

APPRAISAL OF REAL PROPERTY

LOCATED AT:
2905 SW 64th Street
Lot 10, Fictitious Estates
Fictitious City, ZZ 00000

FOR:
Fictitious Lender

AS OF:
06/01/2001

BY:
Fictitious Appraiser

SUMMARY OF SALIENT FEATURES

SUBJECT INFORMATION	Subject Address	2905 SW 64th Street
	Legal Description	Lot 10, Fictitious Estates
	City	Fictitious City
	County	Fictitious County
	State	ZZ
	Zip Code	00000
	Census Tract	5021.1
	Map Reference	50A1 sample SOLELY for viewing purposes @ www.e-appraise.com
SALES PRICE	Sale Price	\$ 760,000
	Date of Sale	06/01/2001
CLIENT	Borrower / Client	Fictitious Owner
	Lender	Fictitious Lender
DESCRIPTION OF IMPROVEMENTS	Size (Square Feet)	3,295
	Price per Square Foot	\$ 230.65
	Location	Fictitious Est.
	Age	New
	Condition	New
	Total Rooms	12
	Bedrooms	4
	Baths	2.5
APPRAISER	Appraiser	Fictitious Appraiser
	Date of Appraised Value	06/01/2001
VALUE	Final Estimate of Value	\$ 760,000

UNIFORM RESIDENTIAL APPRAISAL REPORT

File No. Sample Appraisal

Property Description

Property Address	<u>2905 SW 64th Street</u>	City	<u>Fictitious City</u>	State	<u>ZZ</u>	Zip Code	<u>00000</u>
Legal Description	<u>Lot 10, Fictitious Estates</u>			County	<u>Fictitious County</u>		
Assessor's Parcel No.	<u>KZ54-58-OM</u>	Tax Year	<u>2001</u>	R.E. Taxes \$	<u>7,000.00</u>	Special Assessments \$	<u>0.00</u>
Borrower	<u>Fictitious Owner</u>	Current Owner	<u>Fictitious Owner</u>	Occupant:	<input type="checkbox"/> Owner	<input type="checkbox"/> Tenant	<input checked="" type="checkbox"/> Vacant
Property rights appraised	<input checked="" type="checkbox"/> Fee Simple	<input type="checkbox"/> Leasehold	Project Type	<input checked="" type="checkbox"/> PUD	<input type="checkbox"/> Condominium (HUD/VA only)	HOA \$	<u>N/A</u> /Mo.
Neighborhood or Project Name	<u>Fictitious Estates</u>		Map Reference	<u>50A1</u>		Census Tract	<u>5021.1</u>
Sale Price \$	<u>760,000</u>	Date of Sale	<u>06/01/2001</u>		Description and \$ amount of loan charges/concessions to be paid by seller	<u>\$10,847</u>	
Lender/Client	<u>Fictitious Lender</u>			Address			
Appraiser	<u>Fictitious Appraiser</u>			Address			

Location	<input type="checkbox"/> Urban	<input checked="" type="checkbox"/> Suburban	<input type="checkbox"/> Rural	Predominant occupancy	Single family housing PRICE \$ (000) <u>500</u> Low <u>New</u> AGE (yrs) <u>15</u>	Present land use %	Land use change
Built up	<input checked="" type="checkbox"/> Over 75%	<input type="checkbox"/> 25-75%	<input type="checkbox"/> Under 25%				
Growth rate	<input type="checkbox"/> Rapid	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Slow	<input type="checkbox"/> Tenant	2-4 family <u>0</u>	<input type="checkbox"/> In process	
Property values	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Vacant (0-5%)	Multi-family <u>10</u>	To: <u>N/A</u>	
Demand/supply	<input checked="" type="checkbox"/> Shortage	<input type="checkbox"/> In balance	<input type="checkbox"/> Over supply	<input type="checkbox"/> Vac. (over 5%)	Commercial <u>10</u>		
Marketing time	<input checked="" type="checkbox"/> Under 3 mos.	<input type="checkbox"/> 3-6 mos.	<input type="checkbox"/> Over 6 mos.		Vacant <u>5</u>		

Note: Race and the racial composition of the neighborhood are not appraisal factors.
 Neighborhood boundaries and characteristics: See attached addendum.

Factors that affect the marketability of the properties in the neighborhood (proximity to employment and amenities, employment stability, appeal to market, etc.):
See attached addendum.

Market conditions in the subject neighborhood (including support for the above conclusions related to the trend of property values, demand/supply, and marketing time -- such as data on competitive properties for sale in the neighborhood, description of the prevalence of sales and financing concessions, etc.):
See attached addendum.

PUD Project Information for PUDs (If applicable) - - Is the developer/builder in control of the Home Owners' Association (HOA)? Yes No
 Approximate total number of units in the subject project _____ Approximate total number of units for sale in the subject project _____
 Describe common elements and recreational facilities: _____

Dimensions	<u>Subject property contains (per tax record)</u>			Topography	<u>Level</u>			
Site area	<u>1.5 Acres</u>	Corner Lot	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Size	<u>Typical for Neighborhood</u>			
Specific zoning classification and description	<u>Residential</u>			Shape	<u>Rectangular</u>			
Zoning compliance	<input checked="" type="checkbox"/> Legal	<input type="checkbox"/> Legal nonconforming (Grandfathered use)	<input type="checkbox"/> Illegal <input type="checkbox"/> No zoning	Drainage	<u>Adequate</u>			
Highest & best use as improved:	<input checked="" type="checkbox"/> Present use	<input type="checkbox"/> Other use (explain) <u>No other use</u>		View	<u>Open Space</u>			
Utilities	Public	Other	Off-site Improvements	Type	Public	Private	Landscaping	<u>Typical</u>
Electricity	<input checked="" type="checkbox"/> Municipal		Street	<u>Asphalt</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Driveway Surface	<u>Concrete</u>
Gas	<input checked="" type="checkbox"/> Municipal		Street/gutter	<u>Concrete</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Apparent easements	<u>Typical Public Util.</u>
Water	<input checked="" type="checkbox"/> Municipal		Sidewalk	<u>Concrete</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	FEMA Special Flood Hazard Area	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Sanitary sewer	<input checked="" type="checkbox"/> Municipal		Street lights	<u>Electric/Pole</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	FEMA Zone	<u>Zone ZZ</u> Map Date <u>3/01</u>
Storm sewer	<input checked="" type="checkbox"/> Municipal		Alley	<u>None</u>	<input type="checkbox"/>	<input type="checkbox"/>	FEMA Map No.	<u>Fictitious</u>

