

CLIENT AND PROPERTY IDENTIFICATION				
Client/Lender: Taxpayer		Address: 123 Main St.		
Property Address: 12 Renshaw Place				
City: Palm Coast		County: Flagler	State: FL	Zip Code: 32164-6628
Borrower/Applicant: Duane Pipes			Census Tract: 0602.02	
Legal Description: Lot 48, Block 73, Section 44, Palm Coast				
Property Type: <input checked="" type="checkbox"/> SFR		<input type="checkbox"/> PUD	<input type="checkbox"/> Condominium	Map Reference: 4B-1

The undersigned appraiser has performed a desktop valuation of the subject property. The purpose of this desktop valuation is to determine the market value of the subject property. The primary method of valuing the subject property is the sales comparison approach. This report is intended for use for loan purposes only and is limited to use by the above named client/lender; this report is not to be used for any other purpose, or by any other party. This report may be completed under the following circumstances: 1) when there is adequate comparable market data in the neighborhood to develop a reliable sales comparison analysis for the subject property; 2) when the property rights appraised are fee simple; and 3) zoning, if classified, is residential. The appraiser has made the extraordinary assumption that the subject property is an existing, legal single family dwelling in compliance with current zoning. The reliability of this valuation is considered to be impacted to a certain extent by the appraiser's lack of inspection of the subject property and the comparable sales.

SALES COMPARISON ANALYSIS				
	Subject Property	Comparable 1	Comparable 2	Comparable 3
Address	12 Renshaw Place	111 Redmill Drive	128 Redmill Drive	45 Red Barn Drive
Proximity to Subject		0.24 miles W	0.14 miles WSW	0.32 miles WSW
Data Source		MLS Records	MLS Records	MLS Records
Sales Price	N/A	220,000	209,000	230,000
Date of Sale	N/A	11/9/05	12/14/05	01/05/06
Location	Suburban	Suburban	Suburban	Suburban
Site/View				
Condition	Typical	Similar	Inferior	Superior
Gross Living Area	1655	1655	1528	1776
Bedrooms/Baths	3      2	3      2	3      2	3      2
Age	5 Years	6 Years	8 Years	2 Years
Garage/Carport	2 Car Att. Gar.	2 Car Att. Gar.	2 Car Att. Gar.	2 Car Att. Gar.
Basement				
Porches, Patio, Pool	Screened Porch	Screened Porch	Open Porch	Screened Porch
Amenities/Upgrades				
Other				
Overall Comparison				

**Relative Comparison Analysis**

Comments: The three closed sales used above were determined to be the most comparable to the subject property. All three sales are highly similar three bedroom models built by same builder as the subject and located in the subject's neighborhood. Adjustments for size, condition and screen porch were derived from previous market analysis. Sale #1 is a model match to the subject, required no adjustment and is clearly an excellent value indicator. Consequently, Sale #1 was used as the primary value indicator with Sales #2 and #3 providing good support.

The appraiser has researched the sales and listing history of the subject property for the past three years:

- The property has not transferred ownership or been listed for sale during this period.  
 The subject was  sold  listed for \$ \_\_\_\_\_ on the date \_\_\_\_\_

Comments:

My opinion of the market value of the subject property is \$ 220,000 , as of January 28, 2006 , which is the effective date of this desktop analysis.

**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 acting in what they consider their own best interests; (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.

### STATEMENT OF LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

**CONTINGENT AND LIMITING CONDITIONS:** The appraiser's certification that appears in this limited residential appraisal and summary report is subject to the following conditions:

1. This limited residential appraisal and summary report invokes the Departure Provision of the Uniform Standards of Professional Appraisal Practices Standards Rule 1-4. In this report, any reference to the term "report" means: limited residential appraisal and summary report. Because the income approach to value is generally not considered applicable to the market valuation of residential properties, the exclusion of the income approach is not considered a Departure. The cost approach to value is considered of secondary importance in the valuation of residential property, therefore, its exclusion is considered a Departure. Because the sales comparison approach to value is the most reliable indicator of market value, the appraiser has determined that the exclusion of the cost approach to value will not result in a report that is misleading to the client.
2. The HIGHEST AND BEST USE as improved is the present use, based on the residential zoning and the appraiser's familiarity with the residential nature of the subject's neighborhood. This is the reasonably probable and legal use that is physically possible, appropriately supported, financially feasible, and results in the highest value.
3. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser has made the extraordinary assumption that the title is good marketable and, therefore, will not render any opinions about the title. The property is appraised on the additional extraordinary assumption of its being under responsible ownership.
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.
5. The appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable. The appraiser has made the extraordinary assumption that there are no such conditions and makes no guarantees or warranties, expressed or implied, regarding the condition of the property. 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 report must not be considered as an environmental assessment of the property. If the subject property was built prior to 1978, the dwelling may contain lead-based paint.
6. Information regarding the subject's physical characteristics was obtained either from information supplied on the appraisal request or from third party sources that the appraiser considers to be reliable and believes the data to be true and correct. The appraiser does not assume responsibility for the accuracy of such data that were furnished by other parties.
7. The appraiser will not disclose the contents of this report except as provided for in the Uniform Standards of Professional Appraisal Practice.
8. The appraiser must provide his or her prior written consent before the lender/client specified in this report can distribute this report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the borrower; the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organization; 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 this report only to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the report can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.

**SCOPE OF WORK PERFORMED:**

I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis. Differences in the subject and comparables were analyzed to arrive at a value conclusion in this report. Utilizing the Sales Comparison Approach, I placed most emphasis on the comparable(s) considered to be most similar to the subject.

I have taken into consideration the factors that I am aware of that have an impact on value in my development of the value conclusion presented in this report. I have not knowingly withheld any significant information from this report.

Based on prior agreement with the client, an inspection of the property, the Cost Approach and Income Approach were excluded from this report. I have considered these exclusions and determined that the exclusion of an inspection, the Cost Approach and the Income Approach would not result in a report that is misleading to the client.

Although I have not personally inspected the subject property and the properties utilized as comparables in this report, I certify that I have no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions within the immediate vicinity of the subject property.

**APPRAISER'S CERTIFICATION:** I certify that, to the best of my knowledge:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analysis, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report, and no personal interest or bias with respect to the parties involved.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
8. I have not made a personal inspection of the property that is the subject of this report.
9. No one provided significant real property assistance to the person signing this certification.

**APPRAISER:**

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Date Signed: \_\_\_\_\_

State Certification #: \_\_\_\_\_

or State License #: \_\_\_\_\_ State: \_\_\_\_\_

Expiration Date of Certification or License: \_\_\_\_\_

**Address of Appraised Property:** 12 Renshaw Place, Palm Coast, FL 32164-6628

**Appraised Value of Property:** \$ 220,000

**Effective Date of Appraisal:** January 28, 2006