Uniform Residential Appraisal Report

277-4151336
File # 1546289455

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 11339 83rd St NE | City Otsego | State MN | Zip Code 55330
Borrower Sihavong, Sangzoolee & Arunrat | Owner of Public Record US Home LLC | County Wright
Legal Description SECT-24 TWP-121 RANGE-024 HUNTER HILLS 3RD ADDN LOT-013 BLOCK-003
Assessor's Parcel # 118-362-003130 | Tax Year 2023 | R.E. Taxes $ 40
Neighborhood Name Hunter Hills | Map Reference 33460 | Census Tract 1001.02
Occupant ☐ Owner ☐ Tenant ☒ Vacant | Special Assessments $ 0 | ☐ PUD | HOA $ 0 ☐ per year ☐ per month
Property Rights Appraised ☒ Fee Simple ☐ Leasehold ☐ Other (describe)
Assignment Type ☒ Purchase Transaction ☐ Refinance Transaction ☐ Other (describe)
Lender/Client JP MORGAN CHASE | Address 100 W University Dr, Tempe, AZ 85281
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? ☒ Yes ☐ No
Report data source(s) used, offering price(s), and date(s). DOM 31;The subject was offered for sale on 03/11/2023 for $525,120, per MLS #6341616. The most recent list price is $499,990 and the subject is now under contract with a contract date of 05/12/2023.

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. Arms length sale;The contract is an arms length sale between buyer and builder.

Contract Price $ 499,990 | Date of Contract 05/13/2023 | Is the property seller the owner of public record? ☒ Yes ☐ No | Data Source(s) P.A./Co Rec
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. $0;;

NEIGHBORHOOD

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

Neighborhood Characteristics				One-Unit Housing Trends				One-Unit Housing			Present Land Use %	
Location	☐ Urban	☒ Suburban	☐ Rural	Property Values	☐ Increasing	☒ Stable	☐ Declining	PRICE	AGE		One-Unit	90 %
Built-Up	☒ Over 75%	☐ 25-75%	☐ Under 25%	Demand/Supply	☐ Shortage	☒ In Balance	☐ Over Supply	$ (000)	(yrs)		2-4 Unit	1 %
Growth	☐ Rapid	☒ Stable	☐ Slow	Marketing Time	☒ Under 3 mths	☐ 3-6 mths	☐ Over 6 mths	310	Low	0	Multi-Family	3 %
Neighborhood Boundaries	CR 39 to the north, CR 38 to the south, MacAllister Ave NE to the east, and							695	High	29	Commercial	6 %
Kadler Ave NE to the west.								392	Pred.	10	Other	%

Neighborhood Description The subject neighborhood is primarily residential with commercial development along CR 39. The subject has easy access to Interstate 94 via Hwy 101 which leads to employment, shopping and entertainment. There are parks located along the Mississippi River to the north and shopping in nearby Albertville and Elk River. The subject is located approximately 25 minutes NW of the Mpls CBD.
Market Conditions (including support for the above conclusions) Please see 1004MC addendum which outlines the market conditions.

SITE

Dimensions 65x144x65x143 | Area 9308 sf | Shape Rectangular | View N;Res;
Specific Zoning Classification R5 | Zoning Description Residential Single and Two-Family
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	☒	☐	Water	☒	☐	Street Asphalt	☒	☐
Gas	☒	☐	Sanitary Sewer	☒	☐	Alley None	☐	☐

FEMA Special Flood Hazard Area ☐ Yes ☒ No | FEMA Flood Zone X | FEMA Map # 2707470001A | FEMA Map Date 09/30/1992
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

IMPROVEMENTS

General Description		Foundation		Exterior Description	materials/condition	Interior	materials/condition
Units	☒ One ☐ One with Accessory Unit	☐ Concrete Slab	☐ Crawl Space	Foundation Walls	Concrete/Good	Floors	crpt/LVP/vinyl/Good
# of Stories	2	☒ Full Basement	☐ Partial Basement	Exterior Walls	Vin/Stone/Gd	Walls	Drywall/Good
Type	☒ Det. ☐ Att. ☐ S-Det./End Unit	Basement Area	1,224 sq.ft.	Roof Surface	Asphalt Shingle/Gd	Trim/Finish	Wood/Good
☐ Existing	☐ Proposed ☒ Under Const.	Basement Finish	0 %	Gutters & Downspouts	None	Bath Floor	LVT/Vin/Good
Design (Style)	Craftsman	☐ Outside Entry/Exit	☐ Sump Pump	Window Type	SH/Good	Bath Wainscot	Fiberglass/Good
Year Built	2023	Evidence of	☐ Infestation	Storm Sash/Insulated	Yes/Good	Car Storage	☐ None
Effective Age (Yrs)	0	☐ Dampness	☐ Settlement	Screens	Yes/Good	☒ Driveway	# of Cars 3
Attic	☐ None	Heating ☒ FWA	☐ HWBB ☐ Radiant	Amenities	☐ Woodstove(s) # 0	Driveway Surface	Asphalt
☐ Drop Stair	☐ Stairs	☐ Other	Fuel Gas	☒ Fireplace(s) # 1	☐ Fence None	☒ Garage	# of Cars 3
☐ Floor	☒ Scuttle	Cooling ☒ Central Air Conditioning		☐ Patio/Deck None	☒ Porch Covered	☐ Carport	# of Cars 0
☐ Finished	☐ Heated	☐ Individual	☐ Other	☐ Pool None	☐ Other None	☒ Att.	☐ Det. ☐ Built-in

Appliances ☐ Refrigerator ☐ Range/Oven ☒ Dishwasher ☒ Disposal ☒ Microwave ☐ Washer/Dryer ☐ Other (describe)
Finished area **above** grade contains: 9 Rooms | 4 Bedrooms | 2.1 Bath(s) | 2,691 Square Feet of Gross Living Area Above Grade
Additional features (special energy efficient items, etc.). The subject has standard energy features.
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). C1;No updates in the prior 15 years;The subject is a new construction Craftsman with 3 car attached garage and covered front porch. There are 4 bedrooms and 2.5 baths. There is a full basement with daylight windows which is unfinished. The living room has a fireplace. The subject is typical quality for the area.
Are there any 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

Uniform Residential Appraisal Report

File # 277-4151336 1546289455

There are 10 comparable properties currently offered for sale in the subject neighborhood ranging in price from $ 426,110 to $ 547,915

There are 50 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from $ 369,990 to $ 695,000

SALES COMPARISON APPROACH

FEATURE	SUBJECT	COMPARABLE SALE # 1		COMPARABLE SALE # 2		COMPARABLE SALE # 3	
Address	11339 83rd St NE Otsego, MN 55330	11375 83rd St NE Otsego, MN 55301		11303 83rd St NE Otsego, MN 55330		12208 76th St NE Otsego, MN 55330	
Proximity to Subject		0.03 miles E		0.04 miles W		0.99 miles SE	
Sale Price	$ 499,990		$ 510,530		$ 498,010		$ 516,894
Sale Price/Gross Liv. Area	$ 185.80 sq.ft.	$ 189.72 sq.ft.		$ 199.52 sq.ft.		$ 199.96 sq.ft.	
Data Source(s)		NSMLS #6308534;DOM 0		NSMLS #6349799;DOM 0		NSMLS #6306636;DOM 0	
Verification Source(s)		MLS/Tax Records		MLS/Tax Records		MLS/Tax Records	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment
Sales or Financing Concessions		ArmLth Conv;3500		ArmLth Conv;3500		ArmLth Conv;5000	
Date of Sale/Time		s11/22;c11/22		s04/23;c04/23		s11/22;c11/22	
Location	N;Res;	N;Res;		N;Res;		N;Res;	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Site	9308 sf	9653 sf	0	9416 sf	0	13005 sf	-10,000
View	N;Res;	N;Res;		N;Res;		N;Res;	
Design (Style)	DT2;Craftsman	DT2;Colonial	0	DT2;Craftsman		DT2;Craftsman	
Quality of Construction	Q3	Q3		Q3		Q3	
Actual Age	0	0		0		0	
Condition	C1	C1		C1		C1	
Above Grade Room Count (Total / Bdrms. / Baths)	9 / 4 / 2.1	9 / 4 / 2.1		8 / 4 / 2.1	0	9 / 4 / 2.1	
Gross Living Area	2,691 sq.ft.	2,691 sq.ft.		2,496 sq.ft.	+11,700	2,585 sq.ft.	+6,400
Basement & Finished Rooms Below Grade	1224sf0sfin	1224sf0sfin		1096sf0sfin	0	1277sf0sfin	0
Functional Utility	Average	Average		Average		Average	
Heating/Cooling	FWA/CAC	FWA/CAC		FWA/CAC		FWA/CAC	
Energy Efficient Items	None	None		None		None	
Garage/Carport	3ga3dw	3ga3dw		3ga3dw		3ga3dw	
Porch/Patio/Deck	Cov Porch	None	+3,000	None	+3,000	Cov Porch	
Fireplaces	1 Fireplace	None	+3,000	1 Fireplace		None	+3,000
Builder	Lennar	Lennar		Lennar		Centra	0
Net Adjustment (Total)		[X] + [ ] -	$ 6,000	[X] + [ ] -	$ 14,700	[ ] + [X] -	$ -600
Adjusted Sale Price of Comparables		Net Adj. 1.2 % Gross Adj. 1.2 %	$ 516,530	Net Adj. 3.0 % Gross Adj. 3.0 %	$ 512,710	Net Adj. 0.1 % Gross Adj. 3.8 %	$ 516,294

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

My research [X] 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) Realist

My research [X] 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) Realist

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	12/09/2021	12/09/2021	12/09/2021	
Price of Prior Sale/Transfer	$4,926,000	$4,926,000	$4,926,000	
Data Source(s)	Realist	Realist	Realist	Realist
Effective Date of Data Source(s)	05/30/2023	05/30/2023	05/30/2023	05/30/2023

Analysis of prior sale or transfer history of the subject property and comparable sales: The previous sales of the subject and Comps 1,2 were multi parcel land sales. The subject's transfers for the previous 36 months and comps for the previous 12 months are listed above.

