

Exterior-Only Inspection Residential Appraisal Report File # DEMO 2055 UAD

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.

SUBJECT

Property Address	1943 Harvest Ln	City	Anywhere	State	IL	Zip Code	601XX
Borrower	Buyn, Ima	Owner of Public Record	Buyn, Ima	County	DuPage		
Legal Description	Lot X in Block X in Westlake Unit No. X						
Assessor's Parcel #	02-28-218-XXX	Tax Year	2010	R.E. Taxes	\$ 7,803		
Neighborhood Name	Westlake	Map Reference	16974	Census Tract	8412.04		
Occupant	<input checked="" type="checkbox"/> Owner <input type="checkbox"/> Tenant <input type="checkbox"/> Vacant	Special Assessments	\$ 0	<input type="checkbox"/> PUD	HOA \$	<input type="checkbox"/> per year <input type="checkbox"/> per month	
Property Rights Appraised	<input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Other (describe)						
Assignment Type	<input type="checkbox"/> Purchase Transaction <input checked="" type="checkbox"/> Refinance Transaction <input type="checkbox"/> Other (describe)						
Lender/Client	XYZ Financial Inc. Address 123 Main Street, Anywhere, IL 605XX						
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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No							
Report data source(s) used, offering price(s), and date(s). No sale has been reported in the local MRED MLS in the past 12 months.							

CONTRACT

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 \$ _____ Date of Contract _____ Is the property seller the owner of public record? Yes No Data Source(s) _____

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.

Note: Race and the racial composition of the neighborhood are not appraisal factors.

NEIGHBORHOOD

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	0 %
Growth	<input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	Marketing Time	<input type="checkbox"/> Under 3 mths <input type="checkbox"/> 3-6 mths <input checked="" type="checkbox"/> Over 6 mths	52	Low 5	Multi-Family	5 %
Neighborhood Boundaries Predominantly single family detached housing. Boundaries are Army Trail Road north, Glen Ellyn Road east, North Avenue south, Schmale Road west.				325	High 50	Commercial	5 %
Neighborhood Description Subject is located in a residential area named "Westlake" which is a well planned subdivision. The area consists of semi-custom built one and two story homes of average quality construction. Most all the homes project average to good buyer appeal. Proximity to services and conveniences, as well as the marketability of the properties, is average for the area.				132	Pred. 35	Other	%
Market Conditions (including support for the above conclusions) See attached addenda.							

SITE

Dimensions 65 x 159 x 99 x 145 Area 12028 sf Shape Irregular View N;Res;

Specific Zoning Classification R-2 Zoning Description Medium Density Single Family Residential District

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 None	<input type="checkbox"/>	<input type="checkbox"/>

FEMA Special Flood Hazard Area Yes No FEMA Flood Zone X FEMA Map # 17043C0208H FEMA Map Date 12/16/2004

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 _____

Subject has a larger than typical lot.

IMPROVEMENTS

Source(s) Used for Physical Characteristics of Property Appraisal Files MLS Assessment and Tax Records Prior Inspection Property Owner Other (describe)

Data Source for Gross Living Area Bloomingdale Township Assessor

General Description	General Description	Heating/Cooling	Amenities	Car Storage
Units <input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input checked="" type="checkbox"/> Concrete Slab <input type="checkbox"/> Crawl Space	<input checked="" type="checkbox"/> FWA <input type="checkbox"/> HWBB	<input checked="" type="checkbox"/> Fireplace(s) # 1 <input type="checkbox"/> None	<input type="checkbox"/> Driveway # of Cars 3
# of Stories 2	<input type="checkbox"/> Full Basement <input type="checkbox"/> Finished	<input type="checkbox"/> Radiant	<input type="checkbox"/> Woodstove(s) # 0	Driveway Surface Concrete
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	<input checked="" type="checkbox"/> Partial Basement <input checked="" type="checkbox"/> Finished	<input type="checkbox"/> Other	<input checked="" type="checkbox"/> Patio/Deck Conc.	<input checked="" type="checkbox"/> Garage # of Cars 0
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Exterior Walls Vinyl/Brick	Fuel Gas	<input type="checkbox"/> Porch None	<input type="checkbox"/> Carport # of Cars 0
Design (Style) Tri-Level	Roof Surface Asph.Shingle	<input checked="" type="checkbox"/> Central Air Conditioning	<input type="checkbox"/> Pool None	<input type="checkbox"/> Attached <input type="checkbox"/> Detached
Year Built 1979	Gutters & Downspouts Aluminum	<input type="checkbox"/> Individual	<input checked="" type="checkbox"/> Fence Wood	<input type="checkbox"/> Built-in
Effective Age (Yrs) 15	Window Type Wood DH	<input type="checkbox"/> Other	<input type="checkbox"/> Other None	

Appliances Refrigerator Range/Oven Dishwasher Disposal Microwave Washer/Dryer Other (describe)

Finished area above grade contains: 9 Rooms 4 Bedrooms 2.1 Bath(s) 2,134 Square Feet of Gross Living Area Above Grade

Additional features (special energy efficient items, etc.) Former MLS listing sheet from 2009 reports a Rec Room in the finished basement. Per homeowner: Kitchen is updated with newer cabinets, counter tops and appliances. All baths have been remodeled, New carpeting. New 3 car wide driveway.

Describe the condition of the property and data source(s) (including apparent needed repairs, deterioration, renovations, remodeling, etc.): Subject property appears to be in good condition as observed from the street, exhibiting minimal physical deterioration. Improvements appear to be of average quality construction which is typical of other properties in the area. No external obsolescence was observed.

