whether voluntary or involuntary; (b) Habitat fails to purchase the Property, relocate the Habitat House or place a Qualified Purchaser in the Habitat House within the specified time period; or (c) Habitat fails to perform any other provision of this Agreement in the manner provided after 30-day notice by the Agency to cure such default.

9. If this Agreement is terminated by either party before the purchase of the property, both parties shall be relieved of all their obligations hereunder. If this Agreement is terminated by either party after the loan closing date, Habitat shall immediately become liable for payment to the Agency, or its designee, the outstanding principal at the date of termination.

10. When the funds advanced to Habitat are paid in full, the Agency shall execute and record a reconveyance.

11. Habitat or a Qualified Purchaser shall maintain for the term of this Agreement fire insurance adequate to cover all encumbrances on the property. In areas designated by HUD as flood prone, Habitat or a Qualified Purchaser shall maintain flood insurance in an amount adequate to secure the full amount of funds advanced under this Agreement. For all insurance policies, the Agency shall be designated as loss payee for the amount of the funds advanced to Habitat under this

Agreement, and a statement of loss payee shall be forwarded to the Agency.

12. Habitat and any Qualified Purchaser shall maintain the improvements and landscaping on the Property in a manner consistent with community standards which will uphold the value of the Property.

13. Habitat shall defend, indemnify, and hold harmless the Agency and its officers, agents, employees, representatives and volunteers from and against any loss, liability, claim or judgment relating in any manner to the Property or this Agreement. Habitat shall remain fully obligated for the payment of taxes, liens, and assessments related to the Property.

14. Habitat shall execute any further documents consistent with the terms of this Agreement, including documents in recordable form, as the County shall from time to time find necessary or appropriate to effectuate its purposes in entering into this Agreement and advancing funds to Habitat pursuant to this Agreement.

15. Habitat shall cause the Qualified Purchaser to comply with all applicable State, federal and local law, regulations and ordinances. Nothing in this Agreement is intended to be, nor shall it be deemed to be, a waiver of any County ordinance, rule, or regulation.

16. Any notices, requests or approvals given under this Agreement from one party to another may be personally delivered or deposited with the United States Postal Service for mailing, postage prepaid, registered or certified mail, return receipt requested to the following address:

To Habitat: Anita Hellam, Executive Director
Habitat for Humanity, Stanislaus County
630 Kearney Avenue
Modesto, CA 95350

To Agency: Stanislaus County Redevelopment Agency
Attention: Deputy Director
1010 10th Street, Suite 3400
Modesto CA 95354

Either party may change its address for notice by giving written notice thereof to the other party.

16. This Agreement shall be governed by the laws of the State of California. Any legal action brought under this Agreement shall be instituted in the Superior Court of the County of Stanislaus, State of California.

17. No modification, rescission, waiver, release or amendment of any provision of this Agreement shall be made except by a written agreement executed by the parties.

18. Failure to exercise any right the Agency may have or be entitled to, in the event of default hereunder, shall not constitute a waiver of such right or any other right in the event of a subsequent default.

19. This Agreement, together with all attachments hereto, constitutes the entire understanding and agreement of the parties. This Agreement integrates all of the terms and conditions mentioned herein or incidental thereto, and supersedes all prior negotiations, discussions and previous agreements between the parties concerning all or any part of the subject matter of this Agreement.

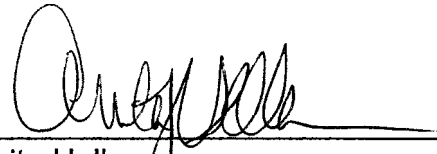
IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives, on the date and year first above written.

Stanislaus County Redevelopment Agency

By: 
Kirk Ford
Interim Executive Director

"Agency"

Habitat for Humanity, Stanislaus County

By: 
Anita Hellam
Executive Director

"Habitat"

APPROVED AS TO FORM:
Michael H. Krausnick
County Counsel

By: 
John P. Doering
Assistant County Counsel

I:\USERS\ROCHA\IRDA\Habitat\Housing Rehab\Housing Rehab Loan Agmt 1114 Tenaya , Modesto.wpd

EXHIBIT A

DESCRIPTION OF REAL PROPERTY

That property located in the unincorporated area of Stanislaus County, State of California, more particularly described as:

LOT 3 IN BLOCK 2049 OF EMERICH TRACT, IN THE COUNTY OF STANISLAUS, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL MAP THEREOF, FILED IN THE OFFICE OF THE RECORDER OF STANISLAUS COUNTY, CALIFORNIA, ON MAY 31, 1945 IN VOLUME 14 OF MAPS, AT PAGE 33.

APN: 035-012-009

EXHIBIT B

PROMISSORY NOTE SECURED BY DEED OF TRUST
AND
DEED OF TRUST

PROMISSORY NOTE SECURED BY DEED OF TRUST

DO NOT DESTROY THE ORIGINAL OF THIS NOTE: When paid, the original Note, together with the Deed of Trust securing it, must be surrendered to the Trustee for cancellation and retention before reconveyance will be made.

\$43,700.00

**Modesto, California
April ____, 2008.**

On or before **April __** 2052, for value received, **Habitat for Humanity, Stanislaus County** (the "Borrower") promises to pay to **Stanislaus County Redevelopment Agency** (the "Holder"), or order, at 1010 Tenth Street, Suite 3400, Modesto, California, or any other place designated in writing submitted by Holder to Borrower, the principal sum of **Forty Three Thousand Seven Hundred Dollars and No Cents (\$43,700.00)**, or so much thereof as may be advanced. No interest shall accrue under this Note. Principal under this Note shall be paid in lawful money of the United States.

The Borrower reserves the right to prepay at any time all or any part of the Note without the payment of penalties or premiums to the Holder. Any and all payments on this Note shall be applied to the principal due on the Note.

The Borrower shall abide by all covenants contained in the Property Acquisition Loan Agreement of even date. In the event of any inconsistencies between this Note and the Property Acquisition Loan Agreement, the latter shall prevail.

This Note is secured by a certain Deed of Trust of even date to **First American Title Company**, a California corporation, as Trustee, executed by Borrower in favor of Holder.

Should default be made in payment when due, or in the performance of the Property Acquisition Loan Agreement, or in the performance of the agreements contained in the Deed of Trust securing this, the whole sum of principal shall become immediately due and payable at Holder's option. Failure by Holder to exercise this option shall not constitute a waiver of the right to exercise it in the event of any subsequent default.

Should suit be commenced to collect payments due under this Note or any portion thereof, the prevailing party may recover reasonable attorney's fees in addition to any other relief allowed by law.

In Witness Whereof, the Note has been duly executed by the undersigned, as of this date.

Anita Hellam, Executive Director
Habitat for Humanity, Stanislaus County

Recording Requested By
And For The Benefit Of:
and
When Recorded Mail To:

Stanislaus County
Redevelopment Agency
Attn: Ana Rocha
1010 Tenth Street, Suite 3400
Modesto, CA 95354

Space Above For Recorder's Use

DEED OF TRUST

THIS DEED OF TRUST, made this ____ day of **April**, 2008, by between **Habitat for Humanity, Stanislaus County** (the "Trustor"); **Stanislaus County Redevelopment Agency** (the "Beneficiary"); and **First American Title Company** (the "Trustee");

Trustor irrevocably grants, transfers and assigns to Trustee, in trust, with the power of sale, all that property located at **1114 Tenaya Drive** in the City of Modesto, County of Stanislaus, State of California, and more particularly described as:

LOT 3 IN BLOCK 2049 OF EMERICH TRACT, IN THE COUNTY OF STANISLAUS, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL MAP THEREOF, FILED IN THE OFFICE OF THE RECORDER OF STANISLAUS COUNTY, CALIFORNIA, ON MAY 31, 1945 IN VOLUME 14 OF MAPS, AT PAGE 33.

APN: 035-012-009

FOR THE PURPOSE OF SECURING:

- (1) Performance of each agreement of Trustor incorporated by reference or contained in this Deed of Trust, including, but not limited to, the Promissory Note Secured by Deed of Trust and the Property Acquisition Loan Agreement;
- (2) Payment of the indebtedness evidenced by a Promissory Note, and any extension or renewal of that Note, in the principal sum of **Forty Three Thousand Seven Hundred Dollars and No Cents (\$43,700.00)**, executed by Trustor on this date in favor of the Beneficiary or order; and
- (3) Payment of any further sums that the then record owner of the Property hereafter may borrow from Beneficiary, when evidenced by another not or notes reciting it is so secured.

A. TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR AGREES:

Maintenance and Repair

(1) To keep the Property in good condition and repair; not to remove or demolish any building on the Property; to complete or restore promptly and in good and workmanlike manner any building that may be constructed, damaged, or destroyed on the Property; to pay when due all claims for labor performed and materials furnished for the Property; to comply with all laws affecting the Property or requiring any alterations or improvements to be made on the Property; not to commit or permit waste of the Property; not to commit, suffer or permit any act on the Property in violation of law; and to cultivate, irrigate, fertilize, fumigate, prune, and do all other acts that from the character or use of the Property may be reasonably necessary.

Fire Insurance

(2) To provide, maintain, and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary on any indebtedness secured by the Deed of Trust and in any order determined by Beneficiary, or at the option of Beneficiary the entire amount so collected or any part of that amount may be released to Trustor. This application or release shall not cure or waive any default or notice of default under this Deed of Trust or invalidate any act done pursuant to such notice.

Defense of Security

(3) To appear in and defend any action or proceeding purporting to affect the security of this Deed of Trust or the rights or powers of Beneficiary, or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorneys' fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed of Trust.

Payment of Liens and Taxes

(4) To pay at least 30-days before delinquency, all taxes and assessments affecting the Property, including assessments on appurtenant water stock; all encumbrances, charges, and liens, with interest, on the Property or any part of the Property, which appear to be prior or superior to this Deed of Trust; and all costs, fees and expenses of this Trust. If Trustor fails to make any payment or to do any act as provided in this Deed of Trust, the Beneficiary or Trustee may (but is not obligated to) make the payment or do the act in the required manner and to the extent deemed necessary by the Beneficiary or Trustee to protect the security of this Deed of Trust. The performance by Beneficiary or Trustee of such an act shall not require notice to or demand on Trustor and shall not release Trustor from any obligation under this Deed of Trust. Beneficiary or Trustee shall also have the following related rights and powers: to enter on the Property for the foregoing purposes; to appear in and defend any action or proceeding purporting to affect the security of this Deed of Trust or the rights or powers of Beneficiary or Trustee; to pay, purchase, contest, or compromise any encumbrance, charge or lien that in the judgment of either appears to be prior or superior to

this Deed of Trust; to employ counsel; and to pay necessary expenses and costs, including attorneys' fees.

Reimbursement of Costs

(5) To pay immediately and without demand all sums expended by Beneficiary or Trustee pursuant to this Deed of Trust, with interest from the date of expenditure at the amount allowed by law in effect at the date of this Deed of Trust, and to pay any amount demanded by Beneficiary (up to the maximum allowed by law at the time of the demand) for any statement regarding the obligation secured by this Deed of Trust.

B. THE PARTIES AGREE THAT:

Condemnation Award

(1) Any award of damages in connection with any taking or condemnation, or for injury to the Property by reason of public use, or for damages for private trespass or injury to the property, is hereby assigned and shall be paid to Beneficiary as further security for all obligations secured by the Deed of Trust. On receipt of any such proceeds, Beneficiary may hold the proceeds as further security, or apply or release them in the manner and with the same effect as provided in this Deed of Trust for the disposition of proceeds for fire or other insurance.

Trustee's Powers

(2) On written request of Beneficiary and presentation of this Deed of Trust and Promissory Note for endorsement, Trustee may (a) reconvey all or any part of the Property; (b) consent to the making and recording, or either, of any map or plat of all or any part of the Property; (c) join in granting any easement on the Property; (d) join in or consent to any extension agreement or any agreement subordinating the lien, encumbrance, or charge of this Deed of Trust. Trustee need not provide Trustor with notice before taking any of the foregoing actions, and shall not be liable for the proper performance of the act. The exercise by Trustee of any of the foregoing powers shall not affect the personal liability of any person for payment of the indebtedness secured by this Deed of Trust, or the lien of this Deed of Trust on the remaining property as security for the repayment of the full amount secured by this Deed of Trust.

Full Reconveyance

(3) On written request of the Beneficiary stating that all sums secured by this Deed of Trust have been paid, surrender of this Deed of Trust, the Promissory Note, and any other notes secured by this Deed of Trust to the Trustee for cancellation and retention, and payment of Trustee's fees and charges, Trustee shall reconvey, without warranty, the Property then subject to this Deed of Trust. The recitals in the reconveyance shall be conclusive proof of the truthfulness of the recitals. The grantee in the reconveyance may be described as "the person or persons legally entitled thereto." Five years after issuance of the full reconveyance, Trustee may destroy the Promissory Note and this Deed of Trust, unless directed in the request to retain them.

Default in Foreclosure

(4) On default by Trustor in the payment of any indebtedness secured by this Deed of Trust or in the performance of any obligation under this Deed of Trust, Beneficiary may declare all sums secured by this Deed of Trust immediately due and payable by delivering to Trustee a written declaration of default and demand for sale and a written notice of default and election to sell the Property. Trustee shall cause the notice of default and election to sell to be recorded. Beneficiary also shall deposit with Trustee this Deed of Trust, the Promissory Note, and all documents evidencing any additional expenditures secured by this Deed of Trust.

After the required time period has lapsed following the recordation of the notice of default, and after notice of sale has been given as required by law, Trustee, without demand on Trustor, shall sell the Property at the time and place specified in the notice of sale, either as a whole or in separate parcels, and in any order determined by the Trustee, at public auction to the highest bidder for cash in lawful money of the United States, payable at the time of sale. Trustee may postpone sale of all or any portion of the Property by public announcement at the time and place of sale, and from time to time thereafter may postpone the sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to the purchaser at the auction its deed conveying the Property sold, but without any covenant or warranty, express or implied. The recital in the deed of any matter of fact shall be conclusive proof of the truthfulness of the recital. Any person, including Trustor, Trustee, or Beneficiary, may purchase at the sale.

After deducting all costs, fees, and expenses of Trustee and Beneficiary under this Paragraph, including costs of procuring evidence of title incurred in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms of this Deed of Trust, not then repaid, with accrued interest at the amount allowed by law in effect at the date of this Deed of Trust; all other sums then secured by the Deed of Trust; and the remainder, if any, to the person or persons legally entitled to the remaining proceeds.

Acceptance by Trustee

(5) Trustee accepts this Trust when this Deed, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party to this Deed of Trust of pending sale under any other deed of trust or any action or proceeding in which Trustor, Beneficiary, or Trustee shall be a party unless brought by Trustee.

Substitution of Trustees

(6) Beneficiary, or any successor in ownership of any indebtedness secured by this Deed of Trust, may from time to time, by written instrument, substitute a successor or successors to any Trustee named in or acting under this Deed of Trust. The substitution instrument shall set forth the following: the date of recordation of this Deed of Trust; the name of the Trustor; the book and page where this Deed of Trust is recorded; and the name of the new Trustee. When executed by Beneficiary and duly acknowledged and recorded in the office of the recorder of the county or counties where the Property is situated, the substitution instrument shall be conclusive proof of proper substitution of the successor Trustee or

Trustees. Any successor Trustee or Trustees shall, without reconveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties.

Cumulative Powers and Remedies

(7) The powers and remedies conferred in this Deed of Trust are concurrent and cumulative to all other rights and remedies provided in this Deed of Trust or give by law. These powers and remedies may be exercised singly, successively, or together, and as often as deemed necessary.

Conclusiveness of Recitals

(8) The recitals contained in any reconveyance, trustee's deed, or any other instrument executed by the Trustee from time to time under the authority of this Deed of Trust or in the exercise of its powers or the performance of its duties under this Deed of Trust, shall be conclusive evidence of their truth, whether stated as specific and particular facts, or in general statements or conclusions. Further, the recitals shall be binding and conclusive on the Trustor, the Trustor's heirs, executors, administrators, successors, and assigns, and all other persons.

Co-Trustees

(9) If two or more persons are designated as Trustee in this Deed of Trust, any, or all, power granted in this Deed of Trust to Trustee may be exercised by any of those persons, if the other person or persons are unable, for any reason, to act. Any recital of this inability in any instrument executed by any of those persons shall be conclusive against Trustor and Trustor's heirs and assigns.

General Provisions

(10) This Deed of Trust applies to, inures to the benefit of, and binds all parties to this Deed of Trust and their heirs, legatees, devisees, administrators, executors, successors and assigns. The term "Beneficiary" shall mean the holder or owner, including pledgee, of the Promissory Note secured by this Deed of Trust, whether or not named as a beneficiary in this Deed of Trust, and the heirs, legatees, devisees, administrators, executors, successors and assigns of any such person. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

Attorneys' Fees

(11) If any action is brought for the foreclosure of this Deed of Trust or for the enforcement of any provision of this Deed of Trust (whether or not suit is filed), Trustor agrees to pay all costs and expenses of Beneficiary and Trustee, including reasonable attorneys' fees; and these sums shall be secured by this Deed of Trust.

— Signatures on Following Page —

In Witness Whereof, this Deed of Trust has been duly executed by the undersigned, as of this date.

Anita Hellam, Executive Director
Habitat for Humanity, Stanislaus County

ACKNOWLEDGMENT

State of California)
) ss
County of Stanislaus)

On April _____, 2008 before me, _____
(here insert name and title of the officer), personally appeared ANITA HELLAM, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature _____ (Seal)

**HABITAT FOR HUMANITY, STANISLAUS COUNTY
WORK WRITE-UP**

Jurisdiction: **Stanislaus County**

Property Acquisition Date: 9/27/07

Ground Breaking Date: 1/21/08



Estimated construction timeline: 12 weeks 16 weeks 25 weeks
Total Amount Requested: \$43,700

Property Address: 1114 Tenaya Avenue, Modesto, CA 9535

The work to be performed as a part of this estimate shall conform to all applicable Building Codes and to Stanislaus County's standards as specified in the Guidelines and Specifications. Permit fees, impact fees, temporary services and professional fees are NOT included in the estimate.

.....
DESCRIPTION OF WORK TO BE DONE
.....

- | | |
|--|------------------|
| 1. Environmental Phase 1 Inspection..... | \$ 10,000 |
| To include all required labor and materials to remove hazardous materials as outlined in the Phase 1 report and in compliance with all applicable standards and regulations governing such materials. Both lead and asbestos were removed from the property. | |
| 2. On and off-site improvements ... | \$ 3,500 |
| To include work required to tie project into existing area utility services and priming or installation of septic. | |
| 3. Excavation and Demolition..... | \$ 2,000 |
| As per plans. To include all necessary interior and exterior demolition to remove any hazardous materials and to open walls for the installation of all services. | |

4. Concrete..... \$ 5,000
To include all required labor and materials to form and pour concrete footings and flatwork in accordance with plans.

Form and pour 4" thick 2000 PSI concrete floor slab. Prepare and compact subgrade to required density, provide 4" thick compacted gravel base course, approved moisture barrier and 6"x6" x 10 gauge EWWM reinforcement. Provide 1/2" thick PEJF wherever new concrete abuts existing concrete. Steel trowel and broom finish new concrete.

Location : Bedroom/bathroom addition approximately 200 square feet
Unattached garage 400 square feet

Provide and install a 4" thick, 2000 PSI concrete driveway slab reinforced with 6"x6" x10 gauge EWWM over earth sub grade compacted to the required density. Provide and install 1/2" thick PEJF every LF or whatever new concrete abuts existing concrete and score slab at a 5' O.C. Steel trowel and broom finish slab and slope at the rate of 1" in 10' for drainage.

Driveway to garage – approximately 250 sf

5. Rough Framing..... \$ 3,000
To include all necessary labor and materials to frame interior modifications of existing residence as per plans.

5.A.2

Form and pour typical concrete ("T"/buttress) (1/2) store footings.

Install 1/2" diameter x 10" anchor bolts at 6'-0" O.C.

Mudsill to be no closer than 6" to grade..

INSULATION- Provide and install insulation throughout addition areas.

Provide and install insulation for all exterior walls. Exterior walls: R-11;

Ceiling: R-30; Floor is not necessary (R-19)

6. Rough Electrical..... \$ 3,000
To include all necessary labor and materials to wire addition, including interior modifications of existing residence as per plans.

Home will be entirely re-wired and will include wiring for telephones in the master bedroom and kitchen.

MAIN SERVICE PANEL: Replace the main service entry panel with 200 amp CB main service in a rain-tight entrance panel box. Service feeds to meet all current local and national electrical codes for replacements. Reconnect existing circuits to new panel. Balance loads for existing circuits.

New circuits: (GFCI breaker of the same ampacity on circuits feeding the bathrooms, kitchen counter outlets, garage, and any exterior outlets); a 20 amp circuit breaker for the laundry outlets (one 30 amp 240v) for the on-demand hot water heater; one 50 amp 240v for the kitchen range; four 15

amp 120 v lights/general purpose; three 20amp/120 dedicated for kitchen one 20 amp/120v general purpose outlet circuit; two blank spaces0.
 Provide and install number 8 bare copper hard drawn ground wire from the grounding terminal of the service entrance box and fastened to the street side of the metallic water serve pipe and to a rod ½" x 8' copper ground set 1" above grade. Use a bronze grounding clamp. Ground wire must be in conduit where exposed to any external damage. ID all existing and new circuits at service panel/sub panel (s) in ink.
 Include new telephone lines in the existing locations.

7. Finished Electrical..... \$ 900

Provide and install new light fixture.
 (Number of Units and location: 4 – ceiling fans- (3) bedrooms and living room, florescent overhead lighting kitchen and (2) bathrooms, overhead lighting garage, front port lighting, back porch lighting, exterior garage lighting, overhead chandelier - dining room, entry area overhead light and 2 hallway lights.

Provide and install a (direct wire/battery operated) smoke detectors. In all sleeping areas, living area, and centrally located in the hallways and/or areas giving access to all rooms used for sleeping areas. Total of 5 smoke detectors will be installed.

8. Rough Plumbing..... \$ 3,500

To include all necessary labor and materials to plumb existing residence as per plans.
BUILDING SEWER: Provide and install a new 4" ABS SCH40 building sewer from the dwelling to the (property line, city main.) Include (2) cleanouts (1 dual-sweep and 1 single-sweep0.
All work done within the city right-of-way must comply with the City of Modesto Engineering Standards.
MAIN WATER SERVICE SUPPLY: Replace the existing water service piping from the water meter to the dwelling, with (1") SCH 40 PVC pipe and fittings. At residence include a new cast brass shutoff valve.
WATER PIPE: Replace all water piping throughout dwelling with Type M copper tubing, sized to current code requirements.
 Provide and install a new ¾ cast brass shutoff valve at service to water heater.
 Provide and install all new angle stops, chrome escutcheon plates and supply tubes to all plumbing fixtures at existing locations.
 At the end of all accessible runs install anti-hammer air chambers.
 Install all new hose bibs at existing locations; new units to have approved backflow prevention devices attached.
 All piping to be secured with approved fasteners at intervals specified in UPC.
 All piping within the attic or crawl spaces shall be insulated.

NOTE: WHERE VERTICALS ARE NOT ACCESSIBLE INSTALL A DIALECTRIC CONNECTOR BETWEEN THE NEW COPPER EXISTING RISERS.

Provide and install new light fixtures in every room. 6 new fixtures will be installed inside the home. An exterior fixture will be installed on the front and back porch and a third exterior fixture, with a motion sensor, will be installed on the garage.

Provide and install a (direct wire/battery operated) smoke detectors. In all sleeping areas and centrally located in the hallways and/or areas giving access to all rooms used for sleeping areas. There will be 4 smoke detectors. One in each of two bedrooms. One in the hall outside of the bedrooms and one in the living/dining/kitchen area.

9. Exterior Wall Covering \$ 8,000

STUCCO: Provide and install new stucco finish over wire lath. Lath to be over double layer of 30/30/30 Kraft paper. Install week screed to a minimum of 6" above grand and 4" above floor membrane.

Scratch coat to be scored horizontally.

Brown coat: 3/8" thick

Color coat: 1/8" - 1/4" thick or to match existing.

WOOD SIDING: **Not applicable**

10. Doors and Windows.....\$ 2,000

FRONT ENTRY: Provide and install a new 1-3/4" thick, Solid Core exterior (steel-clad) or metal entry door as per plan. Door style shall be a 4 or 6 panel.

Provide and install three standard butt hinges and Yale locking systems with dead bolt. Provide adjustable vinyl weather-stripping at jambs and an extruded aluminum threshold with vinyl inserts. Provide a 1/2" peephole with a minimum 160 degree field of vision. Key all door locks alike.

SECONDARY EXITS: Provide and install a new 1-3/8" thick, Solid Core exterior or metal entry door as per plan. The door between living area and garage will have a self closing mechanism and have a home hour fire rating.

INTERIOR DOORS: Provide and install 1-3/8" thick, paint-grade Hollow Core doors. Provide and install Yale brand privacy locksets and standard door stoppers.

CLOSET DOORS: Install a set of hollow core sliding closet doors or shutter style solid wood closet doors with floor guides and all necessary hardware

GARAGE DOOR: Replace deteriorated garage door with a new (fiberglass/wood/aluminum) garage single-vehicle door to fit existing opening. Provide segmented roll-up mechanism, all hardware and weather-stripping.

WINDOWS: Provide and install All-Weather or approved equal, dual-glazed white vinyl from widows with pin locks and screens as per plans.

11. Appliances \$ in-kind
Provide brand new Energy Star (electric/ gas) Whirlpool kitchen range and brand new Energy Star Whirlpool refrigerator

12. Sheetrock, Tape/Texture..... \$ 6,000
Provide and install new ½" thick regular sheetrock to meet manufacturer's specifications and to building code throughout the home and the ceilings. Apply metal corners on all outside edges. Tape and texture.

13. Exterior and Interior Painting..... \$ 5,000
EXTERIOR: Burn, scrape, and remove loose paint from woodwork. Fill all depressions and cracks in exterior surfaces with approved wood fillers, to create a uniform finish. Primer entire exterior woodwork, install new rain gutters and down spouts and cover with a single coat of premium quality latex based primer/surface conditioner, to manufacturer's specification. Paint entire exterior woodwork, doors, rain gutters and downspouts with a premium quality latex, applied per manufacturer's specification, to achieve a uniform color coat.
INTERIOR: Burn, scrape and remove loose paint from kitchen cabinets and wood trim, built-ins and wood trim that will be restored. Prime all new materials with a premium quality primer per manufacturer's specifications. Paint all interior walls, ceilings, doors, closets, and trim with a premium quality semi-gloss or low sheen latex enamel paint applied per manufacturer's specifications.

14. Finish Electrical..... \$ 800
Provide and install all necessary finish wiring, receptacles, cover plates, and light fixtures as per plans. (Fixtures will range in price, depending on size and purpose, between \$15 per unit to \$100 per unit)
LIGHT BAR: Provide and install a new light bar fixture with 3-5 bulbs. The light fixture to be installed above the mirror and controlled by a single pole switch located near door entry to room. (Allowance: \$75.00)
CEILING FAN: Provide and install a 52" ceiling fan with 5 wood blades, 3 speed reversible motor in each of the bedrooms and the living room. The ceiling fan to be controlled by double pole switch to control the fan and the switch. (Allowance: \$100)
LIGHT BOX: Provide and install 2" x 4" birch finish light box with 3 florescent bulb light fixtures. Install at the existing location, light fixture to be controlled by a 3-way pole switch located near door entry to room (Allowance : \$200)
BATHROOM FAN: Provide and install a new fan unit in bathroom ceiling, including all wiring. Install duct to exterior of dwelling. (Allowance: \$50.00)
OUTDOOR LIGHT : Provide and install lantern light fixtures with motion detection capacity and single switch located inside the home. (Allowance \$150 per unit for a total of 3 units. Front and back porch and garage)

15. Finish Plumbing..... \$ 500

BATH VANITY: Provide and install a 48" wide vanity cabinet including cultured marble top with molded bowl in bathroom as per plans. Top to have a 4" backsplash. Caulk all edges of vanity and top with silicone sealant. Faucet with pop-up drain and full p-trap assembly will be provided and installed.

BATHTUB: Provide and install a new 60"x 30" x 15" bathtub or bath with shower insert in the primary bathroom. Provide and install new chrome-plated brass escutcheons and spout with control valves of the pressure balance or the thermostatic mixing valve type. Handle position stops shall be provided on such valves and shall be adjusted per manufacturer's instructions to deliver a maximum mixed water setting of 120 degrees F (49 C), automatic diverter, 1/2" diameter shower arm tree, and shower heard. Connect water supply to existing hot and cold water supply lines. All new work to be in copper or with pecks water system. All fixtures to be provided and installed.

TOILET: Provide and install a new, white American Standard "Cadet" pr approved equal, 1.6 gallon, closed coupled water closet in bathroom, with flapper style flush valve and anti-siphon ball cock. Provide seat and cover. Connect to existing sewer pipe, floor flange with new bowl wax seal and to the existing cold water supply pipe. Provide a chrome-plated angle valve, a new supply tube.

KITCHEN SINK: Provide and install a new double bowl white porcelain or stainless steel kitchen sink with a new single lever faucet and sprayer. Includes new shut off and supply tubes.

GARBAGE DISPOSAL: Provide and install a 1/2 horse powered split-phase motor. Continuous- type feed system. Stainless steel grind chamber, grind wheel and shredder ring.

WATER HEATER: Provide and install a new on-demand hot water heater. "UL Approved ignition, glass lined fiberglass insulated r16, gas water heater with energy star ratings. Connect to existing hot and cold water pipes. Provide pipe fittings, union, supports, shut-off valves, temperature and pressure relief valve and smitty pan. Relief valve shall have a 3/4" diameter copper drain pipe terminating 1" above base of smitty pan. Drain from smitty pan shall extend to the exterior of the building, pointing downwards terminating 6" above grade. Install a suitable draft diverter and vent pipe. Provide and install a seismic strap of 3/4" wide by 24 gauge perforated plumbers tape with 1/4" DIA. X 3" lag screw with flat washer fasten into the stud and to go around the water heater 360 at the upper 1/3 and bottom 1/3 and 4" above the control. Provide and install an 18" high fire resistant platform in the garage.

16. Roofing.....\$ 3,000

STRIP ROOF: Strip and dispose of existing deteriorated roof covering over residence and garage to bare wood sheathing. Remove all nails or pound flat. All holes over 1/2' in diameter shall be covered with metal flashing.