Summary of Sales Comparison Approach: Comps 1,2 were built by the same builder as the subject and are located in the same development. Comp 1 is the same model as the subject and the GLA and basement size is taken from the subject measurments as MLS listed the same as the subject. Comp 1 required the least amount of adjustments. Comp 2 is a different model by the same builder as the subject and it was the most recent sale. Comp 3 was built by a competing builder in a competing development. Adjustments were made by paired sales analysis. While all comparables share many meaningful attributes with the subject property, Comps 1,2 were given the most weight. All comps were considered in the opinion of value.

Fee paid to the appraiser - $199.20; Amc Reg. #20630858

Indicated Value by Sales Comparison Approach $ 514,000

RECONCILIATION

Indicated Value by: Sales Comparison Approach $ 514,000 **Cost Approach (if developed) $** 515,376 **Income Approach (if developed) $**

The appraiser has determined that the sales comparison approach is the most relevant analysis in this assignment . The income approach was developed using a gross rent multiplier. Development of the cost approach was part of this assignment. The sales comparison approach is given the most weight in the opinion of value.

This appraisal is made [ ] "as is", [X] 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 [X] subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair: See Addendum

Based on a complete visual inspection of the interior and exterior areas of the subject property, 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 $ 514,000 **, as of** 06/01/2023 **, which is the date of inspection and the effective date of this appraisal.**

Uniform Residential Appraisal Report

File # 277-4151336
1546289455

ADDITIONAL COMMENTS

REPORT TYPE

This real property appraisal report has been prepared under the Uniform Standards of Professional Appraisal Practice option entitled "Appraisal Report".

SCOPE OF WORK

Subject Property Identification:
The appraiser has viewed all readily accessible areas of the dwelling (and any other building structure located on the property). This complete visual inspection is not intended to be the same depth or for the same purpose as a home inspection. The appraiser has viewed the property solely for valuation purposes and to observe property characteristics that a typical purchaser would consider in their decision making process, as well as those items outlined in the assumptions and limited conditions and certification to this appraisal. Personal property was not included in the appraised value.

Sources of Information:
The appraisal is based on the information gathered from public records; viewing of the subject property, neighborhood and comparable properties; and other sources specifically identified in this report. When conflicting information has been discovered, the sources deemed most reliable have been used.

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. Consequently, this information should be considered an "estimate" unless otherwise noted by the appraiser.

Additional Appraiser Certification
I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

COST APPROACH

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) The Allocation Method was used to establish the valuation of the land for the subject.

ESTIMATED ☐ REPRODUCTION OR ☒ REPLACEMENT COST NEW			OPINION OF SITE VALUE			=$ 88,000
Source of cost data Craftsman -Data			DWELLING	2,691 Sq.Ft. @ $	136.00	=$ 365,976
Quality rating from cost service Q3	Effective date of cost data 6/1/23		Bsmt	1,224 Sq.Ft. @ $	22.00	=$ 26,928
Comments on Cost Approach (gross living area calculations, depreciation, etc.)						=$
There is no depreciation as this is new construction.			Garage/Carport	644 Sq.Ft. @ $	38.00	=$ 24,472
			Total Estimate of Cost-New			=$ 417,376
			Less Physical Depreciation	Functional	External	=$(0)
			Depreciated Cost of Improvements			=$ 417,376
			"As-is" Value of Site Improvements			=$ 10,000
Estimated Remaining Economic Life (HUD and VA only)	100 Years		**INDICATED VALUE BY COST APPROACH**			=$ 515,376

INCOME

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)

PUD INFORMATION

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

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.

Form 1004UAD - "TOTAL" appraisal software by a la mode, inc. - 1-800-ALAMODE

Uniform Residential Appraisal Report

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 complete visual inspection of the interior and exterior areas of the subject property, (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.

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 provided a sketch in this appraisal report to show the approximate dimensions of the improvements. The sketch is included only to assist the reader 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 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.

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, or as otherwise required by law.

5. 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 the 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.

6. 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.

Uniform Residential Appraisal Report

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 complete visual inspection of the interior and exterior areas of the subject property. 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.

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.

Uniform Residential Appraisal Report

File # 277-4151336
1546289455

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 Glen A Hoogheem
Name Glen A Hoogheem
Company Name First American Staff Appraisals,LLC.
Company Address 4795 Regent Blvd., Irving, TX 75063
Telephone Number 866-956-4245
Email Address CentralOps@firstam.com
Date of Signature and Report 06/07/2023
Effective Date of Appraisal 06/01/2023
State Certification # 20154057
or State License #
or Other (describe) State #
State MN
Expiration Date of Certification or License 08/31/2023

ADDRESS OF PROPERTY APPRAISED

11339 83rd St NE
Otsego, MN 55330
APPRAISED VALUE OF SUBJECT PROPERTY $ 514,000

LENDER/CLIENT

Name Property Sciences Group, Inc
Company Name JP MORGAN CHASE
Company Address 100 W University Dr, Tempe, AZ 85281
Email Address

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
☐ Did inspect interior and exterior of subject property
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

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

Note: Newly constructed improvements that feature recycled or previously used materials and/or components can be considered new dwellings provided that the dwelling is placed on a 100 percent new foundation and the recycled materials and the recycled components have been rehabilitated/remanufactured into like-new condition. Improvements that have not been previously occupied are not considered “new” if they have any significant physical depreciation (that is, 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 are either almost new or have been recently completely renovated and are similar in condition to new construction.

Note: The improvements represent a relatively new property that is well maintained with no deferred maintenance and little or no physical depreciation, or an older property that has been recently completely renovated.

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.

Note: The improvement is in its first-cycle of replacing short-lived building components (appliances, floor coverings, HVAC, etc.) and is being well maintained. Its estimated effective age is less than its actual age. It also may reflect a property in which the majority of short-lived building components have been replaced but not to the level of a complete renovation.

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.

Note: The estimated effective age may be close to or equal to its actual age. It reflects a property in which some of the short-lived building components have been replaced, and some short-lived building components are at or near the end of their physical life expectancy; however, they still function adequately. Most minor repairs have been addressed on an ongoing basis resulting in an adequately maintained property.

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.

Note: Some significant repairs are needed to the improvements due to the lack of adequate maintenance. It reflects a property in which many of its short-lived building components are at the end of or have exceeded their physical life expectancy but remain functional.

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.

Note: Substantial repairs are needed to the improvements due to the lack of adequate maintenance or property damage. It reflects a property with conditions severe enough to affect the safety, soundness, or structural integrity of the improvements.

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.

UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

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

Quality Ratings and Definitions (continued)

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.

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.

UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

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

Abbreviations Used in Data Standardization Text

Abbreviation	Full Name	Fields Where This Abbreviation May Appear
A	Adverse	Location & View
ac	Acres	Area, Site
AdjPrk	Adjacent to Park	Location
AdjPwr	Adjacent to Power Lines	Location
ArmLth	Arms Length Sale	Sale or Financing Concessions
AT	Attached Structure	Design (Style)
B	Beneficial	Location & View
ba	Bathroom(s)	Basement & Finished Rooms Below Grade
br	Bedroom	Basement & Finished Rooms Below Grade
BsyRd	Busy Road	Location
c	Contracted Date	Date of Sale/Time
Cash	Cash	Sale or Financing Concessions
Comm	Commercial Influence	Location
Conv	Conventional	Sale or Financing Concessions
cp	Carport	Garage/Carport
CrtOrd	Court Ordered Sale	Sale or Financing Concessions
CtySky	City View Skyline View	View
CtyStr	City Street View	View
cv	Covered	Garage/Carport
DOM	Days On Market	Data Sources
DT	Detached Structure	Design (Style)
dw	Driveway	Garage/Carport
e	Expiration Date	Date of Sale/Time
Estate	Estate Sale	Sale or Financing Concessions
FHA	Federal Housing Authority	Sale or Financing Concessions
g	Garage	Garage/Carport
ga	Attached Garage	Garage/Carport
gbi	Built-in Garage	Garage/Carport
gd	Detached Garage	Garage/Carport
GlfCse	Golf Course	Location
Glfvw	Golf Course View	View
GR	Garden	Design (Style)
HR	High Rise	Design (Style)
in	Interior Only Stairs	Basement & Finished Rooms Below Grade
Ind	Industrial	Location & View
Listing	Listing	Sale or Financing Concessions
Lndfl	Landfill	Location
LtdSght	Limited Sight	View
MR	Mid-rise	Design (Style)
Mtn	Mountain View	View
N	Neutral	Location & View
NonArm	Non-Arms Length Sale	Sale or Financing Concessions
o	Other	Basement & Finished Rooms Below Grade
O	Other	Design (Style)
op	Open	Garage/Carport
Prk	Park View	View
Pstrl	Pastoral View	View
PwrLn	Power Lines	View
PubTrn	Public Transportation	Location
Relo	Relocation Sale	Sale or Financing Concessions
REO	REO Sale	Sale or Financing Concessions
Res	Residential	Location & View
RH	USDA - Rural Housing	Sale or Financing Concessions
rr	Recreational (Rec) Room	Basement & Finished Rooms Below Grade
RT	Row or Townhouse	Design (Style)
s	Settlement Date	Date of Sale/Time
SD	Semi-detached Structure	Design (Style)
Short	Short Sale	Sale or Financing Concessions
sf	Square Feet	Area, Site, Basement
sqm	Square Meters	Area, Site
Unk	Unknown	Date of Sale/Time
VA	Veterans Administration	Sale or Financing Concessions
w	Withdrawn Date	Date of Sale/Time
wo	Walk Out Basement	Basement & Finished Rooms Below Grade
Woods	Woods View	View
Wtr	Water View	View
WtrFr	Water Frontage	Location
wu	Walk Up Basement	Basement & Finished Rooms Below Grade

