



**APPRAISAL OF REAL PROPERTY**

**LOCATED AT:**

Sample  
Charlotte, NC 28209-4577  
sample

**FOR:**

Sample

**AS OF:**

June 6, 2008

**BY:**

George Fitzsimmons  
Excel Appraisal Group, LLC  
1346 Saint Julien Street  
Charlotte, NC, 28205

# Individual Condominium Unit Appraisal Report

File # 08103

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	Sample	Unit #	City	Charlotte	State	NC	Zip Code	28209-4577
Borrower	Sample	Owner of Public Record	Sample	County	Mecklenburg			
Legal Description	sample							
Assessor's Parcel #	sample	Tax Year	2008	R.E. Taxes	\$ 1,500 +/- (estimated)			
Project Name	Selwyn Commons	Phase #	one	Map Reference	MLS 5/2	Census Tract	37119-0031.03	
Occupant	<input type="checkbox"/> Owner <input type="checkbox"/> Tenant <input checked="" type="checkbox"/> Vacant	Special Assessments	\$ none known		HOA	\$ 150	<input type="checkbox"/> per year <input checked="" type="checkbox"/> per month	
Property Rights Appraised	<input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Other (describe)							
Assignment Type	<input checked="" type="checkbox"/> Purchase Transaction <input type="checkbox"/> Refinance Transaction <input type="checkbox"/> Other (describe)							
Lender/Client	Sample	Address						
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? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No								
Report data source(s) used, offering price(s), and date(s). Per Carolina Multiple Listing Service (MLS), the subject was offered (pre-conversion) on 11/6/2007 for \$155,000. The sale is currently pending.								

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. The terms of the sale appear typical for the current market. The final contract price is slightly above the list price due to upgrade options.

Contract Price	\$ 159,050	Date of Contract	11/6/2007	Is the property seller the owner of public record?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Data Source(s)	tax 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? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO							
If Yes, report the total dollar amount and describe the items to be paid. n/a							

NEIGHBORHOOD

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

Neighborhood Characteristics		Condominium Unit Housing Trends		Condominium Housing		Present Land Use %	
Location	<input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural	Property Values	<input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	PRICE	AGE	One-Unit	75 %
Built-Up	<input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	Demand/Supply	<input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply	\$ (000)	(yrs)	2-4 Unit	%
Growth	<input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	Marketing Time	<input type="checkbox"/> Under 3 mths <input checked="" type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths	85	Low new	Multi-Family	10 %
Neighborhood Boundaries Generally bounded by: Runnymede Lane (north), Sharon Road (east), Fairview Road (south), and Park Road (west).				500	High 65	Commercial	10 %
				175	Pred. 25	Other	5 %

Neighborhood Description Residential neighborhood convenient to employment, the subject's county school district, and other necessary support services. The subject neighborhood is comprised primarily of homes similar to the subject in size and character, which appear adequately maintained. Multi-family and non-residential uses (such as retail, office, etc) are located primarily along main routes and have no adverse impact.

Market Conditions (including support for the above conclusions) The subject's market area has seen steady activity in the past year. Buy-downs and seller concessions are seen occasionally, however, are typically utilized to assist purchasers in lowering closing costs rather than being an indicator of a weak market. Most reasonably priced properties sell within six months (some take longer), and supply/demand is considered to be in balance.

PROJECT SITE

Topography gentle grades Size typical for neighborhood Density average View avg/residential

Specific Zoning Classification R-43 MF Zoning Description Residential Multi-Family

Zoning Compliance  Legal  Legal Nonconforming - Do the zoning regulations permit rebuilding to current density?  Yes  No  No Zoning  Illegal (describe)

Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use?  Yes  No If No, describe

Utilities	Public	Other (describe)	Public	Other (describe)	Off-site Improvements - Type	Public	Private
Electricity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Water	<input checked="" type="checkbox"/>	Street asphalt	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gas	<input type="checkbox"/>	<input checked="" type="checkbox"/> none	Sanitary Sewer	<input checked="" type="checkbox"/>	Alley none per tax map	<input type="checkbox"/>	<input type="checkbox"/>