Comments (apparent adverse easements, encroachments, special assessments, slide areas, illegal or legal nonconforming zoning use, etc.):
See attached addendum.

GENERAL DESCRIPTION	EXTERIOR DESCRIPTION	FOUNDATION	BASEMENT	INSULATION					
No. of Units	<u>1</u>	Foundation	<u>Poured Conc.</u>	Slab	<u>None</u>	Area Sq. Ft.	<u>1,351</u>	Roof	<input type="checkbox"/>
No. of Stories	<u>2</u>	Exterior Walls	<u>Brick</u>	Crawl Space	<u>None</u>	% Finished	<u>80</u>	Ceiling	<u>R-30</u> <input checked="" type="checkbox"/>
Type (Det./Att.)	<u>Detached</u>	Roof Surface	<u>Fiberglass Sh.</u>	Basement	<u>Full</u>	Ceiling	<u>Drywall</u>	Walls	<u>R-13</u> <input checked="" type="checkbox"/>
Design (Style)	<u>Colonial</u>	Gutters & Dwnspits.	<u>Aluminum</u>	Sump Pump	<u>Yes</u>	Walls	<u>Drywall</u>	Floor	<u>R-19</u> <input checked="" type="checkbox"/>
Existing/Proposed	<u>Existing</u>	Window Type	<u>Vinyl DH</u>	Dampness	<u>None Noted</u>	Floor	<u>Carpet</u>	None	<input type="checkbox"/>
Age (Yrs.)	<u>New</u>	Storm/Screens	<u>Double Pane</u>	Settlement	<u>None Noted</u>	Outside Entry	<u>Walk-out</u>	Unknown	<input type="checkbox"/>
Effective Age (Yrs.)	<u>New</u>	Manufactured House	<u>No</u>	Infestation	<u>None Noted</u>				

ROOMS	Foyer	Living	Dining	Kitchen	Den	Family Rm.	Rec. Rm.	Bedrooms	# Baths	Laundry	Other	Area Sq. Ft.
Basement					<u>1</u>		<u>1</u>		<u>1</u>			<u>1,351</u>
Level 1	<u>X</u>	<u>1 FP</u>	<u>1</u>	<u>1</u>	<u>2</u>	<u>1 FP</u>			<u>.5</u>		<u>Brkfst Nk</u>	<u>1,751</u>
Level 2								<u>4</u>	<u>2</u>		<u>Sttng Rm</u>	<u>1,544</u>

Finished area above grade contains: 12 Rooms; 4 Bedroom(s); 2.5 Bath(s); 3,295 Square Feet of Gross Living Area

INTERIOR	Materials/Condition	HEATING	KITCHEN EQUIP.	ATTIC	AMENITIES	CAR STORAGE: <u>2 Car</u>
Floors	<u>Crpt/Hrdwd/New</u>	Type	<u>Fa</u>	Refrigerator	<input checked="" type="checkbox"/>	None <input type="checkbox"/>
Walls	<u>Drywall/New</u>	Fuel	<u>Gas</u>	Range/Oven	<input checked="" type="checkbox"/>	Garage <input type="checkbox"/>
Trim/Finish	<u>Wood/New</u>	Condition	<u>New</u>	Disposal	<input checked="" type="checkbox"/>	Attached <input type="checkbox"/>
Bath Floor	<u>Ceramic/New</u>	COOLING	<u>Electric</u>	Dishwasher	<input checked="" type="checkbox"/>	Detached <input type="checkbox"/>
Bath Wainscot	<u>Ceramic/New</u>	Central	<u>Yes</u>	Fan/Hood	<input checked="" type="checkbox"/>	Built-In <input type="checkbox"/>
Doors	<u>Wood/New</u>	Other	<u>N/A</u>	Microwave	<input checked="" type="checkbox"/>	Carport <input type="checkbox"/>
Kitchen:	<u>Hardwood/New</u>	Condition	<u>New</u>	Washer/Dryer	<input checked="" type="checkbox"/>	Driveway <u>2 Car</u>

Additional features (special energy efficient items, etc.): See attached addendum.

Condition of the improvements, depreciation (physical, functional, and external), repairs needed, quality of construction, remodeling/additions, etc.:
See attached addendum.

Adverse environmental conditions (such as, but not limited to, hazardous wastes, toxic substances, etc.) present in the improvements, on the site, or in the immediate vicinity of the subject property.:
None noted by the appraiser.