Supplemental Addendum

File No. 1546289455

Borrower	Sihavong, Sangzoolee & Arunrat						
Property Address	11339 83rd St NE						
City	Otsego	County	Wright	State	MN	Zip Code	55330
Lender/Client	JP MORGAN CHASE						

INTENDED USERS and INTENDED USE

The intended use of the appraisal is solely to assist FHA/HUD in assessing the risk of the Property securing the FHA-insured Mortgage (24 CFR § 200.145(b)).

FHA and the Mortgagee are the intended users of the appraisal report.

The FHA Appraiser does not guarantee that the Property is free from defects. The appraisal establishes the value of the Property for mortgage insurance purposes only.

The subject appliances that are personal property include the stove, refrigerator, washer and dryer. The appliances included as real property are the dishwasher and disposal. The appliances and mechanicals were inspected to the extent that they were turned on and the power came on. The appraiser does not warren the appliances to be free of defects.

Personal property is given no value in this appraisal.

FHA 4000.1 requires the attic to be viewed but the subject attic was sealed at the time of inspection.

This appraisal is subject to viewing the attic and it meeting FHA 4000.1 standards as required by FHA 4000.1.

The subject currently does not meet minimum standards for FHA 4000.1.

At the time of inspection the following items needed to be completed-

Final grade, sod, landscaping, trees and irrigation.

Real Estate Taxes

The real estate taxes listed on page 1 are for lot only. The estimated real estate taxes per Wright County Property tax estimator for homestead taxes at an assessed value of $514,000 for 2023 would be $6275.

SUBJECT SECTION

Occupancy/Utilities
-At the time of inspection the subject property was vacant and all utilities were on and functioning.

SITE SECTION

Site / Accessibility

The Subject property is accessible year round in all types of weather conditions.

HIGHEST AND BEST USE

The appraiser has concluded the highest and best use of the property, as improved, to be its current use. This opinion is supported by the fact that the improved property is physically possible (see improvements description and pictures), is a legal use (see site section/zoning), is financially feasible (see sales comparison approach for sales of similar properties) and is considered to be the maximally productive use (improvements contribute positively to the site and it would not be feasible to change them to a more productive use without substantial capital improvement).

NEIGHBORHOOD - MARKET CONDITIONS

The current Interest rates are appealing which benefit both potential buyers and sellers. Per North Star MLS single family homes are selling on average in under 90 days.

SUMMARY OF SALES COMPARISON APPROACH

Financing/Concessions

No adjustments were made for seller concessions as 0 to 3 points of seller contributions are typical in the current marketplace.

GLA Adjustments

-Adjustments for GLA were made at $60/sf GLA. Adjustments were not made for differences of less than 50 square feet.

Time Adjustments

No time adjustments were made to the sold comps as the market appears to be stable.

Income Approach Not Completed

The appraiser has determined that the sales comparison approach is the most relevant analysis in this assignment. Development of the cost was completed but the income approach was not part of the scope of work for this assignment, nor was it necessary to develop a credible opinion of value.

EXTRA COMMENTS

Subject Aerial Photo

Supplemental Addendum

File No. 1546289455

Borrower	Sihavong, Sangzoolee & Arunrat						
Property Address	11339 83rd St NE						
City	Otsego	County	Wright	State	MN	Zip Code	55330
Lender/Client	JP MORGAN CHASE						

-An aerial photo of the subject has been provided in this report.

AIR Compliance Statement

-No employee, director, officer, or agent of the lender, or any other third party acting as joint venture partner, independent contractor, appraisal management company, or partner on behalf of the lender, shall influence or attempt to influence the development, reporting, result, or review of an appraisal through coercion, extortion, collusion, compensation, instruction, inducement, intimidation, bribery, or in any other manner...

I have not been contacted by anyone other than the intended user (lender/client as identified on the first page of the report), borrower, or designated contact to make an appointment to enter the property. I agree to immediately report any unauthorized contacts either personally by phone or electronically to the client.

FIRREA Statement

The appraiser certifies and agrees that this appraisal was prepared in accordance with the requirements of Title XI of the Financial Institutions, Reform, Recovery, and Enforcement Act. (FIRREA) of 1989, as amended (12 U.S.C. 3331 et seq.), and any applicable implementing regulations in effect at the time the appraiser signs the appraisal certification.

Appraiser Insurance Requirements

The appraiser is aware that the client has certain insurance requirements in place for vendors of appraisal services. Proof of insurance has been provided and is on file with the entity that engaged First American Staff Appraisals for this assignment.

Additional Comments

The appraiser is not a home inspector or an environmental inspector. The appraiser provides an opinion of value. The appraisal does not guarantee that the property is free of defects or environmental problems. The appraiser performs an inspection of visible and accessible areas only. If there are any concerns about physical or environmental issues it is recommended that a professional inspection be obtained.

Angled Photographs

Subject and comparable photos were taken to depict front and side when possible.

Carbon Monoxide Detectors

MN Statute 299F.50 Minnesota Statute 299F.50 requires approved carbon monoxide (CO) alarms in all existing single family homes. The requirement is one CO alarm installed within ten (10) feet of each room lawfully used for sleeping purposes. While not a specific HUD/FHA requirement, the Direct Endorsement Underwriter is advised of the issue as it relates to local statute. Property compliance is as follows:

-The subject has CO Alarms in the appropriate areas.

Please note that the subject address utilized in this report as was ordered by the lender listed the city of Elk River, MN which conforms to the USPS website. The subject is actually located in the city of Otsego, MN per Wright County Tax Records. Both addresses refer to the subject.

Having the water heater strapped in the state of Minnesota is not required by local code.

The subject opinion of market value is higher than the predominant value of single family homes in the subject neighborhood but it is not considered an over improvement in the subject neighborhood as there is a range in values.

Subject Gross Living Area (GLA) and ANSI

ANSI Compliance
I have measured the subject property in compliance with “SQUARE FOOTAGE– METHOD FOR CALCULATING: ANSI Z765-2021”

This method for calculating the square footage of the subject property has a variety of requirements and nuances that county assessors, realtors, etc. may not abide by. As such, the gross living area (GLA), measurements, calculations, and reported areas in this appraisal report may markedly differ from other sources.

Statement of Finished Square Footage

1. The finished above-grade square footage for the subject property can be found in the Improvements Section and on the sketch or within sketch calculations.
2. Unfinished above-grade square footage can be found on the sketch or within sketch calculations.
3. The below grade finish was measured per ANSI protocol. The subject's sport court is not included in the basement finish and was adjusted for under a separate line item adjustment.

Bracketing home size under ANSI
With the new ANSI reporting requirement and calculation method for subject GLA and the data sources available for the comparable sales/listings, the subject GLA *may appear* un-bracketed in the Sales Comparison Analysis. This is a result of comparable sales/listings market data (assessors, MLS, etc.) being misaligned with the new ANSI GLA requirement from Fannie Mae. To better illustrate the compatibility of the comparables with the subject and document assessors/MLS data on the subject and comparable sales/listings, I have attached county records sheets and/or MLS sheets for the subject and comparable sales as exhibits to this appraisal report. Ultimately, the subject living area is bracketed although it may not appear that way on the sales grid. Please see attached county records sheets and/or MLS sheets for the subject and comparable sales.

FHA/VA Case No. 277-4151336

Supplemental Addendum

File No. 1546289455

Borrower	Sihavong, Sangzoolee & Arunrat						
Property Address	11339 83rd St NE						
City	Otsego	County	Wright	State	MN	Zip Code	55330
Lender/Client	JP MORGAN CHASE						

Note to reader regarding the size of the subject property
This appraisal report complies with recently imposed Fannie Mae GLA reporting requirements. The total above grade living area of the subject property may be reported differently on local assessors' records, MLS, prior appraisal reports, etc. The difference is most likely attributable to differences between the way appraisers are now required to report GLA under Fannie Mae reporting requirements and the way alternative data sources report living area or finished square footage. When applied correctly, the new methodology appraisers must use does not "devalue" the subject or diminish its overall size. For ease of comparison, it may be convenient for the reader to refer to the attached county records sheets and/or MLS sheets for the subject and comparable sales.