FEMA Special Flood Hazard Area  Yes  No FEMA Flood Zone X FEMA Map # 37119C0226E FEMA Map Date 2/4/2004

Are the utilities and off-site improvements typical for the market area?  Yes  No If No, describe

Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)?  Yes  No If Yes, describe

Typical utility and drainage easements have no adverse impact on marketability. No known encroachments or adverse conditions affecting the site (per tax data). Subject site is average in size and landscaped consistent with the neighborhood.

PROJECT INFORMATION

Data source(s) for project information Mecklenburg County GIS, Appraiser files, MLS, and Management agent.

Project Description  Detached  Row or Townhouse  Garden  Mid-Rise  High-Rise  Other (describe)

General Description	General Description	Subject Phase	If Project Completed	If Project Incomplete					
# of Stories	3	Exterior Walls	brick	# of Units	41	# of Phases	1	# of Planned Phases	n/a
# of Elevators	0	Roof Surface	comp	# of Units Completed	41	# of Units	41	# of Planned Units	n/a
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed	Total # Parking	adeq	# of Units For Sale	2	# of Units for Sale	2	# of Units for Sale	n/a	
<input type="checkbox"/> Under Construction	Ratio (spaces/units)	2:1	# of Units Sold	39	# of Units Sold	39	# of Units Sold	n/a	
Year Built	1968	Type	assign	# of Units Rented	11	# of Units Rented	11	# of Units Rented	n/a
Effective Age	5 years	Guest Parking	adeq	# of Owner Occupied Units	30	# of Owner Occupied Units	30	# of Owner Occupied Units	n/a

Project Primary Occupancy  Principle Residence  Second Home or Recreational  Tenant

Is the developer/builder in control of the Homeowners' Association (HOA)?  Yes  No

Management Group -  Homeowners' Association  Developer  Management Agent - Provide name of management company. William Douglas

Management, 704-347-8900.

Does any single entity (the same individual, investor group, corporation, etc.) own more than 10% of the total units in the project?  Yes  No If Yes, Describe

Was the project created by the conversion of existing building(s) into a condominium?  Yes  No If Yes, describe the original use and date of conversion.

The subject was built as an apartment complex in 1968. The subject complex is in the final stages of conversion to condominium units. The complex is made up of 41 units with 11 units closed, 28 units under contract, and 2 units active (CMLS records).

Are the units, common elements, and recreation facilities complete (including any planned rehabilitation for a condominium conversion)?  Yes  No If No, describe

Is there any commercial space in the project?  Yes  No If Yes, describe and indicate the overall percentage of the commercial space.

