
FEE PROPOSAL
FOR REAL ESTATE APPRAISAL SERVICES
PARCEL "A" of C

PREPARED FOR:

Molly Holly
11115 Sunset Boulevard
Los Angeles, California 90012

BY:

The Harris Company, Real Estate Consultants
5780 West Centinela Avenue, Bldg. 1, Suite 408
Los Angeles, California 90045

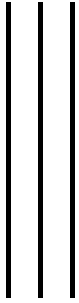
April 13, 2006

THIS PROPOSAL INCLUDES DATA AND INFORMATION THAT SHALL NOT BE DISCLOSED OUTSIDE THE AGENCY AND SHALL NOT BE DUPLICATED, USED, OR DISCLOSED-IN WHOLE OR IN PART-FOR ANY PURPOSE OTHER THAN TO EVALUATE THIS PROPOSAL.

SUBJECT PROPERTY
“Parcel A- C”



11511 Sunset Boulevard
Los Angeles, California



November 17, 2006

Mr. Holly
Molly Community Center
11341 Sunset Boulevard
Los Angeles, California 90012

Re: Real Estate Appraisal Services for 5404-021-002.

Dear Mr. Arnet:

THIS FEE PROPOSAL, made at Los Angeles, California by **The Harris Company, Real Estate Consultants**, herein called "Appraiser," whose present office is located at 5780 West Centinela Avenue, Bldg. 1, Suite #408, Los Angeles, California 90045 and for **The MollyHolluy Community**, herein called the "Client."

WHEREAS, the Client desires to determine the present and historic fair market value of certain real property disposed of in fee, and/or for other decision and analytical purposes as may be undertaken by the Client.

AND WHEREAS, the Appraiser represents that he is qualified by training and experience, and is in a position to prepare and furnish to the Client the desired appraisal report(s).

NOW THEREFORE, we do make the following proposal:

1. **In return for the lump sum of Five Dollars, and No Cents (\$5.00)** the Appraiser will furnish to the Client his written Limited Appraisal, Restricted Report in connection with Assessor's Parcel Number(s) 5426-025-002 commonly known as 1111 Sunset Boulevard, Los Angeles, California. A Limited Appraisal is defined by USPAP as: The act or process of developing an opinion of value or an opinion of value developed under and resulting from invoking the DEPARTURE RULE. A Restricted Appraisal Report is defined by USPAP as: A written report prepared under Standards Rule 2-2(c) of a Complete or Limited Appraisal performed under Standard 1. A copy of Standards Rule 2-2(c) is not attached hereto but, made a part hereof.

The appraisal(s) shall be prepared in accordance with requirements set forth by the Client, the Uniform Standards of Professional Appraisal Practice (USPAP), and all applicable State Laws. The above fee is fully burdened and includes all expenses incurred in rendering such services, including mileage and subsistence.

Payment is to be guaranteed beforehand either by your approval of this proposal, by the issuance of a purchase order, or payment of a \$5.00 retainer. Full payment is expected prior to the commencement of work.

The fair market value definition is to be based upon the California Code of Civil Procedure, Section 1263.320. Exclusive of any Business Opportunity or Good Will.

2. The appraiser agrees to two (2) conference, as follows, one with the Client after receipt of a Notice to Proceed (NTP) and before starting the appraisal; And, a second prior to submission of the final report(s) to insure a mutual understanding of the assignment and to discuss any problems or questions affecting the report. For additional conferences with representatives of the Client or Property Owner(s) and for depositions taken on behalf of the Client, the Appraiser shall be paid at the rate of One Hundred Fifty (\$150.00) per hour. The appraiser agrees to defend his appraisal in court, if required, and for those appearances in court, the Appraiser will be paid at the rate of Two Hundred Fifty Dollars (\$250.00) per hour (with a 4-hour minimum per day).

3. The appraiser agrees to begin work immediately and to furnish the Client with one (1) original report, and one (1) copy of the

completed report(s) in PDF format, within four to five weeks.

4. The Client, in making its request for an appraisal report(s), will furnish the Appraiser with any floor plan, plot plans or schematics relevant to the above described parcel(s).

5. The Client shall have the right of cancellation as follows: One thousand dollars + \$150.00 per Hour for Work Completed at time of cancellation.

6. The Appraiser agrees to save harmless the Client, its officers, agents, and employees from any and all claims for loss accruing or resulting to any and all persons, firms, or corporations furnishing work, devices, materials, or supplies in connection with the performance of this Proposal, and from any and all claims and losses acquiring or resulting to any person, firm, or corporation who may be injured or damaged by the Appraiser in performance of this Proposal.

7. The Client and Appraiser agree that the Appraiser, and any agents and employees of the Appraiser, in performance of this agreement, shall act in an independent capacity and not as officers, employees, or agent of the Client.

8. This proposal is not assignable by the Appraiser, in whole or part, and no portion of the work may be either sublet or transferred to any persons without prior written approval of the Client.

9. The Appraiser agrees to comply with all Federal, State, and Local, laws and ordinances applicable to the work.

10. The Appraiser agrees to execute, for each parcel, any Affidavit of Appraiser, as required by law.

11. All information contained in the report, and all parties thereof, are to be treated as privileged. The Appraiser shall take all necessary steps to insure that neither he nor any members of his staff or organization divulge any information concerning the report except to a duly authorized representative of the Client.

12. The Appraiser and Client shall furnish any available information in their possession to each other upon request, provided the information is necessary to the terms of this Proposal.

13. If applicable any additional costs associated with the fixture and equipment appraisals will be provided to the Client within two weeks of our inspection of the properties.

14. The Appraiser and Client are aware that time is of the essence and will make himself available to the Appraiser/Client on a five-day basis in addition to returning all missed calls within four hours.

15. All research and field work is to be completed by Paul Haun of ASC Appraisals

APPRAISAL PROBLEM

The subject larger parcel was purchased by the client sometime prior to October 5, 2001. It was subdivided by parcel map number 1999-3180 shortly thereafter. Parcel "A" was then sold on October 5, 2001 and again on December 20, 2002. The client has hired the appraiser to determine the present fair market value and the historical fair market values as of the two dates mentioned above.

Questions regarding the scope of this appraisal should be addressed to the undersigned being the principal owner of the firm who is authorized to bind the firm to all commitments made in this proposal. Should you require any further information or documentation, or to arrange an opportunity to present work samples please feel free to contact me directly at (310) 337-1973.

Sincerely yours,

The Harris Company Real Estate Consultants

By:



Curtis D. Harris, BS, CGREA, REB

Certified General Appraiser (AG002574)

Real Estate Broker (REB 00481636)

ASTM E-2018 Commercial Inspector

HUD Certified Contract Physical Inspector (M71411)

HUD Certified 203K Consultant (S0331)

HUD Approved Estate Broker (CAISHA2977)

HUD Certified Real Estate Appraiser(K0590)/Reviewer(MA9692)

Enclosure: None