06/06/2023

Corrected the spelling of borrower name. Included the fireplace in the amenities section. Adjustments were made on paired sales analysis. Included previous sale of Comp 2. Corrected the AMC registration number and placed it on last line of the sales comparison. Expanded on commentary of sales. Included the dimensions of the covered porch. Labeled the floors. Expanded on the subject not meeting FHA 4000.1 as the attic has to be viewed and also that the subject has to be completed.

FHA/VA Case No. 277-4151336

USPAP Compliance Addendum

Loan # 277-4151336
File # 1546289455

Borrower	Sihavong, Sangzoolee & Arunrat						
Property Address	11339 83rd St NE						
City	Otsego	County	Wright	State	MN	Zip Code	55330
Lender/Client	JP MORGAN CHASE						

APPRAISAL AND REPORT IDENTIFICATION

This Appraisal Report is one of the following types:

☒ Appraisal Report — This report was prepared in accordance with the requirements of the Appraisal Report option of USPAP Standards Rule 2-2(a).

☐ Restricted Appraisal Report — This report was prepared in accordance with the requirements of the Restricted Appraisal Report option of USPAP Standards Rule 2-2(b), and is intended only for the use of the client and any other named intended user(s). Users of this report must clearly understand that the report may not contain supporting rationale for all of the opinions and conclusions set forth in the report.

ADDITIONAL CERTIFICATIONS

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The report analyses, opinions, and conclusions are limited only by the reported assumptions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no (or the specified) present or prospective interest in the property that is the subject of this report and no (or specified) personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- 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.
- My analyses, opinions, and conclusions were developed and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- This appraisal report was prepared in accordance with the requirements of Title XI of FIRREA and any implementing regulations.

PRIOR SERVICES

☒ I have NOT performed services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

☐ I HAVE performed services, as an appraiser or in another capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment. Those services are described in the comments below.

PROPERTY INSPECTION

☐ I have NOT made a personal inspection of the property that is the subject of this report.

☒ I HAVE made a personal inspection of the property that is the subject of this report.

APPRAISAL ASSISTANCE

Unless otherwise noted, no one provided significant real property appraisal assistance to the person signing this certification. If anyone did provide significant assistance, they are hereby identified along with a summary of the extent of the assistance provided in the report.

ADDITIONAL COMMENTS

Additional USPAP related issues requiring disclosure and/or any state mandated requirements:

MARKETING TIME AND EXPOSURE TIME FOR THE SUBJECT PROPERTY

☒ A reasonable marketing time for the subject property is 30-90 day(s) utilizing market conditions pertinent to the appraisal assignment.

☒ A reasonable exposure time for the subject property is 30-90 day(s).

APPRAISER

Signature: Glen A Hoogheem
Name: Glen A Hoogheem
Date of Signature: 06/07/2023
State Certification #: 20154057
or State License #:
State: MN
Expiration Date of Certification or License: 08/31/2023
Effective Date of Appraisal: 06/01/2023

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature:
Name:
Date of Signature:
State Certification #:
or State License #:
State:
Expiration Date of Certification or License:
Supervisory Appraiser Inspection of Subject Property
☐ Did Not ☐ Exterior-only from Street ☐ Interior and Exterior

Form ID20EC - "TOTAL" appraisal software by a la mode, inc. - 1-800-ALAMODE

FHA/VA Case No. 277-4151336

Market Conditions Addendum to the Appraisal Report

File No. 277-4151336
1546289455

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 11339 83rd St NE | City Otsego | State MN | ZIP Code 55330

Borrower Sihavong, Sangzoolee & Arunrat

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.

MARKET RESEARCH & ANALYSIS

Inventory Analysis	Prior 7–12 Months	Prior 4–6 Months	Current – 3 Months	Overall Trend
Total # of Comparable Sales (Settled)	27	10	13	☐ Increasing ☒ Stable ☐ Declining
Absorption Rate (Total Sales/Months)	4.50	3.33	4.33	☐ Increasing ☒ Stable ☐ Declining
Total # of Comparable Active Listings	2	2	10	☐ Declining ☒ Stable ☐ Increasing
Months of Housing Supply (Total Listings/Ab.Rate)	0.4	0.6	2.3	☐ Declining ☒ Stable ☐ 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	$490,000	$489,905	$474,900	☐ Increasing ☒ Stable ☐ Declining
Median Comparable Sales Days on Market	24	22	16	☐ Declining ☒ Stable ☐ Increasing
Median Comparable List Price	$498,950	$509,900	$479,342	☐ Increasing ☒ Stable ☐ Declining
Median Comparable Listings Days on Market	17	15	51	☐ Declining ☒ Stable ☐ Increasing
Median Sale Price as % of List Price	100%	100%	99%	☐ Increasing ☒ Stable ☐ Declining
Seller-(developer, builder, etc.)paid financial assistance prevalent?	☒ Yes ☐ No			☐ Declining ☒ Stable ☐ Increasing

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.). An analysis was performed on 50 competing sales over the past 12 months. For those sales, a total of 56.0% were reported to have seller concessions.

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).

An analysis was performed on 50 competing sales over the past 12 months. For those sales, a total of 0.0% were reported to be REO.

Cite data sources for above information. Information reported in the Northstar system (using an effective date of 06/01/2023) was utilized to arrive at the results noted on this addendum.

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.

Per North Star MLS single family homes are selling on average in around 90 days or less. Currently mortgage interest rates have risen since the past year and there is limited inventory of homes for sale. The current market appears to be stable.

CONDO/CO-OP PROJECTS

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)				☐ Increasing ☐ Stable ☐ Declining
Absorption Rate (Total Sales/Months)				☐ Increasing ☐ Stable ☐ Declining
Total # of Active Comparable Listings				☐ Declining ☐ Stable ☐ Increasing
Months of Unit Supply (Total Listings/Ab.Rate)				☐ Declining ☐ Stable ☐ 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.

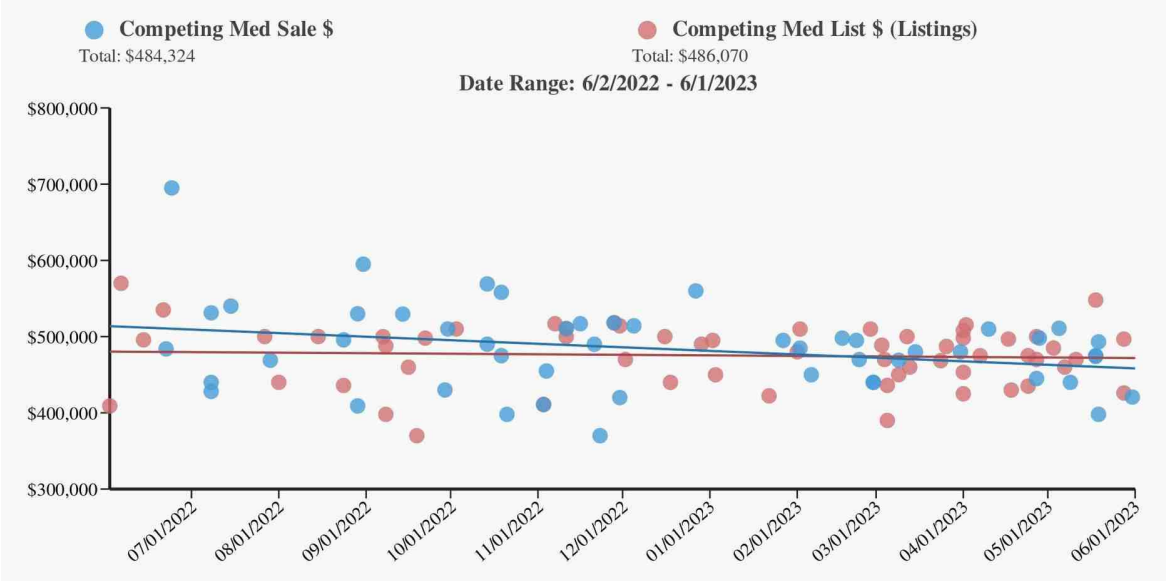
APPRAISER

Signature	Glen A Hoogheem	Signature	
Appraiser Name	Glen A Hoogheem	Supervisory Appraiser Name	
Company Name	First American Staff Appraisals,LLC.	Company Name	
Company Address	4795 Regent Blvd., Irving, TX 75063	Company Address	
State License/Certification #	20154057 State MN	State License/Certification #	State
Email Address	CentralOps@firstam.com	Email Address	