Valuation Section

UNIFORM RESIDENTIAL APPRAISAL REPORT

File No. Sample Appraisal

ESTIMATED SITE VALUE	= \$	250,000
ESTIMATED REPRODUCTION COST-NEW-OF IMPROVEMENTS:		
Dwelling 3,295 Sq. Ft. @ \$ 115.00	= \$	378,925
1,351 Sq. Ft. @ \$ 40.00	=	54,040
Fin bsmt, 2 fireplaces, porch & deck	=	50,000
Garage/Carport 480 Sq. Ft. @ \$ 25.00	=	12,000
Total Estimated Cost New	= \$	494,965
Less Physical Functional External		
Depreciation	= \$	
Depreciated Value of Improvements	= \$	494,965
"As-is" Value of Site Improvements	= \$	15,000
INDICATED VALUE BY COST APPROACH	= \$	759,965

Comments on Cost Approach (such as, source of cost estimate, site value, square foot calculation and for HUD, VA and FmHA, the estimated remaining economic life of the property): **The site value estimate is based on market data of recent sale and/or assessment ratios. The subject's "reproduction" cost new is developed via application of Marshall & Swift's "Residential" Cost handbook adjusted for both "time" and locale and/or local cost data maintained in-house. The economic age life method of depreciation is employed to determine the subject's effective age.**

ITEM	SUBJECT	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
Address	2905 SW 64th Street Fictitious City	2802 SW 59th Street Fictitious City		2367 SW 63rd Street Fictitious City		3126 SW 65th Street Fictitious City	
Proximity to Subject		0.20 miles		0.13 miles		0.13 miles	
Sales Price	\$ 760,000	\$ 765,000		\$ 755,000		\$ 760,000	
Price/Gross Living Area	\$ 230.65 /sq ft	\$ 232.17 /sq ft		\$ 229.14 /sq ft		\$ 230.65 /sq ft	
Data and/or Verification Source	Inspection	Builder/MLS Public Records/Visual		Builder/MLS Public Records/Visual		Builder/MLS Public Records/Visual	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-)\$ Adjust.	DESCRIPTION	+(-)\$ Adjust.	DESCRIPTION	+(-)\$ Adjust.
Sales or Financing Concessions		Conventional \$10,000		Conventional \$10,000		Conventional \$10,000	
Date of Sale/Time		05/31/2001		05/25/2001		05/29/2001	
Location	Fictitious Est.	Fictitious Est.		Fictitious Est.		Fictitious Est.	
Leasehold/Fee Simple	Fee	Fee		Fee		Fee	
Site	1.5 Acres	1.5 Acres		1.5 Acres		1.5 Acres	
View	Open Space	Open Space		Open Space		Open Space	
Design and Appeal	Colonial	Colonial		Colonial		Colonial	
Quality of Construction	Brick	Brick		Brick		Brick	
Age	New	New		New		New	
Condition	New	New		New		New	
Above Grade	Total Bdrms Baths	Total Bdrms Baths		Total Bdrms Baths		Total Bdrms Baths	
Room Count	12 4 2.5	12 4 3	-2,000	12 4 2.5		12 4 2.5	
Gross Living Area	3,295 Sq. Ft.	3,295 Sq. Ft.		3,295 Sq. Ft.		3,295 Sq. Ft.	
Basement & Finished Rooms Below Grade	Full RR, Den, Fbath	Full RR, Den, Fbath		Full RR, Den	+2,000	Full RR, Den, Fbath	
Functional Utility	Average	Average		Average		Average	
Heating/Cooling	Fa/Gas/Cac	Fa/Gas/Cac		Fa/Gas/Cac		Fa/Gas/Cac	
Energy Efficient Items	Dbl. Pane Wind.	Dbl. Pane Wind.		Dbl. Pane Wind.		Dbl. Pane Wind.	
Garage/Carport	2 Car Garage	2 Car Garage		2 Car Garage		2 Car Garage	
Porch, Patio, Deck, Fireplace(s), etc.	Porch, Deck 2/Fireplaces	Porch, Deck 3/Fireplaces	-3,000	Porch, Deck 1/Fireplace	+3,000	Porch, Deck 2/Fireplaces	
Fence, Pool, etc.	None	None		None		None	
Improvements	Superior	Superior		Superior		Superior	
Net Adj. (total)		+ \$ 5,000		+ \$ 5,000		+ \$	
Adjusted Sales Price of Comparable		Net 0.7 % Gross 0.7 % \$ 760,000		Net 0.7 % Gross 0.7 % \$ 760,000		Net % Gross % \$ 760,000	

Comments on Sales Comparison (including the subject property's compatibility to the neighborhood, etc.): **See attached addendum.**

ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Date, Price and Data Source, for prior sales within year of appraisal	N/A	As stated above	As stated above	As stated above
Analysis of any current agreement of sale, option, or listing of subject property and analysis of any prior sales of subject and comparables within one year of the date of appraisal: Subject property is currently under contract.				

INDICATED VALUE BY SALES COMPARISON APPROACH \$ **760,000**
INDICATED VALUE BY INCOME APPROACH (if Applicable) Estimated Market Rent \$ **6,500** /Mo. x Gross Rent Multiplier **117** = \$ **760,500**

This appraisal is made "as is" subject to the repairs, alterations, inspections or conditions listed below subject to completion per plans & specifications.
 Conditions of Appraisal: **See attached addendum.**
 Final Reconciliation: **See attached addendum.**

The purpose of this appraisal is to estimate the market value of the real property that is the subject of this report, based on the above conditions and the certification, contingent and limiting conditions, and market value definition that are stated in the attached Freddie Mac Form 439/FNMA form 1004B (Revised **6/93**).

