File No. 1025 - Complete

APPRAISAL OF



LOCATED AT:

12N Renshaw Place
Palm Coast, FL 32164-1234

FOR:

CITIBANK NA
123-4 Main Street Suite 100
Palm Coast, FL 32137

BORROWER:

Billy Borrower

AS OF:

August 29, 2013

BY:

Joe Appraiser

Appraisal Company, Inc.

Small Residential Income Property Appraisal Report

File No. 1025 - Complete

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 12N Renshaw Place | City Palm Coast | State FL | Zip Code 32164-1234

Borrower Billy Borrower | Owner of Public Record Ollie Owner | County Flagler

Legal Description Lot 48, Block 73, Section 44, Palm Coast

Assessor's Parcel # 07-11-42-6044-00730-00480 | Tax Year 2010 | R.E. Taxes $ 1,000

Neighborhood Name Lehigh Woods | Map Reference MSA# 39300 | Census Tract 0602.02

Occupant [X] Owner [ ] Tenant [ ] Vacant | Special Assessments $ 0 [ ] PUD HOA $ [ ] per year [X] per month

Property Rights Appraised [ ] Fee Simple [X] Leasehold [ ] Other (describe)

Assignment Type [X] Purchase Transaction [ ] Refinance Transaction [ ] Other (describe) servicing

Lender/Client CITIBANK NA | Address 123-4 Main Street Suite 100, Palm Coast, FL 32137

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). DOM 135;Had an expired offering as of 09/07/2010 for 260,000. The reference number is as provided by FCAR, days on market is 30.Had a price change as of 07/15/2010 for 299,999.

CONTRACT

I [X] 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.

comments

Contract Price $ 220,000 | Date of Contract 08/29/2013 | Is the property seller the owner of public record? [X] Yes [ ] No | Data Source(s) Public Records

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? [X] Yes [ ] No

If Yes, report the total dollar amount and describe the items to be paid. $2,000 toward closing costs

NEIGHBORHOOD

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

Neighborhood Characteristics				2-4 Unit Housing Trends				2-4 Unit Housing		Present Land Use %	
Location	[ ] Urban	[X] Suburban	[ ] Rural	Property Values	[ ] Increasing	[ ] Stable	[ ] Declining	PRICE	AGE	One-Unit	70 %
Built-Up	[ ] Over 75%	[X] 25-75%	[ ] Under 25%	Demand/Supply	[ ] Shortage	[X] In Balance	[ ] Over Supply	$(000)	(yrs)	2-4 Unit	10 %
Growth	[ ] Rapid	[ ] Stable	[X] Slow	Marketing Time	[ ] Under 3 mths	[ ] 3-6 mths	[X] Over 6 mths	100 Low	0	Multi-Family	0 %
Neighborhood Boundaries	North, South, East, West							280 High	50	Commercial	0 %
								220 Pred.	35	Other Vacant	20 %

Neighborhood Description The subject neighborhood is mostly comprised of single story, stucco on block dwellings between 1,500 and 1,800 square feet that are, for the most part, well maintained with effective ages somewhat less than actual ages. Most homes are of average quality materials and display a high level of conformity and compatibility. Convenient location and good local school system. HOA

Market Conditions (including support for the above conclusions) Seller financing is virtually nonexistent, although downpayment assistance from community or government programs of a few thousand dollars are not uncommon. MLS records indicate an average market time of about 160 days, which is considered a reasonable exposure time for the subject.

SITE

Dimensions 80 x 125 | Area 10000 | Shape irregular | View N;Res;

Specific Zoning Classification none | Zoning Description Single unit only, minimum lot size 10,000 sq. ft.

Zoning Compliance [ ] Legal [ ] Legal Nonconforming (Grandfathered Use) [X] 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. Given present zoning and demand, highest and best use is limited to single unit and the present use is the most practical use. Additional commentary.

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

FEMA Special Flood Hazard Area [X] Yes [ ] No | FEMA Flood Zone H | FEMA Map # 12342 | FEMA Map Date 12/31/2010

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.)? [X] Yes [ ] No If Yes, describe. comments

IMPROVEMENTS

GENERAL DESCRIPTION	FOUNDATION	EXTERIOR DESCRIPTION materials/condition	INTERIOR materials/condition
Units [ ] Two [X] Three [ ] Four	[ ] Concrete Slab [ ] Crawl Space	Foundation Walls Concrete/typical	Floors Cpt&viny/ltypical
[X] Accessory Unit (describe below)	[X] Full Basement [ ] Partial Basement	Exterior Walls CBS/unknown	Walls Drywall/typical
# of Stories 5 # of bldgs. 3	Basement Area 1,000 sq. ft.	Roof Surface Comp. sh./typical	Trim/Finish Wood/typical
Type [ ] Det. [X] Att. [ ] S-Det./End Unit	Basement Finish 50 %	Gutters & Downspouts alum/typical	Bath Floor Vinyl/typical
[X] Existing [ ] Proposed [ ] Under Const.	[ ] Outside Entry/Exit [ ] Sump Pump	Window Type Alum. SH/Typical	Bath Wainscot Fglass/typical
Design (Style) Colonial / Attach	Evidence of [ ] Infestation	Storm Sash/Insulated Ins. glass/typical	Car Storage
Year Built 2012	[ ] Dampness [ ] Settlement	Screens yes/typical	[X] None
Effective Age (Yrs) 1	Heating/Cooling	Amenities	[ ] Driveway # of Cars 0
Attic [ ] None	[X] FWA [ ] HWBB [ ] Radiant	[ ] Fireplace(s) # 0 [ ] WoodStove(s) # 0	Driveway Surface none
[ ] Drop Stair [ ] Stairs	[ ] Other Fuel Electric	[ ] Patio/Deck none [ ] Fence 0	[ ] Garage # of Cars 0
[ ] Floor [X] Scuttle	[X] Central Air Conditioning	[X] Pool above [ ] Porch 0	[ ] Carport # of Cars 0
[ ] Finished [ ] Heated	[ ] Individual [ ] Other	[ ] Other 0	[ ] Att. [ ] Det. [ ] Built-in

# of Appliances	Refrigerator	Range/Oven	Dishwasher	Disposal	Microwave	Washer/Dryer	Other (describe)

Unit # 1 contains:	9 Rooms	3 Bedroom(s)	2 Bath(s)	1,100	Square feet of Gross Living Area
Unit # 2 contains:	9 Rooms	3 Bedroom(s)	2 Bath(s)	1,100	Square feet of Gross Living Area
Unit # 3 contains:	9 Rooms	3 Bedroom(s)	2 Bath(s)	1,100	Square feet of Gross Living Area
Unit # 4 contains:	Rooms	Bedroom(s)	Bath(s)		Square feet of Gross Living Area

Additional features (special energy efficient items, etc.). Covered entry porch, vaulted ceilings in LR and MBR, large tub and shower in master bath, glass block windows in master bath, automatic garage door opener, laundry tub in garage.