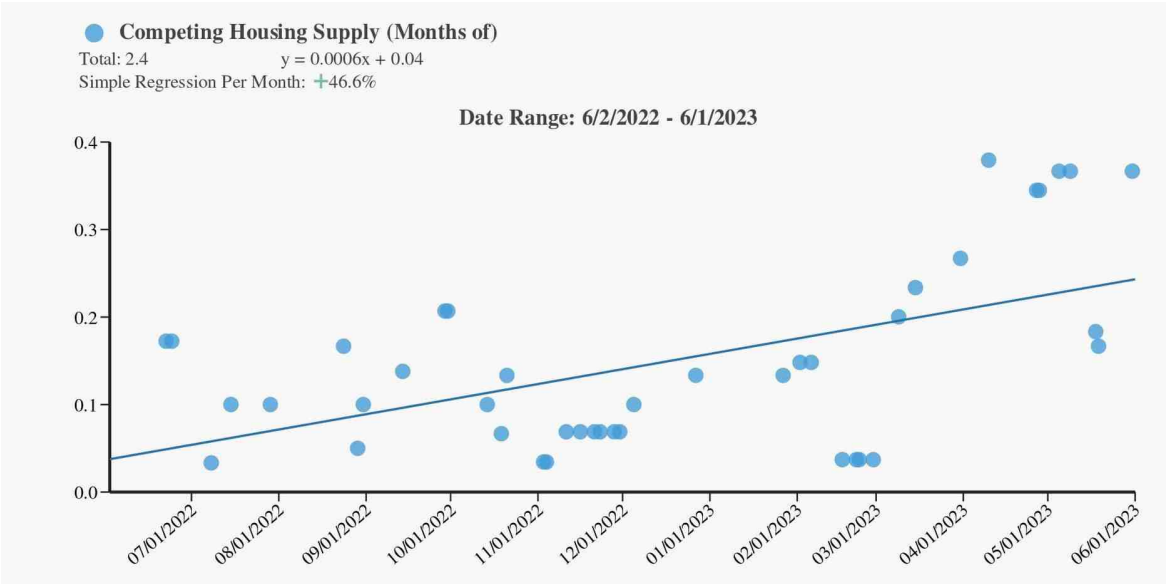
Form 1004MC2 - "TOTAL" appraisal software by a la mode, inc. - 1-800-ALAMODE

Market Conditions Charts - Page 1

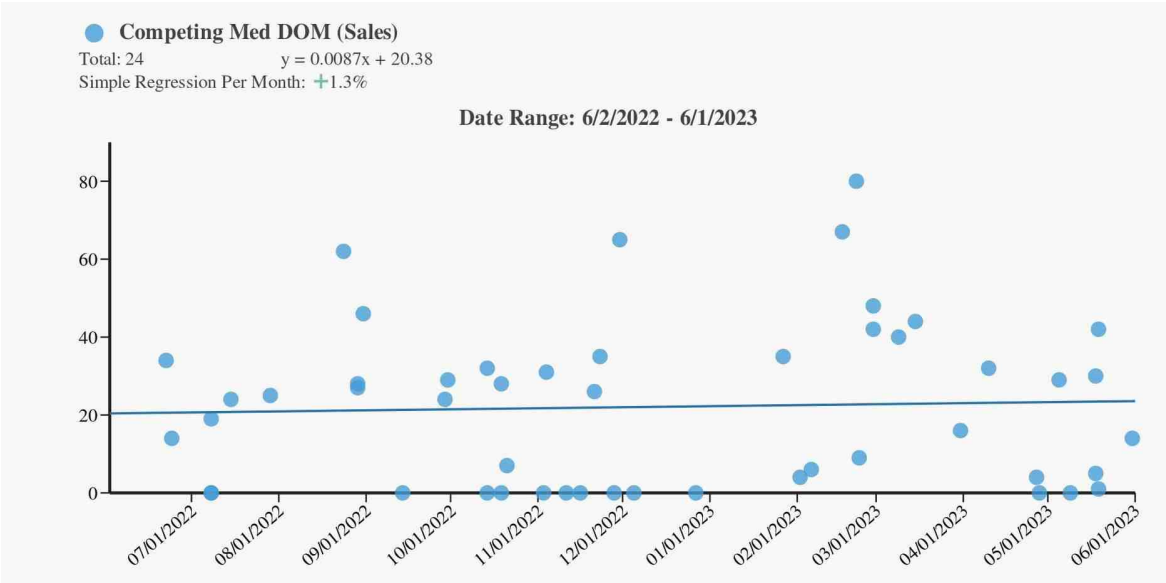
Borrower	Sihavong, Sangzoolee & Arunrat						
Property Address	11339 83rd St NE						
City	Otsego	County	Wright	State	MN	Zip Code	55330
Lender/Client	JP MORGAN CHASE						



Median Sale and List Price



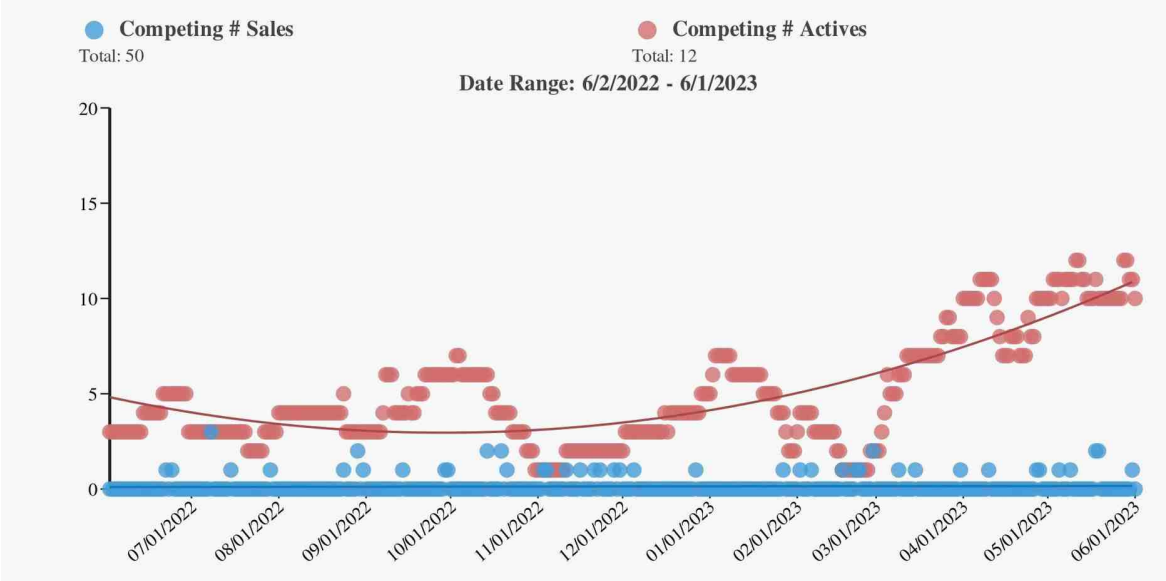
Housing Supply



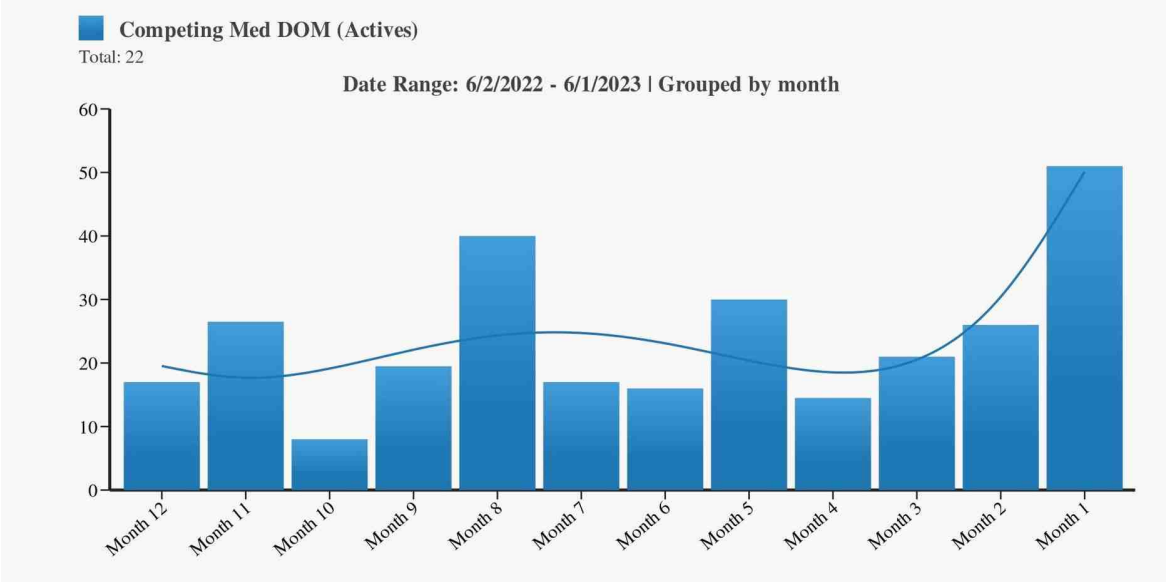
Sales DOM

Market Conditions Charts - Page 2

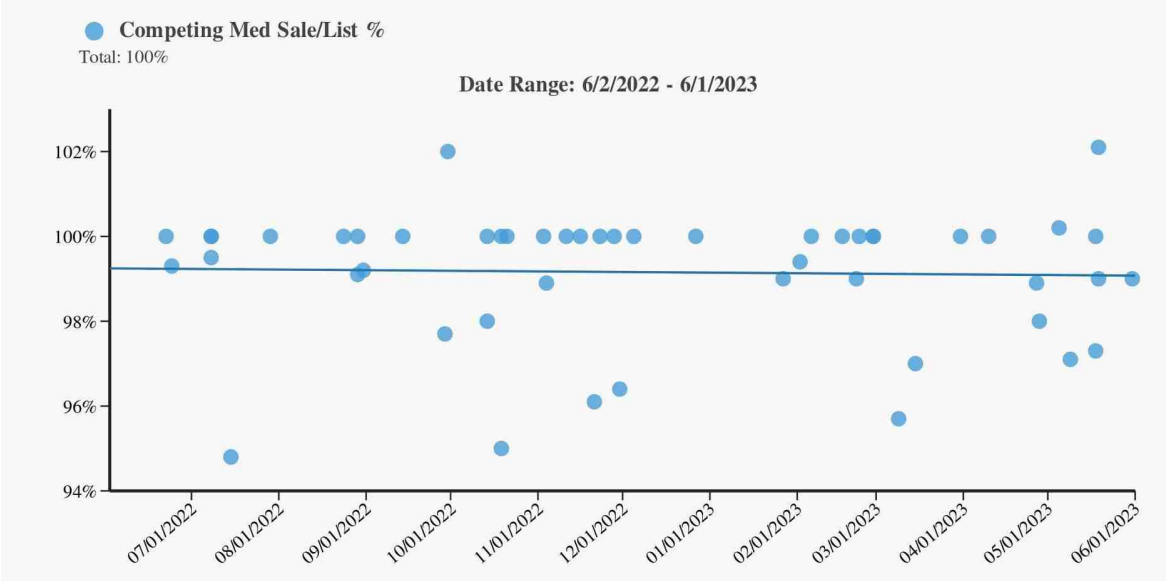
Borrower	Sihavong, Sangzoolee & Arunrat						
Property Address	11339 83rd St NE						
City	Otsego	County	Wright	State	MN	Zip Code	55330
Lender/Client	JP MORGAN CHASE						



