

May 12, 2011

Ms Zai Abu Bakar
Community Development Director
City of Banning
99 East Ramsey Street
Banning, CA 92220

SUBJECT: Market Value Appraisal
Auto Dealership Property
2301 W. Ramsey St.
Banning, Riverside County, California 92220
Integra Orange County File No. 129-2011-0101

Dear Ms. Bakar:

Integra Realty Resources -- Orange County is pleased to submit the accompanying appraisal of the referenced property. The purpose of the appraisal is to develop an opinion of the as is market value of the fee simple interest in the property. As requested, we also estimate the market value of re-use as currently improved of the fee simple interest in the property. The client for the assignment is City of Banning, and the intended use is for sale/lease purposes.

The appraisal is intended to conform with the Uniform Standards of Professional Appraisal Practice (USPAP), the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute and applicable state appraisal regulations. The appraisal is also prepared in accordance with the appraisal regulations issued in connection with the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA).

To report the assignments results, we use the summary report option of Standards Rule 2-2 of USPAP. Accordingly, this report contains summary discussions of the data, reasoning, and analyses that are used in the appraisal process whereas supporting documentation is retained in our file. The depth of discussion contained in this report is specific to the needs of the client and the intended use of the appraisal.

The subject is an existing property containing three general retail/auto dealership buildings totaling approximately 9,000 square feet of gross leasable area; 3,000 square feet of office and 6,000 square feet of service/maintenance area. The improvements were constructed between 1968 and 1986 and are 100% vacant as of the effective appraisal date. The site area is 1.45 acres or 63,162 square feet.

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Based on the valuation analysis in the accompanying report, and subject to the definitions, assumptions, and limiting conditions expressed in the report, our opinion of value is as follows:

VALUE CONCLUSIONS			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
As Is Market Value	Fee Simple	May 7, 2011	\$500,000
Market Value of Re-use as Currently Improved	Fee Simple	May 7, 2011	\$500,000

EXTRAORDINARY ASSUMPTIONS & HYPOTHETICAL CONDITIONS

The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results. An extraordinary assumption is uncertain information accepted as fact. If the assumption is found to be false as of the effective date of the appraisal, we reserve the right to modify our value conclusions.

1. None

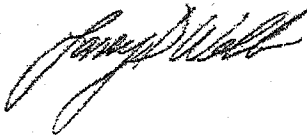
The value conclusions are based on the following hypothetical conditions that may affect the assignment results. A hypothetical condition is a condition contrary to known fact on the effective date of the appraisal but is supposed for the purpose of analysis.

1. None

If you have any questions or comments, please contact the undersigned. Thank you for the opportunity to be of service.

Respectfully submitted,

INTEGRA REALTY RESOURCES - ORANGE COUNTY



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