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). C3;No updates in the prior 15 years;Overall condition is acceptable and consistent with that typically found in a well-maintained, five-year-old dwelling. The subject improvements appear to be properly constructed of materials and finish that are acceptable in this market and price range. No significant remodeling or renovation has taken place and none would be expected given the age of the dwelling.

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IMPROVEMENTS

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? ☐ Yes ☒ No If Yes, describe While no physical deficiencies or adverse conditions that affect livability, soundness or structural integrity were noted, such items are generally beyond the expertise of the appraiser. Issues of soundness and structural integrity are often related to areas that are hidden from the appraiser's view. See limiting condition #5 and comments on page three related to appraiser's definition of "complete visual inspection."

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? ☒ Yes ☐ No If No, describe Functional utility is acceptable, with adequately sized rooms, ample closet space and an efficient layout. Although the property has been vacant for the last six months, the condition has not been adversely affected.

Is the property subject to rent control? ☐ Yes ☒ No If Yes, describe

COMPARABLE RENTAL DATA

The following properties represent the most current, similar, and proximate comparable rental properties to the subject property. This analysis is intended to support the opinion of the market rent for the subject property.

FEATURE	SUBJECT	COMPARABLE RENTAL NO. 1	COMPARABLE RENTAL NO. 2	COMPARABLE RENTAL NO. 3
	12N Renshaw Palce	4 Wren Place	2 Wren Place	3 Wren Place
Address	Palm Coast, FL 32164-1234	Palm Coast	Palm Coast	Palm Coast
Proximity to Subject		2.07 miles SE	2.07 miles SE	2.07 miles SE
Current Monthly Rent	$ 3,000	$ 3,000	$ 3,000	$ 2,000
Rent/Gross Bldg. Area	$ 0.68 sq. ft.	$ 0.68 sq. ft.	$ 0.91 sq. ft.	$ 0.61 sq. ft.
Rent Control	☒ Yes ☐ No	☒ Yes ☐ No	☒ Yes ☐ No	☒ Yes ☐ No
Data Source(s)	MLS	MLS1234	MLS	MLS1234
Date of Lease(s)	04/1/2012	04/17/2012	04/17/2012	04/17/2012
Location	B;Res;	Here	Here	Here
Actual Age	6+/- Years	2	2	2
Condition	Good	Good	Good	Good
Gross Building Area	4400 sf	4,400	3,300	3,300

Unit Breakdown	Rm Count Tot	Br	Ba	Size Sq. Ft.	Monthly Rent
SUBJECT					
Unit # 1	9	3	2	1,100	
Unit # 2	9	3	2	1,100	
Unit # 3	9	3	2	1,100	
Unit # 4					
COMPARABLE RENTAL NO. 1					
Unit # 1	7	3	2.0	1,655	$ 1,000
Unit # 2	7	3	2.0	1,655	$ 1,000
Unit # 3	7	3	2	1,655	$ 1,000
Unit # 4					$
COMPARABLE RENTAL NO. 2					
Unit # 1	7	3	2.0	1,655	$ 1,000
Unit # 2	7	3	2.0	1,655	$ 1,000
Unit # 3	7	3	2.0	1,655	$ 1,000
Unit # 4	7	3	2.0	1,655	$
COMPARABLE RENTAL NO. 3					
Unit # 1	7	3	2.0	1,655	$ 1,000
Unit # 2	7	3	2.0	1,655	$ 1,000
Unit # 3					$
Unit # 4					$
Utilities Included	Elec				

Analysis of rental data and support for estimated market rents for the individual subject units reported below (including the adequacy of the comparables, rental concessions, etc.)

Analysis unknown at this time.

SUBJECT RENT SCHEDULE

Rent Schedule: The appraiser must reconcile the applicable indicated monthly market rents to provide an opinion of the market rent for each unit in the subject property.

	Leases		Actual Rents			Opinion Of Market Rent		
	Lease Date		Per Unit		Total	Per Unit		Total
Unit #	Begin Date	End Date	Unfurnished	Furnished	Rents	Unfurnished	Furnished	Rents
1	04/17/2012	04/17/2013	$ 1,000	$ 1,200	$ 1,000	$ 1,100	$ 1,300	$ 1,000
2	M/M	M/M	1,000	1,200	1,000	1,100	1,300	1,100
3	04/17/2012	04/17/2013	1,000	1,200	1,000	1,100	1,300	1,100
4								

Comment on lease data: comment

Total Actual Monthly Rent	$ 3,000	Total Gross Monthly Rent	$ 3,200
Other Monthly Income (itemize)	$	Other Monthly Income (itemize)	$
Total Actual Monthly Income	$ 3,000	Total Estimated Monthly Income	$ 3,200

Utilities included in estimated rents ☒ Electric ☐ Water ☐ Sewer ☐ Gas ☐ Oil ☐ Cable ☒ Trash collection ☐ Other (describe)

Comments on actual or estimated rents and other monthly income (including personal property) comments

PRIOR SALE HISTORY

I ☒ did ☐ did not research the sale or transfer history of the subject property and comparable sales. If not, explain comments

My research ☐ 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) MLS and County records

My research ☐ 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) MLS and County records

Report the results of the research and analysis of the prior sale history of the subject property and comparable sales (report additional prior sales on page 4).

