

Broker Opinion of Value (BPO)
17023 Hawthorne Blvd, Lawndale, CA 90260.

This building is zoned as NC, Neighborhood Commercial, which allows for multiple uses. Please see the full table of uses at:

http://www.sanjoinvestments.com/hawthorne/Land_Use_Zoning_Matrix_City_of_Lawndale.pdf

The first floor of this property may allow for retail sales, therefore this potential use needs to be taken into account by giving its square footage (1,092 sq.ft.) more weight.

The City of Lawndale would allow this building to be used as a medical building. In order to upgrade to a medical building however, substantial renovations to bring the building up to code would need to be undertaken. Nevertheless, the Medical Building Potential is also indicated below.

Insofar as parking, the City of Lawndale has indicated both verbally and in writing via e-mail that the parking requirements could be satisfied by using any available public parking space within 200 feet of the building, including and not limited to the public parking in the middle of Hawthorne Blvd which is in close proximity to this property.

Up Trend Residential Single Family Market in Lawndale:

The residential market in the City of Lawndale has experienced a rebound as of late and the trend is sharply going up, as reported by www.zillow.com. This uptrend in the residential market is also impacting the Commercial segment.

Zillow Home Value Index

\$358,900 ▲18.0%Y-o-Y

Calculated 10/13/2013



Includes data and transactions through 09/30/2013

Notes:

1.- Most of the comparables used are within 1.5 miles of the subject property and most of them face a major thoroughfare except one Office Comparable.

2.-Most sale dates occurred within the last year and a half.

Medical Use:

Only one property was found close enough to provide a Medical Use Comparable, this indicates the potential of the building if it were to be upgraded up to existing code to allow for full Medical Use: (this comparable was not taken into account on the calculations, it is for reference only)

2310	Artesia Blvd	2,112	\$810,000	\$383/sq.ft
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Medical Use Projected Valuation: \$1,149,000.

Office Comparables Assuming only Office Use:

14921	Prairie Ave	3,000	\$499,000	\$166/sq.ft
4415	W. 145 Street	3,000	\$446,000	\$148/sq.ft
15201	Prairie Ave	3,150	\$465,000	\$147/sq.ft
2417	Artesia Blvd	2,360	\$555,000	\$235/sq.ft

Office Average: \$174 per square foot.

Office Valuation: \$522,000 estimated value for Office Use.

Retail Comparables Assuming only Retail Use:

4573	Artesia Blvd	1,790	\$410,000	\$229/sq.ft
16510	Hawthorne Blvd	2,827	\$725,000	\$256/sq.ft
16819	Hawthorne Blvd	1,625	\$345,000	\$212/sq.ft
16919	Hawthorne Blvd	3,608	\$720,000	\$199/sq.ft

Retail Average: \$224 per square foot.

Highest and Best Use:

Due to the location and zoning, the highest and best use without upgrading to full Medical Use:

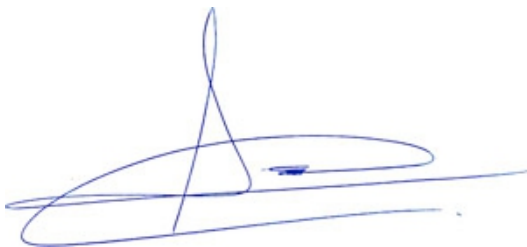
First Floor as Retail Use 1,097 gross at	\$224/sq.ft.	\$245,728
Second Floor as Office Use 1,852 gross at	\$174/sq.ft	\$322,248
Total Estimated Highest & Best Use:		\$567,976.

Value:

The undersigned estimates the value of this property as a range between \$530,000 to \$560,000 as of October of 2013.

Disclaimer:

The undersigned is not a licensed appraiser, this draft is a best effort of indication of value using the Comparables Method as of October of 2013. Any potential buyer should engage the services of a professional, licensed MAI appraiser and undertake his own investigations.



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