TRUSSES: Evaluate trusses. Replace damaged or rotted wood. Install braces and ballast supports to eliminate any swaying or sagging.

SHEATHING: Provide and install 15/32" CDX plywood sheathing over entire roof area. Nail and space as per county code.

COMPOSITION ROOFING: Provide and install a 220 lb., 40-50 year, class shingles per manufacturer's specifications. Install over a layer of 15 lb. non-perforated roofing felt. Replace all sheet metal with new: including roof jacks and flashing/edge strips.

RAIN GUTTERS: Provide and install 6" galvanized rain gutters and downspouts as per plans.

17. HVAC.....\$ 8,500

CENTRAL HEAT/ AIR CONDITIONING: Provide and install a new 3 ½ ton, dual pack floor mounted unit. Provide new supply and return ducts, registers for each habitable room, blowers, controls, heat exchangers and wall thermostats. Test and balance unit after installation. All cold air returns and ducting in unconditioned space to be insulated to conform with current code requirements for replacement units.

18. Flooring.....\$ 1,500

Provide and install hard wood flooring throughout out the house, with the exception of the bathrooms and kitchen, where no-wax wear layer vinyl sheet floor covering. Use adhesives recommended by the flooring manufactures and according to installation instructions. There will be no carpeting in the home due to the need for wheelchair access throughout the home.

19. Kitchen Cabinets and Counter Tops.....\$ 2,500

Utilize existing solid wood cabinets. Sand and refinish and provide new handles and hardware. Paint with a gloss enamel finish in a neutral shade to the homeowner's liking. Provide and install upper cabinets and base cabinets with rise door fronts to conform to kitchen layout and specifications according to plans to make up for any shortfalls. Drawer glides shall be side mounted with a minimum of 50 lb rating. Provide and install ceramic counter tile with a full or a 4" backsplash.

Counter Tops will be composed of 4x4 ceramic tile will be provided and installed in the kitchen area. This material is more durable than vinyl counter tops and is more attractive.

20. Trim out to completion.....\$ 4,000

Provide all necessary labor and materials to complete final trim out, including baseboards, closet specialties, bath accessories, door bell, mailbox, house numbers etc.

21. Landscaping.....\$ 2,500

Design and provide and install sprinkler system for front yard. Install grass lawn, decorative shrubs and bushes in planter area along the front and side of the home, plant a county approved shade tree in the front yard.

22. **Yard Fencing**..... \$ **2,500**
 Provide and install a redwood dog-eared fence around entire back yard area.
 Include a side gate entrance with locking mechanism and latch.

Work Total - Construction Budget		\$ 77,700
Permits		\$1,000
Architectural and Engineering		
Total Project Budget		\$78,700
Grants and other Sources of Funding		Amount
AHP WISH	Down payment	\$15,000
SHOP	Predevelopment	\$10,000
Stanis. County	Predevelopment	\$10,000
Total Funds Committed		35,000
Project Gap – funding request total		\$ 43,700

BOARD OF SUPERVISORS
2011 JUN 24 11:09:12

PROPERTY ACQUISITION LOAN AGREEMENT

This Property Acquisition Loan Agreement (hereafter "Agreement") is made and entered into by and between the **Stanislaus County Redevelopment Agency** ("Agency") and **Habitat for Humanity, Stanislaus County**, a California non-profit corporation ("Habitat") on **September** , 2007.

Recitals

A. The real property located at **1114 Tenaya Drive, Modesto** in the unincorporated area of Stanislaus County, California, as more particularly described in Exhibit A attached hereto and, by this reference, made a part hereof, is available for purchase (the "Property").

B. Habitat desires to acquire the Property with an existing dwelling (the "Habitat House") for the purpose of providing affordable housing.

C. The Agency administers the Property Acquisition Program with Redevelopment Housing Set-Aside funds ("Program Funds") for the purpose of providing affordable housing.

D. The Agency is willing to advance Program Funds to Habitat for it to acquire the Property and to provide affordable housing opportunities for lower income persons on the terms and conditions set forth in this Agreement.

Now, Therefore, the parties mutually agree as follows:

Terms and Conditions

1. The Agency will advance to Habitat the sum of **\$80,000.00** from its Program Funds for the purpose of purchasing the Property, and rehabilitating the Habitat House as necessary for occupancy.

2. Prior to or concurrent with Agency funding under Section 1, Habitat will execute an interest free promissory note in the amount of **\$80,000.00**, and a deed of trust in substantially the same form as the Promissory Note and the Deed of Trust collectively attached as Exhibit B and, by this reference, made a part of this Agreement. Habitat agrees and acknowledges that the Promissory Note and the Deed of Trust shall be recorded against the Property with the County Recorder of the County of Stanislaus and shall appear of record with respect to and as encumbrances to the Property. Habitat further acknowledges that this Agreement may also be recorded.

3. Habitat will purchase the Property and, thereafter, rehabilitate as necessary for occupancy within 18 months from the date the County advances funds to Habitat. Habitat will place a Qualified Purchaser in the Habitat House within one year

from the date the Property and the Habitat House are suitable for occupancy. "Qualified Purchaser" means a person or persons who are at eighty percent (80%) of the median area income for Stanislaus County at the time of occupancy of the Habitat House.

4. The Agency agrees to subordinate this Agreement, the Promissory Note and Deed of Trust to a purchase money deed of trust executed by a Qualified Purchaser.

5. Habitat shall structure the sale of the Property and Habitat House so that purchase payments are and remain affordable for a Qualified Purchaser, and so that such payment schedule is transferable to successor Qualified Purchasers of the Property.

6. The Property shall be used as the principal residence of the Qualified Purchaser and his/her family and for no other purpose. A Qualified Purchaser shall not enter into an agreement for the rental or lease of the Property.

7. Unless otherwise provided for in this Agreement, the full amount of the funds advanced to Habitat shall be due and payable 45 years after Habitat issues a certificate of occupancy to the first Qualified Purchaser. Habitat may, with permission of the Agency, make payments to the Agency without penalty prior to the scheduled due on date.

8. The funds advanced by the Agency to Habitat under this Agreement that are unpaid, shall become immediately due and payable when (a) the Property is sold or transferred to a non-Qualified Purchaser, including, without limitation, lease, exchange or other disposition of the Property or any interest therein whether voluntary or involuntary; (b) Habitat fails to purchase the Property, relocate the Habitat House or place a Qualified Purchaser in the Habitat House within the specified time period; or (c) Habitat fails to perform any other provision of this Agreement in the manner provided after 30-day notice by the Agency to cure such default.

9. If this Agreement is terminated by either party before the purchase of the property, both parties shall be relieved of all their obligations hereunder. If this Agreement is terminated by either party after the loan closing date, Habitat shall immediately become liable for payment to the Agency, or its designee, the outstanding principal at the date of termination.

10. When the funds advanced to Habitat are paid in full, the Agency shall execute and record a reconveyance.

11. Habitat or a Qualified Purchaser shall maintain for the term of this Agreement fire insurance adequate to cover all encumbrances on the property. In areas designated by HUD as flood prone, Habitat or a Qualified Purchaser shall maintain flood insurance in an amount adequate to secure the full amount of funds advanced under this Agreement. For all insurance policies, the Agency shall be

designated as loss payee for the amount of the funds advanced to Habitat under this Agreement, and a statement of loss payee shall be forwarded to the Agency.

12. Habitat and any Qualified Purchaser shall maintain the improvements and landscaping on the Property in a manner consistent with community standards which will uphold the value of the Property.

13. Habitat shall defend, indemnify, and hold harmless the Agency and its officers, agents, employees, representatives and volunteers from and against any loss, liability, claim or judgment relating in any manner to the Property or this Agreement. Habitat shall remain fully obligated for the payment of taxes, liens, and assessments related to the Property.

14. Habitat shall execute any further documents consistent with the terms of this Agreement, including documents in recordable form, as the County shall from time to time find necessary or appropriate to effectuate its purposes in entering into this Agreement and advancing funds to Habitat pursuant to this Agreement.

15. Habitat shall cause the Qualified Purchaser to comply with all applicable State, federal and local law, regulations and ordinances. Nothing in this Agreement is intended to be, nor shall it be deemed to be, a waiver of any County ordinance, rule, or regulation.

16. Any notices, requests or approvals given under this Agreement from one party to another may be personally delivered or deposited with the United States Postal Service for mailing, postage prepaid, registered or certified mail, return receipt requested to the following address:

To Habitat: Anita Hellam, Executive Director
Habitat for Humanity, Stanislaus County
630 Kearney Avenue
Modesto, CA 95350

To Agency: Stanislaus County Redevelopment Agency
Attention: Deputy Director
1010 10th Street, Suite 3400
Modesto CA 95354

Either party may change its address for notice by giving written notice thereof to the other party.

16. This Agreement shall be governed by the laws of the State of California. Any legal action brought under this Agreement shall be instituted in the Superior Court of the County of Stanislaus, State of California.

17. No modification, rescission, waiver, release or amendment of any provision of this Agreement shall be made except by a written agreement executed by

the parties.

18. Failure to exercise any right the Agency may have or be entitled to, in the event of default hereunder, shall not constitute a waiver of such right or any other right in the event of a subsequent default.

19. This Agreement, together with all attachments hereto, constitutes the entire understanding and agreement of the parties. This Agreement integrates all of the terms and conditions mentioned herein or incidental thereto, and supersedes all prior negotiations, discussions and previous agreements between the parties concerning all or any part of the subject matter of this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives, on the date and year first above written.

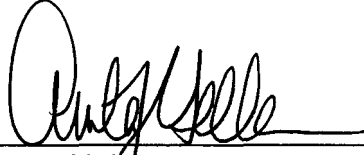
Stanislaus County Redevelopment Agency

By: 

Ron E. Freitas
Executive Director

"Agency"

Habitat for Humanity, Stanislaus County

By: 

Anita Hellam
Executive Director

"Habitat"

APPROVED AS TO FORM:
Michael H. Krausnick
County Counsel

By: 

John P. Doering
Assistant County Counsel

EXHIBIT A

DESCRIPTION OF REAL PROPERTY

That property located in the unincorporated area of Stanislaus County, State of California, more particularly described as:

LOT 3 IN BLOCK 2049 OF EMERICH TRACT, IN THE COUNTY OF STANISLAUS, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL MAP THEREOF, FILED IN THE OFFICE OF THE RECORDER OF STANISLAUS COUNTY, CALIFORNIA, ON MAY 31, 1945 IN VOLUME 14 OF MAPS, AT PAGE 33.

APN: 035-012-009

EXHIBIT B

PROMISSORY NOTE SECURED BY DEED OF TRUST
AND
DEED OF TRUST

PROMISSORY NOTE SECURED BY DEED OF TRUST

DO NOT DESTROY THE ORIGINAL OF THIS NOTE: When paid, the original Note, together with the Deed of Trust securing it, must be surrendered to the Trustee for cancellation and retention before reconveyance will be made.

\$80,000.00

**Modesto, California
September 12, 2007.**

On or before **September 12 2052**, for value received, **Habitat for Humanity, Stanislaus County** (the "Borrower") promises to pay to **Stanislaus County Redevelopment Agency** (the "Holder"), or order, at 1010 Tenth Street, Suite 3400, Modesto, California, or any other place designated in writing submitted by Holder to Borrower, the principal sum of **Eighty Thousand Dollars and No Cents (\$80,000.00)**, or so much thereof as may be advanced. No interest shall accrue under this Note. Principal under this Note shall be paid in lawful money of the United States.

The Borrower reserves the right to prepay at any time all or any part of the Note without the payment of penalties or premiums to the Holder. Any and all payments on this Note shall be applied to the principal due on the Note.

The Borrower shall abide by all covenants contained in the Property Acquisition Loan Agreement of even date. In the event of any inconsistencies between this Note and the Property Acquisition Loan Agreement, the latter shall prevail.

This Note is secured by a certain Deed of Trust of even date to **First American Title Company**, a California corporation, as Trustee, executed by Borrower in favor of Holder.

Should default be made in payment when due, or in the performance of the Property Acquisition Loan Agreement, or in the performance of the agreements contained in the Deed of Trust securing this, the whole sum of principal shall become immediately due and payable at Holder's option. Failure by Holder to exercise this option shall not constitute a waiver of the right to exercise it in the event of any subsequent default.

Should suit be commenced to collect payments due under this Note or any portion thereof, the prevailing party may recover reasonable attorney's fees in addition to any other relief allowed by law.

In Witness Whereof, the Note has been duly executed by the undersigned, as of this date



Anita Hellam, Executive Director
Habitat for Humanity, Stanislaus County

ATTACHMENT B-3

HOUSING REHABILITATION LOAN AGREEMENT

510 BENSON, MODESTO

HOUSING REHABILITATION LOAN AGREEMENT

This Property Acquisition Loan Agreement (hereafter "Agreement") is made and entered into by and between the **Stanislaus County Redevelopment Agency** ("Agency") and **Habitat for Humanity, Stanislaus County**, a California non-profit corporation ("Habitat") on **April 8**, 2008.

Recitals

A. The real property located at **510 Benson, Modesto** in the unincorporated area of Stanislaus County, California, as more particularly described in Exhibit A attached hereto and, by this reference, made a part hereof, is available for purchase (the "Property").

B. Habitat desires to rehabilitate Property with an existing dwelling ("Habitat House") to the property for the purpose of providing sustaining affordable housing.

C. The Agency administers the Housing Rehabilitation Program with Redevelopment Housing Set-Aside funds ("Program Funds") for the purpose of sustaining and providing affordable housing.

D. The Agency is willing to advance Program Funds to Habitat for it to rehabilitate sub-standard housing and provide affordable housing opportunities for lower income persons on the terms and conditions set forth in this Agreement.

Now, Therefore, the parties mutually agree as follows:

Terms and Conditions

1. The Agency will advance to Habitat the sum of **\$65,494.00** from its Program Funds for the purpose of rehabilitating the Habitat House as necessary for occupancy.

2. Prior to or concurrent with Agency funding under Section 1, Habitat will execute an interest free promissory note in the amount of **\$65,494.00**, and a deed of trust in substantially the same form as the Promissory Note and the Deed of Trust collectively attached as Exhibit B and, by this reference, made a part of this Agreement. Habitat agrees and acknowledges that the Promissory Note and the Deed of Trust shall be recorded against the Property with the County Recorder of the County of Stanislaus and shall appear of record with respect to and as encumbrances to the Property. Habitat further acknowledges that this Agreement may also be recorded.

3. Habitat will purchase the Property and, thereafter, will cause the Habitat House to be rehabilitated as necessary for occupancy within 18 months from the date the County advances funds to Habitat. Habitat will place a Qualified Purchaser in the

Habitat House within one year from the date the Property and the Habitat House are suitable for occupancy. "Qualified Purchaser" means a person or persons who are at eighty percent (80%) of the median area income for Stanislaus County at the time of occupancy of the Habitat House.

4. The Agency agrees to subordinate this Agreement, the Promissory Note and Deed of Trust to a purchase money deed of trust executed by a Qualified Purchaser.

5. Habitat shall structure the sale of the Property and Habitat House so that purchase payments are and remain affordable for a Qualified Purchaser, and so that such payment schedule is transferable to successor Qualified Purchasers of the Property.

6. The Property shall be used as the principal residence of the Qualified Purchaser and his/her family and for no other purpose. A Qualified Purchaser shall not enter into an agreement for the rental or lease of the Property.

7. Unless otherwise provided for in this Agreement, the full amount of the funds advanced to Habitat shall be due and payable 45 years after Habitat issues a certificate of occupancy to the first Qualified Purchaser. Habitat may, with permission of the Agency, make payments to the Agency without penalty prior to the scheduled due on date.

8. The funds advanced by the Agency to Habitat under this Agreement that are unpaid, shall become immediately due and payable when (a) the Property is sold or transferred to a non-Qualified Purchaser, including, without limitation, lease, exchange or other disposition of the Property or any interest therein whether voluntary or involuntary; (b) Habitat fails to purchase the Property, relocate the Habitat House or place a Qualified Purchaser in the Habitat House within the specified time period; or (c) Habitat fails to perform any other provision of this Agreement in the manner provided after 30-day notice by the Agency to cure such default.

9. If this Agreement is terminated by either party before the purchase of the property, both parties shall be relieved of all their obligations hereunder. If this Agreement is terminated by either party after the loan closing date, Habitat shall immediately become liable for payment to the Agency, or its designee, the outstanding principal at the date of termination.

10. When the funds advanced to Habitat are paid in full, the Agency shall execute and record a reconveyance.

11. Habitat or a Qualified Purchaser shall maintain for the term of this Agreement fire insurance adequate to cover all encumbrances on the property. In areas designated by HUD as flood prone, Habitat or a Qualified Purchaser shall maintain flood insurance in an amount adequate to secure the full amount of funds advanced under this Agreement. For all insurance policies, the Agency shall be

designated as loss payee for the amount of the funds advanced to Habitat under this Agreement, and a statement of loss payee shall be forwarded to the Agency.

12. Habitat and any Qualified Purchaser shall maintain the improvements and landscaping on the Property in a manner consistent with community standards which will uphold the value of the Property.

13. Habitat shall defend, indemnify, and hold harmless the Agency and its officers, agents, employees, representatives and volunteers from and against any loss, liability, claim or judgment relating in any manner to the Property or this Agreement. Habitat shall remain fully obligated for the payment of taxes, liens, and assessments related to the Property.

14. Habitat shall execute any further documents consistent with the terms of this Agreement, including documents in recordable form, as the County shall from time to time find necessary or appropriate to effectuate its purposes in entering into this Agreement and advancing funds to Habitat pursuant to this Agreement.

15. Habitat shall cause the Qualified Purchaser to comply with all applicable State, federal and local law, regulations and ordinances. Nothing in this Agreement is intended to be, nor shall it be deemed to be, a waiver of any County ordinance, rule, or regulation.

16. Any notices, requests or approvals given under this Agreement from one party to another may be personally delivered or deposited with the United States Postal Service for mailing, postage prepaid, registered or certified mail, return receipt requested to the following address:

To Habitat: Anita Hellam, Executive Director
Habitat for Humanity, Stanislaus County
630 Kearney Avenue
Modesto, CA 95350

To Agency: Stanislaus County Redevelopment Agency
Attention: Executive Director
1010 10th Street, Suite 3400
Modesto CA 95354

Either party may change its address for notice by giving written notice thereof to the other party.

16. This Agreement shall be governed by the laws of the State of California. Any legal action brought under this Agreement shall be instituted in the Superior Court of the County of Stanislaus, State of California.

17. No modification, rescission, waiver, release or amendment of any provision of this Agreement shall be made except by a written agreement executed by the parties.

18. Failure to exercise any right the Agency may have or be entitled to, in the event of default hereunder, shall not constitute a waiver of such right or any other right in the event of a subsequent default.

19. This Agreement, together with all attachments hereto, constitutes the entire understanding and agreement of the parties. This Agreement integrates all of the terms and conditions mentioned herein or incidental thereto, and supersedes all prior negotiations, discussions and previous agreements between the parties concerning all or any part of the subject matter of this Agreement.

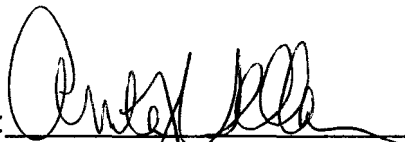
IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives, on the date and year first above written.

Stanislaus County Redevelopment Agency

By: 
Kirk Ford
Interim Executive Director

"Agency"

Habitat for Humanity, Stanislaus County

By: 
Anita Hellam
Executive Director

"Habitat"

APPROVED AS TO FORM:
Michael H. Krausnick
County Counsel

By: 
John P. Doering
Assistant County Counsel

I:\USERS\ROCHA\RD\Habitat\Housing Rehab\Housing Rehab Loan Agmt 510 Benson, Modesto.wpd

EXHIBIT A

DESCRIPTION OF REAL PROPERTY

That property located in the unincorporated area of Stanislaus County, State of California, more particularly described as:

LOT FIFTEEN (15) IN BLOCK 2078 OF SIERRA SUBDIVISION NO. 2, ACCORDING TO THE MAP THEREOF FILED IN THE OFFICE OF THE COUNTY RECORDER OF STANISLAUS COUNTY, CALIFORNIA, ON JULY 14 1936, IN VOLUME 11 OF MAPS, AT PAGE 31.

APN: 035-038-005

EXHIBIT B

PROMISSORY NOTE SECURED BY DEED OF TRUST
AND
DEED OF TRUST

PROMISSORY NOTE SECURED BY DEED OF TRUST

DO NOT DESTROY THE ORIGINAL OF THIS NOTE: When paid, the original Note, together with the Deed of Trust securing it, must be surrendered to the Trustee for cancellation and retention before reconveyance will be made.

\$65,494.00

**Modesto, California
April ____, 2008.**

On or before **April __** 2052, for value received, **Habitat for Humanity, Stanislaus County** (the "Borrower") promises to pay to **Stanislaus County Redevelopment Agency** (the "Holder"), or order, at 1010 Tenth Street, Suite 3400, Modesto, California, or any other place designated in writing submitted by Holder to Borrower, the principal sum of **Sixty Five Thousand Four Hundred Ninety Four Dollars and No Cents (\$65,494.00)**, or so much thereof as may be advanced. No interest shall accrue under this Note. Principal under this Note shall be paid in lawful money of the United States.

The Borrower reserves the right to prepay at any time all or any part of the Note without the payment of penalties or premiums to the Holder. Any and all payments on this Note shall be applied to the principal due on the Note.

The Borrower shall abide by all covenants contained in the Property Acquisition Loan Agreement of even date. In the event of any inconsistencies between this Note and the Property Acquisition Loan Agreement, the latter shall prevail.

This Note is secured by a certain Deed of Trust of even date to **First American Title Company**, a California corporation, as Trustee, executed by Borrower in favor of Holder.

Should default be made in payment when due, or in the performance of the Property Acquisition Loan Agreement, or in the performance of the agreements contained in the Deed of Trust securing this, the whole sum of principal shall become immediately due and payable at Holder's option. Failure by Holder to exercise this option shall not constitute a waiver of the right to exercise it in the event of any subsequent default.

Should suit be commenced to collect payments due under this Note or any portion thereof, the prevailing party may recover reasonable attorney's fees in addition to any other relief allowed by law.

In Witness Whereof, the Note has been duly executed by the undersigned, as of this date.

Anita Hellam, Executive Director
Habitat for Humanity, Stanislaus County

Recording Requested By
And For The Benefit Of:
and
When Recorded Mail To:

Stanislaus County
Redevelopment Agency
Attn: Ana Rocha
1010 Tenth Street, Suite 3400
Modesto, CA 95354

Space Above For Recorder's Use

DEED OF TRUST

THIS DEED OF TRUST, made this ____ day of **April, 2008**, by between **Habitat for Humanity, Stanislaus County** (the "Trustor"); **Stanislaus County Redevelopment Agency** (the "Beneficiary"); and **First American Title Company** (the "Trustee");

Trustor irrevocably grants, transfers and assigns to Trustee, in trust, with the power of sale, all that property located at **510 Benson**, in the City of Modesto, County of Stanislaus, State of California, and more particularly described as:

LOT 1 IN BLOCK 2040 OF EMERICH TRACT, IN THE COUNTY OF STANISLAUS, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL MAP THEREOF, FILED IN THE OFFICE OF THE RECORDER OF STANISLAUS COUNTY, CALIFORNIA, ON MAY 31, 1945 IN VOLUME 14 OF MAPS, AT PAGE 33.

APN: 035-012-005

FOR THE PURPOSE OF SECURING:

- (1) Performance of each agreement of Trustor incorporated by reference or contained in this Deed of Trust, including, but not limited to, the Promissory Note Secured by Deed of Trust and the Property Acquisition Loan Agreement;
- (2) Payment of the indebtedness evidenced by a Promissory Note, and any extension or renewal of that Note, in the principal sum of **Sixty Five Thousand Four Hundred Ninety Four Dollars and No Cents (\$65,494.00)**, executed by Trustor on this date in favor of the Beneficiary or order; and
- (3) Payment of any further sums that the then record owner of the Property hereafter may borrow from Beneficiary, when evidenced by another not or notes reciting it is so secured.

A. TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR AGREES:

Maintenance and Repair

(1) To keep the Property in good condition and repair; not to remove or demolish any building on the Property; to complete or restore promptly and in good and workmanlike manner any building that may be constructed, damaged, or destroyed on the Property; to pay when due all claims for labor performed and materials furnished for the Property; to comply with all laws affecting the Property or requiring any alterations or improvements to be made on the Property; not to commit or permit waste of the Property; not to commit, suffer or permit any act on the Property in violation of law; and to cultivate, irrigate, fertilize, fumigate, prune, and do all other acts that from the character or use of the Property may be reasonably necessary.

Fire Insurance

(2) To provide, maintain, and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary on any indebtedness secured by the Deed of Trust and in any order determined by Beneficiary, or at the option of Beneficiary the entire amount so collected or any part of that amount may be released to Trustor. This application or release shall not cure or waive any default or notice of default under this Deed of Trust or invalidate any act done pursuant to such notice.

Defense of Security

(3) To appear in and defend any action or proceeding purporting to affect the security of this Deed of Trust or the rights or powers of Beneficiary, or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorneys' fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed of Trust.

Payment of Liens and Taxes

(4) To pay at least 30-days before delinquency, all taxes and assessments affecting the Property, including assessments on appurtenant water stock; all encumbrances, charges, and liens, with interest, on the Property or any part of the Property, which appear to be prior or superior to this Deed of Trust; and all costs, fees and expenses of this Trust. If Trustor fails to make any payment or to do any act as provided in this Deed of Trust, the Beneficiary or Trustee may (but is not obligated to) make the payment or do the act in the required manner and to the extent deemed necessary by the Beneficiary or Trustee to protect the security of this Deed of Trust. The performance by Beneficiary or Trustee of such an act shall not require notice to or demand on Trustor and shall not release Trustor from any obligation under this Deed of Trust. Beneficiary or Trustee shall also have the following related rights and powers: to enter on the Property for the foregoing purposes; to appear in and defend any action or proceeding purporting to affect the security of this Deed of Trust or the rights or powers of Beneficiary or Trustee; to pay, purchase, contest, or compromise any encumbrance, charge or lien that in the judgment of either appears to be prior or superior to this Deed of Trust; to employ counsel; and to pay necessary expenses and costs, including

attorneys' fees.

Reimbursement of Costs

(5) To pay immediately and without demand all sums expended by Beneficiary or Trustee pursuant to this Deed of Trust, with interest from the date of expenditure at the amount allowed by law in effect at the date of this Deed of Trust, and to pay any amount demanded by Beneficiary (up to the maximum allowed by law at the time of the demand) for any statement regarding the obligation secured by this Deed of Trust.

B. THE PARTIES AGREE THAT:

Condemnation Award

(1) Any award of damages in connection with any taking or condemnation, or for injury to the Property by reason of public use, or for damages for private trespass or injury to the property, is hereby assigned and shall be paid to Beneficiary as further security for all obligations secured by the Deed of Trust. On receipt of any such proceeds, Beneficiary may hold the proceeds as further security, or apply or release them in the manner and with the same effect as provided in this Deed of Trust for the disposition of proceeds for fire or other insurance.

Trustee's Powers

(2) On written request of Beneficiary and presentation of this Deed of Trust and Promissory Note for endorsement, Trustee may (a) reconvey all or any part of the Property; (b) consent to the making and recording, or either, of any map or plat of all or any part of the Property; (c) join in granting any easement on the Property; (d) join in or consent to any extension agreement or any agreement subordinating the lien, encumbrance, or charge of this Deed of Trust. Trustee need not provide Trustor with notice before taking any of the foregoing actions, and shall not be liable for the proper performance of the act. The exercise by Trustee of any of the foregoing powers shall not affect the personal liability of any person for payment of the indebtedness secured by this Deed of Trust, or the lien of this Deed of Trust on the remaining property as security for the repayment of the full amount secured by this Deed of Trust.

Full Reconveyance

(3) On written request of the Beneficiary stating that all sums secured by this Deed of Trust have been paid, surrender of this Deed of Trust, the Promissory Note, and any other notes secured by this Deed of Trust to the Trustee for cancellation and retention, and payment of Trustee's fees and charges, Trustee shall reconvey, without warranty, the Property then subject to this Deed of Trust. The recitals in the reconveyance shall be conclusive proof of the truthfulness of the recitals. The grantee in the reconveyance may be described as "the person or persons legally entitled thereto." Five years after issuance of the full reconveyance, Trustee may destroy the Promissory Note and this Deed of Trust, unless directed in the request to retain them.

Default in Foreclosure

(4) On default by Trustor in the payment of any indebtedness secured by this Deed of Trust or in the performance of any obligation under this Deed of Trust, Beneficiary may declare all sums secured by this Deed of Trust immediately due and payable by delivering to Trustee a written declaration of default and demand for sale and a written notice of default and election to sell the Property. Trustee shall cause the notice of default and election to sell to be recorded. Beneficiary also shall deposit with Trustee this Deed of Trust, the Promissory Note, and all documents evidencing any additional expenditures secured by this Deed of Trust.

After the required time period has lapsed following the recordation of the notice of default, and after notice of sale has been given as required by law, Trustee, without demand on Trustor, shall sell the Property at the time and place specified in the notice of sale, either as a whole or in separate parcels, and in any order determined by the Trustee, at public auction to the highest bidder for cash in lawful money of the United States, payable at the time of sale. Trustee may postpone sale of all or any portion of the Property by public announcement at the time and place of sale, and from time to time thereafter may postpone the sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to the purchaser at the auction its deed conveying the Property sold, but without any covenant or warranty, express or implied. The recital in the deed of any matter of fact shall be conclusive proof of the truthfulness of the recital. Any person, including Trustor, Trustee, or Beneficiary, may purchase at the sale.

After deducting all costs, fees, and expenses of Trustee and Beneficiary under this Paragraph, including costs of procuring evidence of title incurred in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms of this Deed of Trust, not then repaid, with accrued interest at the amount allowed by law in effect at the date of this Deed of Trust; all other sums then secured by the Deed of Trust; and the remainder, if any, to the person or persons legally entitled to the remaining proceeds.

Acceptance by Trustee

(5) Trustee accepts this Trust when this Deed, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party to this Deed of Trust of pending sale under any other deed of trust or any action or proceeding in which Trustor, Beneficiary, or Trustee shall be a party unless brought by Trustee.