# Individual Condominium Unit Appraisal Report

File # 08103

PROJECT INFORMATION	Describe the condition of the project and quality of construction. <b>Typical condominium project constructed of good quality materials and appearing to be in good overall condition.</b>				
	Describe the common elements and recreational facilities. <b>Pool, common areas, landscape maintenance, and exterior maintenance.</b>				
	Are any common elements leased to or by the Homeowners' Association? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe the rental terms and options.				
	Is the project subject to a ground rent? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, \$ _____ per year (describe terms and conditions)				
	Are the parking facilities adequate for the project size and type? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe and comment on the effect on value and marketability.				
PROJECT ANALYSIS	I <input type="checkbox"/> did <input checked="" type="checkbox"/> did not analyze the condominium project budget for the current year. Explain the results of the analysis of the budget (adequacy of fees, reserves, etc.), or why the analysis was not performed. <b>Budget was not made available to appraiser as a normal course of business.</b>				
	Are there any other fees (other than regular HOA charges) for the use of the project facilities? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, report the charges and describe.				
	Compared to other competitive projects of similar quality and design, the subject unit charge appears <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Low If High or Low, describe				
	Are there any special or unusual characteristics of the project (based on the condominium documents, HOA meetings, or other information) known to the appraiser? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe and explain the effect on value and marketability.				
UNIT DESCRIPTION	Unit Charge \$ 150 per month X 12 = \$ 1,800.00 per year Annual assessment charge per year per square feet of gross living area = \$ 2.18				
	Utilities included in the unit monthly assessment <input type="checkbox"/> None <input type="checkbox"/> Heat <input type="checkbox"/> Air Conditioning <input type="checkbox"/> Electricity <input type="checkbox"/> Gas <input checked="" type="checkbox"/> Water <input checked="" type="checkbox"/> Sewer <input type="checkbox"/> Cable <input type="checkbox"/> Other (describe)				
	<b>General Description</b>	<b>Interior materials/condition</b>	<b>Amenities</b>	<b>Appliances</b>	<b>Car Storage</b>
	Floor # 2	Floors <b>hardwood, tile/good</b>	<input type="checkbox"/> Fireplace(s) #	<input type="checkbox"/> Refrigerator	<input type="checkbox"/> None
	# of Levels 1	Walls <b>brick, drywall/good</b>	<input type="checkbox"/> WoodStove(s) #	<input checked="" type="checkbox"/> Range/Oven	<input type="checkbox"/> Garage <input type="checkbox"/> Covered <input checked="" type="checkbox"/> Open
	Heating Type <b>fwa</b> Fuel elec	Trim/Finish <b>wood+paint/good</b>	<input type="checkbox"/> Deck/Patio	<input checked="" type="checkbox"/> Disp <input type="checkbox"/> Microwave	# of Cars <b>2</b>
	<input checked="" type="checkbox"/> Central AC <input type="checkbox"/> Individual AC	Bath <b>Wainscot fiberglass/average</b>	<input checked="" type="checkbox"/> Porch/Balcony <b>blncy</b>	<input checked="" type="checkbox"/> Dishwasher	<input checked="" type="checkbox"/> Assigned <input type="checkbox"/> Owned
	<input type="checkbox"/> Other (describe)	Doors <b>hollow core/good</b>	<input type="checkbox"/> Other	<input type="checkbox"/> Washer/Dryer	Parking Space #
	Finished area <b>above</b> grade contains: <b>4</b> Rooms <b>2</b> Bedrooms <b>1.5</b> Bath(s) <b>824</b> Square Feet of Gross Living Area Above Grade				
	Are the heating and cooling for the individual units separately metered? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe and comment on compatibility to other projects in the market area.				
Additional features (special energy efficient items, etc.) <b>The subject features: granite counter-tops, tile back-splash, and ceiling fans.</b>					
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). <b>Good quality construction in good overall condition. There was no significant deferred maintenance observed at the time of inspection. There is no apparent functional or external obsolescence. The subject has been renovated as part of a conversion from an apartment unit to a condominium unit.</b>					
Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe <b>Physical deterioration limited to normal wear and tear.</b>					
Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe <b>The subject conforms to the neighborhood in functional utility, style, use, and construction.</b>					
PRIOR SALE HISTORY	I <input checked="" type="checkbox"/> did <input type="checkbox"/> did not research the sale or transfer history of the subject property and comparable sales. If not, explain				
	My research <input checked="" type="checkbox"/> did <input type="checkbox"/> 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) <b>mls/tax records</b>				
	My research <input checked="" type="checkbox"/> did <input type="checkbox"/> 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) <b>mls/tax records</b>				
	Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).				
	ITEM	SUBJECT	COMPARABLE SALE #1	COMPARABLE SALE #2	COMPARABLE SALE #3
Date of Prior Sale/Transfer	11/21/2007	11/21/2007	11/21/2007	11/21/2007	
Price of Prior Sale/Transfer	\$2,275,000	\$2,275,000	\$2,275,000	\$2,275,000	
Data Source(s)	per mls/tax records	per mls/tax records	per mls/tax records	per mls/tax records	
Effective Date of Data Source(s)	6/3/2008	6/3/2008	6/3/2008	6/3/2008	
Analysis of prior sale or transfer history of the subject property and comparable sales. <b>The subject and comparables (from within the same complex) sold to the developer in 11/2007 for \$2,275,000. The transfer was from Colonial Park Apartments to Selwyn Commons, LLC. The individual units (within the subject complex) have no prior transfers.</b>					

# Individual Condominium Unit Appraisal Report

File # 08103

There are 35+/- comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 117,000 +/- to \$ 235,000 +/- .  
 There are 30+/- comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 98,000 +/- to \$ 190,000 +/- .