I (WE) ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE REAL PROPERTY THAT IS THE SUBJECT OF THIS REPORT, AS OF **06/01/2001**
(WHICH IS THE DATE OF INSPECTION AND THE EFFECTIVE DATE OF THIS REPORT) TO BE \$ **760,000**

APPRAISER: _____ **SUPERVISORY APPRAISER (ONLY IF REQUIRED):** _____
 Signature _____ Signature _____ Did Did Not
 Name **Fictitious Appraiser** Name _____ Inspect Property
 Date Report Signed **06/01/2001** Date Report Signed _____
 State Certification # _____ State Certification # _____
 Or State License # _____ Or State License # _____

SINGLE FAMILY COMPARABLE RENT SCHEDULE

This form is intended to provide the appraiser with a familiar format to estimate the market rent of the subject property. Adjustments should be made only for items of significant difference between the comparables and the subject property. **sample SOLELY for viewing purposes @ www.e-appraise.com Alterations on this form is strictly prohibited**

ITEM	SUBJECT	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
Address	2905 SW 64th Street Fictitious City	2907 SW 64th Street Fictitious City		2907 SW 64th Street Fictitious City		2907 SW 64th Street Fictitious City	
Proximity to Subject		Same street		Same street		Same street	
Date Lease Begins							
Date Lease Expires							
Monthly Rental	If Currently Rented: \$	\$ 6,500		\$ 6,500		\$ 6,500	
Less: Utilities	\$	\$		\$		\$	
Furniture							
Adjusted Monthly Rent	\$	\$ 6,500		\$ 6,500		\$ 6,500	
Data Source	Inspection	MLS/Public Recds/Visual		MLS/Public Recds/Visual		MLS/Public Recds/Visual	
RENT ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+ (-)\$ Adjust.	DESCRIPTION	+ (-)\$ Adjust.	DESCRIPTION	+ (-)\$ Adjust.
Rent Concessions		No Rent Concessions		No Rent Concessions		No Rent Concessions	
Location/View	Fictitious Est. Open Space	Fictitious Est. Open Space		Fictitious Est. Open Space		Fictitious Est. Open Space	
Design and Appeal	Colonial	Colonial		Colonial		Colonial	
Age/Condition	New New	New New		New New		New New	
Above Grade Room Count	Total Bdrms Baths 12 4 2.5	Total Bdrms Baths 12 4 2.5		Total Bdrms Baths 12 4 2.5		Total Bdrms Baths 12 4 2.5	
Gross Living Area	3,295 Sq. Ft.	3,295 Sq. Ft.		3,295 Sq. Ft.		3,295 Sq. Ft.	
Other (e.g., basement, etc.)	Full RR, Den, Fbath	Full RR, Den, Fbath		Full RR, Den, Fbath		Full RR, Den, Fbath	
Other:	2/Fireplaces Deck, Porch	2/Fireplaces Deck, Porch		2/Fireplaces Deck, Porch		2/Fireplaces Deck, Porch	
Net Adj. (total)		X + - \$		+ - \$		X + - \$	
Indicated Monthly Market Rent		\$ 6,500		\$ 6,500		\$ 6,500	

Comments on market data, including the range of rents for single family properties, an estimate of vacancy for single family rental properties, the general trend of rents and vacancy, and support for the above adjustments. (Rent concessions should be adjusted to the market, not to the subject property.) **See attached addendum.**

Final Reconciliation of Market Rent: **See attached addendum.**

I (WE) ESTIMATE THE MONTHLY MARKET RENT OF THE SUBJECT AS OF 06/01/2001 TO BE \$ 6,500

Appraiser(s) SIGNATURE Review Appraiser SIGNATURE
 (If applicable)
NAME Fictitious Appraiser NAME

Operating Income Statement **sample SOLELY for viewing purposes @ www.e-appraise.com**
 One- to Four-Family Investment Property and Two- to Four-Family Owner-Occupied Property

Property Address

Street **2905 SW 64th Street**

City **Fictitious City**

State **ZZ**

Zip Code **00000**

General Instructions: This form is to be prepared jointly by the loan applicant, the appraiser, and the lender's underwriter. The applicant must complete the following schedule indicating each unit's rental status, lease expiration date, current rent, market rent, and the responsibility for utility expenses. Rental figures must be based on the rent for an "unfurnished" unit.

	Currently Rented	Expiration Date	Current Rent Per Month	Market Rent Per Month	Utility Expense	Paid By Owner	Paid By Tenant
Unit No. 1	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	_____	\$ _____	\$ 6,500	Electricity.....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Unit No. 2	Yes <input type="checkbox"/> No <input type="checkbox"/>	_____	\$ _____	\$ _____	Gas.....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Unit No. 3	Yes <input type="checkbox"/> No <input type="checkbox"/>	_____	\$ _____	\$ _____	Fuel Oil.....	<input type="checkbox"/>	<input type="checkbox"/>
Unit No. 4	Yes <input type="checkbox"/> No <input type="checkbox"/>	_____	\$ _____	\$ _____	Fuel (Other).....	<input type="checkbox"/>	<input type="checkbox"/>
Total			\$ _____	\$ 6,500	Water/Sewer.....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
					Trash Removal.....	<input type="checkbox"/>	<input checked="" type="checkbox"/>

The applicant should complete all of the income and expense projections and for existing properties provide actual year-end operating statements for the past two years (for new properties the applicant's projected income and expenses must be provided). This Operating Income Statement and any previous operating statements the applicant provides must then be sent to the appraiser for review, comment, and/or adjustments next to the applicant's figures (e.g. Applicant/Appraiser 288/300). If the appraiser is retained to complete the form instead of the applicant, the lender must provide to the appraiser the aforementioned operating statements, mortgage insurance premium, HOA dues, leasehold payments, subordinate financing, and/or any other relevant information as to the income and expenses of the subject property received from the applicant to substantiate the projections. The underwriter should carefully review the applicant's/appraiser's projections and the appraiser's comments concerning those projections. The underwriter should make any final adjustments that are necessary to more accurately reflect any income or expense items that appear unreasonable for the market. (Real estate taxes and insurance on these types of properties are included in PITI and not calculated as an annual expense item.) Income should be based on the current rents, but should not exceed market rents. When there are no current rents because the property is proposed, new, or currently vacant, market rents should be used.