Substitution of Trustees

(6) Beneficiary, or any successor in ownership of any indebtedness secured by this Deed of Trust, may from time to time, by written instrument, substitute a successor or successors to any Trustee named in or acting under this Deed of Trust. The substitution instrument shall set forth the following: the date of recordation of this Deed of Trust; the name of the Trustor; the book and page where this Deed of Trust is recorded; and the name of the new Trustee. When executed by Beneficiary and duly acknowledged and recorded in the office of the recorder of the county or counties where the Property is situated, the substitution instrument shall be conclusive proof of proper substitution of the successor Trustee or Trustees. Any successor Trustee or Trustees shall, without reconveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties.

Cumulative Powers and Remedies

(7) The powers and remedies conferred in this Deed of Trust are concurrent and cumulative to all other rights and remedies provided in this Deed of Trust or give by law. These powers and remedies may be exercised singly, successively, or together, and as often as deemed necessary.

Conclusiveness of Recitals

(8) The recitals contained in any reconveyance, trustee's deed, or any other instrument executed by the Trustee from time to time under the authority of this Deed of Trust or in the exercise of its powers or the performance of its duties under this Deed of Trust, shall be conclusive evidence of their truth, whether stated as specific and particular facts, or in general statements or conclusions. Further, the recitals shall be binding and conclusive on the Trustor, the Trustor's heirs, executors, administrators, successors, and assigns, and all other persons.

Co-Trustees

(9) If two or more persons are designated as Trustee in this Deed of Trust, any, or all, power granted in this Deed of Trust to Trustee may be exercised by any of those persons, if the other person or persons are unable, for any reason, to act. Any recital of this inability in any instrument executed by any of those persons shall be conclusive against Trustor and Trustor's heirs and assigns.

General Provisions

(10) This Deed of Trust applies to, inures to the benefit of, and binds all parties to this Deed of Trust and their heirs, legatees, devisees, administrators, executors, successors and assigns. The term "Beneficiary" shall mean the holder or owner, including pledgee, of the Promissory Note secured by this Deed of Trust, whether or not named as a beneficiary in this Deed of Trust, and the heirs, legatees, devisees, administrators, executors, successors and assigns of any such person. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

Attorneys' Fees

(11) If any action is brought for the foreclosure of this Deed of Trust or for the enforcement of any provision of this Deed of Trust (whether or not suit is filed), Trustor agrees to pay all costs and expenses of Beneficiary and Trustee, including reasonable attorneys' fees; and these sums shall be secured by this Deed of Trust.

— Signatures on Following Page —

In Witness Whereof, this Deed of Trust has been duly executed by the undersigned, as of this date.

Anita Hellam, Executive Director
Habitat for Humanity, Stanislaus County

ACKNOWLEDGMENT

State of California)
) ss
County of Stanislaus)

On April _____, 2008 before me, _____
(here insert name and title of the officer), personally appeared ANITA HELLAM, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

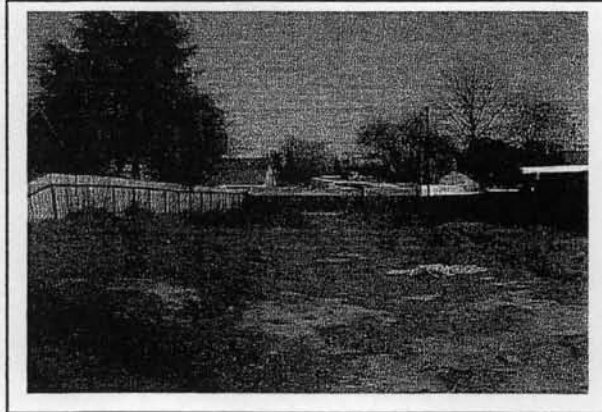
Signature _____ (Seal)

**HABITAT FOR HUMANITY, STANISLAUS COUNTY
WORK WRITE-UP**

Jurisdiction: **Stanislaus County**

Property Acquisition Date: 9/27/07

Ground Breaking Date: 2/25/08



Estimated construction timeline: 12 weeks 16 weeks 25 weeks
Duplex will be converted zero lot line homeownership – 2 units of housing

Total Amount Requested : \$65,494

Property Address: 510 Benson Avenue, Modesto, CA 9535

The work to be performed as a part of this estimate shall conform to all applicable Building Codes and to Stanislaus County's standards as specified in the Guidelines and Specifications. Permit fees, impact fees, temporary services and professional fees are NOT included in the estimate.

.....
DESCRIPTION OF WORK TO BE DONE
.....

- 1. Environmental Phase 1 Inspection..... \$ 4,000**
To include all required labor and materials to remove hazardous materials as outlined in the Phase 1 report and in compliance with all applicable standards and regulations governing such materials.

- 2. House Move..... \$ 10,000**
Habitat will contract with Turlock House Movers to pick up and move a home from its existing location in the Airport Neighborhood to the lot at Benson Avenue. Gallo Glass donated a vacant home which will be moved and rehabilitated.

- 3. On and off-site improvements \$ 5,000**
To prepare land by scraping and leveling to make ready for the home, which is to be moved to it. Include work required to tie project into existing area utility services and priming or installation of septic.

4. Excavation and Demolition..... \$ 3,000
As per plans. To include all necessary interior and exterior demolition to build addition and all required trenching and grading in preparation for concrete.

5. Concrete..... \$ 10,000
To include all required labor and materials to form and pour concrete footings and flatwork in accordance with plans.

Form and pour 4" thick 2000 PSI concrete floor slab. Prepare and compact subgrade to required density, provide 4" thick compacted gravel base course, approved moisture barrier and 6"x6" x 10 gauge EWWM reinforcement. Provide ½" thick PEJF wherever new concrete abuts existing concrete. Steel trowel and broom finish new concrete.

Location : Bedroom/bathroom addition approximately 200 square feet
Unattached garage 400 square feet

Provide and install a 4" thick, 2000 PSI concrete driveway slab reinforced with 6"x6" x10 gauge EWWM over earth sub grade compacted to the required density. Provide and install ½" thick PEJF every LF or whatever new concrete abuts existing concrete and score slab at a 5' O.C. Steel trowel and broom finish slab and slope at the rate of 1" in 10' for drainage.

Driveway to garage – approximately 250 sf

6. Rough Framing..... \$ 12,000
To include all necessary labor and materials to frame addition and interior modifications of existing residence as per plans.

5.A.2

To include all necessary labor and materials to frame new garage per plans.

Form and pour typical concrete ("T"/butress) (1/2) store footings.

Install ½" diameter x 10" anchor bolts at 6'-0" O.C.

Mudsill to be no closer than 6" to grade..

(Location: Bedroom addition South West corner of home; detached garage South West of home)

(Lineal Feet: 27

INSULATION- Provide and install insulation throughout addition areas.

Provide and install insulation for all exterior walls. Exterior walls: R-11;

Ceiling: R-30; Floor is not necessary (R-19)

7. Rough Electrical..... \$ 7,000

To include all necessary labor and materials to wire addition, including interior modifications of existing residence as per plans.

Home will be entirely re-wired and will include wiring for telephones in the master bedroom and kitchen.

MAIN SERVICE PANEL: Replace the main service entry panel with 200 amp CB main service in a rain-tight entrance panel box. Service feeds to meet all current local and national electrical codes for replacements. Reconnect existing circuits to new panel. Balance loads for existing circuits.

New circuits: (GFCI breaker of the same ampacity on circuits feeding the bathrooms, kitchen counter outlets, garage, and any exterior outlets); a 20 amp circuit breaker for the laundry outlets (one 30 amp 240v) for the on-demand hot water heater; one 50 amp 240v for the kitchen range; four 15 amp 120 v lights/general purpose; three 20amp/120 dedicated for kitchen one 20 amp/120v general purpose outlet circuit; two blank spaces0.

Provide and install number 8 bare copper hard drawn ground wire from the grounding terminal of the service entrance box and fastened to the street side of the metallic water serve pipe and to a rod 1/2" x 8' copper ground set 1" above grade. Use a bronze grounding clamp. Ground wire must be in conduit where exposed to any external damage. ID all existing and new circuits at service panel/sub panel (s) in ink.

Include new telephone lines in the existing locations.

8. Finished Electrical..... \$ 2,500

Provide and install new light fixture.

(Number of Units and location: 4 – ceiling fans- (3) bedrooms and living room, florescent overhead lighting kitchen and (2) bathrooms, overhead lighting garage, front port lighting, back porch lighting, exterior garage lighting, overhead chandelier - dining room, entry area overhead light and 2 hallway lights.

Provide and install a (direct wire/battery operated) smoke detectors. In all sleeping areas, living area, and centrally located in the hallways and/or areas giving access to all rooms used for sleeping areas. Total of 5 smoke detectors will be installed.

9. Rough Plumbing..... \$ 6,500

To include all necessary labor and materials to plumb addition, including interior modifications of existing residence as per plans.

BUILDING SEWER: Provide and install a new 4" ABS SCH40 building sewer from the dwelling to the (property line, city main.) Include (2) cleanouts (1 dual-sweep and 1 single-sweep0.

All work done within the city right-of-way must comply with the City of Modesto Engineering Standards.

MAIN WATER SERVICE SUPPLY: Replace the existing water service piping from the water meter to the dwelling, with (1") SCH 40 PVC pipe and fittings. At residence include a new cast brass shutoff valve.

WATER PIPE: Replace all water piping throughout dwelling with Type M copper tubing, sized to current code requirements.

Provide and install a new 3/4" cast brass shutoff valve at service to water heater.

Provide and install all new angle stops, chrome escutcheon plates and supply tubes to all plumbing fixtures at existing locations.

At the end of all accessible runs install anti-hammer air chambers.

Install all new hose bibs at existing locations; new units to have approved backflow prevention devices attached.

All piping to be secured with approved fasteners at intervals specified in UPC.

All piping within the attic or crawl spaces shall be insulated.

NOTE: WHERE VERTICALS ARE NOT ACCESSIBLE INSTALL A DIALECTRIC CONNECTOR BETWEEN THE NEW COPPER EXISTING RISERS.

Provide and install new light fixtures in every room. 7 new fixtures will be installed inside the home. An exterior fixture will be installed on the front and back porch and a third exterior fixture, with a motion sensor, will be installed on the garage.

Provide and install a (direct wire/battery operated) smoke detectors. In all sleeping areas and centrally located in the hallways and/or areas giving access to all rooms used for sleeping areas. There will be 4 smoke detectors. One in each of two bedrooms. One in the hall outside of the bedrooms and one in the living/dining/kitchen area.

10. Exterior Wall Covering \$ 8,000

STUCCO: Provide and install new stucco finish over wire lath. Lath to be over double layer of 30/30/30 Kraft paper. Install week screed to a minimum of 6" above grand and 4" above floor membrane.

Scratch coat to be scored horizontally.

Brown coat: 3/8" thick

Color coat: 1/8"- 1/4" thick or to match existing.

WOOD SIDING : Not applicable

11. Doors and Windows.....\$ 5,294

FRONT ENTRY: Provide and install a new 1-3/4" thick, Solid Core exterior (steel-clad) or metal entry door as per plan. Door style shall be a 4 or 6 panel.

Provide and install three standard butt hinges and Yale locking systems with dead bolt. Provide adjustable vinyl weather-stripping at jambs and an extruded aluminum threshold with vinyl inserts. Provide a 1/2" peephole with a minimum 160 degree field of vision. Key all door locks alike.

SECONDARY EXITS : Provide and install a new 1-3/8" thick, Solid Core exterior or metal entry door as per plan. The door between living area and garage will have a self closing mechanism and have a home hour fire rating.

PATIO GLASS DOORS : Provide and install a set of dual paned and dual - glazed, tempered glass, sliding patio doors with patio locks. Door finish to be vinyl or mill finish aluminum.

INTERIOR DOORS : Provide and install 1-3/8" thick , paint-grade Hallow Core doors. Provide and install Yale brand privacy locksets and standard door stoppers.

CLOSET DOORS : Install a set of hallow core sliding closet doors or shutter style solid wood closet doors with floor guides and all necessary hardware

GARAGE DOOR : Replace deteriorated garage door with a new (fiberglass/wood/aluminum) garage single-vehicle door to fit existing opening. Provide segmented roll-up mechanism, all hardware and weather-stripping.

WINDOWS: Provide and install All-Weather or approved equal, dual-glazed white vinyl from widows with pin locks and screens as per plans.

12. Appliances \$ in-kind

Provide brand new Energy Star (electric/ gas) Whirlpool kitchen range and brand new Energy Star Whirlpool refrigerator

13. Sheetrock, Tape/Texture..... \$ 10,000

Provide and install new 1/2" thick regular sheetrock to meet manufacturer's specifications and to building code throughout the home and the ceilings. Apply metal corners on all outside edges. Tape and texture.

14. Exterior and Interior Painting..... \$ 7,000

EXTERIOR: Burn, scrape, and remove loose paint from woodwork. Fill all depressions and cracks in exterior surfaces with approved wood fillers, to create a uniform finish. Primer entire exterior woodwork, install new rain gutters and down spouts and cover with a single coat of premium quality latex based primer/surface conditioner, to manufacturer's specification.

Paint entire exterior woodwork, doors, rain gutters and downspouts with a premium quality latex, applied per manufacturer's specification, to achieve a uniform color coat.

INTERIOR: Burn, scrape and remove loose paint from kitchen cabinets and wood trim, built-ins and wood trim that will be restored. Prime all new materials with a premium quality primer per manufacturer's specifications. Paint all interior walls, ceilings, doors, closets, and trim with a premium quality semi-gloss or low sheen latex enamel paint applied per manufacturer's specifications.

15. Finish Electrical..... \$ 2,200

Provide and install all necessary finish wiring, receptacles, cover plates, and light fixtures as per plans. (Fixtures will range in price, depending on size and purpose, between \$15 per unit to \$100 per unit)

LIGHT BAR: Provide and install a new light bar fixture with 3-5 bulbs. The light fixture to be installed above the mirror and controlled by a single pole switch located near door entry to room. (Allowance: \$75.00)

CEILING FAN: Provide and install a 52" ceiling fan with 5 wood blades, 3 speed reversible motor in each of the bedrooms and the living room. The ceiling fan to be controlled by double pole switch to control the fan and the switch. (Allowance: \$100)

LIGHT BOX: Provide and install 2" x 4" birch finish light box with 3 florescent bulb light fixtures. Install at the existing location, light fixture to be controlled by a 3-way pole switch located near door entry to room (Allowance : \$200)

BATHROOM FAN: Provide and install a new fan unit in both bathroom ceilings, including all wiring. Install duct to exterior of dwelling. (Allowance: \$50.00 per unit)

OUTDOOR LIGHT : Provide and install lantern light fixtures with motion detection capacity and single switch located inside the home. (Allowance \$150 per unit for a total of 3 units. Front and back porch and garage)

16. Finish Plumbing..... \$ 500

BATH VANITY : Provide and install a 48" wide vanity cabinet including cultured marble top with molded bowl in both bathrooms as per plans. Top to have a 4" backsplash. Caulk all edges of vanity and top with silicone sealant. Faucet with pop-up drain and full p-trap assembly will be provided and installed.

BATHTUB: Provide and install a new 60"x 30" x 15" bathtub or bath with shower insert in the primary bathroom. The second bath will be designed with customs features to accommodate wheelchair access and will be hand framed and tiled to specifications provided by DRAIL or another agency that provides such technical assistance. Provide and install new chrome-plated brass escutcheons and spout with control valves of the pressure balance or the thermostatic mixing valve type. Handle position stops shall be provided on such valves and shall be adjusted per manufacturer's instructions to deliver a maximum mixed water setting of 120 degrees F (49 C), automatic diverter, 1/2" diameter shower arm tree, and shower heard. Connect water supply to existing hot and cold water supply lines. All new work to be in copper or with pecks water system. All fixtures to be provided and installed.

TOILET: Provide and install a new, while American Standard "Cadet" pr approved equal, 1.6 gallon, closed coupled water closet in both bathrooms, with flapper style flush valve and anti-siphon ball cock. Provide seat and cover. Connect to existing sewer pipe, floor flange with new bowl wax seal and to the existing cold water supply pipe. Provide a chrome-plated angle valve, a new supply tube.

KITCHEN SINK: Provide and install a new double bowl white porcelain or stainless steel kitchen sink with a new single lever faucet and sprayer. Includes new shut off and supply tubes.

GARBAGE DISPOSAL: Provide and install a ½ horse powered split-phase motor. Continuous-type feed system. Stainless steel grind chamber, grind wheel and shredder ring.

WATER HEATER: Provide and install a new on-demand hot water heater. "UL Approved ignition, glass lined fiberglass insulated r16, gas water heater with energy star ratings. Connect to existing hot and cold water pipes. Provide pipe fittings, union, supports, shut-off valves, temperature and pressure relief valve and smitty pan. Relief valve shall have a ¾" diameter copper drain pipe terminating 1" above base of smitty pan. Drain from smitty pan shall extend to the exterior of the building, pointing downwards terminating 6" above grade. Install a suitable draft diverter and vent pipe. Provide and install a seismic strap of ¾" wide by 24 gauge perforated plumbers tape with ¼" DIA. X 3" lag screw with flat washer fasten into the stud and to go around the water heater 360 at the upper 1/3 and bottom 1/3 and 4" above the control. Provide and install an 18" high fire resistant platform in the garage.

17. Roofing.....\$ 4,500

STRIP ROOF: Strip and dispose of existing deteriorated roof covering over residence and garage to bare wood sheathing. Remove all nails or pound flat. All holes over ½' in diameter shall be covered with metal flashing.

TRUSSES: Evaluate trusses. Replace damaged or rotted wood. Install braces and ballast supports to eliminate any swaying or sagging.

SHEATHING: Provide and install 15/32" CDX plywood sheathing over entire roof area. Nail and space as per county code.

COMPOSITION ROOFING: Provide and install a 220 lb., 40-50 year, class shingles per manufacturer's specifications. Install over a layer of 15 lb. non-perforated roofing felt. Replace all sheet metal with new: including roof jacks and flashing/edge strips.

RAIN GUTTERS: Provide and install 6" galvanized rain gutters and downspouts as per plans.

18. HVAC.....\$ 16,000

CENTRAL HEAT/ AIR CONDITIONING: Provide and install a new 3 ½ ton, dual pack floor mounted unit. Provide new supply and return ducts, registers for each habitable room, blowers, controls, heat exchangers and wall thermostats. Test and balance unit after installation. All cold air returns and ducting in unconditioned space to be insulated to conform with current code requirements for replacement units.

19. Solar Energy Panels.....\$ in-kind

Install roof mounted solar panels. Energy generated will be converted to electricity whereby reducing demand on grid and helping the homeowner with reduced energy bills.

20. Flooring..... \$ 2,500

Provide and install hard wood flooring throughout out the house, with the exception of the bathrooms and kitchen, where no-wax wear layer vinyl sheet floor covering. Use adhesives recommended by the flooring manufactures and according to installation instructions. There will be no carpeting in the home due to the need for wheelchair access throughout the home.

21. Kitchen Cabinets and Counter Tops..... \$ 2,500

Provide and install upper cabinets and base cabinets with rise door fronts to conform to kitchen layout and specifications according to plans. Drawer glides shall be side mounted with a minimum of 50 lb rating. Provide and install ceramic counter tile with a full or a 4" backsplash.

Counter Tops will be composed of 4x4 ceramic tile will be provided and installed in the kitchen area. This material is more durable than vinyl counter tops and is more attractive.

22. Trim out to completion..... \$ 7,000

Provide all necessary labor and materials to complete final trim out, including baseboards, closet specialties, bath accessories, door bell, mailbox, house numbers etc.

23. Landscaping..... \$ 2,500

Design and provide and install sprinkler system for front yard. Install grass lawn, decorative shrubs and bushes in planter area along the front and side of the home, plant a county approved shade tree in the front yard.

24. Yard Fencing..... \$ 2,500

Provide and install a redwood dog-eared fence around entire back yard area. Include a side gate entrance with locking mechanism and latch.

Work Total - Construction Budget			\$ 130,494
Permits			\$ 35,000
Architectural and Engineering			\$ 10,000
Total Project Budget			\$175,494
Grants and other Sources of Funding			Amount
PGE		Solar	\$15,000
MID		Solar Rebate	\$15,000
AHP WISH		Down payment	\$30,000

SHOP		Predevelopment	\$20,000
Gallo Glass	Duplex		\$20,000
Stanis. County		Predevelopment	\$10,000
Total Funds Committed			\$130,000
Project Gap – funding request total			\$65,494

HOUSING REHABILITATION LOAN AGREEMENT

This Property Acquisition Loan Agreement (hereafter "Agreement") is made and entered into by and between the **Stanislaus County Redevelopment Agency** ("Agency") and **Habitat for Humanity, Stanislaus County**, a California non-profit corporation ("Habitat") on **April 8, 2008**.

Recitals

A. The real property located at **510 Benson, Modesto** in the unincorporated area of Stanislaus County, California, as more particularly described in Exhibit A attached hereto and, by this reference, made a part hereof, is available for purchase (the "Property").

B. Habitat desires to rehabilitate Property with an existing dwelling ("Habitat House") to the property for the purpose of providing sustaining affordable housing.

C. The Agency administers the Housing Rehabilitation Program with Redevelopment Housing Set-Aside funds ("Program Funds") for the purpose of sustaining and providing affordable housing.

D. The Agency is willing to advance Program Funds to Habitat for it to rehabilitate sub-standard housing and provide affordable housing opportunities for lower income persons on the terms and conditions set forth in this Agreement.

Now, Therefore, the parties mutually agree as follows:

Terms and Conditions

1. The Agency will advance to Habitat the sum of **\$65,494.00** from its Program Funds for the purpose of rehabilitating the Habitat House as necessary for occupancy.

2. Prior to or concurrent with Agency funding under Section 1, Habitat will execute an interest free promissory note in the amount of **\$65,494.00**, and a deed of trust in substantially the same form as the Promissory Note and the Deed of Trust collectively attached as Exhibit B and, by this reference, made a part of this Agreement. Habitat agrees and acknowledges that the Promissory Note and the Deed of Trust shall be recorded against the Property with the County Recorder of the County of Stanislaus and shall appear of record with respect to and as encumbrances to the Property. Habitat further acknowledges that this Agreement may also be recorded.

3. Habitat will purchase the Property and, thereafter, will cause the Habitat House to be rehabilitated as necessary for occupancy within 18 months from the date the County advances funds to Habitat. Habitat will place a Qualified Purchaser in the

Habitat House within one year from the date the Property and the Habitat House are suitable for occupancy. "Qualified Purchaser" means a person or persons who are at eighty percent (80%) of the median area income for Stanislaus County at the time of occupancy of the Habitat House.

4. The Agency agrees to subordinate this Agreement, the Promissory Note and Deed of Trust to a purchase money deed of trust executed by a Qualified Purchaser.

5. Habitat shall structure the sale of the Property and Habitat House so that purchase payments are and remain affordable for a Qualified Purchaser, and so that such payment schedule is transferable to successor Qualified Purchasers of the Property.

6. The Property shall be used as the principal residence of the Qualified Purchaser and his/her family and for no other purpose. A Qualified Purchaser shall not enter into an agreement for the rental or lease of the Property.

7. Unless otherwise provided for in this Agreement, the full amount of the funds advanced to Habitat shall be due and payable 45 years after Habitat issues a certificate of occupancy to the first Qualified Purchaser. Habitat may, with permission of the Agency, make payments to the Agency without penalty prior to the scheduled due on date.

8. The funds advanced by the Agency to Habitat under this Agreement that are unpaid, shall become immediately due and payable when (a) the Property is sold or transferred to a non-Qualified Purchaser, including, without limitation, lease, exchange or other disposition of the Property or any interest therein whether voluntary or involuntary; (b) Habitat fails to purchase the Property, relocate the Habitat House or place a Qualified Purchaser in the Habitat House within the specified time period; or (c) Habitat fails to perform any other provision of this Agreement in the manner provided after 30-day notice by the Agency to cure such default.

9. If this Agreement is terminated by either party before the purchase of the property, both parties shall be relieved of all their obligations hereunder. If this Agreement is terminated by either party after the loan closing date, Habitat shall immediately become liable for payment to the Agency, or its designee, the outstanding principal at the date of termination.

10. When the funds advanced to Habitat are paid in full, the Agency shall execute and record a reconveyance.

11. Habitat or a Qualified Purchaser shall maintain for the term of this Agreement fire insurance adequate to cover all encumbrances on the property. In areas designated by HUD as flood prone, Habitat or a Qualified Purchaser shall maintain flood insurance in an amount adequate to secure the full amount of funds advanced under this Agreement. For all insurance policies, the Agency shall be

designated as loss payee for the amount of the funds advanced to Habitat under this Agreement, and a statement of loss payee shall be forwarded to the Agency.

12. Habitat and any Qualified Purchaser shall maintain the improvements and landscaping on the Property in a manner consistent with community standards which will uphold the value of the Property.

13. Habitat shall defend, indemnify, and hold harmless the Agency and its officers, agents, employees, representatives and volunteers from and against any loss, liability, claim or judgment relating in any manner to the Property or this Agreement. Habitat shall remain fully obligated for the payment of taxes, liens, and assessments related to the Property.

14. Habitat shall execute any further documents consistent with the terms of this Agreement, including documents in recordable form, as the County shall from time to time find necessary or appropriate to effectuate its purposes in entering into this Agreement and advancing funds to Habitat pursuant to this Agreement.

15. Habitat shall cause the Qualified Purchaser to comply with all applicable State, federal and local law, regulations and ordinances. Nothing in this Agreement is intended to be, nor shall it be deemed to be, a waiver of any County ordinance, rule, or regulation.

16. Any notices, requests or approvals given under this Agreement from one party to another may be personally delivered or deposited with the United States Postal Service for mailing, postage prepaid, registered or certified mail, return receipt requested to the following address:

To Habitat: Anita Hellam, Executive Director
Habitat for Humanity, Stanislaus County
630 Kearney Avenue
Modesto, CA 95350

To Agency: Stanislaus County Redevelopment Agency
Attention: Executive Director
1010 10th Street, Suite 3400
Modesto CA 95354

Either party may change its address for notice by giving written notice thereof to the other party.

16. This Agreement shall be governed by the laws of the State of California. Any legal action brought under this Agreement shall be instituted in the Superior Court of the County of Stanislaus, State of California.

17. No modification, rescission, waiver, release or amendment of any provision of this Agreement shall be made except by a written agreement executed by the parties.

18. Failure to exercise any right the Agency may have or be entitled to, in the event of default hereunder, shall not constitute a waiver of such right or any other right in the event of a subsequent default.

19. This Agreement, together with all attachments hereto, constitutes the entire understanding and agreement of the parties. This Agreement integrates all of the terms and conditions mentioned herein or incidental thereto, and supersedes all prior negotiations, discussions and previous agreements between the parties concerning all or any part of the subject matter of this Agreement.

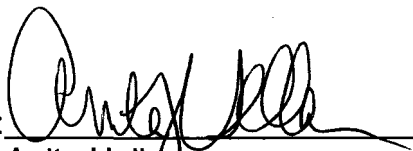
IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives, on the date and year first above written.

Stanislaus County Redevelopment Agency

By: 
Kirk Ford
Interim Executive Director

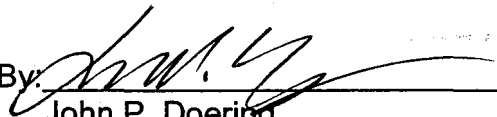
"Agency"

Habitat for Humanity, Stanislaus County

By: 
Anita Hellam
Executive Director

"Habitat"

APPROVED AS TO FORM:
Michael H. Krausnick
County Counsel

By: 
John P. Doering
Assistant County Counsel

ATTACHMENT C

PROPERTY APPRAISAL

1125 DEL MAR COURT, MODESTO

FROM: ANDY STANISLAUS APPRAISERS P.O. BOX 1993 CERES, CA 95307 Telephone Number: (209)537-5331 Fax Number: (209)537-2767	<h2 style="margin: 0;">INVOICE</h2> <table border="1" style="width: 100%; border-collapse: collapse; margin: 5px 0;"> <tr><td style="text-align: center;">INVOICE NUMBER</td></tr> <tr><td style="text-align: center;">13,934</td></tr> <tr><td style="text-align: center;">DATE</td></tr> <tr><td style="text-align: center;">7/25/2007</td></tr> <tr><td style="text-align: center;">REFERENCE</td></tr> <tr><td>Internal Order #: 13,934</td></tr> <tr><td>Lender Case #: GALLO</td></tr> <tr><td>Client File #:</td></tr> <tr><td>Main File # on form: 13,934</td></tr> <tr><td>Other File # on form: GALLO</td></tr> <tr><td>Federal Tax ID: 47-0853127</td></tr> <tr><td>Employer ID:</td></tr> </table>	INVOICE NUMBER	13,934	DATE	7/25/2007	REFERENCE	Internal Order #: 13,934	Lender Case #: GALLO	Client File #:	Main File # on form: 13,934	Other File # on form: GALLO	Federal Tax ID: 47-0853127	Employer ID:
INVOICE NUMBER													
13,934													
DATE													
7/25/2007													
REFERENCE													
Internal Order #: 13,934													
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Client File #:													
Main File # on form: 13,934													
Other File # on form: GALLO													
Federal Tax ID: 47-0853127													
Employer ID:													
TO: AMY G3 ENTERPRISES, INC 502 E WHITMORE AVENUE MODESTO, CA 95358 Telephone Number: 341 7006 Fax Number: 572 4306 Alternate Number: E-Mail:													
DESCRIPTION													
Lender: G3 ENTERPRISES, INC Client: G3 ENTERPRISES, INC Purchaser/Borrower: HABITAT Property Address: 1125 DEL MAR COURT City: MODESTO County: STANISLAUS State: CA Zip: 95354-3720 Legal Description: LOT 7 BLK 2050 BUCK TRACT													
FEES AMOUNT													
Full Appraisal	275.00												
SUBTOTAL	275.00												
PAYMENTS AMOUNT													
Check #: Date: Description: Check #: Date: Description: Check #: Date: Description:													
SUBTOTAL													
TOTAL DUE	\$ 275.00												

Uniform Residential Appraisal Report

GALLO
File # 13,934

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.