Are there any apparent 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 **9** comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ **149,000** to \$ **298,000**.

There are **17** comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ **125,000** to \$ **235,000**.

FEATURE	SUBJECT	COMPARABLE SALE # 1		COMPARABLE SALE # 2		COMPARABLE SALE # 3	
Address	1943 Harvest Ln Anywhere, IL 601XX	1928 Deere Lane Anywhere, IL 601XX		1936 Slayton Lane Anywhere, IL 601XX		140 Appleby Drive Anywhere, IL 601XX	
Proximity to Subject		0.37 miles E		0.06 miles W		0.08 miles NE	
Sale Price	\$	\$ 220,000		\$ 213,000		\$ 235,000	
Sale Price/Gross Liv. Area	\$ sq.ft.	\$ 103.09 sq.ft.		\$ 99.81 sq.ft.		\$ 154.91 sq.ft.	
Data Source(s)		MRED MLS #07638633;DOM 501		MRED MLS #07708866;DOM 59		MRED #07687087;DOM 188	
Verification Source(s)		Bloomingtondale Twsp. Assessor		Bloomingtondale Twsp. Assessor		Bloomingtondale Twsp. Assessor	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment
Sales or Financing Concessions		ArmLth Conv;0		ArmLth FHA;0		ArmLth Conv;0	
Date of Sale/Time		s04/11;c01/11	-15,400	s04/11;c01/11	-14,910	s07/11;c06/11	-2,350
Location	N;Res;	N;Res;		A;BsyRd;	+5,000	N;Res;	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Site	12028 sf	8933 sf		0 7264 sf	0	6884 sf	0
View	N;Res;	N;Res;		N;Res;		N;Res;	
Design (Style)	Tri-Level	Tri-Level		Tri-Level		Tri-Level	
Quality of Construction	Q4	Q4		Q4		Q4	0
Actual Age	32	34	0	32		33	0
Condition	C3	C3		C3		C3	
Above Grade Room Count	Total Bdrms. Baths	Total Bdrms. Baths		Total Bdrms. Baths		Total Bdrms. Baths	
	9 4 2.1	9 4 2.1		9 4 2.1		6 3 2.0	+2,500
Gross Living Area	2,134 sq.ft.	2,134 sq.ft.	0	2,134 sq.ft.	0	1,517 sq.ft.	+12,340
Basement & Finished Rooms Below Grade	494sf494sfin 1rr0br0.0ba0o	494sf494sfin 1rr0br0.0ba0o		494sf494sfin 1rr0br0.0ba0o		641sf641sfin 1rr0br1.0ba0o	-1,470 -5,000
Functional Utility	Good	Good		Good		Good	
Heating/Cooling	GFWA/CAC	GFWA/CAC		GFWA/CAC		GFWA/CAC	
Energy Efficient Items	None	None		None		None	
Garage/Carport	2 Car Garage	2 Car Garage		2 Car Garage		2 Car Garage	
Porch/Patio/Deck	Patio, Fence	Deck, Fence	0	Pat,Fen,ScrPor	-5,000	None	+2,000
Fireplace(s)	1 Fireplace	1 Fireplace		1 Fireplace		None	+2,000
Modernization	Kitchen/Bath/Int.	Kitchen/Interior	+7,500	Original	+20,000	Superior	-10,000
Net Adjustment (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -7,900	<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 5,090	<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 20
Adjusted Sale Price of Comparables		Net Adj. 3.6 % Gross Adj. 10.4 %	\$ 212,100	Net Adj. 2.4 % Gross Adj. 21.1 %	\$ 218,090	Net Adj. % Gross Adj. 16.0 %	\$ 235,020

SALES COMPARISON APPROACH

I did did not research the sale or transfer history of the subject property and comparable sales. If not, explain

My research did 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) **MRED MLS/Public Records**

My research did 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) **MRED MLS/Public Records**

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	11/01/2009			05/01/2010
Price of Prior Sale/Transfer	\$250,000			\$155,000
Data Source(s)	MRED MLS #07359112	MRED MLS #07638633	MRED MLS #07708866	MRED MLS #07687087
Effective Date of Data Source(s)	09/01/2011	09/01/2011	09/01/2011	09/01/2011

Analysis of prior sale or transfer history of the subject property and comparable sales **Subject property last sold through the local multiple listing service and it appears to have been a market sale, with no seller concessions but at a smaller than typical (93%) list-to-sale price ratio for the area. Comp #3 is a flipper. It was bought as a foreclosure, rehabbed and then resold. It had another prior transfer on 03/10 for \$241,090 when it was repossessed. Comp #3 was listed within 12 months of a prior sale. There is no sales history or transfers for the other comparables that were used within one year prior to the date of sale of the comparable.**

Summary of Sales Comparison Approach **See attached addenda.**

Indicated Value by Sales Comparison Approach \$ **215,000**

Indicated Value by: Sales Comparison Approach \$ 215,000 Cost Approach (if developed) \$ Income Approach (if developed) \$

There is sufficient data to develop an indication of value by the sales comparison approach. Due to the age of the subject's improvement, development of the cost approach was found to be inapplicable for this assignment and was not used in this report. The income approach provides minimal applicability in the opinion of market value, was found to have insufficient data during research and was also not developed.

This appraisal is made "as is", subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair:

Based on a visual inspection of the exterior areas of the subject property from at least the street, 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 \$ 215,000 , as of 09/01/2011 , which is the date of inspection and the effective date of this appraisal.

RECONCILIATION

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See attached addendum for additional certifications and other conditions.