FEATURE	SUBJECT	COMPARABLE SALE # 1			COMPARABLE SALE # 2			COMPARABLE SALE # 3		
Address and Unit #	Sample Charlotte, NC 28209-4577	4915-F Park Road Charlotte			4923-E Park Road Charlotte			4923-F Park Road Charlotte		
Project Name and Phase	Selwyn Commons one	Selwyn Commons one			Selwyn Commons one			Selwyn Commons one		
Proximity to Subject		0.01 miles			Less than 0.01 miles			Less than 0.01 miles		
Sale Price	\$ 159,050	\$ 159,300			\$ 166,050			\$ 169,200		
Sale Price/Gross Liv. Area	\$ 193.02sq. ft.	\$ 193.33sq. ft.			\$ 201.52sq. ft.			\$ 205.34sq. ft.		
Data Source(s)		mls/exterior inspection			mls/exterior inspection			mls/exterior inspection		
Verification Source(s)		public records			public records			public records		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+	(-) \$ Adjustment	DESCRIPTION	+	(-) \$ Adjustment	DESCRIPTION	+	(-) \$ Adjustment
Sales or Financing Concessions		conventional slr conc 0			conventional slr conc 0			conventional slr conc 0		
Date of Sale/Time		5/8/2008			5/22/2008			5/9/2008		
Location	average	average			average			average		
Leasehold/Fee Simple	Fee Simple	Fee Simple			Fee Simple			Fee Simple		
HOA Mo. Assessment	150	similar			similar			similar		
Common Elements and Rec. Facilities	pool, ext maint common areas	pool, ext maint common areas			pool, ext maint common areas			pool, ext maint common areas		
Floor Location	2nd	3rd			3rd			3rd		
View	avg/residential	avg/residential			avg/residential			avg/residential		
Design (Style)	condominium	condominium			condominium			condominium		
Quality of Construction	good	good			good			good		
Actual Age	40 years	40 years			40 years			40 years		
Condition	good	good			good			good		
Above Grade Room Count	Total Bdrms. Baths 4 2 1.5	Total Bdrms. Baths 4 2 1.5			Total Bdrms. Baths 4 2 1.5			Total Bdrms. Baths 4 2 1.5		
Gross Living Area	824 sq. ft.	824 sq. ft.			824 sq. ft.			824 sq. ft.		
Basement & Finished Rooms Below Grade	no basement n/a	no basement n/a			no basement n/a			no basement n/a		
Functional Utility	average	average			average			average		
Heating/Cooling	fwa/central	fwa/central			fwa/central			fwa/central		
Energy Efficient Items	insulated	insulated			insulated			insulated		
Garage/Carport	parking spaces	parking spaces			parking spaces			parking spaces		
Porch/Patio/Deck	balcony	balcony			balcony			balcony		
Net Adjustment (Total)		□ + □ - \$			□ + □ - \$			□ + □ - \$		
Adjusted Sale Price of Comparables		Net Adj. % Gross Adj. % \$ 159,300			Net Adj. % Gross Adj. % \$ 166,050			Net Adj. % Gross Adj. % \$ 169,200		

SALES COMPARISON APPROACH

**Summary of Sales Comparison Approach** Sales concessions within 3% of the sales price are considered typical in this market and are not adjusted. Location adjustment considers comparable #4 in a complex which supports lower overall market values (as compared to the subject complex) and offers less amenities. Quality of construction adjustment considers quality of materials and workmanship including: exterior siding, trim, upgrades, finish flooring, kitchens, and baths. Room count/living area adjustments are made as needed on an individual basis. The comparable sales used are in the same neighborhood and market area as the subject and would be considered by the same potential purchasers. The closed sales displayed are considered the most comparable and the best indications of market value for the subject property. Comparables #1-#3 are very similar to the subject (other than floor location) and no adjustments were required.

