1002095
File No. 92278850

APPRAISAL OF



LOCATED AT:

28466 Cliffwood Rd
Paynesville, MN 56362

FOR:

Wings Financial Credit Union
14985 Glazier Ave
Apple Valley, MN 55124

BORROWER:

Krause, James J

AS OF:

April 14, 2025

BY:

Becky Lyn Storms

Uniform Residential Appraisal Report

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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 28466 Cliffwood Rd | City Paynesville | State MN | Zip Code 56362
Borrower Krause, James J | Owner of Public Record Krause, James J and Victoria A | County Stearns
Legal Description See Attached Addendum
Assessor's Parcel # 26.16296.0024 | Tax Year 2024 | R.E. Taxes $ 2,610
Neighborhood Name Paynesville Township | Map Reference NA | Census Tract 0110.00
Occupant [X] Owner [ ] Tenant [ ] Vacant | Special Assessments $ 100 [ ] PUD HOA $ 0 [ ] per year [ ] per month
Property Rights Appraised [X] Fee Simple [ ] Leasehold [ ] Other (describe)
Assignment Type [ ] Purchase Transaction [X] Refinance Transaction [ ] Other (describe)
Lender/Client Wings Financial Credit Union | Address 14985 Glazier Ave, Apple Valley, MN 55124
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 [X] No
Report data source(s) used, offering price(s), and date(s). The subject has not been listed in prior 12 months per MLS.

CONTRACT

I [ ] did [ ] did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed.

Contract Price $ | Date of Contract | Is the property seller the owner of public record? [ ] Yes [ ] No | Data Source(s)
Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? [ ] Yes [ ] No
If Yes, report the total dollar amount and describe the items to be paid.

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 [X] Rural	Property Values	[ ] Increasing	[X] Stable	[ ] Declining	PRICE	AGE	One-Unit	75 %
Built-Up	[ ] Over 75%	[X] 25-75% [ ] Under 25%	Demand/Supply	[ ] Shortage	[X] In Balance	[ ] Over Supply	$(000)	(yrs)	2-4 Unit	%
Growth	[ ] Rapid	[X] Stable [ ] Slow	Marketing Time	[X] Under 3 mths	[ ] 3-6 mths	[ ] Over 6 mths	155 Low	0	Multi-Family	%
Neighborhood Boundaries	The neighborhood boundaries are Hwy 23 to north, Hwy 22 to east,						925 High	138	Commercial	%
County Rd 20 to south, and Tri County Rd to west.							326 Pred.	51	Other Vacant	25 %

Neighborhood Description Cliffwood Rd is a residential street. Improvements conform to surrounding homes. The neighborhood has no apparent adverse factors affecting subject's marketability. Lakefront and acreage homes make up most sales in upper end of value range. While subject is above predominant value, it is not felt to be an over improvement for the market.
Market Conditions (including support for the above conclusions) Statistics indicate that competitively priced listings are selling average marketing time of 0 -3 months. Sellers are receiving 95-105% of asking price. Financing at present time is readily available from variety of sources, which benefits both potential buyers and sellers. Market trends have been stable over past 12 months, and are predicted to remain stable.

SITE

Dimensions 90.03 x 125.85 x 90.96 x 139.60 | Area 12011 sf | Shape Rectangular | View B;Woods;Wtr
Specific Zoning Classification R-1 | Zoning Description Residential District
Zoning Compliance [X] Legal [ ] Legal Nonconforming (Grandfathered Use) [ ] No Zoning [ ] Illegal (describe)
Is the highest and best use of the subject property as improved (or as proposed per plans and specifications) the present use? [X] Yes [ ] No If No, describe.

Utilities	Public	Other (describe)		Public	Other (describe)	Off-site Improvements? Type	Public	Private
Electricity	[X]	[ ]	Water	[ ]	[X] Private Well	Street Bituminous	[X]	[ ]
Gas	[X]	[ ]	Sanitary Sewer	[ ]	[X] Private Septic	Alley None	[ ]	[ ]

FEMA Special Flood Hazard Area [ ] Yes [X] No | FEMA Flood Zone X | FEMA Map # 27145C0930E | FEMA Map Date 02/16/2012
Are the utilities and off-site improvements typical for the market area? [X] Yes [ ] No If No, describe.
Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? [ ] Yes [X] No If Yes, describe. See Attached Addendum

IMPROVEMENTS

GENERAL DESCRIPTION		FOUNDATION		EXTERIOR DESCRIPTION materials/condition		INTERIOR materials/condition	
Units	[X] One [ ] One with Accessory Unit	[X] Concrete Slab	[ ] Crawl Space	Foundation Walls	Conc Blk-Avg.	Floors	Tile/Vnl/Cpt-Avg
# of Stories	2	[ ] Full Basement	[ ] Partial Basement	Exterior Walls	Steel/Masonite-A	Walls	Panel/Drywall-A
Type	[X] Det. [ ] Att. [ ] S-Det./End Unit	Basement Area	0 sq. ft.	Roof Surface	AsphShi-Avg.	Trim/Finish	Oak-Average
[X] Existing	[ ] Proposed [ ] Under Const.	Basement Finish	0 %	Gutters & Downspouts	Yes-Average	Bath Floor	Tile-Average
Design (Style)	Colonial	[ ] Outside Entry/Exit	[ ] Sump Pump	Window Type	DblHg/Sliders-Avg	Bath Wainscot	Tile/Fiberglass-A
Year Built	1970	Evidence of [ ] Infestation		Storm Sash/Insulated	Yes-Average	Car Storage	[ ] None
Effective Age (Yrs)	20	[ ] Dampness	[ ] Settlement	Screens	Yes -Average	[X] Driveway	# of Cars 2
Attic	[ ] None	Heating [ ] FWA	[X] HWBB [ ] Radiant	Amenities	[ ] WoodStove(s) # 0	Driveway Surface	Concrete
[ ] Drop Stair	[ ] Stairs	[X] Other BsBrd	Fuel NGas,Elec	[X] Fireplace(s) # 2	[X] Fence Privacy	[X] Garage	# of Cars 2
[ ] Floor	[X] Scuttle	Cooling [ ] Central Air Conditioning		[X] Patio/Deck 1/1	[X] Porch Open	[ ] Carport	# of Cars 0
[ ] Finished	[ ] Heated	[ ] Individual	[X] Other Ductless	[ ] Pool None	[X] Other Wrkshop	[X] Att.	[ ] Det. [ ] Built-in

Appliances [X] Refrigerator [X] Range/Oven [X] Dishwasher [ ] Disposal [X] Microwave [X] Washer/Dryer [ ] Other (describe)
Finished area above grade contains: 7 Rooms | 3 Bedrooms | 2.0 Bath(s) | 1,748 Square Feet of Gross Living Area Above Grade
Additional features (special energy efficient items, etc.).