Some information regarding characteristics for the comparables are not readily available in the normal course of business. Some examples would include: site area, GLA (such as for older properties or condominiums), basement area, the percentage of basement finish or room count. In these cases, estimates are provided by the appraiser from information obtained through the local MLS or on the basis of experience.

ADDITIONAL COMMENTS

COST APPROACH

INCOME

PUD INFORMATION

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)

ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE = \$		
Source of cost data	DWELLING	Sq.Ft. @ \$ = \$
Quality rating from cost service	Effective date of cost data	Sq.Ft. @ \$ = \$
Comments on Cost Approach (gross living area calculations, depreciation, etc.)		 = \$
	Garage/Carport	Sq.Ft. @ \$ = \$
	Total Estimate of Cost-New	 = \$
	Less Physical	Functional	External
	Depreciation	 = \$()
	Depreciated Cost of Improvements	 = \$
	"As-is" Value of Site Improvements	 = \$
Estimated Remaining Economic Life (HUD and VA only)	Years	INDICATED VALUE BY COST APPROACH = \$	

INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent \$ X Gross Rent Multiplier = \$ Indicated Value by Income Approach
Summary of Income Approach (including support for market rent and GRM) This type of property is predominantly owner-occupied. The income approach provides minimal applicability in the opinion of market value, was found to have insufficient data during research and was not developed.

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	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(s)
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.

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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 visual inspection of the exterior areas of the subject property from at least the street, (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.

The appraiser must be able to obtain adequate information about the physical characteristics (including, but not limited to, condition, room count, gross living area, etc.) of the subject property from the exterior-only inspection and reliable public and/or private sources to perform this appraisal. The appraiser should use the same type of data sources that he or she uses for comparable sales such as, but not limited to, multiple listing services, tax and assessment records, prior inspections, appraisal files, information provided by the property owner, etc.

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 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.
3. 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.
4. 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 this 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.
5. 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 visual inspection of the exterior areas of the subject property from at least the street. 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.

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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.

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 Paul J. Piekos SRA
 Company Name Piekos Appraisals
 Company Address _____
 Telephone Number (630) 357-4647
 Email Address paul@piekos.com
 Date of Signature and Report 09/01/2011
 Effective Date of Appraisal 09/01/2011
 State Certification # 556.000XXX
 or State License # _____
 or Other (describe) _____ State # _____
 State IL
 Expiration Date of Certification or License 09/30/2013

ADDRESS OF PROPERTY APPRAISED
1943 Harvest Ln
Anywhere, IL 601XX

APPRAISED VALUE OF SUBJECT PROPERTY \$ 215,000

LENDER/CLIENT

Name No AMC
 Company Name XYZ Financial Inc.
 Company Address 123 Main Street, Anywhere, IL 605XX
 Email Address orders@xyzfin.com

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 _____

COMPARABLE SALES

- Did not inspect exterior of comparable sales from street
 Did inspect exterior of comparable sales from street
 Date of Inspection _____

Exterior-Only Inspection Residential Appraisal Report

File # DEMO 2055 UAD

FEATURE	SUBJECT	COMPARABLE SALE # 4			COMPARABLE SALE # 5			COMPARABLE SALE # 6		
Address	1943 Harvest Ln Anywhere, IL 601XX	49 Mill Pond Drive Anywhere, IL 601XX			119 Green Meadow Drive Anywhere, IL 601XX			77 Brookside Drive Anywhere, IL 601XX		
Proximity to Subject		0.31 miles E			0.33 miles SE			0.42 miles SE		
Sale Price	\$	\$ 221,000			\$ 232,000			\$ 239,900		
Sale Price/Gross Liv. Area	\$ sq.ft.	\$ 103.56 sq.ft.			\$ 109.13 sq.ft.			\$ 112.84 sq.ft.		
Data Source(s)		MRED MLS #07624635;DOM 552			MRED MLS #07855859;DOM 388			MRED MLS #07801332;DOM 109		
Verification Source(s)		Bloomingtondale Twsp. Assessor			Bloomingtondale Twsp. Assessor			Bloomingtondale Twsp. Assessor		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	
Sales or Financing Concessions		ArmLth Conv;0		Listing LTS;-11600	-11,600	Listing LTS;-12000	-12,000			
Date of Sale/Time		s01/11;c12/10	-17,680	Active		Active				
Location	N;Res;	N;Res;		N;Res;		N;Res;				
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple				
Site	12028 sf	7181 sf		0 7736 sf		0 7216 sf			0	
View	N;Res;	N;Res;		N;Res;		N;Res;				
Design (Style)	Tri-Level	Tri-Level		Tri-Level		Tri-Level				
Quality of Construction	Q4	Q4	0	Q4		Q4				
Actual Age	32	34	0	35		35			0	
Condition	C3	C3		C3		C3				
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths		Total Bdrms. Baths		Total Bdrms. Baths		Total Bdrms. Baths		
Room Count	9 4 2.1	9 4 2.1		9 4 2.1		9 4 2.1		9 4 2.1		
Gross Living Area	2,134 sq.ft.	2,134 sq.ft.	0	2,126 sq.ft.	0	2,126 sq.ft.	0	2,126 sq.ft.	0	
Basement & Finished Rooms Below Grade	494sf494sfin 1rr0br0.0ba0o	494sf494sfin 1rr0br0.0ba0o		451sf451sfin 1rr0br0.0ba9o	+430	451sf451sfin 1rr0br0.0ba0o	+430			
Functional Utility	Good	Good		Good		Good				
Heating/Cooling	GFWA/CAC	GFWA/CAC		GFWA/CAC		GFWA/CAC				
Energy Efficient Items	None	None		None		None				
Garage/Carport	2 Car Garage	2 Car Garage		2 Car Garage		2 Car Garage				
Porch/Patio/Deck	Patio, Fence	Deck, Fence	0	None	+2,000	Patio	+1,000			
Fireplace(s)	1 Fireplace	1 Fireplace		1 Fireplace		1 Fireplace				
Modernization	Kitchen/Bath/Int.	Kitchen/Bath/Int.		Kitchen/Bath/Int.		Superior	-10,000			
Net Adjustment (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -17,680	<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -9,170	<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -20,570			
Adjusted Sale Price of Comparables		Net Adj. 8.0 % Gross Adj. 8.0 %	\$ 203,320	Net Adj. 4.0 % Gross Adj. 6.0 %	\$ 222,830	Net Adj. 8.6 % Gross Adj. 9.8 %	\$ 219,330			
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 # 4	COMPARABLE SALE # 5	COMPARABLE SALE # 6						
Date of Prior Sale/Transfer	11/01/2009									
Price of Prior Sale/Transfer	\$250,000									
Data Source(s)	MRED MLS #07359112	MRED MLS #07624635	MRED MLS #07855859	MRED MLS #07801332						
Effective Date of Data Source(s)	09/01/2011	09/01/2011	09/01/2011	09/01/2011						
Analysis of prior sale or transfer history of the subject property and comparable sales										
Analysis/Comments										