ITEM	SUBJECT	COMPARABLE SALE NO. 1	COMPARABLE SALE NO. 2	COMPARABLE SALE NO. 3
Date of Prior Sale/Transfer		06/09/2011		
Price of Prior Sale/Transfer		2,000,000		
Data Source(s)	County Records	County Records		FCAR #222222290
Effective Date of Data Source(s)	06/09/2011	06/09/2011	06/09/2011	06/09/2011

Analysis of prior sale history for the subject property and comparable sales The prior sales history of the subject and comparable sales revealed nothing other than what appear to be arm's length transactions at sales prices consistent with competing properties. The local MLS and county records were used as the primary source for the above prior sales data.

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There are 106 comparable properties currently offered for sale in the subject neighborhood ranging in price from $ 100,000 to $ 280,000 .

There are 56 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from $ 100,000 to $ 280,000 .

SALES COMPARISON APPROACH

FEATURE	SUBJECT	COMPARABLE SALE NO. 1		COMPARABLE SALE NO. 2		COMPARABLE SALE NO. 3	
Address	12N Renshaw Place Palm Coast, FL 32164-1234	111111 Mill St. Palm Coast, FL 32164-1234		888888 Mill St. Palm Coast, FL 32164		444444 Barn Rd Palm Coast, FL 32164	
Proximity to Subject		2.07 miles SE		2.07 miles SE		2.07 miles SE	
Sale Price	$ 220,000		$ 200,000		$ 220,000		$ 230,000
Sale Price/Gross Bldg. Area	$ 50.00 sq. ft	$ 45.45 sq. ft		$ 50.00 sq. ft		$ 52.27 sq. ft	
Gross Monthly Rent	$ 3,000	$ 2,200		$ 2,200		$ 2,200	
Gross Rent Multiplier	73.33	90.91		100.00		104.55	
Price Per Unit	$ 73,333	$ 100,000		$ 110,000		$ 115,000	
Price Per Room	$ 8,148	$ 14,286		$ 15,714		$ 16,429	
Price Per Bedroom	$ 24,444	$ 33,333		$ 36,667		$ 38,333	
Rent Control	☐ Yes ☒ No	☐ Yes ☒ No		☐ Yes ☒ No		☐ Yes ☒ No	
Data Source(s)		FCAR #45678912;DOM 145		FCAR #45678912;DOM 145		FCAR #222222290;DOM 109	
Verification Source(s)		Public Records		Public Records		Public Records	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) Adjustment	DESCRIPTION	+(-) Adjustment	DESCRIPTION	+(-) Adjustment
Sale or Financing	2000	None		FHA	0	CONV	
Concessions		None		Cash;0	0	Conv;0	
Date of Sale/Time	08/29/2013	s05/13;c03/13	0	5/13/2013	0	05/01/2013	
Location	B;Res;	**N;RES;**	0	N;Res;		N;Res;	
Leasehold/Fee Simple	Leasehold	Leasehold		Leasehold		Leasehold	
Site	10000 sf	10000 sf		10500 sf	0	10000 sf	
View	N;Res;	N;Woods;		N;Woods;		N;Woods;	
Design (Style)	Colonial / Attach	Ranch		Ranch		Ranch	
Quality of Construction	Q3	Q3		good		Q3	
Actual Age	1	1		1		2	0
Condition	C3	good		C4		C2	
Gross Building Area	4,400	4,400	1,000	4,400	1,000	4,400	1,000
Unit Breakdown	Total / Bdrms. / Baths	Total / Bdrms. / Baths		Total / Bdrms. / Baths		Total / Bdrms. / Baths	
Unit # 1	9 / 3 / 2	7 / 3 / 2.0	-10	7 / 3 / 2.0	-1	7 / 3 / 2.0	-1
Unit # 2	9 / 3 / 2	7 / 3 / 2.0	-10	7 / 3 / 2.0	-1	7 / 3 / 2.0	-1
Unit # 3	9 / 3 / 2		-10				
Unit # 4							
Basement Description	Full/1000 Sq.Ft.	none		None	0	None	
Basement Finished Rooms							
Functional Utility	Acceptable	Something		Acceptable		Acceptable	
Heating/Cooling	FWA C/Air	FWA C/Air	0	FWA C/Air		FWA C/Air	
Energy Efficient Items	Typical	Typical		Typical		Typical	
Parking On/Off Site	None	On-site	-1,000	On-site	-1,000	On-site	-1,000
Porch/Patio/Deck	Sreened Porch	Sreened Porch	0	Open Porch		Sreened Porch	
	Pool						
Net Adjustment (Total)		☐ + ☒ -	$ 30	☐ + ☒ -	$ 2	☐ + ☒ -	$ 2
Adjusted Sale Price of Comparables		Net Adj. 0.0 % Gross Adj. 1.0 %	$ 199,970	Net Adj. 0.0 % Gross Adj. 0.9 %	$ 219,998	Net Adj. 0.0 % Gross Adj. 0.9 %	$ 229,998
Adj. Price Per Unit (Adj. SP Comp / # of Comp Units)		$ 99,985		$ 109,999		$ 114,999	
Adj. Price Per Room ((Adj. SP Comp / # of Comp Rooms)		$ 14,284		$ 15,714		$ 16,428	
Adj. Price Per Bdrm. (Adj. SP Comp / # of Comp Bedrooms)		$ 33,328		$ 36,666		$ 38,333	

Value Per Unit $ 2,500 X 3 Units = $ 7,500 | Value Per GBA $ 40.00 X 4,400 GBA = $ 176,000

Value Per Rm. $ 200 X 27 Rooms = $ 5,400 | Value Per Bdrms. $ 5,000 X 9 Bdrms. = $ 45,000

Summary of Sales Comparison Approach including reconciliation of the above indicators of value. The three closed sales used above were determined to be the most comparable to the subject property. All three sales are highly similar three bedroom models built by same builder as the subject and located in the subject's neighborhood. Adjustments for size, condition and screen porch were derived from previous market analysis. reconciliation $12,

Indicated Value by Sales Comparison Approach $ 220,000

INCOME

Total gross monthly rent $ 3,200 X gross rent multiplier (GRM) 12 = $ 38,400 Indicated value by the Income Approach

Comments on income approach including reconciliation of the GRM Homes in this price range and neighborhood are typically purchased for use and not income. Thus, the income approach lacks rationale and was not developed.