Property Address 1125 DEL MAR COURT City MODESTO State CA Zip Code 95354-3720
 Borrower HABITAT Owner of Public Record GALLO County STANISLAUS
 Legal Description LOT 7 BLK 2050 BUCK TRACT
 Assessor's Parcel # 035-010-006 Tax Year 06/07 R.E. Taxes \$ 934.86
 Neighborhood Name BUCK TRACT Map Reference 548 D2 Census Tract 0021.00
 Occupant Owner Tenant Vacant Special Assessments \$ 0.00 PUD HOA \$ N/A per year per month
 Property Rights Appraised Fee Simple Leasehold Other (describe)
 Assignment Type Purchase Transaction Refinance Transaction Other (describe) TRANSFER/TAX PURPOSES
 Lender/Client G3 ENTERPRISES, INC Address 502 E WHITMORE AVENUE, MODESTO, CA 95358
 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? Yes No
 Report data source(s) used, offering price(s), and date(s). MLS

I 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.

Contract Price \$ N/A Date of Contract N/A Is the property seller the owner of public record? Yes No Data Source(s) METROSCAN
 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 No
 If Yes, report the total dollar amount and describe the items to be paid. N/A

Note: Race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood Characteristics		One-Unit Housing Trends		One-Unit Housing		Present Land Use %	
Location <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural	Property Values <input type="checkbox"/> Increasing <input type="checkbox"/> Stable <input checked="" type="checkbox"/> Declining	PRICE	AGE	One-Unit	90 %		
Built-Up <input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	Demand/Supply <input type="checkbox"/> Shortage <input type="checkbox"/> In Balance <input checked="" type="checkbox"/> Over Supply	\$ (000)	(yrs)	2-4 Unit	5 %		
Growth <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	Marketing Time <input type="checkbox"/> Under 3 mths <input checked="" type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths	100	Low 2	Multi-Family	0 %		
Neighborhood Boundaries	YOSEMITE BLVD. TO THE NORTH, DRY CREEK TO THE WEST, TUOLUMNE RIVER TO THE SOUTH AND TIOGA DRIVE TO THE EAST.	300	High 80	Commercial	0 %		
Neighborhood Description	** SEE "NEIGHBORHOOD COMMENTS" ADDENDA **	190	Pred. 55	Other	5 %		

Market Conditions (including support for the above conclusions) ** SEE "GENERAL MARKET" ADDENDA **

Dimensions 50', 133.54', 50', 122.64' Area 6,680 Sq.Ft. Shape RECTANGULAR View NONE
 Specific Zoning Classification R-1 Zoning Description RESIDENTIAL
 Zoning Compliance Legal Legal Nonconforming (Grandfathered Use) No Zoning Illegal (describe)
 Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? Yes No If No, describe

Utilities	Public	Other (describe)	Public	Other (describe)	Off-site Improvements - Type	Public	Private
Electricity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Water	<input checked="" type="checkbox"/>	Street ASPHALT	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gas	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Sanitary Sewer	<input checked="" type="checkbox"/>	Alley DIRT	<input checked="" type="checkbox"/>	<input type="checkbox"/>

FEMA Special Flood Hazard Area Yes No FEMA Flood Zone X FEMA Map # 0603840290B FEMA Map Date 5/7/2001
 Are the utilities and off-site improvements typical for the market area? Yes No If No, describe
 Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? Yes No If Yes, describe
 * SEE SITE COMMENT SECTION *

General Description	Foundation	Exterior Description	materials/condition	Interior	materials/condition
Units <input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input type="checkbox"/> Concrete Slab <input checked="" type="checkbox"/> Crawl Space	Foundation Walls	CONCRETE-AVG	Floors	CARP/VL/AVERAG
# of Stories ONE	<input type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls	STUCCO-FAIR	Walls	PLASTER/AVERAG
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Area N/A sq.ft.	Roof Surface	COMP-FAIR	Trim/Finish	WOOD/AVERAGE
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Basement Finish %	Gutters & Downspouts	NONE	Bath Floor	VINYL/AVERAGE
Design (Style) AVERAGE	<input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type	AL.SLIDER-AVG.	Bath Wainscot	FBGL/AVERAGE
Year Built 1946	Evidence of <input type="checkbox"/> Infestation NONE NO	Storm Sash/Insulated	NONE	Car Storage	<input type="checkbox"/> None
Effective Age (Yrs) 30 YEARS	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens	NONE	<input checked="" type="checkbox"/> Driveway # of Cars 1	
Attic <input type="checkbox"/> None	Heating <input type="checkbox"/> FWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant	Amenities	<input type="checkbox"/> Woodstove(s) #	Driveway Surface	GRAVEL
<input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs	<input checked="" type="checkbox"/> Other STOVE Fuel	Fireplace(s) #	<input checked="" type="checkbox"/> Fence	<input checked="" type="checkbox"/> Garage # of Cars 1	
<input type="checkbox"/> Floor <input checked="" type="checkbox"/> Scufflet	Cooling <input type="checkbox"/> Central Air Conditioning	Patio/Deck	<input type="checkbox"/> Porch	<input type="checkbox"/> Carport # of Cars	
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input type="checkbox"/> Other	Pool	<input type="checkbox"/> Other	<input checked="" type="checkbox"/> Att. <input type="checkbox"/> Det. <input type="checkbox"/> Built-in	

Appliances Refrigerator Range/Oven Dishwasher Disposal Microwave Washer/Dryer Other (describe)
 Finished area above grade contains: 5 Rooms 2 Bedrooms 1 Bath(s) 860 Square Feet of Gross Living Area Above Grade
 Additional features (special energy efficient items, etc.). ** SEE "ADDITIONAL FEATURES" ADDENDUM **

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). ** SEE "DEPRECIATION" ADDENDUM **

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

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

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There are 8 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 130,000 to \$ 250,000					
There are 4 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 90,000 to \$ 230,000					
FEATURE	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3	
Address 1125 DEL MAR COURT MODESTO, CA 95354-3720		807 KERR AVENUE MODESTO	405 THRASHER AVENUE MODESTO	334 BURNEY STREET MODESTO	
Proximity to Subject		0.56 miles	0.39 miles	0.88 miles	
Sale Price	\$ N/A	\$ 122,500	\$ 189,000	\$ 108,000	
Sale Price/Gross Liv. Area	\$ sq.ft.	\$ 188.46 sq.ft.	\$ 216.74 sq.ft.	\$ 126.76 sq.ft.	
Data Source(s)		DOC # 46278	DOC # 44595	ESC # 7051273	
Verification Source(s)		MLS # 70021468	MLS # 70000352	MLS # 70051304	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment
Sales or Financing Concessions		CONV NONE KNOWN		CONV NONE KNOWN	
Date of Sale/Time		4/16/07 COE		4/6/07 COE	7/17/07 COE
Location	AVERAGE	AVERAGE		AVERAGE	
Leasehold/Fee Simple	Fee Simple	FEE SIMPLE		FEE SIMPLE	FEE SIMPLE
Site	6,680 Sq.Ft.	6534 SF	-1,000	7841 SF	-2,000
View	NONE	NONE		NONE	
Design (Style)	AVERAGE	AVERAGE		AVERAGE	
Quality of Construction	AVERAGE	AVERAGE		AVERAGE	
Actual Age	61 YEARS	52 YEARS	0	51 YEARS	0
Condition	AVERAGE	SL. INFERIOR	+15,000	SUPERIOR	-35,000
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths		Total Bdrms. Baths	Total Bdrms. Baths
Room Count	5 2 1	4 2 1		4 2 1	4 2 1
Gross Living Area	860 sq.ft.	650 sq.ft.	+6,700	872 sq.ft.	-400
Basement & Finished Rooms Below Grade	N/A NONE	NONE NONE		NONE NONE	NONE NONE
Functional Utility	TYPICAL	TYPICAL		TYPICAL	TYPICAL
Heating/Cooling	WALL/NONE	WA/NONE		FLOOR/NONE	WALL/WALL
Energy Efficient Items	AVERAGE	AVERAGE		AVERAGE	AVERAGE
Garage/Carport	1 CAR GARAG	OPEN PARKIN	+2,000	OPEN PARKIN	+2,000
Porch/Patio/Deck	PORCH/PATIO	PORCH/PATIO		PORCH/PATIO	PORCH/PATIO
APPLIANCES	AVERAGE	AVERAGE		AVERAGE	AVERAGE
LANDSCAPING	AVG.LANDSCP	AVG.LANDSCP		AVG.LANDSCP	AVG.LANDSCP
AMENITIES	AVERAGE	AVERAGE		AVERAGE	AVERAGE
Net Adjustment (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 22,700	<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ 35,400	<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 33,300	
Adjusted Sale Price of Comparables		Net Adj. 18.5 % Gross Adj. 20.2 %	Net Adj. 18.7 % Gross Adj. 20.8 %	Net Adj. 30.8 % Gross Adj. 30.8 %	
1 <input checked="" type="checkbox"/> did <input type="checkbox"/> did not research the sale or transfer history of the subject property and comparable sales. If not, explain					
My research <input type="checkbox"/> did <input checked="" type="checkbox"/> did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.					
Data Source(s) MLS, METROSCAN					
My research <input type="checkbox"/> did <input checked="" type="checkbox"/> 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) MLS, METROSCAN					
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	NONE	NONE	NONE	NONE	
Price of Prior Sale/Transfer	NONE	NONE	NONE	NONE	
Data Source(s)	MLS, METROSCAN	MLS, METROSCAN	MLS, METROSCAN	MLS, METROSCAN	
Effective Date of Data Source(s)	7/15/2007	7/15/2007	7/15/2007	7/15/2007	
Analysis of prior sale or transfer history of the subject property and comparable sales					
Summary of Sales Comparison Approach ** SEE "SALES COMPARISON" ADDENDUM **					
Indicated Value by Sales Comparison Approach \$ 145,000					
Indicated Value by: Sales Comparison Approach \$ 145,000 Cost Approach (if developed) \$ 146,600 Income Approach (if developed) \$					
** SEE "FINAL RECONCILIATION" ADDENDUM **					
This appraisal is made <input checked="" type="checkbox"/> "as is", <input type="checkbox"/> subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or <input type="checkbox"/> subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair. ** SEE "COMMENTS AND CONDITIONS" ADDENDUM **					
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 \$ 145,000 , as of 7/24/2007 , which is the date of inspection and the effective date of this appraisal.					

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Replacement cost figures used in the cost approach are for valuation purposes only. No one, client or third party, should rely on these figures for insurance purposes. The definitions of market value on page 4 of this report may not be consistent with definitions of insurable value.

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 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.

This appraisal is not a substitute for a Home Inspection. Appraisers ability to determine condition is severely limited by concealed or obscured items such as floor coverings, exterior siding, personal property and other items not moved in the normal course of the visual inspection. Not included in this inspection is the signs of infestation, subsurface items or items otherwise concealed or obscured. Furthermore, no inspection of attic or crawl spaces were performed. No activation of mechanical, electrical or plumbing devices was performed. If the client or other parties involved are concerned regarding the above mentioned items, a home inspection should be performed by a qualified home inspector.

This appraiser has not made any search relating to the proximity to adverse influences such as but not limited to: nearby criminal activity, registered sex offenders or interim rehab facilities.

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) **HOME VALUE ONLY - \$51,600**

COST APPROACH

ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input checked="" type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE	= \$	90,000
Source of cost data MARSHALL & SWIFT, LOCAL BUILDERS	DWELLING	860 Sq.Ft. @ \$ 120.00	= \$ 103,200
Quality rating from cost service AVG Effective date of cost data 1/1/2007		N/A Sq.Ft. @ \$	= \$
Comments on Cost Approach (gross living area calculations, depreciation, etc.)			= \$
** SEE "COST ADDENDUM" "IMPROVEMENT SKETCH" **	Garage/Carport	240 Sq.Ft. @ \$ 0.00	= \$
	Total Estimate of Cost-New		= \$ 103,200
	Less Physical	Functional	External
	Depreciation	51,600	= \$(51,600)
	Depreciated Cost of Improvements		= \$ 51,600
	"As-is" Value of Site Improvements		= \$ 5,000
Estimated Remaining Economic Life (HUD and VA only) 30 Years	INDICATED VALUE BY COST APPROACH	= \$	146,600

INCOME

INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent \$ N/A X Gross Rent Multiplier = \$ Indicated Value by Income Approach
Summary of Income Approach (including support for market rent and GRM)

PUD INFORMATION

PROJECT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowners' Association (HOA)? Yes No Unit type(s) Detached Attached
Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.
Legal Name of Project
Total number of phases Total number of units N/A 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. **SUBJECT IS NOT A PUD**

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This report form is designed to report an appraisal of a one-unit property or a one-unit property with an accessory unit; including a unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a condominium or cooperative project.

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. 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 the 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.

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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. 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 approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have 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.

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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.

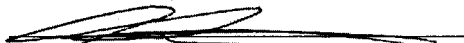
24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation 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 ANDY CONSTANTINOU
 Company Name STANISLAUS APPRAISERS
 Company Address PO.BOX 1993
CERES CA 95307
 Telephone Number 209 537 5331
 Email Address cyprus01@sbcglobal.net
 Date of Signature and Report July 26, 2007
 Effective Date of Appraisal 7/24/2007
 State Certification # AR010974
 or State License # _____
 or Other (describe) _____ State # _____
 State CA
 Expiration Date of Certification or License 11/26/2008

ADDRESS OF PROPERTY APPRAISED
1125 DEL MAR COURT
MODESTO, CA 95354-3720

APPRAISED VALUE OF SUBJECT PROPERTY \$ 145,000

LENDER/CLIENT

Name AMY
 Company Name G3 ENTERPRISES, INC
 Company Address 502 E WHITMORE AVENUE, MODESTO, CA
95358
 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 _____

Supplemental Addendum

File No. 13,934

Borrower/Client	HABITAT		
Property Address	1125 DEL MAR COURT		
City	County	State	Zip Code
MODESTO	STANISLAUS	CA	95354-3720
Lender	G3 ENTERPRISES, INC		

• **NEIGHBORHOOD COMMENTS**

SUBJECT IS PART OF A RESIDENTIAL NEIGHBORHOOD OF MODESTO WHICH IS MADE UP OF MOSTLY ONE STORY AVERAGE QUALITY HOMES, THE HOMES IN THE IMMEDIATE NEIGHBORHOOD ARE GENERALLY WELL MAINTAINED, SCHOOLS AND SHOPPING ARE RELATIVELY CONVENIENT. EMPLOYMENT OPPORTUNITIES ARE RELATIVELY STABLE. THERE IS ALSO A WIDE RANGE OF OPPORTUNITIES WITHIN 30 MINUTES TO 1 1/2 HOURS AWAY. PUBLIC TRANSPORTATION CONSISTS OF PRIVATE TAXIS AND PUBLIC BUSES. PUBLIC UTILITIES ARE READILY AVAILABLE. PROPERTIES IN THE NEIGHBORHOOD EXHIBIT AN AVERAGE LEVEL OF COMPATIBILITY AND GENERAL APPEARANCE. A VARIETY OF RECREATIONAL FACILITIES SERVE THE COMMUNITY. SUBJECT NEIGHBORHOOD RECEIVES AN AVERAGE LEVEL OF PROTECTION AGAINST CRIME, FIRE AND OTHER DETRIMENTAL CONDITIONS THROUGH PUBLIC AGENCIES. APPEAL OF THE PROPERTIES IN THE NEIGHBORHOOD ARE CONSIDERED AVERAGE.

• **GENERAL MARKET**

SUBJECT'S MARKET CONDITIONS APPEAR TO BE STABLE WITH SUPPLY GENERALLY GREATER THAN DEMAND WITH DECLINING PROPERTY VALUES. MARKETING TIME IS TYPICALLY ONE TO SIX MONTHS. SELLER CONCESSIONS ARE UNUSUAL IN THIS MARKET WITH THE OCCASIONAL EXCEPTION OF THE SELLER'S PAYING OF BUYER'S NORMAL NON-RECURRING CLOSING COSTS. WHEN CONCESSIONS DO OCCUR THEY ARE GENERALLY NOMINAL AND HAVE LITTLE INFLUENCE ON VALUE.

• **SITE COMMENTS**

THE SUBJECT SITE HAS BEEN IMPROVED WITH MINIMAL LANDSCAPING. THERE ARE NORMAL PUBLIC UTILITIES AND SETBACK LINES. NO ADVERSE EASEMENT OR ENCUMBRANCES ARE APPARENT. ZONING IS FOR RESIDENTIAL PURPOSES AND IMPROVEMENTS APPEAR TO CONFORM TO ALL ZONING LAWS. THE SUBJECT IS NOT LOCATED WITHIN THE BOUNDARIES OF A SPECIAL STUDIES ZONE AS DEFINED IN THE LANGUAGE OF THE ALQUIST-PRIOLO SPECIAL STUDIES ACT OF 1977, AND NO SOIL PROBLEMS OF ANY KIND ARE APPARENT ON OR AROUND THE SITE. SUBJECT IS NOT LOCATED WITHIN A SPECIAL FLOOD AREA AS IDENTIFIED BY MAPS ISSUED BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY. THIS APPRAISER HAS CONSIDERED THE HIGHEST AND BEST USE OF THE PROPERTY APPRAISED AND IT IS HIS OPINION THAT THE HIGHEST AND BEST USE IS THE CURRENT USE AT THIS TIME AND IN THE FORESEEABLE FUTURE. THIS OPINION HAS BEEN BASED UPON TAKEN INTO CONSIDERATION THE FOLLOWING FACTORS: 1) THE EXISTING LAND USE REGULATIONS, 2) THE POTENTIAL FOR MODIFICATIONS FOR SUCH LAND USE REGULATIONS, 3) ECONOMIC DEMAND, 4) THE PHYSICAL ADAPTABILITY OF THE SUBJECT, 5) THE NEIGHBORHOOD TRENDS, 6) THE OPTIMAL USAGE OF THE PROPERTY.

• **DEPRECIATION**

SUBJECT'S DEPRECIATION IS BASED ON THE AGE/LIFE METHOD. ROOF APPEARS TO BE IN FAIR CONDITION. SUBJECT'S INTERIOR IS IN OVERALL AVERAGE CONDITION. ROOM SIZES ARE AVERAGE AND FINISH WORK IS AVERAGE QUALITY. OVERALL APPEAL IS AVERAGE. THIS APPRAISER IS NOT QUALIFIED TO DETECT TOXIC SUBSTANCES SUCH AS ASBESTOS, UREA-FORMALDEHYDE INSULATION, OR OTHER POTENTIAL HAZARDOUS MATERIALS AND MAKES NO STATEMENT NOR ASSUMES RESPONSIBILITY FOR SUCH "UNDETECTABLE" CONDITIONS.

• **COMMENTS ON COST APPROACH**

THE RATIO BETWEEN VALUE OF LAND AND IMPROVEMENTS IS TYPICAL OF THIS AREA. LAND VALUE IS BY THE ABSTRACTION METHOD. SITE IMPROVEMENTS INCLUDES DEPRECIATED COST OF GARAGE.

• **COMMENTS ON SALES COMPARISON**

ALL COMPS ARE HOMES OF SIMILAR QUALITY AND AGE AS THE SUBJECT FROM THE SUBJECT'S IMMEDIATE NEIGHBORHOOD. ALL COMPS VARIED IN LOT SIZE FROM THE SUBJECT, SITE ADJUSTMENTS WERE MADE ACCORDINGLY. ALL COMPS VARIED IN CONDITION FROM THE SUBJECT; SUBSEQUENTLY, ALL COMPS NEEDED A CONDITION ADJUSTMENT. CONDITION WAS EVIDENCED WITH A DRIVE BY INSPECTION AND AGENT COMMENTS AND ADJUSTMENTS WERE MADE ACCORDINGLY. COMPS 1 - 3 ARE CONFIRMED CLOSED SALES, WHILE COMP 4 IS A PENDING SALE AND COMP 5 IS AN ACTIVE LISTING. THE FOLLOWING ARE THE DATA SOURCES UTILIZED TO CONFIRM THE CLOSINGS: LOCAL MLS AND METROSCAN. ALL COMPS WERE GIVEN EQUAL CONSIDERATION.

• **COMMENTS AND CONDITIONS OF APPRAISAL**

THIS IS AN APPRAISAL REPORT COMPLETED TO ESTABLISH MARKET VALUE OF THE SUBJECT FOR MORTGAGE PURPOSES. IT HAS BEEN COMPLETED IN SUCH A MANNER AS TO COMPLY WITH CURRENT FNMA AND FHLMC GUIDELINES. THIS APPRAISER HAS RESEARCHED SUBJECT'S POTENTIAL SALES HISTORY FOR A PERIOD OF THREE YEARS UTILIZING DATA PROVIDED BY METROSCAN AND LOCAL MULTIPLE LISTING SERVICE. ALL APPLICABLE INFORMATION KNOWN TO THIS APPRAISER CONCERNING THE SUBJECT DURING THIS PERIOD HAS BEEN REVEALED IN THIS REPORT.

Supplemental Addendum

File No. 13.934 Page #9

File No. 13.934

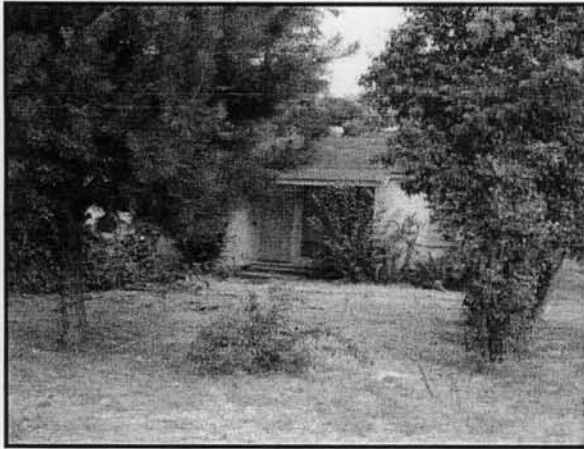
Borrower/Client	HABITAT						
Property Address	1125 DEL MAR COURT						
City	MODESTO	County	STANISLAUS	State	CA	Zip Code	95354-3720
Lender	G3 ENTERPRISES, INC						

- **FINAL RECONCILIATION**

THE MARKET APPROACH BEING THE MOST RELIABLE APPROACH FOR DETERMINING THE VALUE FOR SINGLE FAMILY HOMES IS GIVEN THE PRIMARY CONSIDERATION IN THE FINAL RECONCILIATION. THE INCOME APPROACH IS NOT UTILIZED DUE TO THE LACK OF AVAILABILITY OF RENTAL DATA. THE COST APPROACH IS UTILIZED, BUT IS A LAND RESIDUAL APPROACH WITH LAND DETERMINED BY ABSTRACTION.

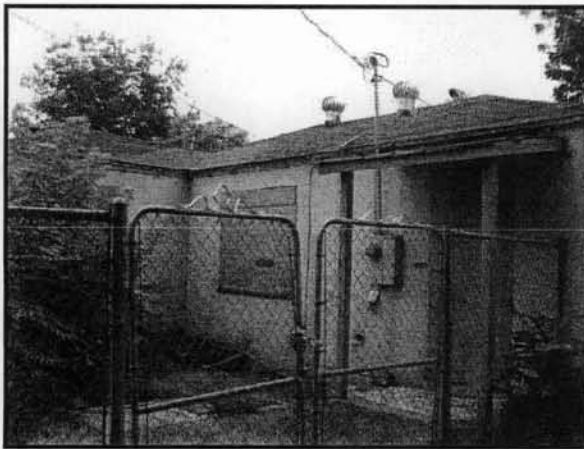
Subject Photo Page

Borrower/Client HABITAT			
Property Address 1125 DEL MAR COURT			
City MODESTO	County STANISLAUS	State CA	Zip Code 95354-3720
Lender G3 ENTERPRISES, INC			



Subject Front

1125 DEL MAR COURT
Sales Price N/A
Gross Living Area 860
Total Rooms 5
Total Bedrooms 2
Total Bathrooms 1
Location AVERAGE
View NONE
Site 6,680 Sq.Ft.
Quality AVERAGE
Age 61 YEARS



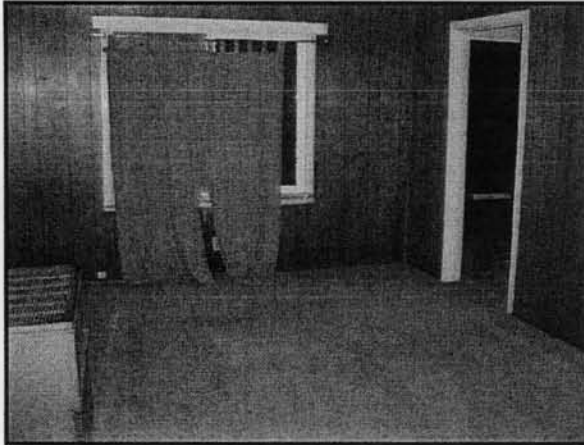
Subject Rear



Subject Street

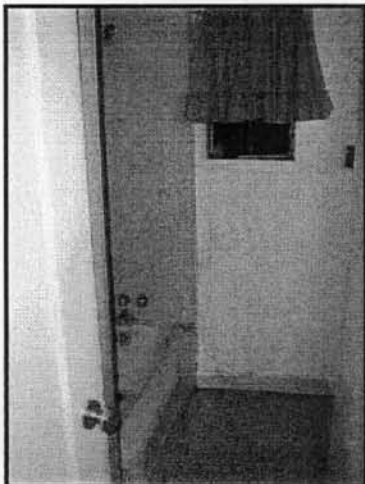
Subject Photo Page

Borrower/Client HABITAT			
Property Address 1125 DEL MAR COURT			
City MODESTO	County STANISLAUS	State CA	Zip Code 95354-3720
Lender G3 ENTERPRISES, INC			



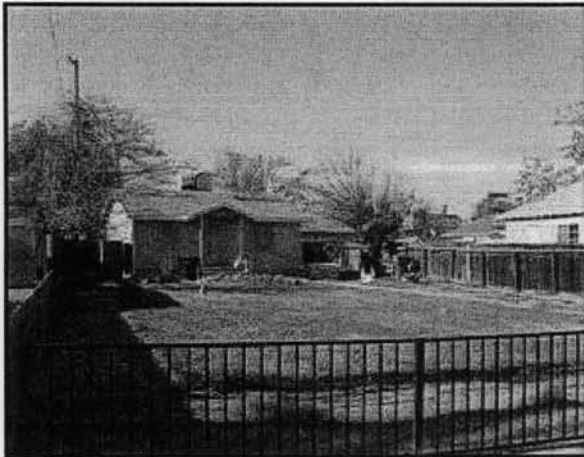
Subject Interior

1125 DEL MAR COURT	
Sales Price	N/A
Gross Living Area	860
Total Rooms	5
Total Bedrooms	2
Total Bathrooms	1
Location	AVERAGE
View	NONE
Site	6,680 Sq.Ft.
Quality	AVERAGE
Age	61 YEARS



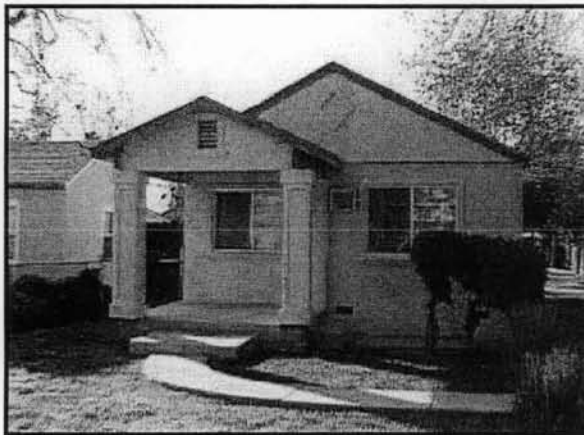
Comparable Photo Page

Borrower/Client HABITAT				
Property Address 1125 DEL MAR COURT				
City	MODESTO	County	STANISLAUS	State CA Zip Code 95354-3720
Lender G3 ENTERPRISES, INC				



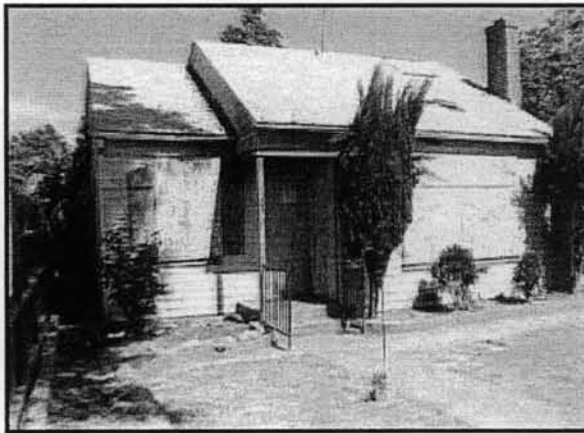
Comparable 1

807 KERR AVENUE
 Prox. to Subject 0.58 miles
 Sale Price 122,500
 Gross Living Area 650
 Total Rooms 4
 Total Bedrooms 2
 Total Bathrooms 1
 Location AVERAGE
 View NONE
 Site 6534 SF
 Quality AVERAGE
 Age 52 YEARS



Comparable 2

405 THRASHER AVENUE
 Prox. to Subject 0.39 miles
 Sale Price 189,000
 Gross Living Area 872
 Total Rooms 4
 Total Bedrooms 2
 Total Bathrooms 1
 Location AVERAGE
 View NONE
 Site 7841 SF
 Quality AVERAGE
 Age 51 YEARS



Comparable 3

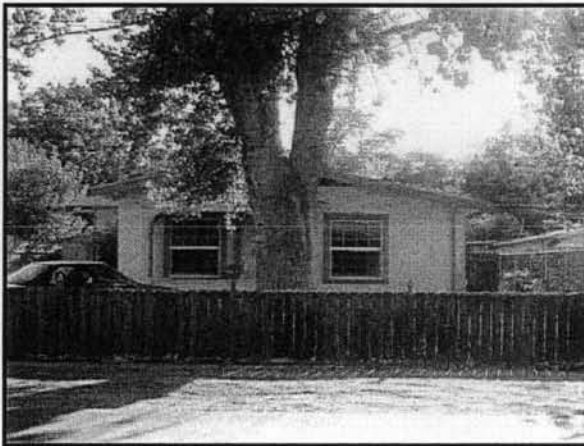
334 BURNEY STREET
 Prox. to Subject 0.88 miles
 Sale Price 108,000
 Gross Living Area 852
 Total Rooms 4
 Total Bedrooms 2
 Total Bathrooms 1
 Location AVERAGE
 View NONE
 Site 4356 SF
 Quality AVERAGE
 Age 67 YEARS

Comparable Photo Page

Borrower/Client HABITAT				
Property Address 1125 DEL MAR COURT				
City	MODESTO	County	STANISLAUS	State CA
Zip Code		95354-3720		
Lender G3 ENTERPRISES, INC				