Supplemental Addendum

File No. DEMO 2055 UAD

Client	XYZ Financial Inc.						
Property Address	1943 Harvest Ln						
City	Anywhere	County	DuPage	State	IL	Zip Code	601XX
Borrower	Buyn, Ima						

ADDITIONAL CERTIFICATIONS AND OTHER CONDITIONS

The Intended User of this appraisal report is the lender/client. No additional intended users are identified by the appraiser. This report contains sufficient information to enable the lender/client to understand the report. Any other party receiving a copy of this report for any reason is not an intended user; nor does receiving a copy of this report result in an appraiser-client relationship. Use of this report by any other party(ies) is not intended by the appraiser.

The Intended Use is to evaluate the property that is the subject of this appraisal for a mortgage finance transaction, subject to the stated scope of work, purpose, reporting requirements, and definition of market value.

The current use of the subject property existing as of the date of value is residential, which is the same as the appraiser's opinion of the highest and best use of the real estate being appraised.

Any furnishings or personal property items were not considered in the valuation of the real property.

The State of Illinois Residential Property Disclosure Act (Public Act 88-111) obligates the seller of the subject property to provide a disclosure report before or at the time of written agreement to the prospective buyer of actual or known material defects of the property that would have a substantial adverse effect on value or significantly impair the health or safety of future occupants unless the seller reasonably believes that the condition has been corrected. The appraiser is not obligated to receive a disclosure report from any of the interested parties in this transaction. Therefore, the appraiser will not be responsible for any defects, admitted or concealed on the disclosure report and will assume no liability for any adverse conditions that they may create.

The federal government has enacted legislation, referred to as "Megan's Law," that encourages states to disclose to the public the whereabouts of convicted child molesters within the community. These individuals may be transient and therefore the situation may change periodically. While the appraiser has no knowledge of any offenders residing nearby the subject property, the scope of this assignment did not include any investigation in this matter. The client is advised to consult with local law enforcement officials about this issue. The appraiser assumes no responsibility for any issues related to Megan's Law.

There are a wide variety of detrimental conditions that can impact property values. These include, but are not limited to: non-market motivations, future temporary disruptions, stigmas, convicted criminals who reside in the neighborhood, neighborhood nuisances, future unannounced surrounding developments, structural and engineering conditions, construction conditions, soils and geotechnical issues, environmental conditions and natural conditions. The appraiser has inspected the subject on a level that is consistent with the typical responsibilities of the appraisal profession; however, the appraiser does not have the expertise of market analysts, soils, structural or environmental engineers, scientists, urban planners and specialists in these various fields. Unless otherwise stated within the report, the appraiser assumes no responsibilities for the impact that the variety of detrimental conditions may cause.

Unless otherwise stated in this report, the existence of hazardous materials, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, mold and other potentially hazardous materials may affect the value of the property. The value estimated is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for such conditions or for any expertise or engineering knowledge required to discover them. The intended user is urged to retain an expert in this field if desired.

The appraiser has been requested to perform an appraisal based on an exterior only inspection and not to disturb the occupants by entering the building. The physical characteristics used to develop this appraisal are based on local assessor's and/or county records, and the local multiple listing service. The subject property was observed from the public street as of the effective date of the appraisal. On the basis of the observed conditions, the assessment records and multiple listing service information appears to be accurate. For the purposes of this appraisal, it is assumed that the interior condition of the subject property is consistent with the exterior conditions as observed and that the information concerning the interior condition as provided by the assessor's records and the multiple listing service is accurate.

Appraiser's "Inventory Analysis," "Median Sale & List Price, DOM" and other observations in the Form 1004MC are based on the data provided by the MRED MLS, which appraiser generally believes to be an acceptable source of market data. However, the appraiser cannot verify all of the information in that data source and cannot guarantee the accuracy of such data or conclusions based thereon. The appraiser also cannot guarantee future market conditions affecting the subject property.