RECONCILIATION

Indicated Value by: Sales Comparison Analysis $ 220,000 Income Approach $ 38,400 Cost Approach (if developed) $

The high quality of the data used in the sales comparison approach demonstrates its viability as the best value indicator, with the cost approach in a strong supporting role. As indicated on page three, the income approach to value was not developed.

This appraisal is made ☒ "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: comments

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 $ 220,000 as of 08/29/2013 , which is the date of inspection and the effective date of this appraisal.

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ADDITIONAL COMMENTS

Expanded Scope of WOrk and Additional Certifications Clarification of Intended Use and Intended User:
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.

Clarification of the term "complete visual inspection":
Certification #2 on page 5 of this report states that the appraiser has performed a "complete visual inspection" of the property. It should be understood that the "complete visual inspection" was performed within the context of the intended use and intended user identified on page 4 and clarified above. That is, the appraiser's inspection of the property is for valuation purposes only and is strictly for the purpose of assisting the lender/client (and only the lender/client) in evaluating the property for a mortgage finance transaction.

The appraiser's inspection of the property was limited to what was readily observable without moving furniture, floor coverings or personal property. Unless otherwise stated, the appraiser did not view attics, crawlspaces or any other area that would involve the use of ladders or special equipment. The appraiser's viewing of the property was limited to surface areas only and can often be compromised by landscaping, placement of personal property or even weather conditions. Most importantly, the appraiser's inspection of the property is far different from and much less intensive than the type of inspections performed to discover property defects. The appraiser is not a home inspector, building contractor, pest control specialist or structural engineer. An appraisal is not a substitute for a home inspection or an inspection by a qualified expert in determining issues such as, but not limited to, foundation settlement or stability , moisture problems, wood destroying (or other) insects, rodents or pests, radon gas or lead-based paint. The client is invited and encouraged to employ the services of appropriate experts to address any area of concern.

predominant value

Use of Cost Approach for Insurance Purposes:
Replacement cost figures used in developing the cost approach are for valuation purposes only. No one, client or third party, should rely on these figures for insurance purposes. The definition of "market value" on page four of this form is not consistent with definitions of "insurable value." Actual reconstruction costs can easily exceed the replacement cost figures used in this appraisal.

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) comments

ESTIMATED ☐ REPRODUCTION OR ☐ REPLACEMENT COST NEW	OPINION OF SITE VALUE ..... = $ 51,000
Source of cost data	Dwelling 0 Sq. Ft. @ $ ..... = $ 0
Quality rating from cost service Effective date of cost data	Sq. Ft. @ $ ..... = $
Comments on Cost Approach (gross living area calculations, depreciation, etc.)	
	Garage/Carport Sq. Ft. @ $ ..... = $
	Total Estimate of Cost-New ..... = $ 0
	Less 50 Physical / Functional / External
	Depreciation = $ (0)
	Depreciated Cost of Improvements ..... = $ 0
	"As-is" Value of Site Improvements ..... = $
Estimated Remaining Economic Life (HUD and VA only) 49 Years	INDICATED VALUE BY COST APPROACH ..... = $

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.

This report form is designed to report an appraisal of a two- to four-unit property, including a two- to four-unit property in a planned unit development (PUD). A two- to four-unit property located in either a condominium or cooperative project requires the appraiser to inspect the project and complete the project information section of the Individual Condominium Unit Appraisal Report or the Individual Cooperative Interest Appraisal Report and attach it as an addendum to this report.

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, including each of the units. 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, including all units. 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 and income approaches to value. I have adequate market data to develop reliable sales comparison and income approaches to value for this appraisal assignment. I further certify that I considered the cost approach to value but did not develop it, 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).

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 Joe Appraiser
Company Name Appraisals
Company Address 5 Main Street Downtown
Palm Coast, FL 32137
Telephone Number 800-123-1234
Email Address joe@appraisal.com
Date of Signature and Report 10/01/2013
Effective Date of Appraisal 08/29/2013
State Certification # RD000
or State License # _____
or Other (describe) _____ State # _____
State FL
Expiration Date of Certification or License 11/30/2022

ADDRESS OF PROPERTY APPRAISED
12N Renshaw Place
Palm Coast, FL 32164-1234

APPRAISED VALUE OF SUBJECT PROPERTY $ 220,000

LENDER/CLIENT
Name No AMC
Company Name CITIBANK NA
Company Address 123-4 Main Street Suite 100
Palm Coast, FL 32137
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 _____

ADDENDUM

Borrower: Billy Borrower		File No.: 1025 - Complete
Property Address: 12N Renshaw Place		Case No.:
City: Palm Coast	State: FL	Zip: 32164-1234
Lender: CITIBANK NA		

Twelve Month Listing History of Subject Property
C

Site Comments
FEMA:

Extra Comments
date of sale:

SINGLE FAMILY COMPARABLE RENT SCHEDULE

This form is intended to provide the appraiser with a familiar format to estimate the market rent of the subject property.
Adjustments should be made only for items of significant difference between the comparables and the subject property.

Appraisal Company, Inc. File No. 1025 - Complete

COMPARABLE RENT SCHEDULE

ITEM	SUBJECT	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
Address	12N Renshaw Place Palm Coast,FL 32164-1234						
Proximity to Subject							
Date Lease Begins Date Lease Expires							
Monthly Rental	If Currently Rented: $	$		$		$	
Less: Utilities	$	$		$		$	
Furniture	$	$		$		$	
Adjusted Monthly Rent	$	$		$		$	
Data Source							
RENT ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment
Rent Concessions							
Location/View	B;Res; N;Res;						
Design and Appeal	Colonial / Attach						
Age/Condition	1 C3						
Above Grade Room Count	Total: 9 Bdrms: 3 Baths: 2.00	Total: Bdrms: Baths:		Total: Bdrms: Baths:		Total: Bdrms: Baths:	
Gross Living Area	1,100 Sq. Ft.	Sq. Ft.		Sq. Ft.		Sq. Ft.	
Other (e.g., basement, etc.)	Full/1000 Sq.Ft.						
Other:	Pool						
Net Adj. (total)		☐ + ☐ -	$	☐ + ☐ -	$	☐ + ☐ -	$
Indicated Monthly Market Rent			$		$		$

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

RECONCILIATION

Final Reconciliation of Market Rent:

I (WE) ESTIMATE THE MONTHLY MARKET RENT OF THE SUBJECT AS OF 04/01/2021 TO BE $ 1,100

APPRAISER:

Signature
Name Joe Appraiser
Date Report Signed 10/01/2013
State Certification # RD000 State
Or State License # State FL
Date Property Inspected August 29, 2013

SUPERVISORY APPRAISER (ONLY IF REQUIRED):

Signature
Name
Date Report Signed
State Certification # State
Or State License # State
Date Property Inspected

☐ Did ☐ Did Not Inspect Property

Appraisal Company, Inc.

