

Priority Appraisals, Inc.
4717 64th St W
Edina, MN 55435

April 9, 2009

John and Mary Doe
6437 Irving Ave S
Richfield MN 55423

Re: Property: 6437 Irving Ave S
Richfield, MN 55423-1223
Borrower: N/A
File No.:

In accordance with your request, I have appraised the above referenced property. The report of that appraisal is attached.

The purpose of this appraisal is to estimate the market value of the property described in this appraisal report, as improved, in unencumbered fee simple title of ownership.

This report is based on a physical analysis of the site and improvements, a locational analysis of the neighborhood and city, and an economic analysis of the market for properties such as the subject. The appraisal was developed and the report was prepared in accordance with the Uniform Standards of Professional Appraisal Practice.

The value conclusions reported are as of the effective date stated in the body of the report and contingent upon the certification and limiting conditions attached.

It has been a pleasure to assist you. Please do not hesitate to contact I can be of additional service to you.

Sincerely,



Scott Cullen
Certified Residential Appraisal License # 20195900
FHA License MN20195900

Borrower/Client	N/A	File No. 123456		
Property Address	6437 Irving Ave S			
City	Richfield	County	Hennepin	State MN Zip Code 55423-1223
Lender	John and Mary Doe			

TABLE OF CONTENTS



- Letter of Transmittal 1
- Table of Contents 2
- Summary of Salient Features 3
- URAR 4
- Additional Comparables 4-6 6
- Market Conditions Addendum to the Appraisal Report 7
- Statement of Limiting Conditions 8
- Subject Photos 10
- Subject Photos Interior 11
- Subject Photos Interior 12
- Building Sketch (Page - 1) 13
- Comparable Photos 1-3 14
- Comparable Photos 4-6 15
- Location Map 16
- Addendum 17

SUMMARY OF SALIENT FEATURES

SUBJECT INFORMATION	Subject Address	6437 Irving Ave S
	Legal Description	Lot 012 Block 001 Fairwood Park 1st Addn Richfield
	City	Richfield
	County	Hennepin
	State	MN
	Zip Code	55423-1223
	Census Tract	0241.00
	Map Reference	King's 120 C4
SALES PRICE	Sale Price	\$ N/A
	Date of Sale	N/A
CLIENT	Borrower	N/A
	Lender/Client	John and Mary Doe
DESCRIPTION OF IMPROVEMENTS	Size (Square Feet)	1,093
	Price per Square Foot	\$
	Location	Fairwood Park
	Age	56
	Condition	Good
	Total Rooms	5
	Bedrooms	3
	Baths	1
APPRAISER	Appraiser	Scott Cullen
	Date of Appraised Value	4/2/09
VALUE	Opinion of Value	\$ 220,000

UNIFORM RESIDENTIAL APPRAISAL REPORT

File No. 123456

Property Description

Property Address 6437 Irving Ave S City Richfield State MN Zip Code 55423-1223
Legal Description Lot 012 Block 001 Fairwood Park 1st Addn Richfield County Hennepin
Assessor's Parcel No. 2802824240012 Tax Year 2009 R.E. Taxes \$ 2,504.22 Special Assessments \$ N/A

Borrower N/A Current Owner John and Mary Doe Occupant: [X] Owner [] Tenant [] Vacant
Property rights appraised [X] Fee Simple [] Leasehold Project Type [] PUD [] Condominium (HUD/VA only) HOA \$ /Mo.
Neighborhood or Project Name Fairwood Park Map Reference King's 120 C4 Census Tract 0241.00
Sale Price \$ N/A Date of Sale N/A Description and \$ amount of loan charges/concessions to be paid by seller

Lender/Client John and Mary Doe Address 6437 Irving Ave S, Richfield MN 55423
Appraiser Scott Cullen Address 4717 64th W, Edina MN 55435

Location [] Urban [X] Suburban [] Rural
Built up [X] Over 75% [] 25-75% [] Under 25%
Growth rate [] Rapid [X] Stable [] Slow
Property values [] Increasing [X] Stable [] Declining
Demand/supply [] Shortage [X] In balance [] Over supply
Marketing time [] Under 3 mos. [X] 3-6 mos. [] Over 6 mos.