Due to the chosen electronic delivery system of the appraisal report to the client, the resulting delivered file may have been converted and not be the entire or true copy of the appraisal as it was written. In addition, the report does not have the aforementioned security safeguards in place with regards to the appraisers' signatures and may not be USPAP compliant. Please check with the client if there are any questions regarding this matter.

SCOPE OF WORK

The scope of work consists of a visit by the appraiser to view the exterior to catalog the salient attributes of the subject property. The client determined that the scope of work be narrowed by excluding an interior inspection of the improvements and no interior inspection by the appraiser was made.

Since the scope of work was narrowed, gathering of factual information about the subject property will justifiably be less rigorous and the appraiser can not be expected to gather as much information about the physical characteristics of the subject property as would be obtained by inspecting the interior. Also since no interior inspection was made, an extraordinary assumption may have had to been made about certain property characteristics. If any extraordinary assumptions were made in the report, they will be prominently disclosed. The value opinion may be less precise than it would be if the scope of work were

Supplemental Addendum

File No. DEMO 2055 UAD

Client	XYZ Financial Inc.						
Property Address	1943 Harvest Ln						
City	Anywhere	County	DuPage	State	IL	Zip Code	601XX
Borrower	Buyn, Ima						

broader, and that the value opinion's level of reliability is appropriate only for the intended use.

The appraiser will investigate appropriate market data for utilization in a sales comparison approach to value, and if appropriate, cost and income capitalization approaches. Appraiser's investigations will include research of public records through the use of commercial sources of data such as printed comparable data services, computerized databases, etc. Search parameters such as dates of sales, leases, locations, sizes, types of properties and distances from the subject will start with relatively narrow constraints and, if necessary, be expanded until the appraiser has either retrieved data sufficient (in the appraiser's opinion) to estimate market value, or until appraiser believes that the appraiser has reasonably exhausted the available pool of data. Researched sales data will be viewed and, if found to be appropriate, efforts will be made to verify the data with persons directly involved in the transactions such as buyers, seller, brokers or agents. At appraiser's discretion some data will be used without personal verification if, in the appraiser's opinion, the data appears to be correct. In addition, appraiser will consider any appropriate listings of properties found through observation during appraiser's data collection process. Appraiser will report only the data deemed to be pertinent to the valuation problem.

The appraiser will investigate and analyse any pertinent easements or restriction, on the fee simple ownership of the subject property. It is the client's responsibility to supply the appraiser with a title report. If a title report is not available, appraiser will rely on a visual observation from the street and identify any readily apparent easements or restrictions.

The appraiser will analyse the data found and reach conclusions regarding the market value, as defined in the report, of the subject property as of the date of value using appropriate valuation approach(es) identified above.

The appraiser will complete the appraisal report in compliance with appraiser's interpretation of the Uniform Standards of Professional Appraisal Practice as promulgated by The Appraisal Foundation and the Code of Professional Ethics and Certification Standard of the Appraisal Institute.

The appraiser will not be responsible for ascertaining the existence of any toxic waste or other contamination present on or off the site. Appraiser will, however, report any indications of toxic waste or contaminants that may affect value if they are readily apparent during the appraiser's investigations. Appraiser cautions the user of the report that the appraiser is not an expert in such matters and that the appraiser may overlook contamination that may be readily apparent to others.

Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the subject property that would make the subject property more or less valuable, and makes no guarantees or warranties, expressed or implied, regarding the condition of the subject property.

The appraiser will prepare a report relevant to the purpose and intended use of the appraisal, which will include photographs (or digital images) of the subject property, descriptions of the subject neighborhood, the site, any improvements on the site, a description of the zoning, a highest and best use analysis, a summary of the most important sales used in the appraiser's valuation, a reconciliation and conclusion, a map illustrating the sales in relationship to the subject property, and other data deemed by the appraiser to be relevant to the report. Pertinent data and analyses not included in the report may be retained in the appraiser's files.

At the request of the client, this appraisal report has been prepared in compliance with the Uniform Appraisal Dataset (UAD) from Fannie Mae and Freddie Mac. The UAD requires the appraiser to use standardized responses that include specific formats, definitions, abbreviations and acronyms.

The appraiser attempted to obtain an adequate amount of information in the normal course of business regarding the subject and comparable properties. Some of the standardized responses required by the UAD, especially those in which the appraiser has **not** had the opportunity to verify personally or measure, could mistakenly imply greater precision and reliability in the data than is factually correct or typical in the normal course of business. Examples include condition and quality ratings as well as comparable sales and listing data. Not every element of the subject property was viewable and comparable property data was generally obtained from third party sources, such as through public record information or through the local MLS. Consequently, this information should be considered an "estimate" unless otherwise noted by the appraiser.

Uniform Appraisal Dataset (UAD) Field Specific Standardization Requirements

The appraiser is required by the GSEs (Fannie Mae & Freddie Mac) to utilize a series of standardized definitions, acronyms, and responses for a key subset of fields. In an effort to help assist the reader to understand and to not provide a misleading report, please see the attached **Uniform Appraisal Dataset (UAD) Definitions Addendum** which explains the standardized definitions, acronyms, and responses to help the reader better comprehend the report.

Initial Privacy Notice

Our privacy principles: We are committed to protecting our clients' personal and financial information. This privacy statement addresses what nonpublic personal information we collect, what we do with it, and how we protect it.

What information we collect: We may collect and maintain several types of personal information in the course of providing you with appraisal services, such as:

- Information we receive from you on applications, letters of engagement, forms found on our web site, correspondence, or conversations, including, but not limiting to, your name, address, phone number, social security number, date of birth, bank records and salary information.
- Information about your transactions with us, our affiliates or others, including, but not limiting to, payment history, parties to transactions and other financial information.
- Information we receive from a consumer-reporting agency such as a credit history.