Market Conditions Addendum to the Appraisal Report

File No. 1025 - Complete

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 12N Renshaw Place City Palm Coast State FL Zip Code 32164-1234

Borrower Billy Borrower

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)	0	0	56	☐ Increasing	☒ Stable	☐ Declining
Absorption Rate (Total Sales/Months)	3.33	6.33	18.67	☐ Increasing	☐ Stable	☒ Declining
Total # of Comparable Active Listings	N/A	N/A	106	☐ Declining	☐ Stable	☒ Increasing
Months of Housing Supply (Total Listings/Ab.Rate)	N/A	N/A	5.68	☐ 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	0	0	200,000	☐ Increasing	☒ Stable	☐ Declining
Median Comparable Sales Days on Market	0	0	180	☐ Declining	☐ Stable	☒ Increasing
Median Comparable List Price	0	0	200,000	☐ Increasing	☐ Stable	☒ Declining
Median Comparable Listings Days on Market	0	0	160	☐ Declining	☐ Stable	☒ Increasing
Median Sale Price as % of List Price	N/A	96.8%	90.1%	☐ 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.).

A review and analysis of MLS data indicates the overall trend for seller concessions has remained at 0-5%.

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).

The local marketis experiencing a more than typical number of foreclosures, resulting in distressed sale prices and overall deflated market values. .60% of listings are of REO properties. Short sales are prevelant.

Cite data sources for above information. MLS records, local realtors and personal knowledge of the local market.

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 above data supports the conclusions in the neighborhood section of the appraisal report. Data was obtained through MLS. It is noted that the statistical data is limited. The total # of active listings cannot be determined for past periods, only current. Therefore, those boxes asking for this data are indicated as N/A. The current active listing data is included.This is a demonstration copy of the 1004 MC

CONDO / CO-OP PROJECTS

If the subject is a unit in a condominium or cooperative project , complete the following: N/A Project Name: N/A

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.

N/A

Summarize the above trends and address the impact on the subject unit and project. N/A

APPRAISER

APPRAISER

Signature _____
Name Joe Appraiser
Company Name Appraisals
Company Address 5 Main Street Downtown
Palm Coast, FL 32137
State License/Certification # RD000 State FL
Email Address joe@appraisal.com

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

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

Operating Income Statement

Appraisal Company, Inc.

One- to Four-Family Investment Property and Two- to Four-Family Owner-Occupied Property — 1025 - Complete

Property Address

12N Renshaw Place	Palm Coast	FL	32164-1234
Street	City	State	Zip Code

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

	Currently Rented		Expiration Date	Current Rent Per Month	Market Rent Per Month
Unit No. 1	Yes	No x	04/17/2013	$ 1,000	$ 1,500
Unit No. 2	Yes x	No	M/M	$ 1,000	$ 1,500
Unit No. 3	Yes x	No	04/17/2013	$ 1,000	$ 1,500
Unit No. 4	Yes	No		$ 1,000	$
Total				$ 4,000	$ 4,500

Utility Expense	Paid By Owner	Paid By Tenant
Electricity	X	
Gas		
Fuel Oil		
Fuel (Other)		
Water/Sewer		
Trash Removal	X	

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

Annual Income and Expense Projection for Next 12 months

Income (Do not include income for owner-occupied units)	By Applicant/Appraiser	Adjustments by Lender's Underwriter
Gross Annual Rental (from unit(s) to be rented)	$ 48,000	$
Other Income (include sources)	+	+
Total	$ 48,000	$
Less Vacancy/Rent Loss	- (%)	- (%)
Effective Gross Income	$ 48,000	$

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

Replacement Reserve Schedule

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

Equipment	Replacement Cost	Remaining Life			By Applicant/ Appraiser	Lender Adjustments
Stoves/Ranges	@$ _____	ea. ÷ _____	Yrs. x _____	Units =$	$ _____	$ _____
Refrigerators	@$ _____	ea. ÷ _____	Yrs. x _____	Units =$	$ _____	$ _____
Dishwashers	@$ _____	ea. ÷ _____	Yrs. x _____	Units =$	$ _____	$ _____
A/C Units	@$ _____	ea. ÷ _____	Yrs. x _____	Units =$	$ _____	$ _____
C. Washer/Dryers	@$ _____	ea. ÷ _____	Yrs. x _____	Units =$	$ _____	$ _____
HW Heaters	@$ _____	ea. ÷ _____	Yrs. x _____	Units =$	$ _____	$ _____
Furnace(s)	@$ _____	ea. ÷ _____	Yrs. x _____	Units =$	$ _____	$ _____
(Other)	@$ _____	ea. ÷ _____	Yrs. x _____	Units =$	$ _____	$ _____
Roof	@$ _____	÷ _____	Yrs. x One Bldg. =		$ _____	$ _____
Carpeting (Wall to Wall)		Remaining Life				
(Units)	_____ Total Sq. Yds. @ $ _____		Per Sq. Yd. ÷ _____	Yrs. =	$ _____	$ _____
(Public Areas)	_____ Total Sq. Yds. @ $ _____		Per Sq. Yd. ÷ _____	Yrs. =	$ _____	$ _____
Total Replacement Reserves. (Enter on Pg. 1)					$ _____	$ _____

Operating Income Reconciliation

$ 48,000.00 (Effective gross Income) - $ _____ (Total Operating Expenses) =$ 48,000.00 (Operating Income) ÷12= $ 4,000.00 (Monthly Operating Income)

$ 4,000.00 (Monthly Operating Income) - $ _____ (Monthly Housing Expenses) =$ 4,000.00 (Net Cash Flow)

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

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

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

Underwriter's instructions for 1-4 Family Investment Properties

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

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

Joe Appraiser (Appraiser Name) _____ (Appraiser Signature) 10/01/2013 (Date)