Note: Race and the racial composition of the neighborhood are not appraisal factors.
Neighborhood boundaries and characteristics: North: Hwy 62, East: I-35W, South: 70th St, West: Xerxes Ave S

Factors that affect the marketability of the properties in the neighborhood (proximity to employment and amenities, employment stability, appeal to market, etc.):
The subject is located approximately 7 miles south of downtown Minneapolis. Public parks, schools, retail services, civic facilities and employment opportunities are in good proximity. Automobile transportation predominates with public transportation available.

Market conditions in the subject neighborhood (including support for the above conclusions related to the trend of property values, demand/supply, and marketing time -- such as data on competitive properties for sale in the neighborhood, description of the prevalence of sales and financing concessions, etc.):
See attached Form 1004 MC. Conditions appear stable subject to the limitations of a relatively small sample size.

Project Information for PUDs (if applicable) - Is the developer/builder in control of the Home Owners' Association (HOA)? [] Yes [] No
Approximate total number of units in the subject project Approximate total number of units for sale in the subject project
Describe common elements and recreational facilities:

Dimensions 60x135 Site area 8,100 Corner Lot [] Yes [X] No
Specific zoning classification and description R
Zoning compliance [X] Legal [] Legal nonconforming (Grandfathered use) [] Illegal [] No zoning
Highest & best use as improved: [X] Present use [] Other use (explain)
Utilities Public Other Off-site Improvements Type Public Private

Comments (apparent adverse easements, encroachments, special assessments, slide areas, illegal or legal nonconforming zoning use, etc.): The site appears to be typical for the neighborhood with no adverse easements, encroachments or conditions noted.

GENERAL DESCRIPTION EXTERIOR DESCRIPTION FOUNDATION BASEMENT INSULATION
No. of Units 1 Foundation Concrete Block Slab None Area Sq. Ft. 1,080 Roof []
No. of Stories 1 Exterior Walls HBM,Brick Crawl Space None % Finished Unfinished Ceiling Cncl'd [X]
Type (Det./Att.) Detached Roof Surface Comp Shingle Basement Full Ceiling Joists Walls Cncl'd [X]
Design (Style) Rambler Gutters & Dwnspts. Metal Sump Pump None Walls Concrete Blk Floor []
Existing/Proposed Existing Window Type Wood Csmt Dampness None Observed Floor Concrete None []
Age (Yrs.) 56 Storm/Screens Yes Settlement None Observed Outside Entry None Unknown []
Effective Age (Yrs.) 25 Manufactured House No Infestation None Observed

ROOMS Foyer Living Dining Kitchen Den Family Rm. Rec. Rm. Bedrooms # Baths Laundry Other Area Sq. Ft.
Basement 1,080
Level 1 1 1 3 1 1,093
Level 2

Finished area above grade contains: 5 Rooms; 3 Bedroom(s); 1 Bath(s); 1,093 Square Feet of Gross Living Area
INTERIOR Materials/Condition HEATING Type FWA KITCHEN EQUIP. ATTIC AMENITIES CAR STORAGE: 2
Floors HW,Cpt/Good Fuel Gas Refrigerator [P] None [] Fireplace(s) # 2 [X] None []
Walls Plaster, DW/Good Condition Avg Disposal [] Drop Stair [] Patio Concrete [X] Garage # of cars
Trim/Finish Painted Wood/Avg COOLING Central X Dishwasher [X] Scuttle [X] Porch 3 Season [X] Attached
Bath Floor CT/Avg Other Washer/Dryer [P] Finished [] Pool [] Fence [] Detached 1
Bath Wainscot CT/Avg Condition Washer/Dryer [P] Finished [] Pool [] Fence [] Built-In
Doors Flush/Avg Condition Washer/Dryer [P] Finished [] Pool [] Fence [] Carport
Driveway 1

Additional features (special energy efficient items, etc.): The additional features include a masonry chimney with 2 fireplaces and 3 season porch.