What information we may disclose: We may disclose the nonpublic personal information about you described above,

Supplemental Addendum

File No. DEMO 2055 UAD

Client	XYZ Financial Inc.						
Property Address	1943 Harvest Ln						
City	Anywhere	County	DuPage	State	IL	Zip Code	601XX
Borrower	Buyn, Ima						

primarily to provide you with the appraisal services you seek from us. We do not disclose nonpublic personal information about clients or former clients except as required or permitted by law.

Who we share the information with: Unless you tell us not to, we may disclose nonpublic personal information about you to the following types of third parties:

- Financial service providers, such as banks and lending institutions.
- Non-financial companies.

(AS REQUIRED BY THE APPRAISAL INSTITUTE)

I certify that, to the best of my knowledge and belief, the reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.

I certify that the use of this report is subject to the requirements of the Appraisal Institute relating to the review by its duly authorized representatives.

As of the date of this report, I Paul J. Piekos have completed the requirements of the continuing education program of the Appraisal Institute.

• **Exterior-Only : Neighborhood - Market Conditions**

According to the local MRED MLS, housing values have declined 12% within the past twelve months. Foreclosures continue to exert downward pressure on prices and this will continue until the market clears of these distressed properties. Properties usually sell within 95% of the list price. A lack of consumer confidence, a current unemployment rate of around 9% in Illinois and the current recession or lack of a recovery are all factors. The demand for housing in the subject neighborhood is consistent with the rest of nearby competing areas, with a historical marketing time of 181 days, which has since increased to an average of 244 days for active listings. Currently there is an over supply of competitive listings similar to the subject within the subject's marketplace. REO properties, foreclosures and short sales are present. Financing is readily available at current market rates. Financing can be either through government insured (FHA/VA) loans or the conventional process. Some seller assistance present in the form of closing costs and prepaids.

• **Exterior-Only : Sales Comparison Analysis - Summary of Sales Comparison Approach**

All comps are similar style homes located in the subject subdivision. Comps #1-4 are closed sales; Comp #5 is pending and #6 is an active listing. The closed sales were adjusted for time at an annual rate of -12% (or -1% per month) from the date of contract. The active listing and pending sale were adjusted -5% for the typical list-to-sell ratio. Comp #2 has an inferior location on the perimeter of the subdivision and backs to a busy street. Lot size is not a factor of value. Comp #3 is a smaller, 3 BR model adjusted for size @ \$20 per sq.ft. and for bath utility. All other comps are similar in size and utility to the subject. Basement area was adjusted @ \$10 per sq.ft. Comp #3 has a basement bath. Comps #2-3-5-6 were adjusted under porch, patio, deck. #3 lacks a fireplace. Comps #4 & 5 have similar modernization to the subject. Comps #3 & 6 have similar remodeling plus superior kitchens with granite counters and stainless steel appliances. Comp #1 has partial updating but lacks the remodeled baths; Comp #2 lacks the modernization of the subject. Most weight was given to Comps #1, 2 & 4 and the lower end of the indicated value range due to the declining market conditions. No foreclosures or short sales were used as either competitive listings or comparable sales in this report.

UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

(Source: Fannie Mae UAD Appendix D: UAD Field-Specific Standardization Requirements)

Condition Ratings and Definitions

C1

The improvements have been very recently constructed and have not previously been occupied. The entire structure and all components are new and the dwelling features no physical depreciation.*

**Note: Newly constructed improvements that feature recycled materials and/or components can be considered new dwellings provided that the dwelling is placed on a 100% new foundation and the recycled materials and the recycled components have been rehabilitated/re-manufactured into like-new condition. Recently constructed improvements that have not been previously occupied are not considered "new" if they have any significant physical depreciation (i.e., newly constructed dwellings that have been vacant for an extended period of time without adequate maintenance or upkeep).*

C2

The improvements feature no deferred maintenance, little or no physical depreciation, and require no repairs. Virtually all building components are new or have been recently repaired, refinished, or rehabilitated. All outdated components and finishes have been updated and/or replaced with components that meet current standards. Dwellings in this category either are almost new or have been recently completely renovated and are similar in condition to new construction.

C3

The improvements are well maintained and feature limited physical depreciation due to normal wear and tear. Some components, but not every major building component, may be updated or recently rehabilitated. The structure has been well maintained.

C4

The improvements feature some minor deferred maintenance and physical deterioration due to normal wear and tear. The dwelling has been adequately maintained and requires only minimal repairs to building components/mechanical systems and cosmetic repairs. All major building components have been adequately maintained and are functionally adequate.

C5

The improvements feature obvious deferred maintenance and are in need of some significant repairs. Some building components need repairs, rehabilitation, or updating. The functional utility and overall livability is somewhat diminished due to condition, but the dwelling remains useable and functional as a residence.

C6

The improvements have substantial damage or deferred maintenance with deficiencies or defects that are severe enough to affect the safety, soundness, or structural integrity of the improvements. The improvements are in need of substantial repairs and rehabilitation, including many or most major components.

Quality Ratings and Definitions

Q1

Dwellings with this quality rating are usually unique structures that are individually designed by an architect for a specified user. Such residences typically are constructed from detailed architectural plans and specifications and feature an exceptionally high level of workmanship and exceptionally high-grade materials throughout the interior and exterior of the structure. The design features exceptionally high-quality exterior refinements and ornamentation, and exceptionally high-quality interior refinements. The workmanship, materials, and finishes throughout the dwelling are of exceptionally high quality.