Underwriter's Comments and Rationale for Adjustments

_____ (Underwriter Name) _____ (Underwriter Signature) _____ (Date)

DIMENSION LIST ADDENDUM

Borrower: Billy Borrower | File No.: 1025 - Complete
Property Address: 12N Renshaw Place | Case No.:
City: Palm Coast | State: FL | Zip: 32164-1234
Lender: CITIBANK NA

GROSS BUILDING AREA (GBA) _____
GROSS LIVING AREA (GLA) _____

Area(s)	Area	% of GLA	% of GBA
Living			
Level 1			
Level 2			
Level 3			
Other			
GBA			
Basement ☐			
Garage ☐			
☐			

Area Measurements				Area Type					
Measurements		Factor	Total	Level 1	Level 2	Level 3	Other	Bsmt.	Garage
_____ x _____	x _____	= _____		☐	☐	☐	☐	☐	☐

SUBJECT PROPERTY PHOTO ADDENDUM

Borrower: Billy Borrower		File No.: 1025 - Complete
Property Address: 12N Renshaw Place		Case No.:
City: Palm Coast	State: FL	Zip: 32164-1234
Lender: CITIBANK NA		



FRONT VIEW OF
SUBJECT PROPERTY

Appraised Date: August 29, 2013
Appraised Value: $ 220,000



REAR VIEW OF
SUBJECT PROPERTY



STREET SCENE

INTERIOR PHOTOS

Borrower: Billy Borrower		File No.: 1025 - Complete
Property Address: 12N Renshaw Place		Case No.:
City: Palm Coast	State: FL	Zip: 32164-1234
Lender: CITIBANK NA		



Kitchen

Comment:



Living Area

Description:

Comment:



Bathroom

Description:

Comment:

COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: Billy Borrower		File No.: 1025 - Complete
Property Address: 12N Renshaw Place		Case No.:
City: Palm Coast	State: FL	Zip: 32164-1234
Lender: CITIBANK NA		



COMPARABLE SALE #1

111111 Mill St.
Palm Coast, FL 32164-1234
Sale Date: s05/13;c03/13
Sale Price: $ 200,000



COMPARABLE SALE #2

888888 Mill St.
Palm Coast, FL 32164
Sale Date: 5/13/2013
Sale Price: $ 220,000



COMPARABLE SALE #3

444444 Barn Rd
Palm Coast, FL 32164
Sale Date: 05/01/2013
Sale Price: $ 230,000

COMPARABLE RENTALS PHOTO ADDENDUM

Borrower: Billy Borrower		File No.: 1025 - Complete
Property Address: 12N Renshaw Place		Case No.:
City: Palm Coast	State: FL	Zip: 32164-1234
Lender: CITIBANK NA		



COMPARABLE RENTAL #1

4 Wren Place
Palm Coast



COMPARABLE RENTAL #2

2 Wren Place
Palm Coast

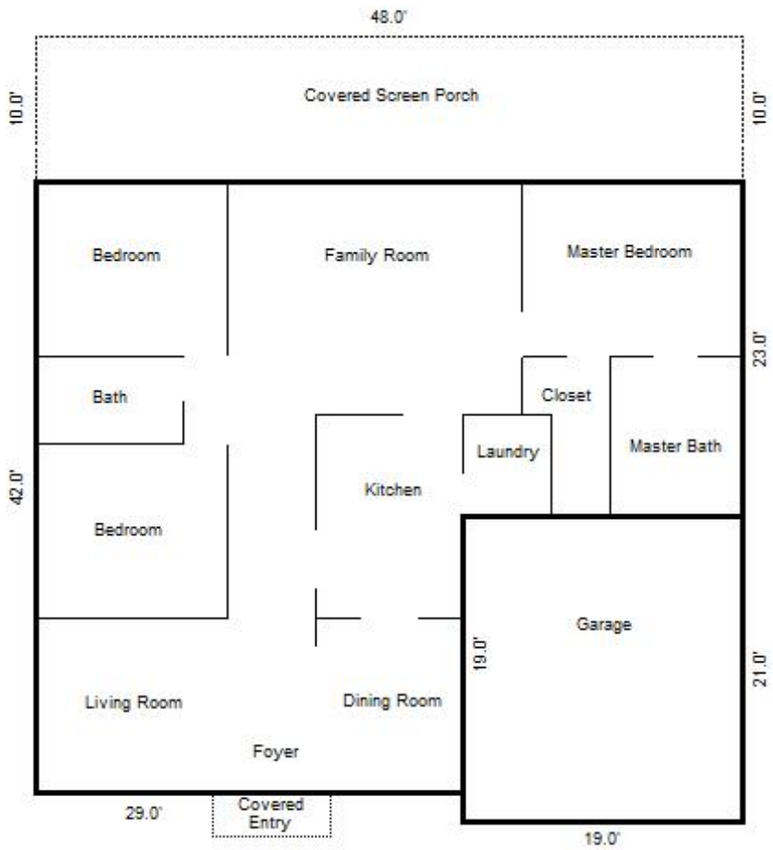


COMPARABLE RENTAL #3

3 Wren Place
Palm Coast

FLOORPLAN SKETCH

Borrower: Billy Borrower	File No.: 1025 - Complete	
Property Address: 12N Renshaw Place	Case No.:	
City: Palm Coast	State: FL	Zip: 32164-1234
Lender: CITIBANK NA		



Sketch by Apex IV™

Comments:

AREA CALCULATIONS SUMMARY

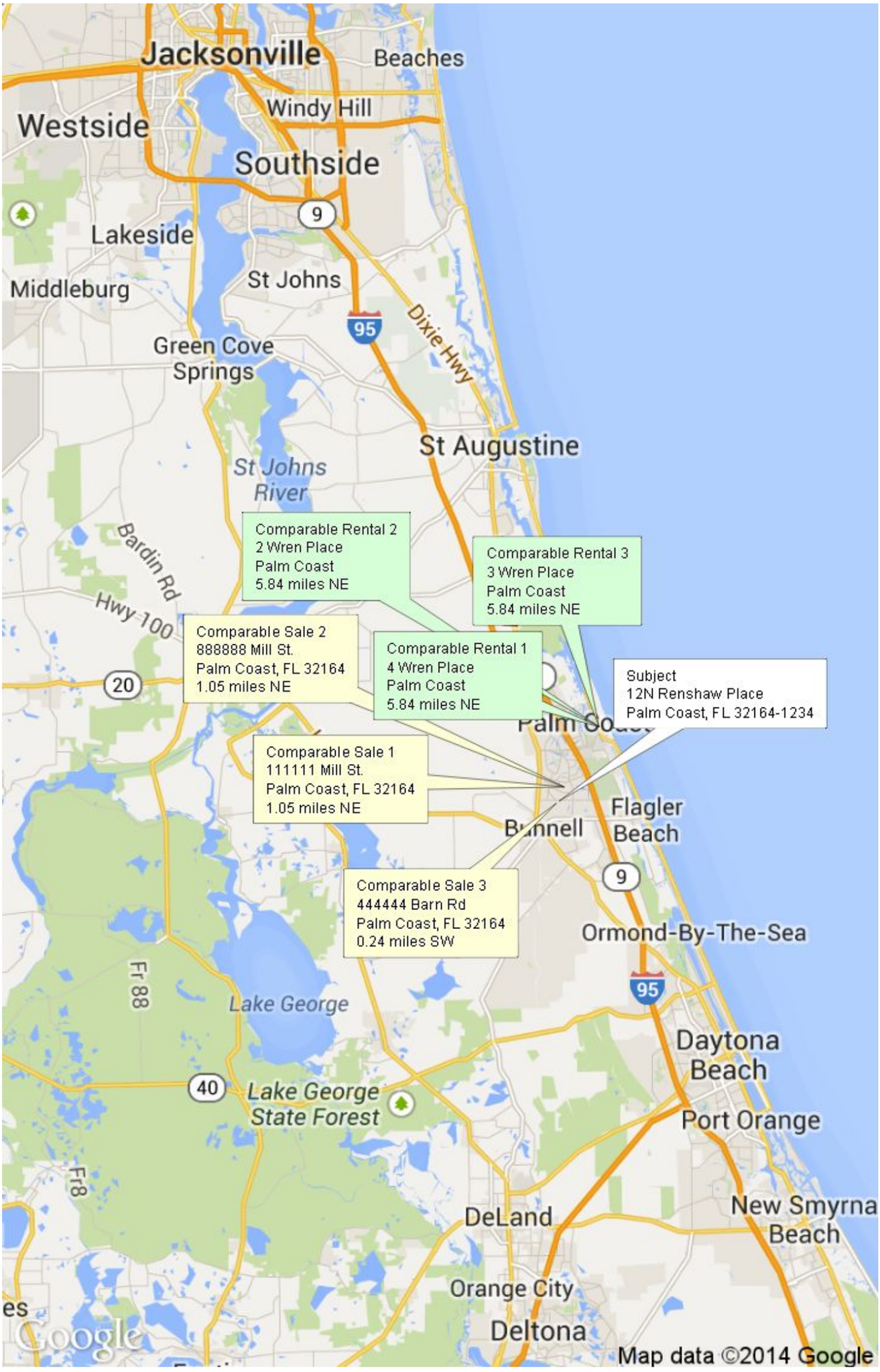
Code	Description	Net Size	Net Totals
GLA1	First Floor	1655.0	1655.0
P/P	Porch	480.0	480.0
GAR	Garage	399.0	399.0
Net LIVABLE Area	(Rounded)		1655

LIVING AREA BREAKDOWN

Breakdown			Subtotals
First Floor			
29.0	x	42.0	1218.0
19.0	x	23.0	437.0
2 Items		(Rounded)	1655