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). C3;Kitchen-remodeled-one to five years ago;Bathrooms-updated-timeframe unknown;The subject improvements appear to be properly constructed of materials and finish that are acceptable in this market and price range. The GLA for subject may vary from public records, I have personally measured the property and those measurements were used in this report. Recent improvements include roof, windows, patio, fence, ductless AC, water heater, water softener, sun room, and kitchen. It is noted that subject's actual and effective ages differ by more than 10 years due to subject's updating and maintenance.
Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? [ ] Yes [X] No If Yes, describe. There were no readily observable items that were considered to be a physical deficiency. At the time of inspection, the water and utilities were on, and appeared to be functioning properly. The entire dwelling can be sufficiently heated, is habitable year round, and has market acceptance of the subjects heating source. CO and smoke detectors were present at the time of inspection.
Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? [X] Yes [ ] No If No, describe. The property has no observed functional or exterior obsolescence. Physical inspection of subject may reveal GLA differences from County reported square footages. This can be attributed to the fact that county data may be different from what appraisers consider GLA.

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There are 2 comparable properties currently offered for sale in the subject neighborhood ranging in price from $ 375,000 to $ 450,000 .

There are 7 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from $ 326,000 to $ 557,000 .

SALES COMPARISON APPROACH

FEATURE	SUBJECT	COMPARABLE SALE NO. 1		COMPARABLE SALE NO. 2		COMPARABLE SALE NO. 3	
Address	28466 Cliffwood Rd Paynesville, MN 56362	30017 Briorwood Rd Paynesville, MN 56362		29497 Crest Ridge Rd Paynesville, MN 56362		15615 Cedar Point Rd Paynesville, MN 56362	
Proximity to Subject		2.02 miles SW		1.28 miles SW		0.34 miles SE	
Sale Price	$		$ 557,000		$ 475,000		$ 326,000
Sale Price/Gross Liv. Area	$ 0.00 sq. ft.	$ 299.30 sq. ft.		$ 462.06 sq. ft.		$ 363.84 sq. ft.	
Data Source(s)		Northstar #6571133;DOM 10		Northstar #6543412;DOM 10		Northstar #6563759;DOM 0	
Verification Source(s)		Tax/Assessor Records		Tax/Assessor Records		Tax/Assessor Records	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment
Sale or Financing		ArmLth	0	ArmLth	0	ArmLth	0
Concessions		Conv;0	0	Cash;0	0	Conv;0	0
Date of Sale/Time		s08/24;c07/24	0	s06/24;c06/24	0	s08/24;c07/24	0
Location	B;WtrFr;	B;WtrFr;		B;WtrFr;		B;WtrFr;	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Site	12011 sf	37026 sf	-3,000	15246 sf	0	7841 sf	0
View	B;Woods;Wtr	B;Woods;Wtr		B;Woods;Wtr		B;Woods;Wtr	
Design (Style)	DT2;Colonial	DT1;Rambler	0	DT1;Rambler	0	DT1;Rambler	0
Quality of Construction	Q4	Q4		Q4		Q4	16,000
Actual Age	55	61	0	60	0	75	0
Condition	C3	C3		C3		C4	16,000
Above Grade Room Count (Total / Bdrms. / Baths)	7 / 3 / 2.0	6 / 2 / 2.1	-1,000	4 / 1 / 1.1	1,000	6 / 3 / 1.0	2,000
Gross Living Area	1,748 sq. ft.	1,861 sq. ft.	-3,390	1,028 sq. ft.	21,600	896 sq. ft.	25,560
Basement & Finished Rooms Below Grade	0sf	0sf		1028sf256sfwo 0rr1br0.0ba0o	-14,120 0	0sf	
Functional Utility	Average Utility	Average Utility		Average Utility		Average Utility	
Heating/Cooling	GHW/DuctlessAC	GHW/CA	0	EBB/None	2,000	None/None	4,000
Energy Efficient Items	None	None		None		None	
Garage/Carport	2ga2dw	2ga2dw		2gd2dw	0	1gd1dw	5,000
Porch/Patio/Deck	Patio,Deck,Prch	Patio,Deck,Prch		2Patios,Deck	0	Patio	6,000
Other	Workshop	Shop	0	None	5,000	Bunk	0
Lake	Shared-Koronis	140'Koronis-Sup	-100,000	78' Koronis-Sup	-60,000	64' Koronis-Sup	-40,000
Net Adjustment (Total)		[ ] + [X] -	$ 107,390	[ ] + [X] -	$ 44,520	[X] + [ ] -	$ 34,560
Adjusted Sale Price of Comparables		Net Adj. -19.3% Gross Adj. 19.3%	$ 449,610	Net Adj. -9.4% Gross Adj. 21.8%	$ 430,480	Net Adj. 10.6% Gross Adj. 35.1%	$ 360,560

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

My research [ ] did [X] 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) MLS/County Records

My research [ ] did [X] 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) MLS/County Records

Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).

ITEM	SUBJECT	COMPARABLE SALE NO. 1	COMPARABLE SALE NO. 2	COMPARABLE SALE NO. 3
Date of Prior Sale/Transfer				
Price of Prior Sale/Transfer				
Data Source(s)	NMLS/County Records	NMLS/County Records	NMLS/County Records	NMLS/County Records
Effective Date of Data Source(s)	04/14/2025	04/14/2025	04/14/2025	04/14/2025

Analysis of prior sale or transfer history of the subject property and comparable sales The subject has not been sold in the past 3 years. The comparables, other than the sales listed in this report, have not been sold in the past year. The appraised value reflects the current market value.

Summary of Sales Comparison Approach. See Attached Addendum

Indicated Value by Sales Comparison Approach $ 415,000

RECONCILIATION

Indicated Value by: Sales Comparison Approach $ 415,000 Cost Approach (if developed) $ 415,500 Income Approach (if developed) $ 0

The appraiser has determined that the sales comparison approach is the most relevant analysis in this assignment and that there is sufficient information to develop a credible opinion of value by this approach alone. Cost Approach completed at request of the client. Development of income approach was not part of scope of work for this assignment, nor was it necessary to develop a credible opinion of value.

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

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 $ 415,000 as of 04/14/2025 , which is the date of inspection and the effective date of this appraisal.

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ADDITIONAL COMMENTS

REPORT TYPE

This real property appraisal report has been prepared under the Uniform Standards of Appraisal Practice option entitled “Appraisal Report”. This report is considered to be an Appraisal Report as defined by Standards Rule 2-2 of the USPAP.

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 request of client, this appraisal report has been prepared in compliance with the Uniform Appraisal Dataset (UAD) from Fannie Mae and Freddie Mac. The UAD requires 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.

INTENDED USERS AND INTENDED USE

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.

A reasonable exposure time for the subject property at the opinion of value indicated is estimated to be the same as the marketing time reported in the neighborhood section on page one of this report.

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.