Condition of the improvements, depreciation (physical, functional, and external), repairs needed, quality of construction, remodeling/additions, etc.: No
deterioration or needed repairs observed. Property condition is judged to be above average for the age. Since purchase in 2006, the windows have been replaced, hardwood floors refinished, kitchen countertop and floor replaced, dishwasher replaced, Den/BR carpet replaced, complete interior paint/decor, ext. paint, and chain link/priv fence installed. Out of pocket expense estimated at \$23,000 plus owner labor.
Adverse environmental conditions (such as, but not limited to, hazardous wastes, toxic substances, etc.) present in the improvements, on the site, or in the immediate vicinity of the subject property.:

UNIFORM RESIDENTIAL APPRAISAL REPORT

File No. 123456

Valuation Section

COST APPROACH	ESTIMATED SITE VALUE	= \$	86,000	Comments on Cost Approach (such as, source of cost estimate, site value, square foot calculation and for HUD, VA and FmHA, the estimated remaining economic life of the property): Custom 1 Story rating (p46) is used to account for overall quality including hardwood floors, ceramic baths and central air.	
	ESTIMATED REPRODUCTION COST-NEW-OF IMPROVEMENTS:				
	Dwelling	1,093 Sq. Ft. @\$ 155.61	= \$		170,082
		1,080 Sq. Ft. @\$ 19.05	=		20,574
	Porch		=		9,500
	Garage/Carport	320 Sq. Ft. @\$ 75.45	=		24,144
	Total Estimated Cost New		= \$		224,300
	Less	Physical	Functional		External
	Depreciation	74,759	= \$		74,759
	Depreciated Value of Improvements		= \$		149,541
"As-is" Value of Site Improvements		= \$	5,000		
INDICATED VALUE BY COST APPROACH				= \$	240,541

ITEM	SUBJECT	COMPARABLE NO. 1			COMPARABLE NO. 2			COMPARABLE NO. 3		
Address	6437 Irving Ave S Richfield	6914 Irving Ave S Richfield			6415 James Ave S Richfield			6335 Thomas Ave S Richfield		
Proximity to Subject		0.60 miles S			0.07 miles W			0.71 miles W		
Sales Price	\$ N/A	\$ 238,500			\$ 240,000			\$ 200,000		
Price/Gross Living Area	\$ N/A	\$ 216.03			\$ 216.80			\$ 198.61		
Data and/or Verification Source	Inspection Public Records	Exterior Inspection, MLS Public Records			Exterior Inspection, MLS Public Records			Exterior Inspection, MLS Public Records		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-)\$ Adjust.	DESCRIPTION	+(-)\$ Adjust.	DESCRIPTION	+(-)\$ Adjust.	DESCRIPTION	+(-)\$ Adjust.	
Sales or Financing Concessions		Other None Noted			Conventional None Noted			FHA \$6,000		
Date of Sale/Time		3/27/09 - 19 D			3/27/09 - 16 D			3/27/09 - 122 D		
Location	Fairwood Park	Woodlake H			Fairwood Park			Gustafson&Sto		
Leasehold/Fee Simple	Fee Simple	Fee Simple			Fee Simple			Fee Simple		
Site	60x135	66x135 -2,000			60x135			60x135		
View	Similar Houses	Similar Houses			Similar Houses			Similar Houses		
Design and Appeal	Rambler	Rambler			Rambler			Rambler		
Quality of Construction	Custom	Similar			Similar			Similar		
Age	56	53			54			52		
Condition	Good	Similar			Similar			Inferior +10,000		
Above Grade Room Count	Total Bdrms: Baths 5 3 1	Total Bdrms: Baths 6 3 1			Total Bdrms: Baths 6 3 1.5 -2,000			Total Bdrms: Baths 5 3 1		
Gross Living Area	1,093 Sq. Ft.	1,104 Sq. Ft. -275			1,107 Sq. Ft. -350			1,007 Sq. Ft. +2,150		
Basement & Finished Rooms Below Grade	1,080 Sq.Ft Unfinished	1,104sf 954f FR,D,R,1Ba -1,500			1107sf 620f FR -6,200			1,007sf 514f FR,D,R,1Ba -1,500		
Functional Utility	Average	Average			Walkout Bsmt -4,000			Average		
Heating/Cooling	Gas FWA/CA	Gas FWA/CA			Gas FWA/CA			Gas FWA/CA		
Energy Efficient Items	Repl Windows	Average +2,000			Average +2,000			Average +2,000		
Garage/Carport	1 Det Garage	2 Det Garage -5,000			1 Det Garage			1 Att Garage		
Porch, Patio, Deck, Fireplace(s), etc.	3SPorch,Patio 2 Fireplaces	Patio 1 Fireplace +3,000			Screen Porch 2 Fireplaces +1,000			Patio None +3,000 +3,500		
Fence, Pool, etc.	Fenced Yard	Fenced Yard			Fenced Yard			Fenced Yard		
Amenities	HW Floors	HW Floors			HW Floors			Carpet +2,000		
Net Adj. (total)		+ - \$ -13,275			+ - \$ -9,550			+ - \$ 16,050		
Adjusted Sales Price of Comparable		Fenced Yard \$ 225,225			Fenced Yard \$ 230,450			Fenced Yard \$ 216,050		