Q2

Dwellings with this quality rating are often custom designed for construction on an individual property owner's site. However, dwellings in this quality grade are also found in high-quality tract developments featuring residence constructed from individual plans or from highly modified or upgraded plans. The design features detailed, high quality exterior ornamentation, high-quality interior refinements, and detail. The workmanship, materials, and finishes throughout the dwelling are generally of high or very high quality.

Q3

Dwellings with this quality rating are residences of higher quality built from individual or readily available designer plans in above-standard residential tract developments or on an individual property owner's site. The design includes significant exterior ornamentation and interiors that are well finished. The workmanship exceeds acceptable standards and many materials and finishes throughout the dwelling have been upgraded from "stock" standards.

Q4

Dwellings with this quality rating meet or exceed the requirements of applicable building codes. Standard or modified standard building plans are utilized and the design includes adequate fenestration and some exterior ornamentation and interior refinements. Materials, workmanship, finish, and equipment are of stock or builder grade and may feature some upgrades.

UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

(Source: Fannie Mae UAD Appendix D: UAD Field-Specific Standardization Requirements)

Quality Ratings and Definitions (continued)

Q5

Dwellings with this quality rating feature economy of construction and basic functionality as main considerations. Such dwellings feature a plain design using readily available or basic floor plans featuring minimal fenestration and basic finishes with minimal exterior ornamentation and limited interior detail. These dwellings meet minimum building codes and are constructed with inexpensive, stock materials with limited refinements and upgrades.

Q6

Dwellings with this quality rating are of basic quality and lower cost; some may not be suitable for year-round occupancy. Such dwellings are often built with simple plans or without plans, often utilizing the lowest quality building materials. Such dwellings are often built or expanded by persons who are professionally unskilled or possess only minimal construction skills. Electrical, plumbing, and other mechanical systems and equipment may be minimal or non-existent. Older dwellings may feature one or more substandard or non-conforming additions to the original structure

Definitions of Not Updated, Updated, and Remodeled

Not Updated

Little or no updating or modernization. This description includes, but is not limited to, new homes.

Residential properties of fifteen years of age or less often reflect an original condition with no updating, if no major components have been replaced or updated. Those over fifteen years of age are also considered not updated if the appliances, fixtures, and finishes are predominantly dated. An area that is 'Not Updated' may still be well maintained and fully functional, and this rating does not necessarily imply deferred maintenance or physical/functional deterioration.

Updated

The area of the home has been modified to meet current market expectations. These modifications are limited in terms of both scope and cost.

An updated area of the home should have an improved look and feel, or functional utility. Changes that constitute updates include refurbishment and/or replacing components to meet existing market expectations. Updates do not include significant alterations to the existing structure.

Remodeled

Significant finish and/or structural changes have been made that increase utility and appeal through complete replacement and/or expansion.

A remodeled area reflects fundamental changes that include multiple alterations. These alterations may include some or all of the following: replacement of a major component (cabinet(s), bathtub, or bathroom tile), relocation of plumbing/gas fixtures/appliances, significant structural alterations (relocating walls, and/or the addition of) square footage). This would include a complete gutting and rebuild.

Explanation of Bathroom Count

Three-quarter baths are counted as a full bath in all cases. Quarter baths (baths that feature only a toilet) are not included in the bathroom count. The number of full and half baths is reported by separating the two values using a period, where the full bath count is represented to the left of the period and the half bath count is represented to the right of the period.

Example:

3.2 indicates three full baths and two half baths.

Market Conditions Addendum to the Appraisal Report

File No. DEMO 2055 UAD

The purpose of this addendum is to provide the lender/client with a clear and accurate understanding of the market trends and conditions prevalent in the subject neighborhood. This is a required addendum for all appraisal reports with an effective date on or after April 1, 2009.

Property Address **1943 Harvest Ln** City **Anywhere** State **IL** ZIP Code **601XX**

Borrower **Buyn, Ima**

Instructions: The appraiser must use the information required on this form as the basis for his/her conclusions, and must provide support for those conclusions, regarding housing trends and overall market conditions as reported in the Neighborhood section of the appraisal report form. The appraiser must fill in all the information to the extent it is available and reliable and must provide analysis as indicated below. If any required data is unavailable or is considered unreliable, the appraiser must provide an explanation. It is recognized that not all data sources will be able to provide data for the shaded areas below; if it is available, however, the appraiser must include the data in the analysis. If data sources provide the required information as an average instead of the median, the appraiser should report the available figure and identify it as an average. Sales and listings must be properties that compete with the subject property, determined by applying the criteria that would be used by a prospective buyer of the subject property. The appraiser must explain any anomalies in the data, such as seasonal markets, new construction, foreclosures, etc.

Inventory Analysis	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)	9	3	5	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)	1.50	1.00	1.67	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Comparable Active Listings	17	21	19	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Housing Supply (Total Listings/Ab.Rate)	11.3	21.0	11.4	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale & List Price, DOM, Sale/List %	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Median Comparable Sale Price	182,000	213,000	169,900	<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Declining
Median Comparable Sales Days on Market	133	215	111	<input checked="" type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Comparable List Price	229,500	239,200	228,450	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Listings Days on Market	186	143	135	<input checked="" type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale Price as % of List Price	94	95	100	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining

Seller-(developer, builder, etc.)paid financial assistance prevalent? Yes No

Explain in detail the seller concessions trends for the past 12 months (e.g., seller contributions increased from 3% to 5%, increasing use of buydowns, closing costs, condo fees, options, etc.). **Seller concessions that were applied in transactions in the past twelve months were stable in their occurrence. Concessions were usually in the form of closing costs and prepaids, with 1-3% of the purchase price a typical amount.**

Are foreclosure sales (REO sales) a factor in the market? Yes No If yes, explain (including the trends in listings and sales of foreclosed properties).