Annual Income and Expense Projection for Next 12 months

	By Applicant/Appraiser	Adjustments by Lender's Underwriter
Income (Do not include income for owner-occupied units)		
Gross Annual Rental (from unit(s) to be rented)	\$ 78,000	\$ _____
Other Income (include sources)	+ _____	+ _____
Total	\$ 78,000	\$ _____
Less Vacancy/Rent Loss	- 6,500 (8 %)	- _____ (%)
Effective Gross Income	\$ 73,000	\$ _____
Expenses (Do not include expenses for owner-occupied units)		
Electricity.....	_____	_____
Gas.....	_____	_____
Fuel Oil.....	_____	_____
Fuel..... (Type - _____)	_____	_____
Water/Sewer.....	_____	_____
Trash Removal.....	_____	_____
Pest Control.....	_____	_____
Other Taxes or Licenses.....	_____	_____
Casual Labor.....	_____	_____
This includes the costs for public area cleaning, snow removal, etc., even though the applicant may not elect to contract for such services.		
Interior Paint/Decorating	5,000	_____
This includes the costs of contract labor and materials that are required to maintain the interiors of the living unit.		
General Repairs/Maintenance	5,000	_____
This includes the costs of contract labor and materials that are required to maintain the public corridors, stairways, roofs, mechanical systems, grounds, etc.		
Management Expenses	_____	_____
These are the customary expenses that a professional management company would charge to manage the property.		
Supplies.....	_____	_____
This includes the costs of items like light bulbs, janitorial supplies, etc.		
Total Replacement Reserves - See Schedule on Pg. 2	1,750	_____
Miscellaneous	_____	_____
.....	_____	_____
.....	_____	_____
.....	_____	_____
.....	_____	_____
.....	_____	_____
.....	_____	_____
.....	_____	_____
Total Operating Expenses	\$ 11,750	\$ _____

Replacement Reserve Schedule sample SOLELY for viewing purposes @ www.e-appraise.com : Alterations are strictly prohibited

Adequate replacement reserves must be calculated regardless of whether actual reserves are provided for on the owner's operating statements or are customary in the local market. This represents the total average yearly reserves. Generally, all equipment and components that have a remaining life of more than one year-such as refrigerators, stoves, clothes washers/ dryers, trash compactors, furnaces, roofs, and carpeting, etc. - should be expensed on a replacement cost basis.

Equipment	Replacement Cost	Remaining Life	By Applicant/ Appraiser	Lender Adjustments
Stoves/Ranges	@ \$ 1,500 ea.	/ 10 Yrs. x	Units = \$	\$
Refrigerators	@ \$ 1,800 ea.	/ 10 Yrs. x	Units = \$	\$
Dishwashers	@ \$ 500 ea.	/ 10 Yrs. x	Units = \$	\$
A/C Units	@ \$ 3,500 ea.	/ 10 Yrs. x	Units = \$	\$
C. Washer/Dryers	@ \$ 1,200 ea.	/ 10 Yrs. x	Units = \$	\$
HW Heaters	@ \$ 4,500 ea.	/ 10 Yrs. x	Units = \$	\$
Furnace(s)	@ \$ 5,000 ea.	/ 10 Yrs. x	Units = \$	\$
(Other)	@ \$ ea.	/ Yrs. x	Units = \$	\$
Roof	@ \$ 15,000 /	30 Yrs. x One Bldg. =	\$ 500	\$
Carpeting (Wall to Wall)		Remaining Life		
(Units)	500 Total Sq. Yds. @ \$ 25.00 Per Sq. Yd. /	10 Yrs. =	\$ 1,250	\$
(Public Areas)	Total Sq. Yds. @ \$ Per Sq. Yd. /	Yrs. =	\$	\$
Total Replacement Reserves. (Enter on Pg. 1)			\$ 1,750	\$

Operating Income Reconciliation

\$ 73,000	-	\$ 11,750	=	\$ 61,250	/ 12 =	\$ 5,104
Effective Gross Income		Total Operating Expenses		Operating Income		Monthly Operating Income
\$ 5,104	-	\$	=	\$ 5,104		
Monthly Operating Income		Monthly Housing Expense		Net Cash Flow		

(Note: Monthly Housing Expense includes principal and interest on the mortgage, hazard insurance premiums, real estate taxes, mortgage insurance premiums, HOA dues, leasehold payments, and subordinate financing payments.)

Underwriter's instructions for 2-4 Family Owner-Occupied Properties

- If Monthly Operating Income is a positive number, enter as "Net Rental Income" in the "Gross Monthly Income" section of Freddie Mac Form 65/Fannie Mae Form 1003. If Monthly Operating Income is a negative number, it must be included as a liability for qualification purposes.
- The borrower's monthly housing expense-to-income ratio must be calculated by comparing the total Monthly Housing Expense for the **subject property** to the borrower's stable monthly income.

Underwriter's instructions for 1-4 Family Investment Properties

- If Net Cash Flow is a positive number, enter as "Net Rental Income" in the "Gross Monthly Income" section of Freddie Mac Form 65/Fannie Mae Form 1003. If Net Cash Flow is a negative number, it must be included as a liability for qualification purposes.
- The borrower's monthly housing expense-to-income ratio must be calculated by comparing the total monthly housing expense for the borrower's **primary residence** to the borrower's stable monthly income.