Comments on Sales Comparison (including the subject property's compatibility to the neighborhood, etc.): The subject is a custom quality 1 story style in good condition. Comps 4 and 5 are judged to be in lesser condition based upon interior photos, exterior inspection and agent comments. GLA is adjusted at \$25/sf. Basement finish is adjusted based upon area (\$10/sf) and bathroom count. Comps 5 & 6 are adjusted based upon prevailing sales / list price ratio in the neighborhood. Of all the available comparables, these six are thought to provide the best indication of values, after adjustments.

ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Date, Price and Data Source, for prior sales within year of appraisal	4/21/06 219,900 MLS, Public Reco	8/17/99 146,450 MLS, Public Records	4/28/04 230,000 MLS, Public Records	9/1/77 54,500 MLS, Public Records

Analysis of any current agreement of sale, option, or listing of subject property and analysis of any prior sales of subject and comparables within one year of the date of appraisal: No current contract on the subject. No prior sales of the subject within three years. No prior sales of comparables within one year of the most recent sale noted.

INDICATED VALUE BY SALES COMPARISON APPROACH \$ 220,000

INDICATED VALUE BY INCOME APPROACH (if Applicable) Estimated Market Rent \$ N/A /Mo. x Gross Rent Multiplier N/A = \$ N/A

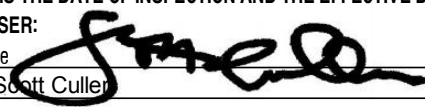
This appraisal is made "as is" subject to the repairs, alterations, inspections or conditions listed below subject to completion per plans & specifications.
Conditions of Appraisal: See Statement of Limiting Conditions and Appraisers's Certification attached.

Final Reconciliation: The market comparison approach is considered to be the most reliable indicator of value because it compares the property to equally desirable substitutes. The cost approach lacks certainty due to depreciation. The income approach is not used due to lack of data.

The purpose of this appraisal is to estimate the market value of the real property that is the subject of this report, based on the above conditions and the certification, contingent and limiting conditions, and market value definition that are stated in the attached Freddie Mac Form 439/FNMA form 1004B (Revised 6/93).

I (WE) ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE REAL PROPERTY THAT IS THE SUBJECT OF THIS REPORT, AS OF 4/2/09

(WHICH IS THE DATE OF INSPECTION AND THE EFFECTIVE DATE OF THIS REPORT) TO BE \$ 220,000

APPRaiser: Signature  Name Scott Culler Date Report Signed April 09, 2009 State Certification # 20195900 State MN Or State License # State

SUPERVISORY APPRAISER (ONLY IF REQUIRED): Signature _____ Name _____ Date Report Signed _____ State Certification # _____ State _____ Or State License # _____

Did Did Not Inspect Property

Market Conditions Addendum to the Appraisal Report

File No. 123456

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 **6437 Irving Ave S** City **Richfield** State **MN** ZIP Code **55423-1223**

Borrower **N/A**

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.

Inventory Analysis	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)	20	7	7	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)	3.3	2.3	2.3	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Comparable Active Listings	26	13	13	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Housing Supply (Total Listings/Ab.Rate)	7.9	5.7	5.7	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> 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	211,325	169,090	205,000	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Sales Days on Market	56	73	50	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Comparable List Price	180,000	190,000	188,000	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Listings Days on Market	80	78	82	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale Price as % of List Price	94.5	97.4	96.1	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> 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.). **Seller concessions appear to be typical at 3% with FHA standards prevailing. No new developments with new construction competition.**

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).

REO sales are a large enough share of transactions that the table data is a good indication of the trends in listings and sales of foreclosed properties.

Cite data sources for above information. **Northstar MLS is the recognized data source in the subject market area.**

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.

Table data includes all rambler style listings in the neighborhood as defined during the past 2 years. Conditions appear stable subject to the limitations of a relatively small sample size.

If the subject is a unit in a condominium or cooperative project, complete the following:

Project Name:

Subject Project Data	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)				<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)				<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Active Comparable Listings				<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Unit Supply (Total Listings/Ab.Rate)				<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing

Are foreclosure sales (REO sales) a factor in the project? Yes No If yes, indicate the number of REO listings and explain the trends in listings and sales of foreclosed properties.