**Comparable 4**

735 BENSON AVENUE
 Prox. to Subject 0.44 miles
 Sale Price 99,000
 Gross Living Area 764
 Total Rooms 4
 Total Bedrooms 2
 Total Bathrooms 1
 Location AVERAGE
 View NONE
 Site 8190 SF
 Quality AVERAGE
 Age 61 YEARS

**Comparable 5**

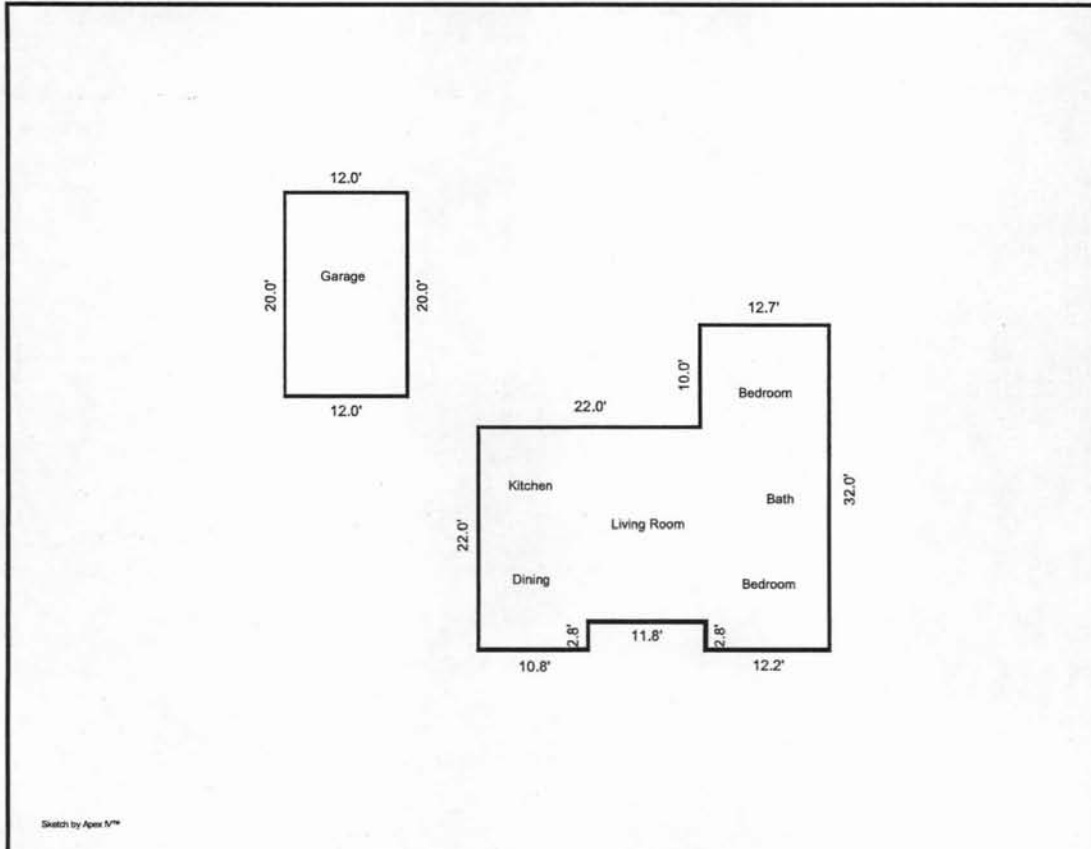
257 S SANTA CRUZ AVENUE
 Prox. to Subject 0.18 miles
 Sale Price 150,000
 Gross Living Area 906
 Total Rooms 4
 Total Bedrooms 2
 Total Bathrooms 1
 Location AVERAGE
 View NONE
 Site 11326 SF
 Quality AVERAGE
 Age 86 YEARS

Comparable 6

Prox. to Subject
 Sale Price
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location
 View
 Site
 Quality
 Age

Building Sketch (Page - 1)

Borrower/Client HABITAT			
Property Address 1125 DEL MAR COURT			
City MODESTO	County STANISLAUS	State CA	Zip Code 95354-3720
Lender G3 ENTERPRISES, INC			



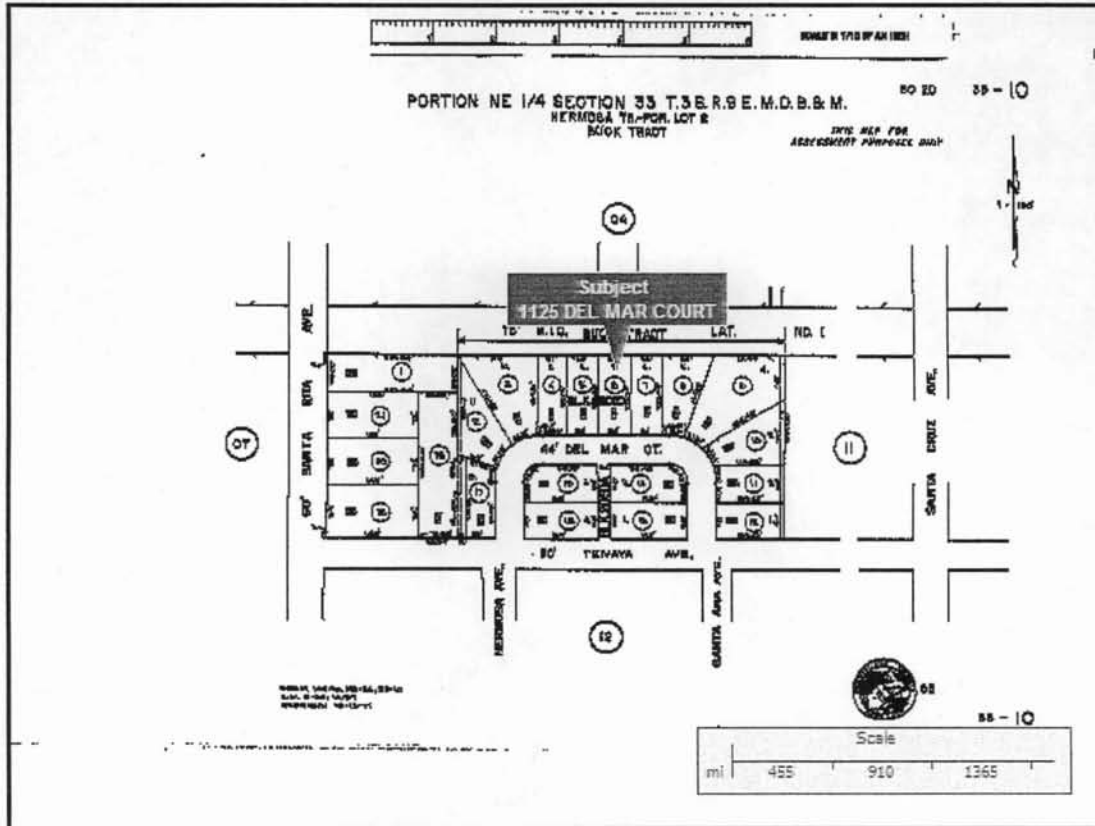
Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	859.7	859.7
GAR	Garage	240.0	240.0
Net LIVABLE Area (Rounded)		860	

LIVING AREA BREAKDOWN		
First Floor	Breakdown	Subtotals
	19.3 x 34.8	668.9
	2.8 x 10.8	29.6
	2.8 x 12.3	33.7
	10.0 x 12.8	127.5
4 Items (Rounded)		860

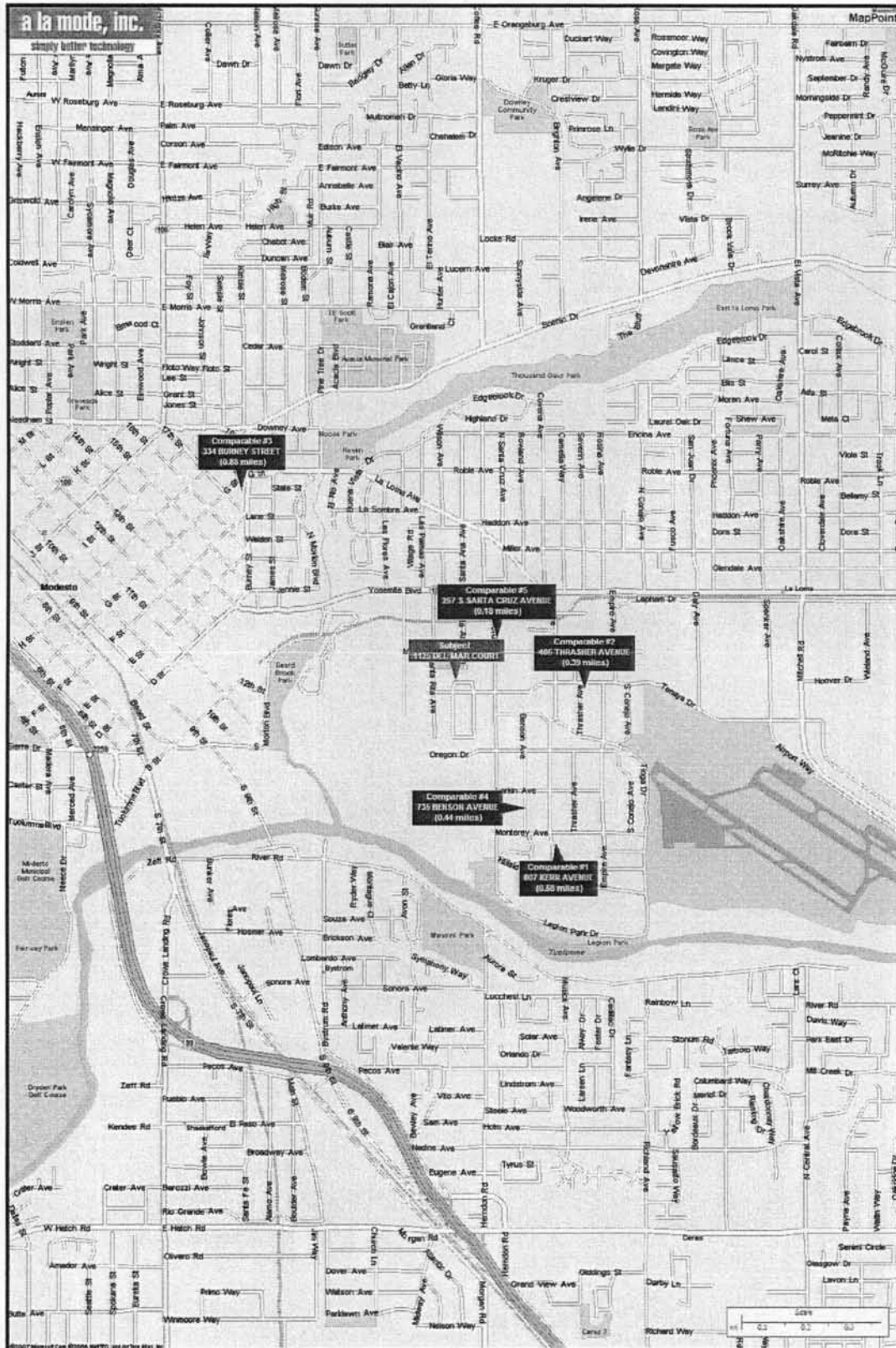
Plat Map

Borrower/Client HABITAT			
Property Address 1125 DEL MAR COURT			
City MODESTO	County STANISLAUS	State CA	Zip Code 95354-3720
Lender G3 ENTERPRISES, INC			



Location Map

Borrower/Client HABITAT			
Property Address 1125 DEL MAR COURT			
City	MODESTO	County	STANISLAUS
		State	CA
		Zip Code	95354-3720
Lender G3 ENTERPRISES, INC			



ATTACHMENT C-1
PROPERTY APPRAISAL
1020 TENAYA DRIVE, MODESTO

Uniform Residential Appraisal Report

GALLO
File # 13,935

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.

Property Address 1020 TENAYA DRIVE City MODESTO State CA Zip Code 95354-3720
 Borrower HABITAT Owner of Public Record GALLO County STANISLAUS
 Legal Description LOT 1 BLK 2040 EMERICH TRACT
 Assessor's Parcel # 035-012-005 Tax Year 06/07 R.E. Taxes \$ 964.30
 Neighborhood Name EMERICH TRACT Map Reference 548 D2 Census Tract 0021.00
 Occupant Owner Tenant Vacant Special Assessments \$ 0.00 PUD HOA \$ N/A per year per month
 Property Rights Appraised Fee Simple Leasehold Other (describe)
 Assignment Type Purchase Transaction Refinance Transaction Other (describe) TRANSFER/TAX PURPOSES
 Lender/Client G3 ENTERPRISES, INC Address 502 E WHITMORE AVENUE, MODESTO, CA 95358
 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? Yes No
 Report data source(s) used, offering price(s), and date(s). MLS

I 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.

Contract Price \$ N/A Date of Contract N/A Is the property seller the owner of public record? Yes No Data Source(s) METROSCAN
 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 No
 If Yes, report the total dollar amount and describe the items to be paid. N/A

Note: Race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood Characteristics		One-Unit Housing Trends		One-Unit Housing		Present Land Use %	
Location <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural	Property Values <input type="checkbox"/> Increasing <input type="checkbox"/> Stable <input checked="" type="checkbox"/> Declining	PRICE	AGE	One-Unit	90 %		
Built-Up <input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	Demand/Supply <input type="checkbox"/> Shortage <input type="checkbox"/> In Balance <input checked="" type="checkbox"/> Over Supply	\$ (000)	(yrs)	2-4 Unit	5 %		
Growth <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	Marketing Time <input type="checkbox"/> Under 3 mths <input checked="" type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths	100	Low 2	Multi-Family	0 %		
Neighborhood Boundaries	YOSEMITE BLVD. TO THE NORTH, DRY CREEK TO THE WEST, TUOLUMNE RIVER TO THE SOUTH AND TIOGA DRIVE TO THE EAST.	300	High 80	Commercial	0 %		
		190	Pred. 55	Other	5 %		

Neighborhood Description ** SEE "NEIGHBORHOOD COMMENTS" ADDENDA **

Market Conditions (including support for the above conclusions) ** SEE "GENERAL MARKET" ADDENDA **

Dimensions 50' X 130' Area 6,500 Sq.Ft. Shape RECTANGULAR View NONE
 Specific Zoning Classification R-1 Zoning Description RESIDENTIAL
 Zoning Compliance Legal Legal Nonconforming (Grandfathered Use) No Zoning Illegal (describe)
 Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? Yes No If No, describe

Utilities	Public	Other (describe)	Public	Other (describe)	Off-site Improvements - Type	Public	Private
Electricity	<input checked="" type="checkbox"/>		Water	<input checked="" type="checkbox"/>	Street	ASPHALT	<input checked="" type="checkbox"/>
Gas	<input checked="" type="checkbox"/>		Sanitary Sewer	<input checked="" type="checkbox"/>	Alley	DIRT	<input checked="" type="checkbox"/>

FEMA Special Flood Hazard Area Yes No FEMA Flood Zone X FEMA Map # 0603840290B FEMA Map Date 5/7/2001
 Are the utilities and off-site improvements typical for the market area? Yes No If No, describe
 Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? Yes No If Yes, describe
 * SEE SITE COMMENT SECTION *

General Description		Foundation		Exterior Description		Interior	
Units <input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input checked="" type="checkbox"/> Concrete Slab <input type="checkbox"/> Crawl Space	Foundation Walls	CONCRETE-AVG	Floors	WOOD/FAIR		
# of Stories ONE	<input type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls	BRICK-FAIR	Walls	PLASTER/FAIR		
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Area N/A sq.ft.	Roof Surface	COMP-FAIR	Trim/Finish	WOOD/FAIR		
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Basement Finish %	Gutters & Downspouts	NONE	Bath Floor	VINYL/FAIR		
Design (Style) AVERAGE	<input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type	IRON SWING-FAIR	Bath Wainscot	NONE		
Year Built 1946	Evidence of <input type="checkbox"/> Infestation NONE NOT	Storm Sash/Insulated	NONE	Car Storage	<input type="checkbox"/> None		
Effective Age (Yrs) 40 YEARS	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens	NONE	<input checked="" type="checkbox"/> Driveway # of Cars 1			
Attic <input type="checkbox"/> None	Heating <input type="checkbox"/> FWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant	Amenities	<input type="checkbox"/> Woodstove(s) #	Driveway Surface	GRAVEL		
<input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs	<input checked="" type="checkbox"/> Other WALL Fuel	<input type="checkbox"/> Fireplace(s) #	<input checked="" type="checkbox"/> Fence	Garage # of Cars			
<input type="checkbox"/> Floor <input checked="" type="checkbox"/> Scuttle	Cooling <input type="checkbox"/> Central Air Conditioning	<input type="checkbox"/> Patio/Deck	<input type="checkbox"/> Porch	Carport # of Cars			
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input type="checkbox"/> Other	<input type="checkbox"/> Pool	<input type="checkbox"/> Other	Att. Det. Built-in			

Appliances Refrigerator Range/Oven Dishwasher Disposal Microwave Washer/Dryer Other (describe)
 Finished area above grade contains: 5 Rooms 3 Bedrooms 1 Bath(s) 1,332 Square Feet of Gross Living Area Above Grade
 Additional features (special energy efficient items, etc.). ** SEE "ADDITIONAL FEATURES" ADDENDUM **

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). ** SEE "DEPRECIATION" ADDENDUM **

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

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

Uniform Residential Appraisal Report

GALLO
File # 13.935

There are 8 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 130,000 to \$ 250,000	
There are 4 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 90,000 to \$ 230,000	
FEATURE	SUBJECT
Address	1020 TENAYA DRIVE MODESTO, CA 95354-3720
Proximity to Subject	0.58 miles
Sale Price	\$ N/A
Sale Price/Gross Liv. Area	\$ 188.46 sq.ft.
Data Source(s)	DOC # 46278
Verification Source(s)	MLS # 70021468
VALUE ADJUSTMENTS	DESCRIPTION
Sales or Financing Concessions	CONV NONE KNOWN
Date of Sale/Time	4/16/07 COE
Location	AVERAGE
Leasehold/Fee Simple	Fee Simple FEE SIMPLE
Site	6,500 Sq.Ft. 6534 SF
View	NONE
Design (Style)	AVERAGE
Quality of Construction	AVERAGE
Actual Age	61 YEARS
Condition	FAIR
Above Grade	Total Bdrms. Baths
Room Count	5 3 1
Gross Living Area	1,332 sq.ft.
Basement & Finished Rooms Below Grade	N/A NONE
Functional Utility	TYPICAL
Heating/Cooling	WALL/NONE
Energy Efficient Items	AVERAGE
Garage/Carport	NO GARAGE
Porch/Patio/Deck	PORCH/PATIO
APPLIANCES	AVERAGE
LANDSCAPING	AVG.LANDSCP
AMENITIES	AVERAGE
Net Adjustment (Total)	\$ 22,800
Adjusted Sale Price of Comparables	\$ 145,300
<input checked="" type="checkbox"/> did <input type="checkbox"/> did not research the sale or transfer history of the subject property and comparable sales. If not, explain	
My research <input type="checkbox"/> did <input checked="" type="checkbox"/> did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.	
Data Source(s) MLS, METROSCAN	
My research <input type="checkbox"/> did <input checked="" type="checkbox"/> 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) MLS, METROSCAN	
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
Date of Prior Sale/Transfer	NONE
Price of Prior Sale/Transfer	NONE
Data Source(s)	MLS, METROSCAN
Effective Date of Data Source(s)	7/15/2007
Analysis of prior sale or transfer history of the subject property and comparable sales	
Summary of Sales Comparison Approach ** SEE "SALES COMPARISON" ADDENDUM **	
Indicated Value by Sales Comparison Approach \$ 145,000	
Indicated Value by: Sales Comparison Approach \$ 145,000 Cost Approach (if developed) \$ 145,275 Income Approach (if developed) \$	
** SEE "FINAL RECONCILIATION" ADDENDUM **	
This appraisal is made <input checked="" type="checkbox"/> "as is", <input type="checkbox"/> subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or <input type="checkbox"/> subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair. ** SEE "COMMENTS AND CONDITIONS" ADDENDUM **	
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 \$ 145,000, as of 7/24/2007, which is the date of inspection and the effective date of this appraisal.	

Uniform Residential Appraisal Report

GALLO
File # 13,935

Replacement cost figures used in the cost approach are for valuation purposes only. No one, client or third party, should rely on these figures for insurance purposes. The definitions of market value on page 4 of this report may not be consistent with definitions of insurable value.

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 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.

This appraisal is not a substitute for a Home Inspection. Appraisers ability to determine condition is severely limited by concealed or obscured items such as floor coverings, exterior siding, personal property and other items not moved in the normal course of the visual inspection. Not included in this inspection is the signs of infestation, subsurface items or items otherwise concealed or obscured. Furthermore, no inspection of attic or crawl spaces were performed. No activation of mechanical, electrical or plumbing devices was performed. If the client or other parties involved are concerned regarding the above mentioned items, a home inspection should be performed by a qualified home inspector.

This appraiser has not made any search relating to the proximity to adverse influences such as but not limited to: nearby criminal activity, registered sex offenders or interim rehab facilities.

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) **HOME VALUE ONLY - \$53,275**

COST APPROACH

ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input checked="" type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE	= \$	90,000
Source of cost data MARSHALL & SWIFT, LOCAL BUILDERS	DWELLING 1,332 Sq.Ft. @ \$ 120.00	= \$	159,840
Quality rating from cost service AVG Effective date of cost data 1/1/2007	N/A Sq.Ft. @ \$	= \$	
Comments on Cost Approach (gross living area calculations, depreciation, etc.)		= \$	
** SEE "COST ADDENDUM" "IMPROVEMENT SKETCH" **	Garage/Carport Sq.Ft. @ \$ 0.00	= \$	
	Total Estimate of Cost-New	= \$	159,840
	Less Physical Functional External		
	Depreciation 106,565	= \$(106,565)
	Depreciated Cost of Improvements	= \$	53,275
	As-is Value of Site Improvements	= \$	2,000
Estimated Remaining Economic Life (HUD and VA only) 20 Years	INDICATED VALUE BY COST APPROACH	= \$	145,275

INCOME

INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent \$ N/A X Gross Rent Multiplier = \$ Indicated Value by Income Approach

Summary of Income Approach (including support for market rent and GRM)

PUD INFORMATION

PROJECT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowners' Association (HOA)? Yes No Unit type(s) Detached Attached

Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.

Legal Name of Project

Total number of phases Total number of units N/A 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. **SUBJECT IS NOT A PUD**

Uniform Residential Appraisal Report

GALLO
File # 13.935

This report form is designed to report an appraisal of a one-unit property or a one-unit property with an accessory unit; including a unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a condominium or cooperative project.

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. 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 the 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.

Uniform Residential Appraisal Report

GALLO
File # 13.935

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. 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 approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have 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.

Uniform Residential Appraisal Report

GALLO
File # 13,935

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.

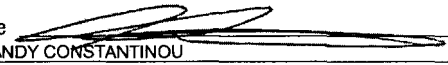
24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation 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 ANDY CONSTANTINOU
 Company Name STANISLAUS APPRAISERS
 Company Address PO.BOX 1993
CERES CA 95307
 Telephone Number 209 537 5331
 Email Address cyrus01@sbcglobal.net
 Date of Signature and Report July 26, 2007
 Effective Date of Appraisal 7/24/2007
 State Certification # AR010974
 or State License # _____
 or Other (describe) _____ State # _____
 State CA
 Expiration Date of Certification or License 11/26/2008

ADDRESS OF PROPERTY APPRAISED
1020 TENAYA DRIVE
MODESTO, CA 95354-3720
 APPRAISED VALUE OF SUBJECT PROPERTY \$ 145,000
 LENDER/CLIENT
 Name AMY
 Company Name G3 ENTERPRISES, INC
 Company Address 502 E WHITMORE AVENUE, MODESTO, CA
95358
 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 _____

Supplemental Addendum

File No. 13.935

Borrower/Client HABITAT			
Property Address 1020 TENAYA DRIVE			
City MODESTO	County STANISLAUS	State CA	Zip Code 95354-3720
Lender G3 ENTERPRISES, INC			

- **NEIGHBORHOOD COMMENTS**

SUBJECT IS PART OF A RESIDENTIAL NEIGHBORHOOD OF MODESTO WHICH IS MADE UP OF MOSTLY ONE STORY AVERAGE QUALITY HOMES, THE HOMES IN THE IMMEDIATE NEIGHBORHOOD ARE GENERALLY WELL MAINTAINED, SCHOOLS AND SHOPPING ARE RELATIVELY CONVENIENT. EMPLOYMENT OPPORTUNITIES ARE RELATIVELY STABLE. THERE IS ALSO A WIDE RANGE OF OPPORTUNITIES WITHIN 30 MINUTES TO 1 1/2 HOURS AWAY. PUBLIC TRANSPORTATION CONSISTS OF PRIVATE TAXIS AND PUBLIC BUSES. PUBLIC UTILITIES ARE READILY AVAILABLE. PROPERTIES IN THE NEIGHBORHOOD EXHIBIT AN AVERAGE LEVEL OF COMPATIBILITY AND GENERAL APPEARANCE. A VARIETY OF RECREATIONAL FACILITIES SERVE THE COMMUNITY. SUBJECT NEIGHBORHOOD RECEIVES AN AVERAGE LEVEL OF PROTECTION AGAINST CRIME, FIRE AND OTHER DETRIMENTAL CONDITIONS THROUGH PUBLIC AGENCIES. APPEAL OF THE PROPERTIES IN THE NEIGHBORHOOD ARE CONSIDERED AVERAGE.

- **GENERAL MARKET**

SUBJECT'S MARKET CONDITIONS APPEAR TO BE STABLE WITH SUPPLY GENERALLY GREATER THAN DEMAND WITH DECLINING PROPERTY VALUES. MARKETING TIME IS TYPICALLY ONE TO SIX MONTHS. SELLER CONCESSIONS ARE UNUSUAL IN THIS MARKET WITH THE OCCASIONAL EXCEPTION OF THE SELLER'S PAYING OF BUYER'S NORMAL NON-RECURRING CLOSING COSTS. WHEN CONCESSIONS DO OCCUR THEY ARE GENERALLY NOMINAL AND HAVE LITTLE INFLUENCE ON VALUE.

- **SITE COMMENTS**

THE SUBJECT SITE HAS BEEN IMPROVED WITH MINIMAL LANDSCAPING. THERE ARE NORMAL PUBLIC UTILITIES AND SETBACK LINES. NO ADVERSE EASEMENT OR ENCUMBRANCES ARE APPARENT. ZONING IS FOR RESIDENTIAL PURPOSES AND IMPROVEMENTS APPEAR TO CONFORM TO ALL ZONING LAWS. THE SUBJECT IS NOT LOCATED WITHIN THE BOUNDARIES OF A SPECIAL STUDIES ZONE AS DEFINED IN THE LANGUAGE OF THE ALQUIST-PRIOLO SPECIAL STUDIES ACT OF 1977, AND NO SOIL PROBLEMS OF ANY KIND ARE APPARENT ON OR AROUND THE SITE. SUBJECT IS NOT LOCATED WITHIN A SPECIAL FLOOD AREA AS IDENTIFIED BY MAPS ISSUED BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY. THIS APPRAISER HAS CONSIDERED THE HIGHEST AND BEST USE OF THE PROPERTY APPRAISED AND IT IS HIS OPINION THAT THE HIGHEST AND BEST USE IS THE CURRENT USE AT THIS TIME AND IN THE FORESEEABLE FUTURE. THIS OPINION HAS BEEN BASED UPON TAKEN INTO CONSIDERATION THE FOLLOWING FACTORS: 1) THE EXISTING LAND USE REGULATIONS, 2) THE POTENTIAL FOR MODIFICATIONS FOR SUCH LAND USE REGULATIONS, 3) ECONOMIC DEMAND, 4) THE PHYSICAL ADAPTABILITY OF THE SUBJECT, 5) THE NEIGHBORHOOD TRENDS, 6) THE OPTIMAL USAGE OF THE PROPERTY.

- **DEPRECIATION**

SUBJECT'S DEPRECIATION IS BASED ON THE AGE/LIFE METHOD. ROOF APPEARS TO BE IN FAIR CONDITION. SUBJECT'S INTERIOR IS IN OVERALL FAIR CONDITION. ROOM SIZES ARE AVERAGE AND FINISH WORK IS AVERAGE QUALITY. OVERALL APPEAL IS AVERAGE. THIS APPRAISER IS NOT QUALIFIED TO DETECT TOXIC SUBSTANCES SUCH AS ASBESTOS, UREA-FORMALDEHYDE INSULATION, OR OTHER POTENTIAL HAZARDOUS MATERIALS AND MAKES NO STATEMENT NOR ASSUMES RESPONSIBILITY FOR SUCH "UNDETECTABLE" CONDITIONS.

A LARGE CRACK WAS NOTED ON THE REAR EXTERIOR WALL. A GENERAL CONTRACTOR SHOULD BE CONTACTED FOR AN ESTIMATED COST TO CURE; HOWEVER, FOR PURPOSES OF THIS APPRAISAL AN ADDITIONAL PHYSICAL DEPRECIATION WAS ESTIMATED AT \$4000 IN THE COST AND MARKET APPROACHES OF THIS APPRAISAL.

- **COMMENTS ON COST APPROACH**

THE RATIO BETWEEN VALUE OF LAND AND IMPROVEMENTS IS TYPICAL OF THIS AREA. LAND VALUE IS BY THE ABSTRACTION METHOD.

- **COMMENTS ON SALES COMPARISON**

ALL COMPS ARE HOMES OF SIMILAR QUALITY AND AGE AS THE SUBJECT FROM THE SUBJECT'S IMMEDIATE NEIGHBORHOOD. ALL COMPS VARIED IN LOT SIZE FROM THE SUBJECT, SITE ADJUSTMENTS WERE MADE ACCORDINGLY. COMPS 1, 5 & 6 ARE SIMILAR IN CONDITION AS THE SUBJECT, WHILE COMPS 2 - 4 VARIED. CONDITION WAS EVIDENCED WITH A DRIVE BY INSPECTION AND AGENT COMMENTS AND ADJUSTMENTS WERE MADE ACCORDINGLY. COMPS 1 - 3 ARE CONFIRMED CLOSED SALES, WHILE COMP 4 IS A PENDING SALE AND 5 & 6 ARE ACTIVE LISTINGS. THE FOLLOWING ARE THE DATA SOURCES UTILIZED TO CONFIRM THE CLOSINGS: LOCAL MLS AND METROSCAN. ALL COMPS WERE GIVEN EQUAL CONSIDERATION.