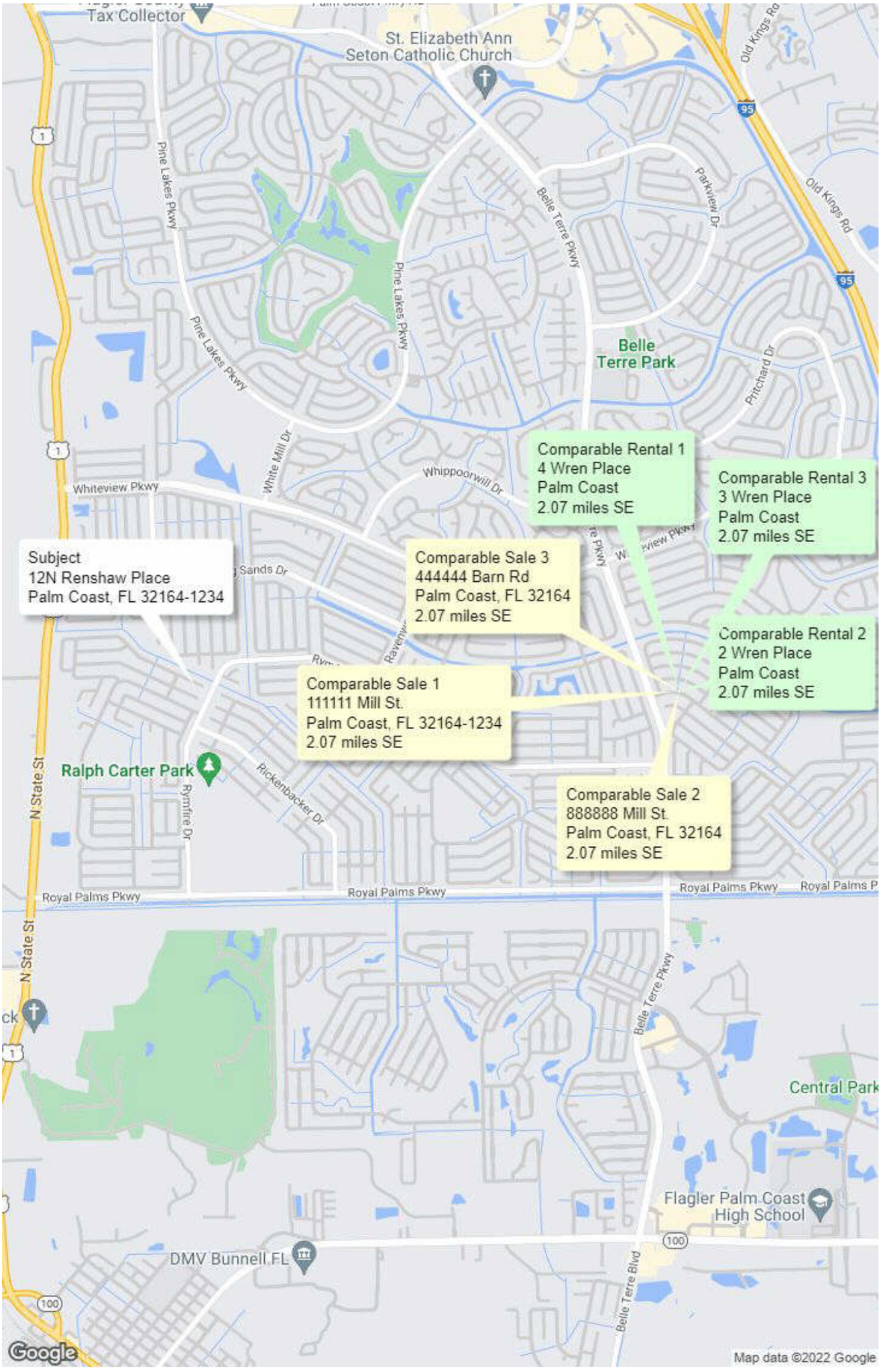
PLAT MAP

Borrower: Billy Borrower		File No.: 1025 - Complete
Property Address: 12N Renshaw Place		Case No.:
City: Palm Coast	State: FL	Zip: 32164-1234
Lender: CITIBANK NA		



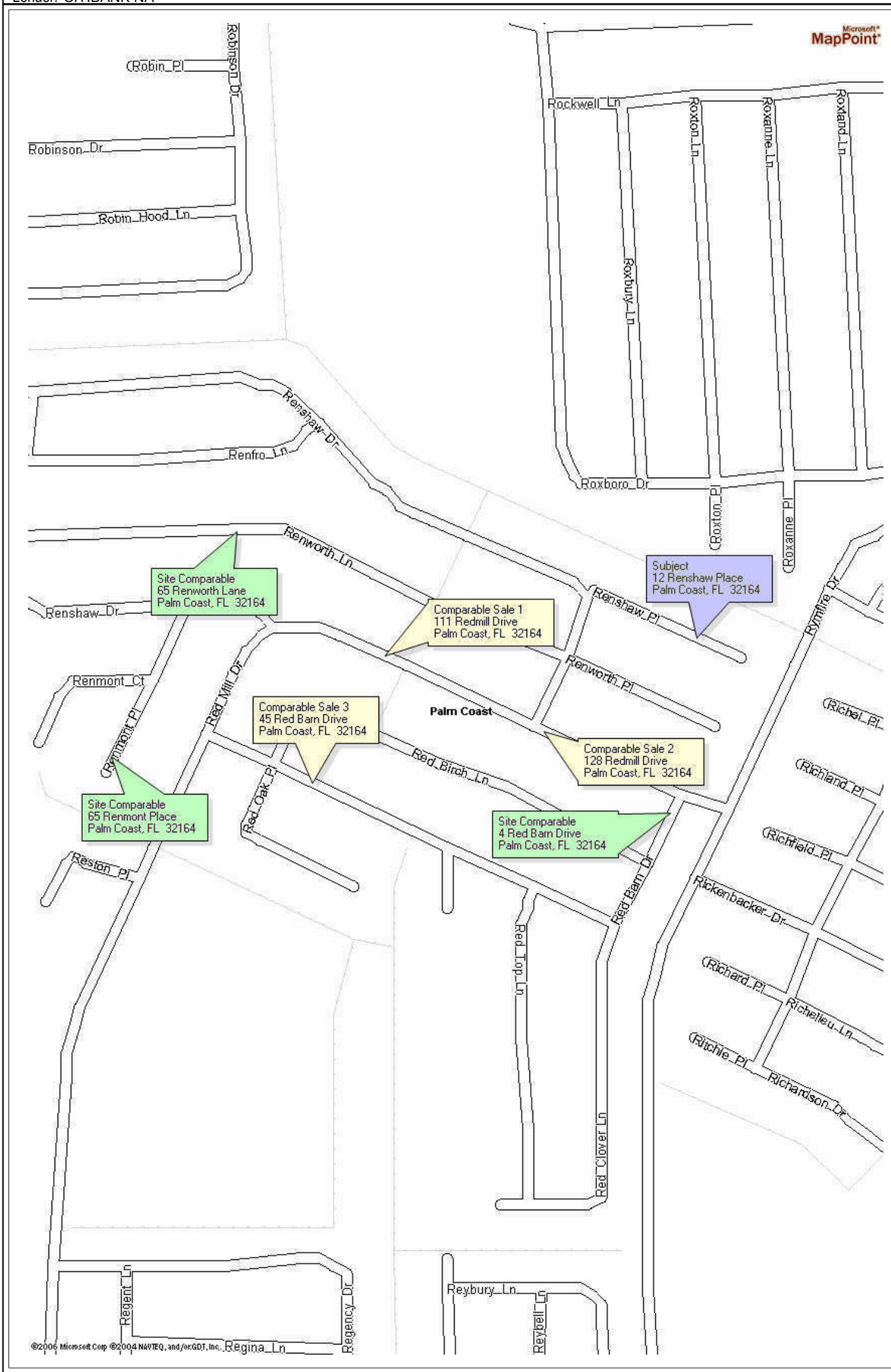
LOCATION MAP

Borrower: Billy Borrower		File No.: 1025 - Complete
Property Address: 12N Renshaw Place		Case No.:
City: Palm Coast	State: FL	Zip: 32164-1234
Lender: CITIBANK NA		



FLOOD MAP

Borrower: Billy Borrower		File No.: 1025 - Complete
Property Address: 12N Renshaw Place		Case No.:
City: Palm Coast	State: FL	Zip: 32164-1234
Lender: CITIBANK NA		



AERIAL MAP

Borrower: Billy Borrower		File No.: 1025 - Complete
Property Address: 12N Renshaw Place		Case No.:
City: Palm Coast	State: FL	Zip: 32164-1234
Lender: CITIBANK NA		



Borrower: Billy Borrower		File No.: 1025 - Complete
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