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 site value was derived from comparable sales data of raw land. The sources include local MLS, County data, and private sales data from the appraisers files.

ESTIMATED ☐ REPRODUCTION OR ☒ REPLACEMENT COST NEW

Source of cost data Bluebook

Quality rating from cost service Average Effective date of cost data 04/2025

Comments on Cost Approach (gross living area calculations, depreciation, etc.)

Cost estimates were derived from construction contracts, building contractors, office files, and Bluebook. The site value as vacant is based on market trends. Physical Depreciation reflects physical wear and is based on age/life method with a total economic life of 100 years. The land to value ratio is 24%. This is typical for the area. The square footage is calculated on a separate addendum.

OPINION OF SITE VALUE	= $	100,000
Dwelling 1,748 Sq. Ft. @ $ 175.00	= $	305,900
Sq. Ft. @ $ 0.00	= $	0
Amenities		13,000
Garage/Carport 961 Sq. Ft. @ $ 59.00	= $	56,699
Total Estimate of Cost-New	= $	375,599
Less 100 Physical / Functional / External Depreciation $75,119	= $ (	75,119)
Depreciated Cost of Improvements	= $	300,480
"As-is" Value of Site Improvements	= $	15,000
INDICATED VALUE BY COST APPROACH	= $	415,500

Estimated Remaining Economic Life (HUD and VA only) 80 Years

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 an existing building(s) into a PUD? ☐ Yes ☐ No If Yes, date of conversion.

Does the project contain any multi-dwelling units? ☐ Yes ☐ No Data source(s)

Are the units, common elements, and recreation facilities complete? ☐ Yes ☐ No If No, describe the status of completion.

Are the common elements leased to or by the Homeowners' Association? ☐ Yes ☐ No If Yes, describe the rental terms and options.

Describe common elements and recreational facilities.

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This report form is designed to report an appraisal of a one-unit property or a one-unit property with an accessory unit; including a unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a condominium or cooperative project.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a 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 this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.

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.

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.

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).

Uniform Residential Appraisal Report

22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.

23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.

24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

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

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

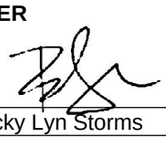
2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.

4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.

5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER

Signature 
Name Becky Lyn Storms
Company Name First American Staff Appraisals
Company Address 4795 Regent Blvd
Irving, TX 75063
Telephone Number 866-956-4245
Email Address staffvaluations@firstam.com
Date of Signature and Report 04/14/2025
Effective Date of Appraisal 04/14/2025
State Certification # 20319960
or State License #
or Other (describe) State #
State MN
Expiration Date of Certification or License 08/31/2025

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

ADDRESS OF PROPERTY APPRAISED
28466 Cliffwood Rd
Paynesville, MN 56362

APPRAISED VALUE OF SUBJECT PROPERTY $ 415,000

LENDER/CLIENT
Name SWBC Lending Solutions
Company Name Wings Financial Credit Union
Company Address 14985 Glazier Ave
Apple Valley, MN 55124
Email Address NA

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 Residential Appraisal Report

1002095
File No. 92278850

FEATURE	SUBJECT	COMPARABLE SALE NO. 4		COMPARABLE SALE NO. 5		COMPARABLE SALE NO. 6	
Address	28466 Cliffwood Rd Paynesville, MN 56362	19568 Rosemary Ct Paynesville, MN 56362		18045 Delaware Ln Paynesville, MN 56362		30522 Brentwood Rd Paynesville, MN 56362	
Proximity to Subject		6.46 miles NE		5.40 miles NE		2.71 miles SW	
Sale Price	$		$ 519,900		$ 375,000		$ 450,000
Sale Price/Gross Liv. Area	$ 0.00 sq. ft.	$ 302.80 sq. ft.		$ 334.82 sq. ft.		$ 388.27 sq. ft.	
Data Source(s)		Northstar #6531975;DOM 20		Northstar #6692776;DOM 17		Northstar #6653758;DOM 77	
Verification Source(s)		Tax/Assessor Records		Tax/Assessor Records		Tax/Assessor Records	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment
Sale or Financing		ArmLth	0	Listing	0	Listing	0
Concessions		Conv;0	0	;0	0	;0	0
Date of Sale/Time		s06/24;c05/24	0	Active	-3,750	Active	-4,500
Location	B;WtrFr;	B;WtrFr;		B;WtrFr;		B;WtrFr;	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Site	12011 sf	1.80 ac	-8,000	1.36 ac	-5,000	11326 sf	0
View	B;Woods;Wtr	B;Woods;	0	B;Woods;Wtr		B;Woods;Wtr	
Design (Style)	DT2;Colonial	DT1;Rambler	0	DT1;Split Level	0	DT1.5;Colonial	0
Quality of Construction	Q4	Q3	-26,000	Q4	18,000	Q3	-22,000
Actual Age	55	26	0	47	0	65	0
Condition	C3	C3	-26,000	C4	18,000	C3	
Above Grade Room Count (Total / Bdrms. / Baths)	7 / 3 / 2.0	7 / 3 / 1.0	2,000	5 / 2 / 1.0	2,000	5 / 3 / 1.0	2,000
Gross Living Area	1,748 sq. ft.	1,717 sq. ft.	930	1,120 sq. ft.	18,840	1,159 sq. ft.	17,670
Basement & Finished	0sf	1552sf1440sfin	-37,120	1120sf672sfin	-21,280	0sf	
Rooms Below Grade		1rr1br1.0ba0o	0	1rr0br1.0ba1o	0		
Functional Utility	Average Utility	Average Utility		Average Utility		Average Utility	
Heating/Cooling	GHW/DuctlessAC	GFA/CA	0	EBB/None	2,000	GasSpcHt/None	4,000
Energy Efficient Items	None	None		None		None	
Garage/Carport	2ga2dw	2ga2dw		2ga2dw		4dw	10,000
Porch/Patio/Deck	Patio,Deck,Prch	Patio,Porch	3,000	Deck	6,000	Patio,Deck,Prch	
Other	Workshop	Shed,LargeShop	-20,000	Shed	0	None	5,000
Lake	Shared-Koronis	Shared-Pirz-Eql	0	Shared-Rice-Eql	0	50' Koronis-Sup	-45,000
Net Adjustment (Total)		☐ + ☒ -	$ 111,190	☒ + ☐ -	$ 34,810	☐ + ☒ -	$ 32,830
Adjusted Sale Price of Comparables		Net Adj. -21.4% Gross Adj. 23.7%	$ 408,710	Net Adj. 9.3% Gross Adj. 25.3%	$ 409,810	Net Adj. -7.3% Gross Adj. 24.5%	$ 417,170

SALES COMPARISON APPROACH

ITEM	SUBJECT	COMPARABLE SALE NO. 4	COMPARABLE SALE NO. 5	COMPARABLE SALE NO. 6
Date of Prior Sale/Transfer				
Price of Prior Sale/Transfer				
Data Source(s)	NMLS/County Records	NMLS/County Records	NMLS/County Records	NMLS/County Records
Effective Date of Data Source(s)	04/14/2025	04/14/2025	04/14/2025	04/14/2025

Summary of Sales Comparison Approach

Uniform Appraisal Dataset Definitions

Condition Ratings and Definitions

C1 The improvements have been very recently constructed and have not previously been occupied. The entire structure and all components are new and the dwelling features no physical depreciation.*

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

C2 The improvements feature no deferred maintenance, little or no physical depreciation, and require no repairs. Virtually all building components are new or have been recently repaired, refinished, or rehabilitated. All outdated components and finishes have been updated and/or replaced with components that meet current standards. Dwellings in this category either are almost new or have been recently completely renovated and are similar in condition to new construction.