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

Signature	Signature
Appraiser Name Scott Cullen	Supervisory Appraiser Name
Company Name Priority Appraisals, Inc.	Company Name
Company Address 4717 64th St West Edina MN 55435	Company Address
State License/Certification # 20195900 State MN	State License/Certification # State
Email Address scullen2@comcast.net	Email Address

MARKET RESEARCH & ANALYSIS

CONDO/CO-OP PROJECTS

APPRAISER

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 considers his 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 judgement.

STATEMENT OF LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

CONTINGENT AND LIMITING CONDITIONS: The appraiser's certification that appears in the appraisal report is subject to the following 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. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
2. The appraiser has provided a sketch in the appraisal report to show approximate dimensions of the improvements and the sketch is included only to assist the reader of the report 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 the appraisal report whether 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.
5. The appraiser has estimated the value of the land in the cost approach at its highest and best use and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
6. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, 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 normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. 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, the appraisal report must not be considered as an environmental assessment of the property.
7. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
8. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.
9. 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 completion of the improvements will be performed in a workmanlike manner.
10. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the borrower; the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organizations; any state or federally approved financial institution; or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the property description section of the report only to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.

APPRAISER'S CERTIFICATION: The appraiser certifies and agrees that:

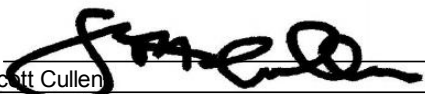
1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to, or more favorable than, the subject property, I have made a negative adjustment to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favorable than the subject property, I have made a positive adjustment to increase the adjusted sales price of the comparable.
2. I have taken into consideration the factors that have an impact on value in my development of the estimate of market value in the appraisal report. I have not knowingly withheld any significant information from the appraisal report and I believe, to the best of my knowledge, that all statements and information in the appraisal report are true and correct.
3. I stated in the appraisal report only my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the contingent and limiting conditions specified in this form.
4. I have no present or prospective interest in the property that is the subject to 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 the estimate of market value in the appraisal report on the race, color, religion, sex, 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.
5. I have no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing this appraisal is contingent on the appraised value of the property.
6. I was not required to report a predetermined value or direction in value that favors the cause of the client or any related party, the amount of the value estimate, the attainment of a specific result, or the occurrence of a subsequent event in order to receive my compensation and/or employment for performing the appraisal. I did not base the appraisal report on a requested minimum valuation, a specific valuation, or the need to approve a specific mortgage loan.
7. I performed this appraisal in conformity 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 as of the effective date of this appraisal, with the exception of the departure provision of those Standards, which does not apply. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value and the estimate I developed is consistent with the marketing time noted in the neighborhood section of this report, unless I have otherwise stated in the reconciliation section.
8. I have personally inspected the interior and exterior areas of the subject property and the exterior of all properties listed as comparables in the appraisal report. I further certify that I have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which I am aware and have made adjustments for these adverse conditions in my analysis of the property value to the extent that I had market evidence to support them. I have also commented about the effect of the adverse conditions on the marketability of the subject property.
9. I personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. If I relied on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, I have named such individual(s) and disclosed the specific tasks performed by them in the reconciliation section of 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 the report; therefore, if an unauthorized change is made to the appraisal report, I will take no responsibility for it.

SUPERVISORY APPRAISER'S CERTIFICATION: If a supervisory appraiser signed the appraisal report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 4 through 7 above, and am taking full responsibility for the appraisal and the appraisal report.

ADDRESS OF PROPERTY APPRAISED: 6437 Irving Ave S, Richfield, MN 55423-1223

APPRAISER:

SUPERVISORY APPRAISER (only if required):

Signature: 
 Name: Scott Cullen
 Date Signed: April 09, 2009
 State Certification #: 20195900
 or State License #: _____
 State: MN
 Expiration Date of Certification or License: 8/31/2010

Signature: _____
 Name: _____
 Date Signed: _____
 State Certification #: _____
 or State License #: _____
 State: _____
 Expiration Date of Certification or License: _____

Did Did Not Inspect Property

Subject Photo Page

Borrower/Client	N/A				
Property Address	6437 Irving Ave S				
City	Richfield	County	Hennepin	State	MN Zip Code 55423-1223
Lender	John and Mary Doe				

