

ASSIGNMENT DESCRIPTION

Do not separate from the rest of the report!
Any segregation of this multi-page report may jeopardize the user.

Introduction

- The intended user of this appraisal report is the lender/client. 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 of the appraisal, reporting requirements of this appraisal report form, and Definition of Market Value. No additional Intended Users are identified by the appraiser.
- Primary Appraiser Generated Information (PAGI) is the information which the appraiser provides to the intended user that the user will isolate and consider. The appraiser has diagnosed the intended user's problem and will discuss the scope of work for the following PAGI later in this document: Main Value Opinion.
- No personal property, trade fixtures, or intangible items that are not real property are included in the opinion of value.

Scope of Work

- The subject property was identified to the appraiser by the client providing the property address. A tax card and plat were pulled for that address via a third party provider. At the client's request no one was interviewed for additional information.
- The following approaches to value have been considered in the scope of work decision for the main "Value Opinion":
 - The Cost Approach was performed.
 - The Direct Comparison Approach was performed.
 - The Income Approach was not performed. The Income Approach is not applicable, because the subject property would not typically be purchased as a rental investment. Most similar properties in the area are owner occupied.
- Additional information concerning the scope of work is conveyed throughout the report.

Extent of Research of the Subject Property

- The Census Tract information for the subject property was obtained from a third party provider based on the property address via my appraisal software. The flood zone information for the subject property was obtained by an examination of the referenced map. These maps are vague, therefore the appraiser cannot guarantee the findings. In some instances the user may wish to have a surveyor investigate the situation. The subject property's County Tax Assessor's information, via a third party source, was researched for past sales and physical characteristic information.
- The subject property data that was obtained from second-hand sources was validated by appraiser personally accessing the subject property.
- I, David A Braun, did personally make a visual inventory of the subject property while walking over the land, through the interior, and around the exterior of the subject property.
- The subject property was measured in an attempt to assist the appraiser in

developing an opinion concerning the specific Primary Appraiser Generated Information listed above. Unless estimating the square footage was listed as a PAGI, the appraiser has only attempted to measure the property within an accuracy necessary to assist in the analysis of various market data. The user is advised not to rely on the size estimates used in these analysis for any reason.

- The appraiser has not performed a "Home Inspection" which is a process utilized to rate the appropriateness and usability of the various components of the structure. This process involves inspecting and testing. Should you have concerns about these issues please seek a qualified professional to investigate these issues for you. The information obtained from a home inspection may affect the value of the subject property, so the appraisal should be made after the home inspection rather than visa versa.
- Neither police records nor past issues of newspapers have been researched concerning the subject property's past use for anything that might effect the safety or health of present and future occupants. This includes but is not limited to the by-products of methamphetamine production, infectious disease, or environmental hazards.
- If available in the normal course of business the appraiser has evaluated any previous sales within the past 3 years prior to the effective date of the appraisal, and current contract, listing, or option of the subject property for its applicability in forming an opinion of current market value and/or marketability.

Hypothetical Conditions / Extraordinary Assumptions

- There are no hypothetical conditions utilized in the forming the opinions and conclusions of the primary appraiser generated information.
- There are no extraordinary assumptions utilized in the forming the opinions and conclusions of the primary appraiser generated information.

Extent of the Analysis & Associated Research

- The following analysis and associated research have been performed in conjunction with the main opinion of value:
- The cost approach was performed by adding the cost new of the improvements less accrued depreciation to the site value. The opinion of the cost new of improvements was formed either by referencing a nationally recognized cost manual, the appraiser's first hand knowledge of the market, or a combination of both. The opinion of the site value was formed by a comparison of the subject to other similar properties that have a marketing history.
- An opinion of the site value was formed by the Direct Comparison Approach. A qualitative analysis considering the land size, date of sale and location were considered. The comparable properties were obtained from a thorough search of office files, the local MLS and/or Tax office. The tax data was supplied by a third party provider. The physical property characteristics, sales price, and date were not verified by any other source. However, the second hand data records were analyzed for errors and inconsistencies. The records with errors and inconsistencies. were not used. Records that showed a large discrepancy from the other data was not used.
- The property characteristic data and cost bids were obtained from office files of

the proposed construction appraisal. The actual cost data was obtained from interviews during the final inspection.

- An opinion of the external depreciation was formed by the appraiser considering anything that will negatively affect the marketability of the property that is not on the subject property. This is a subjective judgment and assessing a dollar value loss is based more on judgment and experience than an objective analysis. An opinion of the functional depreciation was formed by the appraiser comparing the functionality or usefulness as compared to typical properties that have the same use. This is a subjective judgment and assessing a dollar value loss is based more on judgment and experience than an objective analysis. The age life method was used to estimate the physical depreciation. In this method the effective age of the improvements is divided by the anticipated total life of the property to derive an estimate of the percentage that the improvements have physically deteriorated.
- The Direct Sales Comparison was performed by an analysis in which the subject is compared to similar properties that have a recent marketing history.
- An opinion of the value was formed by the Direct Comparison Approach. A quantitative line by line adjustment grid was utilized. Many of the property characteristics were considered including; the size of the improvements, land size, date of sale, view, topography and location.
- The comparable properties were obtained from a thorough search of office files, the local MLS and/or Tax office. The tax data was supplied by a third party provider. The physical property characteristics were verified by a curbside visual inventory. An attempt was made to verify the sales prices and dates of sales by a telephone interview with one of the parties in the transaction or real estate sales agent. Some of the data that could not be verified was used in the analysis. The data records were analyzed for errors and inconsistencies. The records with errors and discrepancies were not used. Records that showed a large discrepancy from the other data was not used.

Additional Information

- The use of the subject property at the effective date of this appraisal was as a single-family dwelling.

Appraiser's Certification

I CERTIFY THAT TO THE BEST OF MY KNOWLEDGE AND BELIEF THAT:

- I, David A Braun, did personally make a visual inventory of the subject property while walking over the land, through the interior, and around the exterior of the subject property.
- No one provided significant real property appraisal assistance to the person(s) signing this certification.
- No fees were paid or received in the procurement of this assignment.
- 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 Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives. As of the date of

this report, I David A Braun, have completed the continuing education program of the Appraisal Institute.



David Braun, MAI, SRA (TN CG-283, exp.11/27/09)
The date of this report is Friday, August 28, 2009.