REO properties, foreclosures and short sales are prevalent and have established the current market levels. Foreclosures and short sales make up approximately 53% of recent closed sales and 56% of the current active listings.

Cite data sources for above information. **The local (MRED) MLS data was used to generate the above information. Due to the limitations of the process in which the MLS reports listings and sales, contingent properties, pending sales, expired and cancelled listings may also be reported in the inventory analysis. Therefore the sales and listing information reported here may not be the same as that reported in the appraisal report. Summarize the above information as support for your conclusions in the Neighborhood section of the appraisal report form. If you used any additional information, such as an analysis of pending sales and/or expired and withdrawn listings, to formulate your conclusions, provide both an explanation and support for your conclusions. The current market exposure trend shows that marketing time has been decreasing over the past 12 months. According to the local MLS, housing values in the subject's market area have decreased 12% in the past year. Presently there appears to be an over supply of active listings that are comparable to the subject in the subject's market area at this time. Market absorption in the subject's market has been increasing. (Absorption rate is 9.0 months overall in this market.) The sluggish local economy and an unemployment rate around 9% is having a lingering effect. Recent sales activity has been increasing due to the seasonal market and favorable interest rates. Any anomalies (such as a low amount or spike in reported sales) can be attributed to seasonal markets. Listing to sales price ratios have been increasing as distressed properties have been selling in competitive bidding. See attached addendum for more information concerning this Form 1004MC.**

If the subject is a unit in a condominium or cooperative project, complete the following:

Project Name:

Subject Project Data	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)				<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)				<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Active Comparable Listings				<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Unit Supply (Total Listings/Ab.Rate)				<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing

Are foreclosure sales (REO sales) a factor in the project? Yes No If yes, indicate the number of REO listings and explain the trends in listings and sales of foreclosed properties.

Summarize the above trends and address the impact on the subject unit and project.

Signature
 Appraiser Name **Paul J. Piekos SRA**
 Company Name **Piekos Appraisals**
 Company Address **1533 N. Vest Drive, Naperville, IL 60563**
 State License/Certification # **556.000XXX** State **IL**
 Email Address **paul@piekos.com**

Signature
 Supervisory Appraiser Name
 Company Name
 Company Address
 State License/Certification # State
 Email Address

Subject Photo Page

Client	XYZ Financial Inc.						
Property Address	1943 Harvest Ln						
City	Anywhere	County	DuPage	State	IL	Zip Code	601XX
Borrower	Buyn, Ima						



Subject Front

1943 Harvest Ln

GLA 2,134
Total Rooms 9
Total Bedrms 4
Total Bathrms 2.1
Location N;Res;
View N;Res;
Site 12028 sf
Quality Q4
Age 32

Subject Rear



Subject Street

Comparable Photo Page

Client	XYZ Financial Inc.						
Property Address	1943 Harvest Ln						
City	Anywhere	County	DuPage	State	IL	Zip Code	601XX
Borrower	Buyn, Ima						



Comparable 1

1928 Deere Lane
Proximity 0.37 miles E
Sale Price 220,000
GLA 2,134
Total Rooms 9
Total Bedrms 4
Total Bathrms 2.1
Location N;Res;
View N;Res;
Site 8933 sf
Quality Q4
Age 34



Comparable 2

1936 Slayton Lane
Proximity 0.06 miles W
Sale Price 213,000
GLA 2,134
Total Rooms 9
Total Bedrms 4
Total Bathrms 2.1
Location A;BsyRd;
View N;Res;
Site 7264 sf
Quality Q4
Age 32



Comparable 3

140 Appleby Drive
Proximity 0.08 miles NE
Sale Price 235,000
GLA 1,517
Total Rooms 6
Total Bedrms 3
Total Bathrms 2.0
Location N;Res;
View N;Res;
Site 6884 sf
Quality Q4
Age 33

Comparable Photo Page

Client	XYZ Financial Inc.						
Property Address	1943 Harvest Ln						
City	Anywhere	County	DuPage	State	IL	Zip Code	601XX
Borrower	Buyn, Ima						



Comparable 4

49 Mill Pond Drive
 Proximity 0.31 miles E
 Sale Price 221,000
 GLA 2,134
 Total Rooms 9
 Total Bedrms 4
 Total Bathrms 2.1
 Location N;Res;
 View N;Res;
 Site 7181 sf
 Quality Q4
 Age 34



Comparable 5

119 Green Meadow Drive
 Proximity 0.33 miles SE
 Sale Price 232,000
 GLA 2,126
 Total Rooms 9
 Total Bedrms 4
 Total Bathrms 2.1
 Location N;Res;
 View N;Res;
 Site 7736 sf
 Quality Q4
 Age 35



Comparable 6

77 Brookside Drive
 Proximity 0.42 miles SE
 Sale Price 239,900
 GLA 2,126
 Total Rooms 9
 Total Bedrms 4
 Total Bathrms 2.1
 Location N;Res;
 View N;Res;
 Site 7216 sf
 Quality Q4
 Age 35

Location Map

Client	XYZ Financial Inc.			
Property Address	1943 Harvest Ln			
City	Anywhere	County	DuPage	State IL Zip Code 601XX
Borrower	Buyn, Ima			