*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 residences constructed from individual plans or from highly modified or upgraded plans. The design features detailed, high-quality exterior ornamentation, high-quality interior refinements, and detail. The workmanship, materials, and finishes throughout the dwelling are generally of high or very high quality.

Q3 Dwellings with this quality rating are residences of higher quality built from individual or readily available designer plans in above-standard residential tract developments or on an individual property owner's site. The design includes significant exterior ornamentation and interiors that are well finished. The workmanship exceeds acceptable standards and many materials and finishes throughout the dwelling have been upgraded from "stock" standards.

Q4 Dwellings with this quality rating meet or exceed the requirements of applicable building codes. Standard or modified standard building plans are utilized and the design includes adequate fenestration and some exterior ornamentation and interior refinements. Materials, workmanship, finish, and equipment are of stock or builder grade and may feature some upgrades.

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

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

Uniform Appraisal Dataset Definitions

1002095
File No. 92278850

Abbreviations Used in Data Standardization Text

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

Other Appraiser-Defined Abbreviations

Abbrev.	Full Name	Appropriate Fields	Abbrev.	Full Name	Appropriate Fields

ADDENDUM

Borrower: Krause, James J		File No.: 92278850
Property Address: 28466 Cliffwood Rd		Case No.: 1002095
City: Paynesville	State: MN	Zip: 56362
Lender: Wings Financial Credit Union		

Legal Description
LOT 2 BLK 3 KORONIS PARK REV & 1/8 INT IN P/O LAKE AVE WHICH IS SLY EXT OF PARK LN TO LAKE KORONIS PARK REVISED SECTION 28 TOWNSHIP 122 RANGE 032

SITE CONDITIONS
In terms of size, topography, landscaping, subject is located on typical site. The lawn was in average condition. Typical easements are considered in estimating market value. The subject is accessible year round in all types of weather conditions.

The subject has a Special Assessment of $100.60. This is a yearly assessment that covers solid waste removal and NFCRWD Koronis Lake AIS Project. These are typical for the area.

The subject has a private well and septic system. This is typical for the area. The subject does not have access to public utilities.

The subject has 50' deeded lake access and shared dock with neighbors to Lake Koronis, across the street.

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).

Additional Features
GXX001-appraiser was not able to comply with ANSI guidelines due subject's sqare footage partially built into a hill and below grade. Typical buyer in this market would consider this a 2 story colonial design home with no basement.

The subject has patio, fence, deck, porch, 2 fireplaces, tile floors, custom cabinets, tile backsplash, center island, recessed lights, cedar wall/ceilings, ceiling fans, patio door, heated garage, workshop, garage door openers, gutters, vaulted and beamed ceilings, whirlpool tub, and private well and septic system (typical for the area).

COMMENTS ON SALES COMPARISON:
The Indicated Value by Sales Comparison Approach, $415,000, is calculated using the following weights:
26.9% - 30017 Briorwood Rd; Sale Price $557,000; Adjusted Value $449,610; Gross Adj: 19.3%
26.1% - 29497 Crest Ridge Rd; Sale Price $475,000; Adjusted Value $430,480; Gross Adj: 21.8%
21.6% - 15615 Cedar Point Rd; Sale Price $326,000; Adjusted Value $360,560; Gross Adj: 35.1%
25.4% - 19568 Rosemary Ct; Sale Price $519,900; Adjusted Value $408,710; Gross Adj: 23.7%

Comparable 1 is most similar in quality, condition, GLA, slab on grade, amenities, and it has least gross adjustments. Comparable 2 is most similar in lot size, quality, condition, and amenities. Comparable 3 is used for its bedroom, slab on grade, and it brackets appraised value on lower end. Comparable 4 was used for its similar deeded lake access like subject. Comparable 4 lacks subjects water view however has heaviliy wooded site with superior privacy, considered similar to subjects view and no adjustment is warranted. Comparables 5 and 6 are active listings, adjustments are made at 1% of the listing price. Comparables 3 and 5 have similar Q4 rating, but lack some of subjects upgrades and updating, quality and condition adjustments are made accordingly. Comparable 4 has similar C3 rating, but has less wear and tear and superior quality upgrades, condition and quality adjustments are made accordingly. Comparable 6 has superior quality upgrades, reflecting in its quality adjustment. Age adjustments are not warranted as they are reflected under condition. Lot sizes are taken from MLS information and may differ from other sources. Adjustments reflect contributory value rather than actual costs.

Lakefront adjustments are based on shoreline quality, quanitity, overall size, topography, view, shoreline condition, water clarity, and lake bottom composition. Comparables 1, 2, 3, and 6 have superior privately owned shoreline, adjustments are made accordingly. Comparables 4 and 5 have similar shared deeded access like subject and no adjustments are warranted.
The GLA for comparables was verified with county records, and may differ from MLS or other sources. GLA was taken from "1st Floor Area SF" and not "Heated SF". The "Heated SF" may include garage and/or basement finishing and is not accurate for above grade GLA, which may reflect large discrepancy. It is further verified with county sketch.

In my research for comparables, I used the following parameters: similar arms length sales, within 7 mile radius, on similar waterfront sites, and within past year. Due to limited number of sales in area similar to subject, sales with different designs and bedroom counts were used, and there is a difference of greater than 10% in GLA for some comparables. Bedroom count adjustments are not warranted as they are reflected in overall GLA. The subject conforms to the area. This does not adversely affect marketability. Buyers in this market consider these homes to have same appeal as subject and be direct competition.
28418 Cliffwood Road sold within past year but was not considered as a comparable due to it's smaller GLA, inferior in updates and in need of some repairs.

GLA Adjustments
Adjustments for GLA were made at $30 per square foot. Bathroom adjustments are based on $2000 per bath and $1000 per half bath above grade. Basement adjustments are based on $10 per square foot and $15 per finished square foot and have been applied to Basement Line 1. The basement adjustments are made on overall size and amount finished and is an off setting adjustment, so somteimes adjustments are not warranted, even if there is a size difference.