Indicated Value by Sales Comparison Approach \$ 160,000

**INCOME APPROACH TO VALUE (not required by Fannie Mae)**

INCOME

Estimated Monthly Market Rent \$ n/a X Gross Rent Multiplier n/a = \$ n/a Indicated Value by Income Approach  
 Summary of Income Approach (including support for market rent and GRM) The Income approach is not applicable to this assignment.

**Indicated Value by: Sales Comparison Approach \$ 160,000** **Income Approach (if developed) \$ n/a**  
 All approaches were considered. The Income Approach is not illustrated due to the lack of rental data from sold properties in the market area. The Cost Approach was not considered necessary in developing a credible report. Value is indicated by the Sales Comparison Approach.

RECONCILIATION

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: No conditions or repairs required.  
 All subsystems were assumed to be operational and in average condition at the time of appraisal.  
 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 \$ 160,000 , as of June 6, 2008 , which is the date of inspection and the effective date of this appraisal.

# Individual Condominium Unit Appraisal Report

File # 08103

This report form is designed to report an appraisal of a unit in a condominium project or a condominium 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 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 unit, (2) inspect and analyze the condominium project, (3) inspect the neighborhood, (4) inspect each of the comparable sales from at least the street, (5) research, verify, and analyze data from reliable public and/or private sources, and (6) 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.

**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.

# Individual Condominium Unit Appraisal Report

File # 08103

**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.

# Individual Condominium Unit Appraisal Report

File # 08103

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.

<p><b>APPRAISER</b></p> <p>Signature _____                  Name <u>George Fitzsimmons</u>                  Company Name <u>Excel Appraisal Group, LLC</u>                  Company Address <u>1346 Saint Julien Street, Charlotte, NC 28205</u>                  Telephone Number <u>(704) 607-2085</u>                  Email Address <u>gfitzsimmons@carolina.rr.com</u>                  Date of Signature and Report <u>June 09, 2008</u>                  Effective Date of Appraisal <u>June 6, 2008</u>                  State Certification # <u>A5953</u>                  or State License # _____                  or Other _____ State # _____                  State <u>NC</u>                  Expiration Date of Certification or License <u>6/30/2008</u></p> <p>ADDRESS OF PROPERTY APPRAISED  <u>Sample</u>  <u>Charlotte, NC 28209-4577</u></p> <p>APPRAISED VALUE OF SUBJECT PROPERTY \$ <u>160,000</u></p> <p>LENDER/CLIENT                  Name _____                  Company Name <u>Sample</u>                  Company Address _____                  Email Address _____</p>	<p><b>SUPERVISORY APPRAISER (ONLY IF REQUIRED)</b></p> <p>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 _____</p> <p><b>SUBJECT PROPERTY</b></p> <p><input type="checkbox"/> Did not inspect subject property  <input type="checkbox"/> Did inspect exterior of subject property from street                  Date of Inspection _____  <input type="checkbox"/> Did inspect interior and exterior of subject property                  Date of Inspection _____</p> <p><b>COMPARABLE SALES</b></p> <p><input type="checkbox"/> Did not inspect exterior of comparable sales from street  <input type="checkbox"/> Did inspect exterior of comparable sales from street                  Date of Inspection _____</p>
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F.I.R.R.E.A. Addendum

Borrower Sample
Property Address Sample
City Charlotte County Mecklenburg State NC Zip Code 28209-4577
Lender/Client Sample

Purpose of the Appraisal

The purpose of this appraisal is to estimate the fair market value of the subject property for the original client/lender as defined in this report for mortgage lending purposes (borrowers and/or third party users excluded). This report is not a home inspection, the appraiser only performed a visual inspection of accessible areas and the appraisal cannot be relied upon to disclose conditions and/or defects in the subject property.