Supplemental Addendum

File No. 13.935

Borrower/Client HABITAT			
Property Address 1020 TENAYA DRIVE			
City MODESTO	County STANISLAUS	State CA	Zip Code 95354-3720
Lender G3 ENTERPRISES, INC			

- **COMMENTS AND CONDITIONS OF APPRAISAL**

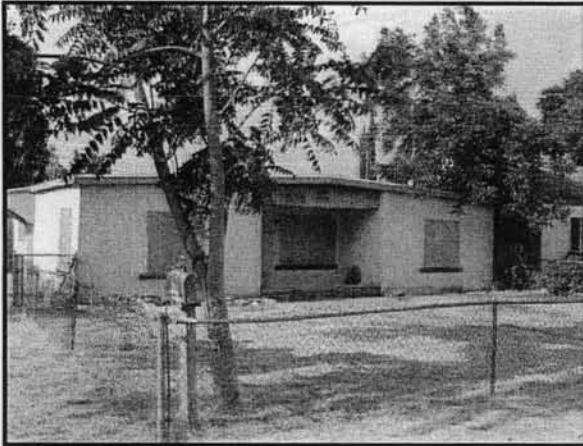
THIS IS AN APPRAISAL REPORT COMPLETED TO ESTABLISH MARKET VALUE OF THE SUBJECT FOR MORTGAGE PURPOSES. IT HAS BEEN COMPLETED IN SUCH A MANNER AS TO COMPLY WITH CURRENT FNMA AND FHLMC GUIDELINES. THIS APPRAISER HAS RESEARCHED SUBJECT'S POTENTIAL SALES HISTORY FOR A PERIOD OF THREE YEARS UTILIZING DATA PROVIDED BY METROSCAN AND LOCAL MULTIPLE LISTING SERVICE. ALL APPLICABLE INFORMATION KNOWN TO THIS APPRAISER CONCERNING THE SUBJECT DURING THIS PERIOD HAS BEEN REVEALED IN THIS REPORT.

- **FINAL RECONCILIATION**

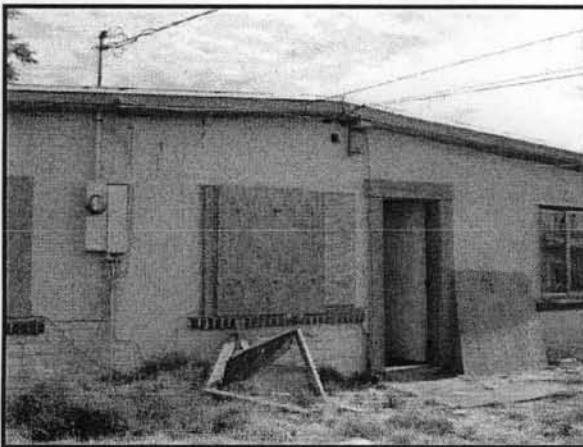
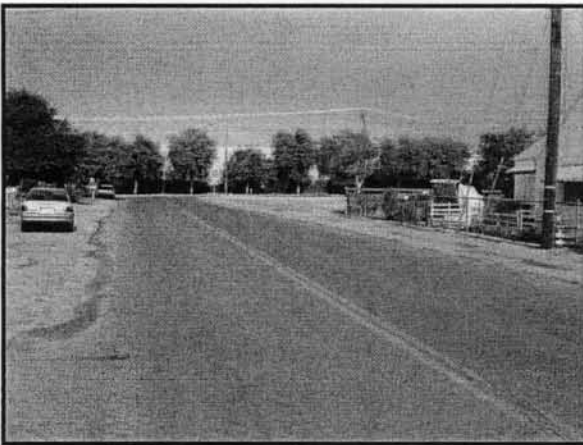
THE MARKET APPROACH BEING THE MOST RELIABLE APPROACH FOR DETERMINING THE VALUE FOR SINGLE FAMILY HOMES IS GIVEN THE PRIMARY CONSIDERATION IN THE FINAL RECONCILIATION. THE INCOME APPROACH IS NOT UTILIZED DUE TO THE LACK OF AVAILABILITY OF RENTAL DATA. THE COST APPROACH IS UTILIZED, BUT IS A LAND RESIDUAL APPROACH WITH LAND DETERMINED BY ABSTRACTION.

Subject Photo Page

Borrower/Client HABITAT				
Property Address 1020 TENAYA DRIVE				
City MODESTO	County STANISLAUS	State CA	Zip Code 95354-3720	
Lender G3 ENTERPRISES, INC				

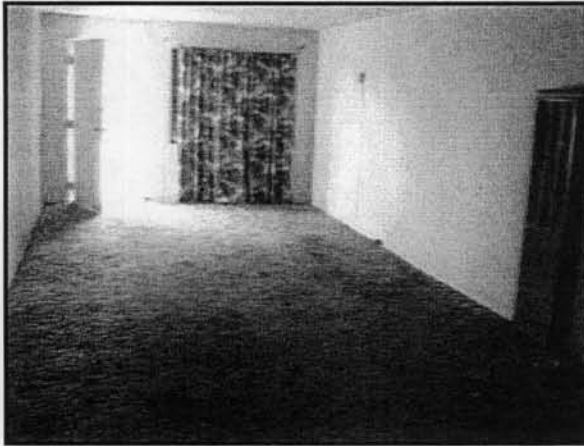
**Subject Front**

1020 TENAYA DRIVE
 Sales Price N/A
 Gross Living Area 1,332
 Total Rooms 5
 Total Bedrooms 3
 Total Bathrooms 1
 Location AVERAGE
 View NONE
 Site 6,500 Sq.Ft.
 Quality AVERAGE
 Age 61 YEARS

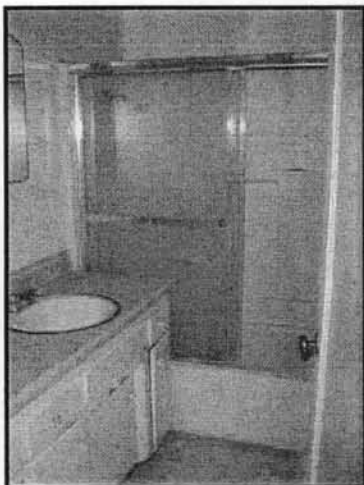
**Subject Rear****Subject Street**

Subject Photo Page

Borrower/Client HABITAT				
Property Address 1020 TENAYA DRIVE				
City	MODESTO	County	STANISLAUS	State CA
Zip Code	95354-3720			
Lender G3 ENTERPRISES, INC				

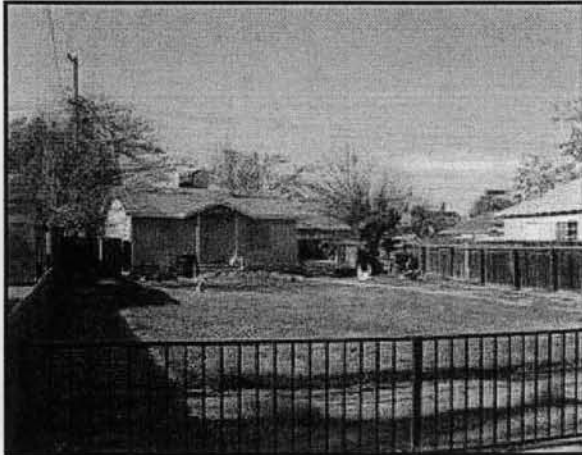
**Subject Interior**

1020 TENAYA DRIVE
 Sales Price N/A
 Gross Living Area 1,332
 Total Rooms 5
 Total Bedrooms 3
 Total Bathrooms 1
 Location AVERAGE
 View NONE
 Site 6,500 Sq.Ft.
 Quality AVERAGE
 Age 61 YEARS



Comparable Photo Page

Borrower/Client HABITAT				
Property Address 1020 TENAYA DRIVE				
City	MODESTO	County	STANISLAUS	State CA
Zip Code	95354-3720			
Lender G3 ENTERPRISES, INC				



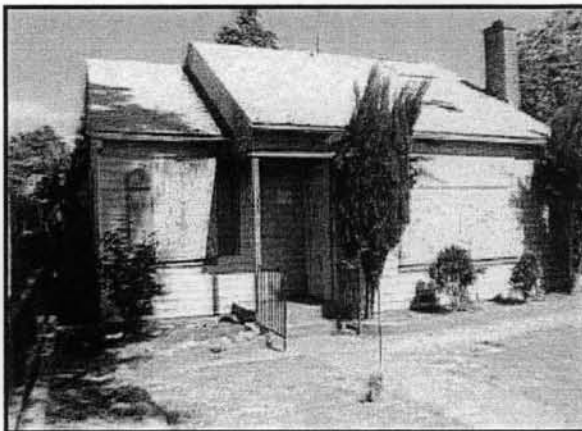
Comparable 1

807 KERR AVENUE
 Prox. to Subject 0.58 miles
 Sale Price 122,500
 Gross Living Area 650
 Total Rooms 4
 Total Bedrooms 2
 Total Bathrooms 1
 Location AVERAGE
 View NONE
 Site 6534 SF
 Quality AVERAGE
 Age 52 YEARS



Comparable 2

405 THRASHER AVENUE
 Prox. to Subject 0.43 miles
 Sale Price 189,000
 Gross Living Area 872
 Total Rooms 4
 Total Bedrooms 2
 Total Bathrooms 1
 Location AVERAGE
 View NONE
 Site 7841 SF
 Quality AVERAGE
 Age 51 YEARS



Comparable 3

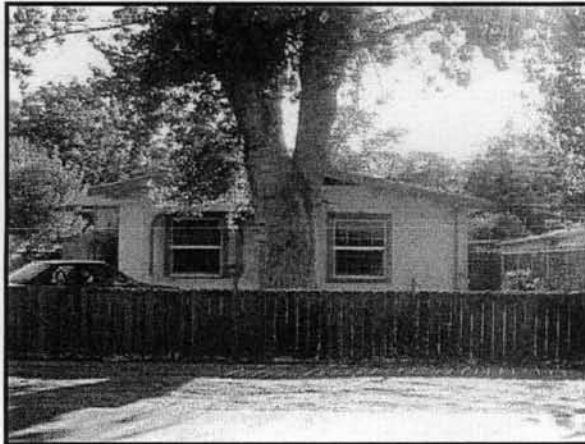
334 BURNEY STREET
 Prox. to Subject 0.87 miles
 Sale Price 108,000
 Gross Living Area 852
 Total Rooms 4
 Total Bedrooms 2
 Total Bathrooms 1
 Location AVERAGE
 View NONE
 Site 4356 SF
 Quality AVERAGE
 Age 67 YEARS

Comparable Photo Page

Borrower/Client HABITAT				
Property Address 1020 TENAYA DRIVE				
City MODESTO	County STANISLAUS	State CA	Zip Code 95354-3720	
Lender G3 ENTERPRISES, INC				

**Comparable 4**

735 BENSON AVENUE
 Prox. to Subject 0.44 miles
 Sale Price 99,000
 Gross Living Area 764
 Total Rooms 4
 Total Bedrooms 2
 Total Bathrooms 1
 Location AVERAGE
 View NONE
 Site 8190 SF
 Quality AVERAGE
 Age 61 YEARS

**Comparable 5**

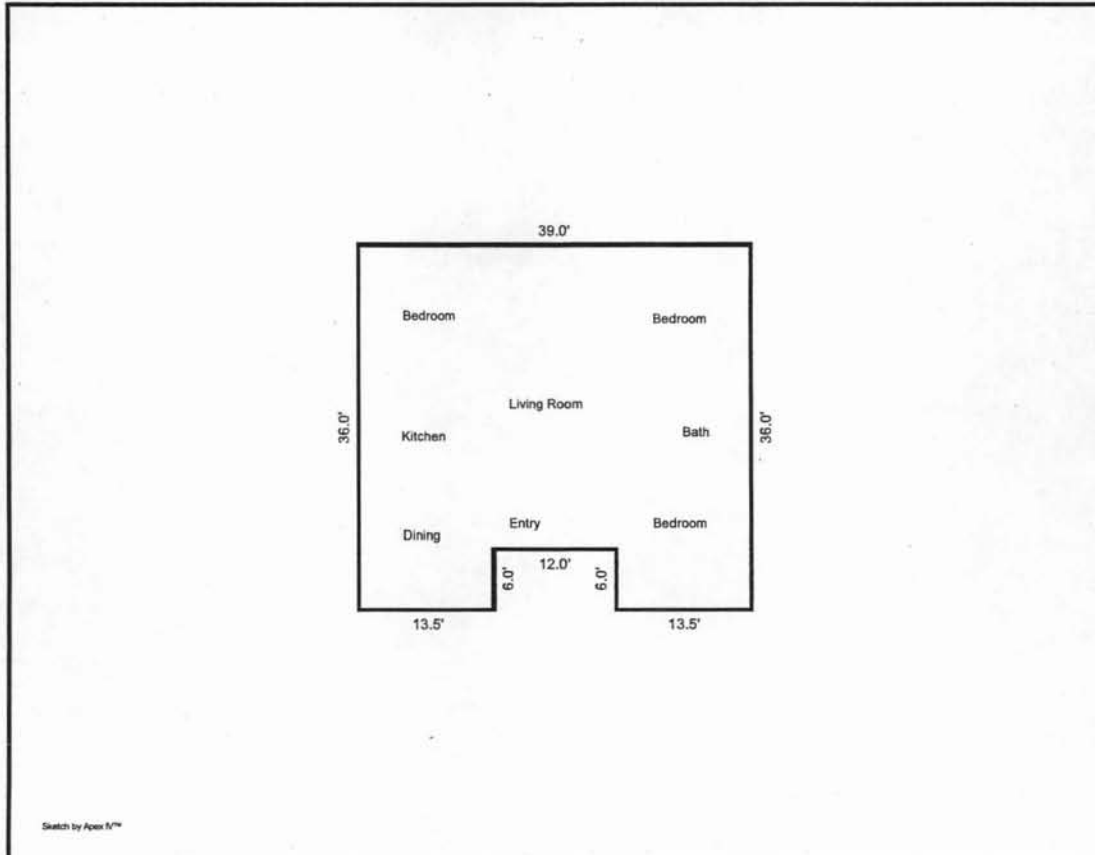
257 S SANTA CRUZ AVENUE
 Prox. to Subject 0.23 miles
 Sale Price 150,000
 Gross Living Area 906
 Total Rooms 4
 Total Bedrooms 2
 Total Bathrooms 1
 Location AVERAGE
 View NONE
 Site 11326 SF
 Quality AVERAGE
 Age 86 YEARS

**Comparable 6**

240 S SANTA ANA AVENUE
 Prox. to Subject 0.19 miles
 Sale Price 169,999
 Gross Living Area 1,263
 Total Rooms 5
 Total Bedrooms 2
 Total Bathrooms 1
 Location AVERAGE
 View NONE
 Site 11326
 Quality AVERAGE
 Age 77 YEARS

Building Sketch (Page - 1)

Borrower/Client HABITAT				
Property Address 1020 TENAYA DRIVE				
City	MODESTO	County	STANISLAUS	State CA Zip Code 95354-3720
Lender	G3 ENTERPRISES, INC			



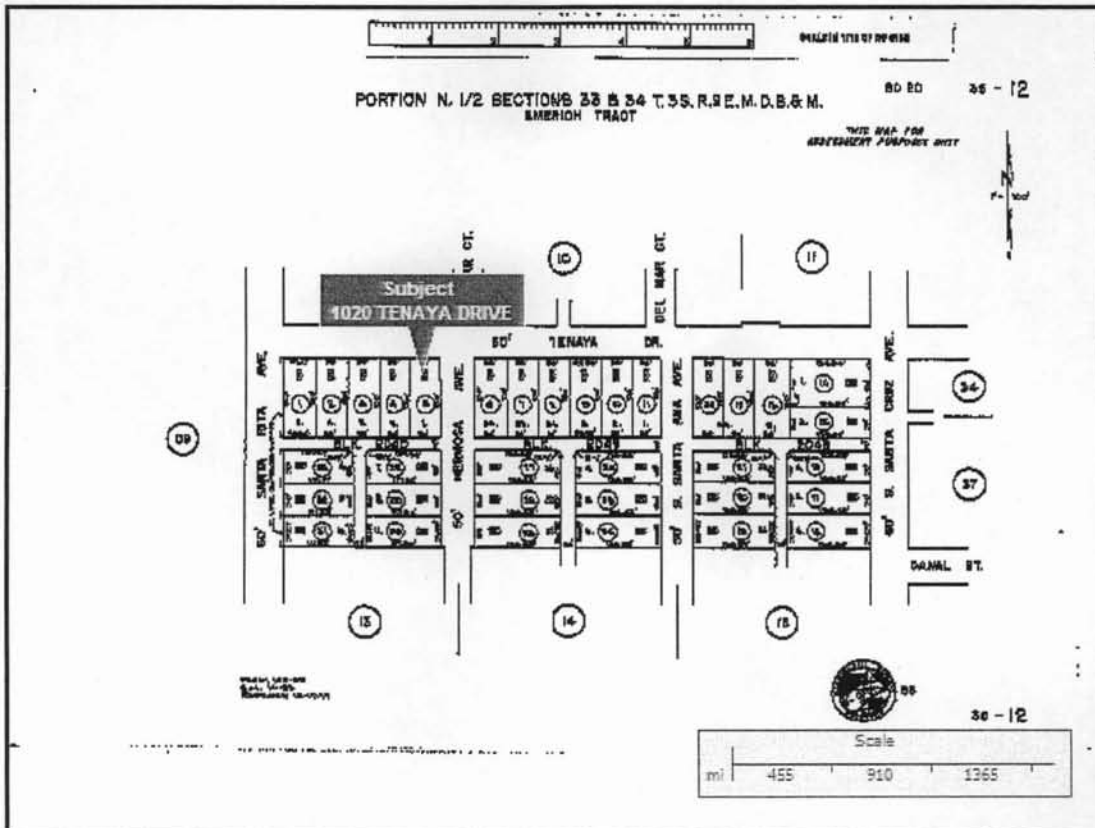
Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	1332.0	1332.0
Net LIVABLE Area		(Rounded)	1332

LIVING AREA BREAKDOWN		
Breakdown	Subtotals	
First Floor		
30.0 x 39.0	1170.0	
6.0 x 13.5	81.0	
6.0 x 13.5	81.0	
3 Items	(Rounded)	1332

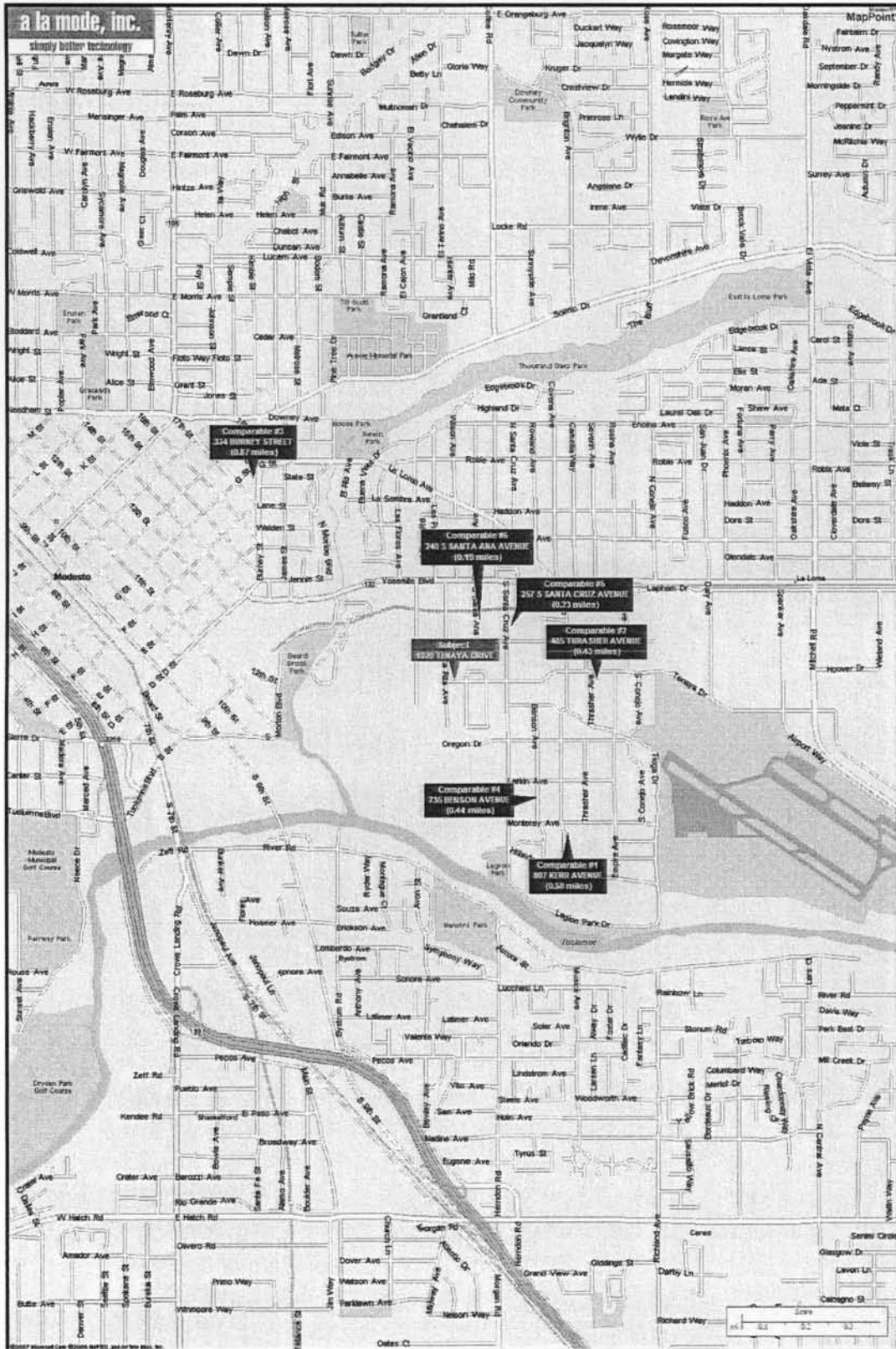
Plat Map

Borrower/Client HABITAT			
Property Address 1020 TENAYA DRIVE			
City MODESTO	County STANISLAUS	State CA	Zip Code 95354-3720
Lender G3 ENTERPRISES, INC			



Location Map

Borrower/Client HABITAT			
Property Address 1020 TENAYA DRIVE			
City	MODESTO	County	STANISLAUS
		State	CA
Lender	G3 ENTERPRISES, INC	Zip Code	95354-3720



ATTACHMENT C-2
PROPERTY APPRAISAL
1114 TENAYA DRIVE, MODESTO

FROM: ANDY STANISLAUS APPRAISERS P.O. BOX 1993 CERES, CA 95307 Telephone Number: (209)537-5331 Fax Number: (209)537-2767	<h2 style="margin: 0;">INVOICE</h2> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <tr style="background-color: #cccccc;"><td style="text-align: center;">INVOICE NUMBER</td></tr> <tr><td style="text-align: center;">13,933</td></tr> <tr style="background-color: #cccccc;"><td style="text-align: center;">DATE</td></tr> <tr><td style="text-align: center;">7/25/2007</td></tr> <tr style="background-color: #cccccc;"><td style="text-align: center;">REFERENCE</td></tr> <tr><td style="text-align: center;">Internal Order #: 13,933</td></tr> <tr><td style="text-align: center;">Lender Case #: GALLO</td></tr> <tr><td style="text-align: center;">Client File #:</td></tr> <tr><td style="text-align: center;">Main File # on form: 13,933</td></tr> <tr><td style="text-align: center;">Other File # on form: GALLO</td></tr> <tr><td style="text-align: center;">Federal Tax ID: 47-0853127</td></tr> <tr><td style="text-align: center;">Employer ID:</td></tr> </table>	INVOICE NUMBER	13,933	DATE	7/25/2007	REFERENCE	Internal Order #: 13,933	Lender Case #: GALLO	Client File #:	Main File # on form: 13,933	Other File # on form: GALLO	Federal Tax ID: 47-0853127	Employer ID:
INVOICE NUMBER													
13,933													
DATE													
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Internal Order #: 13,933													
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Federal Tax ID: 47-0853127													
Employer ID:													
TO: AMY G3 ENTERPRISES, INC 502 E WHITMORE AVENUE MODESTO, CA 95358 Telephone Number: 341 7006 Fax Number: 572 4306 Alternate Number: E-Mail:													
DESCRIPTION													
Lender: G3 ENTERPRISES, INC Client: G3 ENTERPRISES, INC Purchaser/Borrower: HABITAT Property Address: 1114 TENAYA DRIVE City: MODESTO County: STANISLAUS State: CA Zip: 95354-3720 Legal Description: LOT 3 BLK 2049 EMERICH TRACT													
FEES	AMOUNT												
Full Appraisal	275.00												
SUBTOTAL	275.00												
PAYMENTS													
Check #: Date: Description: Check #: Date: Description: Check #: Date: Description:													
SUBTOTAL													
TOTAL DUE	\$ 275.00												

Uniform Residential Appraisal Report

GALLO
File # 13,933

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.

Property Address 1114 TENAYA DRIVE City MODESTO State CA Zip Code 95354-3720
 Borrower HABITAT Owner of Public Record GALLO County STANISLAUS
 Legal Description LOT 3 BLK 2049 EMERICH TRACT
 Assessor's Parcel # 035-012-009 Tax Year 06/07 R.E. Taxes \$ 843.74
 Neighborhood Name EMERICH TRACT Map Reference 548 D2 Census Tract 0021.00
 Occupant Owner Tenant Vacant Special Assessments \$ 0.00 PUD HOA \$ N/A per year per month
 Property Rights Appraised Fee Simple Leasehold Other (describe)
 Assignment Type Purchase Transaction Refinance Transaction Other (describe) TRANSFER/TAX PURPOSES
 Lender/Client G3 ENTERPRISES, INC Address 502 E WHITMORE AVENUE, MODESTO, CA 95358
 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? Yes No
 Report data source(s) used, offering price(s), and date(s). MLS

I 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.

Contract Price \$ N/A Date of Contract N/A Is the property seller the owner of public record? Yes No Data Source(s) METROSCAN
 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 No
 If Yes, report the total dollar amount and describe the items to be paid. N/A

Note: Race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood Characteristics		One-Unit Housing Trends		One-Unit Housing		Present Land Use %	
Location <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural	Property Values <input type="checkbox"/> Increasing <input type="checkbox"/> Stable <input checked="" type="checkbox"/> Declining	PRICE	AGE	One-Unit	90 %		
Built-Up <input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	Demand/Supply <input type="checkbox"/> Shortage <input type="checkbox"/> In Balance <input checked="" type="checkbox"/> Over Supply	\$ (000)	(yrs)	2-4 Unit	5 %		
Growth <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	Marketing Time <input type="checkbox"/> Under 3 mths <input checked="" type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths	100	Low	2	Multi-Family	0 %	
Neighborhood Boundaries	YOSEMITE BLVD. TO THE NORTH, DRY CREEK TO THE WEST,	300	High	80	Commercial	0 %	
	TUOLUMNE RIVER TO THE SOUTH AND TIOGA DRIVE TO THE EAST.	190	Pred.	55	Other	5 %	
Neighborhood Description ** SEE "NEIGHBORHOOD COMMENTS" ADDENDA **							

Market Conditions (including support for the above conclusions) ** SEE "GENERAL MARKET" ADDENDA **

Dimensions 42.5' X 130' Area 5,525 Sq.Ft. Shape RECTANGULAR View NONE
 Specific Zoning Classification R-1 Zoning Description RESIDENTIAL
 Zoning Compliance Legal Legal Nonconforming (Grandfathered Use) No Zoning Illegal (describe)
 Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? Yes No If No, describe

Utilities	Public	Other (describe)	Public	Other (describe)	Off-site Improvements - Type	Public	Private
Electricity	<input checked="" type="checkbox"/>		Water	<input checked="" type="checkbox"/>	Street	ASPHALT	<input checked="" type="checkbox"/>
Gas	<input checked="" type="checkbox"/>		Sanitary Sewer	<input checked="" type="checkbox"/>	Alley	DIRT	<input checked="" type="checkbox"/>

FEMA Special Flood Hazard Area Yes No FEMA Flood Zone X FEMA Map # 0603840290B FEMA Map Date 5/7/2001
 Are the utilities and off-site improvements typical for the market area? Yes No If No, describe
 Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? Yes No If Yes, describe
 * SEE SITE COMMENT SECTION *

General Description		Foundation		Exterior Description		Interior	
Units <input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input type="checkbox"/> Concrete Slab <input checked="" type="checkbox"/> Crawl Space	Foundation Walls	CONCRETE-AVG	Floors	WOOD/FAIR		
# of Stories ONE	<input type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls	WOOD-FAIR	Walls	PLASTER/FAIR		
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Area N/A sq.ft.	Roof Surface	COMP-FAIR	Trim/Finish	WOOD/FAIR		
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Basement Finish %	Gutters & Downspouts	NONE	Bath Floor	VINYL/FAIR		
Design (Style) AVERAGE	<input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type	DB.HUNG-FAIR	Bath Wainscot	NONE		
Year Built 1947	Evidence of <input type="checkbox"/> Infestation NONE NOT	Storm Sash/Insulated	NONE	Car Storage	<input type="checkbox"/> None		
Effective Age (Yrs) 40 YEARS	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens	NONE	<input checked="" type="checkbox"/> Driveway # of Cars 1			
Attic <input type="checkbox"/> None	Heating <input type="checkbox"/> FWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant	Amenities	<input type="checkbox"/> Woodstove(s) #	Driveway Surface	GRAVEL		
<input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs	<input checked="" type="checkbox"/> Other WALL Fuel	<input type="checkbox"/> Fireplace(s) #	<input checked="" type="checkbox"/> Fence	<input checked="" type="checkbox"/> Garage # of Cars 1			
<input type="checkbox"/> Floor <input checked="" type="checkbox"/> Scuttle	Cooling <input type="checkbox"/> Central Air Conditioning	<input type="checkbox"/> Patio/Deck	<input type="checkbox"/> Porch	<input type="checkbox"/> Carport # of Cars			
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input type="checkbox"/> Other	<input type="checkbox"/> Pool	<input type="checkbox"/> Other	<input checked="" type="checkbox"/> Att. <input type="checkbox"/> Det. <input type="checkbox"/> Built-in			

Appliances Refrigerator Range/Oven Dishwasher Disposal Microwave Washer/Dryer Other (describe)
 Finished area above grade contains: 5 Rooms 2 Bedrooms 1 Bath(s) 827 Square Feet of Gross Living Area Above Grade
 Additional features (special energy efficient items, etc.). ** SEE "ADDITIONAL FEATURES" ADDENDUM **

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). ** SEE "DEPRECIATION" ADDENDUM **

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

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

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There are 8 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 130,000 to \$ 250,000	
There are 4 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 90,000 to \$ 230,000	
FEATURE	SUBJECT
Address	1114 TENAYA DRIVE MODESTO, CA 95354-3720
Proximity to Subject	0.55 miles
Sale Price	\$ N/A
Sale Price/Gross Liv. Area	\$ 188.46 sq.ft.
Data Source(s)	DOC # 46278
Verification Source(s)	MLS # 70021468
VALUE ADJUSTMENTS	DESCRIPTION DESCRIPTION +(-) \$ Adjustment
Sales or Financing Concessions	CONV NONE KNOWN
Date of Sale/Time	4/16/07 COE
Location	AVERAGE
Leasehold/Fee Simple	Fee Simple FEE SIMPLE
Site	5,525 Sq.Ft. 6534 SF -1,000
View	NONE
Design (Style)	AVERAGE
Quality of Construction	AVERAGE
Actual Age	61 YEARS 52 YEARS 0
Condition	FAIR FAIR SUPERIOR -50,000 INFERIOR +15,000
Above Grade	Total Bdrms. Baths
Room Count	5 2 1 4 2 1
Gross Living Area	827 sq.ft. 650 sq.ft. +5,700 872 sq.ft. -1,400 852 sq.ft. -800
Basement & Finished Rooms Below Grade	N/A NONE
Functional Utility	TYPICAL
Heating/Cooling	WALL/NONE
Energy Efficient Items	AVERAGE
Garage/Carport	1 CAR GARAG OPEN PARKIN +2,000
Porch/Patio/Deck	PORCH/PATIO
APPLIANCES	AVERAGE
LANDSCAPING	AVG.LANDSCP
AMENITIES	AVERAGE
Net Adjustment (Total)	⊗ + ⊖ - \$ 6,700 ⊗ + ⊗ - \$ 51,400 ⊗ + ⊖ - \$ 17,200
Adjusted Sale Price of Comparables	Net Adj. 5.5% Gross Adj. 7.1% \$ 129,200 Net Adj. 27.2% Gross Adj. 29.3% \$ 137,600 Net Adj. 15.9% Gross Adj. 17.4% \$ 125,200
<input checked="" type="checkbox"/> did <input type="checkbox"/> did not research the sale or transfer history of the subject property and comparable sales. If not, explain	
My research <input type="checkbox"/> did <input checked="" type="checkbox"/> did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.	
Data Source(s) MLS, METROSCAN	
My research <input type="checkbox"/> did <input checked="" type="checkbox"/> 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) MLS, METROSCAN	
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
Date of Prior Sale/Transfer	NONE
Price of Prior Sale/Transfer	NONE
Data Source(s)	MLS, METROSCAN
Effective Date of Data Source(s)	7/15/2007
Analysis of prior sale or transfer history of the subject property and comparable sales	
Summary of Sales Comparison Approach ** SEE "SALES COMPARISON" ADDENDUM **	
Indicated Value by Sales Comparison Approach \$ 129,000	
Indicated Value by: Sales Comparison Approach \$ 129,000 Cost Approach (if developed) \$ 130,077 Income Approach (if developed) \$	
** SEE "FINAL RECONCILIATION" ADDENDUM **	
This appraisal is made <input checked="" type="checkbox"/> "as is", <input type="checkbox"/> subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or <input type="checkbox"/> subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair. ** SEE "COMMENTS AND CONDITIONS" ADDENDUM **	
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 \$ 129,000 , as of 7/24/2007 , which is the date of inspection and the effective date of this appraisal.	