All adjustments are derived from market reaction from a typical buyer, market data provided by MLS, and local county assessor data. Adjustments are based on the comparables sales in this report as well as overall market trends and the most appropriate method for the line item being adjusted. These methods include regression analysis, allocation, and paired sales analysis. There is no exact formula to extract an adjustment, the best adjustment that makes the comparables adjusted range within an acceptable range is applied.

Comparable Photos
Some comparable photos contain different seasonal conditions than the subject. This is due to file photos that were personally taken closer to the date of sale and more accurately portray the comparables at the time of their sale. These are a better representation of that comparables since it was taken closer to the date of value. Homes often change after purchase, so this is a more accurate way to represent the comparable. All comparables were driven by and all photos were personally taken by appraiser and are only provided to show compliance to the FNMA/GSE rule that a comparable be inspected from the street. The comparable photos provided are the best photo that could be taken and will not be retaken as compliance has been provided.

Industry Guidelines
Industry guidelines suggest comparable sales be within six months, one mile, and have gross adjustments less than 25%, net adjustments less than 15%, and individual adjustments not exceeding 10%.

Due to limited number of sales durint winter months in this market, it was necessary to exceed the recommended time guideline. The optimum marketing time is May through September, recent sales within 6 months are limited and no additional meaningful comparables could be located. It is common in this area to search up to one year to find the most similar properties. The market is stable, time adjustments are not required.

Due to rural location of subject, scattered nature of similar homes on residential waterfront sites, and to use home sales similar in GLA, lot size, age, and amenities, it was necessary to exceed recommended distance guideline. While some comparables are located across busy roads, they are located in a similar and competing neighborhood with similar support services and commute times as subject. There was no measurable marketability or value difference for these sales being located over the boundary. This does not adversely affect marketability. Location adjustments are not warranted.

Borrower: Krause, James J		File No.: 92278850
Property Address: 28466 Cliffwood Rd		Case No.: 1002095
City: Paynesville	State: MN	Zip: 56362
Lender: Wings Financial Credit Union		

Due to the diversity of improvements, water frontage, and amenities in this market, it was necessary to exceed the recommended adjustment guidelines, including a 15% sales and 20% GLA range. This is typical in this area in order to bracket the subjects features and use the sales that would best support the appraised value. The comparables used in this report were best available to demonstrate current market value and would be considered direct competition to the subject.

These exceptions are typical when appraising in this market. They are not indications of adverse market conditions. An in depth search is performed to find comparables with most similar features and to bracket subject's features. While no one comparable is completely equal to subject, all comparables bracket subject's features. There are no other comparables to provide that in any way would better match the subject or support the appraised value or they would be in this report.

Seller Paid Concessions
Seller paid concessions are only adjusted when they are excessive. Concessions of 0-5% are considered typical and do not warrant adjustment.

EXTRA COMMENTS
In compliance with the Gramm-Leach-Bliley Act (GBLA), we do not disclose an nonpublic personal information about you with anyone for any purpose that is not specifically permitted by law.

We restrict access to nonpublic personal information about you to those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information. Please feel free to call us if you have a question.

The subject is an existing property and may have been appraised by other appraisers in the past. The comparable sales used in this report may have been described slightly differently from appraiser to appraiser in terms of Quality and Condition and other elements. I have physically measured the subject property and have reported the GLA and calculations acordingly (see sketch). I have reported my data sources for the comparable and subject data. I have no knowledge of any other appraisers body or work nor am I privy to any peer and model adjustments and cannot speak to any differences from the Fannie Mae/Freddie CU Score system "Warning(s)" regarding the GLA measurements, quality ratings, condition ratings or any other information versus this report.

This appraiser also cannot speak to the comparable sales data in terms of quality and condition rating, design style interpretation, or adjustments expressed by peers or a statistical model due to the subjective nature and calculation method variations of these categoried within the comparable grid and overall analysis. A comprehensive analysis was performed when determining the GLA adjustment as well as the reconciled value, both of which can be found in the addendum. This appraiser deems the comparable data as well as the adjustments made are the most appropriate for this individual assignment.

DIMENSION LIST ADDENDUM

Borrower: Krause, James J | File No.: 92278850
Property Address: 28466 Cliffwood Rd | Case No.: 1002095
City: Paynesville | State: MN | Zip: 56362
Lender: Wings Financial Credit Union

GROSS BUILDING AREA (GBA)	1,748
GROSS LIVING AREA (GLA)	1,748

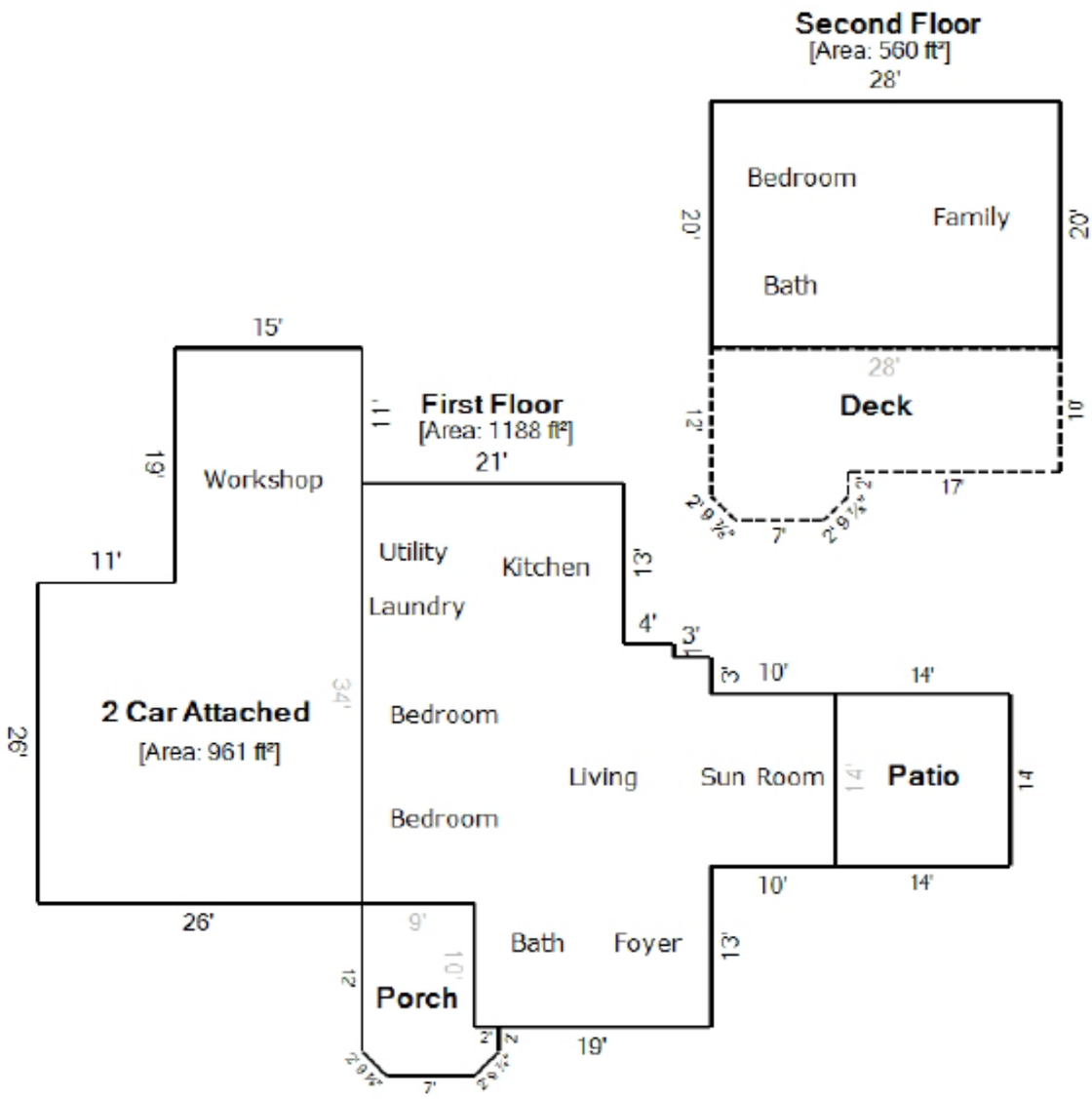
Area(s)	Area	% of GLA	% of GBA
Living	1,748		100.00
Level 1	1,188	67.96	67.96
Level 2	560	32.04	32.04
Level 3	0	0.00	0.00
Other	0	0.00	0.00
GBA			
Basement ☐			
Garage ☐	961		
Other ☐	646		