Total Sales and Active Listings



DOM - Actives

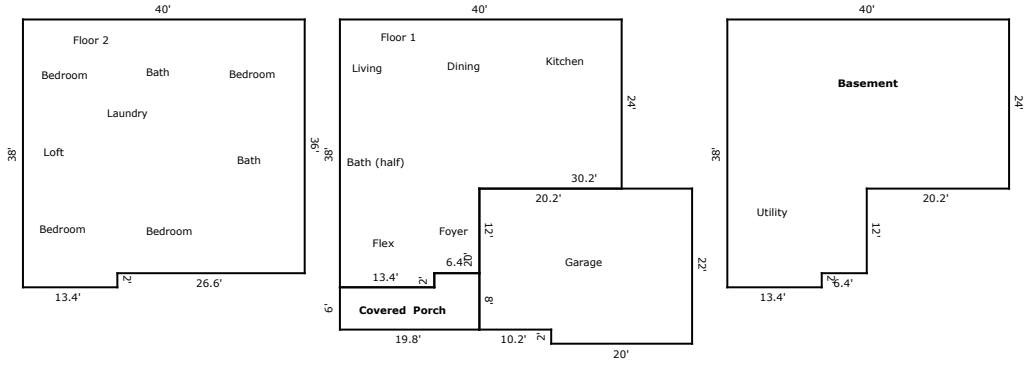


Price Ratio

FHA/VA Case No. 277-4151336

Building Sketch

Borrower	Sihavong, Sangzoolee & Arunrat						
Property Address	11339 83rd St NE						
City	Otsego	County	Wright	State	MN	Zip Code	55330
Lender/Client	JP MORGAN CHASE						



TOTAL Sketch by a la mode

Area Calculations Summary

Living Area		**Calculation Details**
First Floor	1224.4 Sq ft	24 × 20.2 = 484.8
		19.8 × 36 = 712.8
		2 × 13.4 = 26.8
Second Floor	1466.8 Sq ft	40 × 36 = 1440
		2 × 13.4 = 26.8
Total Living Area (Rounded):	**2691 Sq ft**	
Non-living Area		
Covered Porch	131.6 Sq ft	8 × 6.4 = 51.2
		13.4 × 6 = 80.4
3 Car Attached	644 Sq ft	22 × 20 = 440
		10.2 × 20 = 204
Basement	1224.4 Sq ft	24 × 20.2 = 484.8
		19.8 × 36 = 712.8
		2 × 13.4 = 26.8

Subject Photo Page

Borrower	Sihavong, Sangzoolee & Arunrat						
Property Address	11339 83rd St NE						
City	Otsego	County	Wright	State	MN	Zip Code	55330
Lender/Client	JP MORGAN CHASE						



Subject Front

11339 83rd St NE

Sales Price	499,990
Gross Living Area	2,691
Total Rooms	9
Total Bedrooms	4
Total Bathrooms	2.1
Location	N;Res;
View	N;Res;
Site	9308 sf
Quality	Q3
Age	0



Subject Rear



Subject Street

Interior Photos

Borrower	Sihavong, Sangzoolee & Arunrat						
Property Address	11339 83rd St NE						
City	Otsego	County	Wright	State	MN	Zip Code	55330
Lender/Client	JP MORGAN CHASE						



Subject Side View



Subject Side View



Patio door stop



Garage



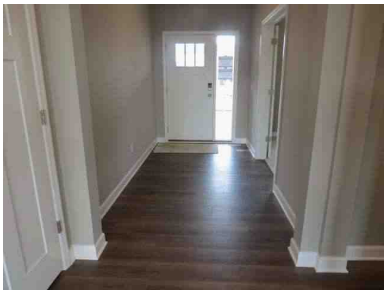
Utilities on



carbon monoxide detector



Kitchen



Foyer



Flex room



Half bath



Living Room



Dining



Bedroom



Loft



Bedroom

Interior Photos

Borrower	Sihavong, Sangzoolee & Arunrat						
Property Address	11339 83rd St NE						
City	Otsego	County	Wright	State	MN	Zip Code	55330
Lender/Client	JP MORGAN CHASE						



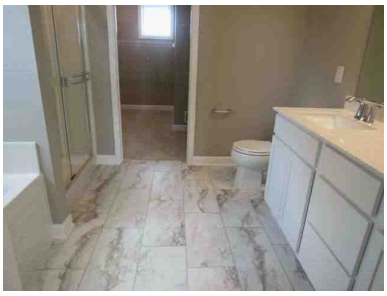
Laundry



Bathroom



Bedroom



Bathroom



Bedroom



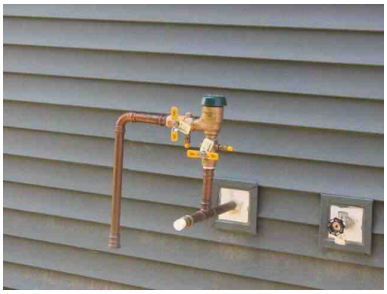
Sealed attic scuttle



Utility



Basement



Irrigation not installed



Final grade/sod/landscaping

Comparable Photo Page

Borrower	Sihavong, Sangzoolee & Arunrat						
Property Address	11339 83rd St NE						
City	Otsego	County	Wright	State	MN	Zip Code	55330
Lender/Client	JP MORGAN CHASE						



Comparable 1

11375 83rd St NE

Prox. to Subject	0.03 miles E
Sale Price	510,530
Gross Living Area	2,691
Total Rooms	9
Total Bedrooms	4
Total Bathrooms	2.1
Location	N;Res;
View	N;Res;
Site	9653 sf
Quality	Q3
Age	0



Comparable 2

11303 83rd St NE

Prox. to Subject	0.04 miles W
Sale Price	498,010
Gross Living Area	2,496
Total Rooms	8
Total Bedrooms	4
Total Bathrooms	2.1
Location	N;Res;
View	N;Res;
Site	9416 sf
Quality	Q3
Age	0