Appraiser's Comments (Including sources for data and rationale for the projections)

Fictitious Appraiser

Appraiser Name

Appraiser Signature

06/01/2001

Date

Underwriter's Comments and Rationale for Adjustments

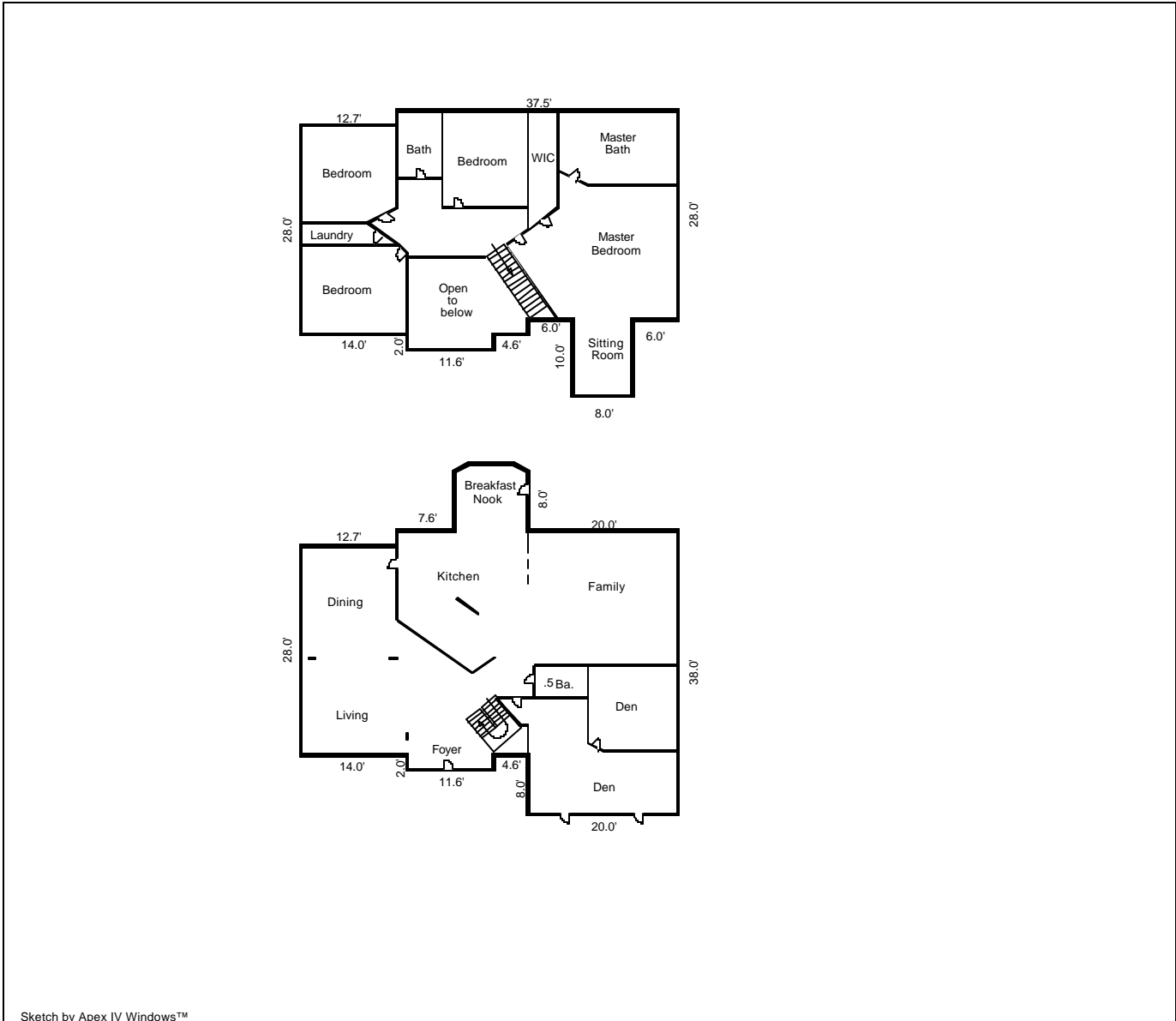
Underwriter Name

Underwriter Signature

Date

Above-Grade Building Sketch

Borrower/Client	Fictitious Owner		
Property Address	2905 SW 64th Street		
City	Fictitious City	County	Fictitious County
		State	ZZ
		Zip Code	00000
Lender	Fictitious Lender		
	sample SOLELY for viewing purposes @ www.e-appraise.com		