**Subject Front**

6437 Irving Ave S
 Sales Price N/A
 Gross Living Area 1,093
 Total Rooms 5
 Total Bedrooms 3
 Total Bathrooms 1
 Location Fairwood Park
 View Similar Houses
 Site 60x135
 Quality Custom
 Age 56

**Subject Rear****Subject Street**

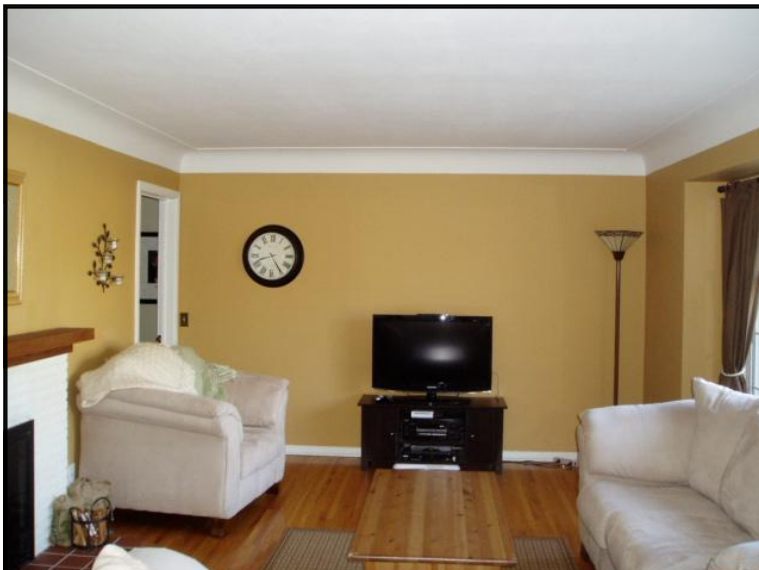
Subject Interior Photo Page

Borrower/Client	N/A			
Property Address	6437 Irving Ave S			
City	Richfield	County Hennepin	State MN	Zip Code 55423-1223
Lender	John and Mary Doe			



Subject Interior

6437 Irving Ave S
 Sales Price N/A
 Gross Living Area 1,093
 Total Rooms 5
 Total Bedrooms 3
 Total Bathrooms 1
 Location Fairwood Park
 View Similar Houses
 Site 60x135
 Quality Custom
 Age 56



Subject Interior



Subject Interior

Subject Interior Photo Page

Borrower/Client	N/A			
Property Address	6437 Irving Ave S			
City	Richfield	County Hennepin	State MN	Zip Code 55423-1223
Lender	John and Mary Doe			



Subject Interior

6437 Irving Ave S
 Sales Price N/A
 Gross Living Area 1,093
 Total Rooms 5
 Total Bedrooms 3
 Total Bathrooms 1
 Location Fairwood Park
 View Similar Houses
 Site 60x135
 Quality Custom
 Age 56