Area Measurements						Area Type					
Measurements			Factor		Total	Level 1	Level 2	Level 3	Other	Bsmt.	Garage
10.00	x 19.00	x	1.00	=	190.00	X					
10.00	x 14.00	x	1.00	=	140.00	X					
34.00	x 21.00	x	1.00	=	714.00	X					
1.00	x 4.00	x	1.00	=	4.00	X					
20.00	x 7.00	x	1.00	=	140.00	X					
26.00	x 26.00	x	1.00	=	676.00						X
19.00	x 15.00	x	1.00	=	285.00						X
28.00	x 20.00	x	1.00	=	560.00		X				

FLOORPLAN SKETCH

Borrower: Krause, James J		File No.: 92278850
Property Address: 28466 Cliffwood Rd		Case No.: 1002095
City: Paynesville	State: MN	Zip: 56362
Lender: Wings Financial Credit Union		

Sketch



12 ft

Living Area		Area Calculation				
First Floor	1188 ft²	First Floor				x 1.00 = 1188 ft²
Second Floor	560 ft²	☐	10' x	19' x	1.00 =	190 ft²
Nonliving Area		☐	10' x	14' x	1.00 =	140 ft²
2 Car Attached	961 ft²	☐	34' x	21' x	1.00 =	714 ft²
Porch	130 ft²	☐	1' x	4' x	1.00 =	4 ft²
Deck	320 ft²	☐	20' x	7' x	1.00 =	140 ft²
Patio	196 ft²	Second Floor				x 1.00 = 560 ft²
Total Living Area (rounded):	**1748 ft²**	☐	28' x	20' x	1.00 =	560 ft²

SUBJECT PROPERTY PHOTO ADDENDUM

Borrower: Krause, James J		File No.: 92278850
Property Address: 28466 Cliffwood Rd		Case No.: 1002095
City: Paynesville	State: MN	Zip: 56362
Lender: Wings Financial Credit Union		



FRONT VIEW OF
SUBJECT PROPERTY

Appraised Date: April 14, 2025
Appraised Value: $ 415,000



REAR VIEW OF
SUBJECT PROPERTY



STREET SCENE

Borrower: Krause, James J		File No.: 92278850
Property Address: 28466 Cliffwood Rd		Case No.: 1002095
City: Paynesville	State: MN	Zip: 56362
Lender: Wings Financial Credit Union		



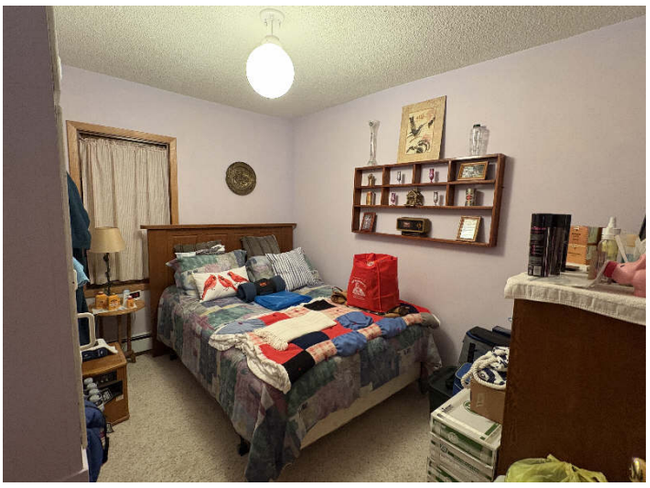
Kitchen



Living



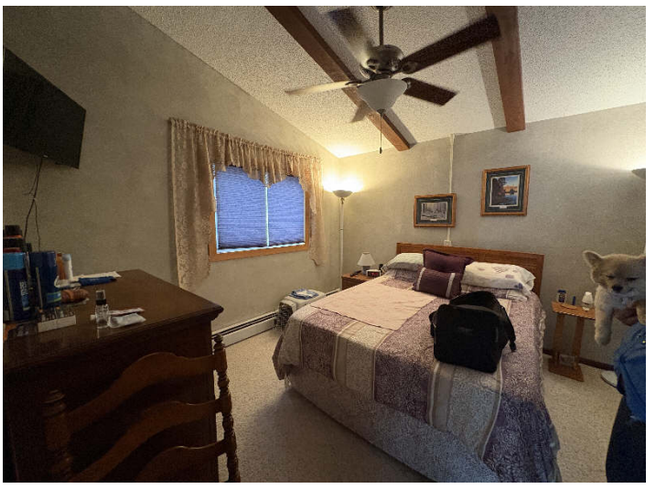
Sun Room



Bedroom



Bedroom



Upper Bedroom

Borrower: Krause, James J		File No.: 92278850
Property Address: 28466 Cliffwood Rd		Case No.: 1002095
City: Paynesville	State: MN	Zip: 56362
Lender: Wings Financial Credit Union		



Upper Family



Bathroom



Upper Bathroom



Laundry / Utility



Garage Interior



Workshop Interior

Borrower: Krause, James J		File No.: 92278850
Property Address: 28466 Cliffwood Rd		Case No.: 1002095
City: Paynesville	State: MN	Zip: 56362
Lender: Wings Financial Credit Union		