Sketch by Apex IV Windows™

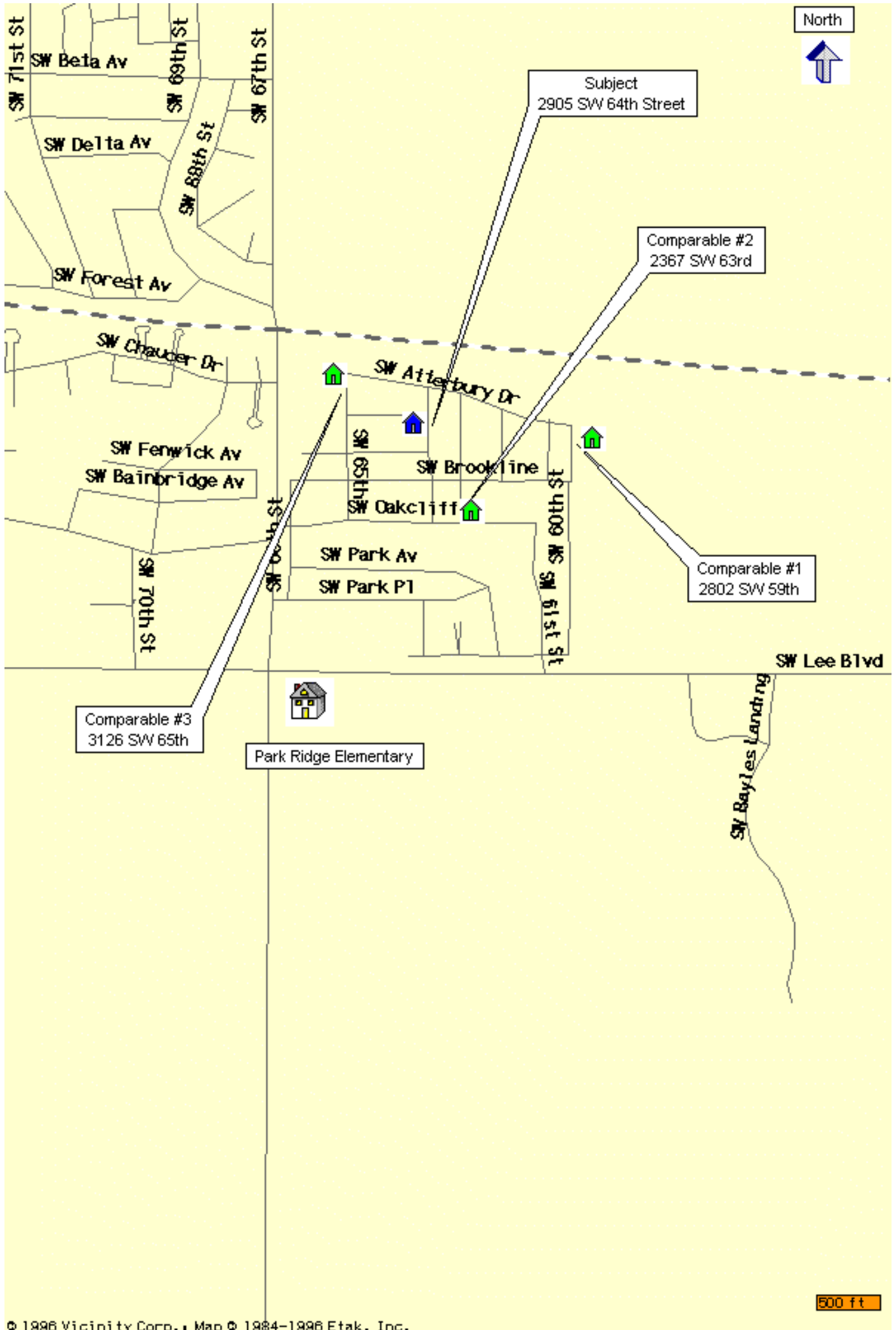
Comments:

AREA CALCULATIONS SUMMARY			
Area	Name of Area	Size	Totals
GLA1	First Floor	1750.90	1750.90
GLA2	Second Floor	1543.80	1543.80
TOTAL LIVABLE		(rounded)	3295

LIVING AREA BREAKDOWN			
Breakdown			Subtotals
First Floor			
	2.0 x	11.6	23.20
	20.0 x	38.0	760.00
	1.0 x	5.9	5.90
0.5 x	2.0 x	1.0	1.00
0.5 x	2.0 x	1.0	1.00
	17.5 x	30.0	525.00
	12.7 x	28.0	355.60
	8.0 x	9.9	79.20
Second Floor			
	2.0 x	11.6	23.20
	8.0 x	10.0	80.00
	28.0 x	30.2	845.60
	20.0 x	26.0	520.00
	2.0 x	37.5	75.00
13 Areas Total (rounded)			3295

Location Map - sample SOLELY for viewing purposes @ www.e-appraise.com

Borrower/Client	Fictitious Owner		
Property Address	2905 SW 64th Street		
City	Fictitious City	County	Fictitious County
		State	ZZZ
		Zip Code	00000
Lender	Fictitious Lender		
	sample SOLELY for viewing purposes @ www.e-appraise.com		



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 considers his 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 judgement.

STATEMENT OF LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

CONTINGENT AND LIMITING CONDITIONS: The appraiser's certification that appears in the appraisal report is subject to the following 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. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
2. The appraiser has provided a sketch in the appraisal report to show approximate dimensions of the improvements and the sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size.
3. 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 the appraisal report whether 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.
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 estimated the value of the land in the cost approach at its highest and best use and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
6. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, 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 normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, 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, and has assumed that there are no such conditions and makes no guarantees or warranties, express 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, the appraisal report must not be considered as an environmental assessment of the property.
7. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
8. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.
9. 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 completion of the improvements will be performed in a workmanlike manner.
10. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal 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 organizations; 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 the 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 appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.

APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

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1. 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 and have made a dollar adjustment when appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to, or more favorable than, the subject property, I have made a negative adjustment to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favorable than the subject property, I have made a positive adjustment to increase the adjusted sales price of the comparable.
2. I have taken into consideration the factors that have an impact on value in my development of the estimate of market value in the appraisal report. I have not knowingly withheld any significant information from the appraisal report and I believe, to the best of my knowledge, that all statements and information in the appraisal report are true and correct.
3. I stated in the appraisal report only my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the contingent and limiting conditions specified in this form.
4. I have no present or prospective interest in the property that is the subject to 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 the estimate of market value in the appraisal report on the race, color, religion, sex, 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.
5. I have no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing this appraisal is contingent on the appraised value of the property.
6. I was not required to report a predetermined value or direction in value that favors the cause of the client or any related party, the amount of the value estimate, the attainment of a specific result, or the occurrence of a subsequent event in order to receive my compensation and/or employment for performing the appraisal. I did not base the appraisal report on a requested minimum valuation, a specific valuation, or the need to approve a specific mortgage loan.
7. I performed this appraisal in conformity 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 as of the effective date of this appraisal, with the exception of the departure provision of those Standards, which does not apply. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value and the estimate I developed is consistent with the marketing time noted in the neighborhood section of this report, unless I have otherwise stated in the reconciliation section.
8. I have personally inspected the interior and exterior areas of the subject property and the exterior of all properties listed as comparables in the appraisal report. I further certify that I have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which I am aware and have made adjustments for these adverse conditions in my analysis of the property value to the extent that I had market evidence to support them. I have also commented about the effect of the adverse conditions on the marketability of the subject property.
9. I personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. If I relied on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, I have named such individual(s) and disclosed the specific tasks performed by them in the reconciliation section of 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 the report; therefore, if an unauthorized change is made to the appraisal report, I will take no responsibility for it.