Scope of the Appraisal

The data contained in this report has been compiled by the appraiser from the following sources: Inspection and research of the subject property to identify dimensions, nature of construction, physical condition, and other factors; research of municipal records to identify assessments, transfer activity, site parameters, and other pertinent factors; contact with appropriate real estate brokers, developers, builder representatives, appraisers, and other knowledgeable sources to identify and confirm relevant market data such as comparable sales, comparable rentals, vacancy rates, depreciation rates, operating costs, and any trends which may influence property values.

Report of the prior year sales history for the subject property

Is the subject property currently listed? [X] Yes [ ] No List Price \$ 155,000
Has the property sold during the prior year? [X] Yes [ ] No If yes, describe below:
Prior sale information is "as stated" in the URAR.

Marketing Time

What is your estimate of marketing time for the subject property? 3-6 months Describe below the basis (rationale)for your estimate:
Per MLS data, the average marketing time for homes in this area is three to six months, with some properties taking longer.

Non-real property transfers

Does the transaction involve the transfer of personal property, fixtures, or intangibles that are not real property? [ ] Yes [X] No
If yes, provide description and valuation below:
Personal property is given no consideration in this report.

Additional Comments

The digital photographs utilized in this report have not been enhanced or altered to provide misleading representations of the subject property. Some photos may be file photos.

Secure electronic signature(s) are utilized on this report in accordance with the North Carolina Appraisal Board Rules, Section 57A.0405(b).

Additional Certification

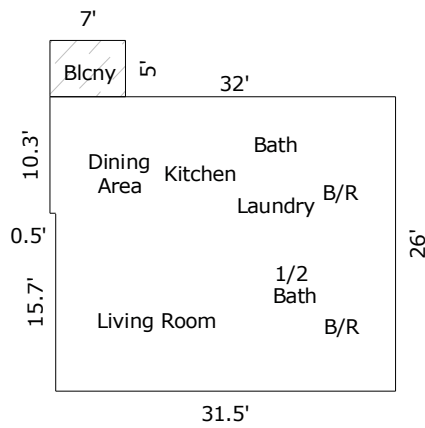
- 1. The acceptance of this appraisal assignment by the appraiser was not based on a requested minimum valuation, a specified valuation, or an approval of the loan.
2. The appraiser certifies that the compensation for this appraisal is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result of the occurrence of a subsequent event.
3. This appraisal has been prepared to conform with the Uniform Standards of Professional Appraisal practice ("USPAP") adopted by the Appraisal Standards Board of the Appraisal foundation, except the Departure Provision, unless otherwise stated below.
4. The appraiser has disclosed within this appraisal report, or below, all steps taken that were necessary or appropriate to comply with the Competency provision of the USPAP.
The value estimate is based on the assumption that the subject is not negatively affected by the existence of hazardous substances, mold, underground storage tanks, or detrimental environmental conditions unless otherwise stated in the report. The appraiser is not an expert in the identification of hazardous substances or detrimental environmental conditions. The appraiser conducted a visual inspection only, and no specific tests for hazardous substances. The appraiser is not a structural or mechanical systems inspector and makes no warranty of the subject's structural integrity or adequacy of mechanical systems.