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Replacement cost figures used in the cost approach are for valuation purposes only. No one, client or third party, should rely on these figures for insurance purposes. The definitions of market value on page 4 of this report may not be consistent with definitions of insurable value.

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 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.

This appraisal is not a substitute for a Home Inspection. Appraisers ability to determine condition is severely limited by concealed or obscured items such as floor coverings, exterior siding, personal property and other items not moved in the normal course of the visual inspection. Not included in this inspection is the signs of infestation, subsurface items or items otherwise concealed or obscured. Furthermore, no inspection of attic or crawl spaces were performed. No activation of mechanical, electrical or plumbing devices was performed. If the client or other parties involved are concerned regarding the above mentioned items, a home inspection should be performed by a qualified home inspector.

This appraiser has not made any search relating to the proximity to adverse influences such as but not limited to: nearby criminal activity, registered sex offenders or interim rehab facilities.

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) **HOME VALUE ONLY - \$33,077**

COST APPROACH

<input type="checkbox"/> ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input checked="" type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE = \$ 90,000
Source of cost data MARSHALL & SWIFT, LOCAL BUILDERS	DWELLING 827 Sq.Ft. @ \$ 120.00 = \$ 99,240
Quality rating from cost service AVG Effective date of cost data 1/1/2007	N/A Sq.Ft. @ \$ = \$
Comments on Cost Approach (gross living area calculations, depreciation, etc.)	= \$
** SEE "COST ADDENDUM" "IMPROVEMENT SKETCH" **	Garage/Carport 227 Sq.Ft. @ \$ 0.00 = \$
	Total Estimate of Cost-New = \$ 99,240
	Less Physical Functional External
	Depreciation 66,163 = \$(66,163)
	Depreciated Cost of Improvements = \$ 33,077
	As-is Value of Site Improvements = \$ 7,000
Estimated Remaining Economic Life (HUD and VA only) 20 Years	INDICATED VALUE BY COST APPROACH = \$ 130,077

INCOME

INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent \$ N/A X Gross Rent Multiplier = \$ Indicated Value by Income Approach
Summary of Income Approach (including support for market rent and GRM)

PUD INFORMATION

PROJECT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowners' Association (HOA)? Yes No Unit type(s) Detached Attached
Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.

Legal Name of Project

Total number of phases Total number of units N/A 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. **SUBJECT IS NOT A PUD**

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This report form is designed to report an appraisal of a one-unit property or a one-unit property with an accessory unit, including a unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a condominium or cooperative project.

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. 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 the 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.

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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. 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 approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have 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.

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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.

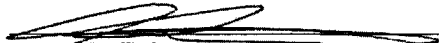
24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation 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 ANDY CONSTANTINOU
 Company Name STANISLAUS APPRAISERS
 Company Address PO.BOX 1993
CERES CA 95307
 Telephone Number 209 537 5331
 Email Address cyprus01@sbcglobal.net
 Date of Signature and Report July 26, 2007
 Effective Date of Appraisal 7/24/2007
 State Certification # AR010974
 or State License # _____
 or Other (describe) _____ State # _____
 State CA
 Expiration Date of Certification or License 11/26/2008

ADDRESS OF PROPERTY APPRAISED
1114 TENAYA DRIVE
MODESTO, CA 95354-3720
 APPRAISED VALUE OF SUBJECT PROPERTY \$ 129,000
 LENDER/CLIENT
 Name AMY
 Company Name G3 ENTERPRISES, INC
 Company Address 502 E WHITMORE AVENUE, MODESTO, CA
95358
 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 _____

Supplemental Addendum

File No. 13,933

Borrower/Client	HABITAT		
Property Address	1114 TENAYA DRIVE		
City	MODESTO	County	STANISLAUS
		State	CA
		Zip Code	95354-3720
Lender	G3 ENTERPRISES, INC		

• **NEIGHBORHOOD COMMENTS**

SUBJECT IS PART OF A RESIDENTIAL NEIGHBORHOOD OF MODESTO WHICH IS MADE UP OF MOSTLY ONE STORY AVERAGE QUALITY HOMES, THE HOMES IN THE IMMEDIATE NEIGHBORHOOD ARE GENERALLY WELL MAINTAINED, SCHOOLS AND SHOPPING ARE RELATIVELY CONVENIENT. EMPLOYMENT OPPORTUNITIES ARE RELATIVELY STABLE. THERE IS ALSO A WIDE RANGE OF OPPORTUNITIES WITHIN 30 MINUTES TO 1 1/2 HOURS AWAY. PUBLIC TRANSPORTATION CONSISTS OF PRIVATE TAXIS AND PUBLIC BUSES. PUBLIC UTILITIES ARE READILY AVAILABLE. PROPERTIES IN THE NEIGHBORHOOD EXHIBIT AN AVERAGE LEVEL OF COMPATIBILITY AND GENERAL APPEARANCE. A VARIETY OF RECREATIONAL FACILITIES SERVE THE COMMUNITY. SUBJECT NEIGHBORHOOD RECEIVES AN AVERAGE LEVEL OF PROTECTION AGAINST CRIME, FIRE AND OTHER DETRIMENTAL CONDITIONS THROUGH PUBLIC AGENCIES. APPEAL OF THE PROPERTIES IN THE NEIGHBORHOOD ARE CONSIDERED AVERAGE.

• **GENERAL MARKET**

SUBJECT'S MARKET CONDITIONS APPEAR TO BE STABLE WITH SUPPLY GENERALLY GREATER THAN DEMAND WITH DECLINING PROPERTY VALUES. MARKETING TIME IS TYPICALLY ONE TO SIX MONTHS. SELLER CONCESSIONS ARE UNUSUAL IN THIS MARKET WITH THE OCCASIONAL EXCEPTION OF THE SELLER'S PAYING OF BUYER'S NORMAL NON-RECURRING CLOSING COSTS. WHEN CONCESSIONS DO OCCUR THEY ARE GENERALLY NOMINAL AND HAVE LITTLE INFLUENCE ON VALUE.

• **SITE COMMENTS**

THE SUBJECT SITE HAS BEEN IMPROVED WITH MINIMAL LANDSCAPING. THERE ARE NORMAL PUBLIC UTILITIES AND SETBACK LINES. NO ADVERSE EASEMENT OR ENCUMBRANCES ARE APPARENT. ZONING IS FOR RESIDENTIAL PURPOSES AND IMPROVEMENTS APPEAR TO CONFORM TO ALL ZONING LAWS. THE SUBJECT IS NOT LOCATED WITHIN THE BOUNDARIES OF A SPECIAL STUDIES ZONE AS DEFINED IN THE LANGUAGE OF THE ALQUIST-PRIOLO SPECIAL STUDIES ACT OF 1977, AND NO SOIL PROBLEMS OF ANY KIND ARE APPARENT ON OR AROUND THE SITE. SUBJECT IS NOT LOCATED WITHIN A SPECIAL FLOOD AREA AS IDENTIFIED BY MAPS ISSUED BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY. THIS APPRAISER HAS CONSIDERED THE HIGHEST AND BEST USE OF THE PROPERTY APPRAISED AND IT IS HIS OPINION THAT THE HIGHEST AND BEST USE IS THE CURRENT USE AT THIS TIME AND IN THE FORESEEABLE FUTURE. THIS OPINION HAS BEEN BASED UPON TAKEN INTO CONSIDERATION THE FOLLOWING FACTORS: 1) THE EXISTING LAND USE REGULATIONS, 2) THE POTENTIAL FOR MODIFICATIONS FOR SUCH LAND USE REGULATIONS, 3) ECONOMIC DEMAND, 4) THE PHYSICAL ADAPTABILITY OF THE SUBJECT, 5) THE NEIGHBORHOOD TRENDS, 6) THE OPTIMAL USAGE OF THE PROPERTY.

• **DEPRECIATION**

SUBJECT'S DEPRECIATION IS BASED ON THE AGE/LIFE METHOD. ROOF APPEARS TO BE IN FAIR CONDITION. SUBJECT'S INTERIOR IS IN OVERALL FAIR CONDITION. ROOM SIZES ARE AVERAGE AND FINISH WORK IS AVERAGE QUALITY. OVERALL APPEAL IS AVERAGE. THIS APPRAISER IS NOT QUALIFIED TO DETECT TOXIC SUBSTANCES SUCH AS ASBESTOS, UREA-FORMALDEHYDE INSULATION, OR OTHER POTENTIAL HAZARDOUS MATERIALS AND MAKES NO STATEMENT NOR ASSUMES RESPONSIBILITY FOR SUCH "UNDETECTABLE" CONDITIONS.

• **COMMENTS ON COST APPROACH**

THE RATIO BETWEEN VALUE OF LAND AND IMPROVEMENTS IS TYPICAL OF THIS AREA. LAND VALUE IS BY THE ABSTRACTION METHOD. SITE IMPROVEMENTS INCLUDES DEPRECIATED COST OF GARAGE.

• **COMMENTS ON SALES COMPARISON**

ALL COMPS ARE HOMES OF SIMILAR QUALITY AND AGE AS THE SUBJECT FROM THE SUBJECT'S IMMEDIATE NEIGHBORHOOD. ALL COMPS VARIED IN LOT SIZE FROM THE SUBJECT, SITE ADJUSTMENTS WERE MADE ACCORDINGLY. COMPS 1 & 5 ARE SIMILAR IN CONDITION AS THE SUBJECT, WHILE COMPS 2 - 4 VARIED. CONDITION WAS EVIDENCED WITH A DRIVE BY INSPECTION AND AGENT COMMENTS AND ADJUSTMENTS WERE MADE ACCORDINGLY. COMPS 1 - 3 ARE CONFIRMED CLOSED SALES, WHILE COMP 4 IS A PENDING SALE AND COMP 5 IS AN ACTIVE LISTING. THE FOLLOWING ARE THE DATA SOURCES UTILIZED TO CONFIRM THE CLOSINGS: LOCAL MLS AND METROSCAN. ALL COMPS WERE GIVEN EQUAL CONSIDERATION.

• **COMMENTS AND CONDITIONS OF APPRAISAL**

THIS IS AN APPRAISAL REPORT COMPLETED TO ESTABLISH MARKET VALUE OF THE SUBJECT FOR MORTGAGE PURPOSES. IT HAS BEEN COMPLETED IN SUCH A MANNER AS TO COMPLY WITH CURRENT FNMA AND FHLMC GUIDELINES. THIS APPRAISER HAS RESEARCHED SUBJECT'S POTENTIAL SALES HISTORY FOR A PERIOD OF THREE YEARS UTILIZING DATA PROVIDED BY METROSCAN AND LOCAL MULTIPLE LISTING SERVICE. ALL APPLICABLE INFORMATION KNOWN TO THIS APPRAISER CONCERNING THE SUBJECT DURING THIS PERIOD HAS BEEN REVEALED IN THIS REPORT.

Supplemental Addendum

File No. 13,933

Borrower/Client	HABITAT						
Property Address	1114 TENAYA DRIVE						
City	MODESTO	County	STANISLAUS	State	CA	Zip Code	95354-3720
Lender	G3 ENTERPRISES, INC						

• FINAL RECONCILIATION

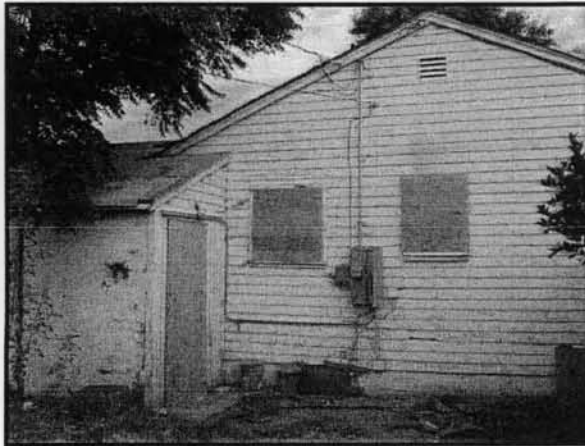
THE MARKET APPROACH BEING THE MOST RELIABLE APPROACH FOR DETERMINING THE VALUE FOR SINGLE FAMILY HOMES IS GIVEN THE PRIMARY CONSIDERATION IN THE FINAL RECONCILIATION. THE INCOME APPROACH IS NOT UTILIZED DUE TO THE LACK OF AVAILABILITY OF RENTAL DATA. THE COST APPROACH IS UTILIZED, BUT IS A LAND RESIDUAL APPROACH WITH LAND DETERMINED BY ABSTRACTION.

Subject Photo Page

Borrower/Client HABITAT				
Property Address 1114 TENAYA DRIVE				
City	MODESTO	County	STANISLAUS	State CA
Zip Code	95354-3720			
Lender G3 ENTERPRISES, INC				

**Subject Front**

1114 TENAYA DRIVE
 Sales Price N/A
 Gross Living Area 827
 Total Rooms 5
 Total Bedrooms 2
 Total Bathrooms 1
 Location AVERAGE
 View NONE
 Site 5,525 Sq.Ft.
 Quality AVERAGE
 Age 61 YEARS

**Subject Rear****Subject Street**

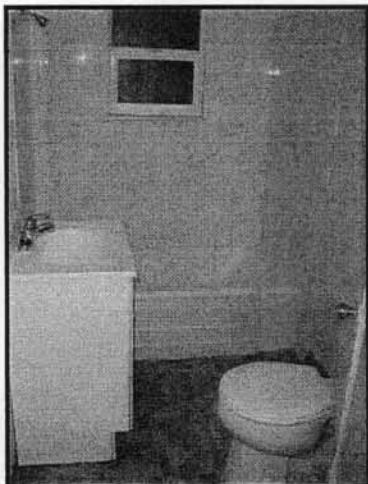
Subject Photo Page

Borrower/Client HABITAT			
Property Address 1114 TENAYA DRIVE			
City MODESTO	County STANISLAUS	State CA	Zip Code 95354-3720
Lender G3 ENTERPRISES, INC			



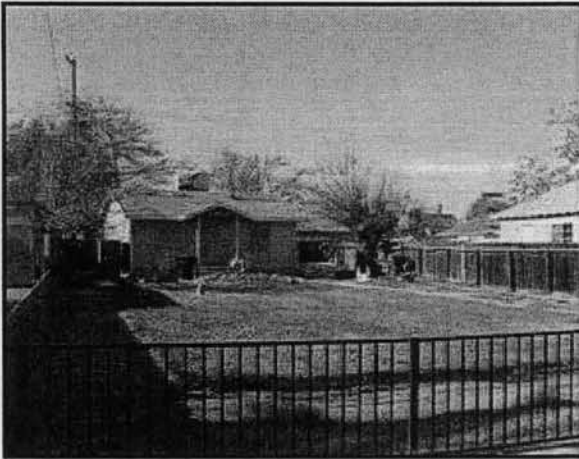
Subject Interior

1114 TENAYA DRIVE
Sales Price N/A
Gross Living Area 827
Total Rooms 5
Total Bedrooms 2
Total Bathrooms 1
Location AVERAGE
View NONE
Site 5,525 Sq.Ft.
Quality AVERAGE
Age 61 YEARS



Comparable Photo Page

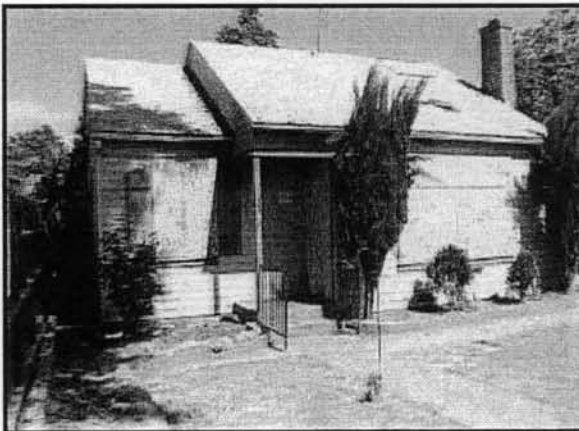
Borrower/Client HABITAT			
Property Address 1114 TENAYA DRIVE			
City MODESTO	County STANISLAUS	State CA	Zip Code 95354-3720
Lender G3 ENTERPRISES, INC			

**Comparable 1**

807 KERR AVENUE
 Prox. to Subject 0.55 miles
 Sale Price 122,500
 Gross Living Area 650
 Total Rooms 4
 Total Bedrooms 2
 Total Bathrooms 1
 Location AVERAGE
 View NONE
 Site 6534 SF
 Quality AVERAGE
 Age 52 YEARS

**Comparable 2**

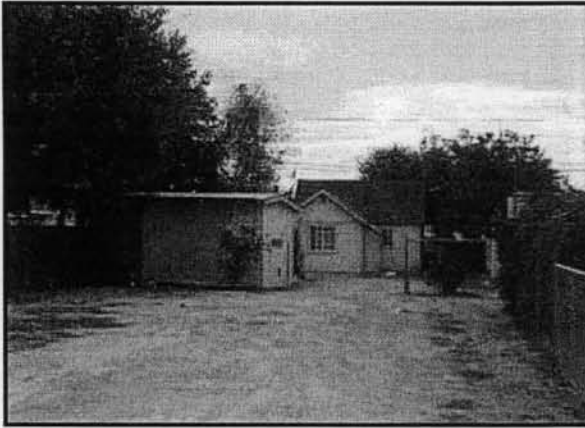
405 THRASHER AVENUE
 Prox. to Subject 0.38 miles
 Sale Price 189,000
 Gross Living Area 872
 Total Rooms 4
 Total Bedrooms 2
 Total Bathrooms 1
 Location AVERAGE
 View NONE
 Site 7841 SF
 Quality AVERAGE
 Age 51 YEARS

**Comparable 3**

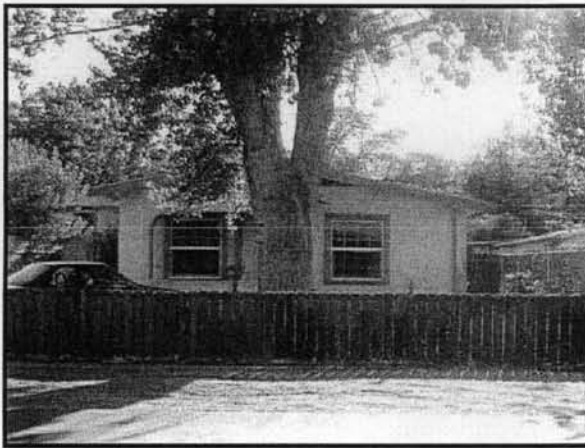
334 BURNEY STREET
 Prox. to Subject 0.91 miles
 Sale Price 108,000
 Gross Living Area 852
 Total Rooms 4
 Total Bedrooms 2
 Total Bathrooms 1
 Location AVERAGE
 View NONE
 Site 4356 SF
 Quality AVERAGE
 Age 67 YEARS

Comparable Photo Page

Borrower/Client HABITAT			
Property Address 1114 TENAYA DRIVE			
City MODESTO	County STANISLAUS	State CA	Zip Code 95354-3720
Lender G3 ENTERPRISES, INC			

**Comparable 4**

735 BENSON AVENUE
 Prox. to Subject 0.41 miles
 Sale Price 99,000
 Gross Living Area 764
 Total Rooms 4
 Total Bedrooms 2
 Total Bathrooms 1
 Location AVERAGE
 View NONE
 Site 8190 SF
 Quality AVERAGE
 Age 61 YEARS

**Comparable 5**

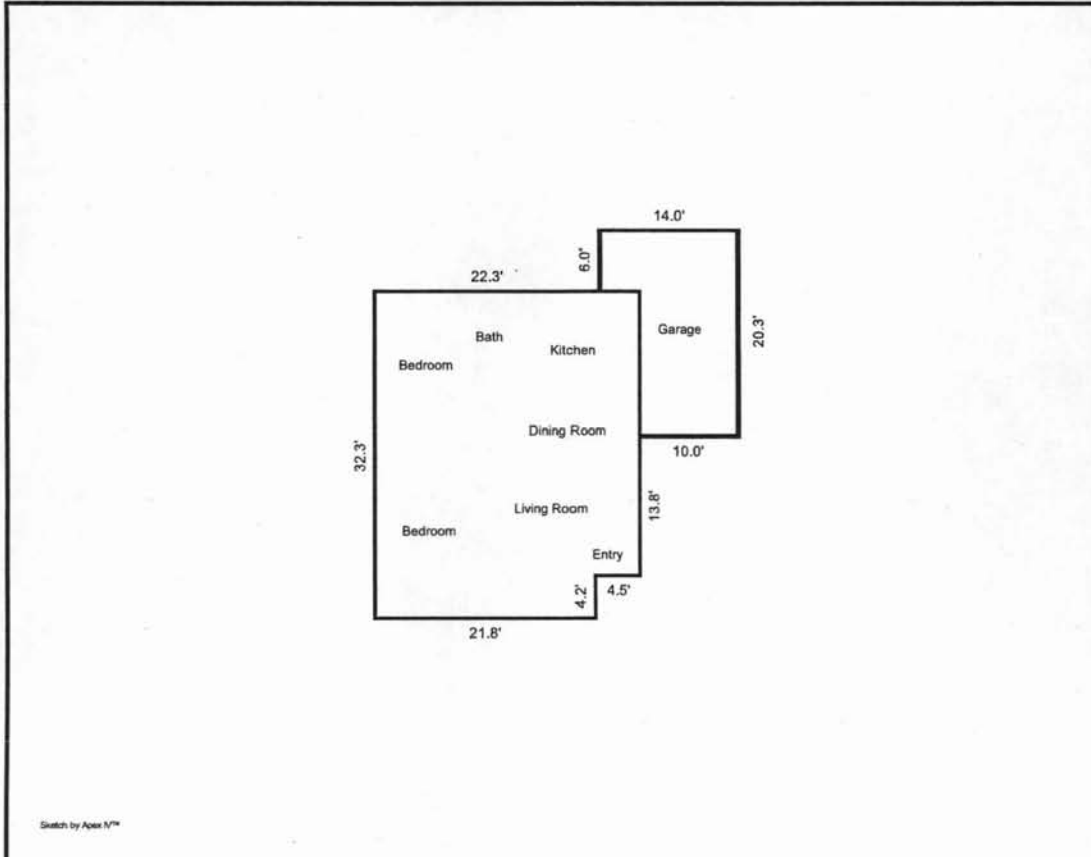
257 S SANTA CRUZ AVENUE
 Prox. to Subject 0.20 miles
 Sale Price 150,000
 Gross Living Area 906
 Total Rooms 4
 Total Bedrooms 2
 Total Bathrooms 1
 Location AVERAGE
 View NONE
 Site 11326 SF
 Quality AVERAGE
 Age 86 YEARS

Comparable 6

Prox. to Subject
 Sale Price
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location
 View
 Site
 Quality
 Age

Building Sketch (Page - 1)

Borrower/Client HABITAT			
Property Address 1114 TENAYA DRIVE			
City MODESTO	County STANISLAUS	State CA	Zip Code 95354-3720
Lender G3 ENTERPRISES, INC			



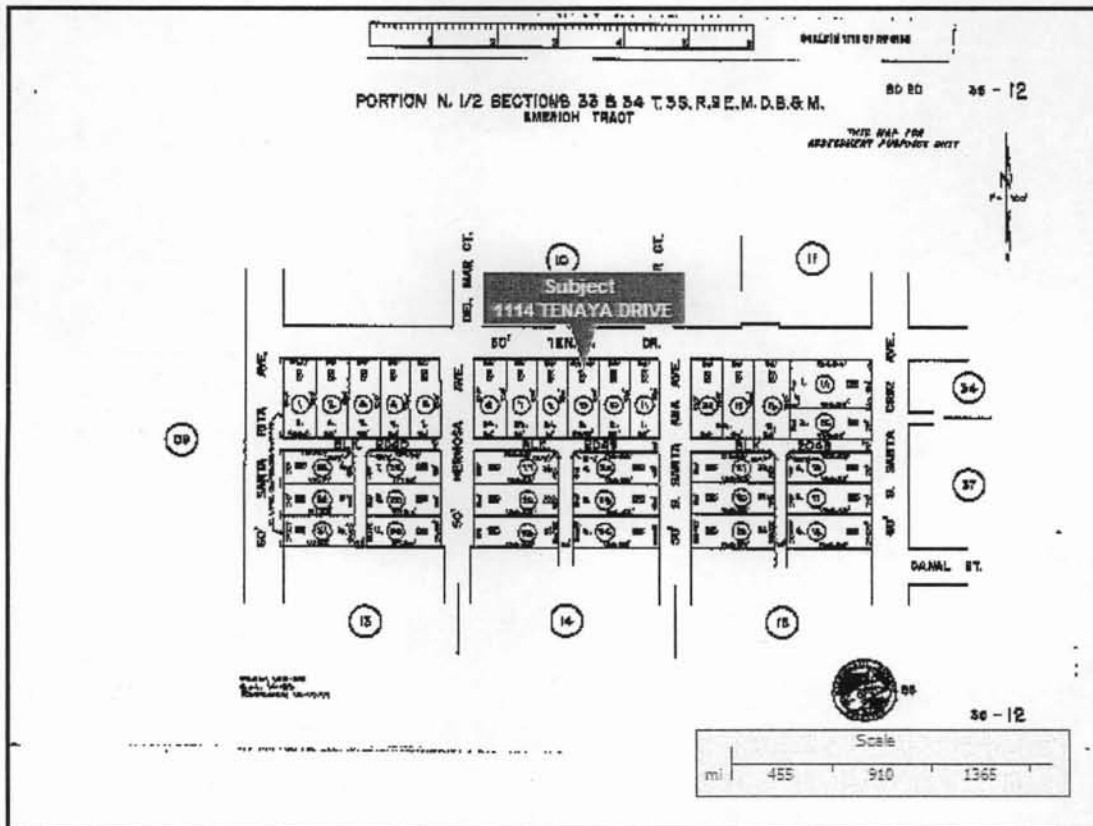
Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	827.4	827.4
GAR	Garage	226.5	226.5
Net LIVABLE Area		(Rounded)	827

LIVING AREA BREAKDOWN			
Breakdown			Subtotals
First Floor			
13.8	x	26.3	360.9
4.3	x	21.8	92.4
4.0	x	14.3	57.0
14.3	x	22.3	317.1
4 Items			(Rounded) 827