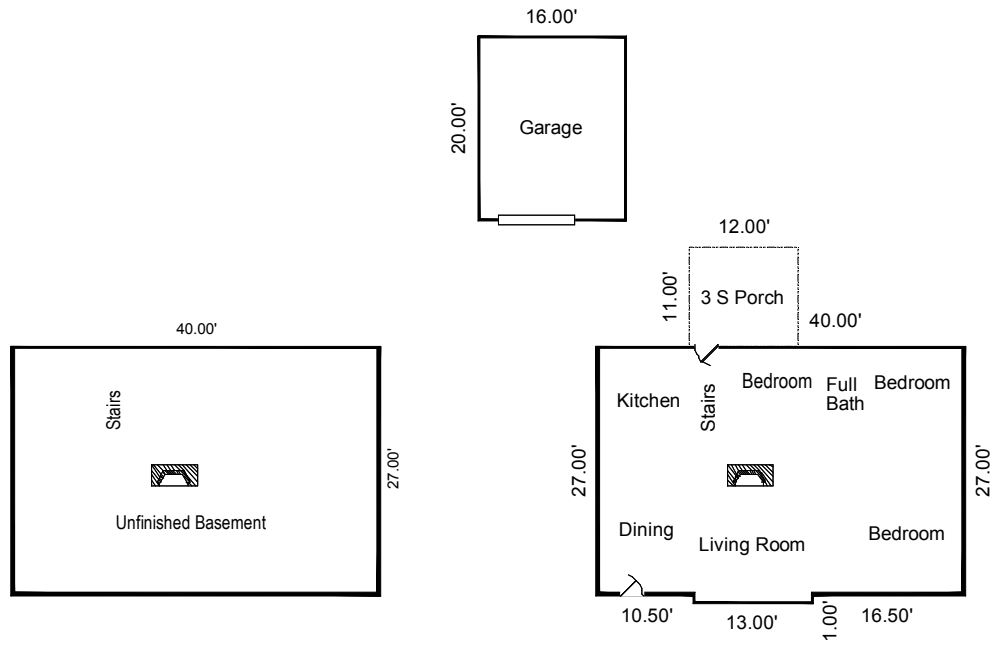
Subject Interior



Subject Interior

Building Sketch

Borrower/Client	N/A		
Property Address	6437 Irving Ave S		
City	Richfield	County Hennepin	State MN Zip Code 55423-1223
Lender	John and Mary Doe		



Sketch by Apex IV™

Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	1093.00	1093.00
BSMT	Basement	1080.00	1080.00
P/P	Porch	132.00	132.00
GAR	Garage	320.00	320.00
Net LIVABLE Area		(Rounded)	1093

LIVING AREA BREAKDOWN			Subtotals
Breakdown			
First Floor			
1.00	x	13.00	13.00
27.00	x	40.00	1080.00
2 Items			(Rounded) 1093

Comparable Photo Page

Borrower/Client	N/A			
Property Address	6437 Irving Ave S			
City	Richfield	County Hennepin	State MN	Zip Code 55423-1223
Lender	John and Mary Doe			



Comparable 1

6914 Irving Ave S	
Prox. to Subject	0.60 miles S
Sales Price	238,500
Gross Living Area	1,104
Total Rooms	6
Total Bedrooms	3
Total Bathrooms	1
Location	Woodlake H
View	Similar Houses
Site	66x135
Quality	Similar
Age	53



Comparable 2

6415 James Ave S	
Prox. to Subject	0.07 miles W
Sales Price	240,000
Gross Living Area	1,107
Total Rooms	6
Total Bedrooms	3
Total Bathrooms	1.5
Location	Fairwood Park
View	Similar Houses
Site	60x135
Quality	Similar
Age	54



Comparable 3

6335 Thomas Ave S	
Prox. to Subject	0.71 miles W
Sales Price	200,000
Gross Living Area	1,007
Total Rooms	5
Total Bedrooms	3
Total Bathrooms	1
Location	Gustafson&Sto
View	Similar Houses
Site	60x135
Quality	Similar
Age	52

Comparable Photo Page

Borrower/Client	N/A				
Property Address	6437 Irving Ave S				
City	Richfield	County	Hennepin	State	MN Zip Code 55423-1223
Lender	John and Mary Doe				

**Comparable 4**

6439 Vincent Ave S	
Prox. to Subject	0.82 miles W
Sales Price	210,000
Gross Living Area	1,143
Total Rooms	6
Total Bedrooms	3
Total Bathrooms	1
Location	Richfld Gardens
View	Similar Houses
Site	60x135
Quality	Similar
Age	52