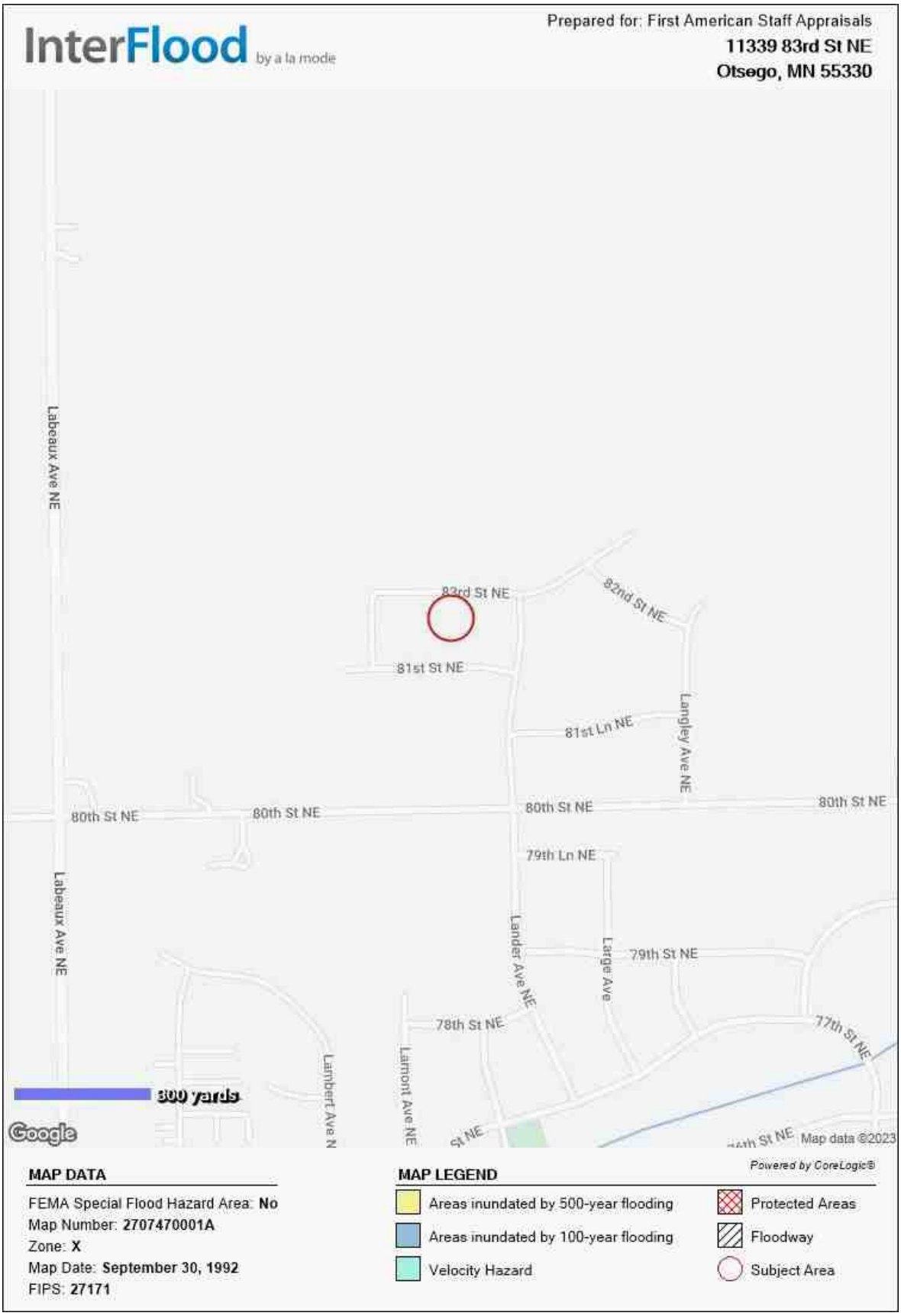
Comparable 3

12208 76th St NE

Prox. to Subject	0.99 miles SE
Sale Price	516,894
Gross Living Area	2,585
Total Rooms	9
Total Bedrooms	4
Total Bathrooms	2.1
Location	N;Res;
View	N;Res;
Site	13005 sf
Quality	Q3
Age	0

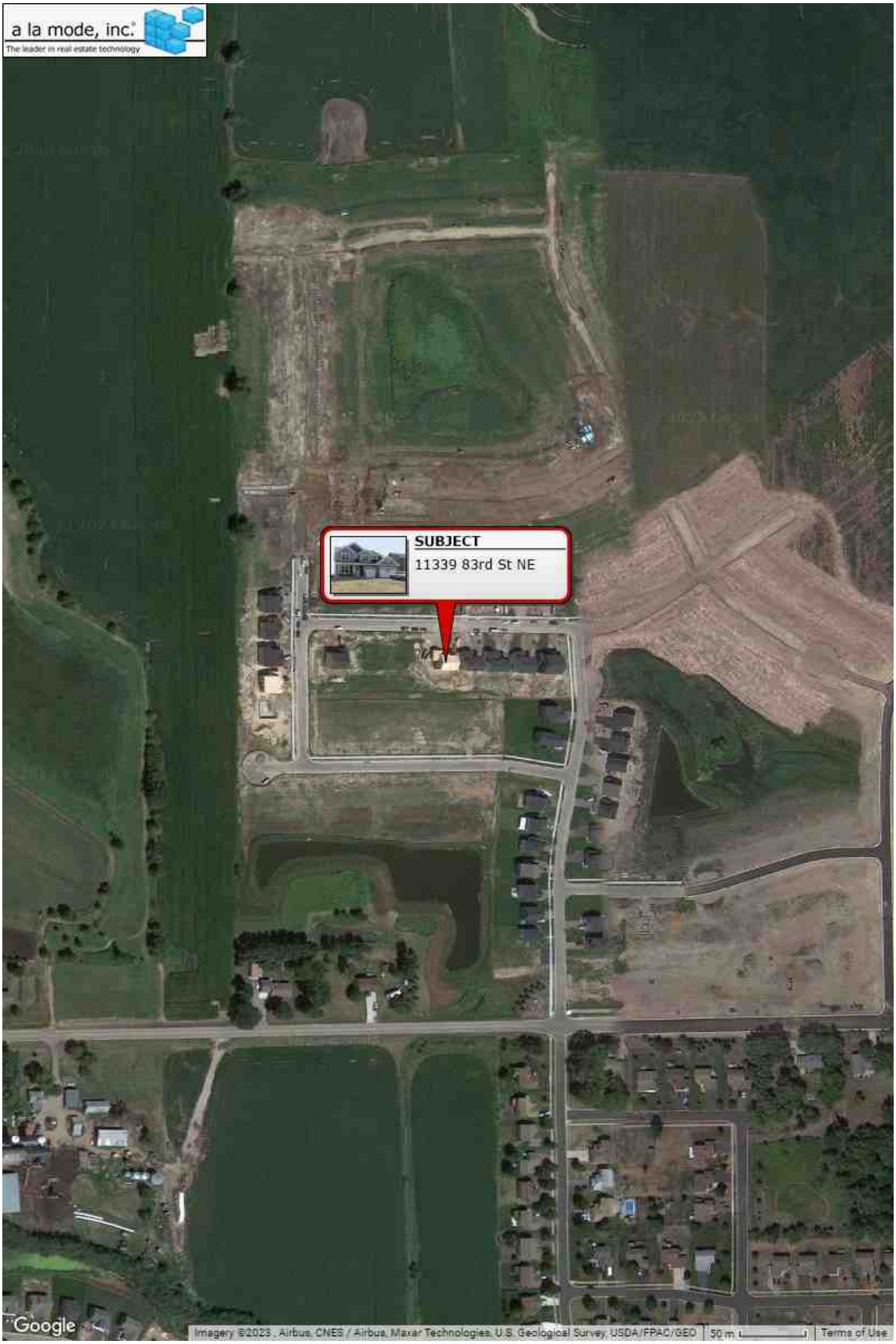
Flood Map

Borrower	Sihavong, Sangzoolee & Arunrat						
Property Address	11339 83rd St NE						
City	Otsego	County	Wright	State	MN	Zip Code	55330
Lender/Client	JP MORGAN CHASE						



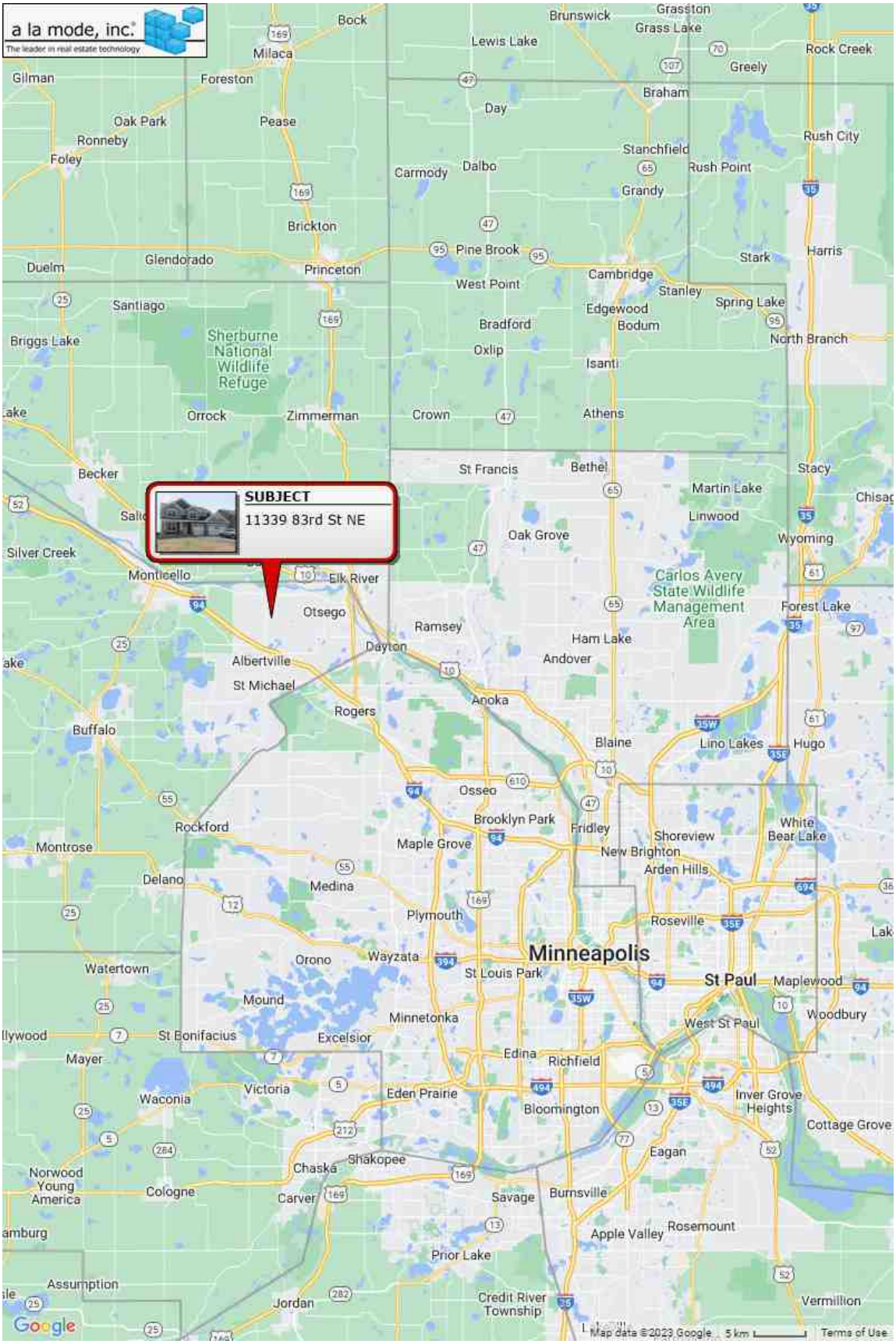
Aerial Map

Borrower	Sihavong, Sangzoolee & Arunrat						
Property Address	11339 83rd St NE						
City	Otsego	County	Wright	State	MN	Zip Code	55330
Lender/Client	JP MORGAN CHASE						