Date: June 09, 2008 Appraiser(s): George Fitzsimmons

Date: Review Appraiser(s):

### Building Sketch

Borrower	Sample			
Property Address	Sample			
City	Charlotte	County Mecklenburg	State NC	Zip Code 28209-4577
Lender	Sample			



Sketch by Apex Medina™

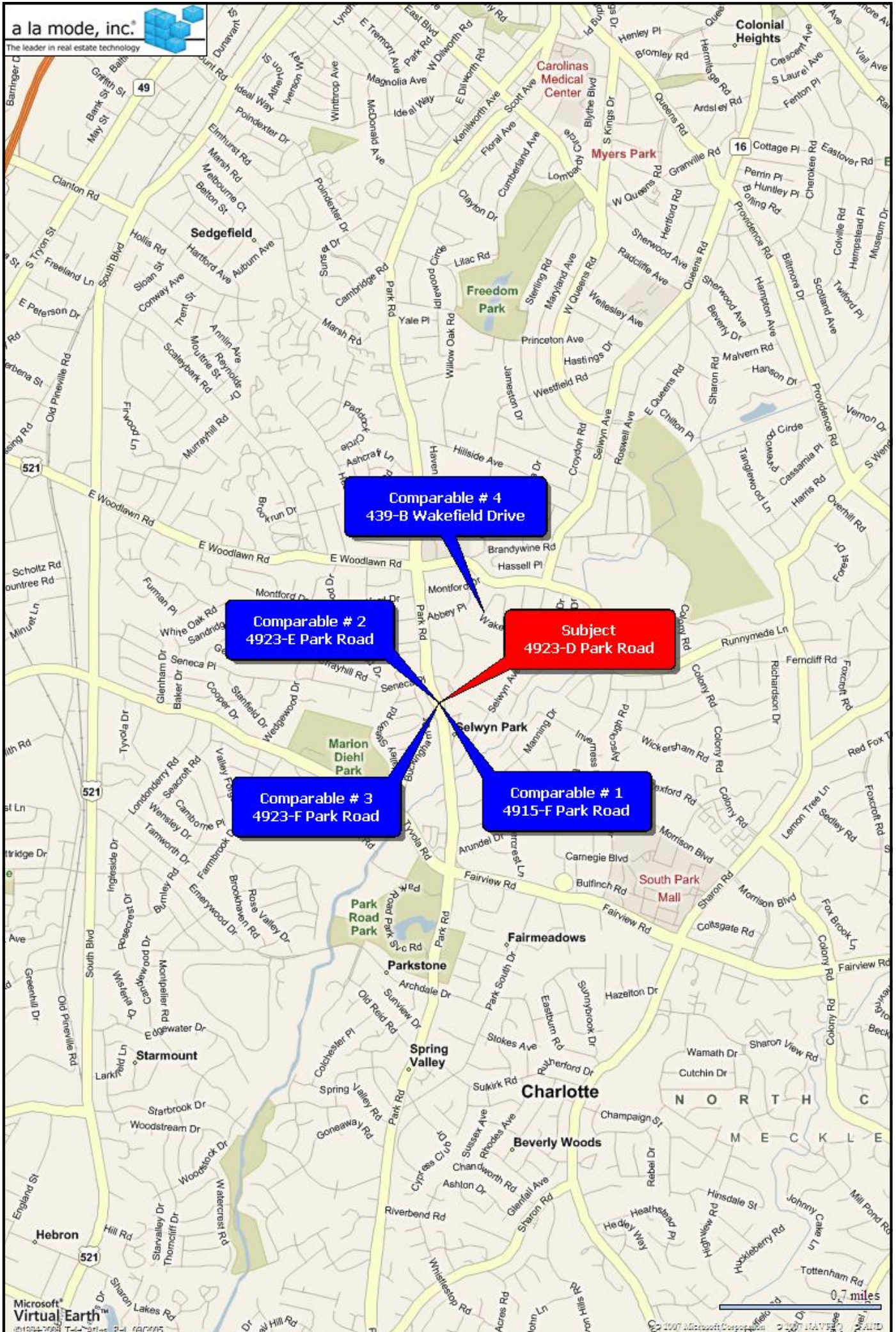
Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	824.2	824.2
P/P	Balcony	35.0	35.0
Net LIVABLE Area		(rounded)	824

LIVING AREA BREAKDOWN			
Breakdown			Subtotals
First Floor			
32.0	x	10.3	329.6
15.7	x	31.5	494.6
2 Items			(rounded)
			824