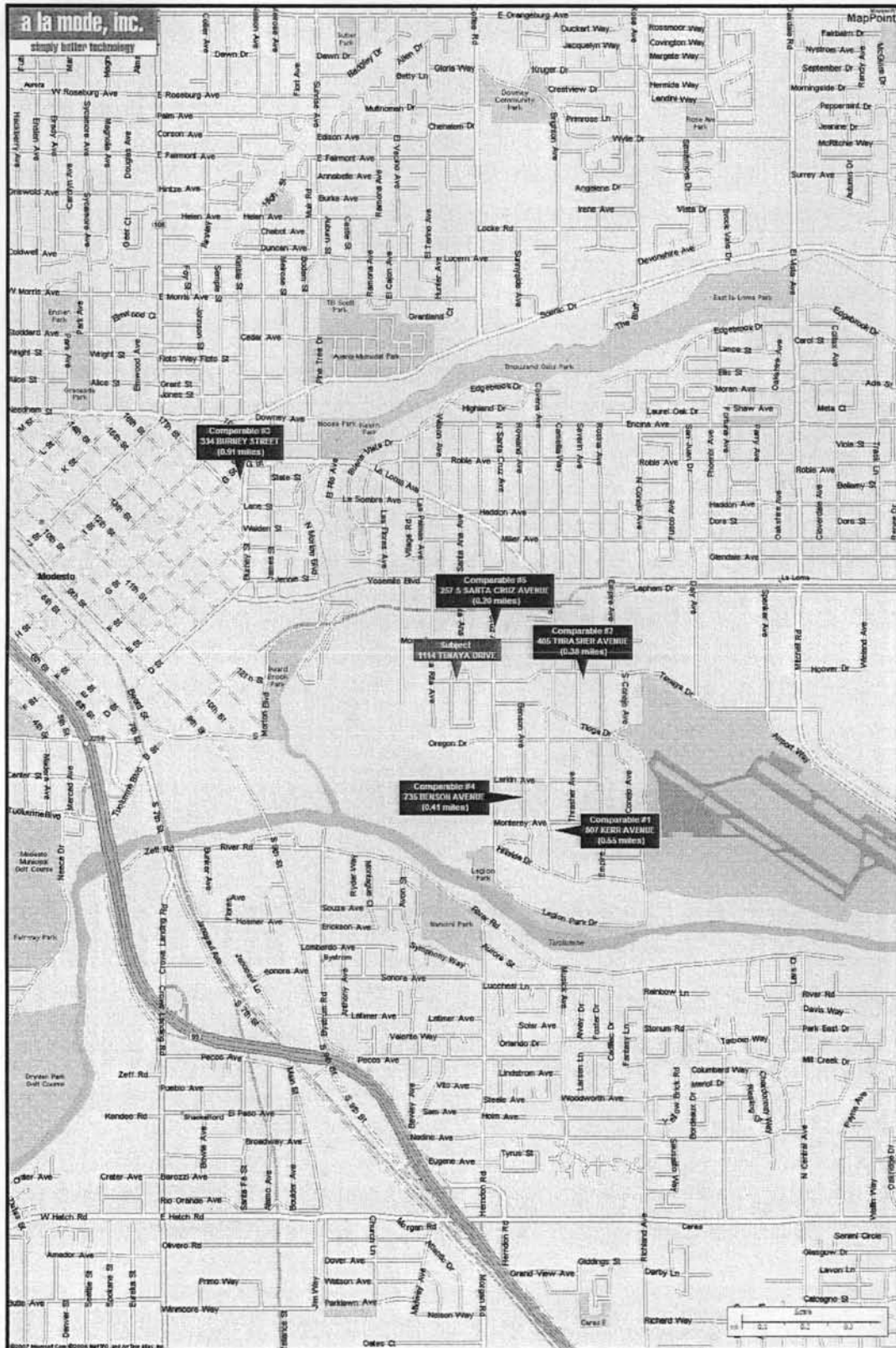
Plat Map

Borrower/Client HABITAT			
Property Address 1114 TENAYA DRIVE			
City MODESTO	County STANISLAUS	State CA	Zip Code 95354-3720
Lender G3 ENTERPRISES, INC			



Location Map

Borrower/Client HABITAT				
Property Address 1114 TENAYA DRIVE				
City	MODESTO	County	STANISLAUS	State CA
Zip Code	95354-3720			
Lender G3 ENTERPRISES, INC				



ATTACHMENT C-3
PROPERTY APPRAISAL
510 BENSON, MODESTO

FROM: ANDY STANISLAUS APPRAISERS P.O. BOX 1993 CERES, CA 95307 Telephone Number: (209)537-5331 Fax Number: (209)537-2767	<h2 style="margin: 0;">INVOICE</h2> <table border="1" style="width: 100%; border-collapse: collapse; margin: 5px 0;"> <tr><td style="text-align: center; background-color: #cccccc;">INVOICE NUMBER</td></tr> <tr><td style="text-align: center;">13,974</td></tr> <tr><td style="text-align: center; background-color: #cccccc;">DATE</td></tr> <tr><td style="text-align: center;">10/3/2007</td></tr> <tr><td style="text-align: center; background-color: #cccccc;">REFERENCE</td></tr> <tr><td>Internal Order #: 13,974</td></tr> <tr><td>Lender Case #: GALLO</td></tr> <tr><td>Client File #:</td></tr> <tr><td>Main File # on form: 13,974</td></tr> <tr><td>Other File # on form: GALLO GLASS</td></tr> <tr><td>Federal Tax ID: 47-0853127</td></tr> <tr><td>Employer ID:</td></tr> </table>	INVOICE NUMBER	13,974	DATE	10/3/2007	REFERENCE	Internal Order #: 13,974	Lender Case #: GALLO	Client File #:	Main File # on form: 13,974	Other File # on form: GALLO GLASS	Federal Tax ID: 47-0853127	Employer ID:
INVOICE NUMBER													
13,974													
DATE													
10/3/2007													
REFERENCE													
Internal Order #: 13,974													
Lender Case #: GALLO													
Client File #:													
Main File # on form: 13,974													
Other File # on form: GALLO GLASS													
Federal Tax ID: 47-0853127													
Employer ID:													
TO: GALLO GLASS CO. 605 S SANTA CRUZ AVENUE MODESTO, CA 95354 Telephone Number: Fax Number: Alternate Number: E-Mail:													
DESCRIPTION													
Lender: GALLO GLASS CO. Client: GALLO GLASS CO. Purchaser/Borrower: HABITAT FOR HUMANITY Property Address: 510 BENSON AVENUE City: MODESTO County: STANISLAUS State: CA Zip: 95354 Legal Description: LOT 15 BLK 2078 POR SIERRA SUBD. NO.2													
FEES													
	AMOUNT												
LAND APPRAISAL	175.00												
SUBTOTAL	175.00												
PAYMENTS													
	AMOUNT												
Check #: Date: Description: Check #: Date: Description: Check #: Date: Description:													
SUBTOTAL	0.00												
TOTAL DUE	\$ 175.00												

LAND APPRAISAL REPORT

GALLO GLASS

File No. 13.974

IDENTIFICATION

Borrower HABITAT FOR HUMANITY Census Tract 21.00 Map Reference 548 D2
 Property Address 510 BENSON AVENUE
 City MODESTO County STANISLAUS State CA Zip Code 95354
 Legal Description LOT 15 BLK 2078 POR SIERRA SUBD. NO.2
 Sale Price \$ N/A Date of Sale N/A Loan Term N/A yrs. Property Rights Appraised Fee Leasehold De Minimis PUD
 Actual Real Estate Taxes \$ 146.92 (yr) Loan charges to be paid by seller \$ _____ Other sales concessions _____
 Lender/Client GALLO GLASS CO. Address 605 S SANTA CRUZ AVENUE, MODESTO, CA 95354
 Occupant VACANT Appraiser ANDY CONSTANTINOU Instructions to Appraiser ESTABLISH MARKET VALUE

NEIGHBORHOOD

Location Urban Suburban Rural
 Built Up Over 75% 25% to 75% Under 25%
 Growth Rate Fully Dev. Rapid Steady Slow
 Property Values Increasing Stable Declining
 Demand/Supply Shortage In Balance Oversupply
 Marketing Time Under 3 Mos. 4-6 Mos. Over 6 Mos.
 Present Land Use 80% 1 Family 3% 2-4 Family 2% Apts. 0% Condo 5% Commercial
 % Industrial 10% Vacant % _____
 Change in Present Land Use Not Likely Likely (*) Taking Place (*)
 (*) From _____ To _____
 Predominant Occupancy Owner Tenant % Vacant _____
 Single Family Price Range \$ 120,000 to \$ 300,000 Predominant Value \$ 200,000
 Single Family Age 15 yrs. to 90 yrs. Predominant Age 55 yrs.

Employment Stability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Convenience to Employment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Convenience to Shopping	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Convenience to Schools	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Adequacy of Public Transportation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Recreational Facilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Adequacy of Utilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Property Compatibility	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Protection from Detrimental Conditions	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Police and Fire Protection	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
General Appearance of Properties	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Appeal to Market	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Comments including those factors, favorable or unfavorable, affecting marketability (e.g. public parks, schools, view, noise): SUBJECT IS PART OF A RESIDENTIAL NEIGHBORHOOD OF MODESTO KNOWN AS THE AIRPORT DISTRICT. THE AREA MADE OF MOSTLY ONE STORY AVERAGE QUALITY HOMES. THE HOMES IN THE IMMEDIATE NEIGHBORHOOD ARE GENERALLY WELL MAINTAINED. SCHOOLS AND SHOPPING ARE RELATIVELY CONVENIENT. APPEAL OF THE PROPERTIES IN THE NEIGHBORHOOD ARE CONSIDERED AVERAGE

SITE

Dimensions 50' X 160.8' = 8,040 Sq. Ft. or Acres Corner Lot
 Zoning classification R3 - RESIDENTIAL Present Improvements do do not conform to zoning regulations
 Highest and best use Present use Other (specify) RESIDENTIAL
 Public Other (Describe) _____
 Elec. Gas Water San. Sewer Underground Elect. & Tel.
 OFF SITE IMPROVEMENTS
 Street Access Public Private
 Surface ASPHALT
 Maintenance Public Private
 Storm Sewer Curb/Gutter Street Lights
 Sidewalk
 Topo LEVEL
 Size TYPICAL
 Shape RECTANGLE
 View PARTIAL
 Drainage ADEQUATE
 Is the property located in a HUD Identified Special Flood Hazard Area? No Yes
 Comments (favorable or unfavorable including any apparent adverse easements, encroachments, or other adverse conditions): THERE ARE NORMAL PUBLIC UTILITIES AND SETBACK LINES. NO ADVERSE EASEMENT OR ENCUMBRANCES ARE APPARENT. ZONING IS FOR RESIDENTIAL PURPOSES. SUBJECT IS A VACANT LOT.

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

ITEM	SUBJECT PROPERTY	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Address	510 BENSON AVENUE MODESTO	1513 EL DORADO AVENUE MODESTO	0 MERCY AVENUE MODESTO	2512 LANGFORD AVENUE MODESTO
Proximity to Subject		2.34 miles	3.87 miles	3.17 miles
Sales Price	\$ N/A	\$ 67,500	\$ 80,000	\$ 75,000
Price		\$	\$	\$
Data Source	MLS#132012269	DOC #85649,MLS#70040357	DOC# 98367,MLS#70052785	MLS # 60134832
Date of Sale and Time Adjustment	DESCRIPTION	DESCRIPTION +(-)\$ Adjust	DESCRIPTION +(-)\$ Adjust	DESCRIPTION +(-)\$ Adjust
Location	AVERAGE	AVERAGE	GOOD -10,000	GOOD -10,000
Site/View	8040 SF/NONE	5000 SF/NONE +3,000	7840 SF/NONE	5009 SF/NONE +3,000
SITE IMPROVEMENT	NONE	NONE	NONE	NONE
LOT SHAPE/UTILITY	AVERAGE	AVERAGE	AVERAGE 0	AVERAGE
ZONING	R-3 RESIDENTIAL	R-1 RESIDENTIAL 0	R-1 RESIDENTIAL 0	R-1 RESIDENTIAL 0
ASSR.PARCEL #	014-002-012	056-031-004	081-037-064	120-060-084
Sales or Financing Concessions	N/A	CASH	CONV	CASH
	NONE KNOWN	NONE KNOWN	NONE KNOWN	NONE KNOWN
Net Adj. (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> - : \$ 3,000	<input type="checkbox"/> + <input checked="" type="checkbox"/> - : \$ 10,000	<input type="checkbox"/> + <input checked="" type="checkbox"/> - : \$ 7,000
Indicated Value of Subject		Net 4.4 % \$ 70,500	Net 12.5 % \$ 70,000	Net 9.3 % \$ 68,000

Comments on Market Data: ALL COMPS ARE FROM THE SUBJECT MARKET AREA. NO RECENT SALES WERE FOUND IN THE IMMEDIATE NEIGHBORHOOD; HOWEVER, ALL COMPS ARE FROM NEARBY NEIGHBORHOODS. COMP 1'S AREA IS SIMILAR IN APPEAL AS THE SUBJECT, WHILE COMPS 2 & 3 ARE SUPERIOR. LOCATION AND SITE ADJUSTMENTS WERE MADE ACCORDINGLY..

Comments and Conditions of Appraisal: THIS IS AN APPRAISAL REPORT COMPLETED TO ESTABLISH MARKET VALUE OF THE SUBJECT FOR TRANSFER AND INCOME TAX PURPOSES. IT HAS BEEN COMPLETED IN SUCH A MANNER AS TO COMPLY WITH CURRENT FNMA AND FHLMC GUIDELINES. THIS APPRAISER HAS RESEARCHED SUBJECT'S POTENTIAL SALES HISTORY FOR A PERIOD OF 3 YEARS NO PRIOR TRANSFER WAS FOUND.

Final Reconciliation: NO RECENT SALES WERE FOUND WITH THE SAME ZONING AS THE SUBJECT; HOWEVER, THE ZONING VARIATION HAS A MINIMAL IMPACT ON VALUE WITH THE SMALL SIZE PARCELS/LOTS AS THE SUBJECT. ALL COMPS WERE GIVEN EQUAL CONSIDERATION. EXPECTED TRANSFER DATE 1/15/2008, REDUCED PRICED TRANSFER

I ESTIMATE THE MARKET VALUE, AS DEFINED, OF SUBJECT PROPERTY AS OF OCTOBER 3 2007 to be \$ 70,000

ANDY CONSTANTINOU Did Did Not Physically Inspect Property
 Appraiser(s) Review Appraiser (if applicable)

Supplemental Addendum

File No. 13.974 Page #3

File No. 13.974

Borrower/Client	HABITAT FOR HUMANITY						
Property Address	510 BENSON AVENUE						
City	MODESTO	County	STANISLAUS	State	CA	Zip Code	95354
Lender	GALLO GLASS CO.						

ANDY CONSTANTINOU

CA # AR010974

STANISLAUS APPRAISERS, INC.

PO BOX 1993

CERES CA 95307

ph(209)537-5331 or fax(209)537-2767

TIN#47-0853127

Objective: To secure appraisal assignments for Stanislaus, San Joaquin and Merced Counties

Experience:

2002 - present - Stanislaus Appraisers, Inc, President, CEO, Appraiser.

1995 - 2005 - Stanislaus Appraisers, Owner/Appraiser

1991 - 1995 - Stanislaus Agape Appraisals - Partner, Apprasier

1990 - 1991 - Agape Appraisal Service, Appraiser

Education:

1989 - Bachelor of Arts - Political Science, SFSU

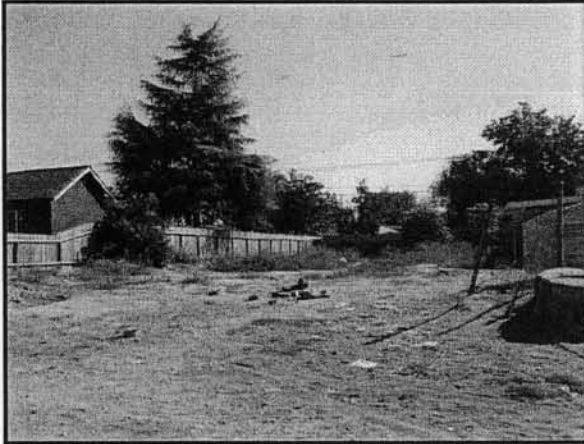
1989 - Bachelor of Arts - Speech Communication, SFSU

1985 - Associates of Arts - General Education, MJC

References available upon request

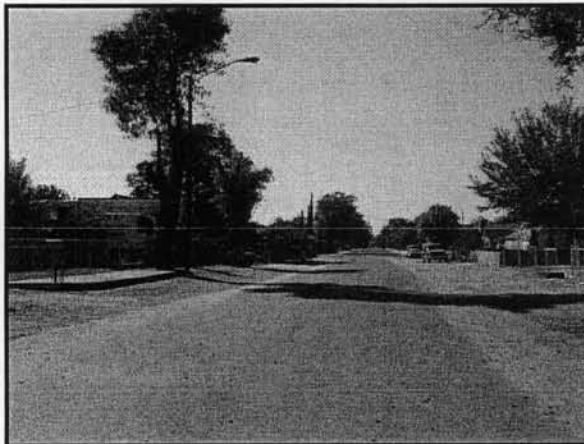
Subject Photo Page

Borrower/Client HABITAT FOR HUMANITY				
Property Address 510 BENSON AVENUE				
City	MODESTO	County	STANISLAUS	State CA Zip Code 95354
Lender GALLO GLASS CO.				



Subject Site

510 BENSON AVENUE
 Sales Price N/A
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location AVERAGE
 View 8040 SF/NONE
 Site
 Quality
 Age



Subject Street

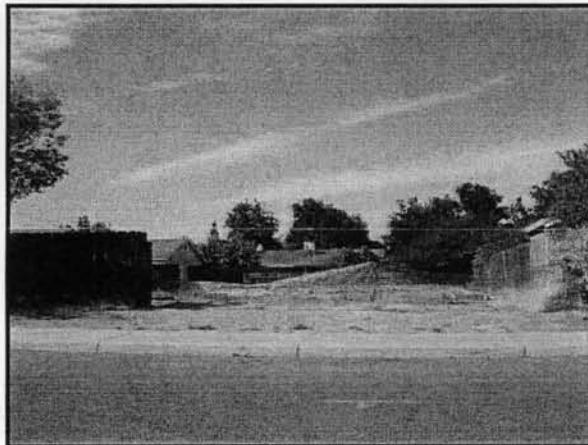
Comparable Photo Page

Borrower/Client HABITAT FOR HUMANITY				
Property Address 510 BENSON AVENUE				
City	MODESTO	County	STANISLAUS	State CA Zip Code 95354
Lender	GALLO GLASS CO.			



Comparable 1

1513 EL DORADO AVENUE
 Prox. to Subject 2.34 miles
 Sale Price 67,500
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location AVERAGE
 View 5000 SF/NONE
 Site
 Quality
 Age



Comparable 2

0 MERCY AVENUE
 Prox. to Subject 3.87 miles
 Sale Price 80,000
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location GOOD
 View 7840 SF/NONE
 Site
 Quality
 Age

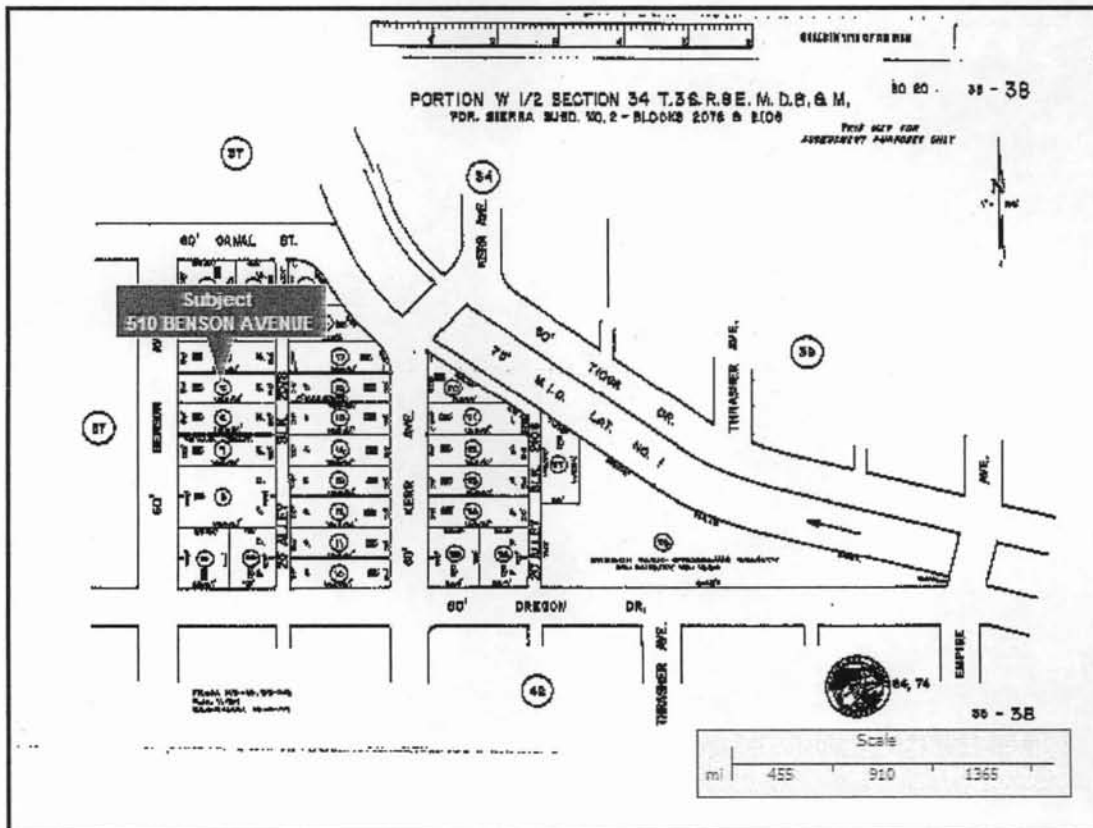


Comparable 3

2512 LANGFORD AVENUE
 Prox. to Subject 3.17 miles
 Sale Price 75,000
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location GOOD
 View 5009 SF/NONE
 Site
 Quality
 Age

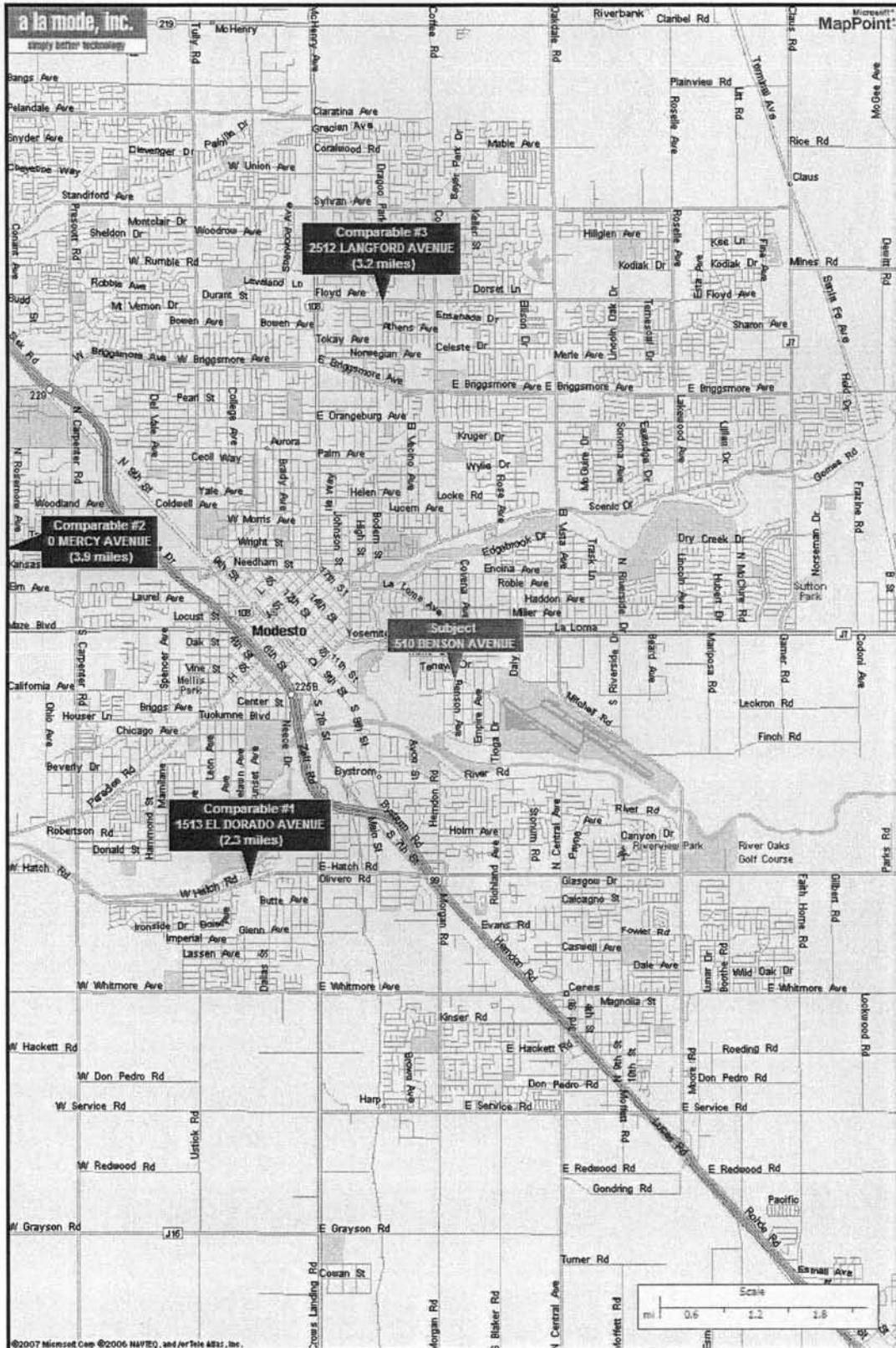
Plat Map

Borrower/Client HABITAT FOR HUMANITY				
Property Address 510 BENSON AVENUE				
City	MODESTO	County	STANISLAUS	State CA Zip Code 95354
Lender	GALLO GLASS CO.			



Location Map

Borrower/Client HABITAT FOR HUMANITY			
Property Address 510 BENSON AVENUE			
City	MODESTO	County	STANISLAUS
		State	CA
		Zip Code	95354
Lender	GALLO GLASS CO.		



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 considers his 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 LIMITING CONDITIONS AND CERTIFICATION

CONTINGENT AND LIMITING CONDITIONS: The inspector's certification that appears in the appraisal report is subject to the following conditions:

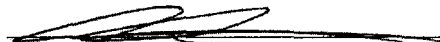
1. The inspector will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is valued on the basis of it being under responsible ownership.
2. Any sketch provided in the appraisal report may show approximate dimensions of the improvements and is included only to assist the reader of the report in visualizing the property. The inspector has made no survey of the property.
3. The inspector 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.
4. Any distribution of valuation between land and improvements in the report applies only under the existing program of utilization. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
5. The inspector has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous waste, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The inspector 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.
6. The inspector obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The inspector does not assume responsibility for the accuracy of such items that were furnished by other parties.
7. The inspector will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.
8. The inspector 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 completion of the improvements will be performed in a workmanlike manner.
9. The inspector must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the inspector's identity and professional designations, and references to any professional appraisal organizations or the firm with which the inspector is associated) to anyone other than the borrower, the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organizations; any state or federally approved financial institution; or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the property description section of the report only to data collection or reporting service(s) without having to obtain the inspector's prior written consent. The inspector's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.
10. The inspector is not an employee of the company or individual(s) ordering this report and compensation is not contingent upon the reporting of a predetermined value or direction of value or upon an action or event resulting from the analysis, opinions, conclusions, or the use of this report. This assignment is not based on a required minimum, specific valuation, or the approval of a loan.

CERTIFICATION: The inspector certifies and agrees that:

1. I stated in the appraisal report only my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the contingent and limiting conditions specified in this form.
2. I have no present or prospective interest in the property that is the subject to 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 the estimate of market value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property.
3. I have no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing this analysis is contingent on the appraised value of the property.
4. I performed this analysis in conformity 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 as of the effective date of this appraisal.
5. I have personally inspected the exterior areas of the subject property and the exterior of all properties listed as comparables in the appraisal report. To the best of my knowledge and belief, all statements and information in this report are true and correct, and I have not knowingly withheld any significant information.
6. I personally prepared all conclusions and opinions about the real estate that were set forth in the inspection. I have not authorized anyone to make a change to any item in the report; therefore, if an unauthorized change is made to the appraisal report, I will take no responsibility for it.

ADDRESS OF PROPERTY ANALYZED: 510 BENSON AVENUE, MODESTO, CA 95354

INSPECTOR:

Signature: 
Name: ANDY CONSTANTINOU
Date Signed: October 04, 2007
State Certification #: AR010974
or State License #: _____
State: CA
Expiration Date of Certification or License: 11/26/2008



**Habitat
for Humanity®**
Stanislaus County

BOARD OF SUPERVISORS

2010 DEC -2 P 12: 47

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Modesto, CA 95350-5714
Phone: (209) 575-4585
Fax: (209) 575-0755
www.stanislaushabitat.org

*Building Homes,
Building Hope,
Building Communities,
One Nail at a Time...*

March 14, 2008

Executive Director
Anita Hellam

Ana Rocha
Stanislaus County Planning Department
1010 10th Place
Modesto, CA

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Rene Patterson
Dean Petrulakis
Ben Reuben
John Simvoulakis
Gloria Vincent

Dear Ana:

Enclosed please find the work write-ups for four properties in the Airport Neighborhood we were able to acquire with your assistance. We appreciate that you and Nancy Brown took time to meet with us to review a preferred format for our funding requests. We will be incorporating this new format into our future requests for funding.

We propose to develop all four properties for affordable home ownership. There will be a total of 5 housing units produced on these four properties. One of the properties, Benson Avenue, will have two attached units.

Advisory Board
Rosa Bahamonde
Sally Shepherd Lindberg
George Petrulakis
Ruth Sesser
Tom Van Groningen
Adam Christianson

Since acquiring the property, we have been able to secure some outside funding. On the final page of each of the write-ups, you will find a summary of the costs and sources of funding. We are requesting redevelopment funding to bridge the gap on each project.

The request for funding breaks down as follows:

• 1125 Del Mar Court	\$ 41,786	1 unit
• 1114 Tenaya Ave	\$ 43,700	1 unit
• 510 Benson Avenue	\$ 65,494	2 units
• 1020 Tenaya Ave	\$ 48,595	1 unit
	<hr/>	<hr/>
	\$199,575	5 units