Side View



Side View



Lake View



Deeded Access / Shoreline



Additional Street View



Comp 1 MLS Photo

Borrower: Krause, James J		File No.: 92278850
Property Address: 28466 Cliffwood Rd		Case No.: 1002095
City: Paynesville	State: MN	Zip: 56362
Lender: Wings Financial Credit Union		



Comp 2 MLS Photo



Comp 6 MLS Photo

COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: Krause, James J		File No.: 92278850
Property Address: 28466 Cliffwood Rd		Case No.: 1002095
City: Paynesville	State: MN	Zip: 56362
Lender: Wings Financial Credit Union		



COMPARABLE SALE #1

30017 Briorwood Rd
Paynesville, MN 56362
Sale Date: s08/24;c07/24
Sale Price: $ 557,000



COMPARABLE SALE #2

29497 Crest Ridge Rd
Paynesville, MN 56362
Sale Date: s06/24;c06/24
Sale Price: $ 475,000



COMPARABLE SALE #3

15615 Cedar Point Rd
Paynesville, MN 56362
Sale Date: s08/24;c07/24
Sale Price: $ 326,000

COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: Krause, James J		File No.: 92278850
Property Address: 28466 Cliffwood Rd		Case No.: 1002095
City: Paynesville	State: MN	Zip: 56362
Lender: Wings Financial Credit Union		



COMPARABLE SALE #4

19568 Rosemary Ct
Paynesville, MN 56362
Sale Date: s06/24;c05/24
Sale Price: $ 519,900



COMPARABLE SALE #5

18045 Delaware Ln
Paynesville, MN 56362
Sale Date: Active
Sale Price: $ 375,000



COMPARABLE SALE #6

30522 Brentwood Rd
Paynesville, MN 56362
Sale Date: Active
Sale Price: $ 450,000

FLOOD MAP

Borrower: Krause, James J		File No.: 92278850
Property Address: 28466 Cliffwood Rd		Case No.: 1002095
City: Paynesville	State: MN	Zip: 56362
Lender: Wings Financial Credit Union		



FLOOD INFORMATION

Community: Stearns County
Property is NOT in a FEMA Special Flood Hazard Area
Map Number: 27145C0930E
Panel: 27145C0930
Zone: X
Map Date: 02-16-2012
FIPS: 27145
Source: FEMA DFIRM

LEGEND

= FEMA Special Flood Hazard Area – High Risk

= Moderate and Minimal Risk Areas

Road View:

= Forest = Water

Sky Flood™

No representations or warranties to any party concerning the content, accuracy or completeness of this flood report, including any warranty of merchantability or fitness for a particular purpose is implied or provided. Visual scaling factors differ between map layers and are separate from flood zone information at marker location. No liability is accepted to any third party for any use or misuse of this flood map or its data.

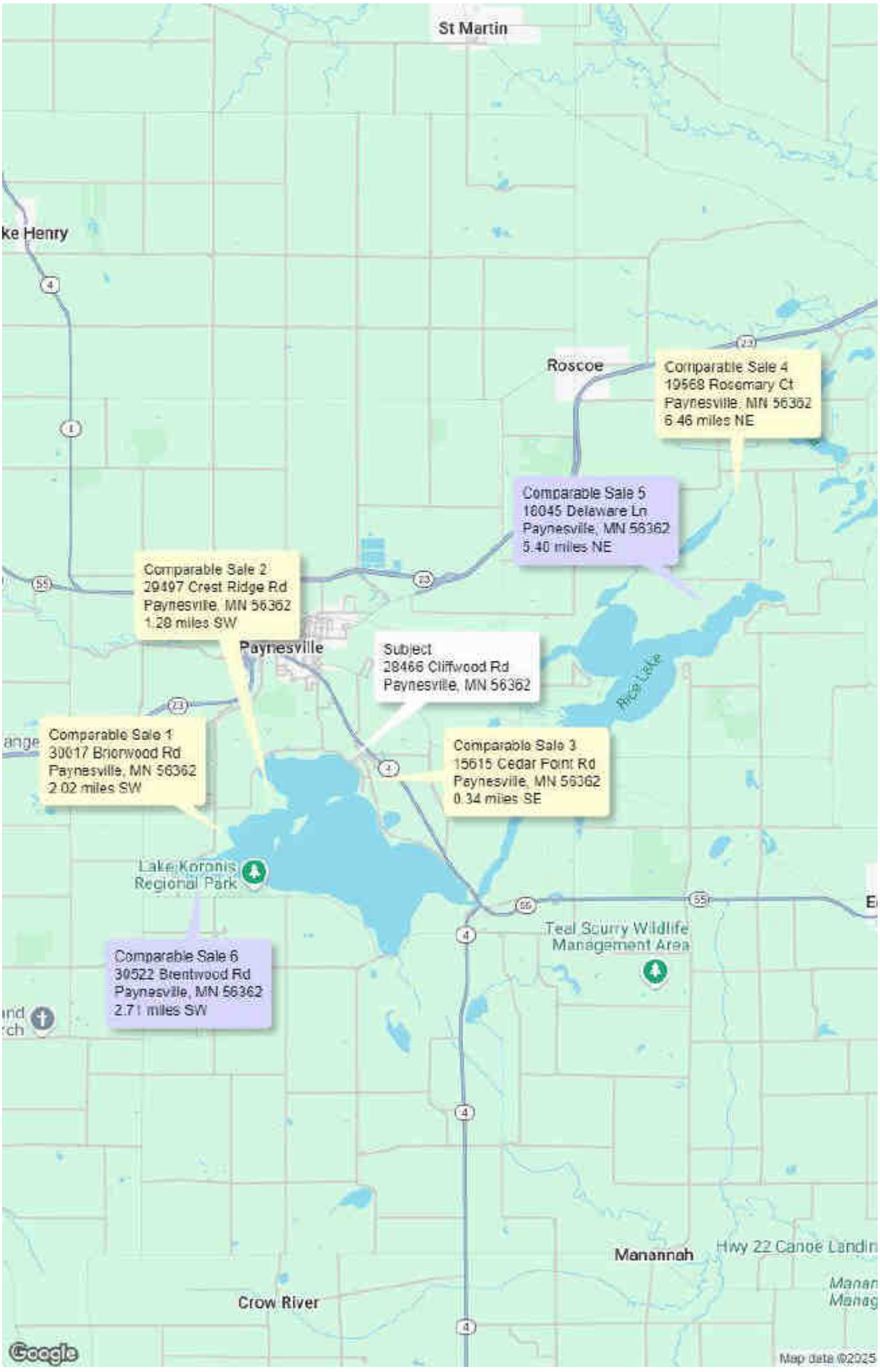
PLAT MAP

Borrower: Krause, James J		File No.: 92278850
Property Address: 28466 Cliffwood Rd		Case No.: 1002095
City: Paynesville	State: MN	Zip: 56362
Lender: Wings Financial Credit Union		