### Location Map

Borrower	Sample			
Property Address	Sample			
City	Charlotte	County Mecklenburg	State NC	Zip Code 28209-4577
Lender	Sample			





### Subject Photos

Borrower	Sample				
Property Address	Sample				
City	Charlotte	County	Mecklenburg	State	NC
Lender	Sample				
				Zip Code	28209-4577



#### Subject Front

Sample  
 Sales Price 159,050  
 Gross Living Area 824  
 Total Rooms 4  
 Total Bedrooms 2  
 Total Bathrooms 1.5  
 Location average  
 View avg/residential  
 Site (per tax)  
 Quality good  
 Age 40 years

note: the crane behind subject building was being used for construction of a neighboring building (not part of conversion)



#### Subject Rear



#### Subject Street

### Subject Interior Photo Page

Borrower	Sample			
Property Address	Sample			
City	Charlotte	County Mecklenburg	State NC	Zip Code 28209-4577
Lender	Sample			



#### Subject Interior

Sample	
Sales Price	159,050
Gross Living Area	824
Total Rooms	4
Total Bedrooms	2
Total Bathrooms	1.5
Location	average
View	avg/residential
Site	(per tax)
Quality	good
Age	40 years



#### Subject Interior



#### Subject Interior



## Subject Photo Page

Borrower	Sample						
Property Address	Sample						
City	Charlotte	County	Mecklenburg	State	NC	Zip Code	28209-4577
Lender	Sample						



### Subject Pool

Sample	
Sales Price	159,050
Gross Living Area	824
Total Rooms	4
Total Bedrooms	2
Total Bathrooms	1.5
Location	average
View	avg/residential
Site	(per tax)
Quality	good
Age	40 years



### Common Area



### Common Area



### Comparable Photos 1-3

Borrower	Sample			
Property Address	Sample			
City	Charlotte	County	Mecklenburg	State NC Zip Code 28209-4577
Lender	Sample			



#### Comparable 1

4915-F Park Road  
 Prox. to Subject 0.01 miles  
 Sales Price 159,300  
 Gross Living Area 824  
 Total Rooms 4  
 Total Bedrooms 2  
 Total Bathrooms 1.5  
 Location average  
 View avg/residential  
 Site (per tax)  
 Quality good  
 Age 40 years



#### Comparable 2

4923-E Park Road  
 Prox. to Subject Less than 0.01 miles  
 Sales Price 166,050  
 Gross Living Area 824  
 Total Rooms 4  
 Total Bedrooms 2  
 Total Bathrooms 1.5  
 Location average  
 View avg/residential  
 Site (per tax)  
 Quality good  
 Age 40 years



#### Comparable 3

4923-F Park Road  
 Prox. to Subject Less than 0.01 miles  
 Sales Price 169,200  
 Gross Living Area 824  
 Total Rooms 4  
 Total Bedrooms 2  
 Total Bathrooms 1.5  
 Location average  
 View avg/residential  
 Site (per tax)  
 Quality good  
 Age 40 years

### Comparable Photo Page

Borrower	Sample				
Property Address	Sample				
City	Charlotte	County	Mecklenburg	State	NC Zip Code 28209-4577
Lender	Sample				



#### Comparable 4

439-B Wakefield Drive  
 Prox. to Subject 0.44 miles  
 Sale Price 140,800  
 Gross Living Area 848  
 Total Rooms 5  
 Total Bedrooms 2  
 Total Bathrooms 1  
 Location inferior  
 View avg/residential  
 Site  
 Quality average  
 Age 63 years

#### Comparable 5

Prox. to Subject  
 Sale Price  
 Gross Living Area  
 Total Rooms  
 Total Bedrooms  
 Total Bathrooms  
 Location  
 View  
 Site  
 Quality  
 Age

#### Comparable 6

Prox. to Subject  
 Sale Price  
 Gross Living Area  
 Total Rooms  
 Total Bedrooms  
 Total Bathrooms  
 Location  
 View  
 Site  
 Quality  
 Age