**Comparable 5**

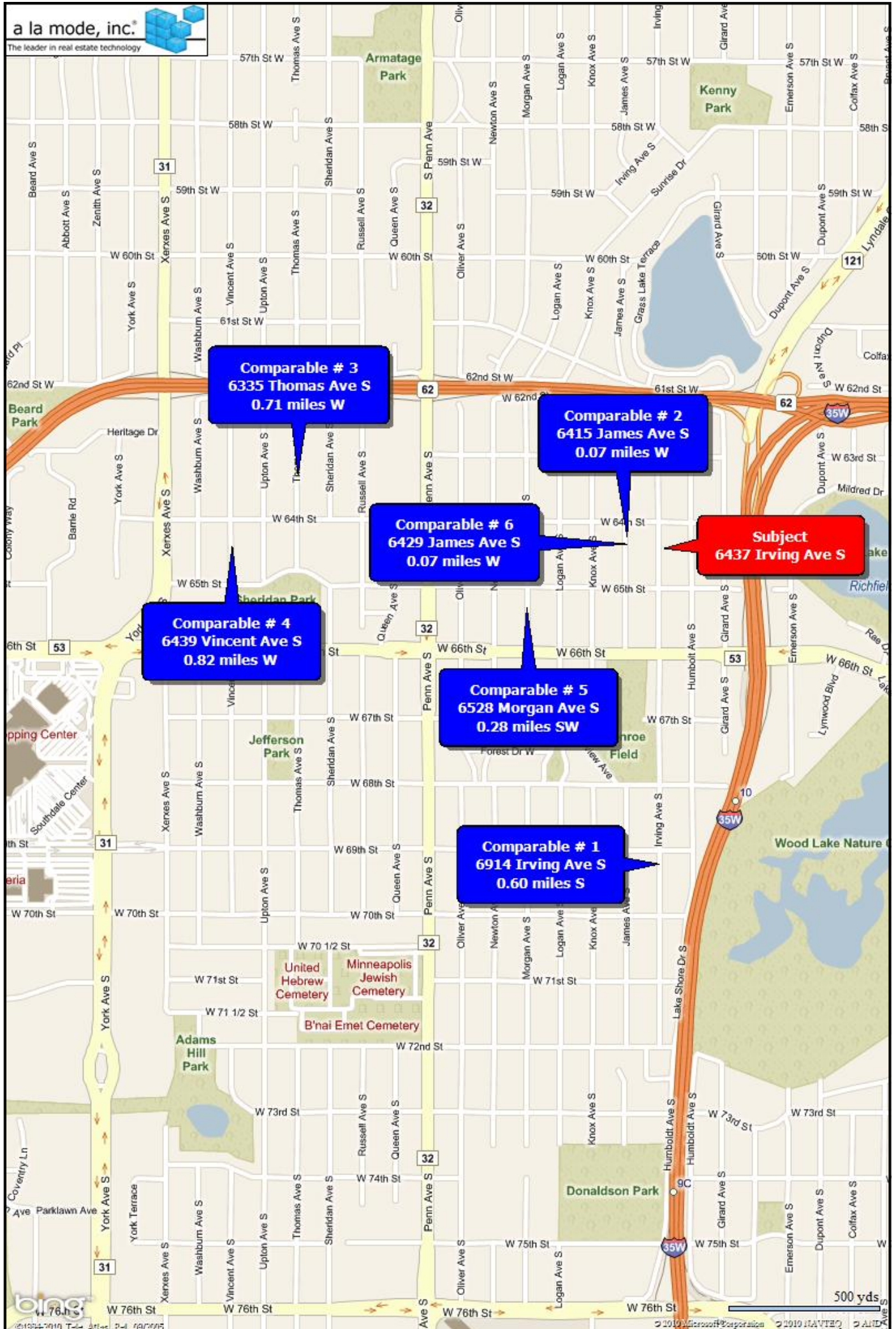
6528 Morgan Ave S	
Prox. to Subject	0.28 miles SW
Sales Price	225,000
Gross Living Area	1,056
Total Rooms	5
Total Bedrooms	3
Total Bathrooms	1
Location	Fairwood Park
View	Similar Houses
Site	60x135
Quality	Similar
Age	56

**Comparable 6**

6429 James Ave S	
Prox. to Subject	0.07 miles W
Sales Price	257,300
Gross Living Area	974
Total Rooms	5
Total Bedrooms	2
Total Bathrooms	1
Location	Fairwood Park
View	Similar Houses
Site	60x135
Quality	Similar
Age	53

Location Map

Borrower/Client	N/A			
Property Address	6437 Irving Ave S			
City	Richfield	County	Hennepin	State MN Zip Code 55423-1223
Lender	John and Mary Doe			



STATE OF MINNESOTA



CULLEN, SCOTT LAWRENCE
4717 W 64TH ST
EDINA, MN 55435

Department of Commerce

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

4717 W 64TH ST
EDINA, MN 55435

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

Resident Appraiser : Certified Residential

License Number: 20195900

unless this authority is suspended, revoked, or otherwise legally terminated. This license shall be in effect until August 31, 2010.

IN TESTIMONY WHEREOF, I have hereunto set my hand this August 28, 2008.

COMMISSIONER OF COMMERCE

Minnesota Department of Commerce
Licensing Division
85 7th Place East, Suite 500
St. Paul, MN 55101-3165
Telephone: (651) 296-6319
Email: licensing.commerce@state.mn.us
Website: commerce.state.mn.us

Continuing Education:

<u>CE Requirement Type</u>	<u>CE Required Hours</u>
Total - Appraiser	30
USPAP	7

Notes:

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