LOCATION MAP

Borrower: Krause, James J		File No.: 92278850
Property Address: 28466 Cliffwood Rd		Case No.: 1002095
City: Paynesville	State: MN	Zip: 56362
Lender: Wings Financial Credit Union		



AERIAL MAP

Borrower: Krause, James J		File No.: 92278850
Property Address: 28466 Cliffwood Rd		Case No.: 1002095
City: Paynesville	State: MN	Zip: 56362
Lender: Wings Financial Credit Union		



1002095

USPAP ADDENDUM

File No. 92278850

Borrower: Krause, James J
Property Address: 28466 Cliffwood Rd
City: Paynesville County: Stearns State: MN Zip Code: 56362
Lender: Wings Financial Credit Union

APPRAISAL AND REPORT IDENTIFICATION

This report was prepared under the following USPAP reporting option:

- [X] Appraisal Report — A written report prepared under Standards Rule 2-2(a).
- [ ] Restricted Appraisal Report — A written report prepared under Standards Rule 2-2(b).

Reasonable Exposure Time

My opinion of a reasonable exposure time for the subject property at the market value stated in this report is: 0-3 Months

Additional Certifications

- [X] 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.
- [ ] 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.

Additional Comments

APPRAISER:

Signature:
Name: Becky Lyn Storms
Date Signed: 04/14/2025
State Certification #: 20319960
or State License #:
or Other (describe): State #:
State: MN
Expiration Date of Certification or License: 08/31/2025
Effective Date of Appraisal: April 14, 2025

SUPERVISORY APPRAISER (only if required):

Signature:
Name:
Date Signed:
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

Borrower: Krause, James J		File No.: 92278850
Property Address: 28466 Cliffwood Rd		Case No.: 1002095
City: Paynesville	State: MN	Zip: 56362
Lender: Wings Financial Credit Union		

STATE OF MINNESOTA

BECKY LYN STORMS
[redacted]

Department of Commerce

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

BECKY LYN STORMS

[redacted]

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: 20319960

unless this authority is suspended, revoked, or otherwise legally terminated. This license shall be in effect until August 31, 2025.

IN TESTIMONY WHEREOF, I have hereunto set my hand this July 03, 2023.

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.

R25-003750 / 254-00115

Market Conditions Addendum to the Appraisal Report

1002095
File No. 92278850

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 28466 Cliffwood Rd City Paynesville State MN Zip Code 56362

Borrower Krause, James J

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)	7	0	0	☐ Increasing	☒ Stable	☐ Declining
Absorption Rate (Total Sales/Months)	1.17	0.00	0.00	☐ Increasing	☒ Stable	☐ Declining
Total # of Comparable Active Listings	NA	NA	2	☐ Declining	☐ Stable	☐ Increasing
Months of Housing Supply (Total Listings/Ab.Rate)	NA	NA	0.00	☐ 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	518,000	0	0	☐ Increasing	☒ Stable	☐ Declining
Median Comparable Sales Days on Market	10	0	0	☐ Declining	☒ Stable	☐ Increasing
Median Comparable List Price	NA	NA	412,500	☐ Increasing	☐ Stable	☐ Declining
Median Comparable Listings Days on Market	NA	NA	47	☐ Declining	☐ Stable	☐ Increasing
Median Sale Price as % of List Price	100.00%	0.00%	0.00%	☐ 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.).

Sellers are receiving 95-105% of asking price. Financing at the present time is readily available from a variety of sources, which benefits both potential buyers and sellers. Seller concession trends are typically 0-5% and appear to be stable in the past 12 months. The current MLS system does not have sufficient information for the grayed areas above, therefore appraiser is unable to determine. Market trends have been stable over past 12 months and are predicted to remain stable.

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).

Bank owned properties do not have a major influence on this market. The properties that do go into foreclosure are quickly absorbed into the market.

Cite data sources for above information. Northstar MLS

Summarize the above information as support for your conclusions in the Neighborhood section of the appraisal report form. If you used any additional information, such as an analysis of pending sales and/or expired and withdrawn listings, to formulate your conclusions, provide both an explanation and support for your conclusions.

The parameters used for above search was similar homes in this market. The market tends to soften during the winter months, as evident by the number of sales and listings above. The optimum marketing time is May through September. The "average" was used as the MLS does not provided "median". Trend analysis is signifcantly less meaningful for small data sets.

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

APPRAISER

Signature _____
Name Becky Lyn Storms
Company Name First American Staff Appraisals
Company Address 4795 Regent Blvd
Irving, TX 75063
State License/Certification # 20319960 State MN
Email Address staffvaluations@firstam.com

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature _____
Name _____
Company Name _____
Company Address _____
_____
State License/Certification # _____ State _____
Email Address _____

Borrower: Krause, James J		File No.:	92278850
Property Address: 28466 Cliffwood Rd		Case No.:	1002095
City: Paynesville	State: MN	Zip:	56362
Lender: Wings Financial Credit Union			

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 04/07/2025

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
633 W. 5th Street, Suite 1200
Los Angeles, CA 90071

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

CN106027701-STND-GAWUP-24- Gen

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

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Hartford Fire Insurance Company	19682
INSURER B : N/A	N/A
INSURER C : Hartford Accident & Indemnity Co.	22357
INSURER D : Twin City Fire Insurance Company	29459
INSURER E : AIG Specialty Insurance Company	26883
INSURER F :	

COVERAGES **CERTIFICATE NUMBER:** LOS-002431848-25 **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	06/01/2024	06/01/2025	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	06/01/2024	06/01/2025	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)	06/01/2024	06/01/2025	X PER STATUTE OTH-ER	
D	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N: N	N/A		72WBRR32914 (WI)	06/01/2024	06/01/2025	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			066855740	06/01/2024	09/01/2025	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

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Errors - These items must be corrected to receive a "pass".

- 1004_05UAD - REPORT - The ANSI exception code was entered indicating that the appraiser is unable to adhere to the ANSI standard for measuring, calculating, and reporting GLA and non-GLA areas of the subject property. As a result, detailed comments must be provided explaining why compliance was not possible.
- 1004_05UAD - REPORT - Photos/Maps/Images - All Photos/Maps/Images must be labeled. All Photo/Map/Image Labels must have images.
  ☐ The appraiser acknowledges that this rule is not applicable to the report or is addressed in the body of the report.

Warnings - These items may be incorrect and require your review.

- 1004_05UAD - SALES COMPARABLE(S) #3, 4, 5, 6 - Quality Adjustment - is greater than 0 (zero). Comment required.
- 1004_05UAD - SALES COMPARABLE(S) #3, 4, 5 - Condition Adjustment - is greater than 0 (zero). Comment required.