SUPERVISORY APPRAISER'S CERTIFICATION: If a supervisory appraiser signed the appraisal report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 4 through 7 above, and am taking full responsibility for the appraisal and the appraisal report.

ADDRESS OF PROPERTY APPRAISED: 2905 SW 64th Street, Fictitious City, ZZ 00000

APPRAISER:

SUPERVISORY APPRAISER (only if required):

Signature: _____
 Name: Fictitious Appraiser
 Date Signed: 06/01/2001
 State Certification #: _____
 or State License #: _____
 State: _____
 Expiration Date of Certification or License: _____

Signature: _____
 Name: _____
 Date Signed: _____
 State Certification #: _____
 or State License #: _____
 State: _____
 Expiration Date of Certification or License: _____

Did Did Not Inspect Property

Subject Photo Page (1 of 5)

Borrower/Client	Fictitious Owner						
Property Address	2905 SW 64th Street						
City	Fictitious City	County	Fictitious County	State	ZZ	Zip Code	00000
Lender	Fictitious Lender SAMPLE SOLELY FOR VIEWING PURPOSES @ www.e-appraise.com						

Subject Front



2905 SW 64th Street
Sales Price 760,000
Gross Living Area 3,295
Total Rooms 12
Total Bedrooms 4
Total Bathrooms 2.5
Location Fictitious Est.
View Open Space
Site 1.5 Acres
Quality Brick
Age New

Subject Rear



Subject Street



Subject Photo Page (2 of 5)

Borrower/Client	Fictitious Owner						
Property Address	2905 SW 64th Street						
City	Fictitious City	County	Fictitious County	State	ZZ	Zip Code	00000
Lender	Fictitious Lender	SAMPLE SOLELY FOR VIEWING PURPOSES @ www.e-appraise.com					



Living & Dining Rooms

2905 SW 64th Street
Sales Price 760,000
Gross Living Area 3,295
Total Rooms 12
Total Bedrooms 4
Total Bathrooms 2.5
Location Fictitious Est.
View Open Space
Site 1.5 Acres
Quality Brick
Age New



Kitchen



Family Room

Subject Photo Page (3of 5)

Borrower/Client	Fictitious Owner						
Property Address	2905 SW 64th Street						
City	Fictitious City	County	Fictitious County	State	ZZ	Zip Code	00000
Lender	Fictitious Lender	SAMPLE SOLELY FOR VIEWING PURPOSES @			www.e-appraise.com		



Sunroom/Breakfast Nook

2905 SW 64th Street
Sales Price 760,000
Gross Living Area 3,295
Total Rooms 12
Total Bedrooms 4
Total Bathrooms 2.5
Location Fictitious Est.
View Open Space
Site 1.5 Acres
Quality Brick
Age New



Master Bath



Hall Bath

Subject Photo Page (4 of 5)

Borrower/Client	Fictitious Owner		
Property Address	2905 SW 64th Street		
City	Fictitious City	County	Fictitious County
		State	ZZ
		Zip Code	00000
Lender	Fictitious Lender	SAMPLE SOLELY FOR VIEWING PURPOSES @ www.e-appraise.com	

Master Bedroom



2905 SW 64th Street
Sales Price 760,000
Gross Living Area 3,295
Total Rooms 12
Total Bedrooms 4
Total Bathrooms 2.5
Location Fictitious Est.
View Open Space
Site 1.5 Acres
Quality Brick
Age New

Sitting Room



Bedroom



Subject Photo Page (5 of 5)

Borrower/Client	Fictitious Owner						
Property Address	2905 SW 64th Street						
City	Fictitious City	County	Fictitious County	State	ZZ	Zip Code	00000
Lender	Fictitious Lender	SAMPLE SOLELY FOR VIEWING PURPOSES @ www.e-appraise.com					

Bedroom



2905 SW 64th Street
Sales Price 760,000
Gross Living Area 3,295
Total Rooms 12
Total Bedrooms 4
Total Bathrooms 2.5
Location Fictitious Est.
View Open Space
Site 1.5 Acres
Quality Brick
Age New

Bedroom



Borrower/Client Fictitious Owner			
Property Address 2905 SW 64th Street			
City Fictitious City	County Fictitious County	State ZZ	Zip Code 00000
Lender Fictitious Lender SAMPLE SOLELY FOR VIEWING PURPOSES @ www.e-appraise.com			



Comparable 1

2802 SW 59th Street
 Prox. to Subject **0.20 miles**
 Sale Price **765,000**
 Gross Living Area **3,295**
 Total Rooms **12**
 Total Bedrooms **4**
 Total Bathrooms **3**
 Location **Fictitious Est.**
 View **Open Space**
 Site **1.5 Acres**
 Quality **Brick**
 Age **New**



Comparable 2

2367 SW 63rd Street
 Prox. to Subject **0.13 miles**
 Sale Price **755,000**
 Gross Living Area **3,295**
 Total Rooms **12**
 Total Bedrooms **4**
 Total Bathrooms **2.5**
 Location **Fictitious Est.**
 View **Open Space**
 Site **1.5 Acres**
 Quality **Brick**
 Age **New**



Comparable 3

3126 SW 65th Street
 Prox. to Subject **0.13 miles**
 Sale Price **760,000**
 Gross Living Area **3,295**
 Total Rooms **12**
 Total Bedrooms **4**
 Total Bathrooms **2.5**
 Location **Fictitious Est.**
 View **Open Space**
 Site **1.5 Acres**
 Quality **Brick**
 Age **New**