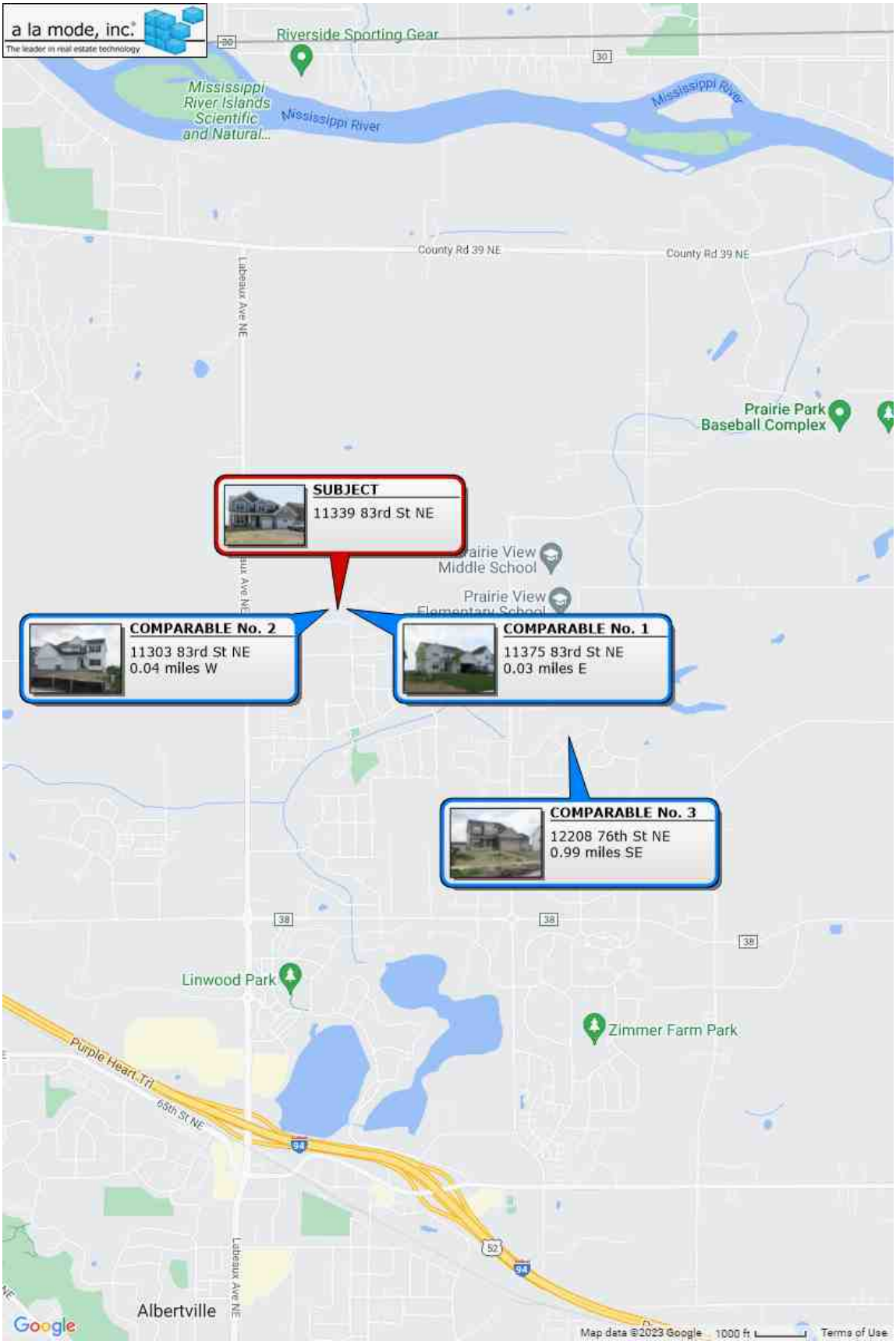
Location Map

Borrower	Sihavong, Sangzoolee & Arunrat						
Property Address	11339 83rd St NE						
City	Otsego	County	Wright	State	MN	Zip Code	55330
Lender/Client	JP MORGAN CHASE						



Comparable Sales Map

Borrower	Sihavong, Sangzoolee & Arunrat						
Property Address	11339 83rd St NE						
City	Otsego	County	Wright	State	MN	Zip Code	55330
Lender/Client	JP MORGAN CHASE						



APPRAISER LICENSE

STATE OF MINNESOTA

GLEN ALVIN HOOGHEEM
8745 PRESTWICK PKWY N
BROOKLYN PARK, MN 55443

Department of Commerce

The Undersigned COMMISSIONER OF COMMERCE for the State of Minnesota hereby certifies that

Glen ALVIN Hoogheem

8745 PRESTWICK PKWY N
BROOKLYN PARK, MN 55443

has complied with the laws of the State of Minnesota and is hereby licensed to transact the business of

Resident Appraiser : Certified Residential

License Number: 20154057

unless this authority is suspended, revoked, or otherwise legally terminated. This license shall be in effect until August 31, 2023.

IN TESTIMONY WHEREOF, I have hereunto set my hand this August 16, 2021.

Grace Arnold

COMMISSIONER OF COMMERCE

Minnesota Department of Commerce

Licensing Division
85 7th Place East, Suite 500
St. Paul, MN 55101-3165
Telephone: (651) 539-1599
Email: licensing.commerce@state.mn.us
Website: commerce.state.mn.us

Notes:

- **Individual Licensees Only - Continuing Education:** 15 hours is required in the first renewal period, which includes a 7 hour USPAP course. 30 hours is required for each subsequent renewal period, which includes a 7 hour USPAP course.
- **Appraisers:** You must hold a licensed Residential, Certified Residential, or Certified General qualification in order to perform appraisals for federally-related transactions. **Trainees do not qualify.** For further details, please visit our website at commerce.state.mn.us.

E&O Insurance

Borrower	Sihavong, Sangzoolee & Arunrat						
Property Address	11339 83rd St NE						
City	Otsego	County	Wright	State	MN	Zip Code	55330
Lender/Client	JP MORGAN CHASE						

ACORD

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 05/03/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Marsh Risk & Insurance Services
17901 Von Karman Avenue, Suite 1100
(949) 399-5800; License #0437153
Irvine, CA 92614

CN106027701-STND-GAWUE-23- Gen

CONTACT NAME:
PHONE (A/C, No, Ext): FAX (A/C, No):
E-MAIL ADDRESS:

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Hartford Fire Insurance Company	19682
INSURER B : N/A	N/A
INSURER C : Property And Casualty Ins Co Of Hartford	34690
INSURER D : Twin City Fire Insurance Company	29459
INSURER E : AIG Specialty Insurance Company	26883
INSURER F :	

INSURED
First American Financial Corporation
and its covered subsidiaries, including: First American Title Insurance Company
First American Title Company, LLC
First American Staff Appraisals, LLC
1 First American Way
Santa Ana, CA 92707

COVERAGES **CERTIFICATE NUMBER:** LOS-002431848-81 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY			72CSER32911	06/01/2023	06/01/2024	EACH OCCURRENCE	$ 2,000,000
	CLAIMS-MADE X OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 1,000,000
							MED EXP (Any one person)	$ N/A
							PERSONAL & ADV INJURY	$ 2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$ 4,000,000
	X POLICY PRO-JECT X LOC						PRODUCTS - COMP/OP AGG	$ 4,000,000
	OTHER:							$
A	AUTOMOBILE LIABILITY			72CSER32909	06/01/2023	06/01/2024	COMBINED SINGLE LIMIT (Ea accident)	$ 2,000,000
	X ANY AUTO						BODILY INJURY (Per person)	$
	OWNED AUTOS ONLY / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	HIRED AUTOS ONLY / NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
	UMBRELLA LIAB OCCUR						EACH OCCURRENCE	$
	EXCESS LIAB CLAIMS-MADE						AGGREGATE	$
	DED RETENTION $							$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			72WNR32908 (AOS)	06/01/2023	06/01/2024	X PER STATUTE OTH-ER	
D	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N: N	N/A		72WBRR32914 (WI)	06/01/2023	06/01/2024	E.L. EACH ACCIDENT	$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$ 1,000,000
							E.L. DISEASE - POLICY LIMIT	$ 1,000,000
E	Professional Liability/E&O			084163281	06/01/2023	06/01/2024	Limit (Each Claim)	2,000,000
	Claims-made form			SIR/Retro Dates various per policy			Aggregate	2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
EVIDENCE OF FIRST AMERICAN'S INSURANCE - DOES NOT INCLUDE BORROWER

The referenced policies cover all First American locations.

CERTIFICATE HOLDER

First American Financial Corporation
First American Title Insurance Company
Attn: Kaelyn Reed
1 First American Way
Santa Ana, CA 92707

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Marsh Risk & Insurance Services

© 1988-2016 ACORD CORPORATION. All rights reserved.

ACORD 25 (2016/03) The ACORD name and logo